NORDEA BANK AB (PUBL)

(Incorporated with limited liability in the Kingdom of Sweden)

NORDEA BANK FINLAND PLC

(Incorporated with limited liability in the Republic of Finland)

€15,000,000,000
Structured Note Programme

Nordea Bank AB (publ) ("**NBAB**") and Nordea Bank Finland Plc ("**NBF**", together with NBAB, the "**Issuers**" and each an "**Issuer**") have established a €15,000,000,000 Structured Note Programme (the "**Programme**"). Each of the Issuers may from time to time issue notes (the "**Notes**") under the Programme on an unsubordinated basis, which expression shall include Bearer Notes and Registered Notes (each as defined below), denominated in any currency as may be agreed with the relevant Dealer(s) (as defined below). Notes issued pursuant to the Programme may include Notes issued in bearer form ("**Bearer Notes**") or registered form ("**Registered Notes**") and Notes designated by an Issuer as "**VP Notes**", "**VPS Notes**", "**Finnish Notes**", "**Swedish Notes**" or Swiss Franc Notes in the applicable Final Terms. The maximum amount of all Notes from time to time outstanding will not exceed €15,000,000,000 (or its equivalent in other currencies at the time of agreement to issue, subject as further set out herein). For the purposes of calculating amounts outstanding under the Programme, all calculations will be made in euro.

Notes may be issued under the Programme which have a denomination of less than €100,000 or its equivalent in other currencies. The Notes will be issued on a continuing basis to one or more of the Dealers specified herein and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**").

This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive. Application will be made to the Irish Stock Exchange for Notes issued under the Programme during the period of twelve months after the date hereof to be admitted to the official list (the "**Official List**") and trading on its regulated market (the "**Main Securities Market**"). The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC on markets in financial instruments ("**MiFID**"). Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of MiFID and/or which are to be offered to the public in any Member State of the European Economic Area. This Base Prospectus constitutes a base prospectus for the purposes of the Prospectus Directive.

It is expected that this Base Prospectus will be submitted to the SIX Swiss Exchange Ltd (the "**SIX Swiss Exchange**") for registration as an "issuance programme" for the listing of derivatives and an "issuance programme" for the listing of bonds, both in accordance with the listing rules of the SIX Swiss Exchange (the "**SIX Listing Rules**"). If approved, in respect of any Tranche (as defined herein) of Notes to be listed on the SIX Swiss Exchange during the 12 months from the date of this Base Prospectus, this Base Prospectus, together with the relevant Final Terms, will constitute the listing prospectus for purposes of the SIX Listing Rules.

The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the relevant Issuer (including the SIX Swiss Exchange in the case of Swiss Franc Notes).

Notes will be issued (i) on the general terms and conditions set out under "*Terms and Conditions of the Notes – Part 1: General Conditions*" (the "**General Conditions**"), as completed by a final terms document (the "**Final Terms**"), and (ii) may also be subject to certain additional conditions set out under "*Terms and Conditions of the Notes – Part 2: Additional Conditions for Certain Structured Notes*", "*Terms and Conditions of the Notes – Part 3: Additional Conditions for Credit-Linked Notes*" and "*Terms and Conditions of the Notes – Part 4: Additional Conditions for Fund-Linked Notes*", if so specified in the applicable Final Terms (the "**Additional Conditions**", and together with the General Conditions, the "**Terms and Conditions**").

There are certain risks related to any issue of Notes under the Programme which investors should ensure they fully understand (see "*Risk Factors*" below). This Base Prospectus is drawn up in the English language. In case there is any discrepancy between the English text and the Swedish text, the English text stands approved for the purposes of the Prospectus (Directive 2003/71/EC) Regulations 2005.

Arranger

Nordea

The date of this Base Prospectus is 18 December 2015

This Base Prospectus, including the Annexes hereto, which form part of this Base Prospectus, should be read and construed together with any supplements hereto and, in relation to any Tranche (as defined herein) of Notes, should be read and construed together with the relevant Final Terms.

Copies of each Final Terms will be available from the specified offices of each of the Paying Agents and (in the case of Notes which may be in registered form) from the specified office of the Registrar and each of the Transfer Agents (see "*Terms and Conditions of the Notes*" herein).

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

Each of the Issuers accepts responsibility for the information contained in this Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

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

The Dealers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the financial information contained in this Base Prospectus, or any other financial statements or any further information supplied in connection with the Notes. The Dealers accept no liability in relation to the financial information contained in this Base Prospectus or any other financial statements or their distribution or with regard to any other information supplied in connection with the Notes. The statements made in this paragraph are without prejudice to the responsibility of each of the Issuers in its capacity as an Issuer under the Programme.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the relevant Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by each of the Issuers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes see "*Subscription and Sale*".

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR THE ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY INCLUDE NOTES IN BEARER FORM THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). SEE "*SUBSCRIPTION AND SALE*".

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

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the "**European Economic Area**" which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering/placement contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, **provided that** any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, none of the Issuers nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for an Issuer or any Dealer to publish or supplement a prospectus for such offer.

An investment in Notes does not constitute a participation in a collective investment scheme for Swiss law purposes. Therefore, issues of Notes are not supervised by the Swiss Financial Market Supervisory Authority FINMA and potential investors do not benefit from the specific investor protection provided under the Swiss Federal Act on Collective Investment Schemes.

In connection with the issue of any Tranche of Notes under the Programme, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or any persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) or (person(s) acting on behalf of any Stabilisation Manager(s) in accordance with all applicable laws and rules.

In this Base Prospectus, references to "**U.S.$**", "**U.S. dollars**" or "**dollars**" are to United States dollars; references to "**Euro**", "**euro**", "**EUR**" or "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the Euro, as amended; references to "**sterling**" are to Pounds Sterling; references to "**Swiss Francs**", "**Swiss francs**" or "**CHF**" are to Swiss francs; references to "**Yen**" are to Japanese Yen; references to "**SEK**" are to Swedish Krona; references to "**NOK**" are to Norwegian

Krone; references to "**DKK**" are to Danish Krone, references to "**CAD**" are to Canadian Dollars and references to "**S$**" or "**SGD**" are to Singapore dollars.

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

IMPORTANT INFORMATION RELATING TO PUBLIC OFFERS OF NOTES

In the context of any offer of Notes that is not made within an exemption from the requirement to publish a prospectus under the Prospectus Directive (a "**Public Offer**"), the Issuers have requested the Central Bank to provide a certificate of approval in accordance with Article 18 of the Prospectus Directive (a "**passport**") in relation to the passporting of the Base Prospectus to the competent authorities of Norway, Sweden, Finland, Denmark, Estonia, Latvia, Lithuania, the United Kingdom, France, Germany, Austria, Spain and Luxembourg (the "**Host Member States**"). Even though the Issuers have elected to passport this Base Prospectus into the Host Member States, it does not mean that they will choose to make any Public Offer in the Host Member States. Investors should refer to the Final Terms for any issue of Notes to see whether the relevant Issuer has elected to make a public offer of Notes in either Ireland or a Host Member State (each a "**Public Offer Jurisdiction**").

Each of the Issuers accepts responsibility in the Public Offer Jurisdictions for which it has given consent referred to herein for the content of this Base Prospectus in relation to any person (an "**Investor**") to whom an offer of any Notes is made by any Dealer or other financial intermediary to whom any of the Issuers has given its consent to use this Base Prospectus (such Dealer or other financial intermediary, an "**Authorised Offeror**"), where the offer is made during the period for which that consent is given and is in compliance with all other conditions attached to the giving of the consent, all as mentioned in this Base Prospectus.

Any offer made without the consent of the relevant Issuer is unauthorised and neither the relevant Issuer nor, for the avoidance of doubt, any of the Dealers accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Public Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of the relevant Public Offer and, if so, who that person is.

If an Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

Consent to the use of this Base Prospectus

Common Conditions to Consent

The conditions to the consent of the relevant Issuer are (in addition to the conditions described in either sub-paragraph (a)(*Specific Consent*) or sub-paragraph (b)(*General Consent*) under "*Consent*" below) that such consent:

i is only valid in respect of the relevant Tranche of Notes;

ii is only valid during the Offer Period specified in the applicable Final Terms; and

iii only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in such of the Public Offer Jurisdictions as are specified in the applicable Final Terms.

The consent referred to above relates to Public Offers occurring within twelve months from the date of this Base Prospectus.

Specific Consent and General Consent

Subject to the conditions set out above under "Common Conditions to Consent", each of the Issuers consents to the use of this Base Prospectus in connection with a Public Offer of Notes in any Public Offer Jurisdiction by:

(a) *Specific Consent:*

(i) the Dealers specified in the relevant Final Terms;

(ii) any financial intermediaries specified in the applicable Final Terms; and

(iii) any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the website of the Issuers (www.nordea.com) and identified as an Authorised Offeror in respect of the relevant Public Offer; and

(b) *General Consent:*

if General Consent is specified in the relevant Final Terms as applicable, any other financial intermediary which:

(i) is authorised to make such offers under Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, including under any applicable implementing measure in each relevant jurisdiction ("**MiFID**"); and

(ii) accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information) (the "**Acceptance Statement**"):

"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the "Notes") described in the Final Terms dated [insert date] (the "Final Terms") published by [Nordea Bank AB (publ)/Nordea Bank Finland Plc] (the "Issuer").

In consideration of the Issuer offering to grant their consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [insert name(s) of relevant Public Offer Jurisdiction(s)] during the Offer Period in accordance with the ***Authorised Offeror Terms*** *(as specified below), we accept the offer by the Issuer. We confirm that we are authorised under MiFID to make, and are using the Base Prospectus in connection with, the Public Offer accordingly.*

Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus."

The "**Authorised Offeror Terms**" are that the relevant financial intermediary:

(a) represents, warrants and undertakes for the benefit of each of the Issuers that it will, at all times in connection with the relevant Public Offer:

(A) act in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**");

(B) comply with the restrictions set out under "*Subscription and Sale*" in this Base Prospectus which would apply as if it were a Dealer;

(C) ensure that any fee (and any commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and is fully and clearly disclosed to investors or potential investors;

(D) hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;

(E) comply with applicable anti-money laundering, anti-bribery and "know your client" Rules, and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application monies;

(F) retain investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available

to the Issuers or directly to the appropriate authorities with jurisdiction over either Issuer in order to enable each of the Issuers to comply with anti-money laundering, anti-bribery and "know your client" Rules applying to the Issuers;

(G) ensure that it does not, directly or indirectly, cause either Issuer to breach any Rule or subject either Issuer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;

(H) comply with any further requirements relevant to the Public Offer as specified in the applicable Final Terms;

(I) not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus as completed by the applicable Final Terms; and

(J) if it conveys or publishes any communication (other than this Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the relevant Issuer for the purposes of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the Issuers, that such financial intermediary is solely responsible for such communication and that neither of the Issuers accepts any responsibility for such communication and (C) does not, without the prior written consent of the Issuers, use the legal or publicity names of either of the Issuers or any other name, brand or logo registered by an entity within the Nordea Group, except to describe the relevant Issuer as issuer of the relevant Notes;

(K) co-operate with the Issuers in providing such information (including, without limitation, documents and records maintained pursuant to paragraph (F) above) upon written request from either Issuer as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the relevant Issuer:

(1) in connection with any request or investigation by any regulator in relation to the Notes or either Issuer; and/or

(2) in connection with any complaints received by either Issuer relating to the relevant Issuer or another Authorised Offeror including, without limitation, complaints as defined in rules published by any regulator of competent jurisdiction from time to time; and/or

(3) which either Issuer may reasonably require from time to time in relation to the Notes and/or as to allow the relevant Issuer fully to comply with its own legal, tax and regulatory requirements,

in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process; and

(L) during the primary distribution period of the Notes: (i) only sell the Notes at the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Issuer); (ii) only sell the Notes for settlement on the Issue Date specified in the relevant Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Issuer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the relevant Issuer); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Issuer; and

(b) undertakes to indemnify each of the Issuers (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons)

against any losses, liabilities, costs, claims, charges, expenses, actions or demands which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements; and

(c) agrees and accepts that:

(A) the contract between the Issuers and the financial intermediary formed upon acceptance by the financial intermediary of the Issuers' offer to use this Base Prospectus with its consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;

(B) the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) and accordingly submits to the exclusive jurisdiction of the English courts;

(C) for the purposes of (c)(B) and (D), the Issuers and the financial intermediary waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute; and

(D) this paragraph (D) is for the benefit of the Issuers. To the extent allowed by law, the Issuers may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

Any Authorised Offeror who wishes to use this Base Prospectus in connection with a Public Offer as set out in (b) above is required, for the duration of the relevant Offer Period, to publish on its website (if it has one), or otherwise disclose to potential investors, that it is using this Base Prospectus for such Public Offer in accordance with the consent of the relevant Issuer and the conditions attached thereto. Authorised Offerors may act through one or more agents or affiliates, provided that the Authorised Offeror shall at all times remain liable to the relevant Issuer for the acts or omissions of the relevant agent or affiliate, and any failure to comply with the Authorised Offeror Terms.

The relevant Issuer does not have any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the Investor (the "Terms and Conditions of the Public Offer"). Neither of the Issuers will be a party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Notes and, accordingly, this Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Public Offer shall be provided to Investors by that Authorised Offeror at the relevant time. None of the Issuers, any of the Dealers or other Authorised Offerors has any responsibility or liability for such information.

RATINGS

As of the date of this Base Prospectus, the long term (senior) debt ratings of each of the Issuers are:

Rating Agency	Rating
Moody's Investors Service Limited	Aa3
Standard & Poor's Credit Market Services Europe Limited	AA-[(1)]
Fitch Ratings Limited	AA-
DBRS Ratings Limited	AA

[(1)] Negative Outlook.

Moody's Investors Service Limited, Standard & Poor's Credit Market Services Europe Limited, Fitch Ratings Limited and DBRS Ratings Limited are all established in the European Union (the "**EU**") and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**").

Tranches of Notes to be issued under the Programme will not be separately rated.

The European Securities and Markets Authority ("**ESMA**") is obliged to maintain on its website, at http://www.esma.europa.eu/page/list-registered-and-certified-CRAs, a list of credit rating agencies registered and certified in accordance with the CRA Regulation. This list must be updated within five working days of ESMA's adoption of any decision to withdraw the registration of a credit rating agency under the CRA Regulation. Therefore, such list is not conclusive evidence of the status of the relevant rating agency as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

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

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

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SUMMARY OF THE BASE PROSPECTUS

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and these Issuers. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and relevant Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

In particular Elements in italics denote placeholders for completing the issue specific summary relating to a Tranche of Notes for which such issue specific summary is to be prepared.

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

		Section A – Introduction and Warnings
A.1	**Introduction:**	*This summary should be read as an introduction to this Base Prospectus and any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole by the investor. Where a claim relating to the information contained in this Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member States, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. No civil liability will attach to the Issuers in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.*
A.2	**Consent:**	Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "**Public Offer**". *The Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the Notes by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) (an "**Authorised Offeror**") on the following basis: (a) the relevant Public Offer must occur during the period from and including [•] to but excluding [ ] (the "**Offer Period**") in [•] [and [•]] (the "**Public Offer Jurisdiction(s)**") and (b) the relevant Authorised Offeror must have agreed to the Authorised Offeror Terms [and satisfy the following additional conditions: [•]]./The Issuer consents to the use of this Base Prospectus in connection with a Public Offer of the Notes by [•](an "**Authorised Offeror**") on the following basis: (a) the relevant Public Offer must occur during the period from and including [•]] to but excluding [ ] (the "**Offer Period**") in [•] [and [•]] (the "**Public Offer Jurisdiction(s)**") and (b) the relevant Authorised Offeror must have agreed to the Authorised Offeror Terms [and satisfy the following additional conditions: [•]].*
		Authorised Offerors will provide information to an Investor on the terms and conditions of the Public Offer of the relevant Notes at the time such Public Offer is made by the Authorised Offeror to the Investor.

	Section B – Issuers	
B.1	**Legal names of the Issuers:**	Nordea Bank AB (publ) Nordea Bank Finland Plc
	Commercial names of the Issuers:	Nordea
B.2	**Domicile and legal forms of the Issuers:**	NBAB is a public (publ) limited liability company with registration No. 516406-0120. The head office is located in Stockholm at the following address: Smålandsgatan 17, 105 71 Stockholm. The principal legislation under which NBAB operates is the Swedish Companies Act and the Swedish Banking and Financing Business Act. NBF is a company with limited liability pursuant to the Finnish Companies Act. NBF is registered in the trade register with business identity code 1680235-8. NBF has its head office in Helsinki at the following address: Aleksanterinkatu 36 B, 00100 Helsinki, Finland. The principal legislation under which NBF operates is the Finnish Companies Act and the Finnish Act on Commercial Banks and Other Credit Institutions in the form of a limited company.
B.4b	**Trends:**	Not applicable. There are no clear trends affecting the Issuers or the markets in which they operate.
B.5	**The Group:**	NBAB is the parent company of the Nordea Group. The Nordea Group is a large financial services group in the Nordic markets (Denmark, Finland, Norway and Sweden), with additional operations in Russia, the Baltic countries and Luxembourg, as well as branches in a number of other international locations. The three main subsidiaries of NBAB are Nordea Bank Danmark A/S in Denmark, NBF in Finland and Nordea Bank Norge ASA in Norway. The Nordea Group's organisational structure is built around three main business areas: Retail Banking, Wholesale Banking and Wealth Management. Group Corporate Centre, Group Risk Management and Group Compliance are other central parts of the Nordea Group's organisation. Retail Banking is responsible for customer relations with household customers as well as large, medium-sized and small corporate customers in the Nordic and Baltic countries. Wholesale Banking provides services and financial solutions to large Nordic and international corporate and institutional customers. Wealth Management provides investment, savings and risk management products. It manages the Nordea Group's customers' assets and advises affluent and high-net-worth individuals as well as institutional investors on their financial situation. As of 30 September 2015, the Nordea Group had total assets of EUR 679.9 billion and tier 1 capital of EUR 26.7 billion, and was the largest Nordic-based asset manager with EUR 273.3 billion in assets under management.
B.9	**Profit Forecasts and Profit Estimates:**	Not Applicable. The Issuers do not make a profit forecast or profit estimate in the Base Prospectus.
B.10	**Audit Report Qualifications:**	Not Applicable. There are no qualifications in the audit reports for the Issuers.

B.12	**Selected Key Financial Information:**	The tables below show certain selected summarised financial information which, without material changes, is derived from, and must be read together with, the Issuers' audited consolidated financial statements for the year ended 31 December 2014 and unaudited consolidated financial statements for the nine months ended 30 September 2015 (in the case of NBAB) or the six months ending 30 June 2015 (in the case of NBF) set out in the annexes to this Base Prospectus and the auditors' reports and notes thereto.

NBAB Group – selected key financial information:

	Year ended 31 December		Nine months ended 30 September	
	2014	**2013**	**2015**	**2014**
	(EUR millions)			
Income Statement				
Total operating income	10,241	9,891	7,495	7,723
Net loan losses	-534	-735	-337	-405
Net profit for the period	3,332	3,116	2,814	2,455
Balance Sheet				
Total assets	669,342	630,434	679,877	668,720
Total liabilities	639,505	601,225	649,893	638,934
Total equity	29,837	29,209	29,984	29,786
Total liabilities and equity	669,342	630,434	679,877	668,720
Cash Flow Statement				
Cash flow from operating activities before changes in operating assets and liabilities	11,456	7,607	4,927	8,899
Cash flow from operating activities	-10,824	6,315	11,776	-14,721
Cash flow from investing activities	3,254	572	-441	2,950
Cash flow from financing activities	-1,040	-1,927	-2,613	-1,032
Cash flow for the period	-8,610	4,960	8,722	-12,803
Change	-8,610	4,960	8,722	-12,803

NBF Group – selected key financial information:

	Year ended 31 December		Six months ended 30 June	
	2014	**2013**	**2015**	**2014**
	(EUR Millions)			
Income Statement				
Total operating income	2,278	2,224	1,389	1,219
Net profit for the period	902	828	656	506
Balance Sheet				
Total assets	346,198	304,761	355,622	317,523
Total liabilities	336,580	295,247	345,740	308,308
Total equity	9,618	9,514	9,882	9,215
Total liabilities and equity	346,198	304,761	355,622	317,523
Cash Flow Statement				
Cash flow from operating activities before changes in operating assets and liabilities	1,807	1,489	1,966	1,217
Cash flow from operating activities	-11,520	5,686	14,274	-10,857
Cash flow from investing activities	2,149	85	-18	1,603
Cash flow from financing activities	-593	-615	-306	-767
Cash flow for the period	-9,964	5,156	13,950	-10,021
Change	-9,964	5,156	13,950	-10,021

There has been no material adverse change in the ordinary course of business or in the prospects or condition of NBAB or NBF since 31 December 2014, being the date of its last published audited financial statements.

		There has been no significant change in the financial or trading position of NBAB or NBF which has occurred since 30 September 2015 (in the case of NBAB) or 30 June 2015 (in the case of NBF), being the date of its last published financial statements.
B.13	**Recent Events:**	Not Applicable for either Issuer. There have been no recent events particular to either Issuer which are to a material extent relevant to the evaluation of such Issuer's solvency since the date of the relevant Issuer's last published audited or unaudited financial statements.
B.14	**Dependence upon other entities within the Group:**	Not Applicable. Neither NBAB nor NBF is dependent upon other entities within the Nordea Group.
B.15	**The Issuer's Principal Activities:**	The Nordea Group's organisational structure is built around three main business areas: Retail Banking, Wholesale Banking and Wealth Management. In addition to these business areas, the Nordea Group's organisation includes the following three Group functions: Group Corporate Centre, Group Risk Management and Group Compliance. NBAB conducts banking operations in Sweden within the scope of the Nordea Group's business organisation. NBAB develops and markets financial products and services to personal customers, corporate customers and the public sector. NBF conducts banking operations in Finland as a part of the Nordea Group and its operations are fully integrated into the Nordea Group's operations. NBF holds a licence to conduct banking operations in accordance with the Finnish Act on Credit Institutions.
B.16	**Controlling Persons:**	Not Applicable. To the best of NBAB's knowledge, the Nordea Group is not directly or indirectly owned or controlled by any single person or group of persons acting together. NBF is a direct, wholly-owned subsidiary of NBAB.
B.17	**Ratings assigned to the Issuer or its Debt Securities:**	As of the date of this Base Prospectus, the long term (senior) debt ratings of each of the Issuers are: Moody's Investors Service Limited: Aa3 Standard & Poor's Credit Market Services Europe Limited: AA-[1] Fitch Ratings Limited: AA- DBRS Ratings Limited: AA The Issuers' credit ratings do not always mirror the risk related to individual Notes issued under the Programme. *The Notes to be issued have not been rated*

[1] negative outlook

	Section C – The Notes	
C.1	**Description of Type and Class of Securities:**	***Issuance in Series:*** Notes are issued in series (each a "**Series**") and Notes of each Series will all be subject to identical terms (except issue price, issue date and interest commencement date, which may or may not be identical) whether as to currency, denomination, interest or maturity or otherwise, save that a Series may comprise Notes in bearer form and in registered form. Further tranches of Notes (each a "**Tranche**") may be issued as part of an existing Series.
		The Series number of the Notes is [ ]. [The Tranche number is [ ].
		Forms of Notes: Notes may be issued in bearer or in registered form. Notes in bearer form will not be exchangeable for Notes in registered form and Notes in registered form will not be exchangeable for Notes in bearer form. *The Notes are in bearer form/The Notes are in registered Form.* Notes may be specified in the applicable Final Terms as "**VP Notes**". VP Notes will be issued in uncertificated and dematerialised book entry form, with the legal title thereto being evidenced by book entries in the register for such VP Notes kept by VP Securities A/S on behalf of the relevant Issuer (the "**Danish Note Register**"). Title to VP Notes will not be evidenced by any physical note or document of title. Definitive Notes will not be issued in respect of any VP Notes. Nordea Bank Danmark A/S will act as the VP Issuing Agent in respect of VP Notes. Notes may be specified in the applicable Final Terms as "**VPS Notes**". VPS Notes will be issued pursuant to a registrar agreement with Nordea Bank Norge ASA as VPS Paying Agent and will be registered in uncertificated and dematerialised book entry form with the Norwegian Central Securities Depositary (*Verdipapirsentralen ASA* and referred to herein as the "**VPS**"). Notes may be specified in the applicable Final Terms as "**Swedish Notes**". Swedish Notes will be issued in uncertificated and dematerialised book entry form, with the legal title thereto being evidenced by book entries in the register for such Swedish Notes kept by Euroclear Sweden on behalf of the relevant Issuer. Title to Swedish Notes will not be evidenced by any physical note or document of title. Definitive Notes will not be issued in respect of any Swedish Notes. Nordea Bank AB (publ) will act as the Swedish Issuing Agent in respect of Swedish Notes. Notes may be specified in the applicable Final Terms as "**Finnish Notes**". Finnish Notes will be issued in uncertificated and dematerialised book entry form, with the legal title thereto being evidenced by book entries in the register for such Finnish Notes kept by Euroclear Finland on behalf of the relevant Issuer. Title to Finnish Notes will not be evidenced by any physical note or document of title. Definitive Notes will not be issued in respect of any Finnish Notes. Nordea Bank Finland Plc will act as the Finnish Issuing Agent in respect of Finnish Notes. *Swiss Franc Notes*: Swiss Franc Notes will be denominated in Swiss francs, issued in bearer form and will be represented exclusively by a Permanent Global Note which shall be deposited with SIX SIS AG, Olten, Switzerland, or such other depositary as may be approved by the SIX Regulatory Board of the SIX Swiss Exchange. The Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances.

		Security Identification Number(s): In respect of each Tranche of Notes, the relevant security identification number(s) will be specified in the relevant Final Terms. *The Notes will be [cleared/settled] through [ ]. The Notes have been assigned the following securities identifiers: [ ].*
C.2	**Currency of the Securities Issue:**	U.S. dollars, euro, sterling, Swedish Krona, Swiss francs, Norwegian Krone, Danish Krone, Yen and Singapore Dollars and/or such other currency or currencies as may be determined at the time of issuance, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Notes may, subject to such compliance with applicable laws, be issued as dual currency Notes.
		The currency of the Notes is [ ].
C.5	**Free Transferability:**	This Base Prospectus contains a summary of certain selling restrictions in the United States, the European Economic Area, the United Kingdom, Denmark, Finland, The Netherlands, Norway, Sweden, Spain, Japan and Singapore. The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**") and may not be offered and sold within the United States or to, or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, including the Kingdom of Sweden (each, a "**Relevant Member State**"), each dealer appointed in relation to the Programme (each a "**Dealer**") has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State except with the consent of the relevant Issuer given in accordance with Element A.2 above. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any of the Notes directly or indirectly in the Kingdom of Denmark by way of public offering, unless in compliance with the Danish Securities Trading Act (Consolidated Act No. 883 of 9 August 2011, as amended) (in Danish: *Værdipapirhandelsloven*) and Executive Orders issued thereunder.

		Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, in respect of any offers or sales of Notes in Ireland, that it will comply with: the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998; the provisions of the Companies Acts 2014, the Central Bank Acts 1942 to 2014 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 1370 of the Companies Act 2014. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French Code *monétaire et financier*. Notes which qualify as "derivative instruments" within the meaning of Section 2 of the SMA, Directive 2004/39/EC (MiFID Directive) and Commission Regulation No EC/1287/2006 (MiFID Implementation Regulation), all as amended from time to time, may only be offered in Estonia after assessment of the suitability and appropriateness of the relevant structured instrument to the investor in accordance with applicable Estonian and European Union law. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes have not been offered and will not be offered in Lithuania by way of a public offering, unless in compliance with all applicable provisions of the laws of Lithuania and in particular in compliance with the Law on Securities of the Republic of Lithuania of 18 January 2007 No X-1023 and any regulation or rule made thereunder, as supplemented and amended from time to time. The Notes have not been registered under the Financial Instruments Market Law of Latvia and may not be publicly offered or sold in Latvia. Neither the relevant Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in Latvia other than in accordance with the laws of the Republic of Latvia. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any of the Notes directly or indirectly in the Kingdom of Denmark by way of public offering, unless in compliance with the Danish Securities Trading etc. Act (*Værdipapirhandelsloven*), as amended from time to time, and Executive Orders issued thereunder.

		Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it will not publicly offer the Notes or bring the Notes into general circulation in Finland other than in compliance with all applicable provisions of the laws of Finland and especially in compliance with the Finnish Securities Market Act (495/1989) and any regulation or rule made thereunder, as supplemented and amended from time to time. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it will comply with all laws, regulations and guidelines applicable to the offering of Notes in Norway. Notes denominated in Norwegian Krone may not be offered or sold within Norway or to or for the account or benefit of persons domiciled in Norway, unless the regulation relating to the offer of VPS Notes and the registration in the VPS has been complied with. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has only made and will only make an offer of Notes to the public (*oferta pública*) in Spain in accordance with the Recast Text of the Securities Market Law (*Texto Refundido de la Ley, del Mercado de Valores*) approved by Royal Decree Legislative 4/2015, of 23 October ("**TRLMV**"), Royal Decree 1310/2005, of 4 November, developing partially the Securities Market Law as regards admission to listing on official secondary markets, public offers and the prospectus required thereto and the regulations made thereunder. The Notes may not be offered or sold in Spain other than by institutions authorised under the TRLMV and Royal Decree 217/2008, of 15 February, on the legal regime applicable to investment services companies, to provide investment services in Spain, and in compliance with the provisions of the TRLMV and any other applicable legislation. The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan. Zero Coupon Notes in definitive form may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the relevant Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations.

		This Base Prospectus (including the relevant Final Terms) has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, this Base Prospectus (including the relevant Final Terms) and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. No Notes linked to collective investment schemes (as defined under the SFA) may be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore.
C.8	**The Rights Attaching to the Securities, including Ranking and Limitations to those Rights:**	***Status of the Notes:*** The Notes constitute unsecured and unsubordinated obligations of the relevant Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the relevant Issuer, present and future. ***Denominations:*** Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to (i) a minimum denomination of €1,000 (or its equivalent in any other currency); and (ii) compliance with all applicable legal and/or regulatory and/or central bank requirements. *The Notes are issued in denomination(s) of [ ].* ***Negative Pledge:*** None. ***Cross Default:*** None. ***Taxation:*** All payments in respect of the Notes will be made without withholding or deduction of taxes unless required by Swedish or Finnish laws, regulations or other rules, or decisions by Finnish or Swedish public authorities. In the event that any of the Issuers is obliged to effect deductions or withholdings of Finnish or Swedish tax for someone who is not subject to taxation in Sweden or Finland, such Issuer will pay additional amounts to ensure that, on the due date, the relevant holders of Notes receive a net amount equal to the amount which the holders would have received but for the deductions or withholdings, subject to customary exceptions. ***Governing Law:*** One of English law, Finnish law, Swedish law, Danish law or Norwegian law governs the Notes and all non-contractual obligations arising out of or in connection with the Notes, except that (i) the registration of VP Notes in the VP are governed by Danish law; (ii) the registration of VPS Notes in the VPS are governed by Norwegian law; (iii) the registration of Swedish Notes in Euroclear Sweden are governed by Swedish law; and (iv) the registration on Finnish Notes in Euroclear Finland is governed by Finnish law. *The Notes are governed by [English law/ Finnish law/ Danish law/ Swedish law/ Norwegian law].*

		Enforcement of Notes in Global Form: In the case of Global Notes, individual investors' rights against the relevant Issuer will be governed by a deed of covenant dated 18 December 2015 (the "**Deed of Covenant**"), a copy of which will be available for inspection at the specified office of Citibank, N.A., London Branch as fiscal agent (the "**Fiscal Agent**").
C.9	**The Rights Attaching to the Securities (Continued), Including Information as to Interest, Maturity, Yield and the Representative of the Holders:**	***Interest:*** Notes may be interest bearing or non-interest bearing. Interest (if any) may: • accrue at a fixed rate or a floating rate; • be inflation-protected, whereby the amount of interest payable is linked to a consumer price index or other measure of inflation; • be linked to whether or not a Credit Event occurs in respect of the debt obligations of one or more reference entities ("**Credit Linked Note**" or "**CLN**"). A Credit Event is a corporate event which typically makes a creditor of the Reference Entity suffer a loss (e.g. bankruptcy or failure to pay). If a Credit Event occurs in respect of a Reference Entity, the nominal amount used for calculation of the interest payable may be reduced. Please refer to Element C.10 for further details; • be cumulative provided certain performance thresholds are reached; • be linked to the performance of a specified reference rate (which may be an interest rate or an inflation measure) during a specified period, as compared to a number of pre-determined strike/barrier levels, with such interest amount also being subject (in certain cases) to caps/floors; • be linked to the performance of one or more baskets of underlying assets (each a "**Reference Asset**" and together a "**Basket**") or a specific Reference Asset within the relevant Basket (for example, the worst performing Reference Asset) as compared to a pre-determined strike level; and/or • be linked to the percentage of Reference Assets within the Basket that are above a pre-determined barrier level on each business day up to and including the relevant interest payment date (each an "**Interest Payment Date**"). The applicable interest rate or its method of calculation may differ from time to time or be constant for any Series of Notes. Notes may have a maximum interest rate, a minimum interest rate, or both. The length of the interest periods for the Notes may also differ from time to time or be constant for any Series of Notes. Notes may also bear interest on the basis of a combination of different structures. *Interest Deferral*: If Interest Deferral is specified as applicable to the Notes then all payments of interest that would otherwise fall due in accordance with the interest structure(s) applicable to the Notes, shall be deferred until the earlier of the Redemption Date or the Early Redemption Date on which the Notes are redeemed in full.

		FX Components: If "FX Component (Interest)" is specified as applicable to one or more Interest Amounts on any Interest Payment Dates then the amount of interest for the relevant Interest Payment Date(s), as otherwise determined in accordance with the interest rate structure applicable to the relevant Notes, will be further multiplied by a factor which reflects the variation in one or more foreign exchange rates during the relevant interest period, for the purposes of determining the actual amount of interest that will be payable to holders. [*The FX Component (Interest) is [applicable to the following Interest Amounts payable on the following Interest Payment Dates: [ ]payable on [ ]/Not Applicable*] [*The underlying foreign exchange rate is: [ ]*] *The Notes do not bear interest./The Notes are interest-bearing:* *Interest basis: [ ]* *Nominal interest rate: [ ].* *Interest Commencement Date: [ ].* *Interest Payment Date(s): [ ].* *Interest Deferral: [Applicable/Not Applicable]* *Description of underlying Reference Rate/Reference Asset(s): [ ].]* *Information about the past and further performance of the Reference Rate/Reference Asset(s) can be obtained from: [ ].* *[Margin: +/– [ ].]* *[Maximum Rate of Interest: [ ].]* *[Minimum Rate of Interest: [ ].]* *[Day Count Fraction: [ ].]* ***Redemption:*** Unless otherwise specified, the relevant Issuer will redeem the Notes at their redemption amount (the "**Redemption Amount**") and on the redemption date(s) (the "**Redemption Date**") specified in the Final Terms. The Redemption Amount may be a combination of a fixed amount (the "**Base Redemption Amount**") and one or more additional amounts (an "**Additional Amount**") determined in accordance with one or more of the performance structures specified in Element C.10. Alternatively, the Redemption Amount may be a fixed value, or determined directly in accordance with one or more of the performance structures specified in Element C.10. The Additional Amount may be added to, or subtracted from, the Base Redemption Amount for the purposes of calculating the Redemption Amount, and may be negative. As a result, a Noteholder may in certain circumstances receive less than the Principal Amount of the Notes upon their final redemption. The Final Terms will specify which of the performance structures is applicable to each Series of Notes.
		The Additional Amount may be payable on a different date to the Redemption Date (the "**Alternative Additional Amount Payment Date**") if so specified in the relevant Final Terms.

		Early redemption of Notes may be permitted: (i) upon the request of the relevant Issuer or the holder of the Notes in accordance with the Conditions, **provided that** such early redemption is applicable pursuant to the Final Terms, (ii) if the relevant Issuer has or will become obliged to pay certain additional amounts in respect of the Notes as a result of any change in the tax laws of the relevant Issuer's jurisdiction of incorporation or (iii) on a partial basis, following the occurrence of a Credit Event in respect of one or more Reference Entities. Where one of the "Autocallable" performance structures applies, if the return generated by the Basket or particular Reference Asset(s) is at or above a pre-determined barrier level on any specified date, then the relevant Issuer will redeem the Notes early on the next following early redemption date at an amount equal to the Principal Amount of the Notes together with (if any) a pre-determined coupon. If expressed to be applicable in the Final Terms, the amount payable upon early redemption (the "**Early Redemption Amount**") may be reduced by an amount determined by the Calculation Agent which is equal to the sums of the costs, expenses, tax and duties incurred by the relevant Issuer in connection with the early redemption. *Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at [par/their Redemption Amount of [ ] per Calculation Amount/an amount calculated in accordance with the performance structure[s] specified in Element C.10 below/an amount equal to the sum of the Base Redemption Amount of [ ] and the Additional Amount[s] calculated in accordance with the performance structure[s] specified in element C.10 below]. [The Notes may be redeemed prior to the scheduled Redemption Date at the option of the Issuer [if the Issuer has purchased at least 80 per cent. by principal amount of the Notes originally issued]/Noteholders]/[The Notes are Autocallable]* *The Redemption Date is [ ]/The Notes are redeemable in Instalments on [ ]/The Alternative Additional Amount Payment Date is [ ].* ***Issue Price:*** The issue price of each Tranche of Notes to be issued under the Programme will be determined by the relevant Issuer at the time of issuance in accordance with prevailing market conditions. *The Issue Price of the Notes is:* [ ]. ***Yield:*** The yield of each Tranche of Notes will be calculated on the basis of the relevant issue price at the relevant issue date. It is not an indication of future yield. *Based upon the Issue Price of [ ], at the Issue Date the anticipated yield of the Notes is [ ] per cent. per annum.* ***Representative of the Noteholders:*** Not Applicable. There is no representative appointed to act on behalf of the Noteholders.

		Replacement of Reference Asset, early calculation of the Redemption Amount or the amendment to the Conditions: Where applicable in accordance with the Conditions, the relevant Issuer may replace a Reference Asset, perform an early calculation of the Redemption Amount or make any amendment to the Conditions as the relevant Issuer deems necessary, if certain events occur, including market disruption, hedging disruption, a change in law or market practice, price corrections and other material developments affecting one or more of the underlying Reference Asset(s) or any hedging transaction entered into by one or more members of the Nordea Group in order to hedge the relevant Issuer's obligations in relation to the Notes.
C.10	**Derivative Components:**	The performance structures described below determine the manner in which the performance of the relevant Reference Asset(s) or Reference Entities affects the Redemption Amount and/or the Additional Amount in respect of the Notes. The relevant Issuer may elect to combine two or more performance structures in any issue of Notes: *"Basket Long" structure*: the Additional Amount is equal to the Principal Amount of the Notes multiplied by (i) an amount that reflects the performance of the Basket (the "**Basket Return**") and (ii) a ratio which is used to determine the holders' exposure to the performance of the respective Reference Assets (the "**Participation Ratio**"). The performance of a Reference Asset is determined by reference to the amount by which the final price (the "**Final Price**") exceeds the initial price of the Reference Asset (the "**Reference Asset Return**"). The Final Price may be determined on the basis of an average value of the Reference Asset during the term of the Notes (i.e. there are several valuation points during the term, each a "**Valuation Date**"), but it may also be determined on the basis of a single valuation. The Reference Asset Return or Basket Return may also be subject to a floor which acts as a minimum level of performance, or a cap which acts as a maximum level of performance. The Reference Asset Return or Basket Return may also be subject to a strike level (the "**Strike Level**") which sets a mimum threshold for the performance of the relevant Reference Asset or Basket before the holder is able to benefit from the performance of the relevant Reference Asset or Basket. *"Basket Short" structure*: the Additional Amount is equal to the Principal Amount of the Notes multiplied by (i) the Basket Return and (ii) the Participation Ratio. If the performance of the Reference Assets within the Basket is positive, this will have a negative impact on the aggregate return generated by the Basket and, therefore, the return that is payable to Noteholders. If the performance of the Reference Assets within the Basket is negative, this will have a positive impact on the aggregate return generated by the Basket and, therefore, the return that is payable to Noteholders. The Reference Asset Return and/or Basket Return may also be subject to a cap or floor as described above. Unless otherwise specified, the "Basket Return" used in any of the other performance structures may be calculated either on the "Basket Long" or "Basket Short" basis, as specified in the relevant Final Terms. *[The Basket Return is determined on the ["Basket Long"/"Basket Short"] basis/The Basket Return is Not Applicable]*

		"Barrier outperformance" structure: if the performance of the Basket exceeds a specified barrier level, the Additional Amount will be a pre-determined maximum Basket return. If the specified barrier level is not exceeded, the Additional Amount will be zero.
		"Barrier underperformance" structure: the performance of the Basket falls below a specified barrier level, the Additional Amount will be a pre-determined maximum Basket return. If the specified barrier level is not breached, the Additional Amount will be zero. *"Best of/Worst of" Barrier Outperformance" Structure:* This is the same as the "Barrier Outperformance" Structure, save that the observation of the barrier level and the calculation of the Additional Amount will be determined by reference to the performance of the Nth best performing Reference Asset rather than the Basket as a whole. The Nth best performing Reference Asset will be the Reference Asset with the Nth highest Reference Asset Return, and "N" shall be the numerical value specified in the relevant Final Terms.
		"Best of/Worst of" Barrier Underperformance" Structure: This is the same as the "Barrier Underperformance" Structure, save that the observation of the barrier level and the calculation of the Additional Amount will be determined by reference to the performance of the Nth best performing Reference Asset rather than the Basket as a whole. *"Autocallable Structure – Long"*: if the Basket Return is below a pre-determined risk barrier level on any relevant observation date (a "**Risk Barrier Observation Date**"), the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the lower of the Basket Return and the pre-determined maximum basket return. If the Basket Return is not below the pre-determined risk barrier level on any Risk Barrier Observation Date, the Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Participation Ratio 2 and the higher of (i) Basket Return and (ii) a pre-determined minimum basket return. A Coupon may also be payable (please refer to Element C.9 for details regarding the Coupon). The Notes will also be subject to early redemption if the return generated by the Basket exceeds the relevant call barrier level on any observation date. *"Autocallable Structure – Short*": this structure is similar to the "Autocallable Structure – Long", with the difference being that the positive performance of the Reference Assets within the Basket will have a negative impact on the return on the Notes. *"Replacement Basket" structure*: the Additional Amount is calculated in a similar manner to the Basket Long structure, with the difference being that the returns generated by the best performing Reference Assets are replaced with a pre-determined value for the purposes of determining the overall performance of the Basket. *"Locally Capped Basket" structure*: the Additional Amount is calculated in a similar manner to the Basket Long Structure or the Basket Short structure, with the difference being that the return generated by each Reference Asset is subject to a pre-determined maximum percentage value for the purposes of determining the overall performance of the Basket.

		"Rainbow Basket" structure: the Additional Amount is calculated in a similar manner to the Basket Long or Basket Short structure, with the difference being that the weightings of each Reference Asset within the Basket are determined by reference to the relative performance of each Reference Asset. The returns of each Reference Asset are measured separately at maturity and ranked based on the relative performance. The weightings for each Reference Asset will correspond to the weightings set out against the relative ranking in the applicable Final Terms. "*Booster" structures*: Booster structures have an enhanced positive or negative return, based on the performance of the underlying Reference Asset(s). The investor's exposure to the performance of the Reference Assets may be increased or decreased through the application of different participation ratios. In a "Booster Long" Structure, the positive performance of the Reference Assets will have a positive effect on the return on the Notes. In a "Booster Short" Structure, the positive performance of the Reference Asset will have a negative effect on the return on the Notes. *"Booster Risk Barrier Long" structure*: the Additional Amount will depend on the return generated by the Basket as compared to a pre-determined barrier level on any Valuation Date and the initial value of the Basket. If the Basket Return is at or above the initial basket level on the final Valuation Date, the Additional Amount will be calculated by multiplying the principal amount of the Notes by the Participation Ratio and the Basket Return on the final Valuation Date. If the Basket Return is at or above the barrier level on each Valuation Date but below the initial basket level on the final Valuation Date, the Additional Amount will be zero. If the Basket Return is below the barrier level on any Valuation Date and below the initial basket level on the final Valuation Date, the Additional Amount will be calculated by reference to the Basket Return and a different participation ratio, which may result in a Redemption Amount which is less than the Principal Amount. If the performance of a Reference Asset within the Basket is positive, this will have a positive impact on the overall return generated by the Basket. If the performance of a Reference Asset within the Basket is negative, this will have a negative impact on the overall return generated by the Basket and therefore on the Additional Amount. *"Booster Risk Barrier Short" structure*: the Additional Amount is calculated in a similar matter to the "Booster Risk Barrier Long" structure. The difference is that where the performance of the Basket is positive, this will have a negative impact on the Additional Amount. If the performance of the Basket is negative, this will have a positive impact on the Additional Amount. ***In respect of Notes issued on the basis of the terms and conditions of the contained in the base prospectus dated 20 December 2013, and the supplement to the base prospectus dated 14 February 2014 (the "December 2013 Conditions") which are incorporated by reference in this Base Prospectus, the Booster Risk Barrier structures shall be summarised as follows:***

		• "*Booster Risk Barrier Short*" structure: the Additional Amount will depend on the return generated by the Basket as compared to a pre-determined barrier level on any Valuation Date and the initial value of the Basket. If the sum of the Basket Return and 1 is at or above the initial basket level on any Valuation Date, the Additional Amount will be calculated by multiplying the principal amount of the Notes by the Participation Ratio and the Basket Return. If the sum of the Basket Return and 1 is at or above the barrier level on all Valuation Dates but below the initial basket level on any Valuation Date, the Additional Amount will be zero. If the sum of the Basket Return and 1 is below the barrier level on any Valuation Date and below the initial basket level on any Valuation Date, the Additional Amount will be calculated by reference to the Basket Return and a different participation ratio, which will result in a Redemption Amount which is less than the Principal Amount. If the performance of a Reference Asset within the Basket is positive, this will have a negative impact on the overall return generated by the Basket. If the performance of a Reference Asset within the Basket is negative, this will have a positive impact on the overall return generated by the Basket and therefore on the amount payable in respect of the redemption of the Notes. • "*Booster Risk Barrier Long*" structure: the Additional Amount is calculated in a similar matter to the "Booster Risk Barrier Short" structure. The difference is that where the performance of a Reference Asset within the Basket is positive, this will have a positive impact on the overall return generated by the Basket. If the performance of a Reference Asset within the Basket is negative, this will have a negative impact on the overall return generated by the Basket and therefore on the amount payable in respect of the redemption of the Notes. *The Notes [are/are not] issued on the basis of the December 2013 Conditions* *"Twin Win" structure:* The Additional Amount is calculated in a manner similar to the Basket Long Structure – if the performance of the Basket is positive the Additional Amount will also be positive. If the performance of the Basket is negative but above a predetermined Barrier Level, then the Additional Amount will also be positive. If the performance of the Basket is negative but below the relevant Barrier Level, then the Additional Amount will also be negative and the Redemption Amount may therefore be less than the Principal Amount of the Notes. *"Bonus Booster Short" structure*: the Additional Amount is calculated in a similar manner to the "Booster Risk Barrier Short" structure, with the difference being that if the return generated by the Basket is not below the barrier level on the relevant Valuation Date(s), the Additional Amount will be the higher of (i) a pre-determined coupon level and (ii) an amount calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the Basket Return. The positive performance of the Reference Assets within the Basket will have a negative impact on the overall return generated by the Basket. *"Bonus Booster Long" structure*: the Additional Amount is calculated in a similar manner to the "Bonus Booster Short" structure. The difference is that where the performance of the Reference Assets within the Basket is positive, this will have a positive impact on the overall return generated by the Basket. If the performance of the Reference Assets within the Basket is negative, this will have a negative impact on the overall return generated by the Basket.

		"Cliquet" structure: the Additional Amount will be based upon the accumulated sum of the relative percentage changes in the underlying Basket for a number of pre-determined valuation periods during the term of the Notes. The following features may also be used: (i) the relative changes in the underlying Basket can be locally capped/floored for each valuation period; (ii) the accumulated sum of the relative changes can be subject to a global cap/floor; and (iii) the product may have a lock-in feature which means that if the cumulative return on any valuation date has reached a pre-determined lock-in level, the additional return will be at least equal to the lock-in level. *"Reverse Cliquet" structure*: this is very similar to the "Cliquet" structure but the additional return payable is calculated by subtracting the relative percentage changes in the underlying Basket (for a number of pre-determined valuation periods) from a pre-defined initial coupon. *"Replacement Cliquet" structure*: this is very similar to the "Cliquet" structure, the difference being that the returns generated by a certain number of the best performing valuation periods are replaced by a pre-defined figure. *"Reverse Replacement Cliquet" structure*: this is very similar to the "Reverse Cliquet" structure, the difference being that the returns generated by a certain number of the best performing valuation periods are replaced by a pre-defined figure. *"Rainbow Replacement Cliquet" structure*: the performance of each individual Reference Asset is calculated on the same basis as the "Cliquet" structure. The difference here is that the weighting of each Reference Asset within the basket is determined after the performance of each Reference Asset is known, following the principle that the best performing underlying is given the highest weight and so forth. *"Reverse Convertible" structure*: if the Basket Return is at or above the initial basket level, the Redemption Amount will be equal to the Principal Amount of the Notes. If the Basket Return is below the initial basket level, the Redemption Amount will be equal to the Principal Amount less an amount calculated by multiplying the Principal Amount by the Participation Ratio and the Basket Return, thereby producing a Redemption Amount which is less than the Principal Amount of the Notes. A positive performance of the Reference Assets within the Basket will have a positive effect on the overall return on the Notes, conversely the negative performance of the individual Reference Assets will have a negative effect on the overall return on the Notes. *"Reverse Convertible Risk Barrier" structure*: if the Basket Return is below the Barrier Level on any Valuation Date, and on the final Valuation Date the Basket Return is below the Initial Basket Level, the Redemption Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the Basket Return and adding the resulting amount to the Principal Amount of the Notes (in this case the Redemption Amount will be less than the Principal Amount of the Notes). Otherwise the Redemption Amount will be equal to the Principal Amount of the Notes. *"Best of/Worst of Reverse Convertible" structure*: the Redemption Amount is calculated in the same manner as the "Reverse Convertible Risk Barrier" structure, except that the possible negative payout is determined by reference to the performance of the Nth best performing Reference Asset (as opposed to the aggregate performance of the Basket).

		Worst of Call Option: The Worst of Call Option Structure gives the Holder an exposure to the worst performing Reference Asset in the Basket. The Additional Amount payable to the Holder will be the greater of zero, and the Reference Asset Return of the worst performing Reference Asset. *Outperformance Option:* Whereas the Additional Amount in relation to a normal Basket structure is dependent on the absolute performance of Basket consisting of one or more Reference Assets, the pay out of an outperformance structure is dependent on the relative performance of two Baskets, not on the absolute performance of either Basket. The structure may compare either two "Basket Long" structures, two "Basket Short" structures or one "Basket Long" structure and one "Basket Short" structure. *"Non-Tranched CLN" and "Tranched CLN" structures:* the Redemption Amount and, if relevant, interest payments, are based on the weighted losses in the same or different portfolios of Reference Entities as a result of the occurrence of one or more Credit Events. For Tranched CLNs, the occurrence of a Credit Event may have no impact or a more proportional impact on the Redemption Amount and, if relevant, interest payments. The Tranche feature is used to determined the portion of losses to which a Holder will be exposed in the event of a Credit Event affecting one or more Reference Entities.
		"Nth to Default" and "Nth and Nth+1 to Default" structures: the Redemption Amount and, if relevant, interest payments, are based on the number and the order of Credit Events in the same Reference Entity portfolio. For Nth to Default CLNs, while the occurrence of the N-1 Credit Events has no impact on the Redemption Amount and (if any) interest payments, the Nth Credit Event will have a more than proportional impact on these figures. Similarly, for the Nth and Nth+1 to Default CLNs, the impact of the Nth and Nth+1 Credit Events will have a more than proportional impact. *Option CLN:* the purpose of the structure is to provide exposure to the development of credit risk (i.e. the risk of Credit Events occurring) in a specific market, such as European or US investment grade entities, or high yield borrowers). The exposure is provided through the issuance of Notes which are linked to index CDS spreads (which represent the cost of buying protection against Credit Events affecting the entities comprising the relevant index). Using a single option payout, the Issuers may offer structures whereby the investor will benefit from a directional movement in credit spreads, e.g. either if credit spreads increase above a specified level or decrease below a specified level over the lifetime of the CLN. By combining two option payouts, the Issuers may offer structures where the investor would benefit both if credit spreads increase above a specified level and decrease below a specified level. The Issuers may also offer structures where the investor would benefit from a directional move in credit spreads, but where the potential benefit is limited. e.g. where the investor would benefit if credit spreads decrease down to a certain level, but where a further decrease below that level will not generate any incremental return. By combining three or four option payouts, the Issuers may offer additional structures. *Mark to Market CDS Structure:* The structure provides exposure to the mark-to-market (i.e. termination) value of one or more credit default swaps referencing the Reference Entities, or index of Reference Entities, specified in the applicable Final Terms.

		Digital Long: If the Basket Return on the final Valuation Date exceeds the Basket Strike Level, the Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Coupon. If the Basket Return does not exceed the Basket Strike Level on the final Valuation Date, the Additional Amount will be zero. The positive performance of the Reference Assets will have a positive effect on the return on the Notes. *Digital Short*: If the Basket Return on the final Valuation Date is below the Basket Strike Level, the Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Coupon. If the Basket Return on the final Valuation Date is equal to or above the Basket Strike Level, the Additional Amount will be zero. The positive performance of the Reference Assets will have a negative effect on the return on the Notes. *"Best of/Worst" of digitals*: The Digital Long and Digital Short structures may also be combined with a "Best of/Worst of" feature, whereby the Additional Amount is calculated by reference to the performance of the Nth best performing Reference Asset rather than the Basket as a whole. *Worst of Digital Memory Coupon 1:* The Worst of Digital Memory Coupon option is a dependent strip of worst of digital options. The Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Coupon and N. N is the greatest Valuation Date number on which the Reference Asset Return of the worst performing Reference Asset within the Basket is greater than or equal to the relevant barrier level on each Valuation Date up to and including the then current Valuation Date (first valuation date = 1, second = 2 etc).
		"*Series of Digitals*": the Redemption Amount is determined by the percentage of Reference Assets within the Basket that are above a pre-determined barrier level on each Valuation Date. "*Delta 1 Structure*": the Redemption Amount will be equal to the redemption proceeds received by the relevant Issuer (or another entity within the Nordea Group) from unwinding a hedge position designed to replicate the risks and returns of a direct investment in the relevant Reference Assets; less (i) a structuring fee payable to the relevant Issuer and (ii) any applicable taxes. A Delta 1 Structure effectively replicates the gains or losses that an investor would realise through a direct holding of the relevant Reference Assets. If it is not possible for the hedging entity to redeem the Reference Assets before the scheduled maturity date or if the hedging entity determines that it will not receive the full amount of the redemption proceeds before the scheduled maturity date, a deferred redemption will occur and the relevant Issuer may make a partial redemption of the Notes as and when the relevant hedging party receives a material part of the redemption proceeds, or cancel the Notes without making any payment to the holders if the relevant Issuer determines that the redemption proceeds will not be received prior to the specified long-stop date. "*Inflation Linker*": the Redemption Amount will be the Principal Amount of the Notes, multiplied by the higher of a minimum redemption percentage (expressed as a percentage of the principal amount of the Notes) and the result obtained by dividing the Inflation Rate on the final Valuation Date by the Inflation Rate on the initial Valuation Date. *"Barrier outperformance" structure 2:* if the Basket Return on any Valuation Date exceeds the Barrier Level, the Additional Amount will be calculated as the Principal Amount of the Notes multiplied by the Participation Ratio and multiplied by the higher of the Coupon and the Basket Return. If the sum or the Basket Return and 1 does not exceed the Barrier Level on any Valuation Date, the Additional Amount will be zero.

		"Barrier Underperformance" structure 2: if the Basket Return on any Valuation Date falls below the Barrier Level, the Additional Amount will be calculated as the Principal Amount of the Notes multiplied by the Participation Ratio and multiplied by the higher of the Coupon and the Basket Return. If the Basket Return does not fall below the Barrier Level on any Valuation Date, the Additional Amount will be zero. *Target Volatility Structure:* If the Target Volatility Structure is applicable to the Notes, the deemed exposure to the underlying Reference Asset(s) or Basket (the "**Exposure**") is determined by comparing: (i) the short term historical volatility of the underlying Basket; and (ii) a target volatility level (the "**Target Volatility**"), subject to a pre-determined cap or floor. When the short-term historical volatility of the underlying Reference Asset(s) or Basket increases, the deemed Exposure to the underlying Reference Asset(s) or Basket decreases, and when the short-term historical volatility of the underlying Reference Asset(s) or Basket decreases, the deemed exposure to the underlying Reference Asset(s) or Basket increases.
		Booster Risk Barrier 2: The Booster Risk Barrier 2 structure is a combination of an "at the money" call option, and an "out of the money" put option. The strike price for the call option is set at the prevailing price of the Reference Asset or Basket as at the issue date of the relevant Notes. If the value of the Reference Assets or Basket exceeds a pre-determined barrier level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return (calculated on the "Basket Long" basis described above). The strike price for the put option is set below the prevailing price of the Reference Asset or Basket at the issue date of the relevant Notes, and so if the value of the Reference Asset or Basket depreciates below the specified barrier level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return (calculated on the "Basket Short" basis described above).

Autocallable Rate Structure: If the value of an underlying Reference Rate either out-performs or under-performs a pre-determined barrier level, as specified in the relevant Final Terms (the "**Autocall Condition**"), the Notes will be subject to early redemption. If the Autocall Condition is not satisfied prior to the final Valuation Date, the Notes will be redeemed on the Redemption Date.

In and Out Options: the "In" and "Out" option structures are barrier options, which generate an Additional Amount depending on whether or not the Basket Return is above or below a predetermined barrier level specified in the Final Terms (the "**Barrier Level**"). The "Up and In" option structures will generate an Additional Amount linked to the performance of the relevant Basket if the Basket Return is at or above the relevant Barrier Level on any Valuation Date. In a "Down and In" option structure, an Additional Amount will be generated if the Basket Return is at or below the relevant Barrier Level on any Valuation Date. The Additional Amount may be positive or negative depending on whether or not the Option type is a "bought" option or a "sold" option respectively.

The "Up and Out" option structures generate an Additional Amount linked to the performance of the relevant Basket if the Basket return is at or below the relevant Barrier Level on all Valuation Dates. In a "Down and Out" option structure an Additional Amount will be generated if the Basket Return is at or above the relevant Barrier Level on all Valuation Dates. The Additional Amount may be positive or negative depending on whether or not the Option type is a "bought" option or a "sold" option respectively.

Each of the "In" and "Out" option structures may be based on either an underlying "Basket Long" or "Basket Short" structure. The "In" and "Out" option structures may also pay a fixed rate of return know as a 'coupon' or a 'rebate' in the event that they do not generate an Additional Amount linked to the performance of the relevant Basket. In a "bought" option structure the coupon or rebate will be payable to the Noteholder, whereas in a "sold" option structure the coupon or rebate will be payable by the Noteholder and may therefore result in a negative Additional Amount (which may be deducted from the Base Redemption Amount).

"In" and "Out" Option structure: [In Option- Basket Long/In Option – Basket Short/Out Option – Basket Long/Out Option – Basket Short/Not Applicable]

Option Type: [Bought Up and In/Sold Up and In/Bought Down and In/Sold Down and In/Bought up and Out/Sold Up and Out/Bought Down and Out/Sold Down and Out/Not Applicable]

The applicable performance structure(s) is/are: [ ].

[*The underlying Basket Return Structure is the Basket Long/Basket Short Structure]/[Not applicable*]

FX Components: if FX components are applied to one or more performance structures set out above, the Reference Asset Return, the Additional Amount or the Base Redemption Amount may be adjusted by multiplying them by a factor which reflects the variation in one or more foreign exchange rates during the relevant time periods being measured or observed. If "FX Component- Composite" is specified as applicable in the relevant Final Terms, the adjustment to reflect the relevant exchange rate will be applied before the Strike Level is take into account when determining the relevant Reference Asset Return.

		[*The FX Component [-Composite] is applicable to the Reference Asset Return/The Additional Amount/The Base Redemption Amount*] [*The FX Component is Not Applicable*] *Best of/Worst of Modifier*: if the Best Of/Worst Of Modifier is applied to one or more performance structures set out above, then the relevant observations, valuations and calculations of the Additional Amount shall be determined by reference to the performance of the Nth best performing Reference Asset, rather than the Basket as whole. N will be a pre-determined value that is specified in the Final Terms. [*The Best of/Worst of Modifier is Applicable and the value of N is: [ ]/Not Applicable*]
		Lookback Initial Price Modifier: if the Lookback Initial Price Modifier is applicable to the Notes, the Additional Amount in relation to the Notes will be calculated by reference to either the highest or the lowest initial price (at the start of any Valuation Period) in respect of the relevant Basket or Reference Asset, as specified in the Final Terms. [*The Lookback Initial Price Modifier is Applicable/Not Applicable]* *Lookback Final Price Modifier:* if the Lookback Final Price Modifier is applicable to the Notes, the Additional Amount in relation to the Notes will be calculated by reference to either the highest or the lowest Final Price (at the end of any Valuation Period) in respect of the relevant Basket or Reference Asset, as specified in the Final Terms. [*The Lookback Final Price Modifier is Applicable/Not Applicable*] *Lock-in Modifier:* if the Lock-in Modifier is applicable to the Notes, the Basket Return shall be replaced by the Lock-in Basket Return for the purposes of calculating the Additional Amount in accordance with one or more of the foregoing performance structure(s). The "Lock-in Basket Return" will be the pre-determined percentage which corresponds to the highest lock in level which is reached or exceeded by the Basket Return on any Valuation Date. [*The Lock-in Modifier is Applicable/Not Applicable*] *Combination of Structures:* the relevant Issuer may elect to combine one or more of the performance structures described above in relation to a particular issue of Notes. If "Addition" is specified in the Final Terms, the total Additional Amount payable will be equal to the sum of the various Additional Amounts that are applicable, multiplied in each case by a percentage which reflects the overall share of the total return which the relevant Issuer intends each performance structure to contribute. If "Subtraction" is specified in the Final Terms, one Additional Amount will be subtracted from another. If "Alternative Calculation" is specified in the Final Terms, the applicable performance structure used to determine the Additional Amount will differ depending on whether or not the Basket Return on a particular Valuation Date has exceeded one or more pre-specified Barrier Levels, as set out in the relevant Final Terms. [*Not Applicable/Combination of Structures is Applicable and the relevant Performance Structures are listed above. The method of combination is Addition/Subtraction/Alternative Calculation.*]

		Maximum Redemption Amount: If a maximum Redemption Amount is applicable, the Redemption Amount will be the lesser of: (i) the amount calculated on the basis of one or more of the performance structures outlined above, and (ii) a pre-determined maximum redemption amount as specified in the Final Terms. *Not Applicable/the Maximum Redemption Amount is [ ]* *"Minimum Redemption Amount"*: if a minimum redemption amount is applicable, the Redemption Amount will be the greater of (i) the amount calculated in accordance with one of the performance structures outlined above and (ii) a pre-determined minimum redemption amount as specified in the Final Terms. *Not Applicable/the Minimum Redemption Amount is [ ]*
		Maximum and Minimum Redemption Amount: If both a maximum and a minimum Redemption Amount are applicable, the Redemption Amount will be the greater of: (i) the Minimum Redemption Amount and (ii) the lower of (x) the amount calculated on the basis of one or more of the performance structures specified above and (y) the Maximum Redemption Amount. *"Inflation-Protected Principal"*: if specified as applicable, the Redemption Amount determined in accordance with the performance structures and/or Additional Amount(s) outlined above will be multiplied by the performance of a specified inflation measure, such as the consumer price index, during the term of the Notes. *Inflation-Protected Principal is Applicable/Not Applicable* *TOM Cumulative Strategy:* The TOM Cumulative Strategy replicates an investment in particular Reference Assets (the "**Risky Assets**") that is only made for a limited time period in each calendar month. At other times the Notes replicate an investment in a time deposit or other fixed income investment. The Final Terms will specify which days in any calendar month will be treated as an investment in the Risky Assets, and which days will be treated as an investment in a fixed income investment (the "**Non Risky Assets**"), for the purposes of calculating the overall Additional Amount payable in relation to the Notes. The performance of the Risky Assets only, or the performance of both the Risky Assets and the Non Risky Assets (as applicable), may also be averaged across a pre-specified number of calendar months leading up to the Redemption Date in respect of the Notes, in order to reduce the Notes' exposure to volatility in the performance of the underlying Reference Assets towards the end of the Notes' term. *The TOM Cumulative Strategy is [Applicable/Not Applicable]* *Lock-in Basket Floor*: if the Lock-in Basket Floor is applicable to the Notes, then if the Basket Return exceeds the Barrier Level on any Valuation Date, the Basket Return will be replaced with the higher of the Basket Return and a pre-determined minimum Basket Return for the purposes of determining the Additional Amount in accordance with the relevant performance structure. *The Lock-in Basket Floor is [Applicable/Not Applicable]*

C.11 **C.21**	**Listing and Trading:**	Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Irish Stock Exchange. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the relevant Issuer. *The Notes are unlisted Notes/Application will be made for the Notes to be admitted to listing on [ ] and to trading on [ ] effective as of [ ].*
C.15[2]	**Value of the Notes and Value of the Underlying:**	The value of the Notes will be determined by reference to the value of the underlying Reference Asset(s) and the performance structure(s) applicable to the Notes. Details on the various performance structures and the relationship between the value of the Notes and the value of the underlying in each case are set out in Element C.10. *Details of the applicable performance structure(s) and the return on the Notes are set out in Element C.10.*
		The structure of the Notes may contain a Participation Ratio or other leverage or gearing factor which is used to determine the exposure to the respective Reference Asset(s), i.e. the proportion of the change in value which accrues to the investor in each individual Note. (The exposure to the relevant Reference Asset(s) may also be affected by the application of the Target Volatility Strategy, as described in element C.10 above). The Participation Ratio is set by the relevant Issuer and is determined by, among other things, the term, volatility, market interest rate and expected return on the Reference Asset. *The [indicative] Participation Ratio is: [ ]*
C.16	**Exercise Date or Final Reference Date:**	Subject to early redemption, the exercise date (or the final Redemption Date) will be the maturity date of the Notes. *The maturity date of the Notes is: [ ]*
C.17	**Settlement Procedure:**	The date(s) upon which the performance of a Reference Asset is measured or observed ("**Valuation Date(s)**" or the "**Observation Date(s)**") will be set out in the relevant Final Terms, and may consist of multiple dates ("**Averaging Dates**") on which the performance is observed and averaged for the purchase of calculating the return on the Notes. [*The Valuation Date(s) [and the related Averaging Dates] are: [ ]*] [*The Observation Date(s) [and the related Averaging Dates] are: [ ]*] Settlement of any Notes that are represented by a Global Note shall take place on the relevant payment date and will be effected by the relevant Issuer paying the applicable amounts of principal and/or interest to the relevant Paying Agents for onward transmission to Euroclear and Clearstream, Luxembourg. Investors will receive their redemption monies through their accounts in Euroclear and Clearstream, Luxembourg in accordance with the standard settlement procedures of Euroclear and Clearstream, Luxembourg.

[2] Elements c.15-20 (inclusive) should be deleted in the case of a straight debt issuance.

		In respect of Notes that are in definitive form, payment of the Redemption Amount (or Early Redemption Amount, if applicable) will be made against presentation and surrender of the individual Note at the specified office of any paying agent or registrar. Settlement of VP Notes shall take place in accordance with the VP Rules, settlement of VPS Notes shall take place in accordance with the VPS Rules, settlement of Swedish Notes shall take place in accordance with the Euroclear Sweden Rules and settlement of Finnish Notes shall take place in accordance with the Euroclear Finland Rules. *Settlement of the Notes shall take place: [ ]*
C.18	**The Return:**	The return or Redemption Amount that is payable to investors will be determined by reference to the performance of the underlying Reference Assets/Entities within a particular interest structure or performance structure that is applicable to the Notes. Details on the various interest and performance structures are set out in elements C.9 and C.10. *Details of the applicable interest and performance structure(s) and the return on the Notes are set out in Elements C.9 and C.10.*
C.19	**Exercise Price or Final Reference Price:**	The final reference price of the relevant Reference Asset(s) will have an impact on the Redemption Amount that is payable to investors. The final reference price will be determined on the applicable Valuation Date(s) set out in the relevant Final Terms. *The final reference price of the Reference Assets will be calculated as the [closing price]/[average of the closing prices] as published by [•] on each of the [•], [•] and [•].*
C.20	**Type of Underlying:**	The underlying may constitute one or a combination of the following: equities, indices, reference entities, interest rates, funds, commodities or currencies. *The type of underlying is: [ ].*

	Section D - Risks	
D.2	**Risks Specific to the Issuers:**	In purchasing Notes, investors assume the risk that the relevant Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the relevant Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the relevant Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the relevant Issuer's control. The Issuers have identified in the Base Prospectus a number of factors which could materially adversely affect its respective business and ability to make payments due under the Notes. These factors include: ***Risks relating to current macroeconomic conditions*** Risks related to the European economic crisis and economic uncertainty relating to China have had and, despite the recent period of moderate stabilisation, may continue to have, a negative impact on global economic activity and the financial markets. If these conditions continue to persist, or should there be any further turbulence in these or other markets, this could have a material adverse effect on the Nordea Group's ability to access capital and liquidity on financial terms acceptable to the Nordea Group. Furthermore, the Nordea Group's performance is significantly influenced by the general economic condition in the countries in which it operates, in particular the Nordic markets (Denmark, Finland, Norway and Sweden). Negative economic developments and conditions in the markets in which it operates can adversely affect its business, financial condition and results of operations, and measures implemented by the Nordea Group might not be satisfactory to reduce any credit, market and liquidity risks. ***Risks relating to the Nordea Group's credit portfolio*** Adverse changes in the credit quality of the Nordea Group's borrowers and counterparties or a decrease in collateral values are likely to affect the recoverability and value of the Nordea Group's assets and require an increase in its individual provisions and potentially in collective provisions for impaired loans. A significant increase in the size of the Nordea Group's allowance for loan losses and loan losses not covered by allowances would have a material adverse effect on the Nordea Group's business, financial condition and results of operations. The Nordea Group is exposed to counterparty credit risk, settlement risk and transfer risk on transactions executed in the financial services industry and its transactions in financial instruments. If counterparties default on their obligations, this could have a material adverse effect on the Nordea Group's business, financial condition and results of operations. ***Risks relating to market exposure*** The value of financial instruments held by Nordea Group are sensitive to volatility of and correlations between various market variables, including interest rates, credit spreads, equity prices and foreign exchange rates. Write-downs or realise impairment charges may have a material adverse effect on the Nordea Group's business, financial condition and results of operations, while the performance of financial markets and volatile market conditions could result in a significant decline in the Nordea Group's trading and investment income, or result in a trading loss.

		The Nordea Group is exposed to structural market risk The Nordea Group is exposed to structural interest income risk when there is a mismatch between the interest rate re-pricing periods, volumes or reference rates of its assets, liabilities and derivatives. It is also exposed to currency translation risk primarily as a result of its Swedish and Norwegian banking businesses, as it prepares its consolidated financial statements in its functional currency, the euro. Any mismatch in any given period in the event of changes in interest rates, or failure to successfully hedge currency risk exposure, could have a material adverse effect on the Nordea Group's financial condition and results of operations. ***Risks relating to liquidity and capital requirements*** A substantial part of the Nordea Group's liquidity and funding requirements is met through reliance on customer deposits, as well as ongoing access to wholesale lending markets, including issuance of long-term debt market instruments such as covered bonds. Turbulence in the global financial markets and economy may adversely affect the Nordea Group's liquidity and the willingness of certain counterparties and customers to do business with the Nordea Group. The Nordea Group's business performance could be affected if the capital adequacy ratios it is required to maintain under the legislative package comprising Directive 2013/36/EU, Regulation (EU) No. 575/2013 and any regulatory capital rules or regulations, or other requirements, which are applicable to the Issuers or the Nordea Group and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuers or the Nordea Group (on a solo or consolidated basis, as the case may be) to the extent required by Directive 2013/36/EU or Regulation (EU) No. 575/2013, including for the avoidance of doubt any regulatory technical standards released by the European Banking Authority (or any successor or replacement thereof) ("**CRD IV**") are reduced or perceived to be inadequate. The Nordea Group's funding costs and its access to the debt capital markets depend significantly on its credit ratings. A reduction in credit ratings could adversely affect the Nordea Group's access to liquidity and its competitive position, and therefore, have a material adverse effect on its business, financial condition and results of operations. ***Other risks relating to the Nordea Group's business*** The Nordea Group's business operations are dependent on the ability to process a large number of complex transactions across different markets in many currencies and operations are carried out through a number of entities. Although the Nordea Group has implemented risk controls and taken other actions to mitigate exposures and/or losses, there can be no assurances that such procedures will be effective in controlling each of the operational risks faced by the Nordea Group, or that the Nordea Group's reputation will not be damaged by the occurrence of any operational risks. The Nordea Group's operations in Russia and the Baltic countries which are typically more volatile and less developed economically and politically than markets in Western Europe and North America – present various risks that do not apply, or apply to a lesser degree, to its businesses in the Nordic markets. Additionally, some of these markets are typically more volatile and less developed economically and politically than markets in Western Europe and North America.

		The Nordea Group's performance is, to a large extent, dependent on the talents and efforts of highly skilled individuals, and the continued ability of the Nordea Group to compete effectively and implement its strategy depends on its ability to attract new employees and retain and motivate existing employees. New regulatory restrictions, such as the recently introduced limits on certain types of remuneration paid by credit institutions and investment firms set forth in CRD IV, could adversely affect the Nordea Group's ability to attract new employees and retain and motivate existing employees. Any loss of the services of key employees, particularly to competitors, or the inability to attract and retain highly skilled personnel in the future could have an adverse effect on the Nordea Group's business. There is competition for the types of banking and other products and services that the Nordea Group provides and there can be no assurances that the Nordea Group can maintain its competitive position. ***Risks relating to the legal and regulatory environments in which the Nordea Group operates*** The Nordea Group is subject to substantial regulation and oversight by a number of different regulators as well as laws and regulations, administrative actions and policies in each of the jurisdictions in which it operates, all of which are subject to change, and compliance with which may from time to time require significant costs. The Nordea Group may incur substantial costs in monitoring and complying with new capital adequacy and recovery and resolution framework requirements, which may also impact existing business models. In addition, there can also be no assurances that breaches of legislation or regulations by the Nordea Group will not occur and, to the extent that such a breach does occur, that significant liability or penalties will not be incurred. In the ordinary course of its business, the Nordea Group is subject to regulatory oversight and liability risk and is involved in a variety of claims, disputes, legal proceedings and governmental investigations in jurisdictions where it is active. These types of claims and proceedings expose the Nordea Group to monetary damages, direct or indirect costs (including legal costs), direct or indirect financial loss, civil and criminal penalties, loss of licences or authorisations, or loss of reputation, as well as the potential for regulatory restrictions on its businesses. The Nordea Group's activities are subject to tax at various rates around the world computed in accordance with local legislation and practice. Legislative changes or decisions by tax authorities may impair the present or previous tax position of the Nordea Group.
D.3	**Risks Specific to the Notes:**	There are also risks related to any issue of Notes under the Programme and specific types of Notes, which prospective investors should carefully consider and make sure they understand prior to making any investment decision with respect to the Notes, including: • *Complexity of the product* – the performance structure for structured Notes is sometimes complex and may contain mathematical formulae or relationships which, for an investor, may be difficult to understand and compare with other investment alternatives. In addition, the relationship between yield and risk may be difficult to assess.

		• *Notes which are not principal protected* – Notes that are not principal protected may be issued under the Programme. If the Note is not principal protected, there is no guarantee that the return that an investor receives on the Notes upon their redemption will be greater than or equal to the principal amount. • *Pricing of structured Notes* – the pricing of structured notes is normally decided by the relevant Issuer rather than being determined on the basis of negotiated terms. There may, therefore, be a conflict of interest between the relevant Issuer and the investors, to the extent that the relevant Issuer is able to influence pricing and is looking to make a gain or avoid a loss in relation to the underlying Reference Assets. The relevant Issuer does not have a fiduciary duty to act in the best interests of Noteholders. • *Performance of the Reference Assets* – with structured Notes, the Noteholder's right to yield and sometimes the repayment of principal depends on the performance of one or more Reference Assets and the applicable performance structure. The value of a structured Note will be affected by the value of the Reference Assets at specific points during the term of the relevant Notes, the intensity of the price fluctuations of the Reference Asset(s), expectations regarding future volatility, market interests rates and expected distributions on the Reference Asset(s). • *Currency fluctuations*. Foreign exchange rates may be affected by complex political and economic factors, including relative rates of inflation, interest rate levels, the balance of payments between countries, the extent of any governmental surplus or deficit and the monetary, fiscal and/or trade policies pursued by the governments of the relevant currencies. Currency fluctuations may affect the value or level of the Reference Assets in complex ways. If such currency fluctuations cause the value or level of the Reference Assets to vary, the value or level of the Notes may fall. If the value or level of one or more Reference Asset(s) is denominated in a currency that is different from the currency of the Notes, investors in the Notes may be subject to increased foreign exchange risk. Previous foreign exchange rates are not necessarily indicative of future foreign exchange rates. • *Equities as Reference Assets* – equity-linked Notes are not sponsored or promoted by the issuer of the equities. The equity issuer does not, therefore, have an obligation to take into account the interests of the investors in the Notes and so the actions of such equity issuer could adversely affect the market value of the Notes. The investor in the Notes is not entitled to receive any dividend payments or other distributions to which a direct holder of the underlying equities would otherwise be entitled.

		• *Indices as Reference Assets* – Notes that reference indices as Reference Assets may receive a lower payment upon redemption of such Notes than an investor would have received if he or she had invested directly in the equities/assets that comprise the index. The sponsor of any index can add, delete, substitute components or make methodological changes that could affect the level of such index and hence the return that is payable to investors in the Notes. The Nordea Group may also participate in creating, structuring and maintaining index portfolios or strategies and for which it may act as index sponsor (collectively, "**Proprietary Indices**"). The Issuers may therefore face conflicts of interest between their obligations as the Issuer of such Notes and their role (or the role of their affiliates) as the composers, promoters, designers or administrators of such indices.
		• *Commodities as Reference Assets* – trading in commodities is speculative and may be extremely volatile as commodity prices are affected by factors that are unpredictable, such as changes in supply and demand relationships, weather patterns and government policies. Commodity contracts may also be traded directly between market participants "over-the-counter" in trading facilities that are subject to minimal or no substantive regulation. This increases the risks relating to the liquidity and price histories of the relevant contracts. Notes that are linked to commodity future contracts may provide a different return than Notes linked to the relevant physical commodity, as the price of a futures contract on a commodity will generally be at a premium or at a discount to the spot price of the underlying commodity. • *Exposure to a basket of Reference Assets* – where the underlying is to one or more baskets of Reference Assets, the investors bear the risk of the performance of each of the basket constituents. Where there is a high level of interdependence between the individual basket constituents, any move in the performance of the basket constituents will exaggerate the performance of the Notes. Moreover, a small basket or an unequally weighted basket will generally leave the basket more vulnerable to changes in the value of any particular basket constituent. Any calculation or value that involves a basket with "best of" or "worst of" features may produce results that are very different to those that take into account the performance of the basket as a whole. • *Credit-Linked Notes* – an investment in credit-linked Notes entails exposure to the credit risk of a particular Reference Entity or basket of Reference Entities in addition to that of the relevant Issuer. A fall in the creditworthiness of a Reference Entity can have a significant adverse impact on the market value of the related Notes and any payments of principal/interest due. Upon the occurrence of a Credit Event, the relevant Issuer's obligation to pay principal may be replaced by an obligation to pay other amounts calculated by reference to the value of the Reference Entity. As none of the Reference Entities contributed to the preparation of the Base Prospectus, there can be no assurance that all material events or information regarding the financial performance and creditworthiness of Reference Entities have been disclosed at the time the Notes are issued. • *Automatic early redemption* – certain types of Notes will be automatically redeemed prior to their scheduled maturity date if certain conditions are met. In some circumstances, this may result in a loss of part or all an investor's investment.

		• *Notes subject to optional redemption by the Issuer* – an optional redemption feature is likely to limit the market value of the Notes. • *Notes issued at a substantial discount or premium* – the market value of Notes of this type tends to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. There are also certain risks relating to the Notes generally, such as modification and waivers and change of law.
D.6	**Risk Warning:**[3]	An investment in relatively complex securities such as the Notes involves a greater degree of risk than investing in less complex securities. In particular, in some cases, investors may stand to lose the value of their entire investment or part of it, as the case may be.

	Section E - Offer	
E.2b	**Reasons for the Offer and Use of Proceeds:**	Unless otherwise specified, the net proceeds of any issue of Notes will be used for the general banking and other corporate purposes of the Issuers and the Nordea Group. *[The net proceeds of the issue will be used for: [ ]]*
E.3	**Terms and Conditions of the Offer:**	Any investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation and settlement arrangements. *A Public Offer of the Notes will take place in the Public Offer Jurisdiction(s) during the Offer Period. [Summarise details of the Public Offer included in the "Distribution–Public Offer" and "Terms and Conditions of the Offer" items in Part B of the Final Terms.]*
E.4	**Interests Material to the Issue:**	Dealers or Authorised Offerors may be paid fees in relation to the issue of the Notes under the Programme. *So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer./[ ].*
E.7	**Estimated Expenses:**	It is not anticipated that the relevant Issuer will charge any expenses to investors in connection with any issue of Notes. Other Authorised Offerors may, however, charge expenses to investors. Any expenses chargeable by an Authorised Offeror to an investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Authorised Offeror at the time of the relevant offer. Such expenses (if any) will be determined on a case by case basis. *No expenses are being charged to an investor in the Notes by the Issuer [or any Authorised Offeror]./The Authorised Offeror(s) will charge expenses to investors. The estimated expenses chargeable to investors by the Authorised Offeror(s) are [ ].*

[3] To be deleted in the case of a straight debt issuance.

Denna sammanfattning är en inofficiell översättning av den sammanfattning som återfinns omedelbart före detta avsnitt och investerare skall läsa och ta till sig den engelska versionen av sammanfattningen då denna kan avvika från den svenska översättningen.

SAMMANFATTNING AV GRUNDPROSPEKTET

Sammanfattningar består av informationskrav vilka redogörs för i ett antal punkter. Punkterna är numrerade i avsnitt A–E (A.1–E.7).

Denna sammanfattning innehåller alla de punkter som krävs i en sammanfattning för aktuella typer av värdepapper och emittenter. Eftersom vissa punkter inte är tillämpliga för denna typ av värdepapper och emittenter, kan det finnas luckor i punkternas numrering.

Även om det krävs att en punkt inkluderas i en sammanfattning för aktuella typer av värdepapper och för den relevanta emittenten, är det möjligt att ingen relevant information kan ges rörande punkten. Informationen har då ersatts med angivelsen "Ej tillämpligt".

Särskilt punkter i kursiv stil betecknar utrymmen för att färdigställa den emissionsspecifika sammanfattningen för en Tranch av Lån för vilka en sådan emissionsspecifik sammanfattning ska förberedas.

Ord och uttryck som definieras i avsnitten som kallas "Allmänna Villkor" eller på andra ställen i detta Grundprospekt har samma betydelse i denna sammanfattning.

	Avsnitt A – Inledning och varningar	
A.1	**Inledning**	*Denna sammanfattning ska läsas som en inledning till detta Grundprospekt och varje beslut om att en placering i dessa Lån ska baseras på en bedömning av Grundprospektet i dess helhet av investeraren. Om ett yrkande gällande informationen i detta Grundprospekt framförs inför domstol i en Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet kan käranden enligt den nationella lagstiftningen i Medlemsstaterna bli skyldig att stå för kostnaderna för att översätta Grundprospektet innan de rättsliga förfarandena inleds. Inget civilrättsligt ansvar kommer kunna göras gällande mot Emittenterna i någon sådan Medlemsstat enbart på grund av denna sammanfattning, inklusive alla översättningar av den, såvida den inte är vilseledande, felaktig eller oförenlig när den läses tillsammans med de andra avsnitten av detta Grundprospekt eller om den inte innehåller, när den läses tillsammans med de andra avsnitten i detta Grundprospekt, relevant information för att hjälpa investerare att fatta beslut om att investera i Lånen.*
A.2	**Samtycke:**	Vissa Trancher av Lån med valörer om mindre än € 100 000 (eller ett motsvarande värde i någon annan valuta) kan komma att erbjudas under omständigheter där det inte finns något undantag från förpliktelsen enligt Prospektdirektivet att publicera ett prospekt. Alla sådana erbjudanden kallas ett "**Erbjudande till Allmänheten**". *Emittenten samtycker till användning av detta Grundprospekt i samband med ett Erbjudanden till Allmänheten av Lånen av en finansiell mellanhand som är behörig att lämna sådana erbjudanden enligt direktivet om Marknader för Finansiella Instrument (direktiv 2004/39/EG) (en "**Behörig Säljare**") på följande förutsättningar: (a) det relevanta Erbjudandet till Allmänheten måste inträffa under perioden från och med [•] till men inte inklusive [ ] ("**Erbjudandeperioden**") i [•] [och [•]] ("**Erbjudanden till Allmänheten - Jurisdiktioner**") och (b) den relevanta Behöriga Säljaren måste ha godkänt Villkoren för Behöriga Säljare [och uppfylla följande ytterligare villkor: [•]]./Emittenten samtycker till användning av detta Grundprospekt i samband med ett Erbjudande till Allmänheten av Lånen av [•] (en "**Behörig Säljare**") på följande förutsättningar: (a) det relevanta Erbjudandet till Allmänheten måste inträffa under perioden från och med*

		*[•]] till men inte inklusive [ ] ("**Erbjudandeperioden**"")i [•] [och [•]] (**Erbjudanden till Allmänheten - Jurisdiktioner**") och (b) den relevanta Behöriga Säljaren måste ha godkänt Villkoren för Behöriga Säljare [och uppfylla följande ytterligare villkor: [•]]* **Behöriga Säljare kommer lämna information till en Investerare i enlighet med villkoren för Erbjudandet till Allmänheten för de relevanta Lånen vid tidpunkten för när ett sådant Erbjudande till Allmänheten lämnas från den Behöriga Säljaren till Investeraren.**

	Avsnitt B – Emittenter	
B.1	**Registrerad firma för Emittenterna:**	Nordea Bank AB (publ) Nordea Bank Finland Plc
	Handels-beteckning för Emittenterna:	Nordea
B.2	**Säte och bolagsform för Emittenterna:**	NBAB är ett publikt aktiebolag med organisationsnummer 516406-0120. Sätet är i Stockholm på följande adress: Smålandsgatan 17, 105 71 Stockholm. Den huvudsakliga lagstiftningen som reglerar NBAB:s verksamhet är aktiebolagslagen och lagen om bank- och finansieringsrörelse. NBF är ett aktiebolag enligt den finska aktiebolagslagen. NBF är registrerat i handelsregistret med registreringsnummer 1680235-8. NBF har sitt säte i Helsingfors på följande adress: Aleksanterinkatu 36 B, SF-00100 Helsingfors, Finland. Den huvudsakliga lagstiftningen som reglerar NBF:s verksamhet är den finska aktiebolagslagen och den finska lagen om affärsbanker och andra kreditinstitut i aktiebolagsform.
B.4b	**Kända trender:**	Ej tillämpligt. Det finns inte några tydliga trender som påverkar Emittenterna eller de marknader de verkar på.
B.5	**Koncern-beskrivning:**	NBAB är moderbolaget i Nordea-koncernen. Nordea-koncernen är en stor koncern som erbjuder finansiella tjänster på den nordiska marknaden (Danmark, Finland, Norge och Sverige), med ytterligare verksamhet i Ryssland, de baltiska länderna och Luxemburg, samt filialer på ett antal andra internationella platser. NBAB:s tre största dotterbolag är Nordea Bank Danmark A/S i Danmark, NBF i Finland och Nordea Bank Norge ASA i Norge. Nordea-koncernens organisationsstruktur är byggd kring tre huvudaffärsområden: Retail Banking, Wholesale Banking och Wealth Management. Utöver dessa affärsområden finns Group Corporate Centre, Group Risk Management and Group Compliance som är de andra centrala delarna av Nordea-koncernens organisation. Retail Banking ansvarar för kundförhållanden med privatpersoner liksom större, mellanstora och små företag inom Norden och Baltikum. Wholesale Banking ansvarar för finansiella tjänster till stora nordiska och internationella företagskunder och institutionella kunder. Wealth Management tillhandahåller produkter inom investeringsrådgivning, sparande och riskhantering, samt hanterar Nordea-koncernens kunders tillgångar och rådger institutionella investerare och förmögna privatpersoner.

		Per 30 september 2015 uppgick Nordea-koncernens totala tillgångar till totalt EUR 679,9 miljarder och primärkapitalet uppgick till EUR 26,7 miljarder. Per samma datum var Nordea-koncernen den största kapitalförvaltaren med bas i Norden med EUR 273,3 miljarder i förvaltade tillgångar.
B.9	**Resultat-prognoser och resultat-uppskattningar:**	Ej tillämpligt. Emittenterna gör inte någon resultatprognos eller resultatuppskattning i Grundprospektet.
B.10	**Eventuella anmärkningar i revisionsberättelsen:**	Ej tillämpligt. Det finns inte några anmärkningar för Emittenterna i deras revisionsberättelser.
B.12	**Utvald central finansiell information:**	Tabellerna nedan visar viss utvald finansiell information i sammandrag som, utan väsentliga ändringar har hämtats från och måste läsas tillsammans med Emittenternas respektive reviderade koncernredovisning för det år som slutar den 31 december 2014 och oreviderad koncernredovisning för niomånadersperioden som slutar den 30 september 2015 (för NBAB) respektive sexmånadersperioden som slutar den 30 juni 2015 (för NBF), som finns bilagda till detta Grundprospekt, och revisorernas rapporter och kommentarer därtill. NBAB-koncernen – utvald central finansiell information:

	Årsslut per 31 december		Nio månader per 30 september	
	2014	**2013**	**2015**	**2014**
	(Miljoner EUR)			
Resultaträkning				
Summa rörelseintäkter.....	10 241	9 891	7 495	7 723
Kreditförluster……..	-534	-735	-337	-405
Årets resultat…….	3 332	3 116	2 814	2 455
Balansräkning				
Summa tillgångar……..	669 342	630 434	679 877	668 720
Summa skulder…….	639 505	601 225	649 893	638 934
Summa eget kapital.....	29 837	29 209	29 984	29 786
Summa skulder och eget kapital……...	669 342	630 434	679 877	668 720
Kassaflödesanalys				
Kassaflöde från den löpande verksamheten före förändringar av den löpande verksamhetens tillgångar och skulder……...	11 456	7 607	4 927	8 899
Kassaflöde från den löpande verksamheten.	-10 824	6 315	11 776	-14 721
Kassaflöde från investeringsverksamheten..	3 254	572	-441	2 950
Kassaflöde från finansieringsverksamheten.	-1 040	-1 927	-2 613	-1 032
Årets kassaflöde……	-8 610	4 960	8 722	-12 803
Förändring……	-8 610	4 960	8 722	-12 803

NBF-koncernen – utvald central finansiell information:

		Årsslut per 31 december		Sex månader per 30 juni	
		2014	2013	2015	2014
		(*Miljoner EUR*)			
	Resultaträkning				
	Summa rörelseintäkter……..	2 278	2 224	1 389	1 219
	Periodens resultat……..	902	828	656	506
	Balansräkning				
	Summa tillgångar……..	346 198	304 761	355 622	317 523
	Summa skulder…….	336 580	295 247	345 740	308 308
	Summa eget capital……...	9 618	9 514	9 882	9 215
	Summa skulder och eget kapital……	346 198	304 761	355 622	317 523
	Kassaflödesanalys				
	Kassaflöde från den löpande verksamheten före förändring av den löpande verksamhetens tillgångar och skulder……..	1 807	1 489	1 966	1 217
	Kassaflöde från den löpande verksamheten……	-11 520	5 686	14 274	-10 857
	Kassaflöde från investeringsverksamheten…….	2 149	85	-18	1 603
	Kassaflöde från finansieringsverksamheten……	-593	-615	-306	-767
	Periodens kassaflöde…….	-9 964	5 156	13 950	-10 021
	Förändring…….	-9 964	5 156	13 950	-10 021
		Det har inte inträffat några väsentliga negativa förändringar i den normala affärsverksamheten eller i utsikterna eller i tillståndet för NBAB eller NBF sedan den 31 december 2014, vilket är datumet för deras senast publicerade reviderade årsredovisning. Det har inte inträffat någon betydande förändring av NBAB:s eller NBF:s handels- eller finansiella position sedan den 30 september 2015 (för NBAB) respektive 30 juni 2015 (för NBF), vilket är datumen för deras senaste publicerade delårsrapporter.			
B.13	**Nyligen inträffade händelser:**	Ej tillämpligt för någon av Emittenterna. Det har inte förekommit några särskilda händelser för någon av Emittenterna som väsentligen påverkar bedömningen av respektive Emittents solvens sedan datumet för publiceringen av respektive Emittents reviderade årsredovisning och oreviderade rapporter.			
B.14	**Koncern-beroende:**	Ej tillämpligt. Vare sig NBAB eller NBF är beroende av andra enheter inom Nordea-koncernen.			
B.15	**Emittenternas huvudsakliga verksamhet:**	Nordea-koncernens organisationsstruktur är byggd kring tre huvudaffärsområden: Retail Banking, Wholesale Banking och Wealth Management. Utöver dessa affärsområden finns Group Corporate Centre, Group Risk Management och Group Compliance som är de andra centrala delarna av Nordea-koncernens organisation. NBAB utför bankverksamhet i Sverige inom ramen för Nordea-koncernens affärsorganisation. NBAB utvecklar och marknadsför finansiella produkter och tjänster till privatkunder, företagskunder och den offentliga sektorn.			
		NBF utför bankverksamhet i Finland som en del av Nordea-koncernen och dess verksamhet är helt integrerad i Nordea-koncernens verksamhet. NBF har tillstånd att bedriva bankverksamhet enligt den finska kreditinstitutionslagen.			

B.16	**Personer med direkt eller indirekt ägande/ kontroll:**	Ej tillämpligt. Såvitt NBAB känner till är inte Nordea-koncernen direkt eller indirekt ägd eller kontrollerad av någon enstaka person eller grupp av personer som agerar tillsammans. NBF är ett helägt dotterbolag till NBAB.
B.17	**Kreditvärdig-hetsbetyg som har tilldelats Emittenten eller dess skuld-instrument:**	Per datumet för detta Grundprospekt är kreditvärderingen för långfristig skuld för var och en av Emittenterna följande: Moody's Investors Service Limited: Aa3 Standard & Poor's Credit Market Services Europe Limited: AA-[4] Fitch Ratings Limited: AA- DBRS Ratings Limited: AA Emittenternas kreditvärderingar återger inte alltid risken som är förknippad med enskilda Lån under Programmet. *Lånen som ska emitteras har inte kreditvärderats.*

		Avsnitt C – Lånen
C.1	**Beskrivning av värdepapperens typ och klass:**	***Emission i serier***: Lånen utfärdas i serier (var och en benämnd som en "**Serie**") och Lånen i varje Serie kommer att få identiska villkor (utom pris, lånedatum och räntestartdatum, som kan men inte behöver vara identiska) vad gäller valuta, valörer, ränta eller förfallodag eller annat, förutom att en Serie kan bestå av Lån i innehavarform och i registrerad form. Ytterligare trancher av Lån (var och en benämnd som en "**Tranch**") kan emitteras som en del av en befintlig Serie. *Serienumret för Lånen är [ ]. [Tranchnumret är [ ].* ***Former för Lånen***: Lånen kan ges ut i innehavarform eller i registrerad form. Lån i innehavarform kommer inte att kunna bytas ut till Lån i registrerad form och Lån i registrerad form kommer inte att kunna bytas ut till Lån i innehavarform. *Lånen är i innehavarform/Lånen är i registrerad form.* Lån kan i de tillämpliga Slutliga Villkoren specificeras som "**VP-Lån**". VP-Lån kommer att ges ut i kontoförd och dematerialiserad form, med äganderätten bestyrkt genom införandet i registret för sådana VP-Lån vilka förs av VP Securities A/S för den relevanta Emittentens räkning (det "**Danska Värdepappersregistret**"). Äganderätten till VP-Lån kommer inte bestyrkas av något fysiskt papper eller dokument. Definitiva Lån kommer inte att ges ut avseende några VP-Lån. Nordea Bank Danmark A/S kommer att agera som VP-Administrerande Institut när det gäller VP-Lån.
		Lån kan specificeras i de tillämpliga Slutliga Villkoren som "**VPS-Lån**". VPS-Lån ges ut enligt ett registratoravtal med Nordea Bank Norge ASA som VPS-Betalningsagent och kommer att registreras i kontoförd och dematerialiserad form hos norska värdepapperscentralen (*Verdipapirsentralen ASA* och kallas här "**VPS**").

[4]Negativ utsikt.

		Lån kan specificeras i de tillämpliga Slutliga Villkoren som "**Svenska Lån**". Svenska Lån kommer att ges ut i kontoförd och dematerialiserad form, med äganderätten bestyrkt genom införande i registret för sådana Svenska Lån som förs av Euroclear Sweden för den relevanta Emittentens räkning. Äganderätten till Svenska Lån bestyrks inte av något fysiskt värdepapper eller dokument. Definitiva Lån kommer inte att ges ut avseende några Svenska Lån. Nordea Bank AB (publ) kommer att agera som Svenskt Administrerande Institut när det gäller Svenska Lån. Lån kan specificeras i de tillämpliga Slutliga Villkoren som "**Finska Lån**". Finska Lån kommer att ges ut i kontoförd och dematerialiserad form, med äganderätten bestyrkt genom införande i registret för sådana Finska Lån som förs av Euroclear Finland för den relevanta Emittentens räkning. Äganderätten till Finska Lån bestyrks inte av något fysiskt värdepapper eller dokument. Definitiva Lån kommer inte att ges ut avseende några Finska Lån. Nordea Bank Finland Plc kommer att agera som Finskt Administrerande Institut när det gäller Finska Lån. *Lån i Schweiziska Franc*: Lån kommer vara ges ut i Schweiziska Franc, ges ut i innehavarform och representeras exklusivt av ett Permanent Globalt Lån som deponeras hos SIX SIS AG, Olten, Schweiz, eller annan sådan depositarie enligt vad som godkänns av SIX Regulatory Board vid SIX Swiss Exchange. Det Permanenta Globala Lånet kommer endast att vara utbytbart mot definitiva Lån under vissa begränsade omständigheter. ***ISIN-nummer:*** Avseende varje Tranch av Lån kommer relevanta ISIN-nummer att anges i de tillämpliga Slutliga Villkoren. *Lånen kommer att [clearas/avvecklas] via [ ]. Lånen har tilldelats följande ISIN: [ ].*
C.2	**Valuta för emissionen av Lån:**	US dollar, euro, brittiska pund, svenska kronor, schweizerfranc, norska kronor, danska kronor, yen och singaporianska dollar och/eller annan sådan valuta eller andra valutor enligt beslut som fattas vid tidpunkten för emissionen, i enlighet med alla rättsliga och/eller regulatoriska och/eller centralbankskrav. Lånen kan, i enlighet med efterlevnaden av tillämpliga lagar, ges ut som Lån i dubbla valutor. *Valutan för Lånen är [ ].*
C.5	**Fri rätt till överlåtelse:**	Detta Grundprospekt innehåller en sammanfattning av vissa säljrestriktioner inom USA, det Europeiska Ekonomiska Samarbetsområdet, Storbritannien, Danmark, Finland, Nederländerna, Norge, Sverige, Spanien, Japan och Singapore. Lånen har inte och kommer inte att registreras under United States Securities Act of 1933 ("**Securities Act**") och får inte erbjudas eller säljas inom USA eller till, eller för amerikanska medborgares räkning förutom i vissa transaktioner som är undantagna från registreringskraven i Securities Act. För varje medlemsstat i det Europeiska Ekonomiska Samarbetsområdet som har genomfört prospektdirektivet, inklusive konungariket Sverige (envar en "**Relevant Medlemsstat**"), har varje emissionsinstitut som utsetts under Programmet (envar ett "**Emissionsinstitut**") utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer att behöva utfästa och godkänna, att från och med det datum då Prospektdirektivet genomförs i den Relevanta Medlemsstaten ("**Relevanta Implementeringsdatumet**"), har Emissionsinstitutet inte gjort och kommer inte att göra något erbjudande om Lån till allmänheten i den Relevanta Medlemsstaten utom med relevant Emittents samtycke lämnat i enlighet med

		avsnitt A.2 ovan. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer att behöva utfästa och godkänna, att det har uppfyllt och kommer att uppfylla alla tillämpliga bestämmelser Financial Services and Markets Act 2000 ("**FSMA**") avseende alla handlingar som utförs gällande Lån i, från eller på annat sätt involverande Storbritannien. Varje Emissionsinstitut har utfäst och godkänt, och alla ytterligare Emissionsinstitut som utses under Programmet kommer att behöva utfästa och godkänna, att det inte har erbjudit eller sålt och inte kommer att erbjuda, sälja eller leverera några Lån direkt eller indirekt till konungariket Danmark genom ett erbjudande till allmänheten, förutom om det sker i enlighet med den danska värdepappershandelslagen (konsoliderad lag nr 883 av den 9 augusti 2011, såsom ändrad) (på danska: *Værdipapirhandelsloven*) och andra bestämmelser utfärdade därunder. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer att behöva utfästa och godkänna, avseende erbjudanden eller försäljning av Lån i Irland, att det kommer att uppfylla: villkoren i Europeiska Gemenskapernas (Marknader för Finansiella Instrument) Förordning 2007 (nr 1 till 3) (såsom ändrad), inklusive, utan begränsning, Förordning 7 och 152 därav eller andra förhållningsregler som används i samband därmed och villkoren i Investor Compensation Act 1998; villkoren i Companies Acts 2014, Central Bank Acts 1942 to 2014 (såsom ändrad) och varje annan förhållningsregel som utfärdats under avsnitt 117(1) i Central Bank Act 1989; och villkoren i Market Abuse (Direktiv 2003/6/EG) Direktivet 2005 (såsom ändrad) och varje regel som utfärdats enligt avsnitt 1370 i Companies Act 2014. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer behöva utfästa och godkänna, att de inte har erbjudit eller sålt, eller kommer erbjuda eller sälja, direkt eller indirekt, Lån till allmänheten i Frankrike och att det inte har distribuerat eller orsakat distribution, och att det inte kommer att distribuera eller orsaka distribution av Grundprospektet, de relevanta Slutliga Villkoren eller någon annan typ av erbjudandematerial relaterat till Lånen, till allmänheten i Frankrike, och att sådant erbjudande och sådan försäljning och distribution i Frankrike har och endast kommer göras till (a) leverantörer av investeringstjänster relaterade till portföljhantering för tredjeparts konton (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), och/eller (b) kvalificerade investerare (*investisseurs qualifiés*), samtliga såsom definierade, och i enlighet med, artiklarna L.411-1, L.411-2 och D.411-1 i den franska lagen *monétaire et financier*. Lån som faller in under begreppet "derivatinstrument" enligt Avsnitt 2 i SMA, Direktivet 2004/39/EC (MiFID-direktivet) och Kommissionens förordning Nr. EC/1287/2006 (Implementeringsföreskrifter för MiFID), samtliga såsom ändrade från tid till annan, får endast erbjudas i Estland efter lämplighets- och vederbörlighetsbedömning av det relevanta strukturerade instrumentet för investeraren i enlighet med tillämplig estnisk och europeisk lagstiftning. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer behöva utfästa och godkänna, att Lånen inte har erbjudits eller kommer erbjudas i Litauen genom erbjudande till allmänheten såvida detta inte är i enlighet med alla tillämpliga bestämmelser under Litauens lagar och i synnerhet i enlighet med Lagen om Värdepapper i Republiken Litauen från 18 januari 2007 Nr. X-1023 och alla föreskrifter eller regler som gjorts därunder, såsom ändrad från

		tid till annan. Lånen har inte registrerats under Lagen om Marknaden för Finansiella Instrument i Lettland och kan således inte erbjudas eller säljas till allmänheten i Lettland. Varken någon Emittent eller något av Emissionsinstituten har godkänt, eller får godkänna, att Lån erbjuds i Lettland annat än i enlighet med lagarna i Republiken Lettland. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer behöva utfästa och godkänna, att det inte har erbjudit eller sålt och ej heller kommer erbjuda, sälja eller leverera något av Lånen direkt eller indirekt i Danmark genom erbjudande till allmänheten, såvida detta ej sker i enlighet med den danska Lagen om Värdepappershandel (*Værdipapirhandelsloven*), såsom ändrad från tid till annan, och verkställande beslut som utfärdats därunder. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer behöva utfästa och godkänna, att det inte kommer erbjuda Lånen till allmänheten i Finland, såvida detta inte sker i enlighet med alla tillämpliga Finska lagbestämmelser och särskilt i enlighet med den Finska Värdepapperslagen (495/1989) och varje bestämmelse därunder, såsom ändrad från tid till annan. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer behöva utfästa och godkänna, att det kommer lyda alla tillämpliga lagar, bestämmelser och riktlinjer för erbjudande av Lånen i Norge. Lån i norska Krone kan inte erbjudas eller säljas inom Norge eller till personer med hemvist i Norge, eller för deras vägnar, såvida inte föreskriften relaterad till erbjudandet av VPS-Lån och registrering i VPS har åtlytts. Varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer behöva utfästa och godkänna, att det enbart har erbjudit och enbart kommer att erbjuda Lån till allmänheten (*oferta pública*) i Spanien i enlighet med omarbetningen av lagen om värdepappersmarknaden (*Texto Refundido de la Ley, del Mercado de Valores*) godkänd genom kungligt dekret 4/2015 av den 23 October ("**TRLMV**"), kungligt dekret 1310/2005, av den 4 november, vilken delvis ändrar värdepappersmarknadsrätt avseende notering på allmänna andrahandsmarknader, erbjudanden till allmänheten och prospektet som krävs därtill och regelverken som upprättas därunder. Lånen får inte erbjudas eller säljas i Spanien förutom av institut som är auktoriserade i enlighet med TRLMV och kungligt dekret 217/2008 av den 15 februari, om den rättsordning som är tillämplig på företag som utför investeringstjänster, att erbjuda investeringstjänster i Spanien, och med åtlydande av bestämmelserna i TRLMV och alla andra tillämpliga lagar. Lånen har inte och kommer inte att registreras under Lagen om Finansiella Instrument och Handel i Japan (Lag Nr. 25 från 1948, såsom ändrad, "**FIEA**{xe "FIEA"}") och varje Emissionsinstitut har utfäst och godkänt, och varje ytterligare Emissionsinstitut som utses under Programmet kommer behöva utfästa och godkänna, att de inte kommer erbjuda eller sälja några Lån, direkt eller indirekt, i Japan eller till, eller till fördel för, bofasta personer i Japan, eller till andra för att återerbjudanden eller återsäljning, direkt eller indirekt, i Japan eller till, eller till förmån för, bofasta personer i Japan, förutom i enlighet med ett undantag från registreringskraven i, och även i övrigt i enlighet med FIEA och varje annan tillämplig lag, föreskrift och riktlinje från myndigheterna i Japan. Nollkupongslån av definitiv form kan endast överlåtas och accepteras, direkt eller indirekt, inom, från eller till Nederländerna genom försorgen av

		antingen någon av Emittenterna eller ett medlemsföretag i Euronext Amsterdam by N.V. Euronext i full överensstämmelse med den Nederländska lagen om Besparingscertifikat (*Wet inzake spaarbewijzen*) från 21 maj 1985 (såsom ändrad) och dess implementeringsföreskrifter. Detta Grundprospekt (inklusive de relevanta Slutliga Villkoren) har inte registrerats som ett prospekt hos den relevanta singaporianska myndigheten i enlighet med kapitel 289 i den singaporianska lagen om värdepappershandel ("**SLVP**"). Detta Grundprospekt (inklusive de relevanta Slutliga Villkoren) samt varje annat dokument eller material som används vid erbjudande eller försäljning, eller erbjudande om teckning eller köp, av Lån får därför inte spridas eller distribueras och Lånen får inte heller erbjudas eller säljas, eller göras tillgängliga genom erbjudande om teckning eller köp, varken direkt eller indirekt, till personer i Singapore annat än (i) till institutionella investerare enligt kapitel 274 i SLVP, (ii) till en relevant person i enlighet med kapitel 275(1), eller någon annan person i enlighet med kapitel 275(1), och i enlighet med villkoren som specificeras i kapital 275, i SLVP och (iii) annars i enlighet med och med uppfyllande av villkoren i SLVP. Inga Lån hänförliga till kollektiva investeringsupplägg (såsom definierat i SLVP) får, varken direkt eller indirekt, erbjudas eller säljas, eller göras tillgängliga för teckning eller försäljning till personer i Singapore.
C.8	**Rättigheter kopplade till Lånen, inklusive rangordning och begränsningar av sådana rättigheter**	***Lånens status:*** Lånen utgör icke-säkerställda och icke-efterställda förpliktelser för den relevanta Emittenten och rangordnas *pari passu* utan någon preferens mellan sig själva och minst *pari passu* gentemot alla övriga av den relevanta Emittentens nuvarande och framtida utestående icke-säkerställda och icke-efterställda förpliktelser. ***Valörer***: Lån kommer ges ut i sådana valörer som kan finnas angivna i de relevanta Slutliga Villkoren, föremål för (i) en lägsta valör om €1 000 (eller dess motsvarighet i andra valutor), och (ii) i enlighet med alla tillämpliga juridiska och/eller regulatoriska och/eller centralbankskrav. *Lånen är utställda i valör(erna) [ ].* ***Åtagande att inte ställa säkerhet: Ingen.*** ***Korsvisa uppsägningsgrunder: Ingen.*** ***Beskattning:*** Alla betalningar med hänsyn till Lånen kommer göras utan källskatt eller avdrag för skatt såvida inte detta fordras av svensk eller finsk lag, föreskrifter eller andra regler, eller beslut från finska eller svenska myndigheter. I händelse av att någon av Emittenterna måste göra avdrag för eller undanhållande av finsk eller svensk skatt för någon som inte omfattas av beskattning i Sverige eller Finland kommer Emittenten betala ett tilläggsbelopp för att säkerställa att de relevanta innehavarna av Lån, vid förfallodagen, kommer erhålla ett nettobelopp som är lika med det belopp som innehavarna skulle ha erhållit om det inte vore för avdragen eller de undanhållna beloppen, förutom i enlighet med vissa sedvanlig undantag.
		Gällande lag: Lånen och alla icke-avtalsenliga förpliktelser som uppstår ur eller i samband med Lånen styrs av antingen brittisk lagstiftning, finsk lagstiftning, svensk lagstiftning, dansk lagstiftning eller norsk lagstiftning, förutom att (i) registreringen av VP-Lån i VP styrs av dansk lagstiftning, (ii) registreringen av VPS-Lån i VPS styrs av norsk lagstiftning, (iii) registreringen av Svenska Lån i Euroclear Sweden styrs av svensk lagstiftning, och (iv) registreringen av Finska Lån i Euroclear Finland styrs av finsk lagstiftning.

		Lånen styrs av [brittisk lagstiftning / finsk lagstiftning / dansk lagstiftning / svensk lagstiftning / norsk lagstiftning]. ***Verkställighet av Lån i Global Form:*** Gällande Globala Lån kommer den individuelle investerarens rättigheter mot den relevanta Emittenten att styras av ett sidoavtal daterad till [*] december 2015 ("**Sidoavtalet**") av vilket det kommer finnas en kopia tillgängligt för inspektion på det angivna kontoret för Citibank, N.A., London Branch som fiscal agent ("**Fiscal Agent**").
C.9	**Rättigheter kopplade till Lånen (fortsättning), inklusive information angående Ränta, Förfallodag, Avkastning och Representant för Innehavarna:**	***Ränta:*** Lån kan vara räntebärande eller icke-räntebärande. Ränta (om så förekommer) kan: - utgå baserad på fast kurs eller rörlig kurs; - vara inflationsskyddad, varigenom det räntebelopp som ska betalas är kopplat till ett konsumentprisindex eller annat inflationsmått; - vara länkade till huruvida en Kredithändelse inträffar eller ej med avseende på skuldförpliktelserna för en eller flera referensenheter ("**Kreditlänkade Lån**" eller "**CLN**"). En Kredithändelse är en bolagshändelse som vanligtvis gör att en fordringsägare för Referensenheten drabbas av en förlust (t.ex. konkurs eller underlåtenhet att betala). Om en Kredithändelse inträffar för en Referensenhet, kan det nominella belopp som används för beräkning av ränta som ska betalas minskas. Se avsnitt C.10 för ytterligare information; - vara kumulativa, förutsatt att vissa värdeutvecklingströsklar har uppnåtts; - vara länkade till utvecklingen för en specificerad referenskurs (som skulle kunna vara en räntekurs eller en inflationsåtgärd) under en specificerad period jämfört med ett antal förbestämda lösenpris/barriärnivåer, där ett sådant räntebelopp också kan vara föremål (i vissa fall) för tak/golv; - vara länkade till prestationen hos en eller flera korgar med underliggande tillgångar (envar en "**Referenstillgång** " och tillsammans en "**Korg**") eller en specifik Referenstillgång i relevant Korg (till exempel Referenstillgången med sämst värdeutveckling) jämfört med en förbestämd lösenprisnivå; och/eller - vara länkade till den procentandel av Referenstillgångarna i Korgen som är över en förbestämd barriärnivå vid varje arbetsdag, upp till och inkluderande det relevanta räntebetalningsdatumet (vart och ett utgörande en "**Räntebetalningsdag**"). Den tillämpliga räntesatsen eller dess beräkningsmetod kan variera vid olika tidpunkter eller vara konstant för en Serie av Lån. Lån kan ha en maxränta, minimiränta eller både och. Ränteperiodernas längd för Lånen kan också variera vid olika tidpunkter eller vara konstant för en Serie Lån. Ränta på Lånen kan också utgå på grundval av en kombination av olika strukturer.
		Uppskjuten Ränta: om Uppskjuten Ränta tillämpas på Lånen ska alla betalningar av ränta som annars hade förfallit till betalning enligt tillämplig räntestruktur eller tillämpliga räntestrukturer uppskjutas till det tidigare av Återbetalningsdagen eller den dag som förtida återbetalning av hela Lånen görs.

		Valutakomponenter: om Valuta-komponenter tillämpas på ett eller flera Räntebelopp på någon Räntebetalningsdag ska det räntebelopp för den relevanta Räntebetalningsdagen eller de relevanta Räntebetalningsdagarna, bestämt i enlighet med de räntenivåstrukturer som är tillämpliga på de specifika Lånen, multipliceras med en faktor som återspeglar variationen i en eller flera utländska valutakurser för den tillämpliga ränteperioden, för att avgöra den faktiska räntan som ska betalas. [Valutakomponenten (Ränta) är [tillämplig på följande Räntebelopp på följande Räntebetalningsdag: [ ]förfaller den [ ]/Ej tillämplig] [Underliggande utländska valutakursen är: [ ]] *Lånen har ingen ränta./Lånen är räntebärande:* *Räntebas: [ ].* *Nominell räntesats: [ ].* *Räntans startdatum: [ ].* *Räntebetalningsdag(ar): [ ].* *Uppskuten Ränta: [Tillämplig/Ej tillämplig]* *Beskrivning av underliggande Referenskurs/Referenstillgång(ar): [ ].]* *Information om historisk och framtida utveckling av Referenskursen och Referenstillgångar kan inhämtas från: [ ].* *[Marginal: +/– [ ].]* *[Högsta Räntesats: [ ].]* *[Lägsta Räntesats: [ ].]* *[Dagberäkningsmetod: [ ].]* ***Återbetalning:*** Om inte annat anges återbetalar den relevanta Emittenten Lånen med deras återbetalningsbelopp ("**Återbetalningsbelopp**") och på den/de återbetalningsdag(ar) ("**Återbetalningsdag**") som specificeras i de Slutliga Villkoren. Återbetalningsbeloppet kan vara en kombination av ett fast belopp ("**Basåterbetalningsbelopp**") och ett eller flera tilläggsbelopp ("**Tilläggsbelopp**") vilka fastställs i enlighet med en eller flera av de värdeutvecklingsstrukturer som specificeras i avsnitt C.10 nedan. Återbetalningsbeloppet kan också vara ett bestämt belopp, eller bestämmas direkt i enlighet med en eller flera av de värdeutvecklingsstrukturerna specificerade i avsnitt C.10 nedan.
		Tilläggsbeloppet kan komma att adderas till, eller subtraheras från, Basåterbetalningsbeloppet i syfte att beräkna Återbetalningsbeloppet som ska betalas vid förfallodagen, och kan vara negativt. Som en följd kan en Innehavare under vissa förhållanden erhålla ett belopp lägre än Lånens Kapitalbelopp vid dess slutliga återbetalning. De Slutliga Villkoren specificerar vilken av värdeutvecklingsstrukturerna som är tillämplig på respektive Serie av Lån.

		Tilläggsbeloppet kan förfalla till betalning på en annan dag än Återbetalningsdagen (den "**Alternativa Betalningsdagen för Tilläggsbelopp**"), om detta har specificerats i de relevanta Slutliga Villkoren. Förtida återbetalning av Lån kan eventuellt bli tillåtet (i) på begäran av den relevanta Emittenten eller innehavaren av Lån, i enlighet med Villkoren, **förutsatt att** sådan förtida återbetalning tillåts enligt med de Slutliga Villkoren, (ii) om den relevanta Emittenten har eller kommer att bli tvungen att betala vissa tillkommande belopp med avseende på Lånen som ett resultat av någon eventuell ändring av skattelagarna i jurisdiktionen där den relevanta Emittenten har sitt säte eller (iii) till viss del, efter att någon Kredithändelse inträffat i förhållande till en eller flera Referensenheter Där en av värdeutvecklingsstrukturerna "Autocall" gäller kommer, om den avkastning som skapas av Korgen eller viss(a) Referenstillgång(ar) är lika med eller över en förbestämd barriärnivå vid något specificerat datum, den relevanta Emittenten att återbetala Lånen i förtid på nästkommande förtida återbetalningsdag med ett belopp som är lika med Lånens Kapitalbelopp, tillsammans med en förbestämd kupong (om sådan finns). Om så angivits i de Slutliga Villkoren, kan det belopp som ska betalas vid förtida återbetalning ("**Förtida Återbetalningsbelopp**") reduceras med ett belopp som fastställs av Beräkningsagenten, som är lika med summorna av de kostnader, utgifter, skatter och tullavgifter som den relevanta Emittenten ådragit sig i samband med den förtida Återbetalningen. *Såvida inte dessförinnan återbetalda, eller köpta och upphävda, kommer Lånen att bli återbetalade med [par/deras Återbetalningsbelopp om [ ] per Beräkningsbelopp/ett belopp beräknat i enlighet med värdeutvecklingsstrukturen[/erna] som finns specificerad i avsnitt C.10 nedan/ett belopp uppgående till summan av Basåterbetalningsbeloppet om [ ] och Tilläggsbeloppet[/en] beräknat i enlighet med värdeutvecklingsstrukturen(-erna) som specificeras i avsnitt C.10 nedan]. [Lån kan inlösas före den planerade Återbetalningsdagen efter val av Emittenten [om Emittenten har förvärvat minst 80 procent av kapitalbeloppet för de Lån som ursprunligen emitterats]/Innehavarna]/[Lånen har Autocallstruktur]* *Återbetalningsdagen är [ ]/Lånen är återbetalningsbara genom Avbetalningar på [ ]/Den Alternativa Betalningsdagen för Tilläggsbelopp är [ ].* ***Pris:*** Priset för varje Tranch av Lån som ska ges ut under Programmet kommer att fastställas av den relevanta Emittenten vid tiden för när Lånen ges ut, i enlighet med rådande marknadsförhållanden. *Priset för Lånen är: [•].* ***Avkastning:*** Avkastningen på varje Tranch av Lån kommer att beräknas på grundval av det relevanta priset på det relevanta lånedatumet. Det är inte en indikation om framtida avkastning.
		Baserat på Priset på [ ] på Lånedatumet, är den förväntade avkastningen från Lånen [ ] procent per år. ***Representant för Innehavarna:*** Ej tillämpligt. Det finns ingen representant utsedd som ska agera på uppdrag av Innehavarna.

		Ersättning av Referenstillgång, förtida beräkning av Återbetalningsbeloppet eller tillägg till Villkoren: Där så är tillämpligt i enlighet med Villkoren får den relevanta utgivaren byta ut en Referenstillgång, utföra en förtida beräkning av Återbetalningsbeloppet eller göra eventuellt tillägg till Villkoren i den mån relevant Emittent bedömer detta som nödvändigt, om vissa händelser inträffar, inklusive marknadsavbrott, avbrott i riskhantering, förändring i lagstiftning eller marknadspraxis, priskorrigeringar och andra relevanta utvecklingar som påverkar en eller fler av den/de underliggande Referenstillgången(-arna) eller några hedging-arrangemang ingångna av en eller flera entiteter inom Nordea-koncernen för att säkra den relevanta Emittentens förpliktelser i förhållande till Lånen.
C.10	**Derivat-komponenter:**	De värdeutvecklingsstrukturer som beskrivs nedan bestämmer på vilket sätt värdeutvecklingen hos den/de relevanta Referenstillgången(-arna) eller Referensenheterna påverkar Återbetalningsbeloppet och/eller Tilläggsbeloppet för Lånen. Den relevanta Emittenten kan välja att kombinera två eller fler värdeutvecklingsstrukturer när Lån ges ut: *"Basket Long" struktur*: Tilläggsbeloppet är lika med Lånens Kapitalbelopp multiplicerat med (i) ett belopp som återspeglar Korgens avkastning ("**Korgavkastningen**") och (ii) en ratio som används för att bestämma innehavarens exponering mot utvecklingen för de olika Referenstillgångarna ("**Deltagandegrad**"). Utvecklingen för en Referenstillgång bestäms med hänvisning till det belopp med vilket slutkursen ("**Slutkursen**") överstiger Referenstillgångens startkurs ("**Referenstillgångsavkastning**"). Slutkursen kan bestämmas på grundval av ett genomsnittsvärde på Referenstillgången under Lånens giltighetstid (dvs. det finns flera värderingstidpunkter under giltighetstiden, varje sådan ett "**Värderingsdatum**"), men det kan även bestämmas på grundval av en enda värdering. Referenstillgångsavkastningen eller Korgavkastningen kan dessutom bli föremål för ett golv, vilket agerar som en lägsta nivå för utveckling, eller ett tak, vilket agerar som en högsta nivå för utvecckling. Referenstillgångsavkastningen eller Korgavkastningen kan också bli föremål för en "strike level" ("**Strike Level**") som anger ett lägsta tröskelbelopp för avkastningen på den relevanta Referenstillgången eller Korgen som behöver uppnås innan innehavaren får ta del av avkastningen för den Referenstillgången eller Korgen. *"Basket Short" struktur*: Tilläggsbeloppet är lika med Lånens Kapitalbelopp multiplicerat med (i) Korgavkastningen och (ii) Deltagandegraden. Om Referenstillgångarnas utveckling inom Korgen är positiv kommer detta att få en negativ inverkan på den sammantagna avkastning som skapats av Korgen och därför den avkastning som ska betalas till Innehavarna. Om Referenstillgångarnas prestation inom Korgen är negativ kommer detta att få en positiv inverkan på den sammantagna avkastning som skapats av Korgen och därför den avkastning som ska betalas till Innehavarna. Referenstillgångsavkastningen och/eller Korgavkastningen kan också vara föremål för ett golv eller ett tak, såsom beskrivet ovan.
		Om inte annat stadgas kan Korgavkastningen som används i någon av värdeutvecklingsstrukturerna beräknas antingen med utgångspunkt från "Basket Long" eller "Basket Short"-strukturerna, såsom framgår i de tillämpliga Slutliga Villkoren. [Korgavkastningen bestäms i enlighet med "Basket Long"/"Basket Short"-strukturen]/[Korgavkastning ej tillämpligt]

		"Barriär Outperformance" struktur: om Korgens utveckling överstiger en specificerad barriärnivå, kommer Tilläggsbeloppet att utgöra en förbestämd maximal Korgavkastning. Om den specificerade barriärnivån inte överskrids kommer Tilläggsbeloppet att vara noll. *"Barriär Underperformance" struktur*: om Korgens utveckling faller under en specificerad barriärnivå, kommer Tilläggsbeloppet att utgöra en förbestämd maximal Korgavkastning. Om den specificerade barriärnivån inte överskrids kommer Tilläggsbeloppet att vara noll. *"Best of/Worst of" Barriär" struktur*: Detta är detsamma som "Barriär Outperformance" strukturen, förutom att observationen av barriärnivån och beräkningen av Tilläggsbeloppet kommer att bestämmas med hänvisning till värdeutvecklingen hos Referenstillgången med den Nth bästa värdeutvecklingen snarare än Korgen som helhet. Referenstillgången med den Nth bästa värdeutvecklingen kommer vara Referenstillgången med den Nth högsta Referenstillgångsavkastningen, där "N" ska vara den siffra som anges i Slutliga Villkor. *"Best of/Worst of" Barriär Underperformance" struktur*: Detta är detsamma som "Barriär Underperformance" strukturen, förutom att observationen av barriärnivån och beräkningen av Tilläggsbeloppet kommer att bestämmas med hänvisning till värdeutvecklingen hos den Referenstillgång med den Nth bästa värdeutvecklingen snarare än Korgen som helhet. *"Autocallstruktur Long"*: Om Korgavkastningen understiger en förbestämd riskbarriärnivå på en relevant observationsdag ("**Riskbarriärobservationsdag**"), kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och det lägre av Korgavkastningen och den på förhand bestämda högsta Korgavkastningen. Om Korgavkastningen på en Riskbarriärobservationsdag inte understiger den förbestämda riskbarriärnivån, kommer Tilläggsbeloppet att vara lika med Lånens Kapitalbelopp multiplicerat med Deltagandegraden 2 och det högre av (i) Korgavkastningen och (ii) en förbestämd lägsta Korgavkastning. En Kupong kan också vara förfallen till betalning (se avsnitt C.9 för detaljerad information angående Kupongen). Lånen kommer dessutom att vara föremål för förtida återbetalning om den avkastning som genereras av Korgen överstiger den relevanta inlösenbarriärnivån på någon observationsdag.
		"Autocallstruktur Kort": denna struktur liknar "Autocallstruktur Long" med den skillnaden att den positiva utvecklingen för Referenstillgångarna inom Korgen kommer att ha en negativ inverkan på Lånens avkastning. *"Replacement Basket" struktur*: Tilläggsbeloppet beräknas på liknande sätt som för Basket Long-strukturen, med skillnaden att de avkastningar som genereras av Referenstillgångarna med bäst värdeutveckling ersätts med ett förbestämt värde för syftet att bestämma Korgens totala värdeutveckling. *"Locally Capped Basket" struktur*: Tilläggsbeloppet beräknas på liknande sätt som för Basket Long-strukturen eller Basket Short-strukturen, med skillnaden att den avkastning som genereras av varje Referenstillgång är föremål för ett förbestämt maximalt procentvärde för syftet att bestämma Korgens totala värdeutveckling.

		"Rainbow" struktur: Tilläggsbeloppet beräknas på liknande sätt som Basket Long eller Basket Short-strukturen, med skillnaden att Referenstillgångarnas viktning inom Korgen bestäms med hänvisning till tillgångarnas relativa värdeutveckling. Varje Referenstillgång mäts separat på förfallodagen och rangordnas beroende på respektive enskild tillgångs värdeutveckling. Referenstillgångens vikt i Korgen bestäms av vad som framgår i Slutliga Villkor. *"Booster"* strukturer: Boosterstrukturer har en förbättrad positiv eller negativ avkastning som baseras på utvecklingen i den underliggande Referenstillgången eller de underliggande Referenstillgångarna. Investerarens exponering mot utvecklingen i Referenstillgången kan öka eller minska genom tillämpning av olika deltagandegrader. Inom en "Booster Long"-struktur kommer den positiva utvecklingen för Referenstillgångarna ha en positiv effekt på avkastningen på Lånen. I en "Booster Short"-struktur kommer en positiv utveckling i för Referenstillgångarna ha en negativ effekt på avkastningen på Lånen. *"Booster Riskbarriär Long" struktur*: Tilläggsbeloppet kommer bero på den avkastning som genererats av Korgen i jämförelse med en förbestämd barriärnivå för en Värderingsdag och Korgens startvärde. Om Korgavkastningen motsvarar eller överstiger Korgens startvärde på den slutliga Värderingsdagen kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen på den slutliga Värderingsdagen. Om Korgavkastningen motsvarar eller överstiger barriärnivån på alla Värderingsdagar men under Korgens startvärde på den slutliga Värderingsdagen kommer Tilläggsbeloppet vara noll. Om Korgavkastningen understiger barriärnivån på någon Värderingsdag och under Korgens startvärde på den slutliga Värderingsdagen kommer Tilläggsbeloppet beräknas med referens till Korgavkastningen och en annan deltagandegrad, vilket kan resultera i ett Återbetalningsbelopp som är lägre än Kapitalbeloppet. Om utvecklingen för en Referenstillgång inom Korgen är positiv kommer detta ha en positiv inverkan på den totala avkastningen som genereras av Korgen. Om utvecklingen i en Referenstillgång inom Korgen är negativ kommer detta ha en negativ inverkan på den totala avkastningen som genereras av Korgen och således på Tilläggsbeloppet. *"Booster Riskbarriär Short" struktur:* Tilläggsbeloppet beräknas på ett liknande sätt som för "Booster Riskbarriär Long"-strukturen. Skillnaden är att när utvecklingen för Korgen är positiv kommer detta ha en negativ inverkan på Tilläggsbeloppet. Om utvecklingen för Korgen är negativ kommer detta ha en positiv inverkan på Tilläggsbeloppet.
		*I förhållande till Lån som emitterats i enlighet med villkoren i grundprospektet daterat 20 december 2013, samt de tillägg till samma grundprospekt daterade 14 februari 2014 ("**December 2013-villkoren**"), vilka införlivas genom hänvisning i detta Grundprospekt, ska Booster Riskbarriär-strukturerna summeras enligt följande:*

		• *"Booster Riskbarriär Short"-struktur:* Tilläggsbeloppet är beroende av avkastningen av Korgen jämfört med en förbestämd barriärnivå för varje Värderingsdatum samt det initiala värdet av Korgen. Om summan av Korgavkastningen och 1 är lika med eller högre än det intiala värdet på något Värderingsdatum ska Tilläggsbeloppet beräknas genom att multiplicera kapitalbeloppet för Lånen med Deltagandegraden och Korgavkastningen. Om summan av Korgavkastningen och 1 är lika med eller högre än barriärnivån på alla Värderingsdatum men lägre än det initiala värdet på något Värderingsdatum ska Tilläggsbeloppet vara noll. Om summan av Korgavkastningen och 1 är lägre än barriärnivån på något Värderingsdatum och lägre än det initiala värdet på något Värderingsdatum, ska Tilläggsbeloppet beräkas med hänvisning till Korgavkastningen och en annan deltagandegrad, vilket resultar i ett Återbetalningsbelopp som är lägre än Kapitalbeloppet. Om avkastningen på en Referenstillgång i Korgen är positiv kommer detta att ha en negativ inverkan på avkastningen på Korgen som helhet. Om avkastningen på en Referenstillgång i Korgen är negativ kommer detta att ha en positiv inverkan på avkastningen på Korgen som helhet och därmed på det belopp som ska betalas vid inlösen av Lånen. • *"Booster Riskbarriär Long"-struktur:* Tilläggsbeloppet beräknas på ett liknande sätt som för *"Booster Riskbarriär Short"*-strukturen. Skillnaden är att när avkastningen av en Referenstillgång är positiv, detta kommer att ha en positiv inverkan på avkastningen på Korgen som helhet. Om avkastningen på en Referenstillgång i Korgen är negativ kommer detta i stället att ha en negativ inverkan på avkastningen av Korgen som helhet och därmed på det belopp som ska återbetalas vid inlösen av Lånen. *Lånen [är/är inte] emitterade i enlighet med December 2013-villkoren* *"Twin Win"-struktur*: Tilläggsbeloppet beräknas på ett liknande sätt som för "Basket Long"-strukturen – om utvecklingen av Korgen är positiv så kommer Tilläggsbeloppet också att vara positivt. Om utvecklingen av Korgen är negativ men över en förutbestämd Barriärnivå kommer Tilläggsbeloppet också att vara positivt. Om utvecklingen för Korgen är negativ men under den relevanta Barriärnivån kommer Tilläggsbeloppet också att vara negativt och Återbetalningsbeloppet kan därför komma att understiga Lånens Kapitalbelopp. *"Bonus Booster Short" struktur*: Tilläggsbeloppet beräknas på ett liknande sätt som för "Booster Riskbarriär Short"-strukturen med skillnaden att om avkastningen som genereras av Korgen inte ligger under barriärnivån på de(n) relevanta Värderingsdagen(/arna), kommer Tilläggsbeloppet vara det högre av (i) en förbestämd kupongnivå och (ii) ett belopp som beräknas genom att multiplicera Kapitalbeloppet med Deltagandegraden och Korgavkastningen. En positiv utveckling för Referenstillgångarna inom Korgen kommer ha en negativ inverkan på den totala avkastningen som genereras av Korgen.
		"Bonus Booster Long" struktur: Tilläggsbeloppet beräknas på ett liknande sätt som för "Bonus Booster Short"-strukturen. Skillnaden är att när utvecklingen för Referenstillgångarna inom Korgen är positiv kommer detta ha en positiv inverkan på den totala avkastningen som genereras av Korgen. Om utvecklingen i Referenstillgångarna inom Korgen är negativ kommer detta ha en negativ inverkan på den totala avkastningen som genereras av Korgen.

		"Periodsumme"-struktur Tilläggsbeloppet kommer baseras på den ackumulerade summan av de relativa procentuella ändringarna i den underliggande Korgen för ett antal förbestämda värderingsperioder under löptiden för Lånen. Följande funktioner kan även användas: (i) de relativa ändringarna i den underliggande Korgen kan lokalt tilldelas tak/golv-nivåer för varje värderingsperiod, (ii) den ackumulerade summan av de relativa ändringarna kan bli föremål för ett globalt tak/golv, och (iii) produkten kan ha en lock-in-funktion som innebär att den ytterligare avkastningen minst kommer vara lika med lock-in-nivån om den ackumulerade avkastningen på någon värderingsdag har nått en förbestämd lock-in-nivå. *"Omvänd Periodsumme" struktur*: denna är väldigt lik "Periodsumme"-strukturen, men den ytterligare avkastningen beräknas genom att subtrahera de relativa procentuella ändringarna i den underliggande Korgen (för ett antal förbestämda värderingsperioder) från en förbestämd startkupong. *"Ersättande Periodsumme" struktur*: denna är väldigt lik "Periodsumme"-strukturen där skillnaden ligger i att avkastningarna som genereras av ett visst antal av värderingsperioderna med bäst utveckling byts ut mot ett förbestämt belopp. *"Omvänd Ersättande Periodsumme" struktur*: denna är väldigt lik "Omvänd Periodsumme"-strukturen där skillnaden är att avkastningarna som genereras av ett visst antal av värderingsperioderna med bäst utveckling byts ut mot ett förbestämt belopp. *"Rainbow Ersättande Periodsumme" struktur*: utvecklingen i varje individuell Referenstillgång beräknas på samma grund som "Periodsumme"-strukturen. Skillnaden här är att vägningen av varje Referenstillgång inom Korgen bestäms efter det att utvecklingen i varje Referenstillgång är känd, enligt principen att den bäst presterande underliggande ges högst vikt och så vidare. *"Omvänd konvertibel" struktur*: om Korgavkastningen ligger på eller över Korgens startnivå, kommer Återbetalningsbeloppet vara lika med Lånens Kapitalbelopp. Om Korgens avkastning ligger under Korgens startnivå kommer Återbetalningsbeloppet att vara lika med Kapitalbeloppet minus ett belopp som beräknas genom att multiplicera Kapitalbeloppet med Deltagandegraden och Korgavkastningen och därmed få fram ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp. En positiv utveckling i Referenstillgångarna inom Korgen kommer ha en positiv inverkan på den totala avkastningen på Lånen och tvärtom kommer en negativ utveckling i de individuella Referenstillgångarna ha en negativ inverkan på den totala avkastningen på Lånen.
		"Omvänd Konvertibel Riskbarriär" struktur: om Korgens avkastning ligger under Barriärnivån på någon Värderingsdag, och om Korgavkastningen vid den slutliga Värderingsdagen ligger under Korgens Startnivå kommer Återbetalningsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen och beloppet som ges kommer att adderas till Lånens Kapitalbelopp (i det här fallet kommer Återbetalningsbeloppet vara lägre än Kapitalbeloppet). Annars är Återbetalningsbeloppet lika med Lånens Kapitalbelopp. *"Best of/Worst of Omvänd Konvertibel"-struktur*: Återbetalningsbeloppet beräknas på samma sätt som i "Omvänd Konvertibel Riskbarriär"-strukturen, förutom att den möjliga negativa utbetalningen bestäms med referens till utvecklingen för Referenstillgången med Nth bäst värdeutveckling (i motsats till den totala utvecklingen i Korgen).

		Worst of Call Option: Worst of Call Option-strukturen exponerar Innehavaren mot den sämst avkastande Referenstillgången i Korgen. Tilläggsbeloppet som Innehavaren har rätt att erhålla kommer att vara det större av noll och Referenstillgångsavkastningen av den sämst avkastande Referenstillgången. *Outperformance Option:* Medan Tilläggsbeloppet avseende en vanlig Korgstruktur är beroende av den absoluta utvecklingen för en Korg som består av en eller flera Referenstillgångar beror utbetalningen i en Outperformancessstruktur på den relativa utvecklingen för två Korgar, inte på den absoluta utvecklingen för varje Korg. Strukturen kan baseras på antingen två "Basket Long"-strukturer, två "Basket Short"-strukturer eller en "Basket Long"-struktur och en "Basket Short"-struktur. "*Non-Tranched CLN" och "Tranched CLN*" strukturer: Återbetalningsbeloppet och, om tillämpligt, ränteutbetalningarna, baseras på de viktade förlusterna i samma eller olika portföljer av Referensenheter som ett resultat av att en eller flera Kredithändelser inträffar. För Tranched CLN:er kan det förekomma att en Kredithändelse inte har någon inverkan eller en mer proportionerlig inverkan på Återbetalningsbeloppet och, om relevant, ränteutbetalningar. Tranchfunktionen används för att bestämma andelen av förluster som en Innehavare kommer vara exponerad mot i händelse av att en Kredithändelse som påverkar en eller flera Referensenheter. "*Nth to Default" och "Nth och N:te+1 to Default*"-strukturer: Återbetalningsbeloppet och, om tillämpligt, ränteutbetalningarna, baseras på antalet och ordningsföljden av Kredithändelser i samma Referensenhetsportfölj. Gällande Nth to Default-CLN:er, har inträffandet av N-1 Kredithändelser inte någon inverkan på Återbetalningsbeloppet och (om några) ränteutbetalningar, samtidigt som Nth Kredithändelsen kommer ha en mer än proportionerlig inverkan på dessa siffror. På samma sätt gällande Nth och Nth+1 to Default-CLN:erna kommer inverkan från den Nth och Nth+1 Kredithändelsen ha en mer än proportionerlig inverkan.
		Option CLN: syftet med strukturen är att ge en investerare exponering mot kreditrisker (d.v.s. risken för att en Kredithändelse ska inträffa) inom en specifik marknad såsom europeiska eller amerikanska "investment grade"-bolag, eller högavkastande låntagare. Exponeringen uppstår genom utgivandet av Lån kopplade till index CDS-spreadar som motsvarar kostnaden för riskhantering avseende Kredithändelser som påverkar de bolag som ingår i ett index. Genom att använda en single option-värdeutvecklingsstruktur kan Emittenterna erbjuda strukturer varigenom investerare får fördelar av förändringar i kredit-spreadar, t.ex. om kredit-spreadar ökar till att överstiga eller sjunker till att understiga givna nivåer. Emittenterna kan också erbjuda strukturer där en investerare får fördelar av förändringar i kredit-spreadar men där den potentiella intjäningen är begränsad, t.ex. där en investerare får fördelar om kredit-spreadar sjunker till att understiga en viss given nivå, men inte ytterligare genom att spreadarna sjunker ytterligare under denna nivå. Genom att kombinera tre eller fyra utbetalningar kan Emittenterna erbjuda ytterligare strukturer. *"Mark to Market CDS"-struktur:* Denna struktur ger exponering mot "mark-to-market"-värdet på en eller flera kreditswappar med hänvisning till Referensenheterna, eller ett index av Referensenheterna, som specificeras i de tillämpliga Slutliga Villkoren.

		Digital Long Om Korgavkastningen vid den slutliga Värderingsdagen överstiger Korgenlösennivån kommer Tilläggsbeloppet vara lika med Lånens Kapitalbelopp multiplicerat med Kupongen. Om Korgavkastningen inte överstiger Korgenlösennivån vid den slutliga Värderingsdagen kommer Tilläggsbeloppet vara noll. Positiv utveckling i Referenstillgångarna kommer ha en positiv inverkan på avkastningen på Lånen. *Digital Short* Om Korgavkastningen vid den slutliga Värderingsdagen understiger Korglösennivån kommer Tilläggsbeloppet vara lika med Lånens Kapitalbelopp multiplicerat med Kupongen. Om Korgavkastningen är lika med eller överstiger Korglösennivån vid den slutliga Värderingsdagen kommer Tilläggsbeloppet vara noll. Positiv utveckling i Referenstillgångarna kommer ha en negativ inverkan på avkastningen på Lånen. *"Best of/Worst of" Digitals*: Digital Long- och Digital Short-strukturerna kan också kombineras med ett "Best of/Worst of"-inslag, varvid Tilläggsbeloppet beräknas med hänvisning till värdeutvecklingen hos Referenstillgången med den Nth bästa värdeutvecklingen snarare än Korgen som helhet. *Worst of Digital Memory Coupon 1*: Worst of Digital Memory Coupon-optionen är en remsa av villkorade "sämsta av" digitala val. Tilläggsbeloppet motsvarar Lånens Kapitalbelopp multiplicerat med Kupongerna och K. K är numret i ordningen av Värderingsdagar som Referenstillgångsavkastningen för den Referenstillgång med sämst utveckling är lika med eller överstiger den relevanta barriärnivån på varje Värderingsdag, upp till och med den aktuella Värderingsdagen (första värderingsdagen = 1, andra = 2 etc). *"Series of Digitala"*: Återbetalningsbeloppet avgörs av den procentandel av Referenstillgångarna inom Korgen som ligger över en förbestämd barriärnivå på varje Värderingsdag.
		"Delta 1 struktur": Återbetalningsbeloppet kommer vara lika med det återbetalningsbelopp som mottagits av den relevanta Emittenten (eller annan entitet inom Nordea-koncernen) genom att sådan Emittent eller entitet avvecklar ett hedging-arrangemang satt i plats för att efterlikna riskerna och fördelarna av en direktinvestering i Referenstillgångarna, minus (i) en betalbar struktureringsavgift till relevant Emittent och (ii) alla tillämpliga skatter. En Delta 1-struktur speglar i praktiken vinsterna eller förlusterna som en investerare skulle göra genom ett direkt ägande av de relevanta Referenstillgångarna. Om hedgingparten inte kan inlösa Referenstillgångarna innan det planenliga förfallodatumet, eller om hedgingparten fastställer att den inte kommer mottaga det totala beloppet av återbetalningsbeloppen innan det planenliga förfallodatumet, kommer en uppskjuten återbetalning ske och den relevanta Emittenten kan göra en delvis inlösen av Lånen när och som den relevanta hedgingparten mottar en väsentlig del av återbetalningsbeloppen, eller upphäva Lånen utan att göra någon betalning till innehavarna om den relevanta Emittenten fastställer att återbetalningsbeloppen inte kommer mottagas tidigare än det specificerade long stop-datumet.

		"Inflation Linker": Återbetalningsbeloppet är Lånens Kapitalbelopp multiplicerat med det högsta av en lägsta återbetalningsprocent (angiven som en procentsats av Lånens kapitalbelopp) och kvoten som erhålls genom att dividera Inflationstakten på den slutliga Värderingsdagen med Inflationstakten på Startdagen. *"Barriär Outperformance"-struktur 2*: om Korgavkastningen på någon Värderingsdag överstiger Barriärnivån kommer Tilläggsbeloppet beräknas som Lånens Kapitalbelopp multiplicerat med Deltagandegraden och multiplicerat med det högre av Kupongen och Korgavkastningen. Om summan av Korgavkastningen och 1 inte överstiger Barriärnivån på någon Värderingsdag kommer Tilläggsbeloppet vara noll. *"Barriär Underperformance"-struktur 2*: om Korgavkastningen på någon Värderingsdag understiger Barriärnivån kommer Tilläggsbeloppet beräknas som Lånens Kapitalbelopp multiplicerat med Deltagandegraden och multiplicerat med det högre av Kupongen och Korgavkastningen. Om Korgavkastningen inder understiger Barriärnivån på någon Värderingsdag kommer Tilläggsbeloppet vara noll. *Eftersträvad Volatilitetstrategi*: Om Eftersträvad Volatilitetstrategi är tillämplig på Lånen, fastställs den avsedda exponeringen mot underliggande Referenstillgång(ar) eller Korg ("**Exponeringen**") genom att jämföra: (i) den kortfristiga historiska volatiliteten för underliggande Korg, och (ii) en eftersträvad volatilitetsnivå ("**Eftersträvad Volatilitet**"), med förbehåll för ett på förhand bestämt tak eller golv. När underliggande Referenstillgång(ar)s eller Korgs kortfristiga historiska volatilitet ökar, minskar den avsedda Exponeringen mot underliggande Referenstillgång(ar) eller Korg och när underliggande Referenstillgång(ar)s eller Korgs kortfristiga historiska volatilitet minskar, ökar den avsedda exponeringen mot underliggande Referenstillgång(ar) eller Korg.
		"Booster Riskbarriär"-struktur 2: är en kombination av en "at the money" call-option och en "out of the money" put-option. Strike-priset för call-optionen är satt till det rådande priset på Referenstillgången eller Korgen vid tidpunkten för emissionen av Lånen. Om värdet på Referenstillgångarna eller Korgen överstiger ett förutbestämt tröskelvärde, koller ett Tilläggsbelopp att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen (beräknad enligt "Basket Long" som beskrivits ovan). Strike-priset för put-optionen kommer att sättas lägre än den rådande priset på Referenstillgångarna eller Korgen vid tidpunkten för emissionen av de relevanta Lånen och om värdet på Referenstillgången eller Korgen understiger ett specificerat tröskelvärde kommer Tilläggsbeloppet att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden 2 och Korgavkastningen (beräknad enligt "Basket Short" som beskrivits ovan).

		Booster Risk Barrier 2: Booster Risk Barriär 2-strukturen är en kombination av en "at the money" call-option och en "out of the money" put-option. Lösenprisnivån för call-optionen sätts till det gällande priset för en Referenstillgång eller Korg vid datumet för utgivande av de relevanta Lånen. Om Referenstillgångens eller Korgens värde överstiger en förutbestämd barriärnivå bestäms Tilläggsbeloppet genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen (beräknat enligt metoden för att beräkna "Basket Long" enligt ovan). Lösenprisnivån för put-optionen sätts till ett belopp understigande gällande pris för en Referenstillgång eller Korg vid datumet för utgivande av relevant Lån. Om värdet på sådan Referenstillgång eller Korg sjunker till att understiga den specificerade barriärnivån bestäms Tilläggsbeloppet genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden 2 och Korgavkastningen (beräknat enligt metoden för att beräkna "Basket Short" enligt ovan) *"Autocall"-struktur*: Om värdet på en underliggande Referenskurs antingen överstiger eller understiger en förutbestämd barriärnivå bestämd i de relevanta Slutliga Villkoren ("**Autocall-händelsen**{xe "Autocall-händelsen"}") kommer Lånen att inlösas i förtid. Om Autocall-händelsen inte inträffar före den slutliga Värderingsdagen kommer Lånen att inlösas på Återbetalningsdagen. *"In och Out Option"-struktur*: "In och Out Options"-struktur är tröskelvärdesval som ger ett Tilläggsbelopp beroende på om Korgavkastningen har varit högre eller lägre än en viss förutbestämd tröskelnivå specificerad i de Slutliga Villkoren ("**Barriärnivån**"). "Up and In Option"-strukturen ger ett Tilläggsbelopp kopplat till avkastningen för den relevanta Korgen om Korgavkastningen är lika med eller högre än den relevanta Barriärnivån på något Värderingsdatum. Tilläggsbeloppet kan vara positivt eller negativt beroende på om Options-typen är en "bought"-option eller en "sold"-option. "Up and Out Option"-struktur ger ett Tilläggsbeloppet kopplat till avkastningen för den relevanta Korgen om Korgavkastningen är lika med eller lägre än den relevanta Barriärnivån på varje Värderingsdatum. I en "Down and Out Option"-struktur kommer ett Tilläggsbeloppet att utfalla om Korgavkastningen är lika med eller högre än den relevanta Barriärnivån på varje Värderingsdatum. Tilläggsbeloppet kan vara positivt eller negativt beroende på om Options-typen är en "bought"-option eller en "sold"-option. Varje "In and Out Option"-struktur kan baseras på antingen en underliggande "Basket Long"- eller "Basket Short"-struktur. "In and Out Option"-strukturer kan också utbetala en fast ränta kallad kupong eller "rabatt" för de fall att de inte genererar ett Tilläggsbelopp baserat på avkastningen på den relevanta Korgen. I en "bought"-optionstruktur ska kupongen eller rabatten betalas till Fordringshavarna och kan därför medföra ett negativt Tilläggsbelopp (vilken kan dras av från Basåterbetalningsbeloppet). *"In and Out Option"-struktur: [In Option – Basket Long/In Option – Basket Short/Out Option – Basket Long/Out Option – Basket Short/Inte tillämpligt]* *Options-typ: [Bought Up and Sold/Sold Up and In/ Bought Down and In/Sold Down and In/Bought up and Out/Sold Up and Out/Bought Down and Out/Sold Down and Out/Inte tillämpligt]*
		Tillämpliga värdeutvecklingsstruktur(er) är:[ ] *[Underliggande Korgavkastningsstruktur är Basket Long/Basket Short-strukturerna]/[Ej tillämpligt]*

		Valutakomponenter: om Valuta-komponenterna tillämpas på en eller flera värdeutvecklingsstrukturer angivna ovan kan Referenstillgångsavkastningen, Tilläggsbeloppet eller Basåterbetalningsbeloppet justeras genom att de multipliceras med en faktor som återspeglar variationen i en eller flera utländska valutakurser under de relevanta tidsperioderna som mäts eller observeras. Om "Valutakomponenten Sammansatt" specificeras som tillämplig i de relevanta Slutliga Villkoren ska justering för att reflektera den relevanta valutakursen tillämpas före det att Strike Level tas med i beräkningen när Referenstillgångsavkastningen ska bestämmas. *[Valutakomponenten [Sammansatt] är tillämplig på Referenstillgångs-avkastningen/Tilläggsbeloppet/Basåterbetalningsbeloppet]* *[Valutakomponenten är ej tillämplig]* *Best of/Worst of Modifier*: om Best of/Worst of Modifier tillämpas på en eller flera värdeutvecklingsstrukturer angivna ovan ska de relevanta iakttagelserna, värderingarna och beräkningarna av Tilläggsbeloppet fastställas med referens till utvecklingen av den Nth bäst presterande Referenstillgången, istället för till Korgen som helhet. N kommer att vara ett förbestämt värde som finns angivet i de Slutliga Villkoren. *[Best of/Worst of Modifierare är tillämpligt och värdet av N är: [ ]/Ej tillämpligt]* *Lookback Startkurs Modifierare*: om Lookback Startkurs Modifierare är tillämpligt beräknas Lånens Tilläggsbelopp baserat på antingen den högsta eller den lägsta Startkursen (vid ingången till en Värderingsperiod) för relevant Korg eller Referenstillgång, såsom närmare anges i Slutliga Villkor. *[Lookback Startkurs Modifierare är Tillämpligt/ej Tillämpligt]* *Lookback Slutkurs Modifierare*: om Lookback Slutkurs Modifierare är tillämpligt beräknas Lånens Tilläggsbelopp baserat på antingen den högsta eller den lägsta Slutkursen (vid utgången av en Värderingsperiod) för relevant Korg eller Referenstillgång, såsom närmare anges i Slutliga Villkor. *[Lookback Slutkurs Modifierare är Tillämpligt/ej Tillämpligt]*
		Lock-In Modifier: om Lock-In Modifier tillämpas på Lånen ska Korgavkastningen ersättas med Lock-In Korgavkastningen för att beräkna Tilläggsbeloppet i enlighet med en eller flera av de ovanstående värdeutvecklingsstrukturerna. "Lock-In-Korgavkastningen" är den förutbestämda procentsats vilken korresponderar mot den högsta lock-in-nivån som uppnås eller eller överskrids av Korgavkastningen på en Värderingsdag. *[Lock-In Modifierare är Tillämplig/ej Tillämplig]* *Kombination av Strukturer*: Relevant Emittent kan välja att kombinera en eller flera av värdeutvecklingsstrukturerna som beskrivs ovan i samband med ett utgivande av Lån. Om "Sammanslagning" är specificerat i Slutliga Villkor kommer det totala betalbara Tilläggsbeloppet vara lika med summan av de olika tillämpliga Tilläggsbeloppen i varje fall multiplicerat med procenttal som reflekterar den totala andelen av den sammanlagda avkastningen som den relevanta Emittenten avser att varje värdeutvecklingsstruktur bidrar. Om "Subtraktion" är angivet i Slutliga Villkor kommer ett Tilläggsbelopp subtraheras från ett annat. Om "Alternativ Uträkning" är angiven i Slutliga Villkor kommer den värdeutvecklingsstruktur som används för att bestämma Tilläggsbeloppet avvika beroende på huruvida Korgavkastningen på en viss Värderingsdag har överstigit en eller flera förutbestämda Barriärnivåer eller ej, såsom

		framgår av relevanta Slutliga Villkor. *[Ej Tillämpligt/Kombination av Strukturer är tillämpligt och de relevanta Värdeutvecklingsstrukturerna finns angivna ovan. Kombinationsmetoden är Sammanslagning/Subtraktion/Alternativ Uträkning]* *"Högsta Återbetalningsbelopp"*: om ett högsta Återbetalningsbelopp är tillämpligt kommer Återbetalningsbeloppet vara det lägre av (i) det beräknade beloppet i enlighet med en av värdeutvecklingsstrukturerna angivna ovan, och (ii) ett förutbestämt högsta återbetalningsbelopp såsom specificerat i relevanta Slutliga Villkor. *Ej Tillämpligt/Högsta Återbetalningsbeloppet är [ ]* *"Lägsta Återbetalningsbelopp"*: om ett lägsta Återbetalningsbelopp är tillämpligt kommer Återbetalningsbeloppet vara det högre av (i) det beräknade beloppet i enlighet med en av värdeutvecklingsstrukturerna angivna ovan och (ii) ett förutbestämt lägsta återbetalningsbelopp såsom specificerat i relevanta Slutliga Villkor. *Ej Tillämpligt/Lägsta Återbetalningsbeloppet är [ ]* *Högsta och Lägsta Återbetalningsbelopp:* Om både ett högsta och lägsta Återbetalningsbelopp är tillämpligt ska Återbetalningsbeloppet motsvara det högsta av: (i) det Lägsta Återbetalningsbeloppet och (ii) det lägre av (x) det belopp som beräknats efter avkastningen för en eller flera av de strukturer som beskrivits ovan och (y) det Högsta Återbetalningsbeloppet. *"Inflationsskyddat Kapitalbelopp"*: om detta är tillämpligt kommer Återbetalningsbeloppet som fastställts i enlighet med de angivna värdeutvecklingsstrukturerna och/eller Tilläggsbeloppet/Tilläggsbeloppen ovan att multipliceras med utvecklingen i ett angivet inflationsmått, såsom konsumentprisindex, under Lånens löptid. *Inflationsskyddat Kapitalbelopp är [Tillämpligt/ej Tillämpligt]*
		TOM Ackumulerande Strategi: TOM Ackumulerande Strategi speglar att en investering görs i särskilda Referenstillgångar ("**Risktillgångar**") men enbart för en begränsad period varje månad. Vid övriga tidpunkter speglar Lånen ett bundet sparande eller annan investering med fast avkastning. I Slutliga Villkoren anges vilka dagar i vilken månad som helst där dagar behandlas såsom en investering i en bestämd inkomst-investering ("**Övriga Tillgångar**{xe {"Övriga Tillgångar"}"), i syfte att beräkna Lånens totala betalbara Tilläggsbelopp. Endast Risktillgångarnas utveckling, eller de Övriga Tillgångarnas utveckling sammanräknat med Risktillgångarnas utveckling (som tillämpligt) kan också beräknas som ett genomsnitt av ett förutbestämt antal kalendermånader som föregår Lånens Återbetalningsdag, i syfte att begränsa Lånens utsatthet för volatilitet i förhållande till Referenstillgångarnas utveckling vid slutet av Lånens löptid. *TOM Ackumulerande Strategi är [Tillämplig/ej Tillämplig]*
		"Lock-in Korggolv: Om Lock-in Korggolv är tillämpligt i förhållande till Lånen, och om Korgavkastningen överstiger Barriärnivån på en Värderingsdag, ska Korgavkastningen ersättas med det högre av Korgavkastningen och en förutbestämd lägsta Korgavkastningsnivå för att bestämma Tilläggsbeloppet i enlighet med relevant värdeutvecklingsstruktur. *Lock-in Korggolv är [Tillämplig/ej Tillämplig]*

C.11 **C.21**	**Upptagande till handel på en reglerad marknad:**	Ansökningar har gjorts för att Lånen inom en period av tolv månader från detta datum ska bli godkända för notering på den officiella listan och för handel på den reglerade marknaden Irish Stock Market Exchange. Programmet tillåter även att Lån utfärdas på förutsättningen att de inte kommer bli godkända för notering, handel och/eller notering av någon behörig myndighet, aktiebörs och/eller marknadssystem eller godkännas för notering, handel och/eller notering på sådan annan eller ytterligare behörig myndighet, aktiebörs och/eller marknadssystem som kan avtalas om med den relevanta Emittenten.
C.15[5]	**Lånens värde och värdet för det underliggande:**	*Lånen är icke-noterade Lån/Ansökan kommer göras för Lånen för att godkännas för notering på [ ] och för handel på [ ] med verkan från [ ].* Värdet på Lånen kommer att bestämmas genom hänvisning till värdet av de(n) underliggande Referenstillgång(-ar) och de(n) värdeutvecklingsstruktur(er) som tillämpas på Lånen. Uppgifter om de olika värdeutvecklingsstrukturerna och förhållandet mellan Lånens värde och värdet av det underliggande finns angivet i avsnitt C.10. *Detaljer om de(n) tillämpliga värdeutvecklingsstrukturen(-erna) och avkastningen på Lånen finns angivet i avsnitt C.10.* Lånens struktur kan innehålla en deltagandegrad eller annan hävstångs- eller gearingfaktor som används för att fastställa exponeringen mot respektive Referenstillgång(ar), dvs. proportionen av ändring i värdet som tillfaller investeraren i varje individuellt Lån. (Exponeringen mot relevant(a) Referenstillgång(ar) kan dessutom påverkas vid tillämpning av Eftersträvad Volatilitetstrategi som beskrivs i avsnitt C.10 ovan). Deltagandegraden bestäms av den relevanta Emittenten och fastställs genom, bland annat, löptiden, volatiliteten, marknadsräntan och den förväntade Referenstillgångsavkastningen. *Den [indikativa] Deltagandegraden är: [ ]*
C.16	**Inlösen- eller förfallodag:**	Med förbehåll för en förtida återbetalning, kommer inlösendagen (eller den slutliga Återbetalningsdagen) vara Lånens förfallodag. *Lånens återbetalningsdag är: [ ]*
C.17	**Avräknings-förfarande:**	Dagen eller dagarna då värdeutvecklingen i en Referenstillgång mäts eller observeras ("**Värderingsdag(ar)**" eller **Observationsdag(ar)**") kommer anges i de relevanta Slutliga Villkoren, och kan bestå av flera datum ("**Medelvärdesberäkningsdagar**") på vilka genomsnittet av värdeutvecklingen beräknas och ligger till grund för avkastningen på Lånen. [*Värderingsdagen(-arna) [och de relaterade Medelvärdesberäkningsdagarna] är: [ ]]* *[Observationsdagen(-arna) [och de relaterade Medelvärdesberäkningsdagarna] är:[ ]]*

[5] Avsnitt c.15 till och med 20 bör avlägsnas när det gäller utgivande av enkelt lån.

		Avräkning av Lån som representeras av ett Globalt Lån ska ske på den relevanta betalningsdagen och kommer att genomföras genom att den relevanta Emittenten betalar, om tillämpligt, kapitalbelopp och/eller ränta till de relevanta Betalningsagenterna för vidare överföring till Euroclear och Clearstream, Luxemburg. Investerare kommer motta sina återbetalningssummor till sina konton i Euroclear och Clearstream, Luxemburg, i enlighet med sedvanliga avräkningsförfaranden hos Euroclear och Clearstream, Luxemburg. Med hänsyn till Lån av definitiv typ kommer betalning av Återbetalningsbeloppet (eller Förtida Återbetalningsbelopp, om tillämpligt) göras mot presentation och överlämnande det individuella Lånet vid det angivna betalningsagent- eller registratorkontoret. Avräkning av VP-Lån ska ske i enlighet med VP-reglerna, avräkning av VPS-Lån ska ge i enlighet med VPS-reglerna, avräkning av Svenska Lån ska ske i enlighet med Euroclear Swedens regler och avräkning av Finska Lån ska ske i enlighet med Euroclear Finlands regler. *Avräkning av Lån ska ske: [ ]*
C.18	**Avkastning:**	Avkastningen eller Återbetalningsbeloppet som ska betalas till Investerarna kommer fastställas med referens till värdeutvecklingen för de underliggande Referenstillgångarna/-enheterna inom en specifik räntestruktur eller värdeutvecklingsstruktur som är tillämplig för Lånen. Detaljer om olika ränte- och värdeutvecklingsstrukturer finns angivna i avsnitt C.9 och C.10. *Detaljer kring de(n) tillämpliga ränte- och utvecklingsstrukturen(-erna) och avkastningen på Lånen finns angivna i avsnitt C.9 och C.10.*
C.19	**Optionskurs eller Slutligt Referenspris:**	Det slutliga referenspriset på de(n) relevanta Referenstillgången(-arna) kommer ha en inverkan på Återbetalningsbeloppet som ska betalas till Investerare. Det slutliga referenspriset kommer fastställas på de(n) tillämpliga Värderingsdagen(-arna) som anges i de relevanta Slutliga Villkoren. *Det slutliga referenspriset på Referenstillgångarna kommer att beräknas som [stängningskurs]/[genomsnittliga slutkurser] som publicerats av [•] på vardera av [•], [•] och [•].*
C.20	**Typ av underliggande:**	Det underliggande kan utgöra en, eller en kombination, av följande: aktier, tillgångar, index, referensenheter, räntesatser, fonder, råvaror eller valutor. *Typ av underliggande är: [ ].*

	Avsnitt D - Risker	
D.2	**Risker specifika för Emittenterna:**	Vid förvärv av Lån påtar sig investerarna risken att den relevanta Emittenten kan bli insolvent eller på annat sätt bli oförmögen att betala förfallna belopp hänförliga till Lånen. Det finns ett stort antal faktorer som var för sig eller tillsammans kan leda till att den relevanta Emittenten blir oförmögen att betala förfallna belopp hänförliga till Lånen. Det är inte möjligt att identifiera alla sådana faktorer eller fastställa vilka faktorer som är mest troliga att inträffa, eftersom den relevanta Emittenten kan vara ovetande om alla relevanta faktorer sant att vissa faktorer som denne för närvarande inte anser vara relevanta kan komma att bli relevanta till följd av händelser som inträffar och som befinner sig utanför den relevanta Emittentens kontroll. Emittenterna har i Grundprospektet identifierat ett antal faktorer som avsevärt skulle kunna inverka negativt på dess respektive verksamhet och

		förmåga att under Lånen betala förfallna belopp. Dessa faktorer innefattar: ***Risker med anknytning till aktuella makroekonomiska förhållanden*** Risker med anknytning till den europeiska ekonomiska krisen samt osäkerhet kring Kinas ekonomiska situation har haft och kan, trots den senaste periodens stabilisering, även i fortsättningen komma att ha, en negativ påverkan på den globala ekonomin och finansmarknaderna. Om förhållandena kvarstår, eller om turbulens uppstår på dessa eller andra marknader, kan det på ett betydande sätt negativt påverka Nordea-koncernens förmåga att få tillgång till kapital och likviditet på ekonomiska villkor som Nordea-koncernen kan acceptera. Vidare påverkas Nordea-koncernens resultat på ett betydande sätt av det allmänna ekonomiska läget i de länder där den bedriver verksamhet, i synnerhet på de nordiska marknaderna (Danmark, Finland, Norge och Sverige). En negativ utveckling för ekonomin och marknadsförhållanden där koncernen bedriver verksamhet, kan negativt påverka koncernens verksamhet, finansiella tillstånd och verksamhetsresultat och det åtgärder som Nordea-koncernen vidtar kan visa sig otillräckliga för att minska kredit-, marknads- och likviditetsrisker. ***Risker med anknytning till Nordea-koncernens kreditportfölj*** Negativa ändringar i kreditvärdigheten hos Nordea-koncernens låntagare och motparter, eller en minskning i värdet för säkerheter, kommer sannolikt påverka Nordea-koncernens återhämtningsmöjligheter och värdet av dess tillgångar, vilket kan kräva en ökning av företagets enskilda regler och eventuellt i de kollektiva reglerna för dåliga lån. En betydande ökning i storleken på Nordeas avsättningar för låneförluster och låneförluster som inte täcks av avsättningar, skulle på ett betydande sätt negativt påverka Nordea-koncernens verksamhet, finansiella läge och verksamhetsresultat. Nordea-koncernen är exponerad för motparters kreditrisker, förlikningsrisker och överlåtelserisker i förhållande till transaktioner som genomförs inom sektorn för finansiella tjänster och denna sektors handel med finansiella instrument. Om motparterna inte klarar att fullgöra sina åtaganden kan detta på ett betydande sätt negativt påverka Nordea-koncernens verksamhet, ekonomiska läge och verksamhetsresultat.
		Risker med anknytning till marknadsexponering Värdet på finansiella instrument som ägs av Nordea-koncernen är känsliga för volatiliteten i, och korrelationer mellan, olika marknadsvariabler, bland annat räntor, kreditspridningar, aktiepriser och utländska valutakurser. Nedskrivningar eller avskrivningar som kostnadsförts kan på ett betydande sätt negativt påverka Nordea-koncernens verksamhet, ekonomiska läge och verksamhetsresultat, medan finansmarknadens resultat och volatila marknadsförhållanden kan resultera i en betydande minskning i Nordea-koncernens handels- och investeringsinkomster, eller leda till en handelsförlust. ***Nordea-koncernen är utsatt för strukturella marknadsrisker*** Nordea-koncernen är utsatt för strukturell ränteinkomstrisk när det råder ett missförhållande mellan perioder då räntesatser förändras, volymer eller referensräntor för sina tillgångar, skulder och derivat. Nordea-koncernen är även utsatt för valutakonverteringsrisk som uppstår genom företagets svenska och norska bankverksamheter när den sammanställer koncernens konsoliderade årsredovisning i sin funktionella valuta, euron. Om ett missförhållande råder under en viss period, vid ändringar i räntan, eller om

		valutariskexponeringen inte hedgas tillräckligt, kan det på ett betydande sätt få en negativ påverkan för Nordea-koncernens ekonomiska läge och verksamhetsresultat. ***Risker med anknytning till likviditets- och kapitalkrav*** En betydande andel av Nordea-koncernens likviditets- och finansieringskrav uppfylls genom insättningar från kunder, samt även en kontinuerlig tillgång till marknader för storskaliga lån, bland annat utfärdandet av långfristiga skuldebrev, t.ex. säkerställda obligationer. Turbulens på de globala finansmarknaderna och ekonomin kan negativt påverka Nordea-koncernens likviditet och villigheten hos vissa motparter och kunder att göra affärer med Nordea-koncernen. Nordea-koncernens verksamhetsresultat kan påverkas om de kapitaltäckningsnivåer som måste upprätthållas enligt tillämpligt regelverk, innefattandes europaparlamentets och rådets direktiv 2013/36/EU, europarlamentets och rådets förordning nr. 575/2013 och de andra regler som reglerar kapitaltäckning, eller andra krav som är tillämpliga på någon Emittent eller Nordea-koncernen och som medför (ensamt eller tillsammans med andra regler och förordningar) krav för att finansiella instrument ska kunna inräknas i någon Emittents eller Nordea-koncernens regulatoriska kapital (var för sig eller på konsoliderad basis, som tillämpligt) i den utsträckning som krävs enligt direktiv 2013/36/EU, förordning nr. 575/2013, inklusive de tekniska standarder släppta av europeiska bankmyndigheten (EBA) (eller dess efterträdare eller ersättare) ("**CRD IV**"), minskar eller anses otillräckliga. Nordea-koncernens finansieringskostnader och företagets tillgång till skuldkapitalmarknader påverkas på ett betydande sätt av dess kreditbetyg. En sänkning av kreditbetyget kan negativt påverka Nordea-koncernens tillgång till likviditet och dess konkurrensläge, och därför på ett betydande sätt negativt påverka företagets verksamhet, ekonomiska tillstånd och verksamhetsresultat.
		Andra risker med anknytning till Nordea-koncernens verksamhet För att Nordea-koncernens verksamhet ska fungera måste företaget kunna genomföra ett stort antal komplexa transaktioner på olika marknader i många valutor. Transaktioner genomförs genom många olika enheter. Trots att Nordea-koncernen har implementerat riskkontroller och vidtagit andra åtgärder för att minska exponeringen och/eller förlusterna, finns inga garantier för att sådana procedurer kommer att vara effektiva i att hantera de olika verksamhetsrisker som Nordea-koncernen står inför, eller att Nordea-koncernens rykte inte skadas genom förekomsten av operationell risk. Nordea-koncernens verksamheter i Ryssland och Baltikum – marknader som vanligen är mer volatila och mindre ekonomiskt och politiskt utvecklade än marknaderna i Västeuropa och Nordamerika – innebär olika risker som inte gäller, eller gäller i mindre grad, för företagets verksamheter i Norden. Vidare är vissa av dessa marknader vanligtvis mer volatila och mindre utvecklade rent ekonomiskt och politisk än marknader i Västeuropa och Nordamerika. Nordea-koncernens resultat bygger till stor del på dess anställdas höga kompetens och yrkesskicklighet. Nordea-koncernens fortsatta förmåga att konkurrera effektivt och implementera sin strategi är beroende av förmågan att dra till sig nya anställda och att behålla och motivera befintliga anställda. Nya regulatoriska begränsningar, såsom nyligen införda begränsningar på vissa typer av ersättningar som får betalas av kreditinstitut och värdepappersbolag som följer av CRD IV, kan negativt inverka på Nordea-

		koncernens förmåga att attrahera ny personal och att behålla och motivera nuvarande personal. Förluster av vissa nyckelpersoner, särskilt om de går över till konkurrenter, eller en oförmåga att dra till sig och behålla högkompetent personal i framtiden, kan få en negativ effekt på Nordea-koncernens verksamhet. Det råder konkurrens om de olika typer av banktjänster och produkter som Nordea-koncernen erbjuder. Det finns inga garantier för att Nordea-koncernen kommer att behålla sin konkurrensposition. ***Risker med anknytning till lagar och regulatoriska krav på området där Nordea-koncernen bedriver sin verksamhet*** Nordea Group måste följa ett stort antal regler och kontrolleras av olika myndigheter, såväl som lagar och bestämmelser, administrativa påbud och policyer i de olika jurisdiktioner som företaget verkar, vilka alla kan ändras. Detta kan vid var tid för förändring innebära betydande utgifter. Nordea-koncernen kan ådra sig betydande kostnader för kontroller och uppfyllandet av nya kapitalkrav, samt krav på återvinning och upplösning, vilket även kan påverka befintliga affärsmodeller. Vidare finns inga garantier om att brott mot lagar och bestämmelser av Nordea-koncernen inte sker eller att, om ett sådant brott sker, företaget inte får betala stora skadestånd eller böter. Under normal drift av verksamheten gäller för Nordea-koncernen att det förekommer risker med anknytning till myndigheters kontroller och skadestånd. Nordea-koncernen är föremål för många olika anspråk, tvister, processer och statliga utredningar i jurisdiktioner där företaget är aktivt. Dessa slags anspråk och processer utsätter Nordea-koncernen för risker för monetära skadestånd, direkta eller indirekta förluster (bl.a. rättskostnader), direkt eller indirekt ekonomisk förlust, civilrättsliga och straffrättsliga sanktioner, förlust av licenser eller goodwill-skada, samt även risken för restriktioner för verksamhetens fortsatta drift.
		Nordea-koncernens verksamhet beskattas olika runt om i världen i enlighet med lokala lagar och praxis. Lagändringar eller beslut av skattemyndigheterna kan skada Nordea-koncernens nuvarande eller tidigare skatteläge.
D.3	**Risker specifika för Lånen:**	Risker finns även i samband med emission av Lånen under Programmet och särskilda typer av Lån, vilka potentiella investerare noga ska beakta, så att de är införstådda i dessa risker innan ett investeringsbeslut fattas avseende Lånen, bland annat följande: • *Produktens komplexitet* – avkastningsstrukturen för strukturerade Lån är ibland komplex och kan innehålla matematiska formler eller samband som, för en investerare, kan vara svåra att förstå och jämföra med andra investeringsalternativ. Noteras bör att relationen mellan avkastning och risk kan vara svår att utvärdera. • *Lån vars kapitalbelopp inte är garanterat* – Lån vars kapitalbelopp inte är garanterade får emitteras enligt Programmet. Om Lånens kapitalbelopp inte är garanterade, finns ingen garanti för att avkastningen som en investerare får på Lånen vid inlösen kommer att överstiga eller vara lika med kapitalbeloppet.

		• *Prissättning av strukturerade Lån* – Prissättningen av strukturerade Lån bestäms vanligen av Emittenten ifråga, och inte utifrån förhandlade villkor. Det kan därför uppstå en intressekonflikt mellan Emittenten ifråga och investerarna, i det att Emittenten ifråga kan påverka prissättningen och försöker generera en vinst eller undvika en förlust i relation till de underliggande referenstillgångarna. Emittenterna har ingen skyldighet att agera i Innehavarnas intresse. • *Referenstillgångarnas värdeutveckling* – Med strukturerade Lån är Innehavarnas rätt till avkastning och ibland återbetalningen av kapitalbeloppet, beroende av hur bra värdeutvecklingen är för en eller flera referenstillgångar och den gällande avkastningsstrukturen. Värdet på strukturerade tillgångar påverkas av värdet på referenstillgångarna vid vissa tidpunkter under värdepapprens löptid, hur starkt priserna hos referenstillgångarna varierar, förväntningarna angående den framtida volatiliteten, marknadsräntorna och förväntade utdelningar på referenstillgångarna. • *Valutafluktuationer*. Växelkurserna för utländska valutor kan påverkas av komplexa politiska och ekonomiska faktorer, inklusive relativa inflationstakter, betalningsbalansen mellan länder, storleken på regeringars budgetöverskott eller budgetunderskott och den monetära, skatte- och/eller handelspolitiska policy som följs av de relevanta valutornas regeringar. Valutafluktuationer kan påverka värdet eller nivån hos Referenstillgångarna på komplexa sätt. Om sådana valutafluktuationer får värdet eller nivån hos Referenstillgångarna att variera, så kan värdet eller nivån på Lånen falla. Om värdet eller nivån hos en eller flera Referenstillgång(ar) är utfärdad(e) i en valuta som är annan än valutan i vilken Lånen är utfärdade, så kan investerarna vara utsatta för en ökad risk som kommer från växelkurser för främmande valutor. Tidigare växelkurser för utländska valutor är inte nödvändigtvis indikationer beträffande framtida växelkurser för utländska valutor.
		• *Aktier som Referenstillgångar* – aktielänkade Lån är inte sponsrade eller främjade av Emittenten av aktierna. Emittenten av aktierna har därför inte någon skyldighet att beakta intresset för dem som investerat i Lånen varför åtgärder tagna av en sådan emittent av aktier skulle kunna negativt påverka Lånens marknadsvärde. Den som investerat i Lånen har inte rätt att få några utbetalningar eller andra utdelningar till vilka en direkt ägare av de underliggande aktierna annars skulle ha rätt. • *Index som Referenstillgångar* – Lån som baserar sig på index som Referenstillgångar kan få lägre betalning vid inlösen av sådana Lån än om han eller hon hade investerat direkt i de aktier/tillgångar som utgör indexet. Sponsorn av vilket som helst index kan lägga till, ta bort eller ersätta komponenter eller göra metodändringar som kan påverka nivån på sådant index och därmed den avkastning som skall betalas till investerare i Lånen. Nordea-koncernen kan också ta del i att skapa, strukturera och underhålla indexportföljer och indexstrategier (och kan även agera indexsponsor i förhållande därtill) (gemensamt "**Egna Sammansatta Index**"). Det kan därför uppstå intressekonflikter för Emittenterna i deras roll som Emittent av sådana Lån och i deras ställning i att upprätta, marknadsföra, främja eller administrera sådana index. • *Råvaror som Referenstillgångar* – att handla i råvaror är spekulativt och kan vara extremt volatilt eftersom råvarupriser påverkas av

		faktorer som är oförutsägbara, såsom ändringar i relationerna mellan tillgång och efterfrågan, vädermönster och regeringars politik. Råvarukontrakt kan även handlas direkt mellan marknadsaktörer "over-the-counter" på handelsplatser som är föremål för minimal eller ingen substantiell reglering. Detta ökar riskerna som sammanhänger med likviditets- och prishistorik för de relevanta kontrakten. Lån som är länkade till terminskontrakt för råvaror kan ge en annan avkastning än Lån som är länkade till den relevanta fysiska råvaran, eftersom priset på ett terminskontrakt för en råvara allmänt innefattar en premie eller en rabatt jämfört med dagspriset för den underliggande råvaran. • *Exponering mot en korg av Referenstillgångar* – där det underliggande är en eller flera korgar av Referenstillgångar, bär investerarna risken för värdeutvecklingen för var och en av delarna som korgen innehåller. Där det är en hög nivå av ömsesidigt beroende mellan de individuella delarna av korgens innehåll, så kan en ändring i värdeutvecklingen hos korgens delar överdriva värdeutvecklingen i Lånen. Dessutom kan en liten korg eller en olikartat viktad korg göra korgen sårbar för ändringar i värdet hos vilken som helst av de specifika korgkomponenterna. Varje beräkning eller värde som berör en korg med "bästa av" eller "sämsta av"-inslag kan producera resultat som skiljer sig mycket från dem som tar hänsyn till korgens värdeutveckling i dess helhet.
		• *Kreditlänkade Lån* – en investering i kreditlänkade Lån för med sig en exponering mot kreditrisken hos en specifik Referenstillgång eller korg av Referensenheter utöver i förhållande till den relevanta Emittenten. En reduktion av kreditvärdigheten hos en Referensenhet kan ha en väsentlig negativ effekt på marknadsvärdet för de relevanta Lånen och betalningarna av kapitalbeloppet och upplupen ränta. När en Kredithändelse inträffar, så kan den relevanta Emittentens skyldighet att betala kapitalbeloppet ersättas av en skyldighet att betala andra belopp beräknade med referens till värdet hos Referensenheten. Eftersom inga av Referensenheterna bidrog till framställandet av Grundprospektet, så finns ingen garanti för att alla väsentliga händelser eller informationer som relaterar till finansiell värdeutveckling eller kreditvärdigheten hos Referensenheterna har offentliggjorts vid den tidpunkt då Lånen emitterades. • *Automatisk Förtida Återbetalning* – vissa typer av Lån kan automatiskt återbetalas före deras planerade förfallodatum om vissa villkor är uppfyllda. I en del fall kan detta resultera i en förlust av en del eller hela investerarens investering. • *Lån som är föremål för valfri återbetalning av Emittenten* – en valfri återbetalning kan sannolikt minska Lånens marknadsvärde. • *Lån emitterade med väsentlig rabatt eller premie* – marknadsvärdet av Lånen av denna typ tenderar att fluktuera mer i relation till allmänna ändringar i räntesatser än priser för konventionella räntebärande värdepapper. Det finns också vissa risker rörande Lånen i allmänhet, såsom modifikationer och undantag och lagändringar.

D.6	**Riskvarning:**[6]	En investering i relativt komplexa värdepapper, såsom Lånen, för med sig en högre risk än att investera i mindre komplexa värdepapper. Speciellt, i en del fall, kan investerare förlora värdet av hela sin investering eller delar därav, från fall till fall.

[6] Att avlägsnas i fall av utfärdande av enkelt lån.

	Sektion E - Erbjudande	
E.2b	**Motiv till Erbjudandet och användning av intäkterna:**	Om ej annat anges, kommer nettointäkterna från Lånen att användas för allmänna bank- och företagsändamål hos Emittenten och Nordea-koncernen. [*Nettointäkterna kommer att användas till: [ ]*]
E.3	**Villkor för Erbjudandet:**	En Investerare som avser att förvärva eller förvärvar något Lån från en Auktoriserad Säljare kommer att göra detta, och erbjudanden och försäljning av Lån till en investerare gjorda av en Auktoriserad Säljare kommer att göras, i enlighet med villkor och andra arrangemang som föreligger mellan en sådan Auktoriserad Säljare och sådan investerare inklusive pris, allokering och arrangemang för betalning och leverans. *Ett Erbjudande av Lånen till allmänheten kommer att givas i "Erbjudanden till Allmänheten-Jurisdiktioner" under Erbjudandeperioden [Sammanfatta detaljer för "Erbjudanden till Allmänheten" som är inkluderade i "Distribution –Erbjudanden till Allmänheten" och "Villkor för Lånen", punkterna i Del B av de Slutliga Villkoren.*]
E.4	**Relevanta intressen/intresse konflikter för Erbjudandet:**	Handlare och Auktoriserade Säljare kan betalas genom avgifter i samband med emissionen av Lånen inom detta Program. *Såvitt Emittenten känner till, har ingen person involverad i emissionen av Lånen något intresse som är relevant för Erbjudandet./[ ].*
E.7	**Beräknade kostnader:**	Det förväntas inte att den relevanta Emittenten kommer att debitera några utgifter till investerare i samband med någon emission av Lån. Andra Auktoriserade Säljare kan emellertid debitera utgifter till investerare. Utgifter som är debiterbara för en Auktoriserad Säljare skall debiteras i enlighet med kontraktsmässiga arrangemang som överenskommits mellan Investeraren och en aktuell Auktoriserad Säljare vid tiden för det relevanta erbjudandet. Sådana utgifter (om några) skall fastställas från fall till fall. *Emittenten [eller någon Auktoriserad Säljare] debiterar inte investerare för några utgifter./Den Auktoriserade Säljaren/na kommer att debitera investerarna för utgifter. De uppskattade utgifterna som debiteras investerarna av de Auktoriserade Säljarna är [ ].*

RISK FACTORS

An investment in the Notes involves a degree of risk. Prospective investors should carefully consider the risks set forth below and the other information contained in this Base Prospectus prior to making any investment decision with respect to the Notes. The risks described below could have a material adverse effect on the Nordea Group's business, financial condition and results of operations or the value of the Notes. Additional risks and uncertainties, including those of which the Nordea Group's management is not currently aware or deems immaterial, may also potentially have an adverse effect on the Nordea Group's business, results of operations, financial condition or future prospects or may result in other events that could cause investors to lose all or part of their investment.

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

Prospective investors should note that the risks relating to the Issuers, the industry in which they operate and the Notes summarised in the section of this Base Prospectus headed "Summary" are the risks that the Issuers believe to be the most relevant to an assessment by a prospective investor of whether to consider an investment in the Notes. However, as the risks which the Issuers face relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Base Prospectus headed "Summary" but also, among other things, the risks and uncertainties described below.

Each of the Issuers believes that the factors described below present the principal risks inherent in investing in the Notes issued under the Programme, but the inability of the relevant Issuer to pay interest or principal on or in connection with any Notes may occur for other reasons and neither of the Issuers represents that the statements below regarding the risks of holding any Notes is exhaustive.

Risks Relating to Current Macroeconomic Conditions

Negative economic developments and conditions in the markets in which the Nordea Group operates can adversely affect the Nordea Group's business and results of operations.

The Nordea Group's performance is significantly influenced by the general economic condition in the countries in which it operates, in particular the Nordic markets (Denmark, Finland, Norway and Sweden) and, to a lesser degree, in Russia and the Baltic countries. Following the weakened economic environment and the turmoil in the global financial markets, in 2008 and 2009, which was reflected in declining economic growth, increasing rates of unemployment as well as decreasing asset values in these countries, 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. However, there have been differences between countries within the region. For example, in 2012, Norway maintained strong growth and the Swedish economy also grew, albeit at a slower pace compared to previous years, while Finland experienced negative growth. Denmark, which was more deeply affected by the financial turmoil and economic slowdown than the other Nordic economies, followed many euro area countries into a recession. In 2013, Norway and Sweden experienced slow growth and, although the recession in Denmark ended with a gradual improvement and stabilising house prices, growth in Denmark was lower compared to Norway and Sweden. Following the more mixed developments in the euro area, the Finnish economy did not grow in 2013. In 2014, the Nordic economies, in general, developed positively, with stronger growth experienced in Sweden and Norway, albeit, in the case of Norway, with concerns about the effects of lower oil prices on the local economy. The growth in Denmark remained at a lower level while growth in Finland was subdued in 2014 and followed the more mixed picture seen in the euro area. The Russian economy has been negatively impacted by the crisis in the region of Crimea and eastern Ukraine. Adverse economic developments have affected and may continue to affect the Nordea Group's business in a number of ways, including, among others, the income, wealth, liquidity, business and/or financial condition of the Nordea Group's customers, which, in turn, could further reduce the Nordea Group's credit quality and demand for the Nordea Group's financial products and services. As a result, any or all of the conditions described above could continue to have a material adverse effect on the Nordea Group's business, financial condition and results of operations, and measures implemented by the Nordea Group might not be satisfactory to reduce any credit, market and liquidity risks.

Disruptions and volatility in the global financial markets may adversely impact the Nordea Group.

From August 2007 through the early part of 2009, the global financial system experienced unprecedented credit and liquidity conditions and disruptions leading to a reduction in liquidity, greater volatility, general widening of spreads and, in some cases, lack of price transparency in money and capital markets interest rates. Following a period of stabilisation in 2010 and the first half of 2011, the recovery was adversely affected by turmoil and disruptions in the capital markets that were triggered by high sovereign budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain. Despite rescue packages provided to certain of these countries during the past years, uncertainty over the outcome of these measures and worries about sovereign finances continued to persist, which, together with concerns about the overall stability and sustainability of the euro area, resulted in further volatility in the global credit and liquidity markets. Reflecting these concerns, Standard & Poor's, Moody's and Fitch downgraded the credit ratings of several EU countries in the beginning of 2012. Market concerns over the direct and indirect exposure of European banks and insurers to these countries as well as to each other also resulted in a widening of credit spreads, increased costs of funding and negative credit ratings outlook for some European financial institutions. Even though market conditions improved somewhat in the latter part of 2012, the developments in the financial markets were driven mainly by central bank initiatives and markets remained volatile with uncertainty about future macroeconomic developments. For example, the rescue package offered to Cyprus in March 2013 resulted in increased market volatility and speculation about the stability of the euro area. In the second and third quarters of 2015, stock prices in China have experienced a significant drop and increased volatility, resulting primarily from continued sell-off of shares trading in Chinese markets. The volatility in China, combined with concerns about the development of economies in China and other large developing countries, has been followed by volatility in stock markets around the world as well as increased turbulence in commodity markets. Further, following the Chinese stock market slump, reduced exports and a decrease in domestic consumer demand potentially exacerbating the recent slowdown in economic growth, the Central Bank of China devalued the country's currency, the renminbi, in August of 2015. Any continued sell-off and price drops in the Chinese stock markets, volatility in the value of the Chinese renminbi, or concerns about the general economic outlook may have a further adverse contagion effect across global financial markets. The continued modest GDP growth and low inflation experienced in Europe has also raised concerns, as evidenced by the quantitative easing programme introduced by the European Central Bank in January 2015, and the uncertainty over the stability of the euro area, including Greece's ability to comply with the terms of its bailout programme and remain a member of the euro area, has continued. The market conditions have also been, and are likely to continue to be, affected by concerns over increased geopolitical tensions, including those related to the crisis in the region of Crimea and eastern Ukraine, which commenced in early 2014, and the effects of the recent significant reduction in global oil prices. There can be no assurances that a potential tightening of liquidity conditions in the future as a result of, for example, further deterioration of public finances of certain European countries will not lead to new funding uncertainty, resulting in increased volatility and widening credit spreads. Risks related to the economic development in Europe have also had and, despite the recent periods of moderate stabilisation, may continue to have, a negative impact on global economic activity and the financial markets. If these conditions continue to persist, or should there be any further turbulence in these or other markets, this could have a material adverse effect on the Nordea Group's ability to access capital and liquidity on financial terms acceptable to the Nordea Group. Further, any of the foregoing factors could have a material adverse effect on the Nordea Group's business, financial condition and results of operations.

Risks Relating to the Nordea Group's Credit Portfolio

Deterioration in counterparties' credit quality may affect the Nordea Group's financial performance.

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Nordea Group's businesses. The Nordea Group makes provisions for loan losses in accordance with IFRS. However, the provisions made are based on available information, estimates and assumptions and are subject to uncertainty, and there can be no assurances that the provisions will be sufficient to cover the amount of loan losses as they occur. Adverse changes in the credit quality of the Nordea Group's borrowers and counterparties or a decrease in collateral values, are likely to affect the recoverability and value of the Nordea Group's assets and require an increase in the Nordea Group's individual provisions and potentially in collective provisions for impaired loans, which in turn would adversely affect the Nordea Group's financial performance. In particular, the Nordea Group's exposure to corporate customers is subject to adverse changes in credit quality should the economic

environment in the Nordea Group's markets deteriorate. For example, the prolonged difficult economic environment also negatively affected the shipping and offshore sector and certain customer groups in Denmark in each of 2012, 2013 and, to a certain extent, also 2014. The ability of the Nordea Group's borrowers in Russia, Latvia and Lithuania to repay their loans may also be indirectly affected by foreign exchange risk as loans to customers in these countries typically are denominated in the euro or U.S. dollars, though customers typically derive their main income in local currencies. Further, actual loan losses vary over the business cycle. A significant increase in the size of the Nordea Group's allowance for loan losses and loan losses not covered by allowances would have a material adverse effect on the Nordea Group's business, financial condition and results of operations.

The Nordea Group is exposed to counterparty credit risk.

The Nordea Group routinely executes transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, funds and other institutional and corporate clients. Many of these transactions expose the Nordea Group to the risk that the Nordea Group's counterparty in a foreign exchange, interest rate, commodity, equity or credit derivative contract defaults on its obligations prior to maturity when the Nordea Group has an outstanding claim against that counterparty. Due to volatility in foreign exchange and fixed income markets during the past years, this risk has remained at an elevated level compared to the period preceding the global financial and economic crisis. This credit risk may also be exacerbated when the collateral held by the Nordea Group cannot be realised or is liquidated at prices not sufficient to recover the full amount of the counterparty exposure. Any of the foregoing could have a material adverse effect on the Nordea Group's business, financial condition and results of operations.

As a consequence of its transactions in financial instruments, including foreign exchange rate and derivative contracts, the Nordea Group is also exposed to settlement risk and transfer risk. Settlement risk is the risk of losing the principal on a financial contract due to default by the counterparty or after when the Nordea Group has given irrevocable instructions for a transfer of a principal amount or security, but before receipt of the corresponding payment or security has been finally confirmed, and transfer risk is the risk attributable to the transfer of money from a country other than the country where a borrower is domiciled, which is affected by the changes in the economic conditions and political situation in the countries concerned.

Risks Relating to Market Exposure

The Nordea Group is exposed to market price risk.

The Nordea Group's customer-driven trading operations (where positions, within certain defined limits, are taken) and its Treasury operations (where the Nordea Group holds investment and liquidity portfolios for its own account) are the key contributors to market price risk in the Nordea Group. The fair value of financial instruments held by the Nordea Group, including bonds (government, corporate and mortgage), equity investments, cash in various currencies, investments in private equity, hedge and credit funds, commodities and derivatives (including credit derivatives), are sensitive to volatility of and correlations between various market variables, including interest rates, credit spreads, equity prices and foreign exchange rates. To the extent volatile market conditions persist or recur, the fair value of the Nordea Group's bond, derivative and structured credit portfolios, as well as other classes, could fall more than estimated, and therefore cause the Nordea Group to record write-downs. Future valuations of the assets for which the Nordea Group has already recorded or estimated write-downs, which will reflect the then-prevailing market conditions, may result in significant changes in the fair values of these assets. Further, the value of certain financial instruments are recorded at fair value, which is determined by using financial models incorporating assumptions, judgments and estimations that are inherently uncertain and which may change over time or may ultimately be inaccurate. Any of these factors could require the Nordea Group to recognise further write-downs or realise impairment charges, which may have a material adverse effect on the Nordea Group's business, financial condition and results of operations. In addition, because the Nordea Group's trading and investment income depends to a great extent on the performance of financial markets, volatile market conditions could result in a significant decline in the Nordea Group's trading and investment income, or result in a trading loss, which, in turn, could have a material adverse effect on the Nordea Group's business, financial condition and results of operations.

The Nordea Group is exposed to structural market risk.

Structural Interest Rate Risk

Like all banks, the Nordea Group earns interest from loans and other assets, and pays interest to its depositors and other creditors. The net effect of changes to the Nordea Group's net interest income depends on the relative levels of assets and liabilities that are affected by the changes in interest rates. The Nordea Group is exposed to structural interest income risk ("**SIIR**") when there is a mismatch between the interest rate re-pricing periods, volumes or reference rates of its assets, liabilities and derivatives. This mismatch in any given period in the event of changes in interest rates could have a material adverse effect on the Nordea Group's financial condition and results of operations.

Structural Foreign Exchange Risk

The Nordea Group is exposed to currency translation risk primarily as a result of its Swedish and Norwegian banking businesses, as it prepares its consolidated financial statements in its functional currency, the euro. The Nordea Group's functional currency for its Danish banking business is the Danish krone, which is pegged to the euro. Because the Nordea Group shows translation differences between the local currency denominated equity positions of its fully consolidated subsidiaries, the euro effects arising from currency translation may reduce equity. In addition, because some of the Nordea Group's consolidated risk exposure amount ("**REA**"), against which the Nordea Group is required to hold a minimum level of capital, are denominated in local currencies, any significant depreciation of the euro against these local currencies would adversely impact the Nordea Group's capital adequacy ratios. While the Nordea Group generally follows a policy of hedging its foreign exchange risk by seeking to match the currency of its assets with the currency of the liabilities that fund them, there can be no assurances that the Nordea Group will be able to successfully hedge some or all of this currency risk exposure.

Risks Relating to Liquidity and Capital Requirements

Liquidity risk is inherent in the Nordea Group's operations.

Liquidity risk is the risk that the Nordea Group will be unable to meet its obligations as they fall due or meet its liquidity commitments only at an increased cost. A substantial part of the Nordea Group's liquidity and funding requirements is met through reliance on customer deposits, as well as ongoing access to wholesale lending markets, including issuance of long-term debt market instruments, such as covered bonds. The volume of these funding sources, in particular long-term funding, may be constrained during periods of liquidity stress. Turbulence in the global financial markets and economy may adversely affect the Nordea Group's liquidity and the willingness of certain counterparties and customers to do business with the Nordea Group, which may result in a material adverse effect on the Nordea Group's business and results of operations.

The Nordea Group's business performance could be affected if its capital adequacy ratios are reduced or perceived to be inadequate.

The Nordea Group is required to maintain certain capital adequacy ratios pursuant to European and Swedish legislation. The Basel Committee on Banking Supervision proposed a number of fundamental reforms to the regulatory capital framework for internationally active banks, the principal elements of which are set out in its papers released on 16 December 2010 (together with a 13 January 2011 press release setting out minimum requirements for additional tier 1 and tier 2 instruments to ensure loss absorbency at the point of non-viability, ("**Basel III**"). Basel III has been implemented in the European Economic Area ("**EEA**") by way of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**Capital Requirements Directive**" or "**CRD**") and the direct application of a European Parliament and Council regulation (the "**CRR**") in each member state of the EEA (the Capital Requirements Directive together with the CRR, "**CRD IV**"). After various delays, CRD IV was adopted in June 2013. The CRR has applied in all Member States from 1 January 2014 and Swedish legislation implementing the CRD entered into force in August 2014.

Local regulators, debt and equity investors, analysts and other market professionals may, nevertheless, require higher capital buffers than those required under current or proposed future regulations due to, among other things, the continued general uncertainty involving the financial services industry and the

concerns over global and local economic conditions. Any such market perception, or any concern regarding compliance with future capital adequacy requirements, could increase the Nordea Group's borrowing costs, limit its access to capital markets or result in a downgrade in its credit ratings, which could have a material adverse effect on its results of operations, financial condition and liquidity. In addition, lower internal credit rating of customers, substantial market volatility, widening credit spreads, changes in the general capital adequacy regulatory framework or regulatory treatment of certain positions, such as changes in risk weights assigned to asset classes, fluctuations in foreign exchange rates, decreases in collateral ratios as a consequence of the deterioration of the market value of underlying assets, or deterioration of the economic environment, among other things, could result in an increase in the Nordea Group's REA, which potentially may reduce the Nordea Group's capital adequacy ratios. If the Nordea Group were to experience a reduction in its capital adequacy ratios, and could not raise further capital, it would have to reduce its lending or investments in other operations. See also "*—Risks Relating to the Legal and Regulatory Environments in which the Nordea Group Operates—The Nordea Group may incur substantial costs in monitoring and complying with new capital adequacy and recovery and resolution framework require*ments" and "*—Risks Relating to the Notes— Regulatory action in the event of a failure of the relevant Issuer could materially adversely affect the value of the Notes*" below.

The Nordea Group's funding costs and its access to the debt capital markets depend significantly on its credit ratings.

There can be no assurances that NBAB or its principal subsidiaries will be able to maintain their current ratings or that the Nordea Group can retain current ratings on its debt instruments. A reduction in the current long-term ratings of NBAB or one of its principal subsidiaries may increase its funding costs, limit access to the capital markets and trigger additional collateral requirements in derivative contracts and other secured funding arrangements. Therefore, a reduction in credit ratings could adversely affect the Nordea Group's access to liquidity and its competitive position and, thus, have a material adverse effect on its business, financial condition and results of operations.

Other Risks Relating to the Nordea Group's Business

Operational risks, including risks in connection with investment advice, may affect the Nordea Group's business.

The Nordea Group's business operations are dependent on the ability to process a large number of complex transactions across different markets in many currencies. The Nordea Group's operations are carried out through a number of entities. Operational losses, including monetary damages, reputational damage, costs, and direct and indirect financial losses and/or write-downs, may result from inadequacies or failures in internal processes, information technology ("**IT**") and other systems (including the implementation of new systems), licenses from external suppliers, fraud or other criminal actions, employee errors, outsourcing, failure to properly document transactions or agreements with customers, vendors, sub-contractors, co-operation partners and other third parties, or to obtain or maintain proper authorisation, or from customer complaints, failure to comply with regulatory requirements, including but not limited to anti-money laundering, data protection and antitrust regulations, conduct of business rules, equipment failures, failure to protect its assets, including intellectual property rights and collateral, failure of physical and security protection, natural disasters or the failure of external systems, including those of the Nordea Group's suppliers or counterparties and failure to fulfill its obligations, contractual or otherwise. Although the Nordea Group has implemented risk controls and taken other actions to mitigate exposures and/or losses, there can be no assurances that such procedures will be effective in controlling each of the operational risks faced by the Nordea Group, or that the Nordea Group's reputation will not be damaged by the occurrence of any operational risks.

As a part of its banking and asset management activities, the Nordea Group provides its customers with investment advice, access to internally as well as externally managed funds and serves as custodian of third-party funds. In the event of losses incurred by its customers due to investment advice from the Nordea Group, or the misconduct or fraudulent actions of external fund managers, the Nordea Group's customers may seek compensation from the Nordea Group. Such compensation might be sought even if the Nordea Group has no direct exposure to such risks, or has not recommended such counterparties to its customers. Any claims in this respect could have a material adverse effect on the Nordea Group's reputation, business, financial condition and results of operations.

The Nordea Group is subject to a variety of risks as a result of its operations, in particular in Russia and the Baltic countries.

The Nordea Group's operations in Russia and the Baltic countries present various risks that do not apply, or apply to a lesser degree, to its businesses in the Nordic markets. Some of these markets are typically more volatile and less developed economically and politically than markets in Western Europe and North America. The Nordea Group faces economic and political risk, including economic volatility, recession, inflationary pressure, exchange rate fluctuation risk and interruption of business, as well as civil unrest, moratorium, imposition of exchange controls, sanctions relating to specific countries, expropriation, nationalisation, renegotiation or nullification of existing contracts, sovereign default and changes in law or tax policy. For example, the crisis in the region of Crimea and eastern Ukraine that commenced in early 2014 and related events, such as the sanctions imposed by the United States and the EU against Russia, have had an adverse effect on the economic climate in Russia. Should the crisis in these regions continue or new or escalated tensions between Russia and Ukraine or other countries emerge, or should additional economic or other sanctions in response to such crises or tensions be imposed, this could have a further adverse effect on the economies in the region, including the Russian economy. In the Baltic region, the local economies experienced recession in 2008 and 2009 and questions were raised about the ability of the Baltic countries to react to the weakened economic conditions and the ability of such countries and their residents to continue to perform on their respective obligations. Risks related to operating in Russia and the Baltic countries could impact the ability or obligations of the Nordea Group's borrowers to repay their loans and the ability of the Nordea Group to utilise collateral held as security and affect interest rates and foreign exchange rates, and could produce social instability and adversely impact levels of economic activity, which would have a material adverse effect on the Nordea Group's business, financial condition and results of operations in these countries.

Profitability in the Nordea Group's life and pension business depends on regulations and guidelines in the countries in which it operates.

In addition to insurance risk and investment risks related to its life insurance business common to all life insurance and pension providers, the Nordea Group's ability to generate profit from its insurance subsidiaries generally depends on the level of fees and other income generated by the insurance and pension business. The level of fees and other income which the Nordea Group may earn from its life insurance subsidiaries differs from country to country, depending on regulations and guidelines promulgated by the relevant financial services authorities on shareholder fees, IFRS bridging, profit sharing and solvency requirements.

The Nordea Group could fail to attract or retain senior management or other key employees.

The Nordea Group's performance is, to a large extent, dependent on the talents and efforts of highly skilled individuals, and the continued ability of the Nordea Group to compete effectively and implement its strategy depends on its ability to attract new employees and retain and motivate existing employees. Competition from within the financial services industry, including from other financial institutions, as well as from businesses outside the financial services industry for key employees is intense. New regulatory restrictions, such as the recently introduced limits on certain types of remuneration paid by credit institutions and investment firms set forth in CRD IV, could adversely affect the Nordea Group's ability to attract new employees and retain and motivate existing employees. Any loss of the services of key employees, particularly to competitors, or the inability to attract and retain highly skilled personnel in the future could have an adverse effect on the Nordea Group's business.

The Nordea Group faces competition in all markets.

There is competition for the types of banking and other products and services that the Nordea Group provides and there can be no assurances that the Nordea Group can maintain its competitive position. If the Nordea Group is unable to provide competitive product and service offerings, it may fail to attract new customers and/or retain existing customers, experience decreases in its interest, fee and commission income, and/or lose market share, the occurrence of any of which could have a material adverse effect on its business, financial condition and results of operations.

Risks Relating to the Legal and Regulatory Environments in which the Nordea Group Operates

The Nordea Group is subject to substantial regulation and oversight by a number of different regulators.

The Swedish Financial Supervisory Authority (the "**SFSA**") is the main regulator of the Nordea Group's operations, although the Nordea Group's operations in Denmark, Finland, Norway, Russia, Estonia, Latvia, Lithuania, China, Germany, Luxembourg, Singapore, the United Kingdom and the United States are subject to direct scrutiny from the local regulators in these jurisdictions. The Nordea Group is also subject to the oversight of regulators in each country where it has a branch or representative office, including China. The Nordea Group is subject to laws and regulations, administrative actions and policies in each of the jurisdictions in which it operates, all of which are subject to change, and compliance with which may from time to time require significant costs.

Areas where changes or developments in regulation and/or oversight could have an adverse impact include, but are not limited to (i) changes in monetary, interest rate and other policies, (ii) general changes in government and regulatory policies or regimes which may significantly influence investor decisions or may increase the costs of doing business in the Nordic markets, Russia and the Baltic countries, and such other markets where the Nordea Group carries out its business, (iii) changes in capital adequacy framework, imposition of onerous compliance obligations, restrictions on business growth or pricing and requirements to operate in a way that prioritises other objectives over shareholder value creation, (iv) changes in competition and pricing environments, (v) differentiation amongst financial institutions by governments with respect to the extension of guarantees to bank customer deposits and the terms attaching to such guarantees, (vi) expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership, (vii) further developments in the financial reporting environment, and (viii) other unfavourable political, military or diplomatic developments, in particular in Russia and the Baltic countries, producing legal uncertainty, which in turn may affect demand for the Nordea Group's products and services.

As a result of the recent global financial and economic crises, a number of regulatory initiatives have been taken to amend or implement rules and regulations, which are likely to have an impact on the business of the Nordea Group. Such initiatives include, but are not limited to, requirements for liquidity, capital adequacy and handling of counterparty risks, regulatory tools provided to authorities to allow them to intervene in scenarios of distress and the introduction of a common system of financial transaction tax in the euro area. These or any other requirements, restrictions, limitations on the operations of financial institutions and costs involved could have a material adverse effect on the Nordea Group's business, financial condition and results of operations.

The Nordea Group may incur substantial costs in monitoring and complying with new capital adequacy and recovery and resolution framework requirements and regulatory action in the event of a failure of the relevant Issuer could materially adversely affect the value of the Notes.

Recovery and Resolution Directive

On 12 June 2014, a directive providing for the establishment of a European-wide framework for the recovery and resolution of credit institutions and investment firms (2014/59/EU, "**BRRD**") was published in the Official Journal of the European Union. The BRRD sets out the necessary steps and powers to ensure that bank failures across the EU are managed in a way which eliminates the risk of financial instability and minimises costs for taxpayers. The BRRD sets out a minimum standard of harmonization and needs to be adopted through local legislation before it becomes effective. Furthermore, the EU is also considering a structural reform and it is foreseen that changes to CRD IV will continue. The Nordea Group, similar to other financial institutions, might incur substantial costs in monitoring and complying with these new requirements, which may also adversely affect the business environment in the financial sector.

The BRRD is currently in force and EU Member States were required to adopt and publish the laws, regulations and administrative provisions necessary to comply with the BRRD by 31 December 2014. The majority of the measures set out in the BRRD were to be implemented in national law with effect from 1 January 2015, with the bail-in power to apply from 1 January 2016, at the latest. No Swedish legislation implementing the BRRD has yet been adopted. The Swedish Government has, however, announced a proposal for the implementation of the BRRD, according to which the new domestic

legislation (implementing also the bail-in power in relation to unsubordinated and subordinated liabilities) will enter into force on 1 February 2016. The BRRD was implemented in Finnish national law (including the bail-in powers of the national authorities) with effect from 1 January 2015 by a new legislation package that was passed on 19 December 2014, including *inter alia*, the new Finnish Act on Crisis Resolution of Credit Institutions and Investment Service Companies (*Laki luottolaitosten ja sijoituspalveluyritysten kriisinratkaisusta, 19.12.2014/1194*).

The stated aim of the BRRD is to provide authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses.

The BRRD contemplates that powers will be provided to the authorities designated by Member States of the European Union to apply the resolution tools and exercise the resolution powers set forth in the BRRD ("**resolution authorities**") include the introduction of a statutory "write-down and conversion power" with respect to capital instruments and a "bail-in power", which will give the relevant resolution authority the power to cancel all or a portion of the principal amount of, or interest on, certain other eligible liabilities (which could include the Notes), whether unsubordinated or subordinated, of a failing financial institution and/or to convert certain debt claims (which could include the Notes) into another security, including ordinary shares of the surviving group entity, if any, which may itself be written down. The bail-in power can be used to recapitalise an institution that is failing or about to fail, allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring. The write-down and conversion power can be used either together with, or also, independently of, a resolution action.

In addition to the loss absorption requirements, the BRRD provides resolution authorities with broader powers to implement other resolution measures with respect to distressed banks, which may include (without limitation): (i) directing the sale of the bank or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transferring all or part of the business of the bank to a "bridge institution" (a publicly controlled entity), (iii) transferring the impaired or problem assets to an asset management vehicle to allow them to be managed and worked out over time, (iv) replacing or substituting the bank as obligor in respect of debt instruments, (v) modifying the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), and/or (vi) discontinuing the listing and admission to trading of financial instruments.

In relation to Notes governed by Norwegian law, it is expected that Norway will implement legislation giving effect to the BRRD and recognising the powers of the relevant Swedish and Finnish authorities in respect of Notes issued under the programme. Because the relevant Norwegian legislation has not yet been implemented, the conditions include a contractual mechanism which is intended to recognise a "bail-in" power exercised by the relevant Swedish or Finnish authorities. Holders of Notes governed by Norwegian law will therefore be subject to the risks described above.

Single Resolution Mechanism

The BRRD is complemented by the directly binding regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the "**SRM**"). The primary scope of the SRM is the euro area and SRM will, once applicable, be applied to NBF as a primary recovery and resolution code instead of the Finnish implementation measures relating to the BRRD. The SRM establishes a single European resolution board (the "**Resolution Board**") having resolution powers over the institutions that are subject to the SRM, thus replacing or exceeding the powers of the national authorities. The Resolution Board will draw up and adopt a resolution plan for the entities subject to its powers, including NBF. It will also determine, after consultation with competent authorities, a minimum requirement for own funds and eligible liabilities subject to write-down and conversion powers which NBF will be required to meet at all times. The Resolution Board will also use the powers of early intervention as set forth in the SRM, including the power to require an institution to contact potential purchasers in order to prepare for resolution of institution. The Resolution Board will have the authority to exercise the specific resolution powers pursuant to the SRM similar to those of the national authorities under the BRRD. The resolution tools available for the Resolution Board include the sale of business tool, the bridge institution tool, the asset separation tool and the bail-in tool as further

specified in the SRM. The use of one or more of these tools will be included in a resolution plan to be adopted by the Resolution Board.

Pursuant to the SRM, the bail-in tool may be applied to recapitalise an institution to restore its ability to comply with the licensing conditions and to sustain market confidence in the institution or to convert claims or debts to equity or reduce their principal amount. The bail-in tool covers bonds and notes issued by the institution subject to resolution measures, but certain defined instruments are excluded from the scope, such as covered bonds.

The provisions relating to resolution plans and cooperation between the Resolution Board and the national authorities are in effect as of 1 January 2015. The resolution powers of the Resolution Board will take effect from 1 January 2016.

The SRM provides for a Resolution Fund that will be financed by banking groups included in the SRM. NBF will only be eligible for contribution by the Single Resolution Fund after a resolution action is taken if shareholders, the holders of relevant capital instruments and other eligible liabilities have made a contribution (by means of a write down, conversion or otherwise) to loss absorption and recapitalization equal to an amount not less than 8 per cent. of the total liabilities (including own funds and measured at the time of the resolution action). This means that NBF must hold on to sufficient own funds and liabilities eligible for write down and conversion in order to have access to the Single Resolution Fund in case of a resolution. This may have an impact on the NBF's capital and funding costs.

Risks relating to BRRD and the SRM

There remains uncertainty regarding the ultimate nature and scope of these powers and, when implemented, how they would affect the Issuers, the Nordea Group and the Notes. Accordingly, it is not yet possible to assess the full impact of the BRRD or the SRM. The Notes may however be part of the claims and debts in respect of which the resolution authorities, including the Resolution Board, could use the bail-in powers to write-down or convert the principal of the Notes. There can be no assurances that, once the SRM becomes applicable or the BRRD is fully implemented, the manner of its application/implementation or the taking of any actions currently contemplated under the SRM or BRRD would not adversely affect the price or value of an investment in the Notes and/or the ability of the relevant Issuer to satisfy its obligations under such Notes. Prospective investors in the Notes should consult their own advisors as to the consequences of the SRM and the implementation of the BRRD.

Depositor Preference

The BRRD establishes a preference in the ordinary insolvency hierarchy, firstly, for insured depositors and, secondly, for all other deposits of individuals and micro, small and medium-sized enterprises held in EEA or non-EEA branches of an EEA bank. In addition, the new deposit guarantee scheme directive, which is implemented into national law and expected to enter into force in Sweden as of 1 May 2016, will increase the volume of deposits that are insured (and thus preferred) to include a wide range of deposits, including all corporate deposits (unless the depositor is a public sector body or financial institution) and some temporary high value deposits. Therefore, these preferred deposits will rank ahead of all other unsecured senior creditors of the relevant Issuer, including the holders of Notes, in the insolvency hierarchy. Furthermore, insured deposits are excluded from the scope of the bail-in powers.

FSB Standards on Total Loss-Absorbing Capacity

In November 2014, the Financial Stability Board (the "**FSB**") published a consultation document on policy proposals intended to enhance the loss-absorbing capacity of global systemically important banks ("**G-SIBs**") in resolution. Following the consultation process, the FSB published its final standards in November 2015. The FSB standards seek to ensure that G-SIBs will have sufficient loss-absorbing capacity available in a resolution of such an entity in order to minimise any impact on financial stability, ensure the continuity of critical functions and avoid exposing taxpayers to loss. The FSB has published a specific term sheet for total loss-absorbency capacity ("**TLAC**") which attempts to define an internationally agreed standard. Institutions designated as G-SIBs before the end of 2015 (which includes NBAB) will be required to meet the minimum TLAC standard from 1 January 2019 once the FSB's standards have been implemented into domestic law.

The FSB's standards will, once implemented, require all G-SIBs to meet a minimum pillar 1 TLAC requirement of 16 per cent. of the resolution group's risk-weighted assets (including minimum regulatory capital requirements), rising to 18% from 1 Januar 2022. The Minimum TLAC must also be at least 6% of the Basel III leverage ratio denominator, rising to 6.75% from 1 January 2022. The final calibration of the minimum pillar 1 TLAC requirement takes into account the results of the consultation and the Quantitative Impact Study and market survey which was carried out in early 2015. The FSB's standards also require G-SIBs to pre-position some of such loss-absorbing capacity amongst material sub-groups on an intra-group basis, and that the minimum TLAC requirement should be satisfied before any surplus common equity is available to satisfy CRD IV buffers. The FSB's standards also contemplate the possibility for local regulators to impose additional institution-specific requirements over and above the pillar 1 minimum.

According to the consultation document, TLAC may comprise tier 1 and tier 2 capital instruments (for the purposes of CRD IV) issued by the resolution entity, along with other TLAC-eligible liabilities which can be effectively written down or converted into equity during the resolution of the G-SIB. All TLAC is (subject to *de minims* exclusions) required to be subordinated to "excluded liabilities," which includes insured deposits, derivative liabilities and any other liabilities that cannot be effectively written down or converted to equity by the relevant resolution authority. To help ensure that there are sufficient resources available in resolution, the FSB requires that at least 33 per cent. of the minimum Pillar 1 TLAC requirement is met by capital instruments and long-term debt.

Derivatives, and debt instruments with derivative features, are specified as excluded liabilities for TLAC purposes, and it therefore seems possible that the majority of structured Notes issued under this programme will not be TLAC eligible liabilities (although they may still be subject to write down or conversion as a result of bail-in and other resolution powers as set out above).

EBA Regulatory Technical Standards on the Minimum Requirement for Own Funds and Eligible Liabilities under BRRD

In July 2015, the European Banking Authority (the "**EBA**") published its final draft regulatory technical standards ("**RTS**") on the criteria for determining the minimum requirement for own funds and eligible liabilities ("**MREL**") under the directive providing for the establishment of a European-wide framework for the recovery and resolution of credit institutions and investment firms ("**BRRD**"). In order to ensure the effectiveness of bail-in and other resolution tools introduced by BRRD, BRRD requires that all institutions must meet an individual MREL requirement, calculated as a percentage of total liabilities and own funds and set by the relevant resolution authorities, with effect from 1 January 2016 (or if earlier, the date of national implementation of BRRD). The draft RTS provide for resolution authorities to allow institutions a transitional period of up to four years to reach the applicable MREL requirements.

Unlike the FSB's standards, the RTS do not set a minimum EU-wide level of MREL, and the MREL requirement applies to all credit institutions, not just to those identified as being of a particular size or of systemic importance. Each resolution authority is required to make a separate determination of the appropriate MREL requirement for each resolution group within its jurisdiction, depending on the resolvability, risk profile, systemic importance and other characteristics of each institution.

The MREL requirement for each institution will be determined based on a number of key elements, including the required loss-absorbing capacity of the institution (which will, as a minimum, equate to the institution's capital requirements under CRD IV, including applicable buffers) and the level of recapitalisation needed to implement the preferred resolution strategy identified during the resolution planning process. Other factors to be taken into consideration by resolution authorities when setting the MREL requirement include the extent to which an institution has in issue liabilities that are excluded from contributing to loss absorption or recapitalisation, the risk profile of the institution, the systemic importance of the institution and the contribution to any resolution that may be made by deposit guarantee schemes and resolution financing arrangements.

Items eligible for inclusion in MREL will include an institution's own funds (within the meaning of CRD IV), along with "eligible liabilities," meaning liabilities which, among other things, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year), and do not arise from derivatives. Although the scope of liabilities which will qualify as "derivatives" for these purposes is not entirely clear from the draft RTS, at this stage it seems possible that some Structured Notes may be MREL eligible liabilities.

Even though there are a number of similarities between the MREL requirements and the FSB's requirements relating to TLAC, there are also certain differences, including the express requirement that TLAC be subordinated to insured deposits (which is not specifically the case for MREL eligible liabilities), and the timescales for implementation. The EBA suggests that the MREL requirements can nevertheless be implemented for G-SIBs in a manner that is "broadly compatible with" the international framework, and contemplates a possible increase in the MREL requirement over time in order to provide for an adequate transition to compliance with the TLAC requirements that are expected apply from January 2019.

Risks Relating to the FSB and EBA Proposals

Both the FSB's and the EBA's proposals are subject to further implementation measures under national law and are therefore subject to change. As a result, there can be no assurances as to the ultimate scope and nature of any resulting obligations, or the impact that they will have on the Issuers or the Nordea Group once implemented. However, if the FSB's and EBA's proposals are implemented in their current forms, it is possible that the Issuers and/or other members of the Nordea Group may have to issue a significant amount of additional TLAC and MREL eligible liabilities in order to meet the new requirements within the required timeframes. If the Nordea Group were to experience difficulties in raising TLAC or MREL eligible liabilities, it may have to reduce its lending or investments in other operations.

CRD IV introduces capital requirements that are in addition to the minimum capital ratio.

Under CRD IV, institutions are required to hold a minimum amount of regulatory capital of 8.0 per cent. of risk exposure amount. In addition to this minimum requirement under CRD IV, supervisors may add extra capital to cover other risks (thereby increasing the regulatory minimum required under CRD IV) and the Nordea Group may also decide to hold an additional amount of capital. CRD IV also introduces capital buffer requirements that are in addition to the minimum capital requirement and required to be met with common equity tier 1 capital. The Nordea Group is subject to a capital conservation buffer of 2.5 per cent. in common equity tier1 capital, a systemic risk buffer of 3.0 per cent. in common equity tier1 capital and a further 2.0 per cent. common equity tier1 capital requirement for systemic risk applied within the framework of the SFSA's supervisory review process (pillar 2). A countercyclical capital buffer will also be applicable for the Nordea Group where the rate is dependent on the different buffer rates in the different countries where Nordea has exposures. For exposures in Sweden, a buffer rate of 1.0 per cent. has applied from 13 September 2015. As at the date of this Base Prospectus, the Finnish Financial Supervisory Authority has not imposed the countercyclical capital buffer requirement for credit institutions in Finland.

Under Article 141 (Restrictions on distributions) of CRD IV, Member States of the European Union must require that institutions that fail to meet the "combined buffer requirement" (broadly, the combination of the capital conservation buffer, the institution-specific counter-cyclical buffer and the higher of (depending on the institution), the systemic risk buffer, the global systemically important institutions buffer and the other systemically important institution buffer, in each case as applicable to the institution) will be subject to restricted "discretionary payments" (which are defined broadly by CRD IV as payments relating to common equity tier 1, variable remuneration and payments on additional tier 1 instruments).

The restrictions will be scaled according to the extent of the breach of the "combined buffer requirement" and calculated as a percentage of the profits of the institution generated since the most recent decision on the distribution of profits or "discretionary payment" made. As an example, the scaling is such that if the level of a bank's total common equity tier1 capital falls within the bottom quartile of the "combined buffer requirement," no "discretionary distributions" will be permitted to be paid. The SFSA has implemented the supervisory review and evaluation process within pillar 2, (that is, the assessment of the individual capital requirement of banks), such that a capital requirement under pillar 2 is always additional to the capital requirements according to the general capital requirements under pillar 1. The SFSA has also stated that, under normal circumstances, there will be no formal decision on pillar 2. The pillar 2 requirement will, therefore, not affect the level where the automatic restrictions on distributions linked to the "combined buffer requirement" come into effect. However, should the SFSA adopt a formal decision on the capital requirement under pillar 2, such requirements would be included in the minimum capital requirements and, therefore, affect the level at which automatic restrictions on distributions linked to the "combined buffer requirement" come into effect.

Legal and regulatory claims arise in the conduct of the Nordea Group's business.

In the ordinary course of its business, the Nordea Group is subject to regulatory oversight and liability risk. The Nordea Group carries out operations through a number of legal entities in a number of jurisdictions and is subject to regulation in each such jurisdiction. Regulations and regulatory requirements are continuously amended and new requirements are imposed on the Nordea Group, including, but not limited to, regulations on conduct of business, anti-money laundering, payments, consumer credits, capital requirements, reporting and corporate governance. There can be no assurances that breaches of regulations by the Nordea Group will not occur and, to the extent that such a breach does occur, that significant liability or penalties will not be incurred. The Nordea Group is involved in a variety of claims, disputes, legal proceedings and investigations in jurisdictions where it is active. These types of claims and proceedings expose the Nordea Group to monetary damages, direct or indirect costs (including legal costs), direct or indirect financial loss, civil and criminal penalties, loss of licenses or authorisations, or loss of reputation, as well as the potential for regulatory restrictions on its businesses, all of which could have a material adverse effect on the Nordea Group's business, financial condition and results of operations. Adverse regulatory actions against the Nordea Group or adverse judgments in litigation to which the Nordea Group is party could result in restrictions or limitations on the Nordea Group's operations or result in a material adverse effect on the Nordea Group's business, financial condition and results of operations.

The Nordea Group is exposed to risk of changes in tax legislation as well as to increases in tax rates.

The Nordea Group's activities are subject to tax at various rates around the world computed in accordance with local legislation and practice. The Nordea Group's business, including intra-group transactions, is conducted in accordance with the Nordea Group's interpretation of applicable laws, tax treaties, regulations and requirements of the tax authorities in the relevant countries. NBAB has obtained advice from independent tax advisors in this respect. However, there can be no assurances that its interpretation of applicable laws, tax treaties, regulations or other rules or administrative practice is correct, or that such rules or practice are not changed, possibly with retroactive effect. For example, in June 2014, the Swedish Committee on Corporate Taxation (the "**Corporate Taxation Committee**") presented a proposal for a new corporate income tax system in Sweden with the stated goal of increasing the neutrality in the tax treatment of equity and debt. As part of the financing of the reform, the Corporate Taxation Committee has proposed that the deductibility of interest expenses related to certain subordinated debt instruments and other capital instruments issued by banks should be abolished. The new rules related to the reform, which remain subject to amendment during the legislative process, are proposed to enter into force on 1 January 2016. Legislative changes or decisions by tax authorities may impair the tax position of the Nordea Group.

Risks Relating to the Notes

The Notes may not be a suitable investment for all investors.

Each potential investor of the Notes must determine the suitability of that investment in light of such investor's own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which such potential investor's financial activities are principally denominated;

(d) understand thoroughly the terms of the relevant Notes and the behaviour of any relevant indices and financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the investor's overall portfolio. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes may not be freely transferred.

Neither NBAB nor NBF has registered, nor will either of them register, the Notes under the Securities Act or any other securities laws. Accordingly, the Notes are subject to certain restrictions on resale and other transfer thereof as set forth in the section entitled "*Subscription and Sale*." As a result of these restrictions, neither NBAB nor NBF can be certain of the existence of a secondary market for the Notes or the liquidity of such a market if one develops. Consequently, a Holder of Notes and an owner of beneficial interests in those Notes must be able to bear the economic risk of their investment in the Notes for the terms of the Notes.

There is no active trading market for the Notes.

The Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the relevant Issuer. Although applications have been made for Notes issued under the Programme to be admitted to listing on the Official List of the Irish Stock Exchange and to trading on its Main Securities Market and it is expected that an application will be made for the registration of the Programme on the SIX Swiss Exchange, there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

Noteholders are subject to market volatility.

Holders of Notes should be aware that, in view of the prevailing and widely reported global credit market conditions (which, to a certain extent, continue as of the date of this Base Prospectus), the secondary market for the Notes and instruments of this kind may be illiquid. Neither NBAB nor NBF can predict when these circumstances will change.

Cancelled or scaled down issue

The Issuers reserve the right to cancel all or part of an offer of Notes prior to the end of the relevant Offer Period upon the occurrence of certain circumstances, e.g. where the subscribed amount does not reach certain levels or where variables such as participation ratios cannot be determined at a certain level. The Issuers also reserve the right, in their sole discretion, to cancel an issue upon the occurrence of economic, financial or political events which may jeopardise a successful issue of Notes.

Credit ratings may not reflect all risks.

The Issuers' credit ratings do not always mirror the risk related to individual Notes under the Programme. Tranches of Notes to be issued under the Programme may be rated by a credit rating agency or unrated. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating(s) assigned to the relevant Issuer or to Notes already issued. There are no guarantees that such ratings will be assigned or maintained. Any credit rating agency may lower its ratings or withdraw the rating if, in the sole judgement of the credit rating agency, the credit quality of the Notes has declined or is in question. In addition, at any time a credit rating agency may revise its relevant rating methodology with the result that, among other things, any rating assigned to the Notes may be lowered. If any of the ratings assigned to the Notes is lowered or

withdrawn, the market value of the Notes may be reduced. Furthermore, the ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. Accordingly, a credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

The Notes may be issued at a substantial discount or premium.

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

The Notes are subject to risks related to exchange rates and exchange controls.

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

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

Noteholders are subject to credit risk on the relevant Issuer.

Holders of the Notes issued under the Programme take a credit risk on the relevant Issuer. A holder's ability to receive payment under the Notes is dependent on the relevant Issuer's ability to fulfil its payment obligations, which in turn is dependent upon the development of the relevant Issuer's business.

The Notes may be redeemed prior to maturity.

Unless in the case of any particular Series of Notes the relevant Final Terms specifies otherwise, in the event that the relevant Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Sweden (in the case of Notes issued by NBAB) or Finland (in the case of Notes issued by NBF) or any political subdivision thereof or any authority therein or thereof having power to tax, the relevant Issuer may redeem all outstanding Notes in accordance with the Condition.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms specifies that the Notes are redeemable at the relevant Issuer's option in certain other circumstances, the relevant Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above and may in fact decrease below the price at which they can be redeemed. This also may be true prior to any redemption period.

Notes may be mandatorily redeemed prior to their scheduled maturity date for a number of reasons, such as taxation events, or in the case of Credit-Linked Notes following a Credit Event, or certain early redemption events such a disruption events specified in the relevant Conditions for those Notes. Early redemption may result in Noteholders receiving a lower return on investment and in some circumstances may result in a loss of part or all of their investment. Prospective investors should consider reinvestment risk in light of other investments available at that time.

Meetings of Holders.

The Terms and Conditions of the Notes and the Fiscal Agency Agreement contain provisions for calling meetings of Noteholders to consider matters affecting their interests on a Series by Series basis. These provisions permit defined majorities to bind all Noteholders of the relevant Series including such Noteholders who did not attend and vote at the relevant meeting and Noteholders of the relevant Series who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes may be changed.

The Terms and Conditions applicable to each Series will be as agreed between the relevant Issuer and the relevant Dealer at or prior to the time of issuance of such Series, and will be specified in the relevant Final Terms. The Terms and Conditions applicable to each Series will therefore be those set out in this Base Prospectus, subject to being completed by the relevant Final Terms in relation to each Series.

Each of the Issuers has the right to correct manifest errors in the terms and conditions without the Noteholders' consent and to make any amendment which the relevant Issuer does not consider to be materially prejudicial to the interests of Noteholders.

Changes in laws and regulations may affect the terms and conditions of the Notes.

The Notes and all non-contractual obligations arising out of or in connection with the Notes are governed by English law, Finnish Law, Swedish Law, Norwegian Law or Danish Law (as specified in the applicable Final Terms) except that (i) the registration of VP Notes in the VP which will be governed by, and construed in accordance with, Danish law; (ii) the registration of VPS Notes in the VPS which will be governed by, and construed in accordance with, Norwegian law; (iii) the registration of Finnish Notes in Euroclear Finland will be governed by, and construed in accordance with, Finnish law; and (iv) the registration of Swedish Notes in the Euroclear Sweden Register which will be governed by, and construed in accordance with, Swedish law.

The Rome II Regulation (864/2007), which sets out a series of rules to be applied by the courts of EU Member States (other than Denmark) for the purposes of determining the governing law of non-contractual obligations between parties in most civil and commercial matters does not apply in Norway or Denmark and therefore may not apply to Norwegian or Danish investors.

There can be no assurances as to the impact of any possible judicial decision or change to the laws of England, Sweden, Finland, Denmark or Norway or administrative practice after the date of this Base Prospectus.

The Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples.

In relation to any issue of Notes which have a denomination consisting of a minimum Specified Denomination (as defined in the relevant Final Terms) plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of the minimum Specified Denomination. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of the Notes such that its holding amounts to the minimum Specified Denomination in order to be able to trade its holding of Notes or (in the case of Bearer Notes) obtain a Definitive Note (if printed).

The amount of Notes to be issued under the Programme may be changed.

The aggregate principal amount of Notes to be issued under the Programme is subject to increase or decrease as provided in the Dealership Agreement (as defined herein).

The proposed financial transactions tax ("FTT") may negatively affect holders of Notes or the Issuers.

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

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

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

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

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

Payments on the Notes may be subject to U.S. withholding under FATCA.

The United States has enacted rules, commonly referred to as "FATCA," that generally impose a new reporting and withholding regime with respect to certain U.S. source payments (including dividends and interest), gross proceeds from the disposition of property that can produce U.S. source interest and dividends and after 31 December 2008 certain payments made by entities that are classified as financial institutions under FATCA. The United States has entered into an intergovernmental agreement regarding the implementation of FATCA with Sweden (the "**Swedish IGA**") and with Finland (the "**Finnish IGA**"). Under the Swedish IGA and the Finnish IGA, as currently drafted, the Issuers do not expect payments made on or with respect to the Notes to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Notes in the future. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA. The Issuers would have no obligation to pay any additional amounts in relation to such withholding or deduction.

Payments under the Notes may be subject to U.S. withholding under the U.S. Tax Code

The U.S. Treasury Department has released regulations under Section 871(m) of the Code, which require withholding of up to 30 per cent. (depending on whether an income tax treaty or other exemption applies) on payments or deemed payments made to non−U.S. persons on certain financial instruments to the extent that such payments are treated as being contingent upon, or determined by reference to, U.S.−source dividends. Significant aspects of the application of these regulations to the Notes are uncertain. Payments on Notes made after 31 December 2016 that are treated by the applicable Treasury regulations as being contingent upon, or determined by reference to, any U.S. source dividends may be subject to this withholding. In addition, the regulations could impose withholding tax on non-U.S. Noteholders to the extent U.S.-source dividends are paid on the underlying equity securities, even if no corresponding payment is made on the Notes to the non-U.S. Noteholders. Section 871(m) of the Code may apply to Notes that are issued (or significantly modified) on or after 1 January 2017. Prospective investors should consult their own tax advisors regarding the potential impact of 871(m) and the regulations thereunder. The Issuers would have no obligation to pay any additional amounts in relation to such withholding or deduction.

Because the Global Notes are held by or on behalf of clearing systems, investors will have to rely on the relevant clearing system's procedures for transfer, payment and communication with the Issuers.

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary, or as the case may be a common safekeeper for Euroclear and Clearstream, Luxembourg or (in the case of Swiss Franc Notes) SIS. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. The relevant clearing system(s) will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through the relevant clearing system(s).

While the Notes are represented by one or more Global Notes, the relevant Issuer will discharge its payment obligations under the Notes by making payments to the common depositary, or as the case may be a common safekeeper for the relevant clearing system(s) or a nominee thereof for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system(s) to receive payments under the relevant Notes. The Issuers have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the relevant Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

Investors will have to rely on the VP's, VPS's, Euroclear Finland's, Euroclear Sweden's or SIS's procedures (as the case may be) for transfer, payment and communication with the Issuer.

Investors in VP Notes, VPS Notes, Finnish Notes, Swedish Notes or Swiss Franc Notes will have to rely on the relevant clearing system's or the relevant Issuing Agent's, as the case may be, procedures for transfer, payment and communication with the relevant Issuer.

VP Notes, VPS Notes, Finnish Notes or Swedish Notes issued under the Programme will not be evidenced by any physical note or document of title other than statements of account made by the VP, the VPS, Euroclear Finland or Euroclear Sweden, as the case may be. Ownership of VP Notes, VPS Notes, Finnish Notes or Swedish Notes will be recorded and transfer effected only through the book entry system and register maintained by the VP, the VPS, Euroclear Finland or Euroclear Sweden, as the case may be.

Specific legal risks relating to certain Notes

In relation to structured Notes, it should be noted that any change in applicable laws or regulations or changes in the application thereof as well as specific events such as a moratorium, currency restriction, embargo, blockade or boycott of a central bank, the Swedish or Finish government or other sovereign such as the United Nations or the European Union, may result in (i) a substitution of Reference Assets, (ii) a change in a method for calculation of certain amounts under the Note, (iii) that certain amounts are calculated at an earlier date, (iv) a change in the calculation of yield and/or (v) amendments to the Conditions. Such events may therefore adversely affect the yield and other amounts that are payable to the investors under a structured Note, as well as the timing of payments.

In the event that a change in laws or regulations or decisions by public authorities (or in the application thereof), or any other circumstance not directly related to a downgrading of the relevant Issuer's credit ratings, would (in the opinion of the relevant Issuer) result in an increase in certain costs related to structured Note or increased costs for the relevant Issuer's risk management in relation to structured Note, such event may entitle the relevant Issuer to (i) substitute Reference Assets, (ii) change a method for calculation of certain amounts under the Note, (iii) calculate certain amounts at an earlier date, (iv) change the calculation of yield and/or (v) amend the Conditions.

Total cost

Costs are incurred by the relevant Issuer in connection with the issuance of structured Notes due to, among other things, production, distribution, licences, exchange listing and risk management. In order to cover these costs, the relevant Issuer charges brokerage fees and commissions. Such fees and commissions may be factored into the issue price of the Notes or may be charged separately. The amount of the commission may vary and is affected by the fluctuations in interest rates and the price of the financial instruments included in the product.

Investors should be aware that market participants have varying possibilities to influence the price of the financial instruments underlying a Note. The pricing of structured Notes is normally not made on the basis of negotiated terms but rather it is decided by the relevant Issuer. Hence, there may be a conflict of interest between the relevant Issuer and the investors, to the extent the relevant Issuer is able to influence

pricing and has a possibility to make a gain or to avoid a loss in relation to underlying Reference Assets, and the relevant Issuer does not have any fiduciary or other obligation to act in the best interests of Noteholders. The transparency relating to the pricing of structured Notes may be limited.

Alternative cost risks

The market risks vary depending on the note structure and the term to maturity for different Notes. The value of a Note varies with changes in market interest rates. A structured Note often operates as a combination of an interest-bearing investment and, for example, an investment in equities. An investor thus takes an additional risk when investing in a structured Note if the alternative had been a pure interest-bearing investment. A structured Note generates no interest or other yield if the market performance is unfavourable and it is redeemable only at the principal amount. If the Note is not principal protected, the entire invested amount may be lost. The investor in such a structured Note assumes an alternative risk corresponding to the interest that the investor would have received had the alternative been, instead, to invest the money in pure interest-bearing instruments. If the investor sells such Note prior to the expiry of the term to maturity, the investor bears the risk of receiving less than the principal amount of the Note.

Hedging activities of the relevant Issuer and affiliates

The relevant Issuer and/or its affiliates may carry out hedging activities related to the Notes, including purchasing the Reference Asset(s), components of the Reference Asset(s) and/or debt obligations of a Reference Entity, but will not be obliged to do so. Certain of the relevant Issuer's affiliates may also purchase and sell the Reference Asset(s) and/or component of the Reference Asset on a regular basis as part of their securities businesses. Any of these activities could potentially affect the value or level of the Reference Asset and the debt obligations of the Reference Entity and, accordingly, the value of the Notes. In addition, the disruption of such hedging arrangements or material increase in cost of such hedging arrangements may lead to an early redemption of the Notes in whole (but not in part) as specified in the applicable Final Terms.

If the Issuer determines that there has been a change in any market standard terms or market trading conventions which affect any hedging transaction entered into by the Issuer or another member of the Nordea Group in order to hedge the Issuer's obligations in relation to the Notes, the Issuer reserves the right (without the consent of Noteholders) to amend the corresponding provisions of the Conditions in order to preserve consistency with the relevant hedging transaction.

No ownership rights

An investment in the Notes is not the same as an investment in the Reference Asset(s) and does not confer any legal or beneficial interest in the Reference Asset(s) or any component of the Reference Asset(s) or any voting rights, rights to receive dividends or other rights that a holder of the Reference Asset(s) or any component of the Reference Asset(s) would have. The Notes are unsubordinated and unsecured obligations of the Issuer. No security has been taken in respect of the Reference Asset(s) or any component of the Reference Asset(s).

Conflicts of interest

The relevant Issuer and/or its affiliates may also purchase and sell the Reference Asset(s), components of the Reference Assets and/or debt obligations of the Reference Entities on a regular basis as part of their securities businesses or lend to Reference Entities as part of their commercial lending operations. Any of these activities could potentially affect the value or level of the Reference Asset(s) and the debt obligations of such Reference Entities and in turn the value of the Notes.

The relevant Issuer and/or its affiliates may from time to time advise the issuers of or obligors in respect of a Reference Asset or any component of a Reference Asset and/or any Reference Entity regarding transactions to be entered into by them, or engage in transactions involving any Reference Asset and/or Reference Entity for their proprietary accounts and for other accounts under their management. Any such transactions may have a positive or negative effect on the value of such Reference Asset, the value or level of such Reference Asset and/or the value of such Reference Entity's debt obligations generally and therefore on the value of the Notes.

Accordingly, certain conflicts of interest may arise between the interests of the relevant Issuer and the interests of holders of Notes.

Index disclaimer

Index-Linked Notes and Commodity Index-Linked Notes are not sponsored, endorsed, sold or promoted by any index to which they are indirectly linked or any sponsor of such index and such index sponsor has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of any index and/or the levels at which such index stands at any particular time on any particular date or otherwise. No index sponsor shall be liable (whether in negligence or otherwise) to any person for any error in any index and an index sponsor is under no obligation to advise any person of any error within an index. An index sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with such Notes. Neither the relevant Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by an index sponsor in connection with the calculation, adjustment or maintenance of an index. Neither the relevant Issuer nor the Calculation Agent has any affiliation with or control over any index or index sponsor or any control over the computation, composition or dissemination of any index. Although the relevant Issuer and the Calculation Agent will obtain information concerning an index to which the Notes are linked from publicly available sources they believe to be reliable, they will not independently verify this information.

Risks relating to particular Reference Assets

Risks relating to the performance of the Reference Asset(s)

With structured Notes (for example, equity-linked Notes, currency-linked Notes, credit-linked Notes, fund- linked Notes, commodity-linked Notes and other possible structures) the yield, and sometimes also the repayment of principal, depends on the performance of one or more Reference Assets, such as equities, indices, interest rates, currencies, credit exposures (one or more), fund units, commodities or baskets thereof, or combinations or the relationship between assets. If the repayment of part of or an invested amount is linked to the performance of Reference Assets, the investor may risk losing the entire invested amount. Structured Notes are often designed on the basis of a combination of different types of traditional instruments such as equities, fund units or a derivative instrument. These combinations of products may have elements of different instruments. The value of a structured Note will be affected by the value of the Reference Asset or the relevant comparison figure. The valuations of the Reference Asset may take place both during the term and on the Redemption Date and the performance may be positive or negative for the holder. The Holder's right to yield, and where applicable repayment, thus depends on the performance of the Reference Asset and applicable performance structure. The value of a structured Note may, in addition to changes in the price of the Reference Asset, be determined by the intensity of the price fluctuations of the Reference Asset (commonly referred to as volatility), expectations regarding future volatility, market interest rates and expected dividends or other distributions on the Reference Asset.

Potential investors should be aware that:

(a) the market price of such Notes may be volatile;

(b) they may receive no interest;

(c) payment of principal or interest may occur at a different time or in a different currency than expected;

(d) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;

(e) the Reference Asset may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

(f) if the performance of the Notes contains a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and

(g) the timing of changes in the value of one or more Reference Asset may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the value of one or more Reference Asset, the greater the effect on yield.

Further, Holders of Notes and prospective purchasers of such Notes should ensure that they understand the nature of such Notes and the extent of their exposure to risk and that they consider the suitability of such Notes as an investment in light of their own circumstances and financial condition. A small movement in the value of one or more Reference Asset may result in a significant change in the value of such Notes. Holders of such Notes, and prospective purchasers of such Notes, should form their own views of the merits of an investment based upon such investigations. Given the highly specialised nature of structured Notes, each of the Issuers considers that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment on which the return is determined in this way. Consequently, an investor who does not fall within the description above should not consider purchasing such Notes without taking detailed advice from a specialised professional adviser.

Risk relating to limited information in relation to certain Reference Assets

In relation to certain Reference Assets, for example, certain hedge funds or indices composed of hedge funds, there is limited access to information since, among other things, the official closing price of some of these Reference Assets is published less frequently. The composition of certain indices and funds may be confidential for strategic reasons. Other factors limiting transparency in relation to such Reference Assets may be that the Reference Asset is not subject to continuous trading, that valuation models for determination of the value of the Reference Assets are not reported to the investors and those underlying factors which affect the value of the Reference Asset are not public.

Currency fluctuations

Foreign exchange rates may be affected by complex political and economic factors, including relative rates of inflation, interest rate levels, the balance of payments between countries, the extent of any governmental surplus or deficit and the monetary, fiscal and/or trade policies pursued by the governments of the relevant currencies. Currency fluctuations may affect the value or level of the Reference Assets in complex ways. If such currency fluctuations cause the value or level of the Reference Assets to vary, the value or level of the Notes may fall. If the value or level of one or more Reference Asset(s) is denominated in a currency that is different from the currency of the Notes, investors in the Notes may be subject to increased foreign exchange risk. Previous foreign exchange rates are not necessarily indicative of future foreign exchange rates.

Risks relating to market disruption and extraordinary events

Market disruption can occur, for example, if the trading in Reference Assets is suspended or an official price for some reason is not listed. In conjunction with market disruption, the value of Reference Assets is determined at a different time than intended and, in certain cases, also by another method than intended. Certain Reference Assets such as equities, equity baskets or fund units may be affected by extraordinary events such as delisting, nationalisation, bankruptcy, liquidation or the equivalent or a share split, new share issue, bonus issue, issuance of warrants or convertibles, reverse share split or buyback in respect of such equity or equity basket which constitutes a Reference Asset. For all structured Notes, events such as changes in the law or increased costs for risk management may arise. If so, the relevant Issuer may, at its sole discretion, make any adjustments in the composition of the assets and the calculation of the yield or value of Notes or replace one Reference Asset with another Reference Asset, to the extent that the relevant Issuer deems necessary in order for the calculation of the yield or value of Notes to, in the relevant Issuer's opinion, reflect the manner in which yield or value was previously calculated. It may be that the relevant Issuer believes that such adjustments cannot procure a fair result, in which case the relevant Issuer may make the calculation of yield prematurely and determine the Redemption Amount, Additional Amount or the yield. Interest on the principal amount shall thereafter accrue at the market rate of interest.

Reading of closing values of Reference Assets

In certain yield structures, the closing price is recorded on a number of occasions in order to calculate an average final price. The aim is to minimise the risk of single extreme values greatly affecting the final

price. Investors should, however, appreciate the fact that the value on such recording occasions will affect the average final price, entailing that the final price may be lower or higher than the actual closing price on the valuation day. In some Notes however, the value is determined on the basis of a single valuation, hence, there is a risk that some extreme values could affect the final price.

Risks associated with Equities as Reference Assets

An investment in equity linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

(a) *Factors affecting the performance of equities may adversely affect the value of the Notes*

The performance of equities is dependent upon macroeconomic factors, such as interest rates and price levels on the capital markets, currency developments, political factors and company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(b) *No claim against the issuer of the Reference Assets or recourse to the Reference Assets*

Equity linked Notes do not represent a claim against or an investment in any issuer of equity securities (an "**Equity Issuer**") to which they are linked and Noteholders will not have any right of recourse under the Notes to any such company or the equities. The Notes are not in any way sponsored, endorsed or promoted by any Equity Issuer and such companies have no obligation to take into account the consequences of their actions for any Noteholders. Accordingly, the issuer of an equity may take any actions in respect of such equity without regard to the interests of the investors in the Notes, and any of these actions could adversely affect the market value of the Notes.

In the case of Notes relating to equities, no issuer of such equities will have participated in establishing the terms of the Notes and neither the relevant Issuer nor any Dealer will make any investigation or enquiry in connection with such offering with respect to the information concerning any such issuer of equities contained in the applicable Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant Issue Date (including events that would affect the accuracy or completeness of the publicly available documents described in this paragraph or in any relevant Final Terms) that would affect the trading price of the equities will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of equities could affect the trading price of the equities and therefore the trading price of the Notes.

Risks associated with Indices as Reference Assets

An investment in Index Linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

(a) *Factors affecting the performance of Indices may adversely affect the value of the Notes*

Indices comprise a synthetic portfolio of shares or other assets and, as such, the performance of an Index is dependent upon the macroeconomic factors relating to the shares or other components that comprise such Index, which may include interest rates and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(b) *Exposure to the risk that returns on the Notes do not reflect direct investment in underlying equities or other items comprising the Index*

The return payable on Notes that reference Indices may not reflect the return an investor would realise if he or she actually owned the relevant items comprising the components of the Index. For example, if the components of the Indices are shares, Noteholders will not receive any dividends paid on those shares and will not participate in the return on those dividends unless the relevant Index takes such dividends into account for purposes of calculating the relevant level.

Similarly, Noteholders will not have any voting rights in the underlying equities or any other assets which may comprise the components of the relevant Index. Accordingly, investors in Notes that reference Indices as Reference Assets may receive a lower payment upon settlement or redemption of such Notes than such investor would have received if he or she had invested in the components of the Index directly.

(c) *Loss of return of dividends in respect of most Notes linked to equity Indices*

The rules governing the composition and calculation of the relevant underlying Index might stipulate that dividends distributed on its components do not lead to a rise in the index level, for example, if it is a "price" index, which may lead to a decrease in the index level if all other circumstances remain the same. As a result, in such cases, the Noteholders of Notes in respect of which a Reference Asset is such an Index will not participate in dividends or other distributions paid on the components comprising the Index. Even if the rules of the relevant underlying Index provide that distributed dividends or other distributions of the components are reinvested in the Index and therefore result in raising its level, in some circumstances, the dividends or other distributions may not be fully reinvested in such Index.

(d) *A change in the composition or discontinuance of an Index could adversely affect the market value of the Notes*

The sponsor of any Index can add, delete or substitute the components of such Index or make other methodological changes that could change the level of one or more components. The modification of components of any Index may affect the level of such Index, as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the payments made by the relevant Issuer to the investors in the Notes. The sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The sponsor of an Index will have no involvement in the offer and sale of the Notes and will have no obligation to any investor in such Notes. The sponsor of an Index may take any actions in respect of such Index without regard to the interests of the investor in the Notes, and any of these actions could adversely affect the market value of the Notes.

(e) There are additional risks in relation to Commodity Indices, see "*Risks associated with Commodities as Reference Items*".

(f) *Proprietary Indices*

The Nordea Group may from time to time participate in creating, structuring and maintaining indices portfolios or strategies and for which it may act as index sponsor (collectively, "**Proprietary Indices**"). These indices are calculated by an external calculation agent in accordance with rules which describe the methodology for determining the composition and the calculation of these Proprietary Indices (the "**Rules**").

In respect of Proprietary Indices to which Notes are linked, the Issuer may face a conflict of interest between its obligations as the Issuer of such Notes and its role (or the role of one or more of its affiliates) as the composer, promoter, designer or administrator of such indices, as the determination of the composition of such indices, any amendment, supplement or modification to the Rules, or any modification of certain parameters or the valuation of certain Component Securities, may have an impact on the price or value of the Notes.

Each of the Issuers and any other Index Sponsor may, from time to time, exercise reasonable discretion as they deem appropriate in order to ensure the integrity of any Proprietary Index. They may also, in certain circumstances, apply discretionary adjustments to ensure and maintain the high quality of the index construction and calculation. The Issuers and their affiliates do not guarantee the accuracy or completeness of any Proprietary Index, or of the data used to calculate the Index or determine the Index components, or the uninterrupted or timely calculation or dissemination of any Proprietary Index. Moreover, the Issuers and their affiliates do not guarantee that any Index accurately reflects past, present, or future market performance.

The Issuers, or any of their affiliates, may also have banking or other commercial relationships with third parties in relation to a Proprietary Index, and may engage in trading in such index

(including such trading as the relevant Issuer and/or its affiliates deems appropriate in their sole and absolute discretion to hedge its market risk on any transactions that may relate to Proprietary Indices), which may adversely affect the level of such Index.

If the hedging activities of an Issuer or any of its affiliates in connection with a particular index are disrupted, the Issuer or the relevant affiliate may also decide to terminate calculations in relation to such Index sooner than another index sponsor would in comparable circumstances.

All of the above factors may result in consequences which may be adverse to Noteholders, and may have a detrimental impact on the price or value of the Notes. The Issuers do not have any duty or obligation to create, operate or maintain Proprietary Indices in a manner that is intended to promote the best interests of Noteholders.

Risks associated with Inflation Indices as Reference Assets

The performance structures may determine the interest and/or redemption amounts payable on the Notes by reference to the level of an inflation index (an "**Inflation Index**") or a basket of inflation indices, either in the form of Inflation-Linked Notes or thorough the use of Inflation Indices as Reference Assets.

Index Delay and Disruption Events affecting Inflation Indices

Where and there is a delay in publication of the level of an Inflation Index, the level of such Inflation Index ceases to be published, such Inflation Index is rebased, there is a material change to such Inflation Index or there has been a manifest error in the publication of the level of such Inflation Index, the relevant Issuer may determine if such event has a material effect on the Notes and, if so, to make such addition, adjustment or amendment to the Conditions as the relevant Issuer deems necessary.

Many economic and market factors may influence an Inflation Index and consequently the value of Notes relating to Inflation Indices, including:

- general economic, financial, political or regulatory conditions and/or events; and/or
- fluctuations in the prices of various assets, goods, services and energy resources (including in response to supply of, and demand for, any of them); and/or
- the level of inflation in the economy of the relevant country and expectations of inflation.

In particular, the level of an Inflation Index may be affected by factors unconnected with the financial markets.

Risks associated with Foreign Exchange Rates as Reference Assets or as part of the Performance Structure

An investment in currency-linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

Notes may be denominated in one currency (the "**Reference Asset Currency**") but payable in another currency (the "**Specified Currency**"). The value of the Notes could therefore be affected by fluctuations in the value of the Reference Asset Currency as compared to the Specified Currency (which may be calculated, where applicable, on a cross-currency basis). This presents certain risks that the exchange rate (or the exchange rates) used to determine the Specified Currency amount of any payments in respect of the Notes may significantly change (including changes due to devaluation or revaluation of the Specified Currency as compared to the Reference Asset Currency) and the risk that authorities with jurisdiction over such currencies could cause a decrease in (1) the Specified Currency equivalent yield on the Notes, (2) the Specified Currency equivalent value of the amount payable in respect of the relevant Redemption Amount of the Notes and (3) the Specified Currency equivalent market value of the Notes. Therefore, there is a possibility that the Specified Currency value of the Notes at the time of any sale or redemption, cancellation or exercise, as the case may be, of the Notes may be below the value of the investor's original investment in the Notes, depending on the exchange rate at the time of any such sale or redemption, cancellation or exercise, as the case may be.

(a) *Factors affecting the performance of the relevant foreign exchange rate may adversely affect the value of the Notes*

The foreign exchange rate(s) to which the Notes are linked will affect the nature and value of the investment return on the Notes. The performance of foreign exchange rates is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency.

(b) *Nordea is a major foreign exchange dealer and is subject to conflicts of interest*

Investors should note that certain members of the Nordea Group are regular participants in the foreign exchange markets and in the ordinary course of their business may affect transactions for their own account or for the account of their customers and hold long and short positions in currencies and related derivatives, including in the currencies that constitute Reference Assets in relation to the Notes. Such transactions may affect the relevant Reference Assets, the market price, liquidity or value of the Notes and could be adverse to the interests of Noteholders. No members of the Nordea Group has any duty to enter into such transactions in a manner which is favourable to Noteholders.

(c) *Currencies of emerging markets jurisdictions pose particular risks*

Currency-linked Notes linked to emerging market currencies may experience greater volatility and less certainty as to the future levels of such emerging market currencies or their rate of exchange as against other currencies.

Risks associated with Commodities as Reference Assets

An investment in commodity-linked Notes entails significant risks in addition to those associated with investments in a conventional debt security.

(a) *Factors affecting the performance of commodities may adversely affect the value of the Notes; commodity prices may be more volatile than other asset classes*

Trading in commodities is speculative and may be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable, including, for example, changes in supply and demand relationships, weather patterns and extreme weather conditions, governmental programmes and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programmes, changes in interest and exchange rates and changes and suspensions or disruptions of market trading activities in commodities and related contracts. Commodity prices may be more volatile than other asset classes, making investments in commodities riskier than other investments.

(b) *Commodities may reference physical commodities or commodity contracts, and certain commodity contracts may be traded on unregulated or "under-regulated" exchanges*

Commodities comprise both (i) "physical" commodities, which need to be stored and transported, and which are generally traded at a "Spot" price, and (ii) commodity contracts, which are agreements either to (A) buy or sell a set amount of an underlying physical commodity at a predetermined price and delivery period (which may be referred to as a delivery month) or to (B) make and receive a cash payment based on changes in the price of the underlying commodity.

Commodity contracts may be traded on regulated specialised futures exchanges (such as futures contracts). Commodity contracts may also be traded directly between market participants "over-the-counter" on trading facilities that are subject to lesser degrees of regulation or, in some cases,

no substantive regulation. Accordingly, trading in such "over-the-counter" contracts may not be subject to the same provisions as, and the protections afforded to, contracts traded on regulated specialised futures exchanges, and there may therefore be additional risks related to the liquidity and price histories of the relevant contracts.

(c) *Notes which are linked to commodity futures contracts may provide a different return than Notes linked to the relevant physical commodity and will have certain other risks*

The price of a futures contract on a commodity will generally be at a premium or at a discount to the spot price of the underlying commodity. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (e.g. warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the commodity, there can be significant differences in the liquidity of the spot and the futures markets. Accordingly, Notes which are linked to commodity futures contracts may provide a different return than Notes linked to the relevant physical commodity.

Investments in futures contracts involve certain other risks, including potential illiquidity. A holder of a futures position may find that such position becomes illiquid because certain commodity exchanges limit fluctuations in such futures contract prices pursuant to "daily limits". Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in the contract can neither be taken nor liquidated unless holders are willing to effect trades at or within the limit. This could prevent a holder from promptly liquidating unfavourable positions and subject it to substantial losses. Futures contract prices in various commodities occasionally have exceeded the daily limit for several consecutive days with little or no trading. Any such losses in such circumstances could have a negative adverse effect on the return of any Notes, the Reference Asset for which is the affected futures contract.

In the case of a direct investment in commodity futures contracts, the invested capital may be applied in whole or in part by way of collateral in respect of the future claims of the respective counterparties under the commodity futures contracts. Such capital will generally bear interest, and the interest yield will increase the return of the investor making such direct investment. However, holders of Notes linked to the price of commodity futures contracts do not participate in such interest yields from the hypothetical fully collateralised investment in commodity futures contracts.

(d) *Additional risks in relation to the "rolling" of commodity futures contracts (including commodity futures contracts which are Components of a Commodity Index)*

Commodity contracts have a predetermined expiration date – i.e. a date on which trading of the commodity contract ceases. Holding a commodity contract until expiration will result in delivery of the underlying physical commodity or the requirement to make or receive a cash settlement. Alternatively, "rolling" the commodity contracts means that the commodity contracts that are nearing expiration (the "**near-dated commodity contracts**") are sold before they expire and commodity contracts that have an expiration date further in the future (the "**longer-dated commodity contracts**") are purchased. Investments in commodities apply "rolling" of the component commodity contracts in order to maintain an ongoing exposure to such commodities.

"Rolling" can affect the value of an investment in commodities in a number of ways, including:

(i) *The investment in commodity contracts may be increased or decreased through "rolling"*

Where the price of a near-dated commodity contract is greater than the price of the longer-dated commodity contract (the commodity is said to be in "backwardation"), then "rolling" from the former to the latter will result in exposure to a greater number of the longer-dated commodity contract being taken. Therefore, any loss or gain on the new positions for a given movement in the prices of the commodity contract will be greater than if one had synthetically held the same number of commodity contracts as before the "roll". Conversely, where the price of the near-dated commodity contract is lower than the price of the longer-dated commodity contract (the commodity is said to be in "contango"), then "rolling" will result in exposure to a smaller number of the longer-

dated commodity contract being taken. Therefore, any gain or loss on the new positions for a given movement in the prices of the commodity contract will be less than if one had synthetically held the same number of commodity contracts as before the "roll".

(ii) *Where a commodity contract is in contango (or, alternatively, backwardation), such may be expected to (though it may not) have a negative (or, alternatively, positive) effect over time*

Where a commodity contract is in "contango", then the price of the longer-dated commodity contract will generally be expected to (but may not) decrease over time as it nears expiry. In such event, rolling is generally expected to have a negative effect on an investment in the commodity contract. Where a commodity contract is in "backwardation", then the price of the longer-dated commodity contract will generally be expected to (but may not) increase over time as it nears expiry. In such event, the investment in the relevant commodity contract can generally be expected to be positively affected.

In the case of Notes which are linked to a commodity contract, the referenced commodity contract will simply be changed without liquidating or entering into any positions in the commodity contracts. Accordingly, the effects of "rolling" described above do not apply directly to the Reference Asset and the Notes. Thus, an investor will not participate directly in possible effects of "rolling". However, other market participants may act in accordance with the mechanism of "rolling" and such behaviour may have an indirect adverse impact on the value of the Reference Asset and therefore on the Notes.

Commodity indices are indices which track the performance of a basket of commodity contracts on certain commodities, depending on the particular index. The weighting of the respective commodities included in a commodity index will depend on the particular index, and is generally described in the relevant index rules of the index.

Commodity indices apply "rolling" of the component commodity contracts in order to maintain an ongoing exposure to such commodities. Specifically, as a commodity contract is required to be rolled pursuant to the relevant index rules, the commodity index is calculated as if exposure to the commodity contract was liquidated and exposure was taken to another (generally longer-dated) commodity contract for an equivalent exposure. Accordingly, the same effects as described above with regard to "rolling" on the value of a Reference Asset of the Notes also apply with regard to the index level of a Commodity index.

(e) *Legal and regulatory changes relating to the Commodities may lead to an early redemption or cancellation*

Commodities are subject to legal and regulatory regimes that may change in ways that could affect the ability of the relevant Issuer or any other member of the Nordea Group engaged in any underlying or hedging transactions in respect of the relevant Issuer's obligations in relation to the Notes to hedge the relevant Issuer's obligations under the Notes, and/or could lead to the early redemption or cancellation of the Notes.

Risks associated with Baskets comprising various constituents as Reference Assets

(a) *Exposure to performance of basket and its underlying constituents*

Where the Notes reference one or more basket(s) of assets as Reference Assets, the investors in such Notes are exposed to the performance of such basket(s). The investors will bear the risk of the performance of each of the basket constituents.

(b) *A high correlation of basket constituents may have a significant effect on amounts payable*

Correlation of basket constituents indicates the level of interdependence among the individual basket constituents with respect to their performance. If, for example, all of the basket constituents originate from the same sector and the same country, a high positive correlation may generally be assumed. Past rates of correlation may not be determinative of future rates of correlation: investors should be aware that, though basket constituents may not appear to be

correlated based on past performance, it may be that they suffer the same adverse performance following a general downturn or other economic or political event. Where the basket constituents are subject to high correlation, any move in the performance of the basket constituents will exaggerate the performance of the Notes.

(c) *The negative performance of a single basket constituent, or a single basket in multiple-basket structures, may outweigh a positive performance of one or more other basket constituents or baskets*

Investors in Notes must be aware that, even in the case of a positive performance of one or more basket constituents, or a single basket in multiple-basket structures, the performance of the basket or the Notes as a whole may be negative if the performance of the other basket constituents or other baskets is negative to a greater extent, subject to the terms and conditions of the relevant Notes.

(d) *A small basket, an unequally weighted basket or a "best of" or "worst of" basket will generally leave the basket more vulnerable to changes in the value of any particular basket constituent*

The performance of a basket that includes a fewer number of basket constituents will generally, subject to the terms and conditions of the relevant Notes, be more affected by changes in the value of any particular basket constituent included therein than a basket that includes a greater number of basket constituents.

The performance of a basket that gives greater weight to some basket constituents or bases the level of the entire basket only on the value of one of the basket constituents will generally, subject to the terms and conditions of the relevant Notes, be more affected by changes in the value of any such particular basket constituent included therein than a basket that gives relatively equal weight to each basket constituent.

(e) *A change in composition of one or more basket(s) may have an adverse effect on Basket Return*

Where the Notes grant the relevant Issuer or the Calculation Agent the right, in certain circumstances, to adjust the composition of the basket, investors should be aware that any replacement basket constituent may perform differently from the anticipated performance of the original basket constituent, which may have an adverse effect on the performance of the basket.

Risks related to Credit-Linked Notes

Correlation risk

An investment in credit linked Notes will entail significant risks not associated with a conventional fixed rate or floating rate debt security. Such risks include exposure to the credit risk of the particular Reference Entity or basket of Reference Entities (and, where applicable, one or more specific reference obligations) in addition to that of the relevant Issuer. Depending on the manner in which the particular series of credit linked Notes is linked to the credit of a Reference Entity or basket of Reference Entities, a fall in the creditworthiness of a particular Reference Entity (or where perceptions worsen regarding the creditworthiness of a particular Reference Entity), may greatly reduce the market value of the related Notes and any payments of principal or interest then due. If a series of Notes is linked to a basket of Reference Entities, a credit deterioration in one reference entity may be strongly correlated with credit deterioration of other reference entities included in the basket, resulting in substantial decreases over a relatively short period of time in the market value of the related Notes and any payments of principal or interest then due. In a "N^{th} to Default" or "N^{th} and N^{th} + 1" to Default structure, the occurrence of a credit event in relation to particular Reference Entities will have a greater than proportionate impact on the market value and payment of principal and interest in relation to the relevant Notes.

Nature of payments of principal and/or interest

In the event of the occurrence of certain circumstances (which may include, amongst other things, Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or another Credit Event) in relation to a Reference Entity or Reference Entities, in each case, as specified in the applicable Final Terms, the relevant Issuer's obligation to pay principal or perform other obligations under the Notes may be replaced by an obligation to pay other amounts

calculated by reference to the value of the Reference Asset(s). In addition interest bearing credit linked Notes may cease to bear interest on or prior to the date of occurrence of such circumstances.

Potential investors in any such Notes should be aware that depending on the terms of the credit linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

Market price volatility

The market price of credit linked Notes may be volatile and will be affected by, amongst other things, the time remaining to the redemption date and the creditworthiness of the Reference Entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

No need for Issuer to suffer loss with respect to any Reference Entity

The relevant Issuer's obligations in respect of credit-linked Notes are irrespective of the existence or amount of the relevant Issuer's and/or any affiliates' credit exposure to a Reference Entity and the relevant Issuer and/or any affiliate need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

No information regarding Reference Entities

No investigation has been or will be made regarding any of the Reference Entities. Prospective investors in credit-linked Notes should obtain and evaluate information regarding the Reference Entities as if they were investing directly in the debt obligations of the Reference Entities. In addition, investors should understand that the historical performance of any specific debt obligation or the debt obligations of such Reference Entities generally is not predictive of future performance. As none of the Reference Entities has participated in the preparation of this Base Prospectus, there can be no assurance that all material events or information regarding the Reference Entities have been disclosed at the time the Notes are issued. Subsequent disclosure of any such events or the failure to disclose material events concerning any of the Reference Entities could affect the redemption amount payable on the Notes or the general trading price of the Notes.

Debt obligations may consist of subordinated debt

Any debt obligations for credit-linked Notes may include subordinated debt obligations. Such subordinated debt obligations will rank junior to, and the value of such subordinated debt obligations may be less than that of, senior obligations in respect of the same Reference Entity, and the value of such subordinated debt obligations may even be zero in circumstances where a Credit Event has occurred. The relevant Issuer is under no fiduciary duty to select Reference Assets or deliverable assets of any particular value or that maximise value for Noteholders.

Notes linked to the performance of funds

The Issuers may issue Notes where the redemption amount or, if applicable, the interest amount is linked to the performance of a unit, share or other interest in a fund. Such funds may include mutual funds or any other types of fund in any jurisdiction, or any combination of the foregoing. Investments offering direct or indirect exposure to the performance of funds are generally considered to be particularly risky and may bear similar risks, including but not limited to, market risks to a direct investment in funds.

Prospective investors should note that payments on redemption or termination of Fund-Linked Notes at maturity, expiration, early redemption or early termination may be postponed, in accordance with the Conditions, up to a specified long stop date and if the specified long stop date is reached, for the purposes of determining the Redemption Amount or any other such redemption amounts, as applicable, the affected fund interest units or shares may be deemed to have a zero value. Prospective investors should also be aware that if one or more events occurs in relation to the Fund or any fund manager, including insolvency of the Fund or fund manager, then the Issuer, may in its sole and absolute discretion, determine whether the Fund-Linked Notes should be amended or should be redeemed or terminated early. If the relevant Issuer determines that the Fund-Linked Notes will continue, this may result in the substitution of the affected interests in the fund with other shares or interests with similar characteristics or adjustments to the Conditions of the Notes to account for the occurrence of the relevant event. These

actions may have an adverse effect on the return and risk profile of the relevant Fund-Linked Notes, and consequently, the value of such Fund-Linked Notes and if the Fund-Linked Notes are redeemed or terminated early the amount investors receive may be considerably less than their original investment and may even be zero.

The risks associated with investing in Fund-Linked Notes are similar to the risks attached to a direct investment in the underlying fund or funds. There are substantial risks in directly or indirectly investing in funds including, without limitation, the risks set out below. Prospective investors should note that references to funds below can refer both to the funds referenced in any Fund-Linked Notes and also to any funds in which any of those funds invests its assets from time to time:

Investments risks that prospective investors should be aware of include the following:

1. Different types of funds are subject to differing levels of regulatory supervision.

2. Funds may have varying restrictions on leverage. Leverage presents the potential for a higher rate of return but also increases the volatility of the fund and increases the risk of a total loss of the amount invested.

3. Funds may have differing investment restrictions and some funds may invest in assets which are illiquid or difficult to transfer. This may have an effect on the realisation of such assets and in turn, the value and performance of the fund. In addition, a fund's assets or investments may be concentrated in a few markets, countries, industries, commodities, sectors of an economy or issuers. If so, adverse movements in a particular market, country, industry, commodity, economy or industry or in the value of the securities of a particular issuer could have a severely negative effect on the value of such a fund. In addition, a fund may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.

4. Substantial redemptions by holders of interests in a fund within a short period of time could require the fund's investment manager(s) and/or adviser(s) to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the fund's assets.

5. The performance of a fund will be heavily dependent on the performance of investments selected by its advisers or investment managers and the skill and expertise of such fund service providers in making successful and profitable investment decisions. Such skill and expertise may be concentrated in a number of the adviser's or investment manager's key personnel. Should these key personnel leave or become no longer associated with the fund's adviser or investment manager, the value or profitability of the fund's investments may be adversely affected as a result.

Risks relating to interest features

Fixed Rate Notes are subject to Interest Rate Risks.

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Interest on floating rate Notes may fall below the margin.

A Holder of floating rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of floating rate Notes in advance. In the event that the reference rate used to calculate the applicable interest rate turns negative, the interest rate will be below the margin, if any, and may be zero and accordingly, the Holders of floating rate Notes may not be entitled to interest payments for certain or all interest periods. Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

Risks relating to fixed/floating rate Notes.

Fixed/floating rate Notes may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing.

If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the fixed/floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Risks relating to variable rate Notes with a multiplier or other leverage factor.

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for notes that do not include those features.

Risks relating to inverse floating rate Notes.

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

Risks relating to Range Accrual Notes.

Range Accrual Notes provide for interest to be paid either (i) on interest payment dates occurring at regular intervals throughout the life of the Notes; or (ii) in a single amount at maturity.

The amount of interest that an investor in the Notes receives is linked to the performance of the Reference Asset(s) specified in the applicable Final Terms and on how many actual days during the relevant Interest Period or Valuation Period the level or value of the Reference Asset(s) remains within a certain range, (the upper and lower limit of which is specified in the applicable Final Terms). If the level or value of the Reference Asset(s) is below the lower limit or higher than the upper limit on some or all of the days in an Interest Period or Valuation Period, the investor may receive low or even zero interest payments, respectively, for the relevant Interest Period. Holders should note that no interest accrues on days when the level or value of the Reference Asset(s) is outside of the range specified. The rate at which interest accrues may be a fixed rate, floating rate or other rate specified in the applicable Final Terms. Interest payable on the Notes is therefore also linked to the volatility of the level or value of the Reference Asset(s). Range Accrual Notes may not be suitable for investors who require regular income payments.

Risks relating to particular performance structures

Risks related to the complexity of the product

The yield structure for structured Notes is sometimes complex and may contain mathematical formulae or relationships which, for the investor, may be difficult to understand and compare with other investment alternatives. The relationship between yield and risk may be difficult to assess. As to the correlation between yield and risk it can generally be said that a relatively high yield most often is associated with relatively greater levels of risk. One way of increasing the probability of a higher yield is, for example, to include leverage effects in the yield structure which results in comparatively small changes in the performance of Reference Assets that may have major effects for the value and yield on Notes. Such a structure is generally also associated with a higher risk (see Risks relating to particular Reference Assets below). The past performance of corresponding investments is only a description of the historical performance of the investment and shall not to be regarded as an indication of future yield. Information regarding past performance is not available with respect to certain reference objects; for example, with respect to certain hedge funds. Investors should carefully consider which yield structure applies to the Notes or Notes in which the investor is investing in order to obtain an understanding of how the relevant Notes operate in different scenarios and the risks an investment in the Notes entails.

Risks relating to Notes which are not principal protected

The Notes may or may not be principal protected. If the Note is not principal protected there is no guarantee that the return that an investor receives on the Notes upon their redemption will be greater than

or equal to the Principal Amount. If the Redemption Amount of the Notes is not principal protected, but is to be determined solely by reference to the value or level of one or more Reference Assets, any reduction in the value of the Reference Asset (or, in the case of a "put" or "reverse convertible" structure, any increase in value) may be expected to result in a reduction in the Redemption Amount of the Notes. Accordingly, it is possible that the return on Notes linked to such Reference Asset(s) may be considerably less than the amount paid by investors for such Notes and may be zero.

Risk relating to premium and participation ratio

The relationship between the value of a structured Note and the performance of the Reference Assets or changes between them is not always linear but, rather, sometimes depends on the yield structure and a participation ratio which determines the extent to which the performance of the Reference Asset is reflected in the value of the Note. The participation ratio is set by the relevant Issuer and determined, among other things, by term to maturity, volatility, market interest rates and expected dividends on the Reference Asset. In certain structures, the participation ratio may differ depending on whether or not the performance of the relevant Reference Assets is positive or negative. Variations in the participation ratio may increase or decrease the extent to which a Noteholder is exposed to the performance of the relevant Reference Assets. The amount that the investor risks is greater in those structured Notes that are subscribed for/purchased at a premium, i.e. when the investor pays more than the nominal amount, due to the risk that these might be redeemed only at the nominal amount.

Intensity Price fluctuations, so called volatility

If, pursuant to the relevant Final Terms, a note is designed to include variables such as multipliers or leverage factors, cap/floor, another combination of these variables or other similar elements, the market value of such Notes may be more volatile than the market value of a note without such elements.

"Best of"/"Worst of" features in respect of Baskets.

Where the return on the Notes is linked to the performance of a Basket and that the "Best of" feature is applicable, the value of the Basket will depend on a specified number of components comprising the Basket that have shown the best performance in comparison to the other components comprising the Basket over a specified period of time. Conversely, where the "Worst of" feature is applicable, the value of the Basket will depend on a specified number of components comprising the Basket that have shown the worst performance in comparison to the other components comprising the Basket over a specified period of time. As the best-performing components, or the worst-performing components, of a Basket, as applicable, are not representative of the performance of the Basket as a whole, any calculations or determinations of value that involve the "Best of" or "Worst of" feature may produce results that are very different to those that take into account the performance of the Basket as a whole. Potential investors should examine the manner in which the "Best of" and "Worst of" features affect the value of any Basket and examine the context in which the such value affects the determination of any payouts. Potential investors in any such Notes should be aware that the returns they receive (if any) on investment in Notes which have a "Best of" and/or "Worst of" feature may be substantially different from the return on investment in Notes without such features.

Caps and floors

The formula or other basis for determining the value and/or performance of the Reference Asset in respect of a Series of Notes (or of individual Basket components) may provide for a maximum value, or cap, such that any value and/or performance of the Reference Asset (or individual Basket components) in excess of the applicable cap will not be taken into account for the purposes of the relevant determination. Amounts payable on the Notes linked to such capped value and/or performance will be limited accordingly.

Risk of automatic early redemption

In relation to certain types of Notes, the Notes will be automatically redeemed prior to their maturity if certain conditions are met. Notes of this type have an uncertain maturity date. Certain types of Notes may also be automatically redeemed early if a specified trigger is breached during a specified period or on a specified date or dates. If a Reference Asset or Basket performs poorly, Noteholders may receive little or no interest during the term of the Notes and/or receive low or even zero return at maturity, and in some

circumstances may result in a loss of part or all of their investment. Prospective investors should consider reinvestment risk in light of other investments available at that time.

RISKFAKTORER

Nedan beskrivna riskfaktorer är en inofficiell översättning av de riskfaktorer som beskrivs på engelska omedelbart före detta avsnitt och investerare rekommenderas att även läsa och ta till sig riskfaktorerna såsom de beskrivits på engelska då dessa kan avvika från den svenska översättningen.

En investering i ett Lån innebär ett visst risktagande. Presumtiva investerare skall noggrant överväga de nedan angivna riskerna och övrig information som anges i detta Grundprospekt före varje investeringsbeslut avseende Lån. De risker som beskrivs nedan kan ha en väsentlig negativ effekt på Nordeakoncernens affärsverksamhet, rörelseresultat och finansiella ställning samt värdet på Lån. Även ytterligare risker och osäkerheter, inklusive sådana som Nordeakoncernens ledning inte för närvarande känner till eller uppfattar såsom betydande, kan komma att ha en potentiell väsentlig inverkan på Nordeakoncernens affärsverksamhet, rörelseresultat, finansiella ställning eller framtidsutsikter eller kan föranleda andra händelser som kan innebära att investerare förlorar hela eller delar av sin investering.

Ord och uttryck som är definierade i "Allmänna Villkor för Lån" nedan eller på annan plats i detta Grundprospekt ska ha samma betydelse i detta avsnitt.

Presumtiva investerare måste uppmärksamma att riskerna som är relaterade till "Emittenterna", till verksamheten som de är verksamma i och summeringen av Lån i avsnittet, i detta Grundprospekt, med överskrift "Sammanfattning" är de risker som Emittenterna tror är de mest relevanta att uppmärksamma för en potentiell investerare för att göra en bedömning huruvida en investering i Lån ska göras eller inte. Emellertid, riskerna som Emittenterna står inför hänförs sig till händelser och är beroende av omständigheter som kan eller inte kan inträffa i framtiden; presumtiva investerare skall beakta och inte endast informationen om nyckelrisker som har sammanfattats i avsnittet i detta Grundprospekt med överskrift "Sammanfattning" dessutom, till exempel, risker och osäkerheter som beskrivs nedan.

Var och en av Emittenterna är av den uppfattningen att de faktorer som beskrivs nedan är de huvudsakliga riskerna förknippade med att investera i Lån emitterade under Programmet., men relevant Emittentens oförmåga att betala ränta eller kapitalbelopp för eller i samband med något Lån kan inträffa utav andra orsaker och ingen av Emittenterna anser att redovisning nedan angående risker för innehav av Lån är uttömmande.

Generella risker relaterade till de rådande makroekonomiska förhållandena

Negativ ekonomisk utveckling och negativa förhållanden på de marknader där Nordeakoncernen verkar kan negativt påverka Nordeakoncernens verksamhet och rörelseresultat

Nordeas resultat påverkas i betydande mån av det allmänna ekonomiska läget i de länder där Nordea verkar, särskilt på de Nordiska Marknaderna (Danmark, Finland, Norge och Sverige) men även, i lägre grad, i Ryssland och Baltikum. Det allmänna ekonomiska läget på alla fyra Nordiska Marknaderna samt i Ryssland och Baltikum har i varierande grad påverkats negativt av försämrade ekonomiska förhållanden och av turbulensen på de globala finansiella marknaderna, under 2008 och 2009, vilket resulterade i minskad ekonomisk tillväxt, ökad arbetslöshet och minskat värde på tillgångar i dessa länder. Trots att det ekonomiska läget i dessa länder generellt har utvecklats positivt har återhämtningen varit skör i vissa av länderna och särskilt Danmarks ekonomi har påverkats mest av den finansiella turbulensen och den ekonomiska nedgången än ekonomin i de övriga nordiska länderna och har följt många europeiska länder in i en recession. Under 2012 hade Finland negativ tillväxt, tillväxten i Sverige har minskat men var positiv medan Norge behöll en stark tillväxt. Norge och Sverige har under 2013 upplevt svag tillväxt och, trots en stabilisering av och uppgång för danska huspriser och att landet inte längre befinner sig i recession så har Danmark upplevt en lägre tillväxt än Norge och Sverige. Finland har, liksom vissa andra euroländer, inte haft någon tillväxt under 2013. Under 2014 utvecklades de nordiska marknaderna i allmänhet positivt, med starkast tillväxt i Sverige och Norge, dock vad gäller Norge med viss oro för de effekter på den lokala ekonomin som kan följa av sjunkande oljepriser. Tillväxten i Dankmark befann sig på en fortsatt låg nivå och tillväxten i Finland var dämpad under 2014 och följde den mera blandade tillväxtbilden i Europa i övrigt. Den ryska ekonomin påverkades negativt av krisen i Krim och östra Ukraina. Negativ ekonomisk utveckling av det slag som beskrivs ovan har påverkat och kan komma att fortsätta påverka Nordeakoncernens verksamhet på en rad olika sätt, bland annat genom påverkan på Nordeakoncernens kunders inkomst, förmögenhet, likviditet, affärsvillkor och/eller finansiella ställning, vilket i sin tur ytterligare kan komma att försämra Nordeakoncernens kreditkvalitet och minska efterfrågan på Nordeakoncernens finansiella produkter och tjänster. Följaktligen skulle vissa eller

samtliga av de förhållanden som beskrivits ovan kunna medföra en fortsatt väsentlig negativ effekt på Nordeas verksamhet, finansiella ställning och rörelseresultat och de av Nordea vidtagna åtgärderna kommer eventuellt inte att vara tillräckliga för att begränsa kredit-, marknads- eller likviditetsrisker.

Störningar och volatilitet på de globala finansiella marknaderna kan negativt påverka Nordea

Från augusti 2007 till den tidigare delen av 2009 har det globala finansiella systemet drabbats av kredit- och likviditetsförhållanden samt störningar utan tidigare motstycke, vilket lett till minskad likviditet, högre volatilitet, generell ökning av spreadarna och, i vissa fall, brist på transparens vid prissättning av penning- och kapitalmarknadsräntor. Efter en period av stabilisering under 2010 och det första halvåret av 2011 påverkades återhämtningen på finansmarknaden negativt av den turbulens och de avbrott, som orsakades av statliga budgetunderskott och ökade statsskulder i Grekland, Irland, Italien, Portugal och Spanien. Trots tillhandahållandet av räddningspaket till vissa av dessa länder under de senaste två åren råder osäkerhet kring utgången av dessa åtgärder och oron för statsfinanser kvarstår. Detta tillsammans med bekymmer över den övergripande stabiliteten och upprätthållandet av euroområdet har orsakat ytterligare volatilitet på den globala kredit- och likviditetsmarknaden. Som en reaktion på denna oro har Standard & Poor´s, Moody´s och Fitch sänkt kreditvärdighetsbetygen för ett flertal länder i Europa under början av 2012. Marknadens oro över de europeiska bankernas och försäkringsgivare direkta och indirekta exponering gentemot dessa länder såväl som gentemot varandra har även resulterat i bredare räntemarginaler, ökade kostnader för att erhålla kapital samt en negativ kreditvärderingsutsikt för vissa finansiella institutioner i Europa. Även om marknadsförhållandena har förbättrats något under senare delen av 2012 så har utvecklingen i de finansiella marknaderna drivits av i huvudsak initiativ från centralbanker och marknaden var fortsatt volatil med osäkerhet om framtida makroekonomiska utvecklingar. Till exempel orsakade det räddningspaket som erbjöds Cypern i mars 2013 ytterligare volatilitet och spekulationer kring euroområdets stabilitet. Under det andra och tredje kvartalet 2015 upplevde den kinesiska marknaden en väsentlig nedgång av aktiepriser samt en ökad volatilitet på aktiemarknaden, vilket främst härstammar från fortsatta aktieförsäljningar på de kinesiska aktiemarknaderna. Volatiliteten i Kina i kombination med orosmoment kring utvecklingen av den kinesiska ekonomin samt ekonomierna för andra stora utvecklingsländer har följts av volatilitet på aktie- och råvarumarknaderna runt om i världen. Vidare har den kinesiska börsnedgången lett till minskad export och lägre efterfrågan bland kinesiska konsumenter vilket potentiellt kan förvärra den senaste tidens minskande ekonomiska tillväxt. Detta har även lett till att den kinesiska centralbanken devalverade den kinesiska valutan, renminbin, i augusti 2015. Fortsatt försäljning och prisnedgång på den kinesiska aktiemarknaden, volatilitet i växlingskursen för renminbin och orosmoment gällande det allmänna ekonomiska klimatet kan sprida sig ytterligare till de globala finansiella marknaderna. Den fortsatt blygsamma BNP-tillväxt och låga inflation som Europa har upplevt har också gett upphov till oro, vilket visas av det program för kvantitativa lättnader som introducerades av den Europeiska centralbanken i januari 2015, och osäkerheten kring stabiliteten i euroområdet, inklusive Greklands förmåga att följa utköpsprogrammet och förbli medlem av euroområdet, har fortsatt. Marknaden har också blivit, och kommer troligen fortsättningsvis även att vara, påverkad av geopolitiska spänningar, inklusive de som har att göra med krisen i Krim-regionen och östra Ukraina, vilka började under 2014, och effekterna av den senaste tidens nedgång i de globala oljepriserna. Det finns inte någon garanti att en potentiell åtstramning av likviditetsmöjligheter i framtiden såsom ett resultat av, till exempel, fortsatt nedbrytning av publika finanser för särskilda Europeiska länder inte kommer att leda till ny finansierings-osäkerhet som resulterar i ökad volatilitet och ökade kreditspreadar. Risker relaterade till den ekonomiska utvecklingen i Europa har haft och kommer, trots den senaste periodens stabilisering, troligen också fortsättningsvis att ha en negativ påverkan på aktiviteten inom den globala ekonomin samt på de finansiella marknaderna. Om dessa förhållanden fortsätter eller om ytterligare oro uppstår inom dessa eller på andra marknader, kan detta medföra väsentlig negativ effekt på Nordeakoncernens möjlighet att få tillgång till kapital och likviditet på finansiella villkor som är acceptabla för Nordeakoncernen. Var och en av ovan nämnda faktorer kan inverka väsentligt negativt på Nordeakoncernens verksamhet, finansiella ställning och rörelseresultat.

Risker förknippade med Nordeakoncernens Kreditportfölj

Försämring av motparters kreditkvalitet kan påverka Nordeas finansiella resultat

Risker som uppstår genom förändring av kreditkvaliteten och möjligheten att återvinna förfallna lån och belopp från motparter är en naturlig del i flera av Nordeas verksamheter. Nordea gör avsättningar för kreditförluster i enlighet med IFRS, men de avsättningar som görs är baserade på tillgänglig information, uppskattningar och antaganden och är föremål för osäkerhet, och inga garantier kan ges för att

avsättningarna är tillräckliga för att täcka de kreditförluster som uppstår. Negativa förändringar i kreditkvaliteten hos Nordeas låntagare och motparter eller minskningar i värdet av säkerheter kan påverka möjligheten till återvinning samt värdet på Nordeas tillgångar och kräver en ökning av Nordeas individuella avsättningar och, potentiellt, koncerngemensamma avsättningar för försämrade krediter, vilket i sin tur skulle påverka Nordeas finansiella resultat negativt. Framför allt kan Nordeas exponering mot företagskunder vara föremål för negativa förändringar i kvaliteten på krediter om det ekonomiska klimatet i de marknader på vilka Nordeakoncernen verkar försämras. Till exempel påverkade det förlängda svåra ekonomiska klimatet sjöfartssektorn och vissa kundgrupper i Danmark under 2012, 2013 samt, i viss utsträckning, under 2014. Förmågan för Nordeakoncernens låntagare i Ryssland, Lettland och Litauen kan också indirekt bli påverkat av utländsk valutarisk då lån till kunder i dessa länder oftast är denominerade i euro eller U.S. dollar, även om kunderna typisk sett erhåller huvudsaklig inkomst i lokalvaluta. Därtill, faktiska låneförluster varierar över affärscykeln. En betydande ökning av storleken av Nordeakoncernens avsättningar för kreditförluster och kreditförluster som inte är täckta av avsättningars kan ha en betydande negativ effekt på Nordeakoncernens affärs, finansiella situation och resultat.

Nordea är exponerat för kreditrisk gentemot sina motparter

Nordea genomför rutinmässigt transaktioner med motparter inom finansbranschen, inklusive mäklare och handlare, affärsbanker, investmentbanker, fonder och andra företags- och institutionella klienter. Många av dessa transaktioner utsätter Nordea för risker att Nordeas motparter under ett valuta-, ränte-, råvaru-, aktie- eller kreditderivatkontrakt fallerar före förfallodagen och att Nordea då har en utestående fordran mot motparten. På grund av volatilitet på valuta- och räntemarknaderna under de tre senaste åren har denna risk kvarstått på en förhöjd nivå jämfört med perioden som föregick den globala finansiella och ekonomiska krisen. Denna kreditrisk kan även förvärras då säkerheter som innehas av Nordea inte kan realiseras eller likvideras till priser som är tillräckliga för att täcka motpartsexponeringens fulla belopp. Var och en av de ovan nämnda faktorerna skulle kunna medföra en väsentlig negativ effekt på Nordeas verksamhet, finansiella ställning och rörelseresultat.

Som en konsekvens av dess handel med finansiella instrument, inklusive valuta- och derivatkontrakt, är Nordea exponerat för avvecklingsrisk och transfereringsrisk. Avvecklingsrisk är risken att förlora det kapital som utgörs av ett finansiellt kontrakt till följd av att motparten fallerar eller efter att Nordea har gett oåterkalleliga instruktioner om att överföra kapitalbelopp eller säkerhet, men före det att mottagandet av motsvarande betalning eller säkerhet har blivit slutligen bekräftat. Transfereringsrisk är risken hänförlig till överföring av pengar från ett land annat än det land där låntagaren har sin hemvist, vilken påverkas av förändringar i de aktuella ländernas ekonomiska och politiska förhållanden.

Risker relaterade till marknadsexponering

Nordeakoncernen är exponerat för marknadsprisrisk

Nordeakoncernens kunddrivna handelsverksamhet (där positioner tas inom vissa definierade gränser) och dess Treasury-verksamhet (där Nordea innehar investerings- och likviditetsportföljer för egen räkning) är de huvudsakliga källorna till marknadsprisrisk inom Nordea. Det verkliga värdet av de finansiella instrument som innehas av Nordea, inklusive obligationer (stats-, företags- och bostadsobligationer), aktieplaceringar, kontanter i olika valutor, placeringar i private equity- och hedge- och kreditfonder, råvaror och derivat (inklusive kreditderivat), är känsligt för volatilitet i och korrelationer mellan olika marknadsvariabler, inklusive räntor, spreadar, aktiepriser och valutakurser. I den utsträckning det volatila marknadstillståndet fortgår eller återkommer kan det verkliga värdet av Nordeas obligationer, derivat- och strukturerade kreditportföljer och andra portföljer minska mer än enligt beräknat och därmed tvinga Nordea att bokföra nedskrivningar. Framtida värderingar av de tillgångar som Nordea redan har bokfört eller beräknat nedskrivningar för, vilka kommer att spegla de då rådande marknadsvillkoren, kan leda till betydande förändringar av det verkliga värdet på dessa tillgångar. Vidare bokförs värdet på vissa finansiella instrument till ett verkligt värde som fastställs genom finansiella modeller vilka innehåller antaganden, avgöranden och uppskattningar som till sin natur är osäkra och kan komma att förändras över tid eller slutligen visa sig vara oriktiga. Var och en av dessa faktorer kan tvinga Nordea att redovisa ytterligare nedskrivningar eller realisera värdeminskningskostnader, vilket kan medföra en väsentlig negativ effekt på Nordeas verksamhet, finansiella ställning och rörelseresultat. Eftersom Nordeas handels- och placeringsinkomster i hög utsträckning är beroende av de finansiella marknadernas utveckling skulle därtill de volatila marknadsförhållandena kunna resultera i en betydande minskning av Nordeas handelsinkomster och avkastning på placeringar eller leda till handelsförluster som i sin tur kan ha en betydande negativ effekt på Nordeakoncernens affärs, finansiella situation och resultat.

Nordeakoncernen är exponerad till strukturell marknadsrisk

Strukturell ränterisk

Liksom alla banker har Nordea intjäning på räntor på lån och andra tillgångar och betalar i sin tur räntor till insättare och andra borgenärer. Nettoeffekten på förändringar i Nordeas nettoränteintäkter beror på de relativa nivåerna på tillgångar och skulder vilka påverkas av ränteförändringar. Nordea är utsatt för strukturell ränterisk: (En: Structural Interest Income Risk) ("**SIIR**{xe ”SIIR”}") när det finns en diskrepans mellan räntebindningsperioderna, volymerna eller referensräntorna på dess tillgångar, skulder och derivat. Diskrepansen för en given period i händelse av ränteförändringar skulle kunna få en väsentlig negativ effekt på Nordeas finansiella ställning och rörelseresultat.

Strukturell valutakursrisk

Nordea är exponerat för valutaomräkningsrisk främst som ett resultat av dess svenska och norska bankverksamhet, då Nordeas konsoliderade finansiella rapporter upprättas i Nordeas funktionella valuta, euro. Nordeas funktionella valuta för dess danska bankverksamhet är danska kronor, vilken är låst mot euron. Eftersom Nordea redovisar omräkningsskillnader mellan de i lokala valutor denominerade kapitalpositionerna i dess fullt konsoliderade dotterbolag, kan euroeffekten som uppstår vid valutaomräkning komma att minska det egna kapitalet. Eftersom vissa av Nordeas konsoliderade exponeringsbelopp (”**REA**{xe ”REA”}”), gentemot vilka Nordea är skyldigt att hålla en viss lägsta kapitalnivå är denominerade i lokala valutor, medför varje betydande minskning av eurons värde gentemot dessa lokala valutor en betydande negativ effekt på Nordeas kapitalrelationer. Trots att Nordea i allmänhet följer en policy att säkra sin valutakursrisk genom att försöka matcha valutan för dess tillgångar med valutan för skulderna som finansierar dem, kan ingen garanti ges för att Nordea framgångsrikt kommer att kunna säkra några eller samtliga av sina valutariskexponeringar.

Risker relaterade till likviditet och kapitalkrav

Nordeas verksamheter är förbundna med likviditetsrisk

Likviditetsrisk är risken att Nordea inte kommer att kunna fullgöra sina förpliktelser varefter de förfaller eller tvingas fullgöra sina åtaganden till ökad kostnad. En väsentlig del av Nordeas likviditets- och finansieringsbehov sker genom användning av kunders inlåning och genom kontinuerlig tillgång till interbanklånemarknader, inklusive genom upptagande av långfristiga marknadslån, såsom säkerställda obligationer. Dessa finansieringskällors volym, och då särskilt långfristig finansiering, kan begränsas under tider av likviditetspåfrestning. Turbulens på de globala finansiella marknaderna och i den globala ekonomin kan komma att negativt påverka Nordeas likviditet och villigheten från vissa motparter och kunder att göra affärer med Nordea, vilket kan ha en väsentlig negativ effekt på Nordeas verksamhet och rörelseresultat.

Nordeas affärsresultat kan påverkas om dess kapitaltäckning minskar eller upplevs vara otillräcklig

Nordea-koncernen är enligt svenska och europeiska regelverk skyldigt att upprätthålla vissa kapitaltäckningsnivåer. Baselkommittén (eng. Basel Committee on Banking Supervision) har föreslagit ett antal fundamentala ändringar till gällande regelverk avseende kapitaltäckning för de banker som är verksamma på den internationella marknaden. De främsta ändringarna är utgivna i Baselkommitténs skrift utgiven den 16 december 2010 samt en pressrelease från den 13 januari 2011 om finansiella instrument i kapitalbasen ”*Minimum requirements to ensure loss absorbency at the point of non-viability*” ("**Basel III**{xe ”Basel III”}”). Basel III har implementerats i EES genom europaparlamentets och rådets direktiv 2013/36/EU om behörighet att utöva verksamhet i kreditinstitut och om tillsyn av kreditinstitut och värdepappersföretag (”**Kapitaltäckningsdirektivet**{xe ”Kapitaltäckningsdirektivet”}”, eller ”**CRD**{xe ”CRD”}”) och europarlamentets och rådets förordning 575/2013 (”**CRR**{xe ”CRR”}”) som är direkt tillämpligt i EES (CRD tillsammans med CRR hädanefter ”**CRD IV**{xe ”CRD IV”}”). CRR har varit tillämplig i alla Medlemsstater sedan 1 januari 2014 och den svenska lagstiftning som implementerar CRD trädde i kraft i augusti 2014.

Lokala tillsynsmyndigheter, långivare och investerare, analytiker och andra professionella aktörer kan icke desto mindre ha högre kapitalkrav än som krävs enligt gällande eller föreslagna framtida regler med anledning av, bland annat, den fortsatta osäkerheten avseende verksamheten inom finansiella tjänster samt orosmoment rörande globala och lokala ekonomiska förhållanden. Ett sådant marknadsläge kan

påverka Nordeas upplåningskostnader, minska dess tillgång till kapitalmarknader eller resultera i en nedvärdering av dess kreditvärdighet, vilket i sin tur kan ha en väsentlig negativ effekt på dess rörelseresultat, finansiella ställning och likviditet. Dessutom kan Nordeas REA öka, vilket potentiellt kan minska Nordeas kapitaltäckning, till följd av, bland annat, lägre intern kreditvärdighet hos Nordeas kunder, betydande volatilitet på marknaden, ökad räntedifferens på krediter, förändringar i ramlagstiftning avseende kapitaltäckningskrav eller regleringen av vissa positioner, såsom förändringar i riskvikter för olika slags tillgångar, fluktuerande växlingskurser, minskningar av värdet på säkerheter till följd av lägre marknadsvärde hos underliggande tillgångar, eller försämringar av det ekonomiska klimatet. En minskning av Nordeas kapitaltäckningsgrad kombinerad med svårigheter att kapitalisera Bankerna i Nordeakoncernen, skulle kunna medföra att Nordea tvingas att reducera sin utlåningsverksamhet och/eller delar av övriga verksamheter. Se också "*Risker relaterade till det juridiska och regulatoriska klimatet i vilket Nordea bedriver verksamhet – Nordeakoncernen kan ådra sig påtagliga kostnader för bevakande och efterlevnad av de nya kapitaltäckningskraven*" och "*Risker relaterade till Lån – Myndigheters åtgärder vid en Emittents fallissemang kan ha en negativ påverkan på Lånens värde* " nedan.

Nordeas lånekostnader och dess tillgång till kreditmarknaderna är väsentligt beroende av dess kreditbetyg

Inga garantier kan ges för att Nordea eller dess viktigaste dotterbolag kommer att kunna behålla sina nuvarande kreditbetyg eller att Nordea kan upprätthålla nuvarande kreditbetyg på sina låneinstrument. En sänkning av Nordeas eller något av dess viktigaste dotterbolags nuvarande långsiktiga kreditbetyg kan komma att öka Nordeas finansieringskostnader, begränsa tillgången till kapitalmarknaderna och utlösa ytterligare krav på säkerheter i derivatavtal och andra säkra finansieringsarrangemang. Därför skulle en sänkning av kreditbetygen negativt kunna påverka Nordeas tillgång till likviditet och dess konkurrensposition och således medföra en väsentlig negativ effekt på dess verksamhet, finansiella ställning och rörelseresultat.

Andra risker relaterade till Nordeas affärsverksamhet

Operativa risker, inklusive risker i samband med investeringsrådgivning, kan påverka Nordeas verksamhet

Nordeas affärsverksamheter är beroende av förmågan att hantera ett stort antal komplexa transaktioner på skilda marknader i många valutor. Verksamheterna bedrivs genom ett antal legala enheter. Verksamhetsförluster, inklusive skadestånd, skador på Nordeas renommé, kostnader, och direkta och indirekta finansiella förluster och/eller nedskrivningar, kan bli resultatet av otillräcklighet eller brister i interna processer, IT-system och andra system (inklusive implementeringen av nya system), förlust av licenser från externa leverantörer, bedrägerier eller andra kriminella handlingar, anställdas misstag, outsourcing, brister att på ett lämpligt sätt dokumentera transaktioner eller avtal med kunder, säljare, underleverantörer, samarbetspartners och andra tredje parter, eller att inhämta eller upprätthålla vederbörliga tillstånd, eller klagomål från kunder, brister i efterlevnaden av regulatoriska krav, inklusive men inte begränsat till regelverk för att förhindra penningtvätt, personuppgiftsskydd och konkurrensrättsliga regler, efterlevnad av affärsregler, utrustnings fel, brister i att skydda dess tillgångar, inklusive immateriella rättigheter och säkerheter, fel på fysiskt skydd samt säkerhetsskydd, naturkatastrofer eller fel i externa system, inklusive system som härrör från Nordeas leverantörer och motparter och brister i att uppfylla sina kontraktuella eller andra förpliktelser. Trots att Nordea har implementerat riskkontroller och vidtagit andra åtgärder för att begränsa exponeringar och/eller förluster kan inga garantier ges för att sådana procedurer kommer att vara effektiva i kontrollen av de verksamhetsrisker Nordea utsätts för eller att Nordeas renommé inte kommer att skadas om någon verksamhetsrisk förverkligas.

Som en del av dess bank- och tillgångsförvaltningsverksamhet erbjuder Nordea sina kunder investeringsrådgivning, tillgång till internt liksom externt förvaltade fonder samt administrerar fonder som förvaltas av tredje part. I händelse av att dess kunder lider skada av investeringsrådgivning från eller oegentligheter eller bedrägliga åtgärder utförda av förvaltare tredje parts fonder, kan Nordeas kunder söka kompensation från Nordea. Sådan kompensation kan sökas även om Nordea inte har någon direkt exponering mot sådana risker, eller inte har rekommenderat dessa motparter till dess kunder. Alla sådana krav kan medföra en väsentlig negativ effekt på Nordeas renommé, verksamhet, finansiella ställning och rörelseresultat.

Nordea är utsatt för en mängd risker som ett resultat av dess verksamheter, särskilt i Ryssland och Baltikum

Nordeas verksamhet i Ryssland och Baltikum för med sig risker som inte, eller endast i en mindre omfattning, är tillämpliga på Nordeas verksamheter på de nordiska marknaderna. Vissa av dessa marknader är typiskt sätt mer volatila och mindre utvecklade, ekonomiskt och politiskt, än marknader i Västeuropa och Nordamerika. Nordea utsätts för betydande ekonomiska och politiska risker, inklusive ekonomisk volatilitet, recession, inflationstryck, valutakursförändringar och avbrott i verksamheten samt civila oroligheter, moratorium, införande av växelkontroller, sanktioner relaterade till särskilda länder, expropriering, förstatliganden, omförhandlingar eller ogiltigförklaringar av gällande avtal, statligt fallissemang och ändringar i lagar och skatteregler. Som exempel kan nämnas Krim- och Ukrainakrisen som startade i början av 2014 som kan ha en negativ påverkan på den ryska ekonomin. Skulle krisen i denna region fortsätta eller eskalera eller skulle konflikter uppstå mellan andra länder, eller skulle ytterligare ekonomiska sanktioner införas, som de sanktioner som införts av USA och EU mot Ryssland, i samband med sådana konflikter eller kriser, kan detta innebära ytterligare påverkan på berörda och närliggande ekonomier, inklusive den ryska. Den baltiska regionens lokala ekonomier genomgick recession år 2008 och 2009 och frågor ställdes då avseende deras förmåga att reagera mot försämrade förhållanden och förmågan hos sådana länder och deras invånare att fortsätta uppfylla sina åtaganden. Operativa risker förknippade med Ryssland och Baltikum kan påverka Nordeakoncernens låntagares förmåga eller skyldighet att återbetala sina lån, påverka möjligheten för Nordea att realisera innehavda säkerheter, påverka räntor och valutakurser, och skulle väsentligt negativt kunna påverka den ekonomiska aktivitetsnivån, vilket skulle kunna ha en väsentlig negativ effekt på Nordeas affärsverksamhet, finansiella ställning samt resultat av affärsverksamheten i dessa länder.

Lönsamheten i Nordeas livförsäkrings- och pensionsverksamhet är beroende av regleringar och riktlinjer i de länder den bedrivs

Förutom sådana försäkrings- och investeringsrisker som är förenade med all livförsäkringsverksamhet och som är gemensamma med alla som erbjuder livförsäkrings- och pensionslösningar, påverkas Nordeas möjlighet att generera vinst i dess försäkringsdotterbolag generellt av nivån på avgifter och andra inkomster som genereras i försäkrings- och pensionsrörelse. Nivån på avgifter och andra inkomster som Nordea kan intjäna från sina försäkringsdotterbolag skiljer sig från land till land, och påverkas av regleringar och riktlinjer kungjorda av relevanta myndigheter avseende ägaravgifter, "IFRS överbryggning", vinstfördelning samt solvenskrav.

Nordea kan erfara svårighet att rekrytera eller behålla högre chefer eller annan nyckelpersonal

Nordeas resultat är i stor utsträckning beroende av kompetensen hos och arbetsinsatsen från mycket kunniga individer, och Nordeas fortsatta möjlighet att effektivt konkurrera och implementera Nordeas strategi beror på förmågan att rekrytera nya medarbetare och behålla och motivera befintliga anställda. Konkurrensen är intensiv inom den finansiella sektorn, inklusive andra finansiella institutioner, liksom från andra typer av verksamheter. Nya regulatoriska begränsningar, såsom nyligen införda begränsningar på vissa typer av ersättningar som får betalas av kreditinstitut och värdepappersbolag som följer av CRD IV, kan negativt inverka på Nordea-koncernens förmåga att attrahera ny personal och att behålla och motivera nuvarande personal. Varje förlust av nyckelpersonal, framförallt till konkurrenter, eller svårighet att rekrytera och behålla kunniga medarbetare i framtiden kan ha en negativ effekt på Nordeas verksamhet.

Nordea möter konkurrens på alla marknader

Nordea möter konkurrens avseende alla typer av bank- och andra typer av produkter och tjänster som Nordea tillhandahåller, och det finns inga garantier att Nordea kommer att kunna upprätthålla sin konkurrenskraftiga position i framtiden. Om Nordea inte skulle kunna erbjuda konkurrenskraftiga produkter och tjänster, skulle det kunna innebära att Nordea misslyckas att attrahera nya kunder och/eller behålla existerande kunder, uppleva minskade ränteinkomster, avgifter provisioner, och/eller minskade marknadsandelar, vilket var för sig skulle ha en väsentlig negativ effekt på dess affärsverksamhet, finansiella ställning och rörelseresultat.

Risker relaterade till det juridiska och regulatoriska klimatet i vilket Nordea bedriver verksamhet

Nordea är föremål för omfattande föreskrifter och står under tillsyn av flera olika tillsynsmyndigheter

Den svenska Finansinspektionen är huvudsaklig tillsynsmyndighet för Nordeas verksamhet, även om Nordeas verksamheter i Danmark, Finland, Norge, Ryssland, Estland, Lettland, Litauen, Kina, Tyskland, Luxemburg, Singapore, Storbrittanien och USA står under tillsyn av lokala tillsynsmyndigheter i dessa jurisdiktioner. Nordea är även föremål för övervakning av tillsynsmyndigheter i respektive land där Nordea har en filial eller ett representationskontor, inklusive Kina. Nordea är underkastat lagar, föreskrifter samt administrativa åtgärder och riktlinjer i var och en av jurisdiktionerna i vilka Nordea är verksamt. Dessa är föremål för förändringar och efterlevnaden kan från en tid till en annan innebära betydande kostnader.

Områden där förändringar eller utveckling av föreskrifter och/eller tillsyn kan ha en negativ inverkan innefattar, men är inte begränsat till, (i) förändringar i monetära, ränte- och andra riktlinjer, (ii) allmänna förändringar i regeringars eller tillsynsmyndigheters riktlinjer eller regelsystem som avsevärt kan påverka investerares beslut på de nordiska marknaderna, i Ryssland och Baltikum samt de övriga marknader där Nordea bedriver sin verksamhet eller som kan öka kostnaden för att bedriva verksamhet på dessa marknader, (iii) förändringar i ramverket för kapitaltäckning, införande av betungande compliance-krav, begränsningar i verksamhetstillväxt eller prissättning och krav på att verksamhet ska bedrivas på ett sätt som prioriterar andra mål än att skapa värde för aktieägarna, (iv) förändringar i konkurrens- och prissättningsförutsättningar, (v) regeringars differentiering mellan finansinstitut rörande insättningsgarantier och de villkor som styr sådana garantier, (vi) expropriation, förstatliganden, konfiskering av tillgångar och förändringar i lagstiftning beträffande utländskt ägande, (vii) vidareutveckling i den finansiella rapporteringsmiljön, och (viii) annan ogynnsam politisk, militär eller diplomatisk utveckling (särskilt i Ryssland och Baltikum) vilken leder till social instabilitet eller legal osäkerhet, vilket i sin tur kan komma att påverka efterfrågan på Nordeas produkter och tjänster.

Som ett resultat av den nyligen upplevda finansiella och ekonomiska krisen, har ett antal regulatoriska initiativ tagits för att utöka eller implementera regler och förordningar som sannolikt kommer att ha en effekt på Nordeakoncernens verksamhet. Sådana initiativ inkluderar, men är inte begränsat till, regler avseende likviditet, kapitaltäckning och hantering av motpartsrisk och innefattar regulatoriska verktyg till myndigheterna för att ge dem möjlighet att ingripa i nödsituationer. Dessa eller andra regler, begränsningar, restriktioner på finansiella institutioner och kostnader involverade skulle kunna ha en väsentligt negativ inverkan på Nordeakoncernens verksamhet, finansiella ställning och rörelseresultat.

Nordeakoncernen kan ådra sig påtagliga kostnader för bevakande och efterlevnad av de nya kapitaltäckningskraven Myndigheters åtgärder vid en Emittents fallissemang kan ha en negativ påverkan på Lånens värde

Direktiv om återupphämtning och resolution av kreditinstitut och värdepappersföretag

Ett direktiv rörande upprättandet av ett ramverk för återupphämtning och resolution av kreditinstitut och värdepappersbolag (2014/59/EU) ("**BRRD**{xe "BRRD"}") publicerades den 12 juni 2014 i Europeiska unionens officiella tidning. BRRD sätter ut vilka åtgärder och möjligheter som ska finnas för tillse att bank-misslyckanden ka hanteras på ett sätt som minskar risken för finansiell instabilitet och att kostnader uppstår för skattebetalare. BRRD är ett minimidirektiv som måste genomföras i respektive lands lagstiftning. Vidare överväger EU att genomföra en strukturell reform och det förutses att ytterligare ändringar kommer att göras till CRD IV. Ändringarna kommer sannolikt att innebära avsevärda kostnader för Nordeakoncernen, liksom för andra finansiella institutioner, för att övervaka och följa de nya kraven. Dessa krav kan också komma att negativt påverka affärsverksamheten i finanssektorn.

BRRD har trätt i kraft och medlemsstaterna var tvungna att genomföra direktivet i nationell lagstiftning senast 31 december 2014. De flesta bestämmelserna trädde i kraft redan 1 januari 2015. Skuldnedskrivningsverktyget för andra lämpliga för andra lämpliga förpliktelser ska kunna tillämpas från och med senast 1 januari 2016. Ingen svensk lagstiftning som implementerar BRRD har ännu antagits av Riksdagen. Den svenska regeringen har dock överlämnat en proposition till Riksdagen med förslag om antagande av lagar som implementerar BRRD, vilket inkluderar stiftandet av nya lagar samt ändringar av befintliga lagar. Lagändringarna föreslås träda i kraft den 1 februari 2016. BRRD implementeras i finsk lagstiftningen (inklusive skuldnedskrivningsverktyget för de nationella myndigheterna) och trädde i kraft den 1 januari 2015 genom introduktionen av ett antal nya lagar som röstades igenom den 19 december 2014. Lagarna inkluderar bland annat en ny finsk lag om resolution av finansiella institutioner och investmentföretag (*Laki luottolaitosten jasijoituspalveluyritysten kriisinratkaisusta, 19.12.2014/1194*)

BRRD avser att ge särskilda myndigheter (hädanefter "**Behöriga Myndigheterna**{xe "Behöriga Myndigheterna"}"), utsedda av medlemsstaterna, makt att använda vissa verktyg och vissa befogenheter angivna i BRRD. Verktygen innefattar särskilda skuldnedskrivnings- och konverteringsbefogenheter ("write-down and conversion power") i förhållande till finansiella instrument och ett skuldnedskrivnings-verktyg ("bail-in power") som ger den relevanta Behöriga Myndigheten befogenhet att för fallerande institutioner skriva ned kapitalbelopp eller ränta i förhållande till vissa skulder (vilket kan innefatta Lånen), vare sig dessa är efterställda eller inte, och/eller att konvertera vissa krav (vilket skulle kunna innefatta Lånen) till andra typer av säkerheter. Sådana säkerheter kan utgöras av aktier i ett överlevande gruppbolag, om något, vilket även det kan bli föremål för nedskrivning. Skuldnedskrivningsverktyget kan komma att användas för att återställa kapitalet i en fallerande institution eller en som håller på att fallera, vilket möjliggör för myndigheter att omstrukturera genom resolutionsprocessen och att återställa dess möjlighet till fortsatt drift efter en omorganisering och omstrukturering. Skuldnedskrivnings- och konverteringsbefogenheterna kan nyttjas utan eller i samband med resolution.

Utöver befogenheter rörande absorbering av förluster ger BRRD också Behöriga Myndigheterna befogenheter att implementera andra resolutions-åtgärder i förhållande till institutioner som fallerat eller håller på att fallera, vilket innefattar att (i) låta avyttra en bank eller delar av dess verksamhet utan samtycke från aktieägarna och utan att följa de processuella krav som annars behöver följas, (ii) överlåta hela eller delar av verksamheten till en tillfällig förvaltare (som utsetts av och kontrolleras av relevant Behörig Myndighet), (iii) överlåta problemtillgångar till en entitet avsedd för kapitalförvaltning och låta dessa förvaltas och hållas däri över tid, (iv) ersätta eller byta ut banken som förpliktigad part i förhållande till vissa skulder, (v) ändra villkoren för skulder (vilken kan inkludera att ändra löptid och/eller ränta och/eller tillfälligt begränsa betalningar) och/eller (vi) avlista finansiella instrument eller inte låta finansiella instrument upptas till handel.

I förhållande till Lån som styrs enligt norsk rätt kan det förväntas att Norge kommer att implementera lagstiftning som ger effekt till BRRD och som erkänner de befogenheter som de relevanta svenska och finska myndigheterna har i förhållande till Lånen. Eftersom relevant norsk lagstiftning ännu inte har implementerats innehållller villkoren en kontraktuell mekanism som syftar till att erkänna skuldnedskrivningsbefogenheter som utövas av de relevanta svenska och finska myndigheterna. Innehavare av Lån som styrs enligt norsk rätt kommer därför också att vara föremål för de risker som beskrivits ovan.

Enhetliga regler för resolution av kreditinstitut

BRRD kompletteras av en förordning med direkt effekt, nämligen europarlamentets och rådets förordning (806/2014) av den 15 juli 2014 om fastställande av enhetliga regler och ett enhetligt förfarande för resolution av kreditinstitut och vissa värdepappersföretag inom ramen för en gemensam resolutionsmekanism och en gemensam resolutionsfond och om ändring av förordning (EU) nr 1093/2010 ("**SRM**{xe "SRM"}"). SRM tar primärt sikte på euro-området och SRM tillämpas på NBF som ett regelverk avseende resolution och upphämtning instället för de finska implementeringsreglerna avseende BRRD. Enligt SRM ska det finnas en central europeisk resolutionsnämnd ("**Resolutionsnämnden**{xe "Resolutionsnämnden"}") som har resolutionsbefogenhet över de institut som träffas av SRM. Således ersätter resolutionsnämnden nationella myndigheter, eller har företräde framför dem (som tillämpligt). Resolutionsnämnden kommer att ta fram resolutionsplaner för samtliga entiteter som träffas av SRM, inklusive NBF. Efter konsultation med behöriga myndigheter kommer nämnden även att föreskriva lägstakrav för eget kapital och kvalificerade förpliktelser som kan skrivas ned och konverteringsbefogenheter som NBF vid var tid måste möta. Resolutionsnämnden kommer också att ha möjlighet till tidigt ingripande enligt SRM, vilket innefattar att nämnden kan kräva att ett institut att kontakta eventuella förvärvare för att förbereda för resolution. Resolutionsnämnden kommer vidare att ha makt att utöva specifika resolutionsåtgärder enligt SRM vilka liknar de som nationella myndigheter har enligt BRRD. Resolutionsverktygen som Resolutionsnämnden har till sitt förfogande innefattar verktyg för försäljning av affärsverksamheter, broinstitutsverktyget, verktyg för avskiljande av egendomar och skuldnedskrivningsverktyget, såsom närmare beskrivet i SRM. Användandet av ett eller flera av dessa verktyg kommer närmare anges i en resolutionsplan, att beslutas av Resolutionsnämnden.

Enligt SRM kan skuldnedskrivningsverktyget komma att kunna användas för att återkapitalisera ett institut och återställa dess möjlighet att efterleva förutsättningar för tillstånd, samt för att upprätthålla marknadens förtroende för ett institut eller för att konvertera krav eller skulder till aktier eller minska deras kapitalbelopp. Skuldnedskrivningsverktyget innefattar obligationer och skuldbrev utfärdade av

institutet med förbehåll för resolutionsåtgärder, men vissa särskilda instrument såsom säkerställda obligationer är särskilt undantagna.

Bestämmelser avseende resolutionsåtgärder och samarbete mellan Resolutionsnämnden och de nationella myndigheterna tillämpas från och med 1 januari 2015. Resolutionsbefogenheterna som tillerkänns Resolutionsnämnden träder i kraft 1 januari 2016.

SRM inrättar en resolutionsfond kallad resolutionsreserven (”**Resolutionsreserven**{xe ”Resolutionsreserven”}”) som finansieras av de banker som omfattas av SRM. NBF kommer endast att vara berättigat för ett bidrag från Resolutionsreserven efter det att en resultionsåtgärd har vidtagits om aktieägare, ägare till relevanta värdepapper eller andra berättigade skulder har gjort ett tillskott (i form av nedskrivning, omvandling eller på annat sätt) i syfte att dämpa förlusterna och göra en rekapitalisering motsvarande inte mindre än 8 procent av de totala skulderna (inklusive eget kapital vid tidpunkten då resolutionsåtgärden vidtogs). Detta innebär att NBF måste inneha tillräckligt eget kapital och skulder som kvalificerar för nedskrivning och omvandling för att ha tillgång till Resolutionsreserven vid resolution. Detta kan ha en påverkan på NBF:s kapital- och upplåningskostnader.

Risker avseende BRRD och SRM

Det är ännu oklart hur dessa befogenheter slutligen kommer att se ut och kunna användas och, när de genomförts, hur de kommer att påverka Emittenterna, Nordea-koncernen och Lånen. Det är ännu inte möjligt att utvärdera hur BRRD och SRM påverkar eller kan komma att påverka dessa. Lånen kan vara den typ av skulder och krav för vilka myndigheter och Resolutionsnämnden kan använda sina skuldnedskrivningsbefogenheter och skriva ned eller konvertera del av principalen för. Det finns ingen garanti för att SRM eller BRRD, efter att de blir tillämpliga respektive fullt implementerade, på grund av att det genomförts eller att någon handling som för närvarande ligger inom ramen för dessa vidtas inte påverkar priset på eller värdet av en investering i Lånen och/eller relevant Emittents möjlighet att fullgöra sina förpliktelser enligt Lånen. Investerare bör söka råd från sina professionella rådgivare om konsekvenserna av SRM och genomförandet av BRRD.

Prioriteringsordning bland insättare

BRRD fastslår en prioriteringsordning i den vanliga förmånsrättsliga hierarkin, först för försäkrade insättare och sedan för alla andra insättningar av enskilda och mikro-, små och mediumstora företag på konton inom EES eller filialer till en bank inom EES etablerad utanför EES-området. Vidare kommer det nya insättningsgarantidirektivet, vilket förväntas implementeras i svensk rätt och träda i kraft 1 maj 2016, att öka antalet insättningar som är försäkrade (och därmed prioriterade) genom att inkludera ett stora antal insättningar, inklusive alla insättningar av företag (under förutsättning att insättaren inte är en myndighet eller finansiell institution) och vissa tillfälliga stora insättningar. Dessa prioriterade insättningar kommer därmed att förmånsrättsligt vara prioriterade framför oprioriterade seniora borgenärer till Emittenten, inklusive innehavarna av Lånen, i förmånsrättsordningen. Sådana insättningar är vidare undantagna från skuldnedskrivningsverktyget.

FSB-standard gällande total förlustabsorberande förmåga

Financial Stability Board (”**FSB**{xe ”FSB”}”) publicerade i november 2014 ett konsultationsdokument avseende policyförslag kring en förbättring av globalt systemviktiga banker (”**GSB**{xe ”GSB”}”) i resolutions kapacitet att absorbera förluster. Efter konsultationsprocessen publicerade FSB i november 2015 sin slutliga standard. FSB-standarderna syftar till att tillse att GSBer i resoluton ska ha tillräcklig kapacitet att absorbera förluster, i syfte att minimera dess effekter på finansiell stabilitet, tillse att kritiska funktioner kan fortgå oavbrutet och för att undvika att kostnader uppstår för skattebetalare. FSB har publicerat ett specifikt term-sheet för total kapacitet att absorbera förluster (”**TLAC**{xe ”TLAC”}”). Institutioner som har angetts som GSB innan utgången av 2015 (vilket inkluderar NBAB) behöver uppfylla TLAC:s minimistandard från 1 januari 2019 sedan FSB:s standarder har implementeras i lokal lagstiftning.

FSB:s standarder kommer, när de implementeras, innebära att alla GSB:er från 1 januari 2019 måste upprätthålla ett primärkapital av TLAC-kapital mellan 16 % av riskviktade tillgångar (inklusive andra regler om kapitaltäckning), upp till 18 % från 1 januari 2022. Minimi-TLAC får som minst uppgå till 6 % av Basel III hävstångs-kraven och ökar till 6,75 % från 1 januari 2022. Den slutliga kalibreringen av

minimikrav för pelare 1 TLAC behandlar även resultaten av konsultationen och den studie och marknadsundersökning som genomfördes under 2015. Enligt förslaget måste GSBer tillskapa sådan riskabsorberande kapacitet inom dess viktiga dotterbolag inom dess koncern. FSB har vidare föreslagit att TLAC-kraven måste uppfyllas innan ytterligare primärkapital kan användas för att uppfylla CRD IVs buffertkrav. Konsultationshandlingen tillåter att man på nationell nivå ställer ytterligare krav, specifika för olika typer av institutioner, utöver minimkravet för pelare 1.

Enligt konsultationshandlingen kan TLAC utgöras av tier 1 och tier 2-kapitalinstrument (enligt CRD IV) utgivna av en resolutionsmyndighet tillsammans med kvalificerade förpliktelser som kan utgöra TLAC som kan skrivas ned eller konverteras vid resolution av en GSB. All TLAC måste (föremål för *de minimis*-undantag) vara efterställda ”undantagna förpliktelser”, vilket omfattar försäkrade insättningar, derivat och kvalificerade förpliktelser som inte kan skrivas ned eller konverteras av en resolutionsmyndighet. Derivat och skuldinstrument med derivatinslag är särskilt exkluderade från att kunna utgöra TLAC, och det verkar därför som att strukturerade Lån utgivna under detta program sannolikt inte kommer att utgöra TLAC-relevanta förpliktelser (fastän de kan skrivas ned och/eller konverteras geom skuldnedskrivning och de andra resolutionsåtgärder som beskrivs ovan). I syfte att tillse att det finns tillräckliga resurser i resolution har FSB krävt att minst 33 % av det minsta pelare 1-TLAC-kravet uppfylls genom innehav av kapitalinstrument och långfristiga skulder.

EBA:s regulatoriska tekniska standarder avseende lägstakrav på eget kapital och kvalificerade insättningar under BRRD

EBA publicerade i juli 2015 ett slutligt utkast med förslag på tekniska standarder (”**RTS**{xe ”RTS”}”) rörande kriterium för att bestämma en lägstanivå av eget kapital och kvalificerade förpliktelser (”**MREL**{xe ”MREL”}”) enligt BRRD. I syfte att tillse att skuldnedskrivningsverktygen och andra resolutionsverktyg som introduceras genom BRRD kan användas på ett effektivt sätt och med avsett resultat kräver BRRD att alla institut måste möta ett institutsspecifikt MREL-krav. Kravet beräknas som en procentsats av totala skulder skulder och eget kapital och bestäms av de relevanta resolutionsmyndigheterna, med effekt från 1 januari 2016 (eller, om tidigare, den tidpunkt som BRRD genomförs i ett land). Enligt RTS har resolutionsmyndigheter att besluta om övergångsregler som ger institut upp til fyra år att leva upp till MREL-kraven. Till skillnad från FSB-förslaget innehåller inte RTS en EU-överspännande miniminivå avseende MREL. MREL-kravet gäller för samtliga kreditinstitut och inte bara de som är av en viss storlek eller av särskild vikt. Varje resolutionsmyndighet måste, i förhållande till varje resolutionsgrupp inom dess jurisdiktion, bestämma en lämplig MREL-nivå. Utgångspunkten för bestämmandet ska vara riskprofil, vilka särskilda omständigheter som föreligger för resolution, hurpass viktigt institutet är för den finansiella stabiliteten (systemviktighet) samt andra institutsspecifika karatäristika.

Varje institutions MREL-krav kommer att bestämmas utifrån ett antal nyckelfaktorer. Dessa innefattar kapaciteten att absorbera förluster (vilket åtminstone kommer motsvara kapitalkraven under CRD IV, plus tillämpliga buffertkrav) och den nivå av rekapitalisering som krävs för att implementera den resolutionsstrategi som bedömts som mest lämpligt under resolutionsplaneringsprocessen. Andra faktorer som ska tas i beaktande vid bestämmandet av MREL-kraven innefattar: institutets riskprofil, hurpass viktigt det är för den finansiella stabiliteten (systemviktighet), i vilken utsträckning institutet har utgivna förpliktelser som inte kan inkluderas i förlustabsorption eller rekapitalisering, och de medel som kan tillföras en resolution genom insättningsgarantier och resolutionsfinansieringslösningar.

I ett instituts MREL får medräknas dess egna kapital (bestämt enligt CRD IV), tillsammans med ”kvalificerade förpliktelser” vilket bland annat avser förpliktelser som utgivits och är fullt betalda, har en löptid på minst ett år (eller för vilken återbetalning inte kan begäras av en investerare inom ett år) och som inte uppstår genom derivat. Fastän vidden på de förpliktelser som kommeratt anses vara ”derivat” i förhållande härtill inte tydligt kan utläsas ur RTS framstår det som möjligt att vissa Strukturerade Lån kan utgöra kvalificerade förpliktelser. Trots att det finns ett flertal likheter mellan MREL-kraven och FSBs förslag eller TLAC så föreligger också ett antal skillnader, vilket innefattar ett uttryckligt krav att TLAC ska efterställas försäkrade insättningar (vilket inte krävs för MREL-kvalificerade förpliktelser), liksom tidslinjen för implementering. EBAs konsultationspapper föreslår, trots det föregående, att MREL-kraven kan uppfyllas av GSBs på ett sätt som är förenligt med det internationella regelverket, och överväger en eventuell ökning i MREL-kraven över tid för att säkerställa en smidig övergång till TLAC-kraven, vilka förväntas träda i kraft från och med januari 2019.

Risker i förhållande till förslag FSB och EBA

Både FSBs och EBAs förslag som beskrivits ovan är fortfarande underkastade nationella implementeringsåtgärder. Det är därför inte möjligt att lämna några garantier eller utfästelser avseende den slutliga utformingen och tillämpligheten av dessa eller om några resulterande förpliktelser, eller vilken inverkan de kommer att ha på Emittenterna eller Nordea-koncernen när de implementerats. Om nu liggande förslag antas och implementeras i sina nuvarande former är det möjligt att Emittenterna och/eller andra entiteter inom Nordea-koncernen kan behöva ge ut stora mängder TLAC- och MREL-kvalificerade förpliktelser för att möta dessa förpliktelser. Om Nordea-koncernen upplever problem med att resa TLAC- och MREL-kvalificerade förpliktelser kan de behöva minska sin utlåning och/eller sina investeringar i andra led.

CRD IV innebär nya kapitalkrav utöver minimikapitalet

Enligt CRD IV tvingas finansiella institutioner hålla ett minimikapital om 8 % av de riskexponerade beloppen. Utöver minimikravet som följer av CRD IV kan tillsynsmyndigheter välja att kräva att institut ska hålla extra kapital, och därigenom öka de minimikrav som följer av CRD IV. Nordeakoncernen kan också själv välja att hålla extra kapital. Med CRD IV följer nya buffertkrav utöver minimikapitalkraven vilka måste mötas med kärnprimärkapital. Nordea-koncernen är föremål för en kapitalkonserveringsbuffert motsvarande 2,5 % av tier 1-kapital, en systematisk risk-buffert motsvarande 3 % av tier 1-kapital och vidare ett 2 % tier 1-kapitalkrav for systematisk risk tillämplig inom ramen för Finansinspektionens tillsynsprocess (pelare 2). En kontracycklisk kapitalbuffert kommer också att gälla för Nordea-koncernen där storleken beror på olika buffertnivåer i de länder mot vilka Nordea har exponerningar. För exponeringar i Norge och i Sverige kommer en buffertnivå om 1 % att gälla från 30 juni 2015 respektive 13 september 2015.

Enligt artikel 141 (Utdelningsrestriktioner) i CRD IV måste EUs medlemsstater kräva att det gentemot de institutioner som inte möter det kombinerade buffertkravet (vilket innefattar kapitalkonserveringsbufferten, den institutionsspecifika kontracykliska bufferten och beroende på institution den högre av systemriskbufferten, den globalt systemviktiga instituts-bufferten och bufferten för andra systemviktiga institutioner) införs restriktioner på utdelningar kopplade till kärnprimärkapitalet (brett definierat i CRD IV som betalningar som är hänförliga till kärnprimärkapital, rörlig ersättning och utbetalningar på andra kärnprimärkapitalinstrument).

Restriktionernas omfattning påverkas av hur långt ett institut är från att möta det kombinerade buffertkravet och beräknas som en procentsats av de vinster institutionen genererat gjort sedan sin senaste vinstutdelning eller sin senaste diskretionära betalning. Som exempel kan nämnas att ett bolag som ligger i den undre gränsen i kvartilen av det kombinerade buffertkravet inte kommer att kunna göra några utdelningar kopplade till kärnprimärkapitalet om nivån av bankens totala kärnprimärkapital i tier 1 hamnar inom vissa gränser. Därför kommer ett institut inte att fullt kunna göra vissa betalningar kopplade till kärnprimärkapitalet om man inte uppfyller det kombinerade buffertkravet.

Finansinspektionen har implementerat en tillsyns- och en utvärderingsprocess inom pelare 2, det vill säga de institutionsspecifika kapitalkraven, så att ett kapitalkraven under pelare 2 alltid går utöver de allmänna kapitalkraven som följer av pelare 1. Finansinspektionen har vidare uttalat att, under normala omständigheter, den inte kommer att fatta något formellt beslut inom pelare 2. Pelare 2-kravet kommer därmed inte att påverka den nivå där utbetalningar begränsas på grund av uppfyllnad av det kombinerade buffertkravet. Skulle Finansinspektionen besluta att fatta något formellt beslut om kapitalkraven under pelare 2, kan dessa krav komma att innefattas i minimikapitalet och därigenom ha en påverkan på vilka utdelningar som kan göras beroende på uppfyllnad av det kombinerade buffertkravet.

Legala och regulatoriska krav uppstår i Nordeas verksamhet

Nordea är i sin ordinarie verksamhet föremål för regulatorisk tillsyn och ansvarsrisk. Nordea bedriver verksamhet genom ett antal juridiska personer i ett antal jurisdiktioner och är föremål för reglering i varje jurisdiktion. Reglering och regulatoriska krav ändras fortlöpande och nya krav införs för Nordea, inklusive, men inte begränsade till, regleringar avseende bedrivande av verksamhet, penningtvätt, betalningar, konsumentkrediter, kapitalkrav, rapportering och bolagsstyrning. Det finns inte några garantier att överträdelser av Nordeakoncernen inte kommer att inträffa och för det fall en överträdelse inträffar, att betydande ansvar eller bestraffning inte kommer att inträffa. Nordea är föremål för ett antal krav, tvister, rättegångsförfaranden och undersökningar i de jurisdiktioner där Nordea verkar. Denna sorts

krav och processer exponerar Nordea för skadestånd, direkta och indirekta kostnader (inklusive legala kostnader), direkta eller indirekta finansiella förluster, civila och straffrättsliga påföljder, förlust av tillstånd eller bemyndiganden eller skadat rykte samt risken för regulatoriska restriktioner för sin verksamhet. Var och en av dessa faktorer skulle kunna medföra en väsentlig negativ effekt på Nordeas verksamhet, finansiella ställning och rörelseresultat. Reglering med negativ inverkan på Nordeas verksamhet eller negativa avgöranden i processer i vilka Nordea är part kan resultera i restriktioner eller begränsningar för Nordeas verksamhet eller innebära en väsentlig negativ effekt på Nordeas verksamhet, finansiella ställning och rörelseresultat.

Nordea är exponerad för risken för ändringar i skattelagstiftningen samt ökade skattesatser

Nordeas verksamhet är föremål för varierande skattesatser runtom i världen vilka beräknas enligt lokal lagstiftning och praxis. Nordeas verksamhet, inklusive dess interntransaktioner, bedrivs i enlighet med Nordeas tolkning av tillämplig lag, beskattningsavtal, regleringar och krav från skattemyndigheter i de relevanta länderna. Nordea har erhållit rådgivning från oberoende skatterådgivare i dessa frågor. Det finns dock inga garantier för att Nordeas tolkning av tillämplig lag, beskattningsavtal, förordningar eller andra regler eller administrativ praxis är korrekt, eller att sådana regler och praxis inte ändras, även med retroaktiv verkan. Ändringar i lagstiftning eller beslut från skattemyndigheter kan försämra Nordeas nuvarande eller tidigare skatteposition. Som ett exempel kan nämnas att Skatterättsnämnden i juni 2014 presenterade ett förslag till ett nytt bolagsbeskattningssystem i Sverige med det uttalade syftet att öka neutraliteten för hur skatterätten behandlar eget och främmande kapital. Reformen skulle enligt Skatterättsnämnden finansieras delvis genom att avskaffa avdragsmöjligheten för räntor och andra utgifter relaterade till vissa efterställda skuldinstrument och andra kapitalinstrument utgivna av banker. De lagar som föreslås införas genom reformen, vilka fortfarande är föremål för ändringar under lagstiftningsprocessen, föreslås träda i kraft den 1 januari 2016.

Risker relaterade till Lånen

Obligationerna är inte lämpliga för alla investerare

(i) Varje investerare måste, med beaktande av sin egen finansiella situation, bedöma lämpligheten av en investering i Lån utgivna under Programmet. Varje investerare bör i synnerhet ha:

(ii) tillräcklig kunskap och erfarenhet för att göra en ändamålsenlig värdering av relevanta Lån, av fördelarna och nackdelarna med en investering i de relevanta Lån och av den information som lämnas i, eller hänvisas till, Grundprospektet, eller eventuella tillägg till Grundprospektet;

(iii) tillgång till, och kunskap om, lämpliga värderingsmetoder för att utföra en värdering av relevanta Lån och den påverkan en investering i relevanta Lån kan medföra för investerarens övriga investeringsportfölj;

(iv) tillräckliga finansiella tillgångar och likviditet för att hantera de risker som en investering i relevanta Lån medför, inklusive Lån vars kapitalbelopp eller ränta återbetalas i en eller flera valutor, eller i de fall där kapitalbeloppets eller räntans valuta är annan än den valuta i vilken sådan investerares finansiella verksamhet huvudsakligen är denominerad eller Lån vars kapitalbelopp helt eller delvis kan bortfalla;

(v) full förståelse av de villkoren för relevanta Lån och väl känna till svängningar hos relevanta index, andra referenstillgångar eller den finansiella marknaden; och

(vi) möjlighet att förutse och värdera (ensam eller med hjälp av en finansiell rådgivare) tänkbara scenarier, exempelvis avseende ränteförändringar, som kan påverka investeringen i relevanta Lån och investerarens möjlighet att hantera de risker som en investering i relevanta Lån kan medföra.

Vissa Lån är komplexa finansiella instrument. Sofistikerade investerare köper generellt sett inte komplexa finansiella instrument som fristående investeringar utan som ett led i en riskreducering eller förhöjning av avkastning och som ett beräknat risktillägg till investerarens övriga investeringsportfölj. En investerare skall inte investera i skuldebrev som är komplexa finansiella instrument utan att ha tillräcklig kunskap (ensam eller med hjälp av en finansiell rådgivare) för att värdera utvecklingen hos Lån, värdet av Lån och den påverkan investeringen kan ha på investerarens övriga investeringsportfölj under ändrade omständigheter.

Det kan finnas begränsningar i huruvida Lån kan fritt överlåtas

Varken NBAB eller NBF har registrerat, och inte heller kommer någon av dem att registrera, Lån enligt Securities Act eller någon annan värdepapperslagstiftning. Som ett resultat av detta är Lån föremål för restriktioner för överlåtelser i enlighet med vad som anges i avsnittet "*Subscription and Sale*". Som en följd av dessa restriktioner kan varken NBAB eller NBF bekräfta att det finns en andrahandsmarknad för Lån eller att likviditet kommer att finnas i en sådan marknad om den skulle uppstå. Följaktligen måste en innehavare av lån kunna bära den ekonomiska risken för sin investering i Lån under dess fulla löptid.

Det finns ingen aktiv marknad för Lån

De Lån som ges ut under Programmet kan komma att vara nya värdepapper som inte erbjuds i en större krets och för vilka det för närvarande inte finns någon aktiv marknad (utom då emissionen avser en viss tranch, och att sådan tranch konsolideras med och bildar en enda serie tillsammans med det Lån som redan har emitterats). Om lån handlas efter första emissionen kan de handlas med rabatt i förhållande till deras ursprungliga teckningskurs eller pris, beroende på rådande marknadsräntor, marknaden för liknande värdepapper, allmänna ekonomiska villkor och den ekonomiska situationen i den aktuella Emittenten. Även då ansökningar har gjorts för Lån utgivna under Programmet att tas upp till notering på the Official List of the Irish Stock Exchange och till handel på dess reglerade marknad samt att det sannolikt kommer inges en ansökan för registrering av Programmet på SIX Swiss Exchange, finns det inga garantier för att sådana ansökningar kommer att accepteras, att en särskild tranch av Lån kommer att accepteras, eller att en aktiv handel kommer att utvecklas. Det finns således inga garantier för etableringen av en marknad eller annan likviditet för ett visst Lån eller tranch av Lån.

Innehavare av Lån påverkas av svängningar i marknaden

Innehavare av Lån bör vara medvetna om att, med hänsyn till de rådande globala förhållanden på kreditmarknaderna (som i viss utsträckning existerar även på dagen för detta Grundprospekt), kan andrahandsmarknaden för lån och instrument av detta slag vara illikvid. Varken NBAB eller NBF kan förutsäga om och när dessa omständigheter kommer att förändras.

Inställd eller reducerad emission

Emittenterna förbehåller sig rätten att annullera hela eller delar av ett erbjudande om att investera i Lån före utgången av den aktuella teckningsperioden, under förutsättning att vissa omständigheter föreligger, t.ex. när det totala tecknade beloppet inte når vissa nivåer eller om variablar såsom deltagandegrad inte kan fastställas till en viss nivå. Emittenterna förbehåller sig också rätten att, enligt deras självständiga bedömning, ställa in en emission på förekomsten av ekonomiska, finansiella och politiska händelser som kan äventyra en framgångsrik emission av Lån.

Kreditbetyg speglar inte alla risker i samband med enskilda Lån

Emittenternas kreditbetyg speglar inte alltid risken i samband med enstaka Lån utgivna under Programmet. Trancher av Lån som emitteras under Programmet kan ha ett kreditbetyg från ett kreditvärderingsinstitut, eller inte. Om en tranch av ett Lån har fått ett kreditbetyg kommer detta att anges i de Slutliga Villkoren. Sådant kreditbetyg kommer inte nödvändigtvis att vara detsamma som tilldelats den relevanta Emittenten eller Lån som redan utfärdats. Det finns inga garantier för att någon sådan värdering kommer att åsättas eller bibehållas. Ett kreditvärderingsinstitut kan komma att sänka sin värdering om denne uppfattar att Lånens kreditkvalitet minskat eller kan ifrågasättas. Ett kreditvärderingsinstitut kan vid varje givet tillfälle omvärdera sina metoder för kreditvärdering vilket kan innebära att ett Låns kreditbetyg ändras. Om kreditbetyget för ett Lån sänks kan sådant Låns marknadsvärde påverkas negativt. Vidare kan betyg brista i att återspegla potentiella risker i anledning av Lånets konstruktion, marknad, ytterligare faktorer som beskrivits ovan, samt andra faktorer som kan påverka värdet på Lånet. Ett kreditbetyg är därför inte en rekommendation att köpa, sälja eller inneha värdepapper och kan ändras eller indras när som helst av relevant kreditvärderingsinstitut.

Lån kan utfärdas med en betydande rabatt eller premie

Marknadsvärdet på värdepapper utgivna med en kraftig rabatt eller premie i förhållande till dess nominella belopp tenderar att fluktuera mer vid allmänna förändringar i ränteläget än marknadsvärdet för konventionella räntebärande värdepapper. Generellt gäller att ju längre återstående löptid av

värdepappren, desto större är volatiliteten jämfört med vanliga räntebärande värdepapper med liknande löptider.

Lånen har en valutarisk

Den relevanta Emittenten kommer att betala kapitalbelopp och ränta i en Angiven Valuta. Följaktligen innebär detta en risk vid valutakonvertering om en investerares finansiella tillgångar och aktiviteter helt eller delvis hålls i en annan valuta ("**Investerarens Valuta**"). Detta innefattar potentiellt kraftigt fluktuerande valutakurser (inklusive risken för devalvering av den Angivna Valutan eller en revalvering av Investerarens Valuta) och risken för att myndigheter som beslutar över Investerarens Valuta kan komma att införa eller ändra regler som reglerar in- och utförande och växlandet av valutor. En ökning i värdet av Investerarens Valuta i förhållande till den Angivna Valutan skulle kunna minska en investerares vinst, återbetalade kapitalbelopp och marknadsvärde, räknat i Investerarens Valuta.

Myndigheter och centralbanker kan införa valutakontroller som kan negativt påverka tillämpliga valutakurser, vilket har inträffat historiskt. Som ett resultat kan en investerare erhålla lägre ränta eller ett lägre kapitalbelopp än förväntat, eller ingen ränta eller kapitalbelopp överhuvudtaget.

Fordringshavare har en kreditrisk på den relevanta Emittenten

Innehavare av Lån utgivna under Programmet tar en kreditrisk på den berörda Emittenten. En innehavares möjlighet att erhålla betalning under Lånet är beroende av den relevanta Emittentens förmåga att fullgöra sina betalningsåtaganden, vilket i sin tur är beroende av utvecklingen i den relevanta Emittentens verksamhet.

Lånen kan inlösas före förfallodagen

Om inte annat anges i de Slutliga Villkoren i förhållande till en Serie av Lån, kan i händelse av att den relevanta Emittenten skulle tvingas att betala ett högre belopp än vad som framgår av villkoren för det relevanta Lånet på grund av någon kupongskatt eller avdrag för eller på grund av befintliga eller framtida skatter, avgifter, eller andra statliga avgifter av något slag, som tas ut, samlas in, innehålls av eller till förmån för svenska staten (såvitt gäller Lån utgivna av NBAB) eller finska staten (såvitt gäller Lån utgivna av NBF) eller någon av dess politiska underavdelningar eller någon av dess myndigheter som innehar har makt att beskatta, kan den relevanta Emittenten lösa in samtliga utestående Lån i enlighet med Villkoren.

Dessutom kan den relevanta Emittenten, om det för en specifik tranch av ett Lån i de Slutliga Villkoren anges att Lån kan förtidsinlösas enligt den relevanta Emittentens bedömning under vissa förutsättningar, välja att förtidsinlösa Lånet vid en tidpunkt då rådande räntenivåer är relativt låga. Under sådana omständigheter kan det vara svårt för en investerare att återinvestera en inlösenlikvid i ett jämförbart instrument med en effektiv ränta som uppgår till den avkastning som kan komma att utgå på det relevanta Lånet.

En rätt för Emittenten till förtida inlösen kan sannolikt komma att minska Lånets marknadsvärde. Under en period då den relevanta Emittenten kan välja att lösa in Lån, kommer marknadsvärdet för sådana Lån i allmänhet inte att stiga väsentligt över, och kan i själva verket understiga, det pris till vilket de kan lösas in. Detta kan också vara fallet för tiden innan en sådan inlösenperiod startar.

Lån kan inlösas före utgången av dess löptid på grund av ett antal skäl, t.ex. skattemässiga händelser, eller, såvitt gäller kreditlänkade obligationer, på grund av en kredithändelse eller vissa händelser som inträffar före Återbetalningsdagen, på sätt som anges i de relevanta villkoren för dessa Lån. En förtida inlösen kan resultera i att Fordringshavare får en lägre avkastning på investeringen och i vissa fall leda till en förlust av hela eller delar av sin investering. Presumtiva investerare bör överväga återinvesteringsrisk i ljuset av andra investeringar tillgängliga vid den tidpunkten.

Fordringshavarmöten

Villkoren för ett specifikt Lån och Fiscal Agency Agreement innehåller bestämmelser som medger sammankallande av möten för Fordringshavare i syfte att besluta i frågor som rör deras intressen i i förhållande till en Serie av Lån. Dessa bestämmelser tillåter Fordringshavare, med iakttagande av angivna majoritetstal, att binda alla Fordringshavare i förhållande till en Serie av Lån (inklusive sådana

Fordringshavare som inte närvarat och röstat på det relevanta mötet och Fordringshavare som röstade på ett sätt som inte var i enlighet med hur majoriteten röstade).

Villkoren kan komma att ändras

De Villkor som är tillämpliga på en Serie av Lån kommer vara såsom de överenskommits mellan den relevanta Emittenten och det berörda Emissionsinstitutet vid eller före emissionsdatumet för ett Serie av Lån, och kommer specificeras i de tillämpliga Slutliga Villkoren. Villkoren tillämpliga på varje serie av Lån kommer därför att vara såsom de återges i detta Grundprospekt, dock att varje Serie av Lån färdigställs med Slutliga Villkor.

Varje Emittent har rätt att korrigera uppenbara fel i villkoren utan Fordringshavarnas samtycke och att göra ändringar som den relevanta Emittenten inte anser väsentligt skada Fordringshavarnas intressen.

Förändringar i lagar och förordningar kan påverka villkoren för Lån

Lånen och alla utomobligatoriska förpliktelser som följer av eller i samband med Lån styrs av engelsk lag, finsk lag, svensk lag, norsk lag eller dansk lag (såsom specificerat i de tillämpliga Slutliga Villkoren), förutom att (i) registrering av VP-Lån i VP som kommer att regleras av och tolkas i enlighet med dansk lag, (ii) registrering av VPS-Lån i VPS som kommer att regleras av och tolkas i enlighet med, norsk lag, (iii) registrering av Finska Notes i Euroclear Finland kommer att styras av och tolkas i enlighet med finsk lag, och (iv) registrering av svenska Notes i Euroclear Sweden som kommer att regleras av och tolkas i enlighet med, svensk lag.

Rom II-förordningen (864/2007), som innehåller en rad regler som skall tillämpas av domstolarna i EUs medlemsstater (förutom Danmark) i syfte att avgöra tillämplig lag för utomobligatoriska förpliktelser mellan parterna i de flesta civila och kommersiella frågor är inte tillämplig i Danmark och kan därför inte tillämpas på danska investerare.

Det går inte att bedöma effekten av eventuella rättsliga beslut eller ändring av lagstiftningen i England, Sverige, Finland, Danmark eller Norge eller administrativ praxis efter datumet för registreringen av detta Grundprospekt.

Lån kan handlas i antal som överstiger den specificerade minsta valören men vilka inte är heltalsmultiplar

I samband med varje emission av Lån som har en valör som består av den specificerade minsta Valör (enligt definitionen i de relevanta Slutliga Villkor) samt en högre heltalsmultipel av ett annat mindre belopp, kan Lån komma att handlas i mängder som överstiger den minsta angivna Valör och som inte är en heltalsmultipel av den specificerade minsta valören. I ett sådant fall skulle en Fordringshavare som innehar Lån med ett nominellt belopp som är mindre än den minsta valören, skulle behöva köpa ytterligare Lån dennes innehav uppgår till ett nominellt belopp motsvarande minsta valören. Om så inte är fallet kan Fordringshavarens möjlighet att avyttra sin investering, eller såvitt gäller innehavarskuldebrev att erhålla ett skuldebrev om ett sådant skulle utfärdas.

Antalet Lån som emitteras under ett Program kan ändras

Det totala kapitalbeloppet av Lån som emitteras i ett Program kan komma att ändras i enlighet med Dealership Agreement (avtal med Emissionsinstitut).

Den föreslagna skatten på finansiella transaktioner kan ha negativ påverkan på investerare och/eller Emittenterna

Europeiska kommissionen publicerade den 14 februari 2013 ett förslag till direktiv (”**Kommisionsförslaget**”) om en gemensam skatt på finansiella transaktioner som skall införas i de 11 deltagande medlemsstaterna (Belgien, Tyskland, Estland, Grekland, Spanien, Frankrike, Italien, Österrike, Portugal, Slovenien och Slovakien) (de ”**Deltagande Medlemsstaterna**”). Kommissionsförslaget omfattar många typer av transaktioner och skulle, om det antas, att under vissa förutsättningar kunna vara tillämpligt på vissa transaktioner i Lånen (inklusive i andrahandsmarknaden). Utgivandet av och att teckna sig för Lån bör emellertid undantas.

Enligt Kommisionsförslaget kan skatten komma att vara tillämplig för personer såväl utanför som inom de Deltagande Medlemsstaterna. Generellt sett skulle det vara tillämpligt på vissa typer av transaktioner i Lånen där minst en part är en finansiell institution och minst en part är etablerad i en Deltagande Medlemsstat. En finansiell institution kan bedömas ”etablerat” i en Deltagande Medlemsstat på ett antal olika sätt, inklusive (a) genom att göra affärer med någon etablerad i en Deltagande Medlemsstat eller (b) där det finansiella instrumentet som handlas är utgivet i en Deltagande Medlemsstat.

Skatten är fortsatt föremål för förhandling bland de Deltagande Medlemsstaterna. Det kan därför ändras före det antas och innan det ska genomföras i de Deltagande Medlemsstaterna och tidsplanen för antagande och genomförande är fortsatt oviss. Fler medlemsstater kan också välja att delta.

Blivande Fordringshavare uppmanas att söka egen professionell rådgivning i förhållande till skatt på finansiella transaktioner.

Betalningar under Lån kan bli föremål för amerikansk källskatt i enlighet med FATCA

USA har infört regler, vanligen refererade till som ”FATCA”, som varigenom nya krav på rapprtering och källskatt ställs i förhållande till vissa betalningar som härrör från USA (inklusive utdelningar och ränta), nettobetalningar från avyttringar av tillgångar som kan medföra amerikansk förräntning och utdelningar och, efter 31 december 2008, vissa betalningar gjorda av entiteter som definierats som finansiella institut enligt FATCA. USA har ingått ett mellanstatligt avtal avseende implementeringen av FATCA med Sverige (”**Svenska IGA**”) och med Finland (”**Finska IGA**”). Under Svenska IGA och Finska IGA, såsom de för närvarande är formulerade, förväntar sig inte Emittenterna att källskatt kommer att behöva innehållas för betalningar som görs i förhållande till Lånen. Vissa väsentliga aspekter av FATCA:s tillämpning är dock ännu oklara, och det kan därför inte garanteras att källskatt under FATCA inte kommer att bli relevant i förhållande till betalningar under Lånen i framtiden. Investerare bör söka råd från sina professionella skatterådgivare om konsekvenserna av FATCA. Emittenten har inga skyldigheter att betala något i förhållande till sådant kvarhållande eller avdrag.

Betalningar enligt Lånen kan vara föremål för amerikansk källskatt enligt amerikansk skattelagstiftning

Det amerikanska skatteverket har utfärdat förordningar som kräver att källskatt om upp till 30 procent (beroende på om något dubbelbeskattningsavtal eller undantag är tillämpligt) uttas på betalningar eller dispositioner som anses som betalningar till en person som inte är amerikansk medborgare för finansiella instrument i den utsträckning sådana betalningar behandlas såsom beroende av, eller bestämd med hänvisning till, utdelningar som härstämmar från USA. Väsentliga aspekter på tillämpningen av dessa regler i förhållande till Lånen är oklara. Betalningar i förhållande till Lånen som görs efter den 31 december 2016 som i enlighet med tillämpliga förordningar anses vara beroende av, eller bestämd med hänvisning till, någon utdelningen som härstammar från USA kan bli föremål för sådan källskatt. Utöver detta kan de beskrivna reglerna leda till att källskatt tas ut på icke-amerikanska Fordringshavare i den mån utdelningar som härstammar från USA betalas för de underliggande värdepapperena, även om någon motsvarande betalning inte görs i förhållande till Lånen till de icke-amerikanska Fordringshavarna. Reglerna kan också tillämpas på Lån som utgivits (eller som väsentligen ändrats) från och med 1 januari 2017. Presumtiva investerare bör konsultera sina skatterådgivare gällande de eventuella konsekvenser som de ovan beskrivna reglerna kan ge upphov till. Emittenten har inga skyldigheter att betala något i förhållande till sådant kvarhållande eller avdrag.

Eftersom de Globala Lånen hålls av eller på uppdrag av clearing-system, kommer investerarna att behöva förliga sig på sådant clearing-systems rutiner för betalningar, överlåtelser och kommunikation med Emittenterna

Lån som emitterats under Programmet kan representeras av en eller flera Globala Lån. Sådana Globala Lån kommer att vara förvarade hos värdepappersförvarare, eller, som tillämpligt genom en gemensam förvarare för Euroclear och Clearstream, Luxemburg eller (i relation till Lån i Schweiziska Franc) SIS. Utom i de fall som det framgår av relevant Globalt Lån kommer investerare inte att vara berättigad att erhålla definitiva Lån. Relevanta clearing-system kommer att hålla uppgifter om innehav i de Globala Lånen. Även om Lånen är representerade av en eller flera Globala Lån kommer investerare endast att kunna överlåta innehaven genom de relevanta clearing-systemen.

Då Lånen representeras av en eller flera Globala Lån kan relevant Emittent fullgöra sina betalningsförpliktelser genom att betala till värdpappersförvararen eller den gemensamma förvararen för de relevanta clearing-systemen eller den som utses av dessa för distribution till de som har ett konto. Den som har ett innehav i ett Globalt Lån måste förlita sig på det relevanta clearing-systemets eller clearing-sytemens rutiner för att erhålla betalningar i förhållande till de relevanta Lånen. Emittenterna åtar sig inget ansvar och har inga förpliktelser i förhållande till uppgifter som rör, eller betalningar gjorda i förhållande till, innehav av Globala Lån.

Innehavare av Globala Lån kommer inte att direkt kunna rösta för de relevanta Lånen utan kommer endast att kunna agera i den utsträckning som de tillåts befullmäktiga någon av de relevanta clearing-systemen. På samma sätt kommer inte någon med innehav av Globala Lån att direkt kunna föra exempelvis verkställighetstalan mot relevant Emittent för det fall en Emittent skulle uppleva ett event of default under relevanta Lånen, utan måste förlita sig på de rättigheter som följer av Sidoavtalet.

Investerare kommer behöva förlita sig på VPs, VPS, Euroclear Finlands, Euroclear Swedens eller SIS förfaranden (i förekommande fall) för överföring, betalning och kommunikation med Emittenten.

Investerare i VP-Lån, VPS-Lån, Finska Lån, Svenska Lån eller Schweiziska Lån måste förlita sig på det relevanta clearingsystemet eller, i förekommande fall, det relevanta Emissionsinstitutets regler för överlåtelser, betalning och kommunikation med den relevanta Emittenten.

VP-Lån, VPS-Lån, Finska Lån eller Svenska Lån som emitterats enligt Programmet kommer inte att manifesteras i ett fysiskt värdepapper, utan genom registrering hos VP, VPS, Euroclear Finland eller Euroclear Sweden, beroende på Lån. Innehav av VP-Lån, VPS-Lån, Finska Lån eller Svenska Lån kommer att registreras i, och överlåtelser av Lån sker endast via, de kontoföringssystem som förs av VP, VPS, Euroclear Finland eller Euroclear Sweden.

Särskilda legala risker under vissa Lån

I förhållande till strukturerade Lån bör det noteras att varje förändring i tillämpliga lagar eller regleringar eller förändringar i tillämpningen av dessa samt specifika händelser såsom moratorium, valutarestriktioner, embargon, blockad eller bojkott av central banker, svenska eller finska staten, eller annat liknande organ som Förenta Nationerna eller Europeiska Unionen, kan resultera i (i) ett utbyte av underliggande tillgångar, (ii) en förändring i metoden för beräkning av vissa belopp under Lån, (iii) att vissa belopp beräknas vid en tidigare tidpunkt, (iv) en förändring i beräkningen av avkastning och/eller (v) ändringar av villkoren. Sådana händelser kan därför negativt påverka avkastningen och andra belopp som skall betalas till investerarna under ett strukturerat Lån, liksom tidpunkten för sådana betalningar.

Om en förändring i lag eller förordning, eller beslut av offentliga myndigheter (eller tillämpningen därav), eller på grund av någon annan omständighet som inte är direkt relaterad till en nedgradering av den relevanta Emittentens kreditbetyg, skulle (enligt Emittentens bedömning) resultera i en ökning av vissa kostnader i samband med ett strukturerat Lån eller ökade kostnader för den relevanta Emittentens riskhantering i förhållande till det strukturerade Lånet, kan en sådan händelse berättiga den relevanta Emittenten att (i) byta ut de till Lånet underliggande tillgångarna, (ii) ändra metoden för beräkning av vissa belopp under Lånet, (iii) beräkna vissa belopp vid en tidigare tidpunkt, (iv) ändra beräkningen av avkastningen och/eller (v) ändra villkoren.

Totalkostnad

Emittenten har kostnader i samband med emission av strukturerade Lån på grund av bland annat produktion, distribution, licenser, börsnotering och riskhantering. För att täcka dessa kostnader tar den relevanta Emittenten ut courtage och provision. Sådana avgifter och provisioner kan vägas in i emissionskursen för ett specifikt Lån eller debiteras separat. Storleken på provisionen kan variera och påverkas av fluktuationer i räntor och priset på de finansiella instrument som ingår i produkten.

Investerare bör vara medvetna om att olika marknadsaktörer har olika möjligheter att påverka priset på de finansiella instrument som ligger till grund för ett strukturerat Lån. Prissättningen av strukturerade Lån görs normalt sett inte på basis av framförhandlade villkor utan det bestäms av den relevanta Emittenten. Således kan det finnas en intressekonflikt mellan den relevanta Emittenten och investerarna, i den mån den relevanta Emittenten kan påverka prissättningen och har en möjlighet att göra en vinst eller undvika en förlust i förhållande till underliggande referenstillgångar och relevant Emittent inte har någon

lojalitetsplikt i förhållande till Fordringshavarna. Transparensen avseende prissättningen av strukturerade Lån kan vara begränsad.

Alternativkostnadsrisk

Marknadsrisken varierar beroende på Lånets struktur och löptid. Värdet av ett Lån varierar med förändringen i marknadsräntor. Ett strukturerat Lån fungerar ofta som en kombination av en räntebärande investering och, till exempel, en investering i aktier. En investerare tar därför en ytterligare risk när de investerar i ett strukturerat Lån om alternativet hade varit en ren ränteplacering. Ett strukturerat Lån avger ingen ränta eller annan avkastning om marknaden är ogynnsam och kan komma att återbetalas med enbart kapitalbeloppet. Om lånet inte är kapitalkyddat kan hela det investerade beloppet förloras. Investeraren i ett sådant strukturerat Lån underkastas en alternativkostnadsrisk motsvarande den ränta som investeraren skulle ha fått om denne valt att i stället investera pengarna i rena räntebärande instrument. Om investeraren säljer ett sådant Lån före utgången av dess löptid bär investeraren risken att erhålla en köpeskilling som är mindre än Lånets nominella belopp.

Hedgingaktiviteter för Emittenterna och dess närstående bolag

Relevant Emittent och/eller dess närstående bolag kan bedriva säkringsaktiviteter (hedging) avseende Lån, t.ex. att förvärva eller avyttra Referenstillgångar, komponenter i Referenstillgångar och/eller skuldförbindelser utställda av Referensenheter, men är dock inte skyldig att göra det. Vissa av den relevanta Emittentens närstående bolag kan också förvärva eller avyttra Referenstillgångar och/eller komponenter i Referenstillgångar regelbundet som en del av sin verksamhet som värdepappersbolag. Dessa aktiviteter skulle kunna påverka värdet av eller nivån på Referenstillgången och skuldinstrument utställda av Referensenheten och därmed värdet av Lånet. Dessutom kan ett avbrott i sådana säkringsarrangemang (hedging) eller en väsentligt ökad kostnad för sådana säkringsarrangemang (hedging) leda till en förtida inlösen av Lån i enlighet med vad som anges i tillämpliga Slutliga Villkor.

Om det, enligt Emittentens uppfattning, skett en förändring i någon marknadspraxis eller rådande marknadsläge standardvillkor som kan påverka någon hedgingaktivitet som ingåtts av en Emittent eller någon annan part inom Nordea-koncernen för att säkra (hedga) Emittentens förpliktelser i förhållande till Lånen, förbehåller sig Emittenten rätten att, utan samtycke från Fordringshavarna, justera Villkoren för att tillse att de är i linje med den relevanta hedgingaktiviteten

Ingen äganderätt

En investering i ett Lån är inte samma sak som att investera direkt i Referenstillgången(-arna) och ger inte någon äganderätt till Fordringshavare såvitt gäller de underliggande tillgångarna eller någon komponent av de underliggande tillgångarna. Inte heller har man någon rösträtt eller rätt till utdelningar i förhållande till de underliggande tillgångarna eller komponenter i de underliggande tillgångarna som en direktinvesterare i dessa skulle ha. Lånen är icke efterställda och osäkrade skyldigheter för Emittenten. Emittenten har inte tagit säkerhet i några underliggande tillgångar eller komponenter av underliggande tillgångar.

Intressekonflikter

Relevant Emittent och/eller dess närstående bolag kan också förvärva eller avyttra Referenstillgång, komponent i Referenstillgång och/eller skuldförbindelser utställda av Referensenheter regelbundet som en del av sin verksamhet som värdepappersbolag eller låna ut pengar till Referensenheter som en del av den normala verksamheten. Dessa aktiviteter skulle kunna påverka värdet av eller nivån på Referenstillgången och skuldinstrument utställda av Referensenheten och därmed värdet av Lånet.

Relevant Emittent och/eller dess närstående bolag kan från tid till annan lämna rådgivning till Emittenter av eller utställare av Referenstillgångar eller komponenter av Referenstillgångar och/eller Referensenheten avseende transaktioner som skall ingås av dem, eller delta i transaktioner avseende Referenstillgångar och/eller Referensbolag/enheter för deras egen räkning och för portföljer eller konton som hanteras av dem. Sådana transaktioner kan ha en positiv eller negativ effekt på värdet av Referenstillgång, värdet av eller nivån på Referenstillgången och skuldinstrument utställda av Referensenheten och därmed värdet av Lånet.

Således kan konflikter uppstå mellan relevant Emittents intressen och Fordringshavarnas intressen.

Index disclaimer

Indexobligationer är varken sponsrade, godkända, emitterade eller understödda av något av de index som de är kopplade till eller någon av sådant index sponsorer och sponsorn har inte gett några garantier, vare sig uttryckliga eller underförstådda, antingen när det gäller de resultat som skall uppnås genom användning av något index och/eller de nivåer som ett sådant index vid viss tid på en viss dag eller i övrigt kan ha. Ingen indexsponsor ansvarar (oavsett om försumlighet eller på annat sätt) till någon person för fel i index och indexsponsor har ingen skyldighet att meddela någon person om eventuella fel i ett index. Indexsponsorn har inte gett någon garanti, vare sig uttrycklig eller underförstådd, vad gäller lämpligheten av att köpa eller anta någon risk i samband med sådana Lån. Varken någon Emittent eller Beräkningsagenten skall ha något ansvar gentemot någon person såvitt gäller en handling eller underlåtenhet att agera i förhållande till indexsponsorn i samband med beräkning, justering eller hantering av ett index. Varken någon Emittent eller Beräkningsagenten har någon anknytning till eller kontroll över något index eller indexsponsorn eller någon kontroll över beräkningen, sammansättningen eller spridning av index. Även om en Emittent och Beräkningsagenten kommer att erhålla information om ett index som är Referenstillgångar till specifika Lån från offentligt tillgängliga källor som de anser vara pålitliga, kommer de inte att självständigt kontrollera uppgifterna.

Risker relaterade till särskilda Referenstillgångar

Risker relaterade till avkastningen avseende Referenstillgång

Med strukturerade Lån (t.ex. aktieobligationer, valutaobligationer, kreditobligationer, fondobligationer, råvaruobligationer och andra eventuella konstruktioner) är avkastningen, och ibland även storleken på återbetalningsbeloppet, beroende av utvecklingen hos en eller flera referenstillgångar, såsom aktier, index, räntor, valutor, kreditexponeringar (en eller flera), fondandelar, råvaror eller korgar av dessa, eller kombinationer av sådana tillgångar. Om återbetalning av en del av eller hela det investerade beloppet är knutet till utvecklingen av underliggande tillgångar kan investeraren riskera att förlora hela det investerade beloppet. Strukturerade Lån är ofta utformade på grundval av en kombination av olika typer av traditionella instrument såsom aktier, fondandelar eller derivatinstrument. Dessa kombinationer av produkter kan ha inslag av olika instrument. Värdet på ett strukturerat Lån kommer att påverkas av värdet av Referenstillgångarna eller relevanta jämförelsetal. Värdering av Referenstillgångar kan ske både under löptiden och på Återbetalningsdagen och dess utveckling kan vara positiv eller negativ för innehavaren. Fordringshavarens rätt till avkastning, och i förekommande fall återbetalning av det nominella beloppet, beror på Referenstillgångens utveckling och tillämplig avkastningsstruktur. Värdet på ett strukturerat Lån kan, förutom förändringar i priset på Referenstillgång, bestämmas av intensiteten i kursrörelser hos Referenstillgången (vanligen kallad volatilitet), förväntningar om framtida volatilitet, marknadsräntor och förväntade utdelningar från Referenstillgången.

Potentiella investerare bör vara medvetna om att:

(a) marknadspriset på sådana lån kan vara volatilt;

(b) de kan bli utan avkastning;

(c) betalning av kapital eller ränta kan inträffa vid en annan tidpunkt eller i en annan valuta än väntat;

(d) det kapitalbelopp som betalas vid inlösen kan vara lägre än det nominella beloppet för sådana Lån eller noll;

(e) Referenstillgång kan vara föremål för betydande fluktuationer som kanske inte korrelerar med förändringar i räntor, valutor eller andra index;

(f) Om avkastningsstrukturen avseende ett visst Lån innehåller en multiplikator större än ett eller innehåller någon annan hävstångseffekt, kommer effekten av värdeförändringar i Referenstillgången att ha en större effekt på storleken på återbetalningsbeloppet; och

(g) tidpunkten för förändringar i värdet av en eller flera Referenstillgångar kan påverka den faktiska avkastningen för Fordringshavare, även om den genomsnittliga nivån är förenlig med deras förväntningar.

Vidare bör Fordringshavare och potentiella köpare av Lån se till att de förstår egenskaperna i ett sådant Lån och omfattningen av deras riskexponering och att de bedömer lämpligheten av dessa Lån som investering i ljuset av sina egna förhållanden och finansiella ställning. En liten rörelse i värdet av en eller flera Referenstillgångar kan resultera i en betydande förändring av värdet på ett Lån. Innehavare av sådana Lån, och presumtiva köpare av sådana Lån bör bilda sig en egen uppfattning om fördelarna med en investering baserat på sådana undersökningar. Med tanke på den mycket specialiserade karaktär som strukturerade Lån har, anser Emittenten att de endast är avsedda för mycket sofistikerade investerare som har möjlighet att själva bedöma risken i en investering på vilken avkastningen bestäms på detta sätt. Följaktligen bör en investerare som inte anser sig omfattas av beskrivningen ovan inte investera i sådana Lån utan att erhålla detaljerade råd från en specialiserad professionell rådgivare.

Risk avseende begränsad information i samband med vissa referenstillgångar

I förhållande till vissa referenstillgångar, till exempel vissa hedgefonder eller index sammansatta av hedgefonder, finns enbart begränsad tillgång till information då, bland annat, den officiella slutkursen avseende sådana Referenstillgångar kan komma att publiceras mera sällan. Sammansättningen av vissa index och fonder kan vara konfidentiellt av strategiska skäl. Andra faktorer som begränsar insynen i samband med sådana referenstillgångar kan vara att Referenstillgång inte är föremål för kontinuerlig handel, att värderingsmodeller för avgörandet av värdet av Referenstillgångar inte rapporteras till investerarna, eller att de bakomliggande faktorer som påverkar värdet av Referenstillgångarna inte är offentliga.

Valutakursförändringar

Valutakurser kan påverkas av komplicerade politiska och ekonomiska faktorer, däribland relativa inflationsmått, räntenivåer, betalningsbalansen mellan länder, omfattningen av eventuella statliga överskott eller underskott och de monetära, skattemässiga och/eller vidtagna handelspolitiska åtgärder såvitt gäller de berörda valutorna. Valutakursförändringar kan påverka värdet eller nivån på Referenstillgångar på komplexa sätt. Om sådana valutafluktuationer gör att värdet eller nivån på Referenstillgången varierar, kan Lånets värde minska. Om värdet eller nivån på en eller flera Referenstillgångar är uttryckt i en valuta som skiljer sig från den valuta som Lånet är denominerad i kan Fordringshavare bli föremål för ökad valutarisk. Tidigare valutakurser är inte nödvändigtvis en indikation om nivån på framtida valutakurser.

Risker relaterade till marknadsavbrott och extraordinära händelser

Marknadsavbrott kan inträffa exempelvis för det fall handeln med Referenstillgångar avbryts eller ett officiellt pris av någon anledning inte noteras. I samband med marknadsavbrott, kan värdet av underliggande tillgångar komma att bestämmas vid en annan tidpunkt än avsett och i vissa fall även på annat sätt än avsett. Vissa referenstillgångar såsom aktier, korgar av aktier eller fondandelar kan påverkas av extraordinära händelser såsom avnotering, nationalisering, konkurs, likvidation eller motsvarande eller aktiesplit, nyemission, fondemission, emissioner av teckningsoptioner eller konvertibler, sammanläggning av aktier eller återköp avseende sådan aktie eller korg av aktier som utgör Referenstillgång. För alla strukturerade Lån kan händelser såsom lagändringar eller ökade kostnader för riskhantering uppstå. Om så är fallet, kan den relevanta Emittenten, enligt dennes självständiga bedömning, justera sammansättningen av tillgångar och beräkningen av avkastningen eller värdet av Lån eller ersätta en Referenstillgång med en annan Referenstillgång, i den mån den relevanta Emittenten anser detta nödvändigt för att beräkningen av avkastningen eller värdet av Lån skall återspegla hur avkastningen eller värdet tidigare beräknats. Om den relevanta Emittenten inte anser att sådana justeringar kan ge ett rättvist resultat, kan den relevanta Emittenten göra beräkningen av avkastningen i förtid och fastställa Återbetalningsbeloppet, Tilläggsbeloppet eller avkastningen. Ränta på kapitalbeloppet skall därefter tillkomma beräknad på marknadsmässig ränta.

Avläsning av stängningskurser avseende Referenstillgångar

I vissa avkastningsstrukturer är avläses stängningskursen vid ett antal tillfällen för att beräkna en genomsnittlig stängningskurs. Syftet är att minimera risken för att enstaka extrema värden kraftigt påverkar det slutliga priset. Investerare bör dock uppmärksamma det faktum att värdet vid sådana avläsningstillfällen påverkar det genomsnittliga slutpriset, vilket innebär att det slutliga priset kan vara lägre eller högre än den faktiska stängningskursen på värderingsdagen. I vissa Lån fastställs dock värdet

på grundval av en enda värdering, varvid det finns en risk för att vissa extrema värden kan påverka det slutliga priset.

Risker förknippade med aktier eller aktierelaterade instrument som Referenstillgångar

En investering i aktieobligationer medför betydande risker utöver de som förknippas med investeringar i ett konventionellt skuldebrev.

(a) *Faktorer som påverkar aktier eller aktierelaterade instruments värdeutveckling kan påverka värdet på Lån*

En aktie eller ett aktierelaterat instruments värdeutveckling är beroende av makroekonomiska faktorer, såsom räntor och prisnivåer på kapitalmarknaderna, valutautveckling, politiska faktorer och företagsspecifika faktorer såsom resultat, marknadsposition, risksituation, ägarstruktur och utdelningspolicy.

(b) *Inga krav mot emittenten av Referenstillgångar eller rätt till Referenstillgångar*

Aktieobligationer representerar inte en fordran på eller en investering i en emittent av aktier eller aktierelaterade instrument (en "**Equity Issuer**"). Fordringshavarna kommer inte att ha någon regressrätt enligt Lånet på sådana bolag, aktier eller aktierelaterade instrument. Inget Lån är på något sätt sponsrat, godkänt eller främjat av någon Equity Issuer och sådana företag har ingen skyldighet att ta hänsyn till konsekvenserna av sitt handlande för Fordringshavare. Följaktligen kan utgivaren av en aktie eller ett aktierelaterat instrument vidta åtgärder när det gäller sådana instrument utan att ta hänsyn till Fordringshavarnas intressen, och någon av dessa åtgärder skulle kunna påverka marknadsvärdet av Lån.

När det gäller Lån med aktier eller aktierelaterade instrument som underliggande tillgång, kommer inte Equity Issuer att delta i fastställandet villkoren för Lånet. Inte heller kommer den relevanta Emittenten eller något Emissionsinstitut att göra någon utredning eller undersökning i samband med sådant erbjudande med avseende på information om sådan Equity Issuer som ingår i Slutliga Villkor eller i de dokument från vilka denna information extraherades. Därför kan det inte finnas några garantier för att alla händelser som inträffar före det relevanta emissionsdatumet (inklusive händelser som skulle påverka riktigheten eller fullständigheten av de allmänt tillgängliga handlingar som beskrivs i denna punkt eller i relevanta Slutliga Villkor) som skulle kunna påverka kursen för aktien eller de aktierelaterade instrumenten kommer att ha offentliggjorts. Efterföljande publicering av sådan information eller publicering av eller underlåtenhet att publicera väsentliga framtida händelser som rör sådan Equity Issuer kan påverka börskursen på sådant instrument och därmed värdet på Lånet.

Risker förknippade med Index som Referenstillgångar

En investering i indexobligationer medför betydande risker utöver de som förknippas med investeringar i ett konventionellt skuldebrev.

(a) *Faktorer som påverkar värdeutvecklingen av Index kan påverka värdet på Lånet*

Ett index omfattar en syntetisk portfölj av aktier, aktierelaterade tillgångar eller andra tillgångar och värdeutvecklingen för ett index är beroende av de makroekonomiska faktorer som rör de aktier, aktierelaterade tillgångar eller andra komponenter som ingår i ett sådant index, vilket kan inkludera räntor och prisnivåer på kapitalmarknaderna, valutautveckling, politiska faktorer och (i fallet med aktier eller aktierelaterade instrument) företagsspecifika faktorer som vinst, marknadsposition, risksituation, ägarstruktur och utdelningspolicy.

(b) *Exponering mot risken att avkastningen i Lånet inte återspeglar avkastningen i en direktinvestering i underliggande aktier, aktierelaterade instrument eller andra tillgångar som ingår i indexet*

Avkastningen i ett Lån med ett index som underliggande tillgång återspeglar nödvändigtvis inte den avkastning en investerare skulle erhålla om denne faktiskt ägde de i indexet ingående tillgångarna. Till exempel, om det i ett index ingår aktier kommer Fordringshavare inte att få några utdelningar på dessa aktier och kommer inte att erhålla någon avkastning i anledning av

dessa utdelningar om inte relevant index tar hänsyn till sådan utdelning vid beräkningen av indexnivån. På samma sätt kommer Fordringshavare inte att kunna utöva någon rösträtt i de underliggande instrumenten eller andra tillgångar som kan ingå i relevant index. Följaktligen skulle investerarna i Lån som har index som referenstillgång kan få en lägre avkastning än om investeringen gjorts direkt i de instrument som ingår i indexet.

(c) *Avsaknad av påverkan av utdelningar avseende flesta Lån kopplade till aktieindex*

Reglerna om sammansättning och beräkningen av det relevanta underliggande indexet kan föreskriva att utdelning från de till indexet underliggande tillgångarna inte leder till en ökning av indexets värde, till exempel om det är ett "pris"-index, vilket istället kan leda till en minskning av indexnivån om alla andra omständigheter förblir oförändrade. Detta kommer resultera i att Fordringshavare i Lån där Referenstillgången är ett sådant index inte kommer att delta i någon utdelning eller annan värdeöverföring som betalas till innehavare av de i indexet ingående tillgångarna. Även om reglerna för det relevanta underliggande indexet föreskriver att utdelning eller annan värdeöverföring avseende de i indexet ingående tillgångarna återinvesteras i index och därmed leder till att indexnivån ökas kan, i under vissa omständigheter, utdelning eller annan värdeöverföring inte helt återinvesteras i sådant index.

(d) *En förändring i sammansättningen eller upphörande av ett index kan påverka marknadsvärdet av Lån*

En sponsor av ett index kan lägga till, ta bort eller byta ut de i indexet ingående tillgångarna eller göra andra metodologiska förändringar som kan ändra nivån på en eller flera i indexet ingående tillgångar. Modifieringen av i index ingående tillgångar kan påverka nivån på ett sådant index, som t.ex. att en ersättande komponent i ett index kan prestera betydligt sämre eller bättre än den komponent som den ersätter, vilket i sin tur kan påverka storleken på de betalningar som den relevanta Emittenten kommer att göra till investerarna i Lånet. Sponsorn av ett index kan också komma att ändra, avbryta eller upphäva beräkning eller offentliggörandet av indexet. Indexsponsorn kommer inte att ha någon del i utformningen av erbjudandet och försäljningen av Lån och har inga skyldigheter i förhållande till Fordringshavare. En indexsponsor kan vidta vilka åtgärder som helst i fråga om sådant index utan att därvid ta hänsyn till Fordringshavares intressen, och sådana åtgärder kan komma att påverka marknadsvärdet av Lån.

(e) *Det finns ytterligare risker i förhållande till råvaruindex, se "Risker förknippade med råvaror som referenstillgångar".*

(f) Nordea-koncernen kan ta del i att skapa, strukturera och underhålla indexportföljer och indexstrategier där man även agerar indexsponsor (gemensamt ”**Egna Sammasatta Index**”). Det kan därför uppstå intressekonflikter för Emittenterna i deras roll som Emittent av sådana Lån och i deras ställning i att upprätta, marknadsföra, främja eller administrera sådana index. Sådana index beräknas av en extern beräkningsagent i enlighet med de reglerna som beskriver metoden för att beräkna dessa Egna Sammansatta Index (”**Reglerna**”).

I förhållande till Egna Sammansatta Index som är länkade, kan Emittenten möta intressekonflikter i och med sin roll som Emittent av sådana Lån och dess roll (eller den roll som en eller flera av dess koncernbolag kan ha) i att ha varit med och skapat, strukturerat och underhållit sådana index, då upprättande av indexen, alla tillägg, ändringar eller justeringar till Reglerna, eller justeringar till någon eller några parametrar för värdering av någon komponent, kan påverka priset eller värdet på Lånen.

Var Emittent och varje annan indexsponsor kan, från tid till annan, med vederbörlig diskretion och med den omsorg och som de finner lämpligt i syfte att upprätthålla integriteten för ett Ägt Index. De kan också, under vissa förutsättningar, göra diskretionära ändringar i syfte att tillse och upprätthålla sådant index höga kvalitet vad avser uppbyggnad och beräkning. Emittenterna och deras koncernbolag kan inte åta sig något ansvar för att något Ägt Index är fullständig eller korrekt, eller att detta ska gäller för någon av den data som använts för att framta eller tillämpa sådant Ägt Index eller några komponenter av ett index. Emittenterna kan vidare inte garantera att indexen kan nyttjas utan avbrott eller kan spridas. Vidare garanterar inte Emittenten att något index på ett korrekt sätt återger tidigare, nuvarande eller framtida marknadsutveckling eller –skeenden.

Emittenterna, eller något av deras koncernbolag, kan också ha bankrelationer eller andra kommersiella relationer med tredje parter i förhållande till ett Ägt Index och kan handla i sådant index (vilket inkluderar sådan handel som den relevanta Emittenten och/eller dess koncernbolag i deras självständiga bedömningar finner lämpligt för att skydda (hedga) mot marknadsrisker och andra transaktioner som kan relatera till Egna Sammansatta Index), vilket kan negativt påverka nivån på sådant index.

Om en Emittents eller något av dess koncernbolags hedging-aktiviteter i relation till något index störs kan Emittenten eller relevant koncernbolag besluta att avsluta beräkningar som görs enligt sådant index tidigare än indexsponsorn själv gjort i jämförliga situationer.

Alla ovanstående faktorer kan resultera i negativa konsekvenser för Fordringshavarna, och kan ha en negativ påverkan på värdet eller priset på Lånen. Emittenterna är inte förpliktade att skapa, upprätthålla eller underhålla Egna Sammansatta Index på ett sätt som gagna Fordringshavarna.

Risker förknippade med inflationsindex som Referenstillgångar

Avkastningsstrukturen kan avgöra räntan och/eller kapitalbelopp som ska betalas för Lånen genom referens till ett inflationsindex (”**Inflationsindex**”) eller korg av inflationsindex, antingen som Inflation-Linked Notes eller genom att använda Inflationsindex som Referenstillgång.

Särskilda händelser och avbrott som påverkar realränteobligationer och obligationer kopplade till Inflationsindex

Om publiceringen av nivån på Inflationsindexet är fördröjt, publiceringen av Inflationsindexet upphör, Inflationsindexet omräknas, en materiell förändring av Inflationsindexet görs, eller att det har skett en uppenbart oriktig publicering av nivån på Inflationsindexet, kan den relevanta Emittenten bestämma en sådan händelse har en väsentlig effekt på Lånet och, om så är fallet, genomföra sådana tillägg och justeringar av villkoren för Lånet som den relevanta Emittenten anser nödvändiga.

Många ekonomiska och marknadsrelaterade faktorer kan påverka ett Inflationsindex och, följaktligen, värdet på Lån med inflationsindex som underliggande tillgång, till exempel:

Allmänna ekonomiska, finansiella, politiska eller regulatoriska regelverk och/eller händelser, och/eller

Fluktuation i priser såvitt gäller tillgångar, tjänster och energitillgångar (inklusive efterfrågan och tillgång för någon av dessa); och/eller

Inflationstakten i ekonomin i det relevanta landet och förväntningar på inflationen.

Nivån på ett Inflationsindex kan påverkas av faktorer som inte har någon relation till de finansiella marknaderna.

Risker förknippade med valutakurser som Referenstillgångar eller som del av värdeutvecklingsstrukturen

En investering i valutaobligationer medför betydande risker utöver de som förknippas med investeringar i ett konventionellt skuldebrev.

Lån kan vara denominerade i en valuta ("Referensvalutan") men återbetalas i en annan valuta ("Valutan"). Värdet av lånet kan därför påverkas av förändringar i värdet av Referensvalutan jämfört med Valutan (som kan beräknas, i förekommande fall, på en "cross-currency basis"). Detta medför vissa risker för att växelkursen (eller de växelkurser) som används för att bestämma Valutan medför att beloppet för eventuella betalningar under Lånet kan förändras signifikant (inklusive förändringar på grund av devalvering eller revalvering av Valuta jämfört med Referensvaluta) och risken för att myndigheter med jurisdiktion över dessa valutor kan orsaka en minskning av (1) Valutans påverkan av avkastningen på Lånet, (2) Valutans påverkan på storleken på Återbetalningsbeloppet under Lånet, och (3) Valutans påverkan på Lånets marknadsvärde. Således finns det en risk för att Valutans värde vid en försäljning eller inlösen, påkallande eller cancellering, kan komma att understiga värdet av Fordringshavarens ursprungliga investering i lånet, beroende på valutakursens storlek vid tidpunkten för en sådan försäljning eller inlösen, påkallande eller cancellering.

(a) *Faktorer som påverkar värdeutvecklingen i den aktuella valutakursen kan påverka värdet på Lån negativt*

Den valutakurs eller de valutakurser som utgör Referenstillgångar till Lån kommer att påverka värdet av investeringen och avkastningen på Lånet. Värdeutvecklingen avseende valutakurser är beroende av tillgång och efterfrågan på valutor på de internationella valutamarknaderna, som är föremål för ekonomiska faktorer, bland annat inflationstakten i de berörda länderna, ränteskillnaderna mellan de olika länderna, ekonomiska prognoser, internationella politiska faktorer, valutakonvertibilitet och tryggheten i att göra finansiella investeringar i den berörda valutan, spekulationer och åtgärder vidtagna av regeringar och centralbanker. Sådana åtgärder omfattar bland annat införande av regulatoriska kontroller eller skatter, utfärdande av en ny valuta för att ersätta en befintlig valuta, förändring av växelkursen eller dess egenskaper genom devalvering eller revalvering av valuta eller införande av valutareglering avseende växelkurs eller överföring av en angiven valuta som skulle påverka växelkurser och tillgången till en viss valuta.

(b) *Nordea är en stor aktör på valutamarknaden och är föremål för intressekonflikter*

Investerare bör notera att vissa medlemmar av Nordeakoncernen är regelbundet aktiv på valutamarknaderna kan i dess löpande verksamhet komma att göra transaktioner för egen räkning eller för deras kunders räkning och hålla långa och/eller korta positioner i valutor och relaterade derivat, även i de valutor som utgör Referenstillgångar i förhållande till Lån. Sådana transaktioner kan påverka de relevanta Referenstillgångarna och Lånets marknadspris, likviditet eller värde och kan vara missgynnande för Fordringshavares intressen. Inga medlemmar i Nordeakoncernen har någon skyldighet att genomföra sådana transaktioner på ett sätt som gynnar Fordringshavare.

(c) *Valutor på tillväxtmarknader utgör särskilda risker*

Valutaobligationer kopplade till valutor på tillväxtmarknader kan uppleva större volatilitet och mindre säkerhet om framtida värdenivåer för sådana tillväxtmarknadsrelaterade valutor eller deras växelkurs i förhållande till andra valutor.

Risker förknippade med råvaror som Referenstillgångar

En investering i råvaruobligationer medför betydande risker utöver de som förknippas med investeringar i ett konventionellt skuldebrev.

(a) *Faktorer som påverkar en råvaras värdeutveckling kan påverka värdet av lån, och vissa råvarupriser kan vara mer instabila än andra tillgångsslag*

Handel med råvaror är spekulativ och kan vara extremt volatil. Råvarupriserna påverkas av en mängd faktorer som är oförutsägbara, däribland till exempel förändringar i relationen mellan utbud och efterfrågan, vädermönster och extrema väderförhållanden, statliga program och politik, nationella och internationella politiska, militära, terror, och ekonomiska händelser, skattemässiga, penningpolitiska program för kontroll, förändringar i räntor och valutakurser och förändringar och avbrott eller störningar i marknaden för handel med råvaror och relaterade kontrakt. Råvarupriser kan vara mer instabila än andra tillgångsslag, vilket gör investeringar i råvaror mer riskfyllda än andra investeringar.

(b) *Råvaror kan utgöras av fysiska råvaror eller råvarukontrakt, och vissa råvarukontrakt kan handlas på oreglerade eller börser med en mera begränsad reglering.*

Råvaror omfattar både (i) "fysiska" råvaror, som måste lagras och transporteras, och som generellt handlas på ett "Spot"-pris, och (ii) råvarukontrakt, som är avtal antingen att (A) köpa eller sälja en viss mängd av en underliggande fysisk råvara till ett förutbestämt pris och leveransperiod (vilken kan betecknas som en leveransmånad) eller (B) betala eller ta emot en kontant betalning baserad på förändringar i priset på den underliggande råvaran.

Råvarukontrakt kan handlas på reglerade specialiserade Terminsbörser (t.ex. terminskontrakt). Råvarukontrakt kan också handlas direkt mellan marknadsaktörerna "over-the-counter" på handelsplattformar som är föremål för lägre grad av reglering eller, i vissa fall, ingen väsentlig

reglering. Således omfattas handeln med sådana "over-the-counter"-kontrakt inte av samma bestämmelser, och har inte det skydd, som gäller för kontrakt som handlas på reglerade specialiserade Terminsbörser, och handeln i sådana kontrakt kan därför vara förenad med ytterligare risker relaterade till likviditet och prishistorik såvitt gäller de relevanta kontrakten.

(c) *Lån som har terminskontrakt för råvaror som Referenstillgång kan ge en annan avkastning än Lån som har den relevanta fysiska varan som Referenstillgång och medför dessutom vissa andra risker*

Priset på ett terminskontrakt på en råvara kommer generellt att handlas med en premie eller med en rabatt i förhållande till spotpriset på den underliggande råvaran. Dessa skillnader beror på sådana faktorer som (i) behovet av att anpassa spotpriset på grund av kostnader (t.ex. lager, transport-och försäkringskostnader) och (ii) olika metoder som används för att utvärdera generella faktorer som påverkar spot- och terminsmarknaderna. Dessutom, och beroende på varan, kan det finnas stora skillnader i likviditet på spot- och terminsmarknaderna. Således kan Lån som har terminskontrakt som Referenstillgång ge en annan avkastning än Lån som har den relevanta fysiska råvaran som Referenstillgång.

Investeringar i terminskontrakt innebär vissa andra risker, till exempel bristande likviditet. En innehavare av terminskontrakt kan finna att ett sådant innehav blir illikvid eftersom vissa råvarubörser begränsar fluktuationer i terminskontraktspriser enligt regler om "dagliga begränsningar". När priset på ett visst terminskontrakt har ökat eller minskat med ett belopp som motsvarar den dagliga begränsningen, kan positioner i kontraktet inte tas eller avvecklas om inte innehavaren är villig att utföra transaktioner på eller inom begränsningen. Detta kan hindra en person från att snabbt avveckla ogynnsamma positioner och kan därmed utsätta en sådan person för stora förluster. Terminskontraktspriser i olika råvaror har från tid till annan överskridit den dagliga gränsen för flera på varandra följande dagar med liten eller ingen handel. Förluster som uppstår under sådana omständigheter kan ha en negativ effekt på avkastningen i Lån som har det påverkade terminskontraktet som referenstillgång.

För det fall en direktinvestering i terminskontrakt för råvaror görs, kan det investerade kapitalet komma att användas helt eller delvis som säkerhet för de framtida krav som respektive part kan ha på varandra under terminskontraktet. Sådant kapital vilket ställts som säkerhet bär i allmänhet ränta, och avkastningen i form av ränta ökar investerarens avkastning. Fordringshavare som investerat i Lån där terminskontrakt på råvaror är Referenstillgång kommer inte att ta del ränteavkastning i anledning av en hypotetiskt ställd säkerhet i de underliggande terminskontrakten.

(d) *Ytterligare risker i förhållande till "rullning" av terminskontrakt på råvaror (inklusive terminskontrakt på råvaror som är komponenter i ett råvaruindex)*

Råvarukontrakt har ett förutbestämt utgångsdatum, det vill säga en dag då handel med kontraktet upphör. Att hålla ett terminskontrakt till dess slutdag kommer att resultera i leverans av den underliggande fysiska råvaran eller ett krav att kontantavräkna kontraktet. Att "rulla" ett terminskontrakt innebär att när terminskontraktet närmar sig slutdagen ("**near-dated commodity contracts**") men innan det löper ut så säljs detta och ett terminskontrakt som har en slutdag längre in i framtiden ("**longer-dated commodity contract**") köps istället. Investerare i råvaror använder "rullning" av terminskontrakt i syfte att upprätthålla en kontinuerlig exponering mot den relevanta råvaran.

"Rullning" kan påverka värdet av en investering i råvaror på ett antal olika sätt, bland annat:

(i) *Exponeringen mot råvarukontrakt kan ökas eller minskas genom "rullning"*

När priset på en near-dated commodity contract är högre än priset på longer-dated commodity contract (kontraktet sägs då vara i "backwardation"), kommer då "rullningen" från det förra till det senare resultera i att exponeringen utgörs av ett större antal kontrakt (i formen av longer-dated commodity contracts). Därför kommer förlust eller vinst på de nya positionerna i anledning av en rörelse i priset på råvaran att vara större än om man hade innehaft samma antal råvarukontrakt som innan "rullningen". Omvänt, om priset på en near-dated commodity contract är lägre än priset på longer-

dated commodity contract (kontraktet sägs då vara i "contango"), kommer då "rullningen" att resultera i att exponeringen utgörs av ett mindre antal kontrakt (i formen av longer-dated commodity contracts). Därför kommer vinst eller förlust på de nya positionerna för en given rörelse i priserna på råvaror avtalet vara mindre än om man hade innehaft samma antal råvarukontrakt som innan "rullningen".

(ii) *När ett terminskontrakt befinner sig i contango (alternativt backwardation), kan detta förväntas ha en negativ (eller positiv) effekt över tiden*

När ett terminskontrakt är i "contango", förväntas priset på longer-dated commodity contract generellt minska i takt med att kontraktet närmar sig slutdagen. I ett sådant fall kan en "rullning" i allmänhet förväntas ha en negativ effekt på en investering i kontraktet. När ett terminskontrakt är i "backwardation", förväntas priset på longer-dated commodity contract generellt öka i takt med att kontraktet närmar sig slutdagen. I sådant fall kan investeringen i det aktuella kontraktet generellt förväntas påverkas positivt.

När det gäller Lån med ett terminskontrakt på råvaror som Referenstillgång kommer det specifika underliggande terminskontraktet att helt enkelt ändras utan att det sker någon avyttring, förvärv eller tagande av positioner i några faktiska terminskontrakt. Därför kommer effekterna av en "rullning" enligt ovan inte direkt påverka Referenstillgången eller Lånet. Således kommer en investerare inte att delta direkt i möjliga effekter av en "rullning". Emellertid kan andra marknadsaktörer agera i enlighet med mekanismen för "rullning" och ett sådant beteende kan ha en indirekt negativ inverkan på värdet av Referenstillgången och därför på Lånet.

Råvaruindex är index som följer värdeutvecklingen i en korg av terminskontrakt på vissa råvaror. Vilka råvaror detta är beror på det individuella indexet. Viktningen av de olika råvaror som ingår i ett råvaruindex beror också på vilket index som avses, och beskrivs generellt sett i de relevanta reglerna för indexet.

För råvaruindex används "rullning" av de terminskontrakt som ingår i indexet för att upprätthålla en kontinuerlig exponering mot sådana råvaror. Då ett terminskontrakt måste rullas i enlighet med reglerna för det relevanta indexet beräknas nivån på råvaruindexet som om de underliggande terminskontrakten avyttrandes och att man förvärvade nya (vanligen kontrakt som har en slutdag längre fram i tiden) terminskontrakt för att uppnå en motsvarande exponering. Således har en "rullning" samma effekter som beskrivits ovan med avseende på värdet av Referenstillgång i specifika Lån, även i fråga om nivån på ett råvaruindex.

(e) *Legala och regulatoriska förändringar som rör råvaror kan leda till en förtida inlösen*

Råvaror är föremål för legala och regulatoriska regleringar som kan förändras på ett sätt som kan påverka möjligheten för Emittenterna eller någon annan medlem i Nordeakoncernen att ingå eller vidmakthålla säkringstransaktioner (hedgar) avseende relevant Emittents skyldigheter under Lån, att säkra (hedga) relevant Emittents skyldigheter enligt Lån, och/eller kan leda till förtida inlösen eller cancellering av Lån.

Risker förknippade med korgar som innefattar olika beståndsdelar som Referenstillgångar

(a) *Exponering mot värdeutvecklingen i Korg och dess underliggande tillgångar*

Om Lån refererar till en eller flera korg(ar) av tillgångar som dess Referenstillgångar, är investerare i sådana Lån utsatta för värdeutvecklingen i sådan(a) korg(ar). Investerarna kommer att bära risken för värdeutvecklingen för varje av de i korgen ingående tillgångarna.

(b) *En hög korrelation mellan tillgångar i en korg kan ha en betydande inverkan på de belopp som skall betalas under Lån*

Korrelationen av de i en korg ingående beståndsdelarna indikerar graden av beroende mellan de enskilda beståndsdelarna med hänsyn tagen till deras värdeutveckling. Om samtliga de i korgen ingående beståndsdelarna kommer från samma sektor och samma land, kan man anta en generellt hög positiv korrelation. Tidigare korrelationsvärden är inte avgörande för framtida korrelationsvärden. Investerare bör vara medvetna om att även om de i en korg ingående beståndsdelarna inte verkar vara korrelerade baserat på tidigare värden, kan de påverkas negativt

i samma mån i anledning av en allmän nedgång eller annan ekonomisk eller politisk händelse. Om de i en korg ingående beståndsdelarna är föremål för en hög korrelation kommer förändringar i värdeutvecklingen hos de i korgen ingående beståndsdelarna generellt sett påverka värdeutvecklingen i Lånet.

(c) *En negativ utveckling av en enda Referenstillgång i en korg, eller en enda korg i flerkorgsstrukturer, kan utradera en positiv utveckling av en eller flera andra Referenstillgångar i korgen eller korgarna*

Investerare i Lån måste vara medvetna om att även för det fall en eller flera i en korg ingående beståndsdelar, eller en enda korg i flerkorgsstrukturer, har en positiv värdeutveckling, kan värdeutvecklingen i korgen som helhet vara negativ om värdeutvecklingen hos de andra i korgen eller korgarna ingående beståndsdelarna är negativ i större utsträckning, med förbehåll för vad som regleras i villkoren för det relevanta Lånet.

(d) *En liten korg, en ojämnt viktad korg eller en "best of" eller "worst of"-korg gör generellt sett en korg mer sårbar för förändringar i värdet av en viss i korgen ingående beståndsdel*

Värdeutvecklingen i en korg som innehåller ett mindre antal beståndsdelar, med förbehåll för vad som regleras i villkoren för det relevanta Lånet, påverkas generellt sett mer av förändringar i värdet på en viss i korgen ingående beståndsdel däri än en korg som innehåller ett större antal beståndsdelar.

Värdeutvecklingen i en korg som ger större vikt till vissa av de i korgen ingående beståndsdelarna eller baserar värdet för hela korgen endast på värdet av en av de i korgen ingående beståndsdelarna påverkas generellt sett, med förbehåll för vad som regleras i villkoren för det relevanta Lånet, mer av förändringar i värdet av en sådan i korgen ingående beståndsdel än en korg som ger relativt lika stor vikt till varje i korgen ingående beståndsdel.

(e) *En förändring i sammansättningen av en eller flera korgar kan ha en negativ effekt på korgens värdeutveckling*

Om villkoren för Lånet ger relevant Emittent eller Beräkningsagenten rätt att justera sammansättningen av korgen, bör investerare vara medvetna om att en tillgång i korgen som ersätter en tidigare kan utvecklas annorlunda än vad som förväntats av de i korgen ursprungligen ingående tillgången, vilket kan ha en negativ effekt på korgens värdeutveckling.

Risker relaterade till kreditlänkade obligationer

Korrelationsrisk

En investering i kreditlänkade obligationer innebär betydande risker som inte är förknippade med ett konventionellt skuldebrev med fast eller rörlig ränta. Sådana risker innefattar exponering för kreditrisk mot den särskilda Referensenheten eller korg av Referensenheter (och i förekommande fall, en eller flera specifika skuldförbindelser) utöver den för den relevanta Emittenten. Beroende på det sätt på vilket den särskilda serien kreditlänkade obligationer är kopplad till en Referensenhet eller korg av Referensenheter, kan en minskning av kreditvärdigheten hos en viss Referensenhet (eller där uppfattningen av kreditvärdigheten hos en särskild Referensenhet förvärras), kan kraftigt minska marknadsvärdet på Lånet och på eventuella betalningar av Kapitalbelopp eller Ränta. Om en serie Lån kopplats till en korg av Referensenheter kan en försämring av kreditkvalitén hos en Referensenhet vara starkt korrelerad med en försämring av kreditkvalitén hos andra Referensenheter i korgen, vilket kan inom en relativt kort tidsperiod resultera i betydande minskningar av marknadsvärdet på Lånet och eventuella betalningar av Kapitalbelopp eller Ränta. I ett Lån som har en struktur som är "Nth to Default" eller " Nth & Nth+1" to Default, kommer förekomsten av en kredithändelse avseende en Referensenhet att ha en mer än proportionell effekt på marknadsvärdet och betalning av kapital och ränta.

Betalningar av Kapitalbelopp och/eller Ränta

I händelse av förekomsten av vissa omständigheter (som kan inkludera bland annat, konkurs, betalningsinställelse, Obligation Acceleration, Obligation Default, moratorium, omstrukturering eller annan Kredithändelse) i förhållande till en Referensenhet eller en korg av Referensenheter, i enlighet med vad som anges i tillämpliga Slutliga Villkor, kan relevant Emittents skyldighet att betala Kapitalbelopp

eller utföra andra åtaganden enligt lånets villkor ersättas av en skyldighet att betala andra belopp som beräknats utifrån värdet av Referenstillgången. Dessutom kan räntebärande kreditobligationer komma att upphöra att bära ränta på eller före den dag då Kredithändelse inträffat.

Potentiella investerare i sådana Lån bör vara medvetna om att beroende på villkoren för sådan kreditobligation så (i) kan de bli utan eller få vidkännas minskningar i räntebetalningarnas storlek, (ii) kan betalning av kapital eller ränta eller leverans av eventuella angivna tillgångar inträffa vid en annan tid än förväntat och (iii) de kan förlora hela eller en väsentlig del av sin investering.

Volatilitet i marknadspriset

Marknadsvärdet på kreditobligationer kan vara volatilt och påverkas av, bland annat, den tid som återstår till återbetalningsdagen och Referensenhetens kreditvärdighet som i sin tur kan påverkas av ekonomiska, finansiella och politiska händelser i ett eller flera jurisdiktioner.

Inget krav att Emittenten lider förlust avseende en Referensenhet

Emittenternas åtaganden avseende kreditobligationer är inte avhängigt huruvida relevant Emittent och/eller dess närstående bolag har en faktisk kreditexponering mot Referensenheten. Berörd Emittent och/eller någon av dess närstående bolag behöver inte heller lida någon faktisk förlust eller lida någon skada på grund av förekomsten av en Kredithändelse.

Begränsad information avseende Referensenheter

Ingen utredning har eller kommer att göras avseende någon Referensenhet. Presumtiva investerare i kreditobligationer bör inhämta och utvärdera information om Referensenheter som om de investerar direkt i skuldförbindelser utgivna av relevanta Referensenheter. Dessutom bör investerare förstå att den historiska utvecklingen av en särskild skuldförbindelse eller skuldförbindelserna relaterade till Referensenheten i allmänhet inte är en garanti för framtida utveckling. Eftersom ingen Referensenhet har deltagit i framtagandet av detta Grundprospekt, finns det ingen garanti för att alla väsentliga händelser eller information om Referensenheter har beskrivits i samband med att Lån utfärdas. Efterföljande publicering av sådana händelser eller underlåtenhet att publicera information om väsentliga händelser som rör någon av Referensenheterna kan påverka återbetalningsbeloppet på Lån eller marknadsvärdet på Lånet.

Skuldförbindelser kan bestå av förlagslån

Eventuella skuldförbindelser för kreditobligationer kan innefatta efterställda skuldförbindelser. Sådana efterställda skuldförbindelser kommer att rankas efterställt till, och värdet av dessa efterställda skuldförbindelser kan vara mindre än icke efterställda skuldförbindelser utgivna av samma Referensenhet. Värdet av sådana efterställda skuldförbindelser kan vara noll under förhållanden där en Kredithändelse har inträffat. Emittenten har ingen lojalitetsplikt mot Fordringshavare innebärande att Emittenten har att välja Referenstillgångar eller leveransbara tillgångar med något särskilt värde eller att maximera värdet för Fordringshavare.

Lån kopplade till värdeutveckling av fonder

Emittenterna kan emittera Lån där återbetalningsbeloppet eller, om tillämpligt, räntebeloppet är kopplat till värdeutvecklingen på en andel av, eller annan rättighet kopplad till, en fond. Sådana fonder kan vara aktiefonder eller andra typer av fonder, oavsett jurisdiktion, eller en kombination av sådana. Investeringar som erbjuder direkt eller indirekt exponering mot värdeutvecklingen av fonder anses generellt vara särskilt riskabla och kan innebära risker liknande till exempel de marknadsrisker som är förknippade med direktinvesteringar i fonder.

Blivande investerare bör notera att utbetalningar i samband med återbetalning eller uppsägning av Fondlänkade Lån vid förfall, utgång, förtida återbetalning eller förtida uppsägning kan skjutas upp i enlighet med Villkoren fram till ett specificerat long stop-datum och vid detta datum kan, vid fastställandet av återbetalningsbeloppet, de berörda fondrättighetsandelarna beräknas ha ett nollvärde. Blivande investerare bör också vara medvetna om att för det fall en eller flera händelser inträffar avseende Fonden eller fondförvaltaren, som att Fonden eller fondförvaltaren hamnar på obestånd, så får Emittenten, enligt dennes självständiga bedömning, besluta huruvida de Fondlänkade Lånen ska justeras, återkallas eller sägas upp i förtid. Om Emittenten beslutar att de Fondlänkade Lånen ska löpa vidare kan

detta resultera i ett utbyte av de berörda rättigheterna i fonden till andelar eller rättigheter med liknande egenskaper eller i justeringar av Lånens Villkor som svarar för den relevanta händelsen. Sådana åtgärder kan ha en negativ effekt på avkastningen och riskprofilen för de relevanta Fondlänkade Lånen och därmed värdet på sådana Fondlänkade lån, och om de Fondlänkade Lånen återbetalas eller sägs upp i förtid kan beloppet som en investerare får tillbaka vara väsentligt lägre, och till och med noll, än deras ursprungliga investering.

Risker knutna till investeringar i Fondlänkade Lån liknar riskerna som är förenade med en direktinvestering i underliggande fond eller fonder. Det är förknippat med väsentliga risker med att direkt eller indirekt investera i fonder, inbegripet, utan begränsning, riskerna listade nedan. Blivande investerare bör notera att nedan referenser till fonder kan avse både fonder som är direkt knutna till ett Fondlänkat Lån såväl som fonder vilka någon av dessa från tid till annan investerat i:

Presumtiva investerare ska vara medvetna om följande risker förknippade med investering:

1. Olika typer av fonder är föremål för varierande nivåer av regulatorisk övervakning.

2. Fonder kan ha varierande restriktioner avseende hävstångseffekter. Hävstångseffekter ger möjligheter till högre grad av avkastning men ökar också fondens volatilitet och risken för en totalförlust av det investerade beloppet.

3. Fonder kan ha varierande investeringsrestriktioner och en del fonder investerar i tillgångar som inte är likvida eller annars svåra att överlåta. Detta kan påverka realiseringen av sådana tillgångar och i sin tur värdet på, och utvecklingen av, fonden. Dessutom kan en fonds tillgångar eller investeringar vara koncentrerade till ett fåtal marknader, länder, industrier, råvaror, sektorer av en ekonomi eller emittenter. Negativa rörelser för en specifik marknad, land, industri, råvara, ekonomi eller värdet på säkerheter hos en viss emittent kan då ha en kraftigt negativ effekt på värdet av en sådan fond. Därutöver kan en fond använda sig av en ensam rådgivare eller använda sig av en enkelriktad strategi, vilket kan innebära bristande diversifiering och högre risk.

4. Betydande inlösen av investerare i en fond inom en kort tidsperiod kan tvinga fondens placerare och/eller rådgivare att sälja positioner i en snabbare takt än vad som annars skulle vara önskvärt, vilket kan påverka värdet av fondens tillgångar negativt.

5. Värdeutvecklingen av en fond beror till största delen på utvecklingen av de investeringar som valts ut av dess rådgivare eller placerare samt på nivån av skicklighet och expertis hos sådana tillhandahållare av fondtjänster att göra framgångsrika och lönsamma investeringsbeslut. Sådan skicklighet och expertis kan vara koncentrerad till ett fåtal personer i rådgivarens eller placerarens nyckelpersonal. Skulle sådana nyckelpersoner upphöra att agera för fondens rådgivare eller placerare kan värdet eller lönsamheten i fondens investeringar påverkas negativt.

Risker relaterade till räntestrukturer

Fastränteslån påverkas av räntenivåer

Investeringar i Fastränteslån innefattar risk att ändringar i marknadsräntor kan påverka värdet på Fastränteslånen negativt.

Räntan på Lån med rörlig ränta kan vara lägre än marginalen

En Innehavare av ett Lån med rörlig ränta exponeras mot risken med fluktuerande räntenivåer och osäkra ränteintäkter. Fluktuerande räntenivåer omöjliggör en bedömning av framtida avkastning på Lånen. För det fall att den referensränta som används för att beräkna den tillämpliga räntenivån är negativ kommer räntan att vara lägre än marginalen, och kan till och med vara noll, vilket kan medföra att Innehavare av Lån med rörlig ränta inte är berättigad att motta räntebetalningar för alla eller vissa delar av ränteperioden. Varken den nuvarande eller den historiska nivån på den rörliga räntan ska användas för att försöka bedöma den framtida utvecklingen av den relevanta rörliga räntan under löptiden för ett Lån.

Risker relaterade till fast/rörlig ränta.

Lån med fast/rörlig ränta kan löpa med en ränta, vilken den relevanta Emittenten kan välja att konvertera från en fast ränta till rörlig ränta, eller från en rörlig ränta till fast ränta. Den relevanta Emittentens

förmåga att omvandla räntan kommer att påverka andrahandsmarknaden och marknadsvärdet av sådana Lån eftersom den relevanta Emittenten kan förväntas konvertera räntan när det är sannolikt att detta kommer att ge en lägre totalkostnad för upplåningen. Om den relevanta Emittenten konverterar från en fast ränta till rörlig ränta kan spreaden på fast/rörlig ränta bli mindre gynnsam än vid den tidpunkten rådande spreadar på jämförbara lån med rörlig ränta som baseras på samma referensränta. Dessutom kan den nya rörliga räntan komma att vara lägre än räntan på andra Lån. Om den relevanta Emittenten konverterar från en rörlig ränta till fast ränta, kan den fasta räntan vara lägre än fast ränta som betalas på andra av dess Lån.

Risker relaterade till Lån med rörlig ränta med en multiplikator eller annan hävstångseffekt.

Lån med justerbar rörlig ränta kan vara volatila investeringar. Om de är strukturerade på så sätt att de innehåller multiplikatorer eller andra faktorer som ger hävstångseffekter, eller tak och/eller golv, eller någon kombination av dessa funktioner eller andra liknande funktioner, kan deras marknadsvärde vara ännu mer volatilt än för Lån som inte innehåller dessa funktioner.

Risker relaterade till Lån med omvänd rörlig ränta.

Lån med omvänd rörlig ränta har en ränta motsvarande en fast ränta minus en ränta baserad på en referensränta som t.ex. LIBOR. Marknadsvärdet på dessa Lån är oftast mer volatila än marknadsvärdet på andra konventionella skuldförbindelser med rörlig ränta men med samma referensränta (och med i övrigt jämförbara villkor). Lån med omvänd rörlig ränta är mer volatila eftersom en höjning av referensräntan inte endast sänker räntan på Lånet, men kan också spegla en ökning rådande ränteläget, vilket ytterligare negativt påverkar marknadsvärdet av dessa Lån.

Risker relaterade till Range Accrual-Lån

Range Accrual-Lån bär ränta som skall betalas antingen (i) på räntebetalningsdagar som inträffar med jämna mellanrum under Lånets löptid, eller (ii) som en klumpsumma på återbetalningsdagen.

Den ränta som en investerare i Lånet kan erhålla är kopplad till utvecklingen av en eller flera Referenstillgångar på sätt som anges i tillämpliga Slutliga Villkor och hur många faktiska dagar under den aktuella ränteperioden eller värderingsperioden nivån eller värdet av Referenstillgången förblir inom ett visst intervall, (den övre och undre gränsen specificeras i tillämpliga Slutliga Villkor). Om nivån eller värdet av Referenstillgången är under den nedre gränsen eller högre än den övre gränsen på vissa eller alla av dagarna i en ränteperiod eller värderingsperiod kan investeraren får låga eller till och med inga räntebetalningar för den relevanta ränteperioden. Innehavare bör notera att ingen ränta utgår de dagar när nivån eller värdet av Referenstillgången är utanför det angivna intervallet. Den räntesats med vilken räntan ackumuleras kan vara en fast ränta, rörlig ränta eller annan ränta som framgår av tillämpliga Slutliga Villkor. Ränta på Lånet är därför även kopplat till volatiliteten i värdet eller nivån av Referenstillgången. Range Accrual-Lån kan vara olämpligt för investerare som behöver regelbundna räntebetalningar.

Risker relaterade till specifika värdeutvecklingsstrukturer

Risker relaterade till komplexiteten i produkten

Avkastningen för strukturerade Lån är ibland komplex och kan innehålla matematiska formler eller samband som för investeraren kan vara svåra att förstå och jämföra med andra investeringsalternativ. Förhållandet mellan avkastning och risk kan vara svårt att bedöma. När det gäller sambandet mellan avkastning och risk kan allmänt sägas att en relativt hög avkastning oftast är förknippad med en relativt högre risknivå. Ett sätt att öka sannolikheten för en högre avkastning är exempelvis att inkludera en hävstång i strukturen som resulterar i att relativt små förändringar i värdeutvecklingen av underliggande tillgångar som kan ha stora effekter för värdet och avkastningen på Lånet. En sådan struktur är i allmänhet också förknippad med en högre risk (se Risker relaterade till särskilda Referenstillgångar nedan). Den historiska utvecklingen för motsvarande investering är bara en beskrivning av den historiska utvecklingen av investeringen och får inte betraktas som en indikation på framtida avkastning. Information om tidigare resultat saknas avseende vissa Referenstillgångar, till exempel med avseende på vissa hedgefonder. Investerare bör noga överväga vilken avkastningsstruktur som gäller för Lån i vilka investeraren investerar för att få en förståelse för hur den relevanta strukturen fungerar i olika scenarier och vilka risker en investering i Lånet innebär.

Risker relaterade till Lån som inte är kapitalskyddade

Lån kan ha eller sakna ett kapitalskydd. Om Lånet inte är kapitalskyddat finns det ingen garanti för att den betalning som en investerare erhåller på Lånet på återbetalningsdagen kommer att vara högre än eller lika med det Kapitalbeloppet. Om återbetalningsbeloppet hos ett Lån inte är kapitalskyddat, men skall bestämmas enbart med hänvisning till värdet eller nivån på en eller flera Referenstillgångar, förväntas en minskning av värdet på Referenstillgången (eller om Lånet har en "put"- eller "reverse convertible"-struktur, en ökning av värdet) resultera i en minskning av återbetalningsbeloppet på Lånet. Således är det möjligt att avkastningen på Lån kopplade till sådana Referenstillgångar kan vara betydligt lägre än det belopp som betalats av Fordringshavare för sådana Lån vid investeringen och kan uppgå till noll.

Risker relaterade till överkurs och deltagandegrad

Förhållandet mellan värdet på ett strukturerat Lån och värdeutvecklingen hos Referenstillgångarna eller förändringar i Referenstillgångarna är inte alltid linjär, utan ibland är detta beroende på struktur och en deltagandegrad vilken avgör i vilken utsträckning Referenstillgångens värdeutveckling återspeglas i värdet av Lånet. Deltagandegraden sätts av relevant Emittent och bestäms bland annat av löptid, volatilitet, marknadsränta och förväntade utdelningar från Referenstillgången. I vissa konstruktioner kan deltagandegraden variera beroende på om värdeutvecklingen på de aktuella Referenstillgångarna är positiv eller negativ. Variationer i deltagandegraden kan öka eller minska den exponering som Fordringshavare utsätts för såvitt gäller värdeutvecklingen hos de aktuella Referenstillgångarna. Det belopp som investeraren riskerar är större i de strukturerade Lån som tecknas/köps till överkurs, det vill säga då investeraren betalar mer än nominellt belopp, på grund av risken att dessa kan komma att lösas in endast till nominellt belopp eller lägre.

Volatilitet

Om, i enlighet med relevanta Slutliga Villkor, Lånet omfatta variabler såsom multiplikatorer, leverage, tak/golv, annan kombination av dessa variabler eller andra liknande funktioner kan marknadsvärdet av sådana Lån vara mer volatila än marknadsvärdet av ett Lån utan sådana funktioner.

"Best of"/"Worst of" strukturer i korgar

Där avkastningen på Lån är kopplad till värdeutvecklingen av en korg, och att "Best of"-strukturen är tillämplig kommer värdet av korgen baseras på värdet hos ett specificerat antal tillgångar i korgen vilka under en angiven tidsperiod har visat bäst resultat i jämförelse med de andra tillgångarna i korgen. Omvänt, där "Worst of"-strukturen är tillämplig, kommer värdet av korgen baseras på värdet hos ett specificerat antal tillgångar i korgen vilka har visat sämst resultat i jämförelse med de andra tillgångarna i korgen under en angiven tidsperiod. Eftersom de tillgångar i korgen som visat bäst eller sämst utveckling inte är representativa för värdeutvecklingen i korgen som helhet kan en sådan struktur ge resultat som är mycket olika dem som tar hänsyn till utvecklingen av tillgångarna i korgen som helhet. Potentiella investerare bör överväga det sätt på vilket "Best of" och "Worst of"-strukturen påverkar värdet av en korg och överväga hur detta påverkar bestämningen av storleken på eventuella utbetalningar. Potentiella investerare i sådana Lån bör vara medvetna om att den avkastning de får (om någon) på investeringar i Lån som har en "Best of" och/eller "Worst of"-struktur kan skilja sig avsevärt från avkastningen på investeringen i Lån som inte har en sådan struktur.

Tak och golv

Den metod som används för att bestämma värdet och/eller värdeutvecklingen för Referenstillgången (eller enskilda Korg-komponenter) i en Serie av Lån kan kompletteras med ett maxvärde, eller tak, vilket innebär att den del av Referenstillgångens (eller de enskilda Korg-komponenternas) värde och/eller värdeutveckling som överstiger taket inte tas med i beräkningen. Belopp som förfallit till betalning under Lån och som är kopplade till sådana tak begränsas på motsvarande sätt.

Risk för automatisk förtida inlösen

När det gäller vissa typer av Lån kommer Lånen automatiskt att inlösas före utgången av deras löptid för det fall vissa villkor är uppfyllda. Lån av denna typ har en på förhand obestämd förfallodag. Vissa typer av Lån kan också automatiskt inlösas i förtid om en viss trigger bryts under en viss period eller på en eller flera bestämda datum. Om Referenstillgång eller korg utvecklas dåligt, kan Fordringshavare få liten eller ingen ränta under löptiden av Lånet och/eller få en låg eller till och med noll avkastning på förfallodagen,

och i vissa fall kan leda till en förlust av hela eller delar av sin investering. Presumtiva investerare bör överväga återinvesteringsrisk i ljuset av andra investeringar tillgängliga vid den tidpunkten.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published and have been filed with the Central Bank shall be incorporated in, and form part of, this Base Prospectus:

(a) The Terms and Conditions of the Notes contained in the Base Prospectus dated 19 December 2014, pages 170 to 278 (inclusive), the supplement to the Base Prospectus dated 11 February 2015, pages 4 to 7 (inclusive) and the supplement to the Base Prospectus dated 24 April 2015, pages 4 to 7 (inclusive) available at:

http://www.nordea.com/Investor+Relations/Debt+rating/Prospectuses/Nordea+Bank+AB+publ+Nordea+Bank+Finland+Plc+Structure+Note+Programme/1625312.html.

(b) The Terms and Conditions of the Notes contained in the Base Prospectus dated 20 December 2013, pages 154 to 251 (inclusive), and the supplement to the Base Prospectus dated 14 February 2014, pages 3 to 6 (inclusive), available at:

http://www.nordea.com/Investor+Relations/Debt+rating/Prospectuses/Nordea+Bank+AB+publ+Nordea+Bank+Finland+Plc+Structure+Note+Programme/1625312.html.

(c) The Terms and Conditions of the Notes contained in the Base Prospectus dated 16 April 2013, pages 147 to 233 (inclusive), available at:

http://www.nordea.com/Investor+Relations/Debt+rating/Prospectuses/Nordea+Bank+AB+publ+Nordea+Bank+Finland+Plc+Structure+Note+Programme/1625312.html.

Copies of the document incorporated by reference in this Base Prospectus can be obtained from the registered office of the Issuers and from the specified office of the Paying Agent for the time being in London. Information included in the previous Base Prospectus but not incorporated by reference herein is either not relevant to investors or covered elsewhere in the current Base Prospectus.

The Issuers will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Instruments, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Instruments. The Issuers have undertaken to the Dealers in the Dealership Agreement (as defined in "*Subscription and Sale*") that they will comply with the relevant Irish listing requirements.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuers and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

DOKUMENT INFÖRLIVADE GENOM HÄNVISNING

Detta avsnitt är en inofficiell översättning avseende dokument införlivade genom referens.

Följande dokument vilka tidigare har publicerats och ingivits till Central Bank of Ireland ska vara införlivat och utgöra en del av detta Grundprospekt:

(d) Villkor för Lån inkluderade i Grundprospektet daterat 19 December 2014, sidorna 170 till och med 278, supplementet till Grundprospektet daterat 11 februari 2015, sidorna 4 till och med 7 samt supplementet till Grundprospektet daterat 24 april 2014, sidorna 4 till och med 7 och som finns tillgängliga på:

http://www.nordea.com/Investor+Relations/Debt+rating/Prospectuses/Nordea+Bank+AB+publ+Nordea+Bank+Finland+Plc+Structure+Note+Programme/1625312.html.

(e) Villkor för Lån inkluderade i Grundprospekt daterat 20 december 2013, sidorna 154 till och med 251 och tilläggen till Grundprospektet daterat 14 februari 2014, sidorna 3 till och med 6 och som finns tillgängliga på:

http://www.nordea.com/Investor+Relations/Debt+rating/Prospectuses/Nordea+Bank+AB+publ+Nordea+Bank+Finland+Plc+Structure+Note+Programme/1625312.html.

(f) Villkor för Lån inkluderade i Grundprospektet daterat 16 april 2013, sidorna 147 till och med 233, som finns tillgänligt på:

http://www.nordea.com/Investor+Relations/Debt+rating/Prospectuses/Nordea+Bank+AB+publ+Nordea+Bank+Finland+Plc+Structure+Note+Programme/1625312.html.

Kopior av dokumenten införlivade genom hänvisning i detta Grundprospekt kan erhållas från Emittenternas registrerade huvudkontor och från Betalningsagentens angivna kontor, för närvarande i London. Information som är inkluderat i det tidigare Grundprospektet men inte införlivat häri genom hänvisning är antingen irrelevant eller täckt på annat ställe i det nu gällande Grundprospektet.

Emittenterna kommer, i händelse av en väsentlig ny omständighet, misstag eller oriktighet relaterad till information införd i detta Grundprospekt och som skulle kunna påverka bedömningen av ett instrument, ta fram ett tillägg till Grundprospektet eller publicera ett nytt Grundprospekt att användas i samband med efterföljande emissioner av Instrument. Emittenterna har i emissionsavtalet (*Dealer Agreement* såsom definierat i avsnittet ”*Subscription and Sale*”) åtagit sig i förhållande till Emissionsinstituten att efterleva tillämpliga irländska noteringsbestämmelser.

Efter publicering av detta Grundprospekt kan Emittenterna upprätta tillägg för godkännande av Central Bank of Ireland i enlighet med artikel 16 i Prospektdirektivet. Uttalanden som införts i ett sådant tillägg (eller i ett dokument som införlivat genom hänvisning däri) ska, i den mån tillämpligt (antingen det är explicit, underförstått eller annars), anses modifiera eller ersätta uttalanden införda i detta Grundprospekt eller i dokument införlivade genom hänvisning i detta Grundprospekt. Ett sådant modifierat eller ersatt uttalande ska inte, förutom såsom modifierat eller ersatt, utgöra en del av detta Grundprospekt.

FORM OF THE NOTES

Notes may be issued as Bearer Notes (as defined below), Registered Notes (as defined below), VP Notes, VPS Notes, Finnish Notes Swedish Notes or Swiss Franc Notes, as specified in the relevant Final Terms. Notes in bearer form will not be exchangeable for Notes in registered form and Notes in registered form will not be exchangeable for Notes in bearer form.

Form of Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") (except Swiss Franc Notes) will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV as operator of the Euroclear System ("**Euroclear**") and/or Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

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

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

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

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the relevant Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

(i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and

(ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership.

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

If:

(a) the Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of the Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or

(b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

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

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form ("**Definitive Notes**") if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention permanently to cease business or does in fact do so.

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

If:

(a) Definitive Notes have not been duly delivered by 6.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or

(b) the Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes and such Temporary Global Note becomes void in accordance with its terms; or

(c) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 6.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 6.00 p.m. (London time) on the date on which such Temporary Global Note becomes void (in the case of (b) above) or at 6.00 p.m. (London time) on such due date ((c) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention permanently to cease business or does in fact do so.

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

If:

(a) Definitive Notes have not been duly delivered by 6.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or

(b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 6.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 6.00 p.m. (London time) on such due date ((b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

Rights under Deed of Covenant

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

Terms and Conditions applicable to the Notes

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

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

In relation to any issue of Notes which are a "Global Note exchangeable to Definitive Notes" in circumstances other than "in the limited circumstances specified in the Global Note, such notes may only be issued in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

Form of Registered Notes

Notes of each Tranche of each Series to be issued in registered form ("**Registered Notes**") will be in the form of either individual Note Certificates in registered form ("**Individual Note Certificates**") or a global Note in registered form (a "**Global Registered Note**"), in each case as specified in the relevant Final Terms.

In a press release dated 22 October 2008, "*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*", the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the new structure (the "**New Safekeeping Structure**" or "**NSS**") would be in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations*" of the central banking system for the euro (the "**Eurosystem**"), subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

Each Global Registered Note will either be: (a) in the case of a Note which is not to be held under the New Safekeeping Structure, registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary and will be exchangeable in accordance with its terms; or (b) in the case of a Note to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg and will be exchangeable for Individual Note Certificates in accordance with its terms.

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

If the relevant Final Terms specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for Individual Note Certificates if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention permanently to cease business or does in fact do so.

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

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

If:

(a) Individual Note Certificates have not been delivered by 6.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Registered Note; or

(b) any of the Notes represented by a Global Registered Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Global Registered Note in accordance with the terms of the Global Registered Note on the due date for payment,

then, at 6.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 6.00 p.m. (London time) on such due date (in the case of (b) above) the Global Registered Note will become void and the holder of the Global Registered Note will have no further rights thereunder (but without prejudice to the rights which the holder of the Global Registered Note or others may have under the Deed of Covenant. Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Registered Note will acquire directly against the relevant Issuer all those rights to which they would have been entitled if, immediately before the Global Registered Note became void, they had been the holders of Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Terms and Conditions applicable to the Notes

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

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

Form of VP Notes

Each Tranche of VP Notes will be issued in uncertificated and dematerialised book entry form in accordance with the Danish Securities Trading etc. Act (*Lov om værdipapirhandel m.v.*), as amended from time to time (*Værdipapirhandelsloven*) (the "**Danish Securities Act**") and the Danish Executive Order on Book Entry, etc. of dematerialised Securities in a Central Securities Depositary (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) as amended from time to time. No global or definitive Notes will be issued in respect thereof. The holder of a VP Note will be the person evidenced as such by the register for such Note maintained by VP Securities A/S. Where a nominee in accordance with the Danish Securities Act is so evidenced it shall be treated as the holder of the relevant VP Note.

Pursuant to the issuance of VP Notes, the relevant Issuer will certify that Nordea Bank Danmark A/S is, on the date of issue of a Tranche of VP Notes, entered in the VP as the account holding institute (*kontoførende institute*) for the duly registered owners of the Notes of such Tranche. Title thereto will pass on due registration in the Danish Note Register to be maintained by the VP Issuing Agent. Title to the VP Notes will pass by transfer between accountholders of the VP, perfected in accordance with the legislation (including the Danish Securities Act), rules and regulations applicable to and/or issued by the VP that are in force and effect from time to time. If the Notes of such Tranche cease to be registered in the VP, Nordea Bank Danmark A/S as account holding institute for the duly registered owners shall supply the VP Issuing Agent with all necessary information with regard to such duly registered owners and the VP Issuing Agent shall enter such information into the Danish Note Register. The relationship between Nordea Bank Danmark A/S as the account holding institute and the VP will be governed by the provisions of Danish Executive Order on Book Entry, etc. of dematerialised Securities in a Central Securities Depositary (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) as amended from time to time. A VP Note may only be controlled by an account holding institute acting in such capacity on behalf of holders for the time being registered with such account holding institute.

Issues of VP Notes will be issued with the benefit of the Fiscal Agency Agreement. On the issue of VP Notes, the relevant Issuer will send a copy of the applicable Final Terms to the Paying Agent, with a copy sent to the VP Issuing Agent. On delivery of the applicable Final Terms by the VP Issuing Agent to the VP and notification to the VP of the subscribers and their VP account details by the relevant Dealer, the

VP Issuing Agent acting on behalf of the relevant Issuer will credit each subscribing account holder with the VP with a nominal amount of VP Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of the VP Notes in the VP will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant VP Notes will take place in accordance with the rules and procedures for the time being of the VP.

The person evidenced (including any nominee) as a holder of the VP Notes shall be treated as the holder of such VP Notes for the purposes of payment of principal or interest on such VP Notes. The expressions "**Noteholders**" and "**holder of Notes**" and related expressions shall, in each case, be construed accordingly.

Each Tranche of VPS Notes will be issued in uncertificated and dematerialised book entry form settled through the VPS. Legal title to the VPS Notes will be evidenced by book entries in the records of the VPS. Issues of VPS Notes will be issued with the benefit of the Fiscal Agency Agreement. On the issue of VPS Notes, the relevant Issuer will send a copy of the applicable Final Terms to the Paying Agent, with copies sent to the VPS Paying Agent and the Fiscal Agent. The VPS Paying Agent issue the total amount to the relevant Dealer and their VPS broker account. The nominal amount of VPS notes are distributed to each investor's VPS account by the relevant Dealer on Settlement date using the relevant trading system, for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of the VPS Notes in the VPS will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant VPS Notes will take place in accordance with the rules and procedures for the time being of the VPS.

Title to the VPS Notes will pass by registration in the registers between the direct or indirect accountholders at the VPS in accordance with the rules and procedures of the VPS. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The person evidenced (including any nominee) as a holder of the VPS Notes shall be treated as the holder of such VPS Notes for the purposes of payment of principal or interest on such VPS Notes. The expressions "**Noteholders**" and "**holder of Notes**" and related expressions shall, in each case, be construed accordingly.

Form of Finnish Notes

Each Tranche of Finnish Notes will be issued in uncertificated and dematerialised book-entry form in accordance with the Finnish Act on the Book-Entry Securities System and Clearing Activity (Fin. *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)), as amended and with the Finnish Act on Book-Entry Accounts (Fin. *laki arvo-osuustileistä* (827/1991)), as amended. No global or definitive Notes will be issued in respect thereof. The holder of a Finnish Note will be the person evidenced as such by the register for such Note maintained by Euroclear Finland on behalf of the relevant Issuer. Where a nominee in accordance with such legislation is so evidenced it shall be treated by the relevant Issuer as the holder of the relevant Finnish Note.

Title to Finnish Notes will pass by transfer between accountholders of Euroclear Finland, perfected in accordance with the legislation, rules and regulations applicable to and/or issued by Euroclear Finland that are in force and effect from time to time. Issues of Finnish Notes will be issued with the benefit of the Fiscal Agency Agreement. On the issue of Finnish Notes, the relevant Issuer will send a copy of the applicable Final Terms to the Paying Agent, with copies sent to the Fiscal Agent and Finnish Issuing Agent.

Settlement of sale and purchase transactions in respect of the Finnish Notes in Euroclear Finland will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant Finnish Notes will take place in accordance with the rules and procedures for the time being of Euroclear Finland.

The person evidenced (including any nominee) as a holder of the Finnish Notes shall be treated as the holder of such Finnish Notes for the purposes of payment of principal or interest on such Finnish Notes. The expressions "**Noteholders**" and "**holder of Notes**" and related expressions shall, in each case, be construed accordingly.

Form of Swedish Notes

Each Tranche of Swedish Notes will be issued in uncertificated and dematerialised book entry form in accordance with the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*) as amended (the "**SFIA Act**"). No global or definitive Notes will be issued in respect thereof. The holder of a Swedish Note will be the person evidenced as such by the register for such Note maintained by Euroclear Sweden on behalf of the relevant Issuer. Where a nominee (*Sw. förvaltare*) in accordance with the SFIA Act is so evidenced it shall be treated by the relevant Issuer as the holder of the relevant Swedish Note.

Title to the Swedish Notes will pass by way of registration in the Euroclear Sweden Register, perfected in accordance with the legislation (including the SFIA Act), rules and regulations applicable to and/or issued by Euroclear Sweden that are in force and effect from time to time. Issuances of Swedish Notes under the Programme will be issued with the benefit of the Fiscal Agency Agreement. On the issue of Swedish Notes, the relevant Issuer will send a copy of the applicable Final Terms to the Paying Agent, with copies sent to the Swedish Issuing Agent and the Fiscal Agent.

Settlement of sale and purchase transactions in respect of the Swedish Notes in Euroclear Sweden will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant Swedish Notes will take place in accordance with the rules and procedures for the time being of Euroclear Sweden.

The person evidenced (including any nominee) as a holder of the Swedish Notes shall be treated as the holder of such Swedish Notes for the purposes of payment of principal or interest on such Swedish Notes. The expressions "**Noteholders**" and "**holder of Notes**" and related expressions shall, in each case, be construed accordingly.

Form of Swiss Franc Notes

Each Tranche of Swiss Franc Notes will be denominated in Swiss francs, issued in bearer form and will be represented exclusively by a Permanent Global Note which shall be deposited by the Swiss Paying Agent with SIS, or such other depositary as may be approved by the SIX Regulatory Board of the SIX Swiss Exchange (SIS or any such intermediary an "**Intermediary**"). Once the Permanent Global Note is deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Each Holder (as defined below) shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the relevant Issuer, **provided that** for so long as the Permanent Global Note remains deposited with the Intermediary the co-ownership interest shall be suspended and the Notes may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e., by the entry of the transferred Notes in a securities account of the transferee.

The records of the Intermediary will determine the number of Swiss Franc Notes held through each participant in that Intermediary. In respect of the Notes held in the form of Intermediated Securities, the holders of the Notes (the "**Holders**") will be the persons holding the Notes in a securities account (*Effektenkonto*) which is in their own name, or in the case of intermediaries (*Verwahrungsstellen*), the intermediaries (*Verwahrungsstellen*) holding the Notes for their own account in a securities account (*Effektenkonto*) which is in their name.

Neither the relevant Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note (*Globalurkunde*) into, or the delivery of, uncertificated securities (*Wertrechte*) or Definitive Notes (*Wertpapiere*).

No physical delivery of the Notes shall be made unless and until Definitive Notes (*Wertpapiere*) are printed. Definitive Notes may only be printed, in whole, but not in part, if the Swiss Paying Agent determines, in its sole discretion, that the printing of the Definitive Notes (*Wertpapiere*) is necessary or useful or if, under Swiss or any other applicable laws and regulations the enforcement of obligations under the Swiss Franc Notes can only be ensured by means of presentation of Definitive Notes

(*Wertpapiere*). Should the Swiss Paying Agent so determine, it shall provide for the printing of definitive Notes (*Wertpapiere*) without cost to the Holders. Upon delivery of the Definitive Notes (*Wertpapiere*), the Permanent Global Note will be cancelled and the Definitive Notes (*Wertpapiere*) shall be delivered to the Holders against cancellation of the relevant Swiss Franc Notes in the Holders' securities accounts.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note in bearer form (except in relation to Swiss Franc Notes), references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

In relation to any Tranche of Notes represented by a Global Registered Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a depositary or a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or common safekeeper or a nominee for that depositary or common depositary or common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note (except in relation to Swiss Franc Notes) or a Global Registered Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the relevant Issuer to the holder of such Global Note or Global Registered Note and in relation to all other rights arising under such Global Note or Global Registered Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Registered Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Registered Note, Accountholders shall have no claim directly against the relevant Issuer in respect of payments due under the Notes and such obligations of the relevant Issuer will be discharged by payment to the holder of such Global Note or Global Registered Note.

Conditions applicable to Global Notes

Each Global Note (except in relation to Swiss Franc Notes) and Global Registered Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note or Global Registered Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note or Global Registered Note which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Registered Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the relevant Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the relevant Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

Payment Business Day: In the case of a Global Note, or a Global Registered Note, the Business Day for the purposes of payments shall be, if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Payment Record Date: Each payment in respect of a Global Registered Note will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Registered Note is being held is open for business.

Exercise of put option: In order to exercise the option contained in Condition 6(n) (*Optional Early Redemption (Put)*) the bearer of the Permanent Global Note or the holder of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 6(m) (*Optional Early Redemption (Call)*) in relation to some only of the Notes, the Permanent Global Note or Global Registered Note may be redeemed in part in the principal amount specified by the relevant Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 16 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Registered Note is, deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 16 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

CLEARING AND SETTLEMENT

*The information set out below is subject to changes in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream, Luxembourg, VP, VPS, Euroclear Sweden, Euroclear Finland or SIS (the "**Clearing Systems**") from time to time. Investors wishing to use the facilities of any Clearing System must check the rules, regulations and procedures of the relevant Clearing System which are in effect at the relevant time.*

General

The Notes will be cleared through Euroclear and/or Clearstream, Luxembourg or, in the case of VP Notes, the VP or, in the case of VPS Notes, the VPS or, in the case of Swedish Notes, Euroclear Sweden, Euroclear Finland or, in the case of Swiss Franc Notes, the SIS.

Euroclear

The Euroclear System was created in 1968 to hold securities for participants in Euroclear ("**Euroclear Participants**") and to effect transactions between Euroclear Participants through simultaneous book entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfer of securities and cash. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear group reshaped its corporate structure in 2000 and 2001, transforming the Belgian company Euroclear Clearance System (Société Coopérative) into Euroclear Bank SA/NV, which now operates the Euroclear System. In 2005, a new Belgian holding company, Euroclear SA/NV, was created as the owner of all the shared technology and services supplied to each of the Euroclear CSDs and the ICSD. Euroclear SA/NV is owned by Euroclear plc, a company organised under the laws of England and Wales, which is owned by market participants using Euroclear services as members.

As an ICSD, Euroclear provides settlement and related securities services for cross-border transactions involving domestic and international bonds, equities, derivatives and investment funds, and offers clients a single access point to post-trade services in over 40 markets.

Distributions with respect to interests in Temporary Global Notes, Permanent Global Notes or Definitive Bearer Notes held through Euroclear will be credited to the Euroclear cash accounts of Euroclear Participants to the extent received by Euroclear's depositary, in accordance with the Euroclear Terms and Conditions. Euroclear will take any other action permitted to be taken by a holder of any such Temporary Global Notes, Permanent Global Notes or Definitive Bearer Notes on behalf of a Euroclear Participant only in accordance with the Euroclear Terms and Conditions.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels.

Clearstream, Luxembourg

Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), located at 42 Avenue JF Kennedy, L-1855 Luxembourg was incorporated in 1970 as a limited company under Luxembourg law. It is registered as a bank in Luxembourg, and as such is subject to regulation by the CSSF, which supervises Luxembourg banks.

Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions by book entry transfers between their accounts. Clearstream, Luxembourg provides various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in several countries through established depository and custodial relationships. Over 300,000 domestic and internationally traded bonds, equities and investment funds are currently deposited with Clearstream. Currently, Clearstream, Luxembourg has approximately 2,500 customers in over 110 countries. Indirect access to Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg.

The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

VP

VP is a Danish limited liability company and is subject to the Danish Securities Trading etc. Act (*Lov om værdipapirhandel m.v.*), as amended from time to time and the Danish Executive Order on Book Entry, etc. of dematerialised Securities in a Central Securities Depositary (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) as amended from time to time. VP is the central organisation for registering securities in Denmark and is a CSD and Clearing Centre.

Settlement of sale and purchase transactions in respect of Notes in the VP will take place on a registration-against-payment basis three Copenhagen business days after the date of the relevant transaction. Transfers of interests in a VP Note will take place in accordance with the VP Rules. Secondary market clearance and settlement through Euroclear is possible through depositary links established between the VP and Euroclear. Transfers of Notes held in the VP through Clearstream, Luxembourg are only possible by using an account holding institute linked to the VP.

The address of VP is VP Securities A/S, Weidekampsgade 14, P.O. Box 4040, DK-2300 Copenhagen S, Denmark.

VPS

VPS is a Norwegian public limited company authorised to register rights to financial instruments subject to the legal effects laid down in the Securities Register Act. VPS settles trades in the Norwegian securities market, and provides services relating to stock issues, distribution of dividends and other corporate actions for companies registered in VPS.

Settlement of sale and purchase transactions in respect of Notes in the VPS will take place two Oslo business days after the date of the relevant transaction. Notes in the VPS may be transferred between accountholders at the VPS in accordance with the procedures and regulations, for the time being, of the VPS. A transfer of Notes which are held in the VPS through Euroclear or Clearstream, Luxembourg is only possible by using an account operator or custodian linked to the VPS System.

The address of VPS is Norwegian Central Securities Depository, Verdipapirsentralen ASA, P.O. 4, 0051 Oslo, Norway.

Euroclear Sweden

Euroclear Sweden is a Swedish public company which operates under the supervision of the Swedish Financial Supervisory Authority and is authorised as a central securities depository and clearinghouse.

Settlement of sale and purchase transactions in respect of Notes in Euroclear Sweden will take place three Stockholm business days after the date of the relevant transaction. Notes in Euroclear Sweden may be transferred between accountholders at Euroclear Sweden in accordance with the procedures and regulations, for the time being, of Euroclear Sweden. A transfer of Notes which are held in Euroclear Sweden through Euroclear or Clearstream, Luxembourg is only possible by using an account operator linked to Euroclear Sweden.

The address of Euroclear Sweden AB is Swedish Central Securities Depository, Euroclear Sweden, Box 7822, SE 103 97 Stockholm, Sweden.

Euroclear Finland

Euroclear Finland is a Finnish limited company which operates under the supervision of the Finnish Financial Supervisory Authority and is authorised as a central securities depository and clearinghouse.

Settlement of sale and purchase transactions in respect of Notes in Euroclear Finland will take place three Helsinki business days after the date of the relevant transaction. Notes in Euroclear Finland may be transferred between accountholders at Euroclear Finland in accordance with the procedures and regulations, for the time being, of Euroclear Finland. A transfer of Notes which are held in Euroclear

Finland through Euroclear or Clearstream, Luxembourg is only possible by using an account operator linked to Euroclear Finland.

The address of Euroclear Finland Ltd is Euroclear Finland Ltd, PB 1110, 00101 Helsinki, Finland.

SIS

SIS is a wholly owned subsidiary of SIX Group Ltd. has a bank licences and is supervised by the Swiss Financial Market Supervisory Authority FINMA.

SIS acts as the central securities depository and settlement institution for the following Swiss securities: equities, government and private sector bonds, money market instruments, exchange traded funds, conventional investment funds, structured products, warrants and other derivatives. Apart from providing custody and settlement for Swiss securities, SIS acts as global custodian and offers its participants access to custody and settlement in foreign financial markets. SIS offers direct links to other international central securities depositories and central securities depositories including Euroclear and Clearstream, Luxembourg.

The address of SIS is SIX SIS AG, Baslerstrasse 100, CH-4600 Olten, Switzerland.

NOTES – TERMS AND CONDITIONS AND STRUCTURE

The Issuers have established the Programme for the purpose of issuing Notes on the international capital markets with maturities ranging from 30 days up to perpetual maturity. The aggregate nominal amount of Notes outstanding from time to time will not exceed €15,000,000,000.

1. What is a Note?

Freely transferable debt instrument

Notes are freely transferable debt securities, often referred to as bonds. A Note manifests a debt owed by the relevant Issuer to the investor and the investor is normally entitled to a cash payment from the relevant Issuer upon maturity (and sometimes also interest payments during the term). Therefore, Notes differ from convertible debt instruments as investors in such instruments may under certain circumstances receive a physical delivery of shares instead of a payment on maturity. Once the Note has been issued and the investor in the Note has paid the issue price to the relevant Issuer, the investor is generally entitled to receive payments from the relevant Issuer and will not owe any further obligation to make payments to the relevant Issuer.

Combination of instruments

Each of the Issuers may issue structured Notes pursuant to the Programme. Structured Notes have developed in recent years and did not exist in the early bond markets. In terms of structure and economics, a structured Note often operates as a combination of different types of more traditional instruments, for example, a bond combined with a share, a fund unit or a derivative instrument. The product may be composed of and resemble several instruments. However, all structured Notes constitute a claim of the investor towards the relevant Issuer pursuant to which the investor, subject to the terms of the Notes, is entitled to receive a cash payment from the relevant Issuer. In this context it is important to note that, even though the Note is composed of a derivative element, the so called counterparty risk in the derivative instrument remains with the relevant Issuer. However the market risk is transferred to the investor.

Principal protected or not

The Terms and Conditions provide that each Issuer may issue "**non-principal protected**" Notes, meaning Notes under which the investor stands the risk of losing all or part of his investment in the event of a negative performance in the Reference Asset. A Note where the terms of which are such that the investor is always entitled to receive a nominal amount (or a certain minimum amount) are normally referred to as "**principal protected**" Notes. It should be noted however that the investor also risks losing his investment where he invests in a principal protected Note, since repayment of the investment is dependent on the relevant Issuer having sufficient funds to perform its payment obligations. The principal protection, therefore, only means that the investor is entitled to receive repayment of a certain minimum amount on the redemption date irrespective of the performance in the relevant Reference Asset of the Note. Further information with respect to different types of Reference Assets for structured Notes is provided under the heading "*Different types of Notes*" below.

Listing

Notes are often listed for trading on any of the stock exchanges or other marketplace as further specified in this Base Prospectus; however, certain Notes may be tailored specifically to suit a particular investor or group of investors that seek exposure to a specific risk or market. Such Notes will normally not be intended for public trading or frequent transfer, although the Notes will in principle be a freely transferable instrument.

Status

Notes issued under the Programme constitute direct and unsecured obligations of the relevant Issuer and will rank *pari passu* with the relevant Issuer's unsecured and unsubordinated obligations.

2. Terms and Conditions – Final Terms

Terms and Conditions

The Programme is one of the Issuers' platforms for borrowings in the debt capital markets and is primarily intended to be used for issuance in certain Member States of the European Economic Area. The Programme constitutes an efficient platform upon which the Issuers can relatively frequently and quickly raise funding in the aforementioned markets. One of the most important features of the Programme is the Terms and Conditions, set out in their entirety in this Base Prospectus, as these apply to all Notes issued pursuant to the Programme. The Terms and Conditions are standardised and general in nature and are intended to cover a large number of different types of Notes. The Terms and Conditions are therefore relatively extensive and complicated.

Final Terms

Final Terms are prepared for each series of Notes. A form of Final Terms is set out in this Base Prospectus. The Final Terms specifies the terms and conditions for each series of Notes and constitute the full terms and conditions for the relevant series of Notes when applied together with the Terms and Conditions. Thus, the Final Terms must always be read together with the Terms and Conditions in order to obtain a complete understanding of the terms and conditions applicable to a tranche of Notes. The Final Terms will specify, among other things, the nominal amount, denomination, type of note and method of calculation of yield or interest under the specific series of Notes. The Final Terms will also contain the relevant Issue Price, which may be an indicative value, or a range of values, pending feedback from the offering process. The relevant Issuer will determine the final Issue Price of the Notes in its sole discretion, taking into account investor demand during the offering process. If the Issue Price is determined after publication of the final terms, the Issue Price will be announced by the relevant Issuer through the Company Announcements Office of the Irish Stock Exchange.

Final Terms for Notes which are offered to the public or otherwise admitted to trading on an exchange are filed with the Central Bank of Ireland. Final Terms that are filed accordingly will be published and made available on the Issuer's website (www.nordea.com, www.nordea.no, www.nordea.dk or www.nordea.fi).

3. Different types of Notes

As described above, a Note represents a right to demand and receive a certain performance from the relevant Issuer, in the form of a cash payment. A Note is usually interest bearing or carries another form of yield. Notes where the redemption amount or the yield is linked to and determined on the basis of a Reference Asset are often referred to as structured Notes (see further below). The interest or other yield under a structured Note is often variable and not guaranteed and, where also the redemption amount is linked to the Reference Asset, the investor may under certain structured Notes bear the risk of losing a significant part of the investment (or the entire investment) in certain cases of negative performance in the Reference Asset.

This section contains a presentation of the main types of Notes that the Issuers intend to issue pursuant to the Programme and the most common types of Reference Assets. The main types of Notes and their interest and repayment features, are presented immediately below.

Reference Assets and Baskets

The Redemption Amount and/or interest payments in relation to the Notes may be determined by reference to the performance of one or more Reference Assets. Reference Assets may include shares, indices, commodities, interest rates, exchange rates, fund units and/or the credit standing of one or more Reference Entities.

In a mixed portfolio Note, the yield and/or redemption amount is linked to the performance of a one or more Baskets of Reference Assets which may contain different types of asset. The assets in a Basket may be assigned different weights and will thereby influence the yield and/or redemption amount according to their respective weight. Different asset types can form part of the same Basket and there may be several Baskets with different types of assets that are compared against each other.

Coupon and zero coupon Notes

Coupon or interest-bearing Notes pay interest and/or yield on a continuing basis during the term of the Note or, alternatively, on the conditions specified for the Note.

Zero coupon Notes are non interest bearing. These Notes are normally issued at a discount, i.e. the relevant Issuer receives an amount on the issue date which is lower than the nominal amount of the Note and pays the nominal amount on the redemption date or, alternatively, the relevant Issuer receives the nominal amount for the Note on issue and pays the nominal amount plus an enhanced amount on the redemption date.

Notes may be issued as coupon notes or as zero coupon Notes or as a combination of both. Structured Notes under which the redemption amount is linked to the performance of various types of Reference Assets may or may not provide for payment of interest or other yield on a continuing basis.

Amortising Notes

The Issuers may issue amortising Notes, being Notes where the principal amount is repaid in instalments.

Interest bearing Notes

Interest-bearing Notes typically accrue a fixed, floating or variable interest. A floating rate of interest is often composed of a variable interest base rate such as STIBOR, EURIBOR, LIBOR or such other relevant rate as may be specified in the Final Terms, plus or minus a fixed interest margin; instruments with floating interest rates are frequently referred to as *floating rate notes*, whereas under Notes with fixed interest, the rate of interest is fixed. Under a Note with inverse floating interest, there may be a fixed rate of interest less a rate of interest based on a reference rate such as STIBOR, EURIBOR, LIBOR or such other relevant rate as may be specified in the Final Terms. The interest may be adjustable and adjusted after each interest period. There are also Notes where the interest structure is changed during the term to maturity. For example, a fixed rate may be paid initially but the interest may subsequently change to a floating rate; or the interest may, for example, be increased after a certain period of time, referred to as interest step-up.

Structured Notes may be interest and/or inflation based in the sense that they are structured with a yield based on one or more rates of interest and/or Inflation Indices. The structure of such Notes may include multipliers, caps/floors, swaptions and/or combinations thereof. The structured yield can depend on whether one or more specified interest rates or Inflation Indices move within certain predetermined ranges. The structured yield can also depend on the yield in previous periods and the structured Notes can contain interest or inflation based triggers that can alter the structure of the yield or force early redemption.

Interest Deferral

If Interest Deferral is specified as applicable to the Notes then all payments of interest that would otherwise fall due in accordance with the interest structure(s) applicable to the Notes, shall be deferred until the earlier of the Redemption Date or the Early Redemption Date on which the Notes are redeemed in full.

Inflation-linked Notes or Notes with Inflation Indices as Reference Assets

Inflation linked Notes are Notes with or without an inflation-linked rate of interest and with an inflation-linked redemption amount. The rate of interest may be fixed or floating. If Notes are not interest-bearing, an inflation-linked redemption amount is paid only upon maturity. Notes may also be issued which have one or more Inflation Indices as a Reference Asset. The calculation of inflation is based on a consumer price index or other similar measure of the relative prices of assets, goods and/or services over time. Such index may be comprised of statistics that do not necessarily reflect the actual inflation exposure of the individual investor. The interest amount and the principal amount payable in relation to the Notes will be determined by the relevant Issuer in accordance with the Conditions and the relevant Final Terms.

Equity-linked Notes

Under an equity-linked Note, the yield and/or redemption amount depend on the performance of one or more equities (including units in exchange-traded funds), equity indices or baskets of equities, and/or equity indices or equity markets. The risk exposure under an equity-linked Note may be directed at certain markets or certain industries. There may be Notes where the underlying index or equity/equities relate to companies with a certain credit rating, as well as Notes where the Reference Assets are shares in venture capital companies.

An equity-linked Note may (but does not always) provide for a minimum predetermined yield, normally in the form of interest, in addition to the equity-linked yield. The relevant Issuer may structure an equity-linked Note so that the yield increases or decreases depending on the movements in the relevant equity instrument or index during the term.

Equity-linked Notes may have a variable degree of exposure to the Reference Asset. The Notes may be issued at a premium which is lost, or the right to repayment of an invested amount may be lost in whole or in part, if the Reference Asset performs disadvantageously for the investor or in relation to a relevant comparison figure (and vice versa if the performance of the Reference Asset is positive). Alternatively, there may be a more limited link to the value of the Reference Asset, and thus a lower exposure to the relevant equity. For example, there are Notes which pay a predetermined minimum yield despite that the Reference Asset performs negatively. However, such Notes generally provide a more limited yield in a scenario where the Reference Asset performs well, as compared to Notes without minimum yield.

Reverse Convertible Notes

In a reverse convertible Note, the Reference Asset is normally composed of a share index or a basket of shares indices, or exchange-tracked fund units. Repayment of the principal amount will depend on the performance of the underlying Reference Assets, and the Redemption Amount may be less than the principal amount of the Notes if the performance of the Reference Assets falls below a pre-determined barrier level. A reverse convertible Note may include a fixed yield element.

Credit-linked Notes

Credit linked Notes are notes where the right to receive interest and/or the redemption amount is linked to certain reference credits or credit indices. The interest and/or redemption amount depend on whether a so-called "**credit event**" occurs during the term of the Note (as further described below). The reference credits may be credits or baskets of credits related to specified companies or sovereigns such as governments, municipalities county councils, or credit indices. The reference credits may consist of existing, future, conditional or unconditional payment obligations under debt instruments, for example, loan- or credit agreements, bonds or commercial paper (irrespective of term to maturity), financing commitments, payment obligations in respect of deposits, letters of credit, guarantee or surety commitments or other undertakings in respect of the payment obligations of a third party. These payment obligations may include both subordinated and unsubordinated obligations of the relevant Reference Entity. Generally speaking, subordinated obligations will carry a higher degree of credit risk than unsubordinated obligations of the same Reference Entity.

The interest and/or the redemption amount under a credit-linked Note may thus depend on the credit risk associated with one or more companies, i.e. the companies which are obliged to perform under the relevant reference credits (the so-called reference entities). Credit-linked Notes are often issued and priced on the basis of the credit ratings of the reference credits or reference entities. The rate of interest on the Notes is higher the lower the credit rating of the Reference Asset/entity. The higher interest on the Notes is intended to compensate for the higher risk associated with a low rating of the Reference Asset/entity, i.e. an increased likelihood that a credit event may occur. A credit event normally consists of payment default, bankruptcy or other insolvency related proceeding or other event that would typically affect the likelihood of a creditor to receive repayment in full pursuant to the terms and conditions of the reference credit. A credit event may result in an investor losing the right to receive interest and/or the redemption amount (in full or in part) on the Notes. Some credit-linked Notes are structured so that the interest and/or redemption amount is determined only on the basis of the first credit event, while other structures may take several credit events into account and gradually reduce the yield/redemption amount. The relevant reference credits as well as the reference entities and the credit risk associated with those will be clearly stated in the relevant Final Terms of each series of credit-linked Notes.

Credit-linked Notes may be issued in several tranches, all of which relate to the same Reference Assets. The tranches would then generally have different ranking and risk so that credit events are allocated towards the tranches in their order of seniority (i.e. the lowest ranking would bear the first losses etc).

Fund-linked Notes

Under a fund-linked Note, the yield and/or the redemption amount depends on the performance of one or more funds, including hedge funds, so-called fund of funds (a fund of funds is a fund which invests in one or more funds), fund indices or baskets of funds. The funds may be Swedish or foreign and managed by well-known or less well known fund managers. Some of the funds are so called UCITS funds whereas other funds have not been approved by (and thus not under supervision of) any relevant supervisory authority. The funds may be organised as mutual funds or in corporate form. Examples of funds that are often organised in corporate form are the private equity funds, hedge funds and/or fund of funds. Not all funds are subject to investor protection rules similar to those that apply to mutual funds under Swedish law. Funds and fund of funds have different types of investment strategies and different risk levels and a fund index may relate to a number of different funds. The investment scope and strategy of the individual funds and other material information will be clearly stated in the relevant Final Terms. Further, it is important to note that the fund rules of many funds or funds of funds provide various restrictions with respect to redemption of fund units, for example, it may be possible to redeem units only on a limited number of times during a year or in a minimum or maximum amount and there may be circumstances under which redemption is closed entirely. Further it is important to note that in certain funds or funds of funds the liquidity might be limited or non existent. Such liquidity restrictions are generally mirrored in the fund-linked Notes and are therefore relevant to the investor in the Notes as they may result in delayed (or cancelled) redemption of the Notes.

Commodity-linked Notes

In a commodity-linked Note, the yield or redemption amount depends on the value of one or more commodities, a commodities index or a basket of commodities and/or commodities indices, or a relevant comparison figure for the Reference Asset. Commodities that may be used as Reference Assets include, but are not limited to, electricity, oil, gold, emission rights, aluminium, copper and zinc.

Currency-linked Notes

In a currency-linked Note, the yield or redemption amount depends on the value of one or more currencies or baskets thereof, or a relevant comparison figure for the underlying currency and/or rates of exchange of one or more currencies in relation to each other. The value of one or more currencies or relevant exchange rates may be determined by reference to spot or forward rates and may be generated from official sources such as the European Central Bank's fixing or similar, but also by reference to private trades on the currency market or on the basis of quotes from a number of independent banks.

Index-linked Notes

In an index-linked Note, the yield and/or redemption amount depends on the performance of one or more indices or baskets of indices. The risk exposure under an index-linked Note may be directed at certain markets, industries or certain types of assets. Examples of indices which may be relevant include property indices, commodities indices, equity indices, inflation indices and indices for other types of assets.

Proprietary Indices

The Nordea Group may from time to time participate in creating, structuring and maintaining indices portfolios or strategies and for which it may act as index sponsor (collectively, "**Proprietary Indices**"). These indices are calculated by an external calculation agent in accordance with rules which describe the methodology for determining the composition and the calculation of these Proprietary Indices (the "**Rules**").

The complete set of Rules of any such index and information on the performance of the index will be freely accessible on the relevant Issuer's or on the Index Sponsor's website. The governing rules (including methodology of the Index for the selection and the re-balancing of the components of the Index, a description of market disruption events and any applicable adjustment rules) will be based on predetermined and objective criteria.

As at the date of this Base Prospectus, the following indices are provided by legal entities acting in association with, or on behalf of, the Issuers and their affiliates:

Index Tracker	Index Name	Index Sponsor	Currency	Website for obtaining information about the Index
NQNDMOT	NASDAQ Nordea SmartBeta Momentum Sweden TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDVOT	NASDAQ Nordea SmartBeta Volatility Sweden TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDDIT	NASDAQ Nordea SmartBeta Dividend Sweden TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDDMT	NASDAQ Nordea SmartBeta Dividend Momentum TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDDVT	NASDAQ Nordea SmartBeta Dividend Volatility TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDMVT	NASDAQ Nordea SmartBeta Momentum Volatility TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com

Nasdaq and Nordea have jointly designed the selection criteria and rebalancing rules for the Indices listed above. Nasdaq is responsible for the methodology, calculation, dissemination and administration of the Indices.

4. The performance structure – a description

The performance structures described below determine the manner in which the performance of the relevant Reference Assets (as described for each type of Note described above) affects the yield and/or the redemption amount under the Notes. The performance structures set forth below may be applied to several of the aforementioned types of Notes. Structured Notes may, in many cases, correspond in terms of risk and functionality to combinations of several types of traditional instruments, for example, a bond combined with a share, a fund unit and/or a derivative instrument. The value of a structured Note will be affected by the value of the Reference Asset or relevant comparison figure. The value of the Reference Asset is sometimes determined at a number of occasions during the term of the Notes and sometime only at maturity. The performance may be positive or negative for the investor. Thus, the investor's right to yield and, where applicable, payment of the redemption amount is a function of the performance of the Reference Asset and the applicable performance structure. Investors will be notified of the relevant performance as well as yield and redemption amount in accordance with the Terms and Conditions and Final Terms of the relevant Notes.

The performance structures described below represent a selection of the most common structures. The structures may be combined, varied and used in their entirety or only in part.

The Redemption Amount of the Notes may be a combination of a fixed amount (the "**Base Redemption Amount**") and one or more additional amounts (an "**Additional Amount**") determined in accordance with one or more of the performance structures specified below.

The Additional Amount may be added to, or subtracted from, the Base Redemption Amount for the purposes of calculating the Redemption Amount payable at maturity, and may be negative. As a result, a Noteholder may in certain circumstances receive less than the Principal Amount of the Notes upon their final redemption. The Final Terms will specify which of the performance structures is applicable to each Series of Notes.

The Additional Amount may alternatively be payable on a different date to the Redemption Date, the date on which the Additional Amount is payable being the "**Alternative Additional Amount Payment Date**" as specified in the applicable Final Terms. Notwithstanding the foregoing, the Base Redemption Amount will be payable on the Redemption Date.

"Basket Long" and "Basket Short" structures

The basic method for calculation of performance under a structured Note compares the change between the initial price and the final price of one or more Reference Assets (a group of Reference Assets being referred to as a "**Basket**"). In order to mitigate the impact of temporary value fluctuations in the

Reference Asset, the performance of the Reference Asset is often determined on the basis of an average value during the term of the Notes (i.e. there are several valuation points during the term of the Notes). In some Notes however, the value is determined on the basis of a single valuation. In a "Basket Long" structure, the positive performance of the Reference Assets with the Basket will have a positive effect on the return on the Notes, whereas in a "Basket Short" structure, the positive performance of the Reference Assets will have a negative effect on the return on the Notes.

The performance of an individual Reference Asset, or the Basket as a whole, may also be subject to a floor, which acts as a minimum level of performance, or a cap, which acts as a maximum level of performance. The Basket Long and Basket Short structures are building blocks which form part of many other performance structures.

"Barrier" structures

This structure provides for a fixed return on the Basket which replaces the actual final return if the Basket Return reaches and/or exceeds a price cap (a "Barrier Outperformance" Structure) or is less than a price floor (a "Barrier Underperformance" structure). The structure may also be linked to one or more best or worst performing Reference Assets, rather than the performance of the Basket as a whole.

Autocallable Structures

The return on the Notes depends on (i) the Basket Return, (ii) different barrier levels and (iii) the Coupon (if any), as defined below.

If the Basket Return on any Observation Date is at or above a specified call barrier level, then the Notes will be called for early redemption on the Early Redemption Date immediately following that Observation Date and the whole Principal Amount of the Notes will be repaid together with the Coupon (if any).

If the Basket Return is below the Risk Barrier Level on any Risk Barrier Observation Date, the relevant Redemption Amount will be equal to the sum of the Base Redemption Amount of the Notes and an Additional Amount equal to the Principal Amount of the Notes multiplied by the Participation Ratio and the lower of the Basket Return on the Valuation Date, and the pre-determined maximum Basket Return; and

If the Basket Return is at or above the Risk Barrier Level on all Risk Barrier Observation Dates, the relevant Redemption Amount will be equal to the sum of the Base Redemption Amount of the Notes and an Additional Amount which will be equal to the Principal Amount of the Notes multiplied by the Participation Ratio 2 and the higher of a pre-determined minimum Basket Return or the Basket Return on the Valuation Date.

Different fixing methods and different weighting methods (e.g. worst of, best of, momentum etc.) may be used for the purposes of determining whether any Barrier Level, Risk Barrier Level or Coupon Barrier Level has been breached during the term of the Notes.

If the Basket Return is above the Coupon Barrier Level on any Valuation Date, the Notes may also pay Interest (known as the "**Coupon**"). The Coupon may be structured in one of the following ways:

If the Coupon type is "Flat", the Coupon will be the Principal Amount of the Notes multiplied by the relevant Coupon Rate.

If the Coupon type is "Memory", the Coupon will depend on the number of Coupons already paid in the lifetime of the Notes. The Coupon will be the Principal Amount of the Notes multiplied by a predefined Coupon Rate and multiplied by the number of preceding Interest Payment Dates, (up to and including the current Interest Payment Date), for which a Coupon has not been paid.

If the Coupon type is "Plus Flat", the Coupon will be the Principal Amount of the Notes multiplied by the higher of the Basket Return and the Coupon Rate.

If the Coupon type is "Plus Memory", the Coupon will be equal to the Principal Amount of the Notes multiplied by the higher of: a) the Coupon Rate multiplied by the number of preceding Interest Payment

Dates, (up to and including the current Interest Payment Date), for which a Coupon has not been paid; and (b) the Basket Return.

If the "*Best of/Worst of Modifier*" (as set out below) is applied to the Autocallable Structure, the Additional Amount (and any early redemption amount) will be determined by reference to the closing price of the Nth best performing Reference Asset rather than the Basket as a whole. The value of N will be specified in the applicable Final Terms.

Autocallable Rate Structure

If the value of an underlying Reference Rate either out-performs or under-performs a pre-determined barrier level, as specified in the relevant Final Terms (the "**Autocall Condition**"), the Notes will be subject to early redemption. If the Autocall Condition is not satisfied prior to the final Valuation Date, the Notes will be redeemed on the Redemption Date.

"Replacement Basket" structures

In a Replacement Basket structure, the return generated by certain Reference Assets is replaced with a pre-determined figure. The performance of each Reference Asset is measured separately at the end of the Notes' term, and the performances are ranked based on the relative percentage return of each Reference Asset. The returns relating to a certain number of the best ranked Reference Assets are replaced by pre-determined percentage value for the purposes of determining the overall Basket Return.

"Locally Capped Basket" structures

In a Locally Capped basket structure, the return generated by each Reference Asset is subject to a pre-determined maximum percentage value.

"Rainbow Basket" structures

For the Rainbow Basket, the weightings of each Reference Asset will be set at maturity in a pre-determined manner. All Reference Asset Returns are measured separately at the maturity and ranked based on the relative performance. The weightings for each Reference Asset are then set based on this order in the manner specified in the Final Terms. Depending on the relationship between the relative ranking of each Reference Asset and the applicable weighting within the Basket, the Rainbow Basket structure may increase or decrease the relative contribution that either the best or worst performing Reference Assets will make to the overall Redemption Amount.

"Booster" structures

Booster structures can have a positive or negative return, based on the performance of the underlying Reference Asset(s). The return will be added to, or subtracted from, the Principal Amount of the Notes for the purposes of calculating the Redemption Amount payable at maturity. As a result, a Noteholder may in certain circumstances receive less than the Principal Amount of the Notes upon their final redemption. Booster structures may also have different participation ratios depending on whether or not the performance of the Reference Assets is positive or negative, thereby increasing or decreasing the Noteholders' exposure to the performance of the relevant Reference Assets.

"Twin Win" structure

The Additional Amount is calculated in a manner similar to the Basket Long Structure – if the performance of the Basket is positive the Additional Amount will also be positive. Additionally, if the performance of the Basket is negative but above a predetermined Barrier Level, then the Additional Amount will also be positive. If the performance of the Basket is negative but below the relevant Barrier Level, then the Additional Amount will also be negative and the Redemption Amount will be less than the Principal Amount of the Notes.

Risk Barrier structures

Risk barrier structures deliver a positive or negative return depending on the performance of the Basket as compared to both: (i) the Initial Basket Level on the final Valuation Date and (ii) a pre-determined Barrier Level on certain other days during the lifetime of the Notes.

Bonus Booster Structures

The product is similar to the basic Booster structure described above, except that at maturity a pre-determined bonus payout may apply if the Basket Return is never below the Barrier Level on the relevant Valuation Date(s).

Cliquet Structure

The payout in the Cliquet structure is dependent on the accumulated sum of the relative (percentage) changes in the underlying Basket for a number of pre-determined Valuation Periods during the lifetime of the Notes. The Cliquet also has some specific features that can be used:

- The relative changes in the underlying Basket can also be locally capped and/or floored for each individual Valuation Period.

- The accumulated sum of the relative changes can also be subject to a global cap or floor.

The product may also have a lock-in feature. This means that if the cumulative return on any Valuation Date has reached a predefined Lock-in Level, the final payment will be at least that Lock-in Level. There can be many different Lock-in Levels, and there can be no assurance that any given Lock-in Level will be reached during the lifetime of the Notes.

Reverse Cliquet Structure

A Reverse Cliquet structure, rather than accumulating returns, pays out a sum at maturity equivalent to a set percentage rate minus the accumulated sum of the relative changes in the underlying Basket for a number of pre-determined Valuation Periods during the lifetime of the Notes.

Replacement Cliquet Structure

Similarly to a standard Cliquet, the return generated in a Replacement Cliquet structure is equal to the cumulative sum of the Basket's periodic performances. However, whereas a standard Cliquet structure often has local caps and floors for the periodic performance, the Replacement Cliquet instead replaces the returns of a certain number of the best performing Valuation Periods with a predefined value.

Reverse Replacement Cliquet Structure

The Reverse Replacement Cliquet Structure is a variation of the basic Replacement Cliquet Structure, but it replaces the returns of a certain number of the best performing Valuation Periods with a predefined value.

Rainbow Replacement Cliquet Structure

The Rainbow Replacement Cliquet Structure describes a Note where the weight of each Reference Asset is determined after the performance of each Reference Asset is known, following the principle that the best performing underlying is given the highest weight, and so forth. The performance of each individual Reference Asset is calculated on the same basis as the basic Cliquet structure, and represents the accumulated sum of the relative changes in the underlying Reference Asset for each Valuation Period during the lifetime of the Notes.

Reverse Convertible Structure

Reverse convertibles are structured Notes offering interest payments which are not dependent on the performance of the underlying Basket. At maturity the proportion of the Principal Amount which is paid back will depend on the performance of the underlying Basket.

If the aggregate underlying performance of the Reference Assets within the Basket is positive then the Redemption Amount will be equal to the Principal Amount of the Notes.

If the aggregate underlying performance of the Reference Assets within the Basket is below a set threshold, then the Redemption Amount will be equal to the Principal Amount of the Notes, less an

amount calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the relevant Basket Return.

Reverse Convertible Risk Barrier Structure

The structure is similar to the basic Reverse Convertible structure, except that the possible negative payout is determined by reference to a pre-determined Barrier Level on certain days during the lifetime of the Notes.

If on any applicable Valuation Date the aggregate underlying performance of the Reference Assets within the Basket is below a certain pre-determined Barrier Level and is below the specified strike level on the final Valuation Date, the Principal Amount of the Notes will not be paid back in full. Instead, the Redemption Amount will be dependent on the performance of the Basket and will be equal to the Principal Amount of the Notes less an amount calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the relevant Basket Return.

In all other circumstances, the Principal Amount of the Notes will be paid back in full.

"Best of/Worst of" Reverse Convertible Structure

The structure is the same as the basic Reverse Convertible Risk Barrier Structure, except that the possible reduced Redemption Amount is determined by reference the worst performing Reference Asset. The performance of each Reference Asset is measured separately, and the payout on the Notes is based on the performance of the Nth best performing Reference Asset.

Worst of Digital Memory Coupon Structure

The Worst of Digital Memory Coupon structure is a memory coupon structure with a payout that is conditional on the performance of the Reference Assets exceeding certain pre-determined barrier levels on a number of consecutive Valuation Dates.

Worst of Call Option Structure

The Worst of Call Option Structure gives the Noteholder an exposure to the worst performing Reference Asset in the Basket. The additional amount payable to the Noteholder will be the greater of zero, and the performance of the worst performing Reference Asset.

Outperformance Option Structure

The Outperformance Option offers the investor the possibility of a ranked return on a Basket of underlying Reference Assets. Whereas the Additional Amount payable in relation to a normal Basket structure is dependent on the absolute performance of the relevant Basket, the pay out of an outperformance structure is dependent on the relative performance of two Baskets ("**Basket A**" and "**Basket B**"), not on the absolute performance of either Basket. The outperformance option may compare the performance of two long baskets, two short baskets, or the performance of one long basket and one short basket.

Credit Linked Notes

A credit-linked note ("**CLN**") is a Note where the Redemption Amount and, if relevant, Interest Payments depend on the occurrence of Credit Events in selected obligations of a number of Reference Entities. A Credit Event is a corporate event which typically makes the creditor of the Reference Entity worse off, e.g. bankruptcy, failure to pay or restructuring of the debt (e.g. a lowering of future coupon payments or an extension of maturity). In addition, the interest and redemption payments depend on ability of the Reference Entity to make payments of principal or interest on its outstanding debt obligations.

In case of a Credit Event affecting a Reference Entity, the nominal used for calculation of the Redemption Amount and, if relevant, any Interest Payments, may be reduced. The reduction of the nominal amount may be calculated using market recovery values or a predetermined fixed recovery value. If a fixed recovery value is used, the fixed recovery value may be zero.

The interest in relation to a CLN is typically paid over time, but may also be paid at maturity. The interest may or may not depend on the occurrence of Credit Events.

A distinction can be drawn between three principal types of CLN structures:

(a) Non-tranched CLN,

(b) Tranched CLN, and

(c) Nth-to-Default / Nth & Nth+1-to-Default CLN.

For the tranched and non-tranched CLN, the Redemption Amount and, if relevant, Interest Payments, are based on the weighted losses in the same or different portfolios of Reference Entities as a result of the occurrence of one or more Credit Events.

For the Nth to default and Nth and Nth+1 to default CLNs, the Redemption Amount and, if relevant, Interest Payments, are based on the number and possibly order of Credit Events in the same reference portfolio.

For tranched CLNs, the occurrence of a Credit Event may have no impact or a more than proportional impact on the future redemption value and, if relevant, coupon payments depending on the specific structure.

For non-tranched CLNs, the reduction of the nominal amount due to Credit Events will affect the future redemption and, if relevant, coupon payments. Non-tranched CLN's may also be callable or puttable (i.e. redeemed at a single pre-specified point in time before scheduled maturity) at the discretion of the relevant Issuer or the investor. In addition, Non-tranched CLN's may involve one or more additional payments.

For Nth-to-Default CLNs, the occurrence of the first N-1 Credit Events will have no impact on the future redemption value and, if relevant, coupon payments. However, the impact of the Nth Credit Event will have a more than proportional impact on the future redemption value and, if relevant, coupon payments.

Similarly, for Nth & Nth+1 to Default CLN's, the impact of the Nth and Nth+1 Credit Event will have a more than proportional impact on the future redemption value and, if relevant, coupon payments.

Option CLN Structure

The purpose of the structure is to provide exposure to the development of credit risk (i.e. the risk of Credit Events occurring) in a specific market, such as European or US investment grade entities, or high yield borrowers). The exposure is provided through the issuance of Notes which are linked to index CDS spreads. Index CDS spreads represent the cost of buying protection against the occurrence of Credit Events affecting the entities comprising the relevant index. Index CDS spreads may be viewed as proxies for the development of credit risk in specific markets as a whole, as they generally represent diversified portfolios of some of the most freely traded individual credit exposures in the relevant market. Index based credit default swaps are among the most widely traded credit derivatives, and are used by financial institutions and asset managers to manage the credit risk inherent in their investment portfolios.

Using a single option payout, the Issuers may offer structures whereby the investor will benefit from a directional movement in credit spreads, e.g. either if credit spreads increase above a specified level or decrease below a specified level over the lifetime of the CLN.

By combining two option payouts, the Issuers may offer structures where the investor would benefit both if credit spreads increase above a specified level and decrease below a specified level. The Issuers may also offer structures where the investor would benefit from a directional move in credit spreads, but where the potential benefit is limited. e.g. where the investor would benefit if credit spreads decrease down to a certain level, but where a further decrease below that level will not generate any incremental return.

By combining three or four option payouts, the Issuers may offer additional structures.

Mark to Market CDS Structure

The structure provides exposure to the mark-to-market (i.e. termination) value of one or more credit default swaps referencing the Reference Entities, or index of Reference Entities, specified in the applicable Final Terms.

Digital Long and Short Structures

In a Digital Long structure, the Additional Amount will equal the Principal Amount of the Notes multiplied by a pre-determined Coupon level if the Basket Return on the final Valuation Date exceeds a pre-determined strike level. If the Basket Return does not exceed the strike level the Additional Amount is zero.

In a Digital Short structure the position is reversed, and the Additional Amount is zero if the Basket Return on the final Valuation Date is at or above the applicable strike level.

Digital structures may also be combined with a best of/worst of feature, which means that the valuation points and Additional Amount will be determined by reference to the best or worst performing Reference Asset rather than the Basket as a whole.

Series of Digitals

The Series of Digitals pays a redemption amount that is proportionate to the number of Reference Assets within the Basket whose performance exceeds a pre-specified Barrier Level. Where a Reference Asset's performance does not exceed the Barrier Level, it does not contribute to the return an investor receives on the Notes.

"Delta 1" structure

Under a "Delta 1" structure the investor in the Notes receives the current value of the Reference Asset on the redemption date. In this type of structure the investor is fully exposed to the performance of the underlying Reference Asset and the Note is not capital protected.

Volatility Target Structure

The deemed exposure to the underlying Reference Asset(s) (the "**Exposure**") is determined by dividing:

(i) The short term historical volatility of the underlying Reference Asset(s);

(ii) A target volatility (the "**Target Volatility**"),

subject to a pre-determined cap or floor.

When the short-term historical volatility of the underlying Reference Asset(s) increases, the deemed exposure to the underlying Reference Asset(s) decreases, and when the short-term historical volatility of the underlying Basket decreases, the deemed exposure to the underlying Reference Asset(s) increases.

If the short-term historical volatility is greater than the Target Volatility, then the Exposure of the Notes to the underlying Reference Asset(s) will be less than 100%. If the short-term historical volatility is equal to the Target Volatility, then the Exposure of the Notes to the underlying Reference Asset(s) will be 100%. If the short-term historical volatility is less than the Target volatility, then the Exposure of the Notes to the underlying Reference Asset(s) will be greater than 100% (subject to any maximum or minimum levels as discussed above).

"On each Rebalancing Date, the terms and conditions will provide for the determination of a target level of Exposure (the "**Target Exposure**") in respect of the subsequent Rebalancing Period. The Hedging Party will then endeavour to establish Hedge Transactions which replicate a physical Exposure to the Reference Assets which is as near as possible to the Target Exposure. There may however be variations in the actual level of Exposure which the Hedging Party is able to generate, and the time at which the Exposure in relation to the Notes can be adjusted, as a result of the time lag between determination of the Target Exposure and the establishment of the relevant Hedge Transactions, and the terms and conditions applicable to the redemption, subscription and sale of the relevant Reference Assets by the Hedging Party.

There will be no change in the actual Exposure in respect of the Notes until the relevant Hedge Transactions have been established by the Hedging Party. As a result of these factors, the actual Exposure in respect of the relevant Rebalancing Period may differ from the Target Exposure for such Rebalancing Period".

In and Out Options

The "In" and "Out" option structures are barrier options, which generate an Additional Amount depending on whether or not the Basket Return is above or below a predetermined barrier level specified in the Final Terms (the "**Barrier Level**"). The "Up and In" option structures will generate an Additional Amount linked to the performance of the relevant Basket if the Basket Return is at or above the relevant Barrier Level on any Valuation Date. In a "Down and In" option structure, an Additional Amount will be generated if the Basket Return is at or below the relevant Barrier Level on any Valuation Date. The Additional Amount may be positive or negative depending on whether or not the Option type is a "bought" option or a "sold" option respectively.

The "Up and Out" option structures generate an Additional Amount linked to the performance of the relevant Basket if the Basket return is at or below the relevant Barrier Level on all Valuation Dates. In a "Down and Out" option structure an Additional Amount will be generated if the Basket Return is at or above the relevant Barrier Level on all Valuation Dates. The Additional Amount may be positive or negative depending on whether or not the Option type is a "bought" option or a "sold" option respectively.

Each of the "In" and "Out" option structures may be based on either an underlying "Basket Long" or "Basket Short" structure. The "In" and "Out" option structures may also pay a fixed rate of return know as a 'coupon' or a 'rebate' in the event that they do not generate an Additional Amount linked to the performance of the relevant Basket. In a "bought" option structure the coupon or rebate will be payable to the Noteholder, whereas in a "sold" option structure the coupon or rebate will be payable by the Noteholder and may therefore result in a negative Additional Amount (which may be deducted from the Base Redemption Amount).

Booster Risk Barrier 2

The Booster Risk Barrier 2 structure is a combination of an "at the money" call option, and an "out of the money" put option. The strike price for the call option is set at the prevailing price of the Reference Asset or Basket as at the issue date of the relevant Notes. If the value of the Reference Assets or Basket exceeds a pre-determined barrier level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return (calculated on the "Basket Long" basis described above). The strike price for the put option is set below the prevailing price of the Reference Asset or Basket at the issue date of the relevant Notes, and so if the value of the Reference Asset or Basket depreciates below the specified barrier level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return (calculated on the "Basket Short" basis described above).

FX Components

The Base Redemption Amount, the Additional Amount, or the Reference Asset Return determined in accordance with one of the performance structures specified above may also be multiplied by an applicable FX factor for the purposes of determining the total amount payable to holders, which reflects the variations in an underlying exchange rate during the lifetime of the Notes.

Best of/Worst of Modifier

Each of the performance structures specified above may also be modified so that the valuations, observations, Redemption Amount and Additional Amount are all determined by reference to the Nth best (or worst) performing Reference Asset, where N shall be a pre-specified value given in the Final Terms.

Lookback Initial Price Modifier

If the Lookback Initial Price is applicable to the Notes, the Additional Amount in relation to the Notes will be calculated by reference to either the highest or the lowest initial price (at the start of any Valuation Period) in respect of the relevant Basket or Reference Asset, as specified in the Final Terms.

Lookback Final Price Modifier

If the Lookback Final Price is applicable to the Notes, the Additional Amount in relation to the Notes will be calculated by reference to either the highest or the lowest Final Price (at the end of any Valuation Period) in respect of the relevant Basket or Reference Asset, as specified in the Final Terms.

Lock-in Modifier

If the Lock-in Modifier is applicable to the Notes, the Basket Return shall be replaced by the Lock-in Basket Return for the purposes of calculating the Additional Amount in accordance with one or more of the foregoing performance structure(s). The "Lock-in Basket Return" will be the highest Basket Return on any Valuation Date.

Lock-in Basket Floor

If the Lock-in Basket Floor is applicable to the Notes, then if the Basket Return exceeds the Barrier Level on any Valuation Date, the Basket Return will be replaced with the higher of the Basket Return and a pre-determined minimum Basket Return for the purposes of determining the Additional Amount in accordance with the relevant performance structure.

Combination of Structures

The relevant Issuer may combine the performance structures relating to the Notes, by applying different performance structures to different Reference Assets within the Basket or to different sub-Baskets, or by applying different performance structures depending on whether or not the Basket Return has exceeded certain pre-determined barrier levels within the overall lifetime of the Notes.

5. Other factors which may affect the redemption amount or yield under a Note

The different types of Notes and the performance structures described above may be combined with one or several of the variables described below. These variables may affect the investor's risk and the yield and/or the redemption amount under the Notes.

Absolute figures or percentage changes

The reference figures which may form part of the performance structures described above for determining performance may be an absolute figure or be expressed as a percentage.

Early redemption

In a Note with an early redemption feature, the relevant Issuer is entitled to redeem the Note before the stated maturity date if the price of a Reference Asset or Basket during the term of the Notes reaches a certain predetermined level (referred to as a call option) or for other reasons. In certain cases, a predetermined early redemption amount may be specified. There are also structures which allow the investors to demand redemption of the Note prior to maturity, for example in order to lock in and realise a positive performance in the Reference Asset (referred to as a put option). The existence of a call or put option will be clearly stated in the relevant Final Terms.

Participation ratio

The structure of the Notes may contain a participation ratio which is used to determine the exposure to the respective Reference Asset, i.e. the proportion of the change in value which accrues to the investor in each individual Note. The Participation Ratio is set by the relevant Issuer and is determined by, among other things, the term, volatility, market interest rate and expected return on the Reference Asset. The Participation Ratio may also vary depending on the performance of the underlying Reference Asset(s).

Premium or discount

Notes may be issued at a premium or discount, which means that the investor pays on issue an amount that is higher or lower than the principal amount of the Notes. Zero coupon Notes are frequently issued at a discount. Structured Notes are often issued at a premium and the premium can be considered as the cost that the investor pays for being entitled to receive a comparatively larger part of a positive performance of

the Reference Asset. The difference between the paid amount and the Notes' principal amount (the premium) is never covered by any minimum redemption feature of the Notes.

Multipliers and leverage effects

In certain structured Notes a multiplier is included against which the performance of the Reference Asset is multiplied, thereby significantly increasing the portion of the change in value which may be credited to the investor in a Note. A high multiplier often entails that the Note is issued at a higher premium. The multiplier will result in a more rapid loss of invested capital in the event of a negative performance of the Reference Asset. Notes with a multiplier always provide a floor so that a negative performance in the Reference Asset does not result in the value of the Notes becoming negative.

Leveraged structures offer a higher exposure to the Reference Asset than the amount that the invested capital would otherwise allow. The leverage is often created by the application of a participation ratio or gearing factor which gives a greater than 100 per cent. exposure to the underlying Reference Assets. The leverage can sometimes vary over time according to a predefined mechanism. Such mechanism may also serve the purpose of keeping the leverage and/or the exposure to the Reference Assets within certain limits.

Currency factors

If the currency of the Reference Asset differs from the currency of the Notes, investors may be exposed to a currency risk relating to the exchange rate between the currency of the Notes and the currency of the Reference Asset.

Alternatively, if "*FX Components*" are specified as being applicable to one or more performance structures set out above, the Redemption Amount, the Additional Amount, the Basket Return or the Reference Asset Return may be adjusted by multiplying them by a factor which reflects the variation in one or more foreign exchange rates during the relevant time periods being measured or observed.

"Rebalancing"

Rebalancing is a continuous adjustment of the relationship between the exposure under a risk asset and invested principal.

Averaging of Valuations

When determining the starting value (initial price) and/or closing value (final price) of each Reference Asset, they can be calculated as an average of underlying closing values on pre-determined dates specified in the Final Terms ("**Valuation Date Averaging**"). Values for the underlying observations can be taken periodically (e.g. monthly, quarterly, semi-annually or annually). The Basket return payout is then calculated based on the performance of each Reference Asset over the life of the Note, taking the relevant weightings of each Reference Asset within the Basket into account.

Strike Level

The Strike Level (as specified in the Final Terms) may be set in such a way that the initial value assigned to one or more Reference Assets within the Basket for the purposes of measuring the relative performance of that Reference Asset, does not equal the initial spot market price of the relevant Reference Asset(s), creating Notes that may be "in" or "out" of the money on their issue date. For example, where the return on a Reference Asset is calculated by dividing the Closing Price of the relevant Reference Asset by its Initial Price and subtracting the Strike Level, a Strike Level in excess of 100% will result in the investor receiving a proportionate return that is less than the relative performance of the Reference Asset. A Note which is out of the money on its issue date will result in the Noteholder potentially receiving a lower return than a direct investment in the relevant Reference Asset. Conversely a Note which is in the money on its issue date will result in a higher potential return than a direct investment in the relevant Reference Asset. An overall strike level (the "**Basket Strike Level**") may also be applied to the Basket as a whole.

TOM Cumulative Strategy

The TOM Cumulative Strategy replicates an investment in particular Reference Assets that is only made for a limited time period in each calendar month. At other times the Notes replicate an investment in a time deposit or other fixed income investment.

Maximum and Minimum Redemption Amounts

If a Maximum Redemption Amount is applicable, the Redemption Amount will be the lesser of: (i) the amount calculated on the basis of one or more of the performance structures outlined above, and (ii) a pre-determined Maximum Redemption Amount as specified in the Final Terms.

If a Minimum Redemption Amount is applicable, the Redemption Amount will be the greater of (i) the amount calculated in accordance with one of the performance structures outlined above and (ii) a pre-determined Minimum Redemption Amount as specified in the Final Terms.

If both a Maximum and a Minimum Redemption Amount are applicable, the Redemption Amount will be the greater of: (i) the Minimum Redemption Amount and (ii) the lower of (x) the amount calculated on the basis of one or more of the performance structures specified above and (y) the Maximum Redemption Amount.

LÅN – VILLKOR OCH STRUKTUR

De beskrivningar som återfinns nedan är en inofficiell översättning av den engelska text som återfinns omedelbart före detta avsnitt och investerare rekommenderas att även läsa och ta till sig de engelska beskrivningarna då dessa kan avvika från den svenska översättningen.

Emittenterna har upprättat detta Program för att uppta lån på den internationella kapitalmarknaden med en löptid om lägst en månad (30 dagar) och högst en evig löptid, inom ramen för ett vid var tid utestående nominellt belopp om högst 15 000 000 EUR).

1. Vad är ett Lån?

Lån är skuldebrev och som är fritt överlåtbara till sin karaktär. I dagligt tal benämns skuldebrev också ofta obligation. En Lån manifesterar ett fordringsförhållande mellan respektive Emittent och investeraren där investeraren i normalfallet har rätt att erhålla ett kontantbelopp av respektive Emittent vid löptidens utgång samt i vissa fall ränta under löptiden. På så sätt skiljer sig Lån från så kallade konvertibla skuldebrev eller omvända konvertibla skuldebrev där investerarens fordran under vissa förutsättningar kan omvandlas till en fysisk leverans av aktier. I normalfallet, efter det att en investering är gjord, kan investeraren av ett Lån sägas ha en rätt till prestation i form av en betalning av respektive Emittent, men ingen skyldighet att erlägga betalning till respektive Emittent.

Kombinationer av instrument

Emittenterna kan utge så kallade strukturerade Lån under detta Program. Strukturerade Lån har utvecklats under senare år och fanns inte på marknaden då obligationsbegreppet började användas. Strukturerade Lån kan i många fall till sin funktion motsvara kombinationer av flera olika typer av traditionella instrument som till exempel en obligation kombinerad med en aktie, fondandel, eller ett derivatinstrument. Dessa kombinationer av produkter kan ha drag av flera instrument. För alla strukturerade Lån gäller dock att de manifesterar ett fordringsförhållande mellan respektive Emittent och investeraren där investeraren, alltid eller under vissa förutsättningar, har rätt till ett kontantbelopp av respektive Emittent eller, om så särskilt anges och under de angivna förutsättningarna, till fysisk leverans av den underliggande tillgången. Det är i detta sammanhang viktigt att framhålla att investeraren, för det fall Lånet innehåller derivatinslag, inte påtar sig någon motpartsrisk under derivatinstrumentet utan denna kvarstår hos Emittenten. Däremot övervältras det som kallas marknadsrisken på investeraren.

Kapitalskydd eller inte

I de Allmänna Villkoren anges att Emittenten kan ge ut Lån med en konstruktion som innebär att investeraren endast har rätt att få tillbaka en del av den ursprungliga investeringen eller där investeraren inte har rätt till något alls i händelse av en för investeraren negativ utveckling så kallad "icke kapitalskyddat" Lån. Lån där investeraren enligt Slutliga Villkor alltid har rätt att få tillbaka ett nominellt belopp (eller ett visst lägsta belopp) kallas vanligtvis "kapitalskyddade" Lån. Om respektive Emittent inte har tillräckligt med tillgångar för att fullgöra sina skyldigheter under kapitalskyddade Lån kommer dock investeraren i praktiken inte att få tillbaka vad investeraren har rätt till enligt Slutliga Villkor, trots att investeringen gjorts i kapitalskyddade Lån. Kapitalskyddet innebär alltså endast att investeraren enligt Slutliga Villkor har rätt till ett visst minsta belopp på återbetalningsdagen oavsett utvecklingen av den eller de referenstillgångar som Lånets avkastning eller återbetalning mäts mot. Mer om underliggande referenstillgångar och jämförelsetal finns under rubriken Lånetyper nedan.

Börsnotering

Ofta handlas Lån på de i Grundprospektet angivna börserna eller andra marknadsplatser, men det händer även att Lån sätts samman specifikt för att passa en enskild investerare eller grupp av investerare som vill exponeras mot en särskild risk eller marknad. I de senare fallen är det inte tänkt att sådana Lån skall omsättas, även om det är fullt möjligt eftersom Lån till sin form är fritt överlåtbara värdepapper.

Status

Lån under Programmet utgör en direkt skuldförbindelse utan säkerhet med lika rätt till betalning (pari passu) med respektive Emittents övriga existerande icke säkerställda eller icke efterställda betalningsåtaganden.

2. Allmänna Villkor – Slutliga Villkor

Allmänna Villkor

Detta program är en av Emittenternas plattformar för att anskaffa kapital på kapitalmarkanden, huvudsakligen genom emissioner i vissa specifika länder som är del av EES. Programmet skall vara ett medel för Emittenterna att på ett snabbt och enkelt sätt uppta lån på nyssnämnda kapitalmarknader. Kärnan i Programmet utgörs av de Allmänna Villkoren vilka återges i sin helhet i detta Grundprospekt. De Allmänna Villkoren är standardiserade och generella till sin karaktär och täcker en mängd olika typer av Lån vilket bidrar till att de Allmänna Villkoren är relativt omfattande och komplicerade. De Allmänna Villkoren gäller i tillämpliga delar för samtliga Lån som emitteras under Programmet.

Slutliga Villkor

För varje Lån som emitteras under Programmet upprättas även Slutliga Villkor. En mall för Slutliga Villkor finns angiven i detta Grundprospekt. Generellt kan sägas att de Slutliga Villkoren anger de specifika lånevillkoren för varje serie av Lån. Avsikten är att de Slutliga Villkoren tillsammans med Allmänna Villkor utgör de fullständiga villkoren för serien av Lån. De Slutliga Villkoren måste således alltid läsas tillsammans med de Allmänna Villkoren för att få en fullständig förståelse av de villkor som gäller för respektive Lån. I Slutliga Villkor regleras bland annat lånets eller en series nominella belopp, valörer, lånetyp och tillämplig metod för avkastnings- eller ränteberäkning. De Slutliga Villkoren kommer dessutom att innehålla det relevanta emissionspriset, vilket kan vara ett indikativt pris, eller en skala, till dess att teckningsperioden löpt ut. Relevant Emittent kommer att fastställa det slutliga emissionspriset för Lånet efter sin egen bedömning, varvid hänsyn tas till investerarnas efterfrågan under teckningsperioden. Om emissionspriset fastställs efter publiceringen av de Slutliga Villkoren kommer emissionspriset att annonseras via Company Announcements Office of the Irish Stock Exchange.

Slutliga Villkor för Lån som erbjuds allmänheten eller annars tas upp för handel på börs inges till Central Emittent of Ireland. Sådana Slutliga Villkor som inges till Central Emittent of Ireland kommer att offentliggöras samt finnas tillgängliga på Emittentens hemsida (www.nordea.no, www.nordea.no, www.nordea.dk eller www.nordea.fi).

3. Lånetyper

Som nämnts ovan representerar ett Lån en rätt att erhålla en viss prestation från respektive Emittent, i normalfallet ett belopp i kontanter. Ett Lån är i regel förknippat med en rätt till avkastning i form av ränta på det investerade beloppet och ränta utbetalas normalt oberoende av resultat. Respektive Emittent ger även ut Lån där det belopp som investeraren har rätt till, både gällande avkastning och återbetalning, kan variera beroende på utvecklingen av priset eller värdet av olika typer av underliggande tillgångar som bestäms på ett visst sätt, så kallade strukturerade Lån, se mer härom nedan. Avseende strukturerade Lån är rätten till ränta eller annan avkastning inte garanterad och rätten till ränta, annan avkastning eller återbetalning av kapitalbeloppet kan i vissa fall utebli helt.

I detta avsnitt anges de olika huvudtyper av Lån som Emittenterna avser att emittera under Programmet, med fokus bland annat på de olika typer av underliggande tillgångar som förekommer. Inledningsvis presenteras huvudtyperna av Lån och information om ränta och återbetalning.

Referenstillgångar och korgar

Storleken på återbetalningsbelopp och/eller ränta under ett specifikt Lån kan komma att bestämmas på basis av värdeutvecklingen av en eller flera Referenstillgångar. Sådana Referenstillgångar kan innefatta aktier, index, råvaror, räntor, valutakurser, fondandelar och/eller kreditvärdigheten hos en eller flera Referensenheter.

En blandportföljobligation har avkastningen knuten till värdeutvecklingen för en eller flera Korgar vilka innehåller olika tillgångsslag med varierande vikt. Tillgångarna i en Korg kan ges olika vikt och kan därmed komma att påverka avkastning/återbetalningsbelopp beroende på referenstillgångens relativa vikt i Korgen. Olika typer av tillgångar kan ingå i samma Korg och det kan finnas flera Korgar med olika typer av tillgångar som kan komma att jämföras med varandra.

Kupong- och nollkupongobligationer

Kupongobligationer eller räntebärande Lån är Lån där ränta och/eller avkastning betalas periodvis under lånets löptid eller alternativt under vissa närmare angivna förutsättningar.

Nollkupongobligationer är Lån som löper utan ränta. Dessa Lån ges normalt ut till underkurs, det vill säga investeraren erlägger ett belopp som är lägre än nominellt belopp för obligationen, och erhåller nominellt belopp på återbetalningsdagen eller alternativt utges till sitt nominella belopp och den ränta/avkastning som genererats under löptiden betalas då Lån förfaller till betalning, på återbetalningsdagen.

De olika lånetyperna kan förekomma både som kupongobligation och som nollkupongobligation eller som en kombination av de båda. Lån under vilka återbetalningsbeloppet kan variera beroende på utvecklingen av priset eller värdet av olika typer av underliggande tillgångar som bestämts på ett visst sätt, kan komma att kombineras med ränta, avkastning eller utdelning som förfaller periodvis.

Amorterande Lån

Emittenterna kan utge Lån där kapitalbeloppet skall återbetalas genom delbetalningar.

Ränteobligationer

Räntan som utgår under räntebärande Lån är typiskt sett fast, rörlig eller variabel. En rörlig ränta refererar oftast till en räntebas såsom STIBOR, EURIBOR, LIBOR med tillägg eller avdrag för en fast räntemarginal, instrument med rörlig ränta kallas inte sällan "floating rate notes" medan räntesatsen är fast under ett Lån med fast ränta. Under ett Lån med så kallad omvänd rörlig ränta kan en fast ränta med avdrag för en ränta baserad på en referensränta såsom STIBOR, EURIBOR, LIBOR förekomma. Räntan kan vara justerbar och justeras efter varje angiven ränteperiod. Det finns även ränteobligationer där räntestrukturen förändras under löptiden. Exempelvis kan en fast ränta betalas inledningsvis men räntan kan sedan övergå till att bli rörlig eller så kan räntan exempelvis höjas efter en viss tidsperiod, så kallade step-up villkor.

Det finns även ränteobligationer som är strukturerade så att avkastningen är baserad på ränta och/eller inflation, samt en eller flera räntesatser och/eller Inflationsindex. Variabler såsom multiplikatorer, tak/golv, swaptions och/eller kombinationer av dessa funktioner kan förekomma. Under den här typen av ränteobligationer är avkastningen beroende av om en eller flera angivna räntesatser eller Inflationsindex håller sig inom vissa förutbestämda intervall. Avkastningen kan även påverkas av tidigare perioders avkastning och innefatta ränta eller inflationsbaserade triggers som kan påverka avkastningen eller leda till förtidsinlösen.

Ränteuppskov

Om Ränteuppskov angetts vara tillämpligt för något Lån ska alla räntebetalningar som förfaller till betalning enligt tillämplig räntestruktur uppskjutas till det tidigare av Återbetalningsdagen och den Förtida Återbetalningsdag som återbetalning av hela Lånebeloppet sker.

Realränteobligationer eller Lån med Inflationsindex som Referenstillgångar

Realränteobligationer är obligationer som är löper med eller utan inflationskopplad ränta och återbetalningsbeloppet är därtill kopplad till inflation. Räntesatsen kan vara fast eller rörlig. Om ett Lån inte är räntebärande, utbetalas endast ett inflationskopplat återbetalningsbelopp vid förfall. Lån kan också utges med ett eller flera Inflationsindex som Referenstillgång(ar). Inflationen bestäms med hjälp av konsumentprisindex eller liknande index rörande tillgångar och/eller tjänsters relativa priser över tid. Indexen kan bestå av statistik som inte nödvändigtvis speglar den inflation som den enskilde investeraren utsätts för. Räntebelopp och Kapitalbelopp för ett Lån bestäms av relevant Emittent i enlighet med Allmänna Villkor och Slutliga Villkor.

Aktieobligationer

Under en aktieobligation är avkastningen och/eller återbetalningsbeloppet beroende av utvecklingen av en eller flera aktier, aktieindex eller korgar av aktier och/eller aktieindex eller aktiemarknader. Placeringsinriktningen under en aktieobligation kan vara mot vissa marknader i världen eller vissa

branscher. Lån där det underliggande indexet eller aktien/aktierna hänför sig till bolag av en viss kreditvärdighet kan förekomma liksom referenser till aktier i riskkapitalbolag.

Under vissa Lån av aktieobligationskaraktär utgår en förutbestämd avkastning, vilket innebär att Emittenten erlägger en viss avkastning vanligen i form av ränta, förutom den avkastning som är aktierelaterad. Emittenten kan konstruera en aktieobligation så att avkastningen ökar eller minskar om aktiemarknaden utvecklas positivt eller negativt under löptiden.

Aktieobligationer kan ha en varierande grad av exponering mot den underliggande tillgången. Lån kan exempelvis emitteras till en överkurs som vid en negativ utveckling kan gå förlorad alternativt kan rätten till återbetalning av investerat belopp helt eller delvis bortfalla om värdet av den underliggande tillgången eller aktuellt jämförelsetal utvecklas på ett negativt sätt för investeraren (och viceversa vid positiv utveckling hos den underliggande tillgången). Alternativt kan en mer begränsad koppling till värdet av den underliggande tillgången, och således en mindre exponering mot aktiemarknaden, förekomma. Exempel på sådana konstruktioner är Lån med förutbestämd lägsta avkastning där möjligheten till hög avkastning är begränsad vid en gynnsam utveckling på värdet av den underliggande tillgången eller aktuellt jämförelsetal, medan investeraren, vid negativ utveckling för investeraren, å andra sidan alltid får en viss lägsta avkastning.

Omvända konvertibler

Vanligtvis är den underliggande tillgången i omvända konvertibler en aktie eller ett aktieindex eller korgar av nyssnämnda tillgångar. Under en omvänd konvertibel kan återbetalningen av kapitalbeloppet beror på värdeutvecklingen i de underliggande Referenstillgångarna, och återbetalningsbeloppet kan komma att understiga kapitalbeloppet om värdet på Referenstillgångarna understiger vissa på förhand bestämda barriärnivåer. En omvänd konvertibel kan kombineras med en fast avkastning.

Kreditobligationer

Kreditobligationer är obligationer vars avkastning eller återbetalningsbelopp bestäms av huruvida en så kallad kredithändelse inträffar för viss referenskredit. De underliggande referenskrediterna kan vara knutna till krediter eller korgar av krediter för bolag eller offentligrättsliga organ såsom stat, kommun eller landsting eller krediter som utgivits av nyssnämnda bolag och offentligrättsliga organ eller kreditindex. Referenskrediter kan avse befintliga, framtida, villkorade eller ovillkorade betalningsförpliktelser under låneavtal, såsom bland annat kreditavtal, obligations- eller certifikatlån (oavsett löptid), finansieringslimiter och/eller betalningsförpliktelser avseende insättning och/eller remburser och/eller borgensförbindelser och/eller annan skriftlig garanti eller kreditförbindelse för annans betalningsförpliktelse. Sådana betalningsförpliktelser kan vara både efterställda och icke efterställda för Referensenheten. Typiskt sett innebär efterställda fordringar en högre kreditrisk på Referensenheten än icke efterställda.

Under kreditobligationer kan avkastningen eller återbetalningsbeloppet vara beroende av kreditrisken i ett eller flera bolag, det vill säga de bolag som är kredittagare under aktuell referenskredit. Kreditobligationen bygger på olika låntagares kreditvärdighet och ränteskillnaden som föreligger av kreditvärdigheten. Räntan är högre ju sämre kreditvärdigheten är. Den högre avkastningen är avsedd att kompensera för den högre risk som är förknippad med en relativt sett lägre kreditvärdighet, det vill säga en ökad sannolikhet för att en så kallad kredithändelse kan inträffa. Vid inträffad kredithändelse kan rätten till avkastning eller återbetalning helt bortfalla vid första kredithändelsen eller alternativt reduceras och varje efterföljande kredithändelse reducerar sedan avkastningen eller alternativt återbetalningsbeloppet. En kredithändelse är i normalfallet utebliven betalning, konkurs eller annan insolvensrelaterat förfarande eller annan händelse som typiskt sätt påverkar kreditgivarens möjlighet att få fullt betalt enligt villkoren för krediten. De för en kreditobligation aktuella underliggande krediterna för bolag eller offentligrättsliga organ och kreditriskerna kommer tydligt att redovisas i Slutliga Villkor.

Kreditobligationer kan ges ut i flera serier eller trancher som kan medföra olika rätt till betalning, genom att det särskilt anges vilken av de utgivna trancherna som skall bära de första förlusterna. Därefter belastar förlusterna trancherna i angiven turordning eller med angiven andel.

Fondobligationer

Under en fondobligation är avkastningen och/eller återbetalningsbeloppet beroende av utvecklingen av en eller flera fonder, inklusive hedgefonder, så kallade fond i fonder (en fond i fond är en fond som investerar i en eller flera fonder), fondindex eller korgar av fonder. Fonderna kan vara svenska eller utländska och förvaltas av mer eller mindre kända fondförvaltare. Vissa av Fonderna är godkända av och står under tillsyn av relevant tillsynsmyndighet och är så kallade UCITS, andra fonder har inte godkänts av, och står inte heller under tillsyn av, relevant tillsynsmyndighet. Vidare kan fonderna vara organiserade i bolagsrättslig form. Exempel på fonder som kan vara organiserade i bolagsrättsligform är så kallade private equity fonder, hedgefonder och/eller fond i fonder. För det som benämns som fonder behöver alltså inte gälla samma skyddsregler som gäller för investeringsfonder som drivs enligt svensk rätt. Fonder och fond i fonder har olika former av placeringsinriktningar och olika grader av risker, och ett fondindex kan avse ett antal olika fonder. Placeringsinriktningen i de enskilda fonderna och annan väsentlig information kommer tydligt att redovisas i Slutliga Villkor. Vidare är det viktigt att notera att i vissa fonder eller fond i fonder kan likviditeten vara begränsad eller saknas liksom antalet inlösentillfällen under ett år, vilket är av intresse för investeraren eftersom Emittenten kommer att se till att motsvarande eller liknande begränsningar återspeglas i obligationen.

Råvaruobligationer

En råvaruobligation är en obligation vars avkastning eller återbetalning av investerat belopp är beroende av värdet på en eller flera råvaror, ett råvaruindex eller en korg av råvaror och/eller råvaruindex eller aktuellt jämförelsetal för den underliggande tillgången. Exempel på råvaror som kan bli aktuella är el, olja, guld, utsläppsrätter, aluminium, koppar och zink.

Valutaobligationer

En valutaobligation är en obligation vars avkastning eller betalning av investerat belopp, helt eller delvis, är beroende av värdet av en eller flera valutor och/eller valutapar eller korgar av desamma eller aktuellt jämförelsetal för den underliggande valutan och/eller växelkurser för en eller flera valutor i förhållande till andra. Värdet av en eller flera valutor eller aktuella växelkurser kan erhållas genom referens till spot- eller terminskurser och kan genereras från officiella källor såsom Europeiska centralbankens fixing eller liknande, men även genom privata avslut på valutamarknaden eller genom att ett antal fristående banker beräknar den aktuella kursen.

Indexobligationer

Under en indexobligation är avkastningen och/eller återbetalningsbeloppet beroende av utvecklingen av ett eller flera index eller korgar av index. Placeringsinriktningen under en indexobligation kan vara inriktad mot vissa marknader, branscher eller vissa tillgångsslag. Exempel på index som kan bli aktuellt är exempelvis olika fastighetsindex, råvaruindex, aktieindex, inflationsindex och index för andra tillgångsslag.

Egna sammansatta index

Nordea-koncernen kan också ta del i att skapa, strukturera och underhålla indexportföljer och indexstrategier (och kan även agera indexsponsor i förhållande därtill) (gemensamt ”**Egna Sammansatta Index**”). Sådana index beräknas av en extern beräkningsagent i enlighet med de regler som beskriver metoden för att beräkna dessa Egna Sammansatta Index (”**Reglerna**”).

Reglerna i sin helhet och information om ett index utveckling kommer att finnas fritt tillgängliga på den relevanta Emittentens eller på indexsponsorns webbsida. Tillämpliga regler (vilket innefattar hur man väljer och balanserar ett index beståndsdelar, en beskrivning av marknadsstörande händelser och eventuellt tillämpliga justeringsregler) kommer att vara baserade på förutbestämda och objektiva kriterier.

Per datumet för detta Grundprospekt tillhandahålls följande index av juridiska personer som agerar tillsammans med, eller på uppdrag av, Emittenterna eller deras närstående:

Index Tracker	Namn på Index	Indexsponsor	Valuta	Webbsida för information om Index
NQNDMOT	NASDAQ Nordea SmartBeta Momentum Sweden TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDVOT	NASDAQ Nordea SmartBeta Volatility Sweden TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDDIT	NASDAQ Nordea SmartBeta Dividend Sweden TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDDMT	NASDAQ Nordea SmartBeta Dividend Momentum TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDDVT	NASDAQ Nordea SmartBeta Dividend Volatility TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com
NQNDMVT	NASDAQ Nordea SmartBeta Dividend Momentum TR Index	NASDAQ/Nordea	SEK	www.nasdaq.com

Nasdaq och Nordea har tillsammans utvecklat urvalskriteriena och återbalanseringsreglerna för de Index som listas ovan. Nasdaq är ansvarigt för metod, beräkning, spridning och administration av Indexen.

4. Värdeutvecklingsstrukturer – en beskrivning

De nedan beskrivna värdeutvecklingsstrukturerna avgör hur utvecklingen av de underliggande tillgångar som beskrivits för respektive lånetyp under punkt 3 ovan påverkar avkastning eller återbetalning för Lån. Nedan angivna värdeutvecklingsstrukturer kan kombineras med flera av de uppräknade typerna av Lån. Strukturerade Lån kan i många fall till sin funktion motsvara kombinationer av flera olika typer av traditionella instrument som till exempel en obligation kombinerad med en aktie, fondandel och/eller ett derivatinstrument. Värdet på ett strukturerat Lån påverkas av värdet på den underliggande tillgången eller aktuellt jämförelsetal. Värdet på underliggande tillgång fastställs i vissa fall vid flera tillfällen under löptiden för Lånet och i vissa fall endast i slutet av ett Låns löptid. Utvecklingen kan vara både positiv och negativ för investeraren. Investerarens rätt till avkastning och i förekommande fall återbetalning är således beroende av referenstillgångens värdeutveckling och tillämplig värdeutvecklingsstruktur. Aktuell värdeutveckling liksom avkastning och återbetalningsbelopp kommer att meddelas fordringshavare i enlighet med Allmänna och Slutliga Villkor.

Nedan beskrivna värdeutvecklingsstrukturer är ett urval av de vanligaste strukturerna. Dessa strukturer kan kombineras, varieras och användas i sin helhet eller endast delvis.

Lånens Återbetalningsbelopp kan vara en kombination av ett fast belopp (”**Basåterbetalningsbelopp**”) och ett eller flera tilläggsbelopp (”**Tilläggsbelopp**”) vilka fastställs i enlighet med en eller flera av de värdeutvecklingsstrukturer som specificeras nedan.

Tilläggsbeloppet kan komma att adderas till, eller subtraheras från, Basåterbetalningsbeloppet i syfte att beräkna Återbetalningsbeloppet som ska betalas vid förfallodagen, och kan vara negativt. Som en följd kan en Innehavare under vissa förhållanden erhålla ett mindre belopp än Lånens Kapitalbelopp vid dess slutliga återbetalning. De Slutliga Villkoren specificerar vilken av värdeutvecklingsstrukturerna som är tillämplig på respektive Serie av Lån.

Tilläggsbeloppet kan förfalla till betalning på annan dag än Återbetalningsdagen, nämligen på den ”**Alternativa Betalningsdagen för Tilläggsbelopp**”, såsom definitierat i de tillämpliga Slutliga Villkoren. Trots det föregående förfaller alltid Basåterbetalningsbeloppet till betalning på Återbetalningsdagen.

"Basket Long" och "Basket Short"-strukturer

Basstrukturen för att beräkna värdeutvecklingen på ett strukturerat Lån är beroende av förändringen mellan start- och slutkurs för en eller flera Referenstillgångar (en samling Referenstillgångar hädanefter

en ”**Korg**”). För att minska risken för att tillfälliga värdeförändringar ger ett missvisande beräkningsunderlag vid beräkningen av ett Låns slutvärde, fastställs slutvärdet ofta som ett genomsnitt av referenstillgångens värde eller jämförelsetal vid ett antal mättidpunkter under en bestämd tidsperiod (d.v.s. man mäter värdet vid flera värderingsdagar under Lånets löptid). Det förekommer dock att det endast finns en mättidpunkt av ett värde eller ett jämförelsetal under löptiden. I en "Basket Long"-struktur kommer en positiv värdeutveckling hos Referenstillgångarna i Korgen att ha en positiv effekt på avkastningen i Lånet. I en "Basket Short"-struktur kommer däremot en positiv värdeutveckling hos Referenstillgångarna i Korgen att ha en negativ inverkan på återbetalningsbeloppet i Lånet.

Värdeutvecklingen för en enskild Referenstillgång eller för en Korg kan ha ett golv som sätter en lägstanivå för värdeutvecklingen, eller ett tak, som sätter en högstanivå för värdeutvecklingen. ”Basket Long” och ”Basket Short”-strukturerna utgör byggstenar som återfinns i många andra värdeutvecklingsstrukturer.

"Barriär"-struktur

Denna struktur bygger på en fastslagen kurs som ersätter slutkursen, om värdeutvecklingen för Korgen uppnår och/eller överstiger ett kurstak (en "Barrier Outperformance"-struktur) eller understiger ett kursgolv (en "Barrier Underperformance"-struktur). Strukturen kan också vara kopplad till värdeutvecklingen för den eller de Referenstillgångar som varit bäst eller sämst istället för att basera utvecklingen på Korgen som helhet.

"Autocall"-struktur

Avkastningen i en autocall-struktur är beroende av (i) Korgens avkastning, (ii) olika barriärnivåer och (iii) räntan (om tillämpligt), på sätt som beskrivs nedan.

Förtida inlösen sker om värdeutvecklingen i Korgen på en Observationsdag är lika med eller högre än en specifik inlösenbarriärnivå, varvid det nominella beloppet och en på förhand bestämd kupong (om tillämpligt), betalas ut till investerarna.

Om Korgens avkastning understiger riskbarriärnivån på en Riskbarriärobservationsdag, kommer Återbetalningsbeloppet att vara lika med Lånets Basåterbetalningsbelopp och ett Tilläggsbelopp vilket kommer vara lika med Lånens Kapitalbelopp multiplicerat med Deltagandegraden och det lägre av Korgens avkastning på Värderingsdagen och en förutbestämd högsta avkastning på Korgen.

Om Korgens avkastning överstiger eller är lika med Riskbarriärnivån på alla Riskbarriärobservationsdagar, kommer Återbetalningsbeloppet att vara lika med Lånets Basåterbetalningsbelopp och ett Tilläggsbelopp vilket kommer vara lika med Lånens Kapitalbelopp multiplicerat med Deltagandegrad 2 och det högre av en förutbestämd lägsta avkastning på Korgen och Korgens avkastning på Värderingsdagen.

För att avgöra om den underliggande tillgången i Lånet överstiger en Barriärnivå, Riskbarriärnivå eller Kupongbarriär, används speciella fixingmetoder och andra metoder (t.ex. worst of, best of, eller momentum) för att avgöra tillgångens vikt i Korgen.

Lånen kan generera en avkastning (även kallad "Kupong"). Kupongen konstrueras på ett av följande sätt:

Om kupongen är en så kallad "Flat" kommer Kupongen att bestå av Lånets Kapitalbelopp multiplicerat med den relevanta Kupongnivån.

Om Kupongen är en "Memory", kommer Kupongen att baseras på de Kuponger som redan har betalats ut under Lånets löptid. Kupongen utgörs av Lånens Kapitalbelopp multiplicerat med Kupongnivån och det antal föregående kupongdagar (fram till den nuvarande ränteförfallodagen) för vilka Kupong inte har betalats.

Om kupongen är en så kallad "Plus Flat" utgörs den av Lånets Kapitalbelopp multiplicerat med den högre av avkastningen på Korgen och kupongnivån.

Om kupongen är en "Plus Memory" uppgår den till Lånets Kapitalbelopp multiplicerat med det högsta av: (a) kupongnivån och multiplicerad med det antal kupongdagar (fram till den nuvarande ränteförfallodagen) för vilka kupong inte har betalats; och (b) avkastningen på Korgen.

Om ”*Best of/Worst of Modifierare*” (såsom beskrivs nedan) tillämpas på Autocall-strukturen kommer Tilläggsbeloppet (och eventuellt förtida Återbetalningsbelopp) baseras på stängningskursen för den Referenstillgång som utvecklats Nth bäst, istället för på Korgen som helhet. Värdet på N kommer specificeras i Slutliga Villkor.

”Autocallable rate”-struktur

Om värdet på en underliggande Referensnivå antingen utvecklas bättre eller sämre än en förutbestämd barriärnivå specificerad i de relevanta Slutliga Villkoren (”**Autocall-villkoret**”), kommer lånen att inlösas i förtid. Om Autocall-villkoret inte uppfylls före den slutliga Värderingsdagen inlöses Lånen på Återbetalningsdagen.

"Replacement Basket"-struktur

I en Replacement Basket-struktur ersätts avkastningen som genereras av vissa Referenstillgångar med ett på förhand bestämt värde. Värdeutvecklingen för respektive Referenstillgång mäts i slutet av Lånets löptid och värdeutvecklingen baseras på varje Referenstillgångs procentuella avkastning. Avkastningen för de Referenstillgångar som utvecklats bäst ersätts med en på förhand bestämd procentsats för att kunna fastställa Korgens avkastning.

"Locally Capped Basket"-struktur

Med en Locally Capped Basket-struktur tillämpas ett tak för värdeutvecklingen för varje enskild Referenstillgång angivet som ett i förväg bestämt procentuellt värde.

"Rainbow"-struktur

I Rainbow-strukturen bestäms Referenstillgångarnas viktning på förfallodagen enligt vad som bestämts på förhand. Varje Referenstillgång mäts separat på förfallodagen och rangordnas beroende på respektive enskild tillgångs värdeutveckling. Referenstillgångens vikt i Korgen bestäms av vad som framgår i Slutliga Villkor. Beroende på förhållandet mellan rangordningen mellan respektive Referenstillgång och dess vikter, kan strukturen öka eller minska det relativa tillskottet som antingen de Referenstillgångar med bäst eller sämst värdeutveckling har på Återbetalningsbeloppets storlek.

"Booster"-struktur

Avkastningen för Booster-strukturen kan vara antingen positiv eller negativ, beroende på värdeutvecklingen för underliggande Referenstillgångar(na). Avkastningen kommer att adderas till, eller subtraheras från, Lånets Kapitalbelopp för att få fram det relevanta Återbetalningsbeloppet som betalas ut på Återbetalningsdagen. Som konsekvens av detta kan Fordringshavarna under vissa omständigheter erhålla ett belopp som understiger Kapitalbeloppet som slutligt Återbetalningsbelopp. Booster-strukturer kan också ha olika deltagandegrader beroende på Referenstillgångarnas värdeutveckling, om dessa är positiva eller negativa. Detta kan öka eller minska fordringshavarnas exponering mot Referenstillgångarnas värdeutveckling.

”Twin Win”-struktur

Tilläggsbeloppet beräknas på ett liknande sätt som för ”Basket Long”-strukturen – om Korgens värdeutveckling är positiv kommer även Tilläggsbeloppet att vara positivt. Även om Korgens värdeutveckling är negativ, men över en förutbestämd Barriärnivå, kommer Tilläggsbeloppet att vara positivt. Om Korgens värdeutveckling är negativ och under Barriärnivån kommer även Tilläggsbeloppet vara negativt och Återbetalningsbeloppet kommer därmed understiga Lånets Kapitalbelopp.

"Riskbarriär"-struktur

Riskbarriär-strukturen ger en positiv eller negativ avkastning beroende på Korgens avkastning jämfört med både: (i) Korgens Startvärde på den slutliga Värderingsdagen och (ii) en förutbestämd barriärnivå på vissa dagar under Lånens löptid.

"Bonus Booster"-strukturer

Bonus Booster-strukturen liknar den grundläggande Booster-strukturen ovan, men avviker på så sätt att en i förtid bestämd bonusutbetalning sker på Lånets förfallodag om värdeutvecklingen i Korgen inte på den eller de relevanta Värderingsdagarna understigit den relevanta barriärnivån.

"Periodsumme"-struktur

Avkastningen i en Periodsumme-struktur utgörs av den aggregerade summan av de vissa relativa (procentuella) förändringarna för tillgångarna i Korgen avseende ett antal förutbestämda värderingsperioder under Lånets löptid.

Periodsumme-strukturen har också några specifika funktioner som kan tillämpas nämligen:

- de relativa förändringarna i Korgen beräknat för var och en av de i Korgen ingående Referenstillgångarna kan begränsas av ett tak och/eller ett golv, för varje enskild värderingsperiod.

- Summan av Korgens förändringar kan också bli föremål för ett s.k. globalt tak eller ett globalt golv.

Strukturen kan också innehålla en så kallad inlåsningsfunktion. Inlåsningsfunktionen innebär att om den aggregerade avkastningen på en värderingsdag har nått en fördefinierad inlåsningsnivå kommer Återbetalningsbeloppet att bestämmas utifrån minst sådan nivå. Det finns många olika inlåsningsnivåer, och det finns ingen garanti för att en viss nivå kommer att nås under Lånets löptid.

"Omvänd periodsumme"-struktur

I en omvänd periodsumme-struktur beräknas Återbetalningsbeloppet baserat på en i förväg bestämd procentsats minus den aggregerade relativa förändringen i den underliggande Korgen för ett antal förutbestämda värderingsperioder under Lånets löptid.

"Ersättande periodsumme"-struktur

På samma sätt som en vanlig periodsumme-struktur, är avkastningen vid en ersättande periodsumme-struktur lika med summan av Korgens värdeutvecklingar under relevanta delperioder. Till skillnad från en vanlig periodsumme-struktur, som ofta har tak och/eller golv på de i Korgen ingående Referenstillgångarna, ersätter den här strukturen istället avkastningen för ett visst antal bäst utvecklade värderingsperioder, med ett i förtid bestämt värde.

"Omvänd ersättande periodsumme"-struktur

Den omvända ersättande periodsumme-strukturen är en variant av den grundläggande ersättande periodsumme-strukturen, men den ersätter istället värdeutvecklingen vid ett visst antal av de bästa värderingsperioderna, med ett i förtid bestämt värde.

"Rainbow ersättande periodsumme"-struktur

Rainbow ersättande periodsumme-struktur består av ett Lån där vikten av respektive Referenstillgång i Korgen fastställs efter det att respektive Referenstillgångs värdeutveckling blivit känd. Den underliggande tillgången som har bäst värdeutveckling erhåller även den högsta vikten och så vidare. Värdeutvecklingen för varje enskild Referenstillgång beräknas på samma sätt som för den grundläggande periodsumme-strukturen och representerar summan av de förändringar som skett i varje underliggande Referenstillgång och för varje värderingsperiod under Lånets löptid.

"Omvänd konvertibel"-struktur

Omvänd konvertibel-struktur är ett strukturerat Lån där räntebetalningarna inte har någon koppling till Korgens värdeutveckling. Vid den slutliga Återbetalningsdagen kommer istället den del av kapitalbeloppets som återbetalas baseras på Korgens värdeutveckling.

Om det sammanlagda värdet på Korgens värdeutveckling är positivt, kommer Återbetalningsbeloppet att vara lika med Lånets Kapitalbelopp.

Om det sammanlagda värdet på Korgens värdeutveckling understiger en viss tröskel, kommer Återbetalningsbeloppet att vara lika med Lånets Kapitalbelopp, minskat med ett belopp motsvarande Lånets Kapitalbelopp multiplicerat med deltagandegraden och Korgens värdeutveckling.

"Omvänd konvertibel riskbarriär"- struktur

Strukturen utgår från den omvända konvertibel-strukturen som beskrivits ovan. Dock baseras Återbetalningsbeloppet som eventuellt kan komma att understiga Kapitalbeloppet på en i förtid bestämd barriärnivå, vilket avläses under vissa i förväg bestämda dagar under Lånets löptid.

Om Korgens värdeutveckling understiger den i förtid bestämda barriärnivån på någon av värderingsdagarna, samt understiger den relevanta strikenivån på den slutliga värderingsdagen, kommer Lånets Kapitalbelopp inte att återbetalas fullt ut. Istället baseras Återbetalningsbeloppet på Korgens värdeutveckling och kommer att beräknas som Kapitalbeloppet minskat med Lånets Kapitalbelopp multiplicerat med Deltagandegrad och relevant Korgutdelning.

I alla andra situationer kommer Lånens Kapitalbelopp att återbetalas fullt ut.

”Best of/Worst of" Reverse Convertible"-struktur

Strukturen utgår från den omvända konvertibel riskbarriär-strukturen. Dock baseras det möjliga minskade Återbetalningsbeloppet på den Referenstillgång som haft sämst värdeutveckling. Värdeutvecklingen av referenstillgångarna avläses separat och Lånets Återbetalningsbelopp baseras sedan på den Referenstillgång med Nth bäst värdeutveckling.

"Worst of Digital Memory Coupon"-struktur

Strukturen är en memorystruktur där utbetalning är villkorad av att att Referenstillgångarna överstiger vissa i förtid bestämda barriärnivåer på ett antal efterföljande Värderingsdagar.

"Worst of Call Option"-struktur

I den här strukturen exponeras fordringshavarna mot den Referenstillgång i Korgens som haft sämst värdeutveckling. Det eventuella ytterligare belopp som Fordringshavarna kan ha rätt till är det högre av noll och värdeutvecklingen av de sämsta Referenstillgångarna.

"Outperformance Option"-struktur

Outperformance Optionen erbjuder en investerare möjligheten att koppla sin avkastning till skillnaden i utveckling mellan underliggande Referenstillgångar. I en normal Korgstruktur är Tilläggsbeloppet kopplat till den absoluta värdeutvecklingen av en korg bestående av en eller flera Referenstillgångar. I en Outperformance Option-struktur är däremot avkastningen kopplad till den relativa värdeutvecklingen för två Korgar (”**Korg A**” och ”**Korg B**”) istället för den absoluta värdeutvecklingen för endera Korg. Korgarna kan vara antingen två ”long baskets”, två ”short baskets” eller en ”long basket” och en ”short basket”.

Kreditobligationer

En kreditobligation ("**CLN**") är ett Lån där Återbetalningsbeloppet, och i förekommande fall Räntebetalningarna, bestäms av huruvida det inträffar en Kredithändelse i förhållande till vissa utvalda åtaganden för ett antal Referensbolag. En Kredithändelse är en bolagshändelse som typiskt sett försätter en kreditgivare i ett sämre läge, t.ex. konkurs, betalningsinställelse eller skuldrekonstruktion (t.ex. sänkning av framtida kupongbetalningar eller förlängning av återbetalningsperioden). Därutöver är ränte- och återbetalningar beroende av Referensbolagets förmåga att betala ränta och kapitalbelopp på sina utestående skuldförbindelser.

Om en Kredithändelse inträffar för ett Referensbolag ska det nominella beloppet för beräkning av Återbetalningsbeloppet, och i förekommande fall Räntebetalningar, reduceras. Minskningen av det nominella beloppet kan beräknas utifrån marknadsnivåer eller förutbestämda fasta nivåer. Om fasta nivåer används kan denna vara noll.

Ränta på en CLN betalas typiskt sett löpande men kan också betalas vid den slutliga återbetalningsdagen. Räntan kan men behöver inte vara beroende av förekomsten av Kredithändelser.

En distinktion kan göras mellan tre huvudsakliga typer av CLN-strukturer:

(a) Non-tranched CLN;

(b) Tranched CLN;och

(c) Nth-to-Default / Nth & Nth+1-to-Default CLN.

För Tranched CLN och Non-tranched CLN är Återbetalningsbeloppet och i förekommande fall Räntebetalningarna baserade på de viktade förlusterna i samma eller olika portföljer av Referensbolag vilka är en följd av en eller flera Kredithändelser.

För så kallade Nth-to-Default och Nth & Nth+1-to-Default CLN är Återbetalningsbeloppet och i förekommande fall Räntebetalningarna baserade på antalet och möjligen ordningen på Kredithändelser i samma referensportfölj.

För Tranched CLN kan förekomsten av en Kredithändelse antingen helt sakna påverkan på återbetalningen eller ha en oproportionerligt stor påverkan på återbetalningen (och i förekommande fall räntebetalningar), beroende på den specifika strukturen.

För Non-tranched CLN kommer en minskning av det nominella beloppet på grund av en Kredithändelse att påverkar framtida återbetalning, och i förekommande fall räntebetalningar. Non-tranched CLN kan också utformas så att den har en *call*- eller *put*-möjlighet, d.v.s att den kan återbetalas vid en förbestämd tidpunkt innan den slutliga återbetalningsdagen på antingen relevant Emittents eller investerarens initiativ. Dessutom kan en Non-tranched CLN innebära en eller flera tilläggsbetalningar.

För så kallade Nth-to-Default CLN kommer de första N-1 Kredithändelserna inte att ha någon påverkan på det framtida återbetalningsbeloppet, och i förekommande fall räntebetalningarna. Den Nth Kredithändelsen kommer däremot att ha en oproportionerligt stor påverkan på det framtida återbetalningsbeloppet, och i förekommande fall räntebetalningarna.

För Nth & Nth+1-to-Default CLN kommer inträffandet av Nth och Nth+1 Kredithändelsen att ha en oproportionerligt stor påverkan på det framtida återbetalningsbeloppet och i förekommande fall räntebetalningarna.

”*Option CLN”-struktur*

Syftet med strukturen är att ge en investerare exponering mot kreditrisker (d.v.s. risken för att en Kredithändelse ska inträffa) inom en specifik marknad såsom europeiska eller amerikanska ”investment grade”-bolag, eller högavkastande låntagare. Exponeringen uppstår genom utgivandet av Lån kopplade till index CDS-spreadar som motsvarar kostnaden för riskhantering avseende Kredithändelser som påverkar de bolag som ingår i ett index. Index CDS-spreadar kan ses som en indikator av utvecklingen av kreditrisker på en specifik marknad i sin helhet då de typiskt sett återspeglar diversifierade portföljer av några av de mest handlade enskilda kreditexponeringarna på den relevanta marknaden. Index-baserade CDS:er är bland de mest handlade kreditderivaten och används av finansiella institut och kapitalförvaltare för hantering av risker i investeringsportföljer. Genom att använda en single option-värdeutvecklingsstruktur kan Emittenterna erbjuda strukturer varigenom investerare får fördelar av förändringar i kredit-spreadar, t.ex. om kredit-spreadar ökar till att överstiga eller sjunker till att understiga givna nivåer. Emittenterna kan också erbjuda strukturer där en investerare får fördelar av förändringar i kredit-spreadar men där den potentiella intjäningen är begränsad, t.ex. där en investerare får fördelar om kredit-spreadar sjunker till att understiga en viss given nivå, men inte ytterligare genom att spreadarna sjunker ytterligare under denna nivå. Genom att kombinera tre eller fyra utbetalningar kan Emittenterna erbjuda ytterligare strukturer.

”Mark to Market CDS”-struktur

Denna struktur ger exponering mot ”mark-to-market”-värdet på kreditswappar med hänvisning till Referensenheterna, eller ett index av Referensenheterna, som specificeras i de tillämpliga Slutliga Villkoren.

"Digital Long and Short"-struktur

I en Digital Long-struktur kommer Tilläggsbeloppet att uppgå till Kapitalbeloppet multiplicerat med en förutbestämd Kupongnivå och värdeutvecklingen i Korgen på den slutliga Värderingsdagen överstiger Korgens förutbestämda strikenivå. Om Korgens utveckling understiger strikenivån kommer Tilläggsbeloppet att vara noll.

I en Digital Short-struktur är funktionen reverserad och Tilläggsbeloppet är noll om utvecklingen i Korgen på den slutliga Värderingsdagen uppgår till eller överstiger tillämplig strikenivå.

Digitala strukturer kan också kombineras med best of/worst of funktionalitet, vilket betyder att värderingstidpunkterna och Tilläggsbeloppet bestäms utifrån den Referenstillgång som haft bäst respektive sämst utveckling istället för Korgen i sin helhet.

"Series of Digitals"-struktur

Återbetalningsbeloppet i den här strukturen baseras på antalet Referenstillgångar vars värdeutveckling överstiger den i förtid bestämda barriärnivån. Såvitt gäller de Referenstillgångar som inte når barriärnivån komemr dessa inte att positivt påverka återbetalningsbeloppet.

"Delta 1"-struktur

Under en Delta 1-struktur erhåller investeraren i Lånet aktuellt värde på Referenstillgången på Återbetalningsdagen. Investeraren är fullt exponerad mot den underliggande Referenstillgångens värdeutveckling i denna typ av struktur och Lånet är inte kapitalskyddat.

”Eftersträvad Volatilitet”-struktur

Den avsedda procentsatsens exponering mot underliggande Referenstillgång(ar) (”**Exponeringen**”) fastställs genom att dividera:

(i) kortfristig historisk volatilitet för underliggande Referenstillgång(ar), med

(ii) en eftersträvad volatilitetsnivå (”**Eftersträvad Volatilitet**”),

med förbehåll för ett på förhand bestämt tak eller golv.

När underliggande Referenstillgång(ar)s kortfristiga historiska volatilitet ökar, minskar den avsedda Exponeringen mot underliggande Referenstillgång(ar) och när underliggande Korgs kortfristiga historiska volatilitet minskar, ökar den avsedda Exponeringen mot underliggande Referenstillgång(ar).

Om kortfristig historisk volatilitet är högre än Eftersträvad Volatilitet kommer Lånens Exponering mot underliggande Referenstillgång(ar) vara mindre än 100 %. Om kortfristig historisk volatilitet är lika med Eftersträvad Volatilitet kommer Lånens Exponering mot underliggande Referenstillgång(ar) vara 100 %. Om kortfristig historisk volatilitet är lägre än Eftersträvad Volatilitet kommer Lånens Exponering mot underliggande Referenstillgång(ar) vara högre än 100 % (med förbehåll för eventuella högsta- eller lägstanivåer såsom redogjorts för ovan).

På varje Ombalanseringsdag kommer villkoren att ange en önskad nivå av Exponering (”**Önskad Exponering**”) i förhållande till den efterföljande Ombalanseringsperioden. En Riskhanterande Part kommer då att söka genomföra Hedgingtransaktioner vilka speglar Exponeringen så nära den Önskade Exponeringen som möjligt. Det kan dock förekomma variationer i den faktiska nivå på Exponeringen som en Riskhanterande Part kan uppnå, och tidpunkten då Exponeringen i förhållande till Lånen kan justeras, till följd av tidsförskjutning mellan beslut om den Önskade Exponeringen och genomförandet av de relevanta Hedgingtransaktionerna, och villkoren tillämpliga på inlösen, teckning och försäljning av de relevanta Referenstillgångarna av en Riskhanterande Part. Det kommer inte att ske någon förändring i den faktiska Exponeringen i förhållande till Lånen till dess Hedgingtransaktionerna har genomförts av en Riskhanterande Part. Till följd av detta kan den faktiska Exponeringen i förhållande till Ombalanseringsperioden skilja sig från den Önskade Exponeringen för samma Ombalanseringsperiod.

In and Out Options

”In och Out Options”-struktur är tröskelvärdesval som ger ett Tilläggsbelopp beroende på om Korgavkastningen har varit högre eller lägre än en viss förutbestämd tröskelnivå specificerad i de Slutliga Villkoren (”**Barriärnivån**”). ”Up and In Option”-strukturen ger ett Tilläggsbelopp kopplat till avkastningen för den relevanta Korgen om Korgavkastningen är lika med eller högre än den relevanta Barriärnivån på något Värderingsdatum. Tilläggsbeloppet kan vara positivt eller negativt beroende på om Options-typen är en ”bought”-option eller en ”sold”-option.

”Up and Out Option”-struktur ger ett Tilläggsbeloppet kopplat till avkastningen för den relevanta Korgen om Korgavkastningen är lika med eller lägre än den relevanta Barriärnivån på varje Värderingsdatum. I en ”Down and Out Option”-struktur kommer ett Tilläggsbeloppet att utfalla om Korgavkastningen är lika med eller högre än den relevanta Barriärnivån på varje Värderingsdatum. Tilläggsbeloppet kan vara positivt eller negativt beroende på om Options-typen är en ”bought”-option eller en ”sold”-option.

Varje ”In and Out Option”-struktur kan baseras på antingen en underliggande ”Basket Long”- eller ”Basket Short”-struktur. ”In and Out Option”-strukturer kan också utbetala en fast ränta kallad kupong eller ”rabatt” för de fall att de inte genererar ett Tilläggsbelopp baserat på avkastningen på den relevanta Korgen. I en ”bought”-optionstruktur ska kupongen eller rabatten betalas till Fordringshavarna och kan därför medföra ett negativt Tilläggsbelopp (vilken kan dras av från Basåterbetalningsbeloppet).

Booster Risk Barrier 2

Booster Risk Barriär 2-strukturen är en kombination av en “at the money” call-option och en “out of the money” put-option. Lösenprisnivån för call-optionen sätts till det gällande priset för en Referenstillgång eller Korg vid datumet för utgivande av relevant Lån. Om Referenstillgångens eller Korgens värde överstiger en förutbestämd barriärnivå bestäms Tilläggsbeloppet genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen (beräknat enligt metoden för att beräkna ”Basket Long” enligt ovan). Lösenprisnivån för put-optionen sätts till ett belopp understigande gällande pris för en Referenstillgång eller Korg vid datumet för utgivande av relevant Lån. Om värdet på sådan Referenstillgång eller Korg sjunker till att understiga den specificerade barriärnivån bestäms Tilläggsbeloppet genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden 2 och Korgavkastningen (beräknat enligt metoden för att beräkna ”Basket Short” enligt ovan).

Valutakomponenter

Basåterbetalningsbeloppet, Tilläggsbeloppet eller värdeutvecklingen hos individuella Referenstillgångar som beräknas enligt de strukturer som anges ovan kan också komma att multipliceras med en viss angiven valutakurs i syfte att nå det slutliga återbetalningsbeloppet, vilket kommer att reflektera förändringar i relevanta valutakurser under Lånets löptid.

Best of/Worst of Modifier

Samtliga ovan nämnda värdeutvecklingsstrukturer kan också modifieras på sådant sätt att värderingar, observeringar, Återbetalningsbeloppet och Tilläggsbeloppet kan komma att bestämmas utifrån den Nth bästa (eller sämsta) Referenstillgången, där värdet på N kommer att anges i de Slutliga Villkoren.

Lookback Startkurs Modifier

Om Lookback Startkurs Modifier är tillämpligt på Lånen kommer Tilläggsbeloppet för Lånen att beräknas med hänvisning till antingen den högsta eller den lägsta Startkursen (vid inledandet av en Värderingsperiod) för relevant Korg eller Referenstillgång, såsom närmare anges i Slutliga Villkor.

Lookback Slutkurs Modifier

Om Lookback Slutkurs Modifier är tillämpligt på Lånen kommer Tilläggsbeloppet för Lånen att beräknas med hänvisning till antingen den högsta eller den lägsta Slutkursen (vid utgången av en Värderingsperiod) för relevant Korg eller Referenstillgång, såsom närmare anges i Slutliga Villkor.

Lock-in Modifier

Om Lock-in Modifier tillämpas baseras Tilläggsbeloppet för en eller flera av värdeutvecklingsstrukturerna ovan på ”Lock-in”-korgens avkastning istället för Korgens avkastning. ”’Lock-in’-korgens avkastning” är den högsta korgavkastningen på en Värderingsdag.

Lock-in Korggolv

Om Lock-in Korggolv tillämpas och om Korgavkastningen överstiger Barriärnivån på en Värderingsdag, ska Korgavkastningen ersättas med det högre av Korgavkastningen och en förutbestämd lägsta Korgavkastningsnivå för att bestämma Tilläggsbeloppet i enlighet med relevant värdeutvecklingsstruktur.

Kombination av strukturer

Relevant Emittent kan kombinera ovan värdeutvecklingsstrukturer med varandra genom att tillämpa olika värdeutvecklingsstrukturer för olika Referenstillgångar i en Korg eller för olika under-Korgar, eller genom att tillämpa olika värdeutvecklingsstrukturer beroende på huruvida Korgens avkastning har överskridit vissa på förhand fastställda barriärnivåer under Lånens löptid.

5. Övriga faktorer som kan påverka storleken på återbetalning eller avkastning under ett Lån

De ovan beskrivna lånetyperna och värdeutvecklingsstukturerna kan komma att kombineras med någon eller några av nedan angivna faktorer. Dessa faktorer kan komma att påverka en investerares risk och storleken på avkastning och/eller återbetalningsbelopp under ett Lån.

Absoluta tal eller procentuella förändringar

De jämförelsetal som kan förekomma i ovan beskrivna värdeutvecklingsstrukturer för att fastställa värdeutvecklingen kan vara både absoluta tal och procenttal.

Förtidsinlösen

Om ett Lån har en bestämmelse om förtidsinlösen har Emittenten rätt att återbetala Lånet i förtid om priset på en Referenstillgång eller Korg under ett Låns löptid uppnår en viss förutbestämd nivå (så kallad *call*-möjlighet) eller av andra skäl. I vissa fall kan ett i förväg bestämt förtida inlösenbelopp vara angivet. Det förekommer strukturer där investeraren har rätt att lösa Lånet i förtid för att exempelvis säkra eller realisera en eventuell positiv värdeutveckling i Referenstillgången (så kallad *put*-möjlighet). Huruvida *call*- eller *put*-möjlighet förekommer kommer tydligt att redovisas i Slutliga Villkor.

Deltagandegrad

Strukturen på Lånen kan innehålla en deltagandegrad som bestämmer exponeringen mot respektive Referenstillgång, det vill säga hur stor del av en värdeutveckling som kan tillgodoräknas investeraren i varje enskilt Lån. Deltagandegraden sätts av relevant Emittent och bestäms bland annat av löptid, volatilitet, marknadsräntan och förväntad avkastning för Referenstillgången. Deltagandegraden kan också variera beroende på utvecklingen av underliggande Referenstillgång(ar).

Över- eller underkurs

Lån kan vara utgivna till över- eller underkurs, vilket innebär att investeraren betalar mer eller mindre än nominellt belopp för Lånet. Nollkupongobligationer emitteras inte sällan till en underkurs. Strukturerade Lån emitteras ofta till en överkurs vilket innebär att investeraren betalar en premie för att erhålla en jämförelsevis större del av en Referenstillgångs värdeutveckling. Skillnaden mellan betalat belopp och Lånets nominella belopp, den så kallade överkursen, omfattas aldrig av en minsta återbetalningsfunktion i ett Lån.

Multiplikator och hävstångseffekter

I vissa strukturerade Lån ingår en multiplikator med vilken värdeutvecklingen för en Referenstillgång multipliceras, vilket ger investeraren möjlighet till ökad avkastning i förhållande till investerat belopp. En hög multiplikator betingar ofta en högre premie i form av att Lånet emitteras till en överkurs.

Multiplikatorn innebär en snabbare förlust av investerat kapital i händelse av en ogynnsam utveckling i Referenstillgången. Lån med multiplikator innehåller alltid ett golv vilket innebär att om värdeutvecklingen är negativ för investeraren så är den nedre gränsen noll.

Hävstångsstrukturer erbjuder, genom belåning i den underliggande portföljen av Referenstillgångar, en högre exponering mot den underliggande tillgången än vad storleken på det investerade kapitalet annars skulle tillåta. Hävstång skapas ofta genom att tillämpa en deltagandegrad eller gearingfaktor vilket ger en exponering på mer än 100 procent av de Underliggande Referenstillgångarna. Belåningsgraden kan i vissa fall variera över tiden enligt en fördefinierad mekanism. En dylik mekanism kan även syfta till att hålla belåningsgraden och/eller exponeringen mot Referenstillgångarna inom vissa gränser.

Valutaelement

Om Referenstillgångens valuta är en annan än Lånets valuta, kan investerare vara exponerade för en valutarisk i förhållande till växelkursen mellan Lånets och Referenstillgångens valuta.

Alternativt, om ”*Valutakomponenter*” anges som tillämpligt på en eller flera värdeutvecklingsstrukturer som anges ovan, kan Återbetalningsbeloppet, Tilläggsbeloppet, Korgavkastningen eller Referenstillgångsavkastningen justeras genom att multipliceras med en faktor som reflekterar fluktueringarna i en eller flera utländska valutakurser under relevanta uppmätta eller observerade tidsperioder.

"Ombalansering"

Ombalansering är en löpande justering av förhållandet mellan exponeringen under en risktillgång och investerat kapital.

"Genomsnitt av värderingar"

Vid bestämmande av startvärdet och/eller slutvärdet för varje Referenstillgång kan dessa beräknas som ett genomsnitt av de underliggande slutvärdena vid förutbestämda tidpunkter specificerade i de Slutliga Villkoren (”**Värderingsdatumgenomsnitt**”). Värden för de underliggande observationerna kan tas periodiskt (t.ex. månadsvis, kvartalsvis, halvårsvis eller årsvis). Korgavkastningen beräknas sedan baserat på värdeutvecklingen för varje Referenstillgång under Lånets livstid, med beaktande av relevant viktning för varje Referenstillgång i Korgen.

"Startnivå"

Startkursen (såsom angiven i Slutliga Villkor) kan sättas på ett sådant vis att det initiala värde som anges för en eller flera Referenstillgångar i Korgen för mätning av den relativa värdeutvecklingen för den Referenstillgången, inte motsvarar den initiala spot-kursen på den relevanta Referenstillgången. Detta skapar Lån som kan vara så kallat *in the money* eller *out of the money* på Lånedatumet. Till exempel, om avkastningen på en Referenstillgång beräknas genom att dividera Stängningskursen för den relevanta Referenstillgången med dess strikenivå och sedan subtrahera strikenivån kommer en Startnivå över 100% att resultera i att investeraren erhåller en proportionellt mindre avkastning än den relativa värdeutvecklingen för Referenstillgången. Ett Lån som är *out of the money* på Lånedatumet kommer att resultera i att Innehavaren eventuellt erhåller en lägre avkastning än vid en direkt investering i den relevanta Referenstillgången. Motsatsvis kommer ett Lån som är *in the money* på Lånedatumet resultera i en högre potentiell avkastning än vid den direkt investering i den relevanta Referenstillgången. En generella strikenivå kan också komma att tillämpas på Korgen i sin helhet.

"TOM Ackumulerande"-struktur

En TOM Ackumulerande-struktur speglar en investering i en specifik Referenstillgång som endast är gjord under en begränsad tidsperiod under varje kalendermånad. Under andra tidsperioder speglar Lånen en investering med fast avkastning.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which (subject to completion in the relevant Final Terms) will be applicable to each Series of Notes.

PART 1: – GENERAL CONDITIONS

The Notes are issued in accordance with a fiscal agency agreement, (as amended and/or restated and/or replaced from time to time, the "**Fiscal Agency Agreement**") dated 18 December 2015 and made between Nordea Bank AB (publ), ("**NBAB**"), Nordea Bank Finland Plc ("**NBF**"), Citibank, N.A., London Branch in its capacity as fiscal agent (the "**Fiscal Agent**", which expression shall include any successor to Citibank, N.A., London Branch in its capacity as such), Citibank, N.A. acting through its New York office as registrar (the "**Registrar**" in relation to any Series of Notes except Swedish Notes, which expression shall include any successor to Citibank, N.A. in its capacity as such), certain financial institutions named therein in their capacity as paying agents (the "**Paying Agents**", which expression shall include the Fiscal Agent and any substitute or additional paying agents appointed in accordance with the Fiscal Agency Agreement), Citibank N.A. Zurich as Swiss paying agent (the "**Swiss Paying Agent**"), which expression shall include any successor to Citibank N.A. Zurich in its capacity as such), Nordea Bank Danmark A/S in its capacity as issuing agent for VP Notes (as defined below) (the "**VP Issuing Agent**"), Nordea Bank Norge ASA in its capacity as Norwegian paying agent for VPS Notes (the "**VPS Paying Agent**"), Nordea Bank AB (publ) in its capacity as Swedish issuing agent for Swedish Notes (the "**Swedish Issuing Agent**") and Nordea Bank Finland Plc in its capacity as Finnish issuing agent for Finnish Notes (the "**Finnish Issuing Agent**"). The Notes have the benefit of a deed of covenant (the "**Deed of Covenant**") dated 18 December 2015 (as amended and/or restated and/or replaced from time to time), executed by NBAB and NBF in relation to the Notes. Copies of the Fiscal Agency Agreement and the Deed of Covenant are available for inspection at the specified office of each of the Paying Agents and the Registrar. All persons from time to time entitled to the benefit of obligations under any Notes shall be deemed to have notice of and to be bound by all of the provisions of the Fiscal Agency Agreement and the Deed of Covenant insofar as they relate to the relevant Notes. References in these Terms and Conditions to the "**Issuer**" are to whichever of NBAB or NBF is specified as the issuer in the applicable Final Terms.

The Notes are issued in series (each a "**Series**") made up of one or more tranches (each a "**Tranche**"), and each Tranche will be the subject of a final terms (each a "**Final Terms**") a copy of which, in the case of a Series in relation to which application has been made for admission to listing on the Official List of the Irish Stock Exchange and to trading on its regulated market, will be filed with the Irish Stock Exchange and will be available for inspection at the specified office of each of the Fiscal Agent or, as the case may be, the Registrar on or before the date of issue of the Notes of such Series.

Notes may be denominated in Swiss Francs and cleared through SIS ("**Swiss Franc Notes**" and the "**SIS**"), or settled through the Danish Securities Centre, VP Securities A/S ("**VP Notes**" and the "**VP**", respectively), the Norwegian Central Securities Depository which will be Verdipapirsentralen ASA ("**VPS Notes**" and the "**VPS**", respectively), the Swedish Central Securities Depository which will be the Swedish Central Securities Depositary and Clearing Organisation Euroclear Sweden AB, incorporated in Sweden with Reg. No. 556112-8074 ("**Swedish Notes**" and "**Euroclear Sweden**", or through the Finnish Central Securities Depository which will be Euroclear Finland Ltd, incorporated in Finland with Reg. No. 1061446-0, ("**Finnish Notes**" and "**Euroclear Finland**").

Swiss Franc Notes will be issued in bearer form and will be represented exclusively by a permanent global Note which shall be deposited by the Swiss Paying Agent with SIS, or such other depositary as may be approved by the SIX Regulatory Board of the SIX Swiss Exchange. For the purposes of Swiss Franc Notes, references in these Conditions to "**Euroclear**" and/or "**Clearstream, Luxembourg**" shall be construed as including references to SIS, which expression shall include any other clearing institution recognised by the SIX Swiss Exchange with which the Permanent Global Note may be deposited from time to time), which shall be considered an additional or alternative clearing system for the purposes of these Conditions.

The VP Notes will be registered in uncertificated and dematerialised book entry form with the VP. VP Notes registered in the VP are negotiable instruments and not subject to any restrictions on free negotiability under Danish law.

As the VP Notes will be in uncertificated and dematerialised book entry form, the Terms and Conditions of the VP Notes shall be deemed to be incorporated by reference in, and to form part of, the Deed of Covenant by which the VP Notes are constituted.

The VPS Notes will be registered in uncertificated and dematerialised book entry form with the VPS. VPS Notes registered in VPS are negotiable instruments and not subject to any restrictions on free negotiability under Norwegian law.

As the VPS Notes will be in uncertificated and dematerialised book entry form, the Terms and Conditions of the VPS Notes shall be deemed to be incorporated by reference in, and to form part of, the Deed of Covenant by which the VPS Notes are constituted.

A registrar agreement dated on or about 16 April 2013 (as amended, supplemented or replaced from time to time, the "**VPS Registrar Agreement**") has been entered into between the Issuer and the VPS Paying Agent in relation to the VPS Notes.

The registrar in respect of any Series of Swedish Notes will be Euroclear Sweden (the "**Swedish Registrar**") in accordance with the Swedish Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*) as amended (the "**SFIA Act**").

The Swedish Notes will be registered in uncertificated and dematerialised book entry form with Euroclear Sweden. Swedish Notes registered in Euroclear Sweden are negotiable instruments and not subject to any restrictions on free negotiability under Swedish law.

As the Swedish Notes will be in uncertificated and dematerialised book entry form, the Conditions of the Swedish Notes shall be deemed to be incorporated by reference in, and to form part of, the Deed of Covenant by which the Swedish Notes are constituted.

The Finnish Notes will be registered in uncertificated and dematerialised book entry form with Euroclear Finland. Finnish Notes registered in Euroclear Finland are negotiable instruments and not subject to any restrictions on free negotiability under Finnish law.

As the Finnish Notes will be registered on behalf of the Holder on a securities account pursuant to the Finnish Act on the Book-Entry Securities System and Clearing Activity (Fin. *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)), as amended and the Finnish Act on Book-Entry Accounts (Fin. *Laki arvo-osuustileistä* (827/1991)), as amended, no physical securities will be issued. A request for a registration measure regarding Finnish Notes shall be addressed to the account operator (the "**Account Operator**") pursuant to the Finnish Act on the Book-Entry Securities System and Clearing Activity (Fin. *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)), as amended and the regulations of Euroclear Finland.

In respect of Notes that are denominated in Singapore dollars and issued with a denomination of less than SGD 200,000 (the "**SGD Notes**"), the SGD Notes will be booked in Sweden where the Issuer is Nordea Bank AB (publ) or Finland where the Issuer is Nordea Bank Finland Plc. The branch or office of the Issuer of the SGD Notes is not subject to regulation or supervision in Singapore. The SGD Notes and repayment of the SGD Notes are not secured by any means (whether by mortgage, charge, guarantee or other means).

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

1. Definitions

In these Terms and Conditions the following definitions shall apply.

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

"**Additional Amount(s)**"	means the additional amount (or additional amounts) to be added to, or subtracted from, the Base Redemption Amount for the purposes of calculating the Redemption Amount in accordance with the relevant Conditions;
"**Additional Financial Centre(s)**"	means the city or cities specified as such in the relevant Final Terms;
"**Adjusted Calculation Amount**"	means (in respect of Notes that bear credit-linked interest), the Calculation Amount as adjusted in accordance with the provisions of one of Conditions 5(h) to (k) inclusive or, in the case of all other Notes, the Original Calculation Amount.
"**Affected Reference Asset**"	a Reference Asset (or part thereof) that is affected by one or more of Market Disruption, Disruption, Calculation Adjustment, Corrections, or Extraordinary Events, Change in Law or Increased Costs. If the Reference Asset is constituted by a basket of underlying assets, Market Disruption, Market Disruption Commodity, Disruption, Calculation Adjustment, Corrections, Extraordinary Events, Change in Law or Increased Costs shall be deemed to have occurred only for such underlying asset or assets which are affected;
"**Aggregate Portfolio Exposure**"	means the sum of the Portfolio Exposures in respect of each Basket;
"**Autocall Condition**"	has the meaning given to it in Condition 5(u) (*Autocallable Rate*);
"**Averaging Dates**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Back Stop Date**"	as specified in the Final Terms;
"**Barrier Level**"	means each barrier level specified in the Final Terms;
"**Base CPI**"	the value of the relevant Inflation Rate as determined at the Valuation Time on the Initial Valuation Date(s);
"**Base Currency**"	the currency in which the Reference Asset is denominated;
"**Base Redemption Amount**"	as specified in the Final Terms;
"**Basket(s)**"	means the basket(s) of Reference Assets or Reference Entities specified in the applicable Final Terms;
"**Basket Participation**"	means the proportionate share of the Basket represented by each Reference Asset, determined as follows: If "**Fixed Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be the fixed percentage specified in the Final Terms in relation to the relevant Reference Asset. If "**Rainbow Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be determined by reference to the relative Reference Asset Return. Each Reference Asset will be assigned a ranking based on the Reference Asset Return as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket Participation of each Reference Asset will correspond to the Basket Participation shown against the

relative ranking in the applicable Final Terms.

If "**Replacement Cliquet Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be determined by reference to the relative Replacement Cliquet Performance of the relevant Reference Asset. Each Reference Asset will be assigned a ranking based on the Replacement Cliquet Performance of the relevant Reference Asset as determined by the Issuer in accordance with Condition 6(a)(xxiii) (*"Rainbow Replacement Cliquet" structure*), and the Basket Participation of each Reference Asset will correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms.

If "**Momentum Basket Participation**" is specified as applicable in the relevant Final Terms, the Basket Participation of each Reference Entity will initially be the value specified in the applicable Final Terms. Thereafter, the Basket Participation will be rebalanced on each applicable Rebalancing Date by reference to the relative Rebalancing Performance of each Reference Asset. Each Reference Asset will be assigned a ranking based on the Rebalancing Performance of the relevant Reference Asset during the period from (and including) the immediately preceding Rebalancing Date to (and including) the current Rebalancing Date, and the Basket Participation of each Reference Asset for the Rebalancing Period commencing on the current Rebalancing Date will correspond to the Basket Participation shown against the relevant ranking in the applicable Final Terms.

If "**Accumulating Rainbow Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be determined by reference to the relative Reference Asset Return. Each Reference Asset will be assigned a ranking on the Issue Date, as specified in the applicable Final Terms, and thereafter the Basket Participation will be recalculated on each Valuation Date based on the Reference Asset Return as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket Participation of each Reference Asset for the next following Valuation Period will be reset and correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms.

"**Basket Participation (Interest)**" means the Basket Participation of each Reference Entity (Interest), determined as follows:

If "**Fixed Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be the fixed percentage specified in the Final Terms in relation to the relevant Reference Entity (Interest).

If "**Rainbow Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be determined by reference to the relative Reference Entity Return. Each Reference Entity (Interest) will be assigned a ranking based on the Reference Entity Return as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket Participation (Interest) of each Reference Entity (Interest) will correspond to the Basket Participation (Interest) shown against the relative ranking in the applicable Final Terms.

If "**Replacement Cliquet Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be determined by reference to the relative Replacement Cliquet Performance of the relevant Reference Entity (Interest). Each Reference Entity (Interest) will be assigned a ranking based on the Replacement Cliquet Performance of the relevant Reference Entity (Interest) as determined by the Issuer in accordance with Condition 6(a)(xxiii) (*"Rainbow Replacement Cliquet" structure*), and the Basket Participation (Interest) of each Reference Entity (Interest) will correspond to the Basket Participation (Interest) shown against the relative ranking in the applicable Final Terms.

If "**Momentum Basket Participation (Interest)**" is specified as applicable in the relevant Final Terms, the Basket Participation (Interest) of each Reference Entity (Interest) will initially be the value specified in the applicable Final Terms. Thereafter, the Basket Participation (Interest) will be rebalanced on each applicable Rebalancing Date by reference to the relative Rebalancing Performance of each Reference Entity (Interest). Each Reference Entity (Interest) will be assigned a ranking based on the Rebalancing Performance of the relevant Reference Entity (Interest) during the period from (and including) the immediately preceding Rebalancing Date to (and including) the current Rebalancing Date, and the Basket Participation (Interest) of each Reference Entity (Interest) for the Rebalancing Period commencing on the current Rebalancing Date will correspond to the Basket Participation (Interest) shown against the relevant ranking in the applicable Final Terms.

If "**Accumulating Rainbow Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be determined by reference to the relative Reference Asset Return (Interest). Each Reference Asset (Interest) will be assigned a ranking on the Issue Date, as specified in the applicable Final Terms, and thereafter the Basket Participation (Interest) will be recalculated on each Interest Determination Date based on the Reference Asset Return (Interest) as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket (Interest) of each Reference Asset (interest) for the next following Interest Period will be reset and correspond to the Basket Participation (Interest) shown against the relative ranking in the applicable Final Terms.

"**Basket Strike Level**" as specified in the Final Terms;

"**Business Day**"

(a) means in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Financial Centre; and

(b) means in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Centre of the relevant currency and in each (if any) Additional Financial Centre.

"**Business Day Convention**"	means the convention applicable for the purposes of adjusting a relevant day where the day would otherwise occur on a day which is not a Business Day. The adjustment may be made in accordance with any of the conventions listed below, and the applicable convention in respect of each Series of Notes will be specified in the relevant Final Terms; **Following Business Day:** where an Interest Payment Date or another relevant date occurs on a day which is not a Business Day, it shall be deferred to the immediately following Business Day; **Modified Following Business Day:** where an Interest Payment Date or another relevant date occurs on a day which is not a Business Day, it shall be deferred to the immediately following Business Day unless that day would fall in the next calendar month, in which case the Interest Payment Date or another relevant date shall occur on the immediately preceding Business Day; **Preceding Business Day:** where an Interest Payment Date occurs on a day which is not a Business Day, it shall instead occur on the immediately preceding Business Day;
"**Calculation Adjustment**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Calculation Agent**"	the agent for the Issuer specified in the relevant Final Terms;
"**Calculation Amount**"	has the meaning given in the relevant Final Terms;
"**Call Barrier Level**"	as specified in the Final Terms;
"**Cap Strike**"	means the value specified in the Final Terms;
"**Cap Strike Lower**"	means the value specified in the Final Terms;
"**Cap Strike Upper**"	means the value specified in the Final Terms;
"**Change in Law**"	as specified in Condition 9 (*Change in Law*);
"**CDOR**"	the Interest Rate which, (1) at or about 11.00 am Toronto Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in CAD for the relevant period on the Toronto interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by Canadian commercial banks for loans in CAD for the relevant period on theToronto interbank market;
"**CIBOR**"	the Interest Rate which, (1) at or about 11.00 am Central European Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the

	aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in DKK for the relevant period on the Copenhagen interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by Danish commercial banks for loans in DKK for the relevant period on the Copenhagen interbank market;
"**Clearing System**"	means one or more of Euroclear, Clearstream Luxembourg, Euroclear Finland, Euroclear Sweden, VP, VPS and SIS, as specified in the applicable Final Terms;
"**Closing Price**"	the value of the relevant Reference Asset at the Valuation Time on the applicable Rebalancing Date(s), Valuation Date(s), Observation Date(s), Risk Barrier Observation Date(s) or Initial Valuation Date(s), as determined by the Issuer by reference to the price source specified in the Final Terms;
"**Component Security**"	means, in relation to an Index, each component security of the Index;
"**Correction**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Coupon**"	the value specified in the relevant Final Terms;
"**Coupon 2**"	the value specified in the relevant Final Terms;
"**Coupon Barrier Level**"	each coupon barrier level specified in the relevant Final Terms;
"**Coupon Rate**"	each coupon rate as specified in the relevant Final Terms;
"**Credit Event**"	means any of the events named as such in Part 3: *Additional Conditions for Credit-Linked Notes* to these Conditions and specified as applicable to the relevant Notes in the applicable Final Terms;
"**Credit Event Ranked Weight**"	means the weighting assigned to the relevant Credit Event, as specified in the Final Terms;
"**Currency Business Day**"	means any day in which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre for the relevant currency. In respect of any transaction where the Notes and/or Reference Asset(s) are denominated in Euro, each TARGET Settlement Day shall be a Currency Business Day;
"**Currency Business Day Convention**"	means the convention applicable for the purposes of adjusting a relevant day where the day would otherwise fall on a day which is not a Currency Business Day. The adjustment may be made in accordance with any of the conventions listed under "Business Day Convention" as if references therein to a "Business Day" were references to a Currency Business Day. Unless otherwise specified in the applicable Final Terms, the Currency Business Day Convention will be the same as the Business Day Convention;
"**Day Count Fraction**"	means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(i) if "**Actual/Actual (ICMA)**" is so specified, means:

(a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

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

(ii) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/365 (Sterling)**" is so specified, means the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap years, 366;

(v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

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

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30";

(vii) if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

Day Count Fraction =

where:

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

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

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

Day Count Fraction =

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Redemption Date or (ii) such number would be 31, in which case D2 will be 30,

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

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from but excluding the Interest Commencement Date to and including the first Interest Payment Date and each successive period from but excluding one Interest Payment Date to and including the next Interest Payment Date;

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

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

Interest Period;

"**Dealer**"/"**Dealers**"	NBAB, Nordea Bank Danmark A/S, NBF and Nordea Bank Norge ASA or any other dealer as appointed in respect of an issue of Notes under the Programme;
"**Denomination**"	the denomination of the Notes as specified in the Final Terms;
"**Designated Maturity**"	as specified in the Final Terms;
"**Early Redemption Amount**"	as specified in the Final Terms;
"**Early Redemption Date**"	the Interest Payment Date(s) or other such date(s) as specified in the Final Terms on which the Notes may be redeemed prior to their scheduled Redemption Date in accordance with the Conditions;
"**EURIBOR**"	the Interest Rate which (1) at 11:00 am Central European Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates quoted by European Reference Banks to leading commercial banks in Europe for deposits in Euro for the relevant period or, where only one or no such quotation is given, (b) the Issuing Agent's (where applicable, Calculation Agent's) or Issuer's assessment of the Interest Rate offered by leading commercial banks in Europe for loans in Euro in respect of the relevant period on the European interbank market;
"**Euroclear Finland**"	Euroclear Finland Ltd.;
"**Euroclear Sweden**"	Euroclear Sweden AB;
"**European Reference Banks**"	four major commercial banks which, at the time in question, quote EURIBOR and are appointed by an Issuing Agent (or, where applicable, the Calculation Agent) or the Issuer;
"**Exchange Business Day**"	means any Scheduled Trading Day on which each Relevant Exchange and each Options or Futures Exchange is open for trading during its regular trading sessions and (in the case of an Index), on which the Index Sponsor publishes the level of the Index;
"**Extraordinary Events**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Final CPI**"	the value of the relevant Inflation Rate as determined at the Valuation Time on the Valuation Date(s);
"**Final Currency Value**"	as specified in the Final Terms;
"**Final FX Rate**"	unless otherwise specified in the Final Terms means the FX Rate, or the average value of the FX Rate at the FX Valuation Time, on the applicable FX Valuation Date(s) specified in the Final Terms;
"**Final FX Rate (Interest)**"	unless otherwise specified in the Final Terms means the FX Rate (Interest), or the average value of the FX Rate (Interest) at the FX Valuation Time (Interest), on the applicable FX Valuation Date(s) (Interest) specified in the Final Terms;
"**Final Price**"	unless otherwise specified in the Final Terms, means the Closing Price (or, if Valuation Date Averaging is specified in the Final Terms, the average of the Closing Prices), for the relevant

	Reference Asset, on the Valuation Date(s) (or on the Averaging Dates applicable to the relevant Valuation Date(s)), Observation Date(s), Risk Barrier Observation Date(s) or Interest Determination Date(s), specified in the Final Terms;
"**Fixed Interest Amount**"	means the amount specified in the Final Terms;
"**Fixed Price**"	as specified in the Final Terms;
"**Fixed Rate Notes**"	has the meaning given to it in Condition 5(a) (*Interest — Fixed Rate*);
"**Fixed Recovery Value**"	as specified in the relevant Final Terms;
"**Floating Rate Notes**"	has the meaning given to it in Condition 5(d) (*Interest – FRNs (Floating Rate Notes)*);
"**Floor Strike**"	means the value specified in the applicable Final Terms;
"**Floor Strike Lower**"	means the value specified in the applicable Final Terms;
"**Floor Strike Upper**"	means the value specified in the applicable Final Terms;
"**FRN Participation Ratio**"	as specified in the Final Terms;
"**Fund**"	as specified in the Final Terms;
"**Fund Event**"	has the meaning specified in Part 4: *Additional Conditions for Fund-Linked Notes* to these Conditions;
"**Fund-Linked Notes**"	means Notes in respect of which the Reference Asset(s) consist(s) of units or shares in a fund (or funds), as further specified in the relevant Final Terms;
"**FX Factor**"	means, if "FX Factor-Long" is specified in the applicable Final Terms, the value obtained by dividing the Final FX Rate by the Initial FX Rate or, if "FX Factor-Short" is specified in the Final Terms, the value obtained by dividing the Initial FX Rate by the Final FX Rate;
"**FX Factor (Interest)**"	means, if "FX Factor (Interest) Long" is specified in the applicable Final Terms, the value obtained by dividing the Final FX Rate (Interest) by the Initial FX Rate (Interest) or, if "FX Factor (Interest) Short" is specified in the Final Terms, the value obtained by dividing the Initial FX Rate (Interest) by the Final FX Rate (Interest);
"**FX Rate**"	means the currency exchange rate (which may be calculated on the basis of a combination of rates) specified in the relevant Final Terms, as displayed on the price source(s) specified in such Final Terms;
"**FX Rate (Interest)**"	means the currency exchange rate (which may be calculated on the basis of a combination of rates) specified in the relevant Final Terms, as displayed on the price source(s) specified in such Final Terms;
"**FX Valuation Date(s)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;
"**FX Valuation Date(s) (Interest)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;

"**FX Valuation Time**"	as specified in the applicable Final Terms;
"**FX Valuation Time (Interest)**"	as specified in the applicable Final Terms;
"**Hedge Proceeds**"	means the amount(s) received by the Issuer or other applicable Hedging Party as a result of unwinding any hedge position entered into by the Issuer or relevant Hedging Party in order to hedge any obligation of the Issuer to make payments in respect of the Notes;
"**Hedge Transaction**"	means any transaction or trading position entered into or held by the Issuer and/or any of its Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Notes or any hypothetical transaction or trading position relating to the Issuer's obligations or positions (whether in whole or in part) in respect of the Notes, as determined by the Issuer in its sole discretion;
"**Hedging Disruption**"	as specified in Condition 11 (*Hedging Disruption*);
"**Hedging Party**"	means any of the Issuer, any other entity within the Nordea Group (as selected by the Issuer from time to time in its sole discretion), or a hypothetical investor located in Denmark, Finland or Sweden, that will be deemed to hold the Reference Assets;
"**Holder**"	a person or entity identified as the holder of one or more Notes in accordance with these Conditions;
"**Increased Costs**"	has the meaning specified in Condition 10 (*Increased Costs of Hedging*);
"**Index Sponsor**"	means the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and (b) customarily announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day;
"**Inflation-Linked Interest**"	the amount of interest determined in accordance with Condition 5(e) (*Interest-Inflation-Linked*);
"**Inflation-Linked Interest Notes**"	Notes that bear Inflation-Linked Interest;
"**Inflation Rate**"	the inflation rate specified as the Reference Asset (Interest) in the Final Terms;
"**Initial Basket Level**"	as specified in the Final Terms;
"**Initial FX Rate**"	unless otherwise specified in the Final Terms means the FX Rate, or the average value of the FX Rate, at the FX Valuation Time, on the applicable Initial FX Valuation Date(s) as specified in the Final Terms;
"**Initial FX Rate (Interest)**"	unless otherwise specified in the Final Terms means the FX Rate (Interest), or the average value of the FX Rate (Interest), at the FX Valuation Time (Interest), on the applicable Initial FX Valuation Date(s) (Interest), as specified in the Final Terms;
"**Initial FX Valuation Date(s)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;

"**Initial FX Valuation Date(s) (Interest)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;
"**Initial Price**"	unless otherwise specified in the Final Terms, means the Closing Price (or, if Initial Valuation Date Averaging is specified in the Final Terms, the average of the Closing Prices), of the relevant Reference Asset on the Initial Valuation Date(s) (or on the Averaging Dates applicable to the relevant Initial Valuation Date(s)), as specified in the Final Terms;
"**Initial Valuation Date**"	the date or date(s) specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if Initial Valuation Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to the Initial Valuation Date shall, where the context so admits, also include reference to any related Averaging Dates;
"**Instalment Amount**"	means, in relation to an Instalment Note, the amount of each instalment as may be specified in, or determined in accordance with the provisions of, the Final Terms. To the extent that an Instalment Amount requires determination, such amount may be determined by the Calculation Agent;
"**Instalment Date**"	as specified in the Final Terms;
"**Interest Base Rate**"	EURIBOR, STIBOR, LIBOR, NIBOR, CIBOR, CDOR or the Nordea Own Funds Rate, as may be specified in the Final Terms;
"**Interest Commencement Date**"	as specified in the Final Terms;
"**Interest Determination Date**"	the day which occurs two Business Days prior to the first day in each Interest Period, or such other date(s) as may be specified in the Final Terms;
"**Interest Margin**"	as specified in the Final Terms;
"**Interest Payment Date(s)**"	the date(s) specified in the Final Terms;
"**Interest Period**"	(i) with respect to the first Interest Period, the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date; and (ii) with respect to subsequent Interest Periods, the period commencing on (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date **provided that** in the case of Swedish Notes, the period beginning on (but excluding) the Interest Commencement Date and ending on (and including) the first Interest Payment Date and each period on (but excluding) an Interest Payment Date and ending on (and including) the next Interest Payment Date shall be the relevant Interest Period;
"**Interest Rate**"	as specified in the Final Terms in respect of Fixed Rate Notes or as specified in Condition 5(d) (*Interest – FRNs (Floating Rate Notes))* in the case of Floating Rate Notes;
"**Issue Date**"	as specified in the Final Terms or if such day is not a Business Day, as determined in accordance with the applicable Business Day Convention;
"**Issuing Agent**"	as specified in the Final Terms;

"**LIBOR**"	the Interest Rate which, (1) at or about 11.00 am London Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in the Specified Currency for the relevant period on the London interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by London commercial banks for loans in the Specified Currency for the relevant period on the London interbank market;
"**Lock-in Level**"	as specified in the Final Terms;
"**Lookback Factor**"	as specified in the Final Terms;
"**Lookback Return**"	means either the Basket Return or the Reference Asset Return, as specified in the relevant Final Terms. The Basket Return or Reference Asset Return will, in each case, be calculated in accordance with the relevant performance structure specified in the Final Terms;
"**Market Disruption**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Market Recovery Value**"	means the final price for deliverable obligations of the relevant Reference Entity or Reference Entity (Interest), as applicable, as determined in accordance with any applicable auction process or other valuation methodology administered or endorsed by or on behalf of the International Swaps and Derivatives Association, Inc., or any successor organisation, or in the absence of such a price, the value determined by the Issuer acting in good faith and in a commercially reasonable manner;
"**Maximum Basket Return**"	as specified in the Final Terms;
"**Maximum Interest Rate**"	as specified in the Final Terms;
"**Maximum Performance**"	in respect of each Reference Asset, the percentage specified in the Final Terms;
"**Maximum Redemption Amount**"	as specified in the Final Terms;
"**Minimum Basket Return**"	as specified in the Final Terms;
"**Minimum Interest Rate**"	as specified in the Final Terms;
"**Minimum Redemption Amount**"	as specified in the relevant Final Terms;
"**Minimum Redemption Percentage**"	means the minimum redemption amount expressed as a percentage of the Principal Amount of the Notes;
"**N**"	as specified in the Final Terms;
"**New York Banking**	a day on which commercial banks and foreign exchange markets

Day"	are generally open for business in New York City;
"**NIBOR**"	the Interest Rate which, (1) at or about 12.00 pm Oslo Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in NOK for the relevant period on the Oslo interbank market as quoted by the Reference Banks or, where only one or no such quotation is given (b) the Issuer's determination of the Interest Rate offered by Norwegian commercial banks for loans in NOK for the relevant period on the Oslo interbank market;
"**Nordea Group**"	NBAB and its subsidiaries, licensed to carry on financing business in their respective country of domicile;
"**Nordea Own Funds Rate**"	means the cost to the Nordea Group of obtaining funding in the Specified Currency for a term equivalent to the relevant Interest Period, as determined by the relevant Issuer on each relevant Interest Determination Date;
"**Notes**"	debt instruments which form part of a Series issued by the Issuer under this Programme, with the terms and conditions specified in the relevant Final Terms and these Conditions;
"**NTOM Period**"	means the period from and including the Issue Date to (but excluding the initial TOM Calculation Start Date, and thereafter each period from (but excluding) a TOM Calculation End Date to (and including) the next following TOM Calculation Start Date;
"**Number of Business Days**"	means the Number of Business Days specified in the Final Terms;
"**Number of Exchange Business Days**"	means the number of Exchange Business Days specified in the Final Terms or, if the Final Terms do not specify the relevant number, three (3) Exchange Business Days;
"**Observation Date**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Observation End Date**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Observation Start Date**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Options or Futures Exchange**"	means each exchange or quotation system specified in the Final Terms or, if "All Exchanges" is specified in the Final Terms, each exchange or quotation system where trading has a material effect (as determined by the Issuer) on the overall market for futures or options contracts relating to the relevant Reference Asset(s);
"**Original Calculation**" **Amount**	the Calculation Amount specified in the applicable Final Terms.
"**Participation Ratio**"	as specified in the Final Terms;
"**Participation Ratio 2**"	as specified in the Final Terms;
"**Participation Ratio 3**"	as specified in the Final Terms;

"**Portfolio Exposure**"	as specified in the Final Terms;
"**Principal Amount**"	the nominal amount of the Notes;
"**Principal Financial Centre**"	means, in relation to any currency, the principal financial centre for that currency **provided**, **however**, **that**: (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;
"**Programme Amount**"	€15,000,000,000 or the equivalent thereof in other currencies (unless otherwise amended by agreement between the Issuers and the Dealers);
"**Rate Adjustment Notes**"	has the meaning given to it in Condition 5(b) (*Interest – Rate Adjustment*);
"**Rate Option**"	means the provisions for determining the relevant interest rate, as specified in Section 7.1 (*Rate Options*) of the 2006 ISDA Definitions;
"**Rebalancing Date(s)**"	the date(s) specified in the Final Terms (subject to adjustment in accordance with the Scheduled Trading Day Convention);
"**Rebalancing Performance**"	is calculated by dividing the Closing Price of the relevant Reference Asset or Reference Asset (Interest) on the relevant Rebalancing Date by the Closing Price of the relevant Reference Asset or Reference Asset (Interest) on the immediately preceding Rebalancing Date or (in the case of the initial Rebalancing Date), the Start Date;
"**Record Date**"	the Business Day on which the entitlement of Holders to receive payment under these Conditions, is determined, as specified in Condition 8 (*Payments*);
"**Redemption Amount**"	the amount calculated in accordance with Condition 6 (*Redemption and Purchase*);
"**Redemption Date**"	as specified in the Final Terms or, if such day is not a Business Day, as determined in accordance with the applicable Business Day Convention;
"**Reference Asset(s)**"	as specified in the Final Terms – Reference Assets may include equities, shares (including private equity)/depository receipts, indices, interest rates, currencies, fund units, commodities, credit risks or baskets thereof, combinations or relationships between assets, the change in price or performance of which affects the size of the Redemption Amount and shall (unless the context otherwise requires) include Reference Entities and/or Reference Rates;
"**Reference Banks**"	four major commercial banks which, at the relevant time, quote the relevant Interest Base Rate and are appointed by the Issuing Agent (or, where applicable, the Calculation Agent) or Issuer;

"**Reference Entity**"	as specified in the Final Terms (and including any Replacement Reference Entity, as determined in accordance with the Conditions);
"**Reference Entity (Interest)**"	as specified in the Final Terms (and including any Replacement Reference Entity (Interest), as determined in accordance with the Conditions);
"**Reference Rate**"	as specified in the Final Terms;
"**Reference Yield**"	the yield specified in the Final Terms for calculation of the Redemption Amount in relation to certain Zero Coupon Notes where the Issuer or, where applicable, a Holder, is entitled to require early redemption of the Notes pursuant to the Conditions;
"**Relevant Date**"	means on Alternative Additional Amount Payment Date, an Averaging Date, Early Redemption Date, Initial FX Valuation Date, FX Valuation Date, Initial FX Valuation Date (Interest), FX Valuation Date (Interest), Initial Observation Date, Observation Date, Observation Start Date Risk Barrier Observation Date, Rebalancing Date, Start Date, Initial Valuation Date, Valuation Date, TOM Valuation Date, Twin-Win Valuation Date, Interest Determination Date (as applicable), or such other relevant date as the Issuer may (in its sole discretion) determine for the purposes of any valuation, calculation, determination or observation pursuant to these Conditions;
"**Relevant Exchange**"	the stock exchange(s) on which the underlying Reference Asset(s) is/are listed and/or quoted and/or traded, as specified in the Final Terms or, if none is specified, the principal exchange or quotation system for trading in the relevant Reference Asset (or, the case of a Reference Asset which is an index, each security which comprises such index), as determined by the Issuer, or any substitute exchange or quotation system to which trading in the relevant Reference Asset (or component of such Reference Asset) has temporarily located, **provided that** the Issuer has determined that there is comparable liquidity relative to such Reference Asset (or component of such Reference Asset) or such temporary substitute exchange or quotation system as on the original exchange;
"**Relevant Value**"	means an FX Rate, FX Rate (Interest), Initial FX Rate, Initial FX Rate (Interest), Reference Rate, Closing Price, Initial Price and/or Final Price (as applicable) or such other relevant value as the Issuer may (in its sole discretion) determine for the purposes of any valuation, calculation, determination or observation pursuant to these Conditions;
"**Replacement Factor**"	as specified in the Final Terms;
"**Replacement Reference Asset**"	means an alternative Reference Asset, as selected by the Issuer in a commercially fair and reasonable manner;
"**Risk Barrier Event**"	means (unless otherwise specified in these Conditions) that the Basket Return is below the applicable Barrier Level;
"**Risk Barrier Observation Date(s)**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if Risk Barrier Observation Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to a Risk Barrier Observation Date shall, where the context so admits, include reference to any related Averaging Dates;

"**Scheduled Closing Time**"	means, in respect of a Relevant Exchange or an Options or Futures Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Relevant Exchange or Options or Futures Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.
"**Scheduled Redemption Date**"	as specified in the Final Terms;
"**Scheduled Trading Day**"	unless otherwise specified in the Final Terms and irrespective of whether a Market Disruption, Disruption Currency, or Fund Event has occurred, (a) with respect to each Reference Asset which is an equity depository receipts, equities index or any other type of Reference Asset which is traded on a stock exchange or market place, a day on which (i) trading is intended to take place in a Reference Asset (or, in the case of an index, any security which comprises such index) on a Relevant Exchange and on an Options or Futures Exchange and/or (ii) the relevant Index Sponsor is scheduled to publish the level of the Index; (b) with respect to Reference Assets which comprise a currency or a currency index or any other type of Reference Asset for which the price is published, a day on which the price for such Reference Asset or currency included in a Reference Asset is published or is intended to be published on the price source specified in the Final Terms; (c) with respect to a Reference Asset which is a fund or a fund index, a day on which it is intended that the value of the Reference Asset or units in the Reference Asset shall be published in accordance with the governing rules or methodology of such fund or fund index and (d) with respect to any other Reference Asset, such day as is specified in the Final Terms;
"**Scheduled Trading Day Convention**"	means the applicable convention for the purposes of adjusting a relevant day where the day occurs on a day which is not a Scheduled Trading Day. Adjustment may take place in accordance with any of the following conventions: **Following Scheduled Trading Day:** where a relevant day occurs on a day which is not a Scheduled Trading Day, it shall be deferred until the Following Scheduled Trading Day; **Modified Following Scheduled Trading Day:** where a relevant day occurs on a day which is not a Scheduled Trading Day, it shall be deferred to the immediately following Scheduled Trading Day in the same calendar month unless that day would fall in the next calendar month, in which case the relevant day shall occur on the immediately preceding Scheduled Trading Day; **Preceding Scheduled Trading Day:** where a relevant day or another relevant day occurs on a day which is not a Scheduled Trading Day, it shall instead occur on the immediately preceding Scheduled Trading Day;
"**Screen Page**"	as specified in the Final Terms;
"**Specified Currency**"	SEK, EUR, DKK, NOK or such other currency as may be specified

	in the Final Terms;
"**Specified Denomination**"	as specified in the Final Terms;
"**STIBOR**"	the Interest Rate which, (1) at or about 11.00 am Central European Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in SEK for the relevant period on the Stockholm interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by Swedish commercial banks for loans in SEK for the relevant period on the Stockholm interbank market;
"**Strike Level**"	as specified in the Final Terms;
"**Strike Lower**"	Means the value specified in the Final Terms;
"**Strike Upper**"	Means the value specified in the Final Terms;
"**TARGET2**"	means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;
"**TARGET Settlement Day**"	means any day on which TARGET2 is open for the settlement of payments in euro;
"**Target Redemption Amount**"	as specified in the Final Terms;
"**TOM Calculation Start Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if TOM Calculation Start Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to the TOM Calculation Start Date shall, where the context so admits, also include reference to any related Averaging Dates;
"**TOM Calculation End Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if TOM Calculation End Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to the TOM End Start Date shall, where the context so admits, also include reference to any related Averaging Dates;
"**TOM Participation Ratio**"	the value specified in the relevant Final Terms;
"**TOM Commencement Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**TOM End Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**TOM Period**"	means, in respect of each calendar month in the period commencing on the TOM Commencement Date and ending on the TOM End Date, the period from (and including) the TOM Calculation Start Date to (and including) the TOM Calculation End Date, **provided that** if the first day of the TOM Period (as the result of any applicable business day convention or adjustment

provision(s)) falls on such TOM Calculation End Date, the last day of the TOM Period shall instead be the Scheduled Trading Day immediately following such TOM Calculation Start Date;

"**TOM Valuation Date**"	means each TOM Calculation Start Date and TOM Calculation End Date (as applicable);
"**Tranche Attachment Point**"	the percentage specified in the Final Terms;
"**Tranche Attachment Range**"	means the result obtained by subtracting the Tranche Attachment Point from the Tranche Detachment Point;
"**Tranche Detachment Point**"	the percentage specified in the Final Terms;
"**Twin-Win Valuation Date(s)**"	the Valuation Date(s) specified in the applicable Final Terms;
"**Valuation Date(s)**"	the date or dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if Valuation Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to a Valuation Date shall, where the context so admits, include reference to any related Averaging Dates;
"**Valuation Period**"	means the period from (but excluding) each Valuation Date (including the Initial Valuation Date), to and including the immediately following Valuation Date;
"**Valuation Time**"	unless otherwise specified in the Final Terms, with respect to each Reference Asset which is not an Index, the time at which its official closing price is determined or the value thereof is otherwise determined as specified in the Final Terms and in relation to a Reference Asset which is an Index: (i) for the purposes of determining whether a Market Disruption has occurred: (a) in respect of any Component Security, the Scheduled Closing Time on the Relevant Exchange in respect of such Component Security (which may be a single Relevant Exchange in respect of each Component Security), and (b) in respect of any options contracts or future contracts on the Index, the close of trading on the relevant Options or Futures Exchange; and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;
"**Weighted Asset Return**"	means, unless otherwise specified in these Conditions, the product of the Reference Asset Return and the Basket Participation in respect of each relevant Reference Asset; and
"**Zero Coupon Notes**"	has the meaning given to it in Condition 5(f) (*Zero Coupon Notes*).

2. **Form and Denomination**

(a) ***Form***

Notes, other than VP Notes, VPS Notes, Swedish Notes and Finnish Notes, are issued in bearer form or registered form, as specified in the relevant Final Terms and are serially numbered.

The VP Notes are issued in uncertificated and dematerialised book entry form in accordance with the Danish Securities Trading etc. Act (*Værdipapirhandelsloven*), as amended from time to time, and the Danish Executive Order on Book Entry, etc. of dematerialised Securities in a Central

Securities Depositary (*Bekendtgørelse om registering m.v. af fondsaktiver i en værdipapircentral*), as amended from time to time.

The VPS Notes are issued in uncertificated and dematerialised book entry form in accordance with the Norwegian Securities Register Act 2002 (in Norwegian: *lov om registrering av finansielle instrumenter 2002 5. juli nr. 64*).

The Swedish Notes are issued in uncertificated and dematerialised book entry form in accordance with the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*) as amended.

Finnish Notes are issued in uncertificated and dematerialised book entry form in accordance with the Finnish Act on the Book-Entry Securities System and Clearing Activity (Fin. *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)), as amended, and the Finnish Act on Book-Entry Accounts (Fin. *laki arvo-osuustileistä* (827/1991)), as amended, as well as the rules and regulations of Euroclear Finland.

(b) ***Form of Bearer Notes***

Notes issued in bearer form ("**Bearer Notes**"), other than Swiss Franc Notes, will be represented upon issue by either a temporary global note (a "**Temporary Global Note**") or a permanent global note (a "**Permanent Global Note**") in either case in substantially the form (subject to amendment and completion) scheduled to the Fiscal Agency Agreement.

The Temporary Global Note and/or the Permanent Global Notes will be deposited with, and held by, a common depositary or common safekeeper for and on behalf of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or any other clearing system to which Notes or any interest therein may from time to time be credited. Payments of principal or interest (if any) on a Permanent Global Note will be made through Euroclear and Clearstream, Luxembourg.

Interest bearing Definitive Notes will, if so specified in the relevant Final Terms, have attached thereto at the time of their initial delivery coupons ("**Coupons**"), presentation of which will be prerequisite to the payment of interest in certain circumstances specified below **provided that** interest bearing Definitive Notes, if so specified in the relevant Final Terms, have attached thereto at the time of initial delivery Coupons and one Talon for further Coupons (a "**Talon**", together with the Coupons in such case and where the context so permits, the "**Coupons**") entitling the holder thereof to further Coupons and a further Talon.

Bearer Notes, the principal amount of which is repayable by instalments ("**Instalment Notes**") have attached thereto at the time of their initial delivery, payment receipts ("**Receipts**") in respect of the instalments of principal.

(c) ***Form of Registered Notes***

Notes issued in registered form ("**Registered Notes**") will be in substantially the form (subject to amendment and completion) scheduled to the Fiscal Agency Agreement. Registered Notes will not be exchangeable for Bearer Notes.

(d) ***Form of Swiss Franc Notes***

Swiss Franc Notes will be denominated in Swiss francs, issued in bearer form and will be represented exclusively by a Permanent Global Note which shall be deposited by the Swiss Paying Agent with SIS, or such other depositary as may be approved by the SIX Regulatory Board of the SIX Swiss Exchange. Once the Permanent Global Note is deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities (*Bucheffekten*) ("**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

Each Holder (as defined in Condition 3 (*Title*) below) shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer,

provided that for so long as the Permanent Global Note remains deposited with the Intermediary the co-ownership interest shall be suspended and the Notes may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*), i.e., by the entry of the transferred Notes in a securities account of the transferee.

Neither the Issuer nor the Holders shall at any time have the right to effect or demand the conversion of the Permanent Global Note (*Globalurkunde*) into, or the delivery of, uncertificated securities (*Wertrechte*) or Definitive Notes (*Wertpapiere*).

No physical delivery of the Notes shall be made unless and until Definitive Notes (*Wertpapiere*) are printed. Definitive Notes may only be printed, in whole, but not in part, if the Swiss Paying Agent determines, in its sole discretion, that the printing of the Definitive Notes (*Wertpapiere*) is necessary or useful. Should the Swiss Paying Agent so determine, it shall provide for the printing of definitive Notes (*Wertpapiere*) without cost to the Holders. Upon delivery of the Definitive Notes (*Wertpapiere*), the Permanent Global Note will be cancelled and the definitive Notes (*Wertpapiere*) shall be delivered to the Holders against cancellation of the Notes in the Holders' securities accounts.

(e) ***Form of VP Notes***

A Tranche or a Series of Notes (as the case may be), if so specified in the applicable Final Terms may be cleared through the VP in accordance with Danish laws, regulations and operating procedures applicable to and/or issued by the VP for the time being (the "**VP Rules**"). The VP Notes shall be regarded as Registered Notes for the purposes of these Conditions save to the extent these Conditions are inconsistent with Danish laws, regulations and VP Rules. No physical Notes or certificates will be issued in respect of the VP Notes and the provisions in these Conditions relating to presentation, surrendering or replacement of such physical VP Notes or certificates shall not apply to the VP Notes. The Issuer will certify that Nordea Bank Danmark A/S is, on the date of issue of a Tranche or a Series of VP Notes (as the case may be), entered in the VP as the account holding institute (*kontoførende institut*) for the duly registered owners of the Notes of such Tranche or Series (as the case may be).

(f) ***Form of VPS Notes***

The VPS Notes shall be regarded as Registered Notes for the purposes of these Conditions save to the extent these Conditions are inconsistent with Norwegian laws, regulations and operating procedures applicable to and/or issued by VPS for the time being (the "**VPS Rules**"). No physical VPS Notes or certificates will be issued in respect of the VPS Notes and the provisions in these Conditions relating to presentation, surrendering or replacement of such physical Notes or certificates shall not apply to the VPS Notes.

(g) ***Form of Swedish Notes***

The Swedish Notes shall be regarded as Registered Notes for the purposes of these Conditions save to the extent these Conditions are inconsistent with Swedish laws, regulations and operating procedures applicable to and/or issued by Euroclear Sweden for the time being (the "**Euroclear Sweden Rules**"). No physical Swedish Notes or certificates will be issued in respect of the Swedish Notes and the provisions in these Conditions relating to presentation, surrender or replacement of such physical Swedish Notes or certificates shall not apply to the Swedish Notes.

(h) ***Form of Finnish Notes***

The Finnish Notes shall be regarded as Registered Notes for the purposes of these Conditions save to the extent these Conditions are inconsistent with Finnish laws, regulations and operating procedures applicable to and/or issued by Euroclear Finland for the time being (the "**Euroclear Finland Rules**"). No physical Finnish Notes or certificates will be issued in respect of the Finnish Notes and the provisions in these Conditions relating to presentation, surrender or replacement of such physical Finnish Notes or certificates shall not apply to the Finnish Notes.

(i) ***Denomination of Bearer Notes***

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

(j) ***Denomination of Registered Notes***

Registered Notes will be in the minimum denomination specified in the relevant Final Terms and, unless otherwise specified in the relevant Final Terms, integral multiples thereof.

(k) ***Denomination of VP Notes***

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

(l) ***Denomination of VPS Notes***

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

(m) ***Denomination of Swedish Notes***

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

(n) ***Denomination of Finnish Notes***

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

(o) ***Currency of Notes***

Notes may be denominated in any currency subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

For the purposes of these Conditions, references to Notes shall, as the context may require, be deemed to include Temporary Global Notes, Permanent Global Notes, Definitive Notes or, as the case may be, Registered Notes.

The Issuer may in certain circumstances consolidate the Notes with one or more further Tranches of Notes of the same Series, as described in Condition 18 (*Further Issues*) below.

3. **Title**

(a) ***Title to Bearer Notes, Registered Notes, VP Notes, VPS Notes, Swedish Notes, Finnish Notes and Swiss Franc Notes***

Title to the Bearer Notes (other than Swiss Franc Notes), Receipts and Coupons passes by delivery. References herein to the "**Noteholders**" or "**Holders**" of Bearer Notes or of Receipts or Coupons signify the bearers of such Bearer Notes or such Receipts or Coupons.

Title to Registered Notes passes by registration in the register which is kept by the Registrar as specified in the relevant Final Terms. References herein to the "**Noteholders**" or "**Holders**" of Registered Notes signify the persons in whose names such Notes are so registered.

Title to the VP Notes shall pass by registration in the register (the "**Danish Note Register**") maintained by the VP Issuing Agent in accordance with the VP Rules. The Issuer shall be entitled to obtain information from VP in accordance with the VP Rules. Except as ordered by a

court of competent jurisdiction or as required by law, the Holder (as defined below) of any VP Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the Holder. In these Conditions in relation to VP Notes only, "**Note Holder**" or "**Holder**" means, as the context requires, the person in whose name a VP Note is registered in the Danish Note Register and shall also include any person duly authorised to act as a nominee and registered as a holder of the VP Notes. If the Notes of such Tranche cease to be registered in the VP, Nordea Bank Danmark A/S as account holding institute for the duly registered owners shall supply the VP Issuing Agent with all necessary information with regard to such duly registered owners and the VP Issuing Agent shall enter such information into the Danish Note Register.

Title to the VPS Notes shall pass by registration in the register (the "**VPS Register**") in accordance with the Norwegian VPS Rules. The Issuer shall be entitled to obtain information from VPS in accordance with the VPS Rules. Except as ordered by a court of competent jurisdiction or as required by law, the Holder (as defined below) of any VPS Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the Holder. In these Conditions in relation to VPS Notes only, "**Note Holder**" or "**Holder**" means, as the context requires, the person in whose name a VPS Note is registered in the VPS Register and shall also include any person duly authorised to act as a nominee (*forvalter*) and registered as a holder of the VPS Notes.

Title to the Swedish Notes shall pass by registration in the book entry system and register maintained by Euroclear Sweden (the "**Euroclear Sweden Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the Holder (as defined below) of any Swedish Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the Holder. In these Conditions in relation to Swedish Notes only, "**Note Holder**" or "**Holder**" means, as the context requires, the person in whose name a Swedish Note is registered in the Euroclear Sweden Register and shall also include any person duly authorised to act as a nominee (*förvaltare*) and registered as a holder of the Swedish Notes.

Where a nominee (*förvaltare*) in accordance with the SFIA Act is so evidenced it shall be treated by the Issuer as the holder of the relevant Swedish Notes.

Title to the Finnish Notes shall pass by registration in the computerised register maintained by or on behalf of Euroclear Finland. Except as ordered by a court of competent jurisdiction or as required by law, the Holder (as defined below) of any Finnish Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the Holder. References herein to the "**Note Holders**" or "**Holders**" of Finnish Notes signify the persons in whose names such Notes are so registered.

The Holder of any Note or Coupon will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

Swiss Franc Notes

The records of the Intermediary will determine the number of Notes held through each participant in that Intermediary. In respect of the Notes held in the form of Intermediated Securities, the holders of the Notes (the "**Holders**") will be the persons holding the Notes in a securities account (*Effektenkonto*) which is in their own name, or in the case of intermediaries (*Verwahrungsstellen*), the intermediaries (*Verwahrungsstellen*) holding the Notes for their own account in a securities account (*Effektenkonto*) which is in their name.

(b) ***Transfer of Registered Notes, VP Notes, VPS Notes, Swedish Notes and Finnish Notes***

Registered Notes

A Registered Note may, upon the terms and subject to the conditions set forth in the Fiscal Agency Agreement, be transferred in whole or in part only (**provided that** such part is equal to, or is a permitted integral multiple in excess of, the minimum denomination specified in the relevant Final Terms) upon the surrender of the Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.

Each new Registered Note to be issued upon the transfer of Registered Notes will, upon the effective receipt of such form of transfer by the Registrar at its specified office, be available for delivery at the specified office of the Registrar. For these purposes, a form of transfer received by the Registrar during the period of fifteen London Banking Days, ending on the due date for any payment on the relevant Registered Notes shall be deemed not to be effectively received by the Registrar until the day following the due date for such payment.

The issue of new Registered Notes on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Registrar may require in respect of) any tax or other governmental charges which may be imposed in relation thereto.

VP Notes

One or more VP Notes may be transferred in accordance with VP Rules. Each new VP Note to be issued shall be available for delivery within three business days of receipt of the request and the surrender of the VP Notes for exchange. Delivery of the new VP Note(s) shall be made to the same VP account on which the original VP Notes were registered. In this Condition 3(b) (Transfer of Registered Notes, VP Notes, VPS Notes, Swedish Notes and Finnish Notes) in relation to VP Notes only, "**business day**" has the meaning ascribed to such term by the then applicable rules and procedures of the VP.

Exchange and transfer of VP Notes on registration, transfer, partial redemption or exercise of a call or a put option shall be effected without charge by or on behalf of the VP Issuing Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the VP Issuing Agent may require).

No Holder may require the transfer of a VP Note to be registered during any closed period pursuant to the then applicable VP Rules.

All transfers of VP Notes are subject to any cut-off dates applicable to such VP Notes and are subject to any other rules and procedures for the time being of the VP. The VP's rules and regulations may be downloaded from its website: http://www.vp.dk.

VPS Notes

One or more VPS Notes may be transferred in accordance with the VPS Rules. In the case of an exercise of option resulting in VPS Notes of the same holding having different terms, separate VPS Notes registered with the VPS Register shall be issued in respect of those VPS Notes of that holding having the same terms. Such VPS Notes shall only be issued against surrender of the existing VPS Notes in accordance with the VPS Rules.

Each new VPS Note to be issued pursuant to the above, shall be available for delivery within five business days of receipt of the request and the surrender of the VPS Notes for exchange. Delivery of the new VPS Note (s) shall be made to the same VPS account on which the original VPS Notes were registered. In this Condition 3(b) (*Transfer of Registered Notes, VP Notes, VPS Notes, Swedish Notes and Finnish Notes*) in relation to VPS Notes only, "**business day**" means a day, other than a Saturday or Sunday on which VPS is open for business.

Exchange and transfer of VPS Notes on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer or the VPS Paying Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the VPS Paying Agent may require).

No Holder may require the transfer of a VPS Note to be registered during any closed period pursuant to the then applicable VPS Rules.

Swedish Notes

One or more Swedish Notes may be transferred in accordance with Euroclear Sweden Rules. Exchange and transfer of Swedish Notes on registration, transfer, partial redemption or exercise of a call or a put option shall be effected without charge by or on behalf of the Issuer or the Swedish Issuing Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Swedish Issuing Agent may require).

No Holder may require the transfer of a Swedish Note to be registered during any closed period pursuant to the then applicable Euroclear Sweden Rules.

All transfers of Swedish Notes are subject to any cut-off dates applicable to such Swedish Notes and are subject to any other rules and procedures for the time being of Euroclear Sweden. The Euroclear Sweden Rules may be downloaded from its website: http://www.euroclear.com.

Finnish Notes

One or more Finnish Notes may be transferred in accordance with Euroclear Finland Rules. Exchange and transfer of Finnish Notes on registration, transfer, partial redemption or exercise of a call or a put option shall be effected without charge by or on behalf of the Issuer or the Finnish Issuing Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Finnish Issuing Agent may require).

No Holder may require the transfer of a Finnish Note to be registered during any closed period pursuant to the then applicable Euroclear Finland Rules.

All transfers of Finnish Notes are subject to any cut-off dates applicable to such Finnish Notes and are subject to any other rules and procedures for the time being of Euroclear Finland. Euroclear Finland's rules and regulations may be downloaded from its website: http://www.euroclear.com.

3A. Application of Swedish and Finnish Bail-in Power to Norwegian law Notes

The provisions of this Condition 3A (*Application of Swedish and Finnish Bail-in Power to Nowegian law Notes*) shall be applicable to all Notes which are expressed to be governed by Norwegian law in the applicable Final Terms.

(1) For as long as any Note is outstanding, each holder irrevocably acknowledges and agrees and shall be deemed by its holding of any Note to acknowledge and agree that:

(a) any liability of the Issuer to a holder of the Note may be subject to the exercise by the Relevant Resolution Authority of a Write-down or Conversion Power (and it consents to any such exercise);

(b) it is (and it consents to being) bound by any exercise by the Relevant Resolution Authority of a Write-down or Conversion Power in relation to any such liability and in particular (but without limitation) by:

(i) any reduction, in part or in full, in the principal amount or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability; and/or

(ii) the conversion of all or part of such liability into (or the transfer to it in place of all or part of that liability of) ordinary shares, other instruments of ownership or other securities or obligations of the Issuer or any other person,

that may result from any such exercise;

(c) the terms of the Note and its rights as a holder thereunder are subject to and will be varied, to the extent necessary, to give effect to any such exercise and it will be bound by any such variation (and it consents to any such variation);

(d) it will accept (and it consents to accepting) in place of all or part of its rights under the Note, ordinary shares, other instruments of ownership or other securities or obligations of the Issuer or another person into which any such liability may be converted (or which may be transferred to it) as a result of any such exercise; and

(e) the provisions of this clause constitute (and it consents to their constituting) the entire agreement between the parties on the matters described herein to the exclusion of any other agreements, arrangements or understandings between the parties relating to the subject matter thereof.

The Issuer's obligations under the Notes may be subject to the exercise by the Relevant Resolution Authority of a Write-down or Conversion Power and no repayment of the principal amount of any Note or payment of interest on such Note shall become due and payable after any such exercise unless such repayment or payment would be consistent with any provision made or action taken pursuant to such exercise and would be permitted to be made by the Issuer under the laws and regulations of the Sweden or Finland (as applicable) and the European Union applicable to the Issuer.

As used in this Condition:

"**Relevant Legislation**" means any laws, orders, regulations, rules, instruments or requirements from time to time in force or applicable in Finland or Sweden (as applicable) relating to the resolution of banks, banking group companies, credit institutions, investment firms or financial institutions or any of their affiliates.

"**Relevant Resolution Authority**" means any regulatory or governmental agency, body or authority which has authority under the Relevant Legislation to exercise a Write-down or Conversion Power.

"**Write-down or Conversion Power**" means:

(a) any power under the Relevant Legislation to make a bail-in provision in relation to a bank or other entity to which the Relevant Legislation applies, that is (in summary) the power to make any of the following (or any combination of the following):

(i) provision cancelling a liability owed by the entity (or a contract under which the entity has a liability);

(ii) provision modifying, or changing the form of, a liability owed by the entity (or modifying a contract under which the entity has a liability, converting or replacing an instrument, creating a new security or converting liabilities into securities issued by the entity or another person); and

(iii) provision that a contract under which the entity has a liability is to have effect as if a specified right had been exercised under it; or

(b) any other power under the Relevant Legislation:

(i) to reduce, in part or in full, the principal amount of or outstanding amount due (or any accrued but unpaid interest) in respect of the liability of a person under an agreement or instrument;

(ii) to convert, in part or in full, the liability of a person under an agreement or instrument directly or indirectly into ordinary shares, other instruments of ownership or other securities or obligations of that person or another person; or

(iii) to cancel any agreement or instruments issued by a person; or

(c) any power under the Relevant Legislation related or ancillary to any of the powers referred to above.

(2) Upon the Issuer's becoming aware of the exercise of the Write-down or Conversion Power with respect to the Notes by the Relevant Resolution Authority, the Issuer shall notify the Fiscal Agent or cause the Fiscal Agent to be notified, in writing as soon as possible thereafter. The Fiscal Agent shall give a public notice to the Noteholders on behalf of the Issuer as soon as practicable in accordance with Condition 16 (*Notices*) of the Write-down or Conversion Power being exercised.

(3) Upon the exercise of the Write-down or Conversion Power with respect to the Notes by the Relevant Resolution Authority, the Issuer shall be released, unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations of Sweden or Finland (as applicable) and the European Union applicable to the Issuer, from its payment obligations (in relation to repayment of the principal amount, payment of interest and any other payments due) under the Notes, to the extent that outstanding principal amounts under the Notes have been subject to the exercise of the Write-down or Conversion Power by the Relevant Resolution Authority.

(4) Notwithstanding that the Issuer may be delayed in delivering or fail to deliver any of the notices referred to in Condition 3A(2) above, such delay or failure shall not affect the validity and enforceability of the Write-down or Conversion Power.

(5) Any repayment of the principal amount and payments of interest on the Notes made to the Noteholders after the exercise of the Write-down or Conversion Power in the excess of the amount permitted to be paid by the Issuer under the laws and regulations of Sweden or Finland (as applicable) and the European Union applicable to the Issuer, shall be null and void, and the Noteholders who received the payments shall return the received amounts to the Issuer immediately.

(6) No Noteholders shall be entitled, after the exercise of the Write-down or Conversion Power, to set off any of their former rights and entitlements to repayment of the principal amount or payments of interest in respect of the Notes against any other obligations which they may owe to the Issuer at that time, to the extent that those rights and entitlements in respect of the Notes have been cancelled, reduced or converted by operation of the Write-down or Conversion Power.

(8) All expenses necessary for the procedures under this Condition 3A, including, but not limited to, those incurred by the Issuer and the Fiscal Agent shall be borne by the Issuer."

4. **Status**

The Notes of each Series constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future.

5. **Interest**

Notes may be interest bearing or non-interest bearing, as specified in the relevant Final Terms. The amount of interest payable per Calculation Amount on each Interest Payment Date, (the "**Interest Amount**") shall be calculated in accordance with one of the following alternatives as further specified in the relevant Final Terms. Unless otherwise specified in these Conditions, the Interest Amount will be an amount per Calculation Amount and (subject to Condition 8(10) (*Interest Deferral*)) will be payable in arrear on each Interest Payment Date.

(a) ***Interest – Fixed Rate***

If the Notes are specified as "Fixed Rate" Notes, the Notes shall bear interest at the Interest Rate from and including the Interest Commencement Date to but excluding the Redemption Date **provided that** in the case of Swedish Notes, such Swedish Notes shall bear interest from, but excluding their Interest Commencement Date to and including the Redemption Date. Interest accrued during each Interest Period will be payable in arrear on the relevant Interest Payment Dates

If a Fixed Interest Amount is specified in the applicable Final Terms, the amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Interest Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Interest Amount in respect of the relevant Specified Denomination.

In respect of any period for which a Fixed Interest Amount is not specified, the Interest Amount in respect of each Note shall be calculated by applying the Interest Rate to the Adjusted Calculation Amount, multiplying the product by the Day Count Fraction, and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the specified Denomination of such Note divided by the Original Calculation Amount. For the purposes of this Condition 5 (*Interest*), a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

Unless otherwise specified in the Final Terms, the Business Day Convention stated in Condition 8(8)(c) below shall apply to Fixed Rate Notes.

(b) ***Interest – Rate Adjustment***

If the Notes are specified as "Rate Adjustment" Notes, the provisions of this Condition 5 (*Interest*) that are to be followed for calculation of the Interest payable on the Notes may be adjusted periodically, as specified in the applicable Final Terms.

(c) ***Interest – Combination***

If "Combination of Interest Bases" is specified as applicable in the Final Terms, Notes may also bear interest in accordance with more than one of the interest alternatives set out in this Condition 5 (*Interest*): (i) if "Single Basket Addition" is specified in the Final Terms the same underlying Basket shall be used for the calculation of each alternative Interest Amount, and the Interest Amounts so determined shall be aggregated for the purposes of determining the total amount payable to holders on the relevant Interest Payment Date, (ii) if "Multiple Basket Addition" is specified in the Final Terms a different underlying Basket shall be used for the calculation of each separate Interest Amount (as specified in the Final Terms), and the Interest Amounts shall be aggregated for the purposes of determining the total amount payable to the holders on the relevant Interest Payment Date or (iii) if "Alternative Calculation" is specified in the Final Terms, the applicable Condition for the calculation of interest will differ depending on whether or not the Basket Return on a particular Interest Determination Date has exceeded certain pre-specified Interest Barrier levels, as set out in the relevant Final Terms.

The Basket Return will be determined in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

(d) ***Interest – FRNs (Floating Rate Notes)***

If the Notes are specified as "Floating Rate" Notes, the Notes shall bear interest from and including the Interest Commencement Date up to but excluding the Redemption Date **provided that** in the case of Swedish Notes, such Swedish Notes shall bear interest from, but excluding their Interest Commencement Date to and including the Redemption Date. The Interest Rate applicable to each Interest Period shall be determined by the Issuing Agent (or, where applicable, the Calculation Agent) or the Issuer on the relevant Interest Determination Date as the sum of:

(i) the Interest Base Rate multiplied by the FRN Participation Ratio; and

(ii) the Interest Margin for the relevant period.

If a Maximum Interest Rate or a Minimum Interest Rate (or both) is specified in the applicable Final Terms, the Interest Rate shall in no circumstances be higher than the Maximum Interest Rate or lower than the Minimum Interest Rate (as applicable).

Interest for each Interest Period is paid in arrear on the relevant Interest Payment Date and is calculated by applying the Interest Rate to the Adjusted Calculation Amount, multiplying the product by the Day Count Fraction, and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figures by a fraction equal to the specified Denomination of such Note divided by the Original Calculation Amount. For the purposes of this Condition 5 (*Interest*), a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

If there is a long or short first or last Interest Period in respect of any Notes (an "**Irregular Interest Period**"), which is either longer or shorter than the Designated Maturity for the Interest Base Rate specified in the Final Terms, the Issuer may either specify an Alternative Designated Maturity for such Irregular Interest Period in the applicable Final Terms or, if "linear interpolation" is specified in the Final Terms, determine the Interest Base Rate by way of linear interpolation of the rates displayed for 'Alternative Maturity 1' and 'Alternative Maturity 2' in each case as specified in the Final Terms, and as shown on the applicable Screen Page.

Unless otherwise specified in the Final Terms, the Business Day Convention stated in Condition 8(8)(c) below shall apply to Floating Rate Notes.

(e) ***Interest – Inflation-Linked***

If the "Inflation-Linked Interest Note" provisions are specified as applicable in the Final Terms, the Notes shall bear Inflation-Linked Interest from and including the Interest Commencement Date to but excluding the Redemption Date **provided that** in the case of Swedish Notes, such Swedish Notes shall bear interest from, but excluding their Interest Commencement Date to and including the Redemption Date. The Interest Rate may be fixed or floating and the amount of interest for each Interest Period shall be calculated in the manner stated in Condition 5(a) (*Interest – Fixed Rate*) or Condition 5(d) (*Interest – FRNs*) respectively and multiplied by a figure corresponding to the ratio calculated by dividing the Final CPI by the Base CPI.

Unless otherwise specified in the Final Terms, the Business Day Convention specified in Condition 8(8)(c) below shall apply to Inflation-Linked Interest Notes.

(f) ***Zero Coupon Notes***

If the Notes are specified as "Zero Coupon Notes", the Notes shall not bear interest. Zero coupon Notes may be issued at a discount and redeemed at their Principal Amount. Alternatively, zero coupon Notes may be issued at their Principal Amount and redeemed at a higher Redemption Amount as specified in the applicable Final Terms and which, in any such case, shall be paid on the Redemption Date.

Unless otherwise stated in the Final Terms, the Business Day Convention specified in Condition 8(8)(c) below shall apply to zero coupon Notes.

Unless otherwise stated in the Final Terms, Notes shall not be Zero Coupon Notes and on redemption of the Notes, any payment of Redemption Amount over or below the Principal Amount shall be considered as interest or yield.

(g) ***Coupon Bearing Notes***

If the Notes are specified as "Coupon Bearing Notes" and if a Coupon Event occurs on any Valuation Date, then the Notes will pay interest (the "**Coupon**") on the immediately succeeding Interest Payment Date. The amount of any such Coupon payment will be determined as follows:

(i) If "**Flat Coupon**" is specified in the Final Terms, the Coupon payment will be equal to the Principal Amount of the Notes multiplied by the relevant Coupon Rate;

(ii) If "**Memory Coupon**" is specified in the Final Terms the Coupon payment will be equal to the Principal Amount of the Notes multiplied by the relevant Coupon Rate and multiplied by the number of preceding Interest Payment Dates (up to and including the Interest Payment Date immediately following the applicable Valuation Date) for which a Coupon has not been paid;

(iii) If "**Plus Flat Coupon**" is specified in the Final Terms the Coupon payment will be equal to the Principal Amount of the Notes multiplied by the higher of: (a) the relevant Coupon Rate and (b) the Basket Return; and

(iv) If "**Plus Memory Coupon**" is specified in the Final Terms the Coupon payment will be equal to the Principal Amount of the Notes, multiplied by the higher of: (a) the relevant Coupon Rate multiplied by the number of preceding Interest Payment Dates (up to and including the Interest Payment Date immediately following the applicable Valuation Date) for which a Coupon has not been paid and (b) the Basket Return.

A "**Coupon Event**" will occur if the Basket Return is at or above one or more specified Coupon Barrier Level(s) for the relevant Valuation Date.

The "**Basket Return**" will be determined as follows:

(i) if "*Basket Rate*" is specified in the Final Terms, the "Basket Return" will be calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) (*"Basket Long" structure*) or the "Basket Short" structure set out in Condition 6(a)(ii) ("*Basket Short*" *structure*), as specified in the Final Terms; or

(ii) if "*Best of/Worst of Rate*" is specified in the Final Terms, the "Basket Return" will be the Reference Asset Return of the Nth best performing Reference Asset.

The "**Nth best performing**" Reference Asset shall be the Reference Asset with the Nth highest Reference Asset Return where for the purposes of this Condition 5(g) (*Coupon Bearing Notes*), "N" shall be the value specified in the Final Terms under the heading "**Coupon Bearing Note Provisions**".

The "**Reference Asset Return**" will be calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) (*"Basket Long" structure*) or the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

If no Coupon Event has occurred on any given Valuation Date, no interest will be payable on the immediately succeeding Interest Payment Date.

(h) ***Non-Tranched CLN Interest***

If the Notes are specified as bearing "Non-Tranched CLN Interest", the Interest Rate may be fixed or floating and the amount of interest for each Interest Period shall be calculated in the manner specified in one of the other provisions of this Condition 5 (*Interest*), save that the Calculation Amount which is used to determine the Interest Amount payable in accordance with such other Condition (the "**Adjusted Calculation Amount**") shall be adjusted as follows:

(i) if "**Determination Date Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date falling the Number of Business Days prior to the relevant Interest Payment Date *provided however that*, in the case of any Interest

Payment Date which falls after the final Observation Date, the Adjusted Portfolio Return (Interest) shall be determined as at the final Observation Date, or

(ii) if "**Weighted Average Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the preceding Observation Date to (but excluding) the Observation Date on or immediately preceding the relevant Interest Payment Date, as determined by the Issuer in its sole discretion *provided however that*, in the case of any Interest Period which commences on or after the final Observation Date, the weighted average of the Adjusted Portfolio Return (Interest) for each calendar day during the relevant Interest Period shall be equal to the Adjusted Portfolio Return (Interest) on the final Observation Date, as determined by the Issuer in its sole discretion.

The "**Adjusted Portfolio Return (Interest)**" shall be the difference between 1 and the Adjusted Portfolio Loss (Interest).

The "**Adjusted Portfolio Loss (Interest)**" will mean the sum of the Default Weighting for each Reference Entity (Interest) within the Basket.

The "**Default Weighting**" shall be either:

(i) If "**Credit Event Ranked Basket Participation (Interest)**" is specified as applicable in the relevant Final Terms, calculated by multiplying the Basket Participation (Interest) by the Default Value in respect of each Reference Entity (Interest) as follows:

(A) for the Reference Entities (Interest) which have been subject to a Credit Event, the relevant Credit Event Ranked Weight is used as the Basket Participation (Interest); or

(B) for the remaining Reference Entities (Interest) which have not been subject to a Credit Event, the relevant Reference Entities shall be listed in alphabetical order and the remaining Credit Event Ranked Weights will be assigned in numerical order for the purposes of determining the Basket Participation (Interest), following the principle that the first Reference Entity (Interest) in alphabetical order shall be assigned the first available Credit Event Ranked Weight in numerical order and so forth.

(ii) If "**Credit Event Ranked Basket Participation (Interest)**" is specified as not applicable, calculated by multiplying the Basket Participation (Interest) by the Default Value in respect of each Reference Entity (Interest).

The "**Default Value**" in respect of each Reference Entity (Interest) will be the difference between 100% and the Recovery Value.

The "**Recovery Value**" will be 100 per cent. if a Credit Event (as defined in Part 3; *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity (Interest) since the Observation Start Date or, if such a Credit Event has occurred, it will be either a Fixed Recovery Value (as specified in the Final Terms) or a Market Recovery Value, in each case specified as a percentage.

(i) ***Tranched CLN Interest***

If the Notes are specified as bearing "Tranched CLN Interest", the Interest Rate may be fixed or floating and the amount of interest for each Interest Period shall be calculated in the manner specified in one of the other provisions of this Condition 5 (*Interest*), save that the Calculation Amount which is used to determine the Interest Amount payable in accordance with such other Condition (the "**Adjusted Calculation Amount**") shall be adjusted as follows:

(i) if "**Determination Date Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date falling the Number of Business Days prior to

the relevant Interest Payment Date *provided however that*, in the case of any Interest Payment Date which falls after the final Observation Date, the Adjusted Portfolio Return (Interest) shall be determined as at the final Observation Date, or

(ii) if "**Weighted Average Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the preceding Observation Date to (but excluding) the Observation Date on or immediately preceding the relevant Interest Payment Date, as determined by the Issuer in its sole discretion *provided however* that, in the case of any Interest Period which commences on or after the final Observation Date, the weighted average of the Adjusted Portfolio Return (Interest) for each calendar day during the relevant Interest Period shall be equal to the Adjusted Portfolio Return (Interest) on the final Observation Date, as determined by the Issuer in its sole discretion.

The "**Adjusted Portfolio Return (Interest)**" shall be the result obtained by subtracting the Adjusted Tranche Loss (Interest) from 1.

The "**Adjusted Tranche Loss (Interest)**" will be the result obtained by dividing the lower of a) the Tranche Attachment Range and b) the Tranche Loss (Interest), by the Tranche Attachment Range.

The "**Tranche Loss (Interest)**" will be the higher of:

(i) zero and

(ii) the sum of:

(a) the higher of (x) zero and (y) the result obtained by subtracting the Tranche Attachment Point from the sum of the Weighted Asset Loss (Interest) for each Reference Entity (Interest) within the relevant Basket; and

(b) the Coupon Risk Factor.

"**Weighted Asset Loss (Interest)**" means the product of the Basket Participation (Interest) and the Reference Entity Loss (Interest) for the relevant Reference Entity (Interest).

The "**Reference Entity Loss (Interest)**" will be the result obtained by subtracting the Recovery Value in respect of the relevant Reference Entity (Interest) from 1.

The "**Recovery Value**" will be 100 per cent. if a Credit Event (as defined in Part 3; *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity (Interest) since the Observation Start Date or, if such a Credit Event has occurred, it will be either a Fixed Recovery Value (as specified in the Final Terms) or a Market Recovery Value, in each case specified as a percentage.

The "**Coupon Risk Factor**" will mean the greater of (i) zero and (ii) the sum of the Weighted Asset Recovery (Interest) for those Reference Entities (Interest) for which a Credit Event has occurred since the Observation Start Date, less the result obtained by subtracting the Tranche Detachment Point from 1.

The "**Weighted Asset Recovery (Interest)**" means the product of the Basket Participation (Interest) and the Recovery Value for the relevant Reference Entity (Interest).

(j) ***Nth to Default CLN Interest***

If the Notes are specified as bearing "Nth to Default CLN Interest", the Interest Rate may be fixed or floating and the amount of interest for each Interest Period shall be calculated in the manner specified in one of the other provisions of this Condition 5 (*Interest*), save that the Calculation Amount which is used to determine the Interest Amount payable in accordance with such other Condition (the "**Adjusted Calculation Amount**") shall be adjusted as follows:

(i) if "**Determination Date Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date falling the Number of Business Days prior to the relevant Interest Payment Date *provided however that*, in the case of any Interest Payment Date which falls after the final Observation Date, the Adjusted Portfolio Return (Interest) shall be determined as at the final Observation Date, or

(ii) if "**Weighted Average Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the preceding Observation Date to (but excluding) the Observation Date on or preceding the relevant Interest Payment Date, as determined by the Issuer in its sole discretion *provided however that*, in the case of any Interest Period which commences on or after the final Observation Date, the weighted average of the Adjusted Portfolio Return (Interest) for each calendar day during the relevant Interest Period shall be equal to the Adjusted Portfolio Return (Interest) on the final Observation Date, as determined by the Issuer in its sole discretion.

The "**Adjusted Portfolio Return (Interest)**" shall be the result obtained by subtracting the Adjusted Portfolio Loss (Interest) from 1.

The "**Adjusted Portfolio Loss (Interest)**" will mean a) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) within the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date, is greater than or equal to N, 1; or b) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) within the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date, is less than N, zero.

"**N**" shall be the figure specified in the Final Terms under the heading "CLN Interest Provisions".

(k) ***Nth and Nth+1 to Default CLN Interest***

If the Notes are specified as bearing "Nth and Nth+1 to Default CLN Interest", the Interest Rate may be fixed or floating and the amount of interest for each Interest Period shall be calculated in the manner specified in one of the other provisions of this Condition 5 (*Interest*), save that the Calculation Amount which is used to determine the Interest Amount payable in accordance with such other Condition (the "**Adjusted Calculation Amount**") shall be adjusted as follows:

(i) if "**Determination Date Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the Adjusted Portfolio Return (Interest) as at the Observation Date falling the Number of Business Days prior to the relevant Interest Payment Date *provided however that*, in the case of any Interest Payment Date which falls after the final Observation Date, the Adjusted Portfolio Return (Interest) shall be determined as at the final Observation Date, or

(ii) if "**Weighted Average Exposure**" is specified in the Final Terms, the Calculation Amount specified in the Final Terms shall be multiplied by the weighted average of the Adjusted Portfolio Return (Interest) on each calendar day from and including the preceding Interest Payment Date to (but excluding) the Observation Date on or preceding the relevant Interest Payment Date, as determined by the Issuer in its sole discretion *provided however that*, in the case of any Interest Period which commences on or after the final Observation Date, the weighted average of the Adjusted Portfolio Return (Interest) for each calendar day during the relevant Interest Period shall be equal to the Adjusted Portfolio Return (Interest) on the final Observation Date, as determined by the Issuer in its sole discretion.

The "**Adjusted Portfolio Return (Interest)**" shall be the result obtained by subtracting the Adjusted Portfolio Loss (Interest) from 1.

The "**Adjusted Portfolio Loss (Interest)**" will mean:

(i) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) within the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date is greater than N, the sum of the Basket Participation of the Nth Reference Entity (Interest) to default and the Nth plus 1 (i.e. the immediately succeeding) Reference Entity (Interest) to default within the Basket; or

(ii) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) within the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date is equal to N, an amount equal to the Basket Participation of the Nth Reference Entity (Interest) in respect of which a Credit Event occurs; or

(iii) if the number of Credit Events that have occurred in relation to any Reference Entity (Interest) within the Basket during the period commencing on the Observation Start Date and ending on the Observation Date immediately preceding the relevant Interest Payment Date, is less than N, zero.

"**N**" shall be the figure specified in the Final Terms under the heading "CLN Interest Provisions".

(l) ***Capped Floor Float***

If this Condition 5(l) (*Capped Floor Float*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the Calculation Amount multiplied by:

(a) the lower of the Cap Strike and the Adjusted Reference Rate Return; and

(b) the Day Count Fraction.

The "**Adjusted Reference Rate Return**" will be the higher of:

(a) the Gearing multiplied by the sum of the Reference Rate and the applicable Spread; and

(b) the Floor Strike.

The "**Spread**" will be the value specified in the applicable Final Terms.

The "**Gearing**" means the value specified in the applicable Final Terms.

(m) ***Cap Floor***

If this Condition 5(m) (*Cap Floor*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the sum of the Cap Amount and the Floor Amount.

The "**Cap Amount**" will be equal to the Calculation Amount multiplied by:

(a) the Cap Value:

(b) the Leverage (Cap);

(c) the Cap Return; and

(d) the Day Count Fraction.

The "**Cap Value**" will be either 1, minus 1 or zero, as specified in the applicable Final Terms.

The "**Leverage (Cap)**" will be the value specified in the applicable Final Terms.

The "**Cap Return**" will be the higher of (x) the result obtained by subtracting the Cap Strike from the Reference Rate; and (y) zero.

The "**Floor Amount**" will be equal to the Calculation Amount multiplied by:

(a) The Floor Value:

(b) the Leverage (Floor)

(c) the Floor Return; and

(d) the Day Count Fraction.

The "**Floor Value**" will be either 1, minus 1 or zero, as specified in the applicable Final Terms.

The "**Leverage (Floor)**" will be the value specified in the applicable Final Terms.

The "**Floor Return**" will be the higher of (x) the result obtained by subtracting the Reference Rate from the Floor Strike and (y) zero.

(n) ***Cap Floor Spread***

If this Condition 5(n) (*Cap Floor Spread*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the sum of the Cap Spread Amount and the Floor Spread Amount.

The "**Cap Spread Amount**" will be equal to the Calculation Amount multiplied by:

(a) The Cap Value:

(b) the Leverage (Cap);

(c) the Cap Return; and

(d) the Day Count Fraction.

The "**Cap Value**" will be either 1, minus 1 or zero, as specified in the applicable Final Terms.

The "**Leverage (Cap)**" will be the value specified in the applicable Final Terms.

The "**Cap Return**" will be the lower of:

(a) the result obtained by subtracting the Cap Strike Lower from the Cap Strike Upper; and

(b) the higher of (x) the result obtained by subtracting the Cap Strike Lower from the Reference Rate; and (y) zero.

The "**Floor Spread Amount**" will be equal to the Calculation Amount multiplied by:

(a) The Floor Value:

(b) the Leverage (Floor)

(c) the Floor Return; and

(d) the Day Count Fraction.

The "**Floor Value**" will be either 1, minus 1 or zero, as specified in the applicable Final Terms.

The "**Leverage (Floor)**" will be the value specified in the applicable Final Terms.

The "**Floor Return**" will be the lower of:

(a) the result obtained by subtracting the Floor Strike Lower from the Floor Strike Upper; and

(b) the higher of (x) the result obtained by subtracting the Reference Rate from the Floor Strike Upper and (y) zero.

(o) ***Range Accrual***

If this Condition 5(o) (*Range Accrual*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the Calculation Amount multiplied by:

(a) X

(b) the Relevant Proportion; and

(c) the Day Count Fraction.

"**X**" shall be the value specified in the applicable Final Terms

The "**Relevant Proportion**" shall be calculated by dividing the number of days during the relevant Interest Period on which the Reference Rate, Reference Asset or Basket is lower than or equal to Strike Upper and greater than or equal to the Strike Lower, by the total number of days during the applicable Interest Period.

(p) ***Range Accrual In/Out***

If this Condition 5(p) (*Range Accrual In/Out*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the Calculation Amount multiplied by:

(a) the Adjusted Range Performance; and

(b) the Day Count Fraction.

The "**Adjusted Range Performance**" will be the higher of the Floor Strike and the Range Performance.

The "**Range Performance**" will be calculated by subtracting the Range Failure Value from the Range Success Value, and dividing the result by the total number of days during the applicable Interest Period.

The "**Range Success Value**" will be the product of X and the number of days during the relevant Interest Period where the Reference Rate is lower than Strike Upper and greater than the Strike Lower.

The "**Range Failure Value**" will be the product of Y and the number of days during the relevant Interest Period where the Reference Rate is greater than Strike Upper or lower than the Strike Lower.

"**X**" and "**Y** will be the values specified in the applicable Final Terms.

(q) ***Knockout Range Accrual***

If this Condition 5(q) (*Knockout Range Accrual*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the Calculation Amount multiplied by:

(a) X

(b) the Relevant Proportion; and

(c) the Day Count Fraction.

"**X**" shall be the value specified in the applicable Final Terms.

The "**Relevant Proportion**" shall mean, in relation to each applicable Interest Period:

(a) if no Knock Out Event has occurred in previous Interest Periods or in the current Interest Period, the Relevant Proportion shall be 1 (one)

(b) if a Knock Out Event occurs for the first time in the current Interest Period, the Relevant Proportion shall be calculated by dividing the number of Observation Dates in the current Interest Period occurring prior to the Knock Out Event by the total number of Observation Dates in the applicable Interest Period

(c) if a Knock Out Event has occurred in a previous Interest Period, the Relevant Proportion shall be 0 (zero)

The "**Knock Out Event**" is defined as any Observation Date where the Reference Rate is greater than Strike Upper or lower than Strike Lower.

(r) ***Binary Cap/Floor***

If this Condition 5(r) (*Binary Cap/Floor*) is specified as applicable in the relevant Final Terms then:

If the Reference Rate is greater than or equal to the Cap Strike, the Interest Amount for the applicable Interest Period will be equal to the Calculation Amount multiplied by:

(a) X; and

(b) the Day Count Fraction.

If the Reference Rate is less than the Cap Strike, the Interest Amount for the applicable Interest Period will be equal to the Calculation Amount multiplied by:

(a) Z; and

(b) the Day Count Fraction.

If the Reference Rate is less than or equal to the Floor Strike, the Interest Amount will be equal to the Calculation Amount multiplied by:

(a) Y; and

(b) the Day Count Fraction.

If the Reference Rate is greater than the Floor Strike, the Interest Amount will be equal to the Calculation Amount multiplied by:

(a) W; and

(b) the Day Count Fraction.

"**W**", "**X**", "**Y**" and "**Z**" will be the values specified in the applicable Final Terms.

(s) ***Binary Zero Coupon***

If this Condition 5(s) (*Binary Zero Coupon*) is specified as applicable in the relevant Final Terms, the Interest Amount will only be payable on the Redemption Date, and will be equal to:

(a) the product of the Calculation Amount and the Periodic Return, less

(b) the Calculation Amount.

The "**Periodic Return**" will be the product of the Reference Rate Return.

The "**Reference Rate Return**" for each applicable Reference Rate will be the sum of:

(a) 1; and

(b) the Rate Value multiplied by the applicable Day Count Fraction.

The "**Rate Value**" will be X if the Reference Rate is greater than K, or Y if the Reference Rate is less than or equal to K.

"**K**", "**X**" and "**Y**" will be the values specified in the applicable Final Terms.

(t) ***Inverse Floater***

If this Condition 5(t) (*Inverse Floater*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Reference Rate Return and the applicable Day Count Fraction.

The "**Reference Rate Return**" will be the sum of Y and the lower of

(a) Z and

(b) the higher of: (x) zero; and (y) k multiplied by the result of subtracting the Reference Rate from X.

"**k**", "**X**", "**Y**" and "**Z**" will be the values specified in the applicable Final Terms.

(u) ***Autocallable Rate***

If this Condition 5(u) (*Autocallable Rate*) is specified as applicable in the relevant Final Terms, then if the Autocall Condition is satisfied on any applicable Valuation Date during the relevant Interest Period, the Interest Amount for the relevant Interest Period will be equal to the Calculation Amount, multiplied by X, multiplied by N, and multiplied by the applicable Day Count Fraction.

If the Autocall Condition is not satisfied on any applicable Valuation Date during the relevant Interest Period, the Interest Amount for the relevant Interest Period will be zero.

"**N**" means the number of Interest Periods that have passed up to and including the Interest Period during which the Autocall Condition is satisfied, or such other value as may be specified in the applicable Final Terms.

"**X**" will be the value specified in the applicable Final Terms.

The "**Autocall Condition**" means that the Reference Rate exceeds the Coupon Barrier Level, equals the Coupon Barrier Level, or is below the Coupon Barrier Level, as specified in the applicable Final Terms.

(v) ***Digital Long***

If this Condition 5(v) (*Digital Long*) is specified as applicable in the relevant Final Terms, then if the Basket Return on any Interest Determination Date is equal to or greater than the Basket Strike Level, the Interest Amount will be the Calculation Amount multiplied by the Coupon.

The Basket Return will be determined in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

If the Basket Return is not equal to or greater than the Basket Strike Level on any Interest Determination Date, the Interest Amount will be zero.

(w) ***Digital Short***

If this Condition 5(w) (*Digital Short*) is specified as applicable in the relevant Final Terms, then if the Basket Return on any Interest Determination Date is equal to or below the Basket Strike Level, the Interest Amount for the relevant Interest Period will be the Calculation Amount multiplied by the Coupon.

If the Basket Return is above the Basket Strike Level on any Interest Determination Date, the Interest Amount for the relevant Interest Period will be zero.

The Basket Return will be determined in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

(x) ***Best of/Worst of Digital Long***

If this Condition 5(x) (*Best of/Worst of Digital Long*) is specified as applicable in the relevant Final Terms, then if the Reference Asset Return of the Nth best performing Reference Asset on any Interest Determination Date is equal to or greater than the Barrier Level, the Interest Amount for the relevant Interest Period will be the Calculation Amount multiplied by the Coupon.

If the Reference Asset Return of the Nth best performing Reference Asset is below the Barrier Level on any Interest Determination Date, the Interest Amount for the relevant Interest Period will be zero.

The "**Nth best performing**" Reference Asset will be the Reference Asset with the Nth highest Reference Asset Return, as determined in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or Condition 6(a)(ii) ("*Basket Short*" *structure*), as specified in the Final Terms, where "**N**" shall be the value specified in the Final Terms.

(y) ***Best of/Worst of Digital Short***

If this Condition 5(y) (*Best of/Worst of Digital Short*) is specified as applicable in the relevant Final Terms, then:

If the Reference Asset Return of the Nth best performing Reference Asset on any Interest Determination Date is equal to or below the Barrier Level, the Interest Amount for the relevant Interest Period will be the Calculation Amount multiplied by the Coupon.

If the Reference Asset Return of the Nth best performing Reference Asset is above the Barrier Level on any Interest Determination Date, the Interest Amount for the relevant Interest Period will be zero.

The "**Nth best performing**" Reference Asset will be the Reference Asset with the Nth highest Reference Asset Return, as determined in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or Condition 6(a)(ii) ("*Basket Short*" *structure*), as specified in the Final Terms, where "**N**" shall be the value specified in the Final Terms.

(z) ***Worst of Digital Memory Coupon 2***

If this Condition 5(z) (*Worst of Digital Memory Coupon 2*) is specified as applicable in the relevant Final Terms, then the Interest Amount for the relevant Interest Period will be calculated by multiplying the Calculation Amount by the higher of: (i) the Coupon Level less the Paid Coupon and (ii) zero.

The "**Coupon Level**" means, on any Interest Determination Date, the product of N, the Coupon Barrier Level and the Coupon.

"**N**" will be the number of the relevant Valuation Date where the first Valuation Date has the value N=1, the second Valuation Date has the Value N=2, and so forth.

The "**Coupon**" will be the value specified in the applicable Final Terms, and

The "**Coupon Barrier Level**" will be 1 if the Reference Asset Return (as determined in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms) for every Reference Asset within the Basket is greater than, or equal to, the Barrier Level on each Interest Determination Date, otherwise it will be zero.

The "**Paid Coupon**" means the sum of all coupons which have been paid up to (but excluding) the relevant Interest Determination Date.

(aa) ***Digital Podium Long***

If this Condition 5(aa) (*Digital Podium Long*) is specified as applicable in the relevant Final Terms, then:

If the Reference Asset Return for each Reference Asset on any Interest Determination Date is equal to or greater than the relevant Barrier Level, the Interest Amount for the relevant Interest Period will be the Calculation Amount multiplied by the Coupon.

If the Reference Asset Return for each of the N best performing Reference Assets equal to or greater than the relevant Barrier Level on any Interest Determination Date, the Interest Amount for the relevant Interest Period will be the Calculation Amount multiplied by the Coupon 2.

The "**N best performing**" Reference Assets will be the pre-specified number of Reference Assets with the highest Reference Asset Return, as determined in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms, where "**N**" shall be the value specified in the Final Terms.

If the Reference Asset Return for each of the N best performing Reference Assets is not equal to or greater than the relevant Barrier Level on any Interest Determination Date, the Interest Amount for the relevant Interest Period will be zero.

(bb) ***Digital Podium Short***

If this Condition 5(bb) (*Digital Podium Short*) is specified as applicable in the relevant Final Terms, then:

If the Reference Asset Return for each Reference Asset on any Interest Determination Date is equal to or below the relevant Barrier Level, the Interest Amount for the relevant Interest Period will be the Calculation Amount multiplied by the Coupon.

If the Reference Asset Return for each of the N worst performing Reference Assets is equal to or below the relevant Barrier Level on any Interest Determination Date, the Interest Amount for the relevant Interest Period will be the Calculation Amount multiplied by the Coupon 2.

The "**N worst performing**" Reference Assets will be the pre-specified number of Reference Assets with the lowest Reference Asset Return, as determined in accordance with Condition 6(a)(i) *"Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms, where "**N**" shall be the value specified in the Final Terms.

If the Reference Asset Return for each of the N worst performing Reference Assets is not equal to or below the relevant Barrier Level on any Interest Determination Date, the Interest Amount for the relevant Interest Period will be zero.

(cc) ***Series of Digitals***

If this Condition 5(cc) (*Series of Digitals*) is specified as applicable in the relevant Final Terms, then the Interest Amount for the relevant Interest Period will be equal to the Adjusted Calculation Amount multiplied by the Coupon.

"The "**Adjusted Calculation Amount**" will be the Calculation Amount multiplied by the fraction of which the numerator is the number of Reference Assets with a Closing Price which is equal to or above the relevant Barrier Level on each Observation Date during the relevant Interest Period, and the denominator is the number of Reference Assets within the Basket.

(dd) ***Cash Settled Swaption Straddle***

If this Condition 5(dd) (*Cash Settled Swaption Straddle*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be the sum of the Cash Settled Payer Swaption and the Cash Settled Receiver Swaption.

The "**Cash Settled Payer Swaption**" means an amount equal to the Calculation Amount multiplied by:

(a) the Gearing Payer;

(b) the higher of zero and the result obtained by subtracting the Payer Strike from the Reference Rate on the relevant Valuation Date; and

(c) the Payer Annuity (Cash).

The "**Gearing Payer**" means the value specified in the applicable Final Terms.

The "**Payer Strike**" means the value specified in the applicable Final Terms.

The "**Payer Annuity (Cash)**" means the present value of an annuity payment of 1 based on the same payment dates and conventions as the fixed rate leg in the underlying swap of the swaption and calculated by the Calculation Agent on the Valuation Date using the Reference Rate as discount rate.

The "**Cash Settled Receiver Swaption**" means an amount equal to the Calculation Amount multiplied by:

(a) the Gearing Receiver;

(b) the higher of zero and the result obtained by subtracting the Reference Rate at the Valuation Time on the relevant Valuation Date from the Receiver Strike; and

(c) the Receiver Annuity (Cash).

The "**Gearing Receiver**" means the value specified in the applicable Final Terms.

The "**Receiver Strike**" means the value specified in the applicable Final Terms.

The "**Receiver Annuity (Cash)**" means the present value of an annuity payment of 1 based on the same payment dates and conventions as the fixed rate leg in the underlying swap of the swaption and calculated by the Calculation Agent on the Valuation Date using the Reference Rate as discount rate.

(ee) ***Power Cap/Floor***

If this Condition 5(ee) (*Power Cap/Floor*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the Calculation Amount multiplied by:

(a) the Interest Rate;

(b) the Day Count Fraction.

The "**Interest Rate**" is the lower of the Maximum Interest Rate and the Power Return.

The "**Power Return**" means the higher of: i) zero and ii) the Adjusted Reference Rate, in either case raised to the power of the Power Factor.

The "**Adjusted Reference Rate Return**" means the product of the Gearing and the result obtained by subtracting the Strike Level from the Reference Rate at the Valuation Time on the relevant Valuation Date.

The "**Gearing**" means the value specified in the applicable Final Terms.

The "**Power Factor**" means the value specified in the applicable Final Terms.

(ff) ***Compounding Floater***

If this Condition 5(ff) (*Compounding Floater*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be paid on the Redemption Date and will be equal to the Calculation Amount multiplied by the Compounded Interest Rate.

The "**Compounded Interest Rate**" is the periodically compounded Interest Rate, taking the applicable day count fraction into account.

The "**Interest Rate**" is the lower of the Maximum Interest Rate and the Adjusted Reference Rate Return.

The "**Adjusted Reference Rate Return**" means the higher of:

(i) the Floor Value; and

(ii) the Gearing multiplied by the sum of the Reference Rate on the applicable Valuation Date(s) and the Spread.

The "**Floor Value**" means the value specified in the applicable Final Terms.

The "**Spread**" means the value specified in the applicable Final Terms.

The "**Gearing**" means the value specified in the applicable Final Terms.

(gg) ***Lock-In 1***

If this Condition 5(gg) (*Lock-In 1*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" means:

(a) if the Reference Rate has fulfilled the Lock in Condition at the Valuation Time on any Valuation Date, then the Interest Rate will be equal to the Fixed Rate;

(b) if the Reference Rate has not fulfilled the Lock in Condition at the Valuation Time on any Valuation Date, the Interest Rate will be the lower of the Maximum Interest Rate and the Adjusted Reference Rate Return.

The "**Lock in Condition**" is fulfilled if the Reference Rate is either greater than the Strike Upper or lower than the Strike Lower.

The "**Fixed Rate**" means the value specified in the applicable Final Terms.

The "**Adjusted Reference Rate Return**" means the higher of:

(i) the Floor Value; and

(ii) the sum of the Reference Rate at the Valuation Time on the relevant Valuation Date and the Spread, less the Strike Level.

The "**Floor Value**" means the value specified in the applicable Final Terms.

The "**Spread**" means the value specified in the applicable Final Terms.

(hh) ***Lock-In 2***

If this Condition 5(hh) (*Lock-In 2*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" means:

(a) if the Reference Rate has not fulfilled the Lock in Condition at the Valuation Time on any Valuation Date, then the Interest Rate will be equal to the Fixed Rate;

(b) if the Reference Rate has fulfilled the Lock in Condition at the Valuation Time on any Valuation Date, the Interest Rate will be the lower of the Maximum Interest Rate and the Adjusted Reference Rate Return.

The "**Lock in Condition**" is fulfilled if the Reference Rate is either greater than the Strike Upper or lower than the Strike Lower.

The "**Fixed Rate**" means the value specified in the applicable Final Terms.

The "**Adjusted Reference Rate Return**" means the higher of:

(i) the Floor Value; and

(ii) the sum of the Reference Rate at the Valuation Time on any Valuation Date and the Spread, less the Strike Level.

The "**Floor Value**" means the value specified in the applicable Final Terms.

The "**Spread**" means the value specified in the applicable Final Terms.

(ii) ***Snowball***

If this Condition 5(ii) (*Snowball*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be equal to the sum of the Coupon Return for each applicable Valuation Period.

The "**Coupon Return**" will be:

(i) on the Initial Valuation Date, the Coupon;

(ii) on each subsequent Valuation Date, the Adjusted Coupon.

The "**Adjusted Coupon**" will be the higher of:

(i) zero; and

(ii) the sum of:

(a) Coupon Return on the immediately preceding Valuation Date; and

(b) the product of (X) the result obtained by subtracting the Reference Rate at the Valuation Time on the applicable Valuation Date from the Strike Level, and (Y) K.

"**K**" means the value specified in the applicable Final Terms.

(jj) ***Accumulator***

If this Condition 5(jj) (*Accumulator*) is specified as applicable in the relevant Final Terms , the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be equal to the Coupon Return for each applicable Valuation Period.

The "**Coupon Return**" will be:

(i) on the Initial Valuation Date, the Initial Coupon;

(ii) on each subsequent Valuation Date, the sum of:

(a) the Coupon Return on the immediately preceding Valuation Date; and

(b) the Adjusted Coupon

The "**Adjusted Coupon**" will be the Gearing multiplied by the higher of:

(i) the Floor Value; and

(ii) the result obtained by subtracting the Strike Level from the Reference Rate at the Valuation Time on the applicable Valuation Date.

"**Gearing**" means the value specified in the applicable Final Terms.

"**Floor Value**" means the value specified in the applicable Final Terms.

(kk) ***Binary Accumulator***

If this Condition 5(kk) (*Binary Accumulator*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be equal to the Coupon Return for each applicable Valuation Period.

The "**Coupon Return**" will be:

(i) on the Initial Valuation Date, the Initial Coupon;

(ii) on each subsequent Valuation Date, the sum of:

(a) the Coupon Return on the immediately preceding Valuation Date; and

(b) the Adjusted Coupon.

The "**Adjusted Coupon**" will be the higher of:

(i) the Floor Value; and

(ii) the Coupon Rate.

"**Floor Value**" means the value specified in the applicable Final Terms.

"**Coupon Rate**" means:

(a) if the Reference Rate at the Valuation Time on the applicable Valuation Date is less than or equal to X and greater than or equal to Y, the Coupon; or

(b) otherwise, zero.

(ll) ***Contingent Cap/Floor***

If this Condition 5(ll) (*Contingent Cap/Floor*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be:

(a) if the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is greater than or equal to Strike 2 the higher of:

(i) zero; and

(ii) the Gearing multiplied by the result obtained by subtracting the Strike Level from the Reference Rate on the applicable Valuation Date;

(b) if the Reference Rate 2 on the applicable Valuation Date is less than Strike 2, zero.

"**Reference Rate 2**" means the value specified in the applicable Final Terms.

"**Strike 2**" means the value specified in the applicable Final Terms.

The "**Gearing**" means the value specified in the applicable Final Terms.

(mm) ***Dual Digital Cap***

If this Condition 5(mm) (*Dual Digital Cap*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be:

(a) if the Reference Rate at the Valuation Time on the applicable Valuation Date is greater than or equal to the Strike Level and the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is greater than or equal to Strike 2, the Coupon;

(b) if the Reference Rate at the Valuation Time on the applicable Valuation Date is lower than the Strike Level and/or the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is lower than Strike 2, zero.

"**Reference Rate 2**" means the value specified in the applicable Final Terms.

"**Strike 2**" means the value specified in the applicable Final Terms.

(nn) ***Dual Digital Floor***

If this Condition 5(nn) (*Dual Digital Floor*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be:

(a) if the Reference Rate at the Valuation Time on the applicable Valuation Date is less than or equal to the Strike Level and the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is less than or equal to Strike 2, the Coupon;

(b) if the Reference Rate at the Valuation Time on the applicable Valuation Date is greater than the Strike Level and/or the Reference Rate 2 at the Valuation Time on the applicable Valuation Date is greater than Strike 2, zero.

"**Reference Rate 2**" means the value specified in the applicable Final Terms.

"**Strike 2**" means the value specified in the applicable Final Terms.

(oo) ***Binary Inflation Cap***

If this Condition 5(oo) (*Binary Inflation Cap*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be:

If the Inflation Rate is greater than or equal to the Strike Level as at the Valuation Time on the applicable Valuation Date, the Interest Rate will be equal to the Coupon, otherwise the Interest Rate will be zero.

(pp) ***Binary Inflation Floor***

If this Condition 5(pp) (*Binary Inflation Floor*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be:

If the Inflation Rate is less than or equal to the Strike Level as at the Valuation Time on the applicable Valuation Date, the Interest Rate will be equal to the Coupon, otherwise the Interest Rate will be zero.

(qq) ***Binary Inflation Range***

If this Condition 5(qq) (*Binary Inflation Range*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be:

If the Inflation Rate is greater than or equal to the Strike Lower and less than or equal to the Strike Upper as at the Valuation Time on the applicable Valuation Date, the Interest Rate will be equal to the Coupon, otherwise the Interest Rate will be zero.

(rr) ***Inflation Range Accrual***

T If this Condition 5(rr) (*Inflation Range Accrual*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Interest Rate and the applicable Day Count Fraction.

The "**Interest Rate**" will be equal to the Coupon multiplied by the result of the fraction where the numerator is the number of Valuation Periods that satisfy the Range Accrual Condition, and the denominator is the total number of Valuation Periods.

The "**Range Accrual Condition**" means that the Inflation Rate is greater than or equal to the Strike Lower and less than or equal to the Strike Upper as at the Valuation Time on the applicable Valuation Date.

(ss) ***Inflation Cap/Floor***

If this Condition 5(ss) (*Inflation Cap/Floor*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Gearing, the Inflation Return and the applicable Day Count Fraction.

The "**Gearing**" will be the value specified in the applicable Final Terms.

The "**Inflation Return**" will be the higher of:

(a) zero; and

(b) the product of the Flag and the result of subtracting the Strike Level from the Inflation Rate as at the Valuation Time on the applicable Valuation Date.

The "**Flag**" will be the value specified in the applicable Final Terms.

(tt) ***Inflation Straddle***

If this Condition 5(tt) (*Inflation Straddle*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the sum of the Inflation Cap and the Inflation Floor, the Calculation Amount and the applicable Day Count Fraction.

The "**Inflation Cap**" will be equal to the product of the Gearing (Cap) and the higher of:

(a) the result obtained by subtracting the Strike Upper from the Inflation Rate at the Valuation Time on the on the applicable Valuation Date; and

(b) zero.

The "**Inflation Floor**" will be equal to the product of the Gearing (Floor) and the higher of:

(a) the result obtained by subtracting the Strike Lower from the Inflation Rate at the Valuation Time on the on the applicable Valuation Date; and

(b) zero.

"**Gearing (Cap)**" means the value specified in the applicable Final Terms.

"**Gearing (Floor)**" means the value specified in the applicable Final Terms.

"**Strike Upper**" means the value specified in the applicable Final Terms.

"**Strike Lower**" means the value specified in the applicable Final Terms.

(uu) ***Inflation Cap Floor Spread***

If this Condition 5(uu) (*Inflation Cap Floor Spread*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the sum of the Inflation Cap Spread and the Inflation Floor Spread, the Calculation Amount and the applicable Day Count Fraction.

The "**Inflation Cap Spread**" will be equal to the product of:

(a) The Cap Value;

(b) the Leverage (Cap); and

(c) the Cap Return.

The "**Cap Value**" will be either 1, minus 1 or zero, as specified in the applicable Final Terms.

The "**Leverage (Cap)**" will be the value specified in the applicable Final Terms.

The "**Cap Return**" will be the lower of:

(a) the result obtained by subtracting the Cap Strike Lower from the Cap Strike Upper; and

(b) the higher of (x) the result obtained by subtracting the Cap Strike Lower from the Inflation Rate as at the Valuation Time on the applicable Valuation Date; and (y) zero).

The "**Inflation Floor Spread**" will be equal to the product of:

(a) The Floor Value;

(b) the Leverage (Floor); and

(c) the Floor Return.

The "**Floor Value**" will be either 1, minus 1 or zero, as specified in the applicable Final Terms.

The "**Leverage (Floor)**" will be the value specified in the applicable Final Terms.

The "**Floor Return**" will be the lower of:

(a) the result obtained by subtracting the Floor Strike Lower from the Floor Strike Upper; and

(b) the higher of (x) the result obtained by subtracting the Inflation Rate as at the Valuation Time on the applicable Valuation Date from the Floor Strike Upper and (y) zero).

(vv) ***ZC Inflation Cap Floor***

If this Condition 5(vv) (*ZC Inflation Cap Floor*) is specified as applicable in the relevant Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Gearing and the higher of:

(a) zero; and

(b) the Inflation Return.

The "**Gearing**" will be the value specified in the applicable Final Terms.

The "**Inflation Return**" means the product of:

(i) the Flag; and

(ii) the result of subtracting the Strike Deductible from the Inflation Rate as at the Valuation Time on the applicable Valuation Date.

The "**Strike Deductible**" means:

(i) the sum of 1 and the Strike Level;

(ii) raised to the power of the Tenor;

(iii) less 1.

The "**Flag**" will be the value specified in the applicable Final Terms.

The "**Tenor**" means the value specified in the applicable Final Terms.

(ww) ***Inflation Linker 1***

If this Condition 5(ww) (*Inflation Linker 1*) is specified as applicable in the relevant Final Terms the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Gearing and the Inflation Return.

The "**Gearing**" will be the value specified in the applicable Final Terms.

The "**Inflation Return**" will be the higher of:

(i) zero; and

(ii) the sum of the Inflation Rate as at the Valuation Time on the applicable Valuation Time on the relevant Valuation Date and the Spread.

The "**Spread**" will be the value specified in the applicable Final Terms.

(xx) ***Inflation Linker 2***

If this Condition 5(xx) (*Inflation Linker 2*) is specified as applicable in the relevant Final Terms the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount, the Coupon and the Inflation Adjustment.

The "**Inflation Adjustment**" will be the result obtained by dividing the Inflation Index as at the Valuation Time on the applicable Valuation Date by the Inflation Index on the Initial Valuation Date.

The "**Inflation Index**" will be the value specified in the applicable Final Terms.

(yy) ***Strip of Call Spreads***

If this Condition 5(yy) (*Strip of Call Spreads*) is specified as applicable in the Final Terms, the Interest Amount for the applicable Interest Period will be equal to the product of the Calculation Amount and the higher of:

(a) the Minimum Basket Return; and

(b) the lower of: (i) the Coupon and (ii) the Basket Return (Interest).

The "**Basket Return (Interest)**" will be the sum of the Weighted Asset Return (Interest) for each Reference Asset (Interest) in the Basket.

The "**Weighted Asset Return (Interest)**" is the average of the Reference Asset Return (Interest) multiplied by the applicable Basket Participation (Interest) for the relevant Reference Asset (Interest) on each Interest Determination Date.

The "**Reference Asset Return (Interest)**" will be the result obtained by dividing the Final Price for the relevant Reference Asset (Interest) on the applicable Interest Determination Date by the Initial Price and subtracting the Strike Level.

(zz) ***General Conditions relating to Interest***

If an Interest Rate cannot be determined for any reason, whether due to an inability to value a particular Reference Asset, due to an event referred to in the first paragraph of Condition 22 (*Limitation of liability etc.*), or for any other reason, interest shall continue to accrue on the Notes at the rate applicable to the then current Interest Period. The Issuing Agent (or, where applicable, the Calculation Agent) or the Issuer shall, as soon as the relevant event has ceased, calculate the new Interest Rate which shall apply from the second Business Day after the date of calculation until the expiry of the then current Interest Period.

The Issuer may appoint another person or entity to perform calculations pursuant to these Terms and Conditions (the "**Calculation Agent**"). The name of any such Calculation Agent shall be specified in the applicable Final Terms.

If the Issuer determines, in its sole and absolute discretion, that the amount of interest actually paid to Noteholders on any Interest Payment Date was in excess of the amount of interest due and payable to Noteholders on such Interest Payment Date, as calculated in accordance with this Condition 5 (*Interest*) (such amount an "**Overpayment**"), the Issuer may reduce the amount of interest payable on any subsequent Interest Payment Date in order to compensate the Issuer for such Overpayment. The amount of interest to be deducted on any Interest Payment Date shall not exceed the aggregate of all Overpayment in respect of the relevant Notes, less any previous deductions in accordance with this Condition 5(zz) (*General Conditions relating to Interest*). The Issuer shall notify Noteholders of any reduction in the amount of interest scheduled to be paid on an Interest Payment Date, and the reasons therefor, at least 2 Business Days prior to that Interest Payment Date. Such notice shall be given to Noteholders in accordance with the provisions of Condition 16 (*Notices*).

(aaa) ***FX Component (Interest)***

If "FX Component (Interest)" is specified as applicable to one or more Interest Amounts payable on certain Interest Payment Date(s) specified in the relevant Final Terms, then the relevant Interest Amount(s) for the relevant Interest Payment Date(s), (as determined in accordance with whichever of the foregoing provisions of this Condition 5 (*Interest*) is specified as applicable in the relevant Final Terms), will be further multiplied by the applicable FX Factor (Interest) for the purposes of determining the overall Interest Amount payable to the Holders on the relevant Interest Payment Date.

6. **Redemption and Purchase**

(a) ***Redemption at Maturity***

Unless otherwise specified in these Conditions and the relevant Final Terms, the Issuer shall redeem the Notes at their Redemption Amount on the Redemption Date specified in the Final Terms. The Redemption Amount will be determined as follows, subject always to the other provisions of this Condition 6 (*Redemption and Purchase*), if applicable:

If "**Additional Amounts**" are specified as applicable in the relevant Final Terms, the Redemption Amount will be either: (i) the sum of the Base Redemption Amount and the Additional Amount or (ii) the result obtained by subtracting the Additional Amount from the Base Redemption Amount, as specified in the applicable Final Terms. The Additional Amount will be calculated in accordance with one of the performance structures set out below, as specified in the relevant Final Terms or, if Condition 6(g) (*Combination of Structures*) is applicable, the Additional Amount will be determined in accordance with Condition 6(g) (*Combination of Structures*) on the basis of a combination of the performance structures set out below, in each case as specified in the relevant Final Terms; or

If "**Additional Amounts**" are not specified as applicable in the relevant Final Terms, the Redemption Amount will equal the Base Redemption Amount, or be determined in accordance with one of the other performance structures set out in this Condition 6(a) (*Redemption at Maturity*), in each case as specified in the relevant Final Terms.

The Final Terms will specify which of the following performance structures is applicable to each Series of Notes. If the Interest Amount payable on the Redemption Date is a negative number, then it will be deducted from the Redemption Amount determined in accordance with this Condition 6 (*Redemption and Purchase*), but subject to the proviso that the Redemption Amount shall never be less than zero.

If the performance structure specified in the Final Terms is the:

(i) *"Basket Long" structure*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the Basket Return.

The "**Basket Return**" will be the sum of the Weighted Asset Return for each Reference Asset in the Basket **provided that:**

(A) if "Basket Floor" is specified as applicable in the relevant Final Terms, the Basket Return shall be the higher of a) the Minimum Basket Return, and b) the sum of the Weighted Asset Return for each Reference Asset in the Basket; or

(B) if "Basket Cap" is specified as applicable in the relevant Final Terms, the Basket Return shall be the lower of a) the Maximum Basket Return, and b) the sum of the Weighted Asset Return for each Reference Asset in the Basket.

The "**Weighted Asset Return**" is the Reference Asset Return multiplied by the applicable Basket Participation.

The "**Reference Asset Return**" will be the result obtained by dividing the Final Price for each Reference Asset by the Initial Price and subtracting the Strike Level ***provided that***:

(A) if "Reference Asset Floor" is specified as applicable in the relevant Final Terms, the Reference Asset Return shall be the higher of a) the Minimum Reference Asset Return for the relevant Reference Asset, and b) the Reference Asset Return calculated in the manner described in the preceding part of this definition; or

(B) if "Reference Asset Cap" is specified as applicable in the relevant Final Terms, the Basket Return shall be the lower of a) the Maximum Reference Asset Return for the relevant Reference Asset, and b) the Reference Asset Return calculated in the manner described in the preceding part of this definition.

(ii) *"Basket Short" structure*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return.

The "**Basket Return**" will be the sum of the Weighted Asset Return for each Reference Asset in the Basket **provided that:**

(A) if "Basket Floor" is specified as applicable in the relevant Final Terms, the Basket Return shall be the higher of a) the Minimum Basket Return, and b) the sum of the Weighted Asset Return for each Reference Asset in the Basket; or

(B) if "Basket Cap" is specified as applicable in the relevant Final Terms, the Basket Return shall be the lower of a) the Maximum Basket Return, and b) the sum of the Weighted Asset Return for each Reference Asset in the Basket.

The "**Weighted Asset Return**" is the Reference Asset Return multiplied by the applicable Basket Participation.

The "**Reference Asset Return**" will be determined by subtracting from the Strike Level the result obtained by dividing the Final Price for each Reference Asset by the Initial Price ***provided that***:

(A) if "Reference Asset Floor" is specified as applicable in the relevant Final Terms, the Reference Asset Return shall be the higher of a) the Minimum Reference Asset Return for the relevant Reference Asset, and b) the Reference Asset Return calculated in the manner described in the preceding part of this definition; or

(B) if "Reference Asset Cap" is specified as applicable in the relevant Final Terms, the Basket Return shall be the lower of a) the Maximum Reference Asset Return for the relevant Reference Asset, and b) the Reference Asset Return calculated in the manner described in the preceding part of this definition.

(iii) *"Barrier outperformance" structure*

If the Basket Return (as determined in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*)), as specified in the Final Terms, on any Valuation Date exceeds the Barrier Level, the Additional Amount will be the Maximum Basket Return. If the Basket Return does not exceed the Barrier Level on any Valuation Date, the Additional Amount will be zero.

(iv) *"Barrier Underperformance" structure*

If the Basket Return (as determined in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*)), as specified in the Final Terms, on any Valuation Date falls below the Barrier Level, the Additional Amount will

be the Maximum Basket Return. If the Basket Return does not fall below the Barrier Level on any Valuation Date, the Additional Amount will be zero.

(v) *"Best of/Worst of Barrier Outperformance" structure*

If the Reference Asset Return of the Nth best performing Reference Asset (as determined in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*)), as specified in the Final Terms, on any Valuation Date exceeds the Barrier Level, the Additional Amount will be the Maximum Basket Return. If the Reference Asset Return of the Nth best performing Reference Asset does not exceed the Barrier Level on any Valuation Date, the Additional Amount will be zero.

The "**Nth best performing**" Reference Asset shall be the Reference Asset with the Nth highest Reference Asset Return, where "**N**" shall be the value specified in the Final Terms.

(vi) *"Best of/Worst of Barrier Underperformance" structure*

If the Reference Asset Return of the Nth best performing Reference Asset (as determined in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*)), as specified in the Final Terms, on any Valuation Date falls below the Barrier Level, the Additional Amount will be the Maximum Basket Return. If the Reference Asset Return of the Nth best performing Reference Asset does not fall below the Barrier Level on any Valuation Date, the Additional Amount will be zero.

The "**Nth best performing**" Reference Asset shall be the Reference Asset with the Nth highest Reference Asset Return, where "**N**" shall be the value specified in the Final Terms.

(vii) *"Autocallable Structure Long"*

If the Notes have not been subject to early redemption in accordance with Condition 6(p) (*Early Redemption of Notes with Autocallable performance structure*), then the Additional Amount will be calculated as follows:

(A) If a Risk Barrier Event has occurred on any Risk Barrier Observation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes with the Participation Ratio and the lower of: (i) the Basket Return on the Valuation Date and (ii) the Maximum Basket Return; or

(B) If a Risk Barrier Event has not occurred on any Risk Barrier Observation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes with the Participation Ratio 2 and the higher of: (i) the Basket Return on the Valuation Date, and (ii) the Minimum Basket Return.

The "**Basket Return**" will be determined in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) (*"Basket Long" structure*) unless Condition 6(c) (*Best of/Worst of Modifier*) is specified as applicable in the relevant Final Terms, in which case the Basket Return shall be replaced with the Reference Asset Return of the Nth Best Performing Reference Asset in accordance with the aforementioned Condition 6(a)(i) (*"Basket Long" structure*).

(viii) *"Autocallable Structure – Short"*

If the Notes have not been subject to early redemption in accordance with Condition 6(p) (*Early Redemption of Notes with Autocallable Performance Structure*), then the Additional Amount will be calculated in the same manner as Condition 6(a)(vii) (*Autocallable Structure Long*) above, save that the "**Basket Return**" and the "**Reference Asset Return**" will be determined in the same manner as for the "**Basket Short**" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*).

(ix) *"Replacement Basket" structure*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the Basket Return.

The "**Basket Return**" will be the sum of the Weighted Asset Return for each Reference Asset in the Basket.

The "**Weighted Asset Return**" is the Reference Asset Return multiplied by the applicable Basket Participation, **provided that** the Reference Asset Return of the N Best Performing Reference Assets, will be replaced with the Replacement Factor for the purposes of determining the Weighted Asset Return.

The "**N Best Performing Reference Assets**" will be the number "**N**" of Reference Assets (as specified in the Final Terms) with the highest Reference Asset Return.

The "**Reference Asset Return**" will be the result obtained by dividing the Final Price for each Reference Asset by the Initial Price and subtracting the Strike Level.

(x) *"Locally Capped Basket" structure*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return.

The "**Basket Return**" will be the sum of the Weighted Asset Return for each Reference Asset in the Basket.

The "**Weighted Asset Return**" is the lower of: (i) the Reference Asset Return and (ii) the Maximum Performance, multiplied in either case by the applicable Basket Participation.

The "**Reference Asset Return**" will be the result obtained by dividing the Final Price for each Reference Asset by the Initial Price and subtracting the Strike Level.

(xi) *"Rainbow Basket" structure*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return.

The "**Basket Return**" will be calculated in accordance with either the "Basket Long Structure" set out in Condition 6(a)(i) ("*Basket Long" structure*) or the "Basket Short" Structure set out in Condition 6(a)(ii) ("*Basket Short" structure*), in either case as specified in the Final Terms.

The "**Basket Participation**" will be determined on the basis of the Rainbow Basket Participation.

(xii) *"Booster Short" structure*

If the Basket Return is greater than or equal to the Initial Basket Level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return.

If the Basket Return less than the Initial Basket Level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return (which may result in a Redemption Amount of less than the Principal Amount of the Notes).

The "**Basket Return**" will be calculated in the same manner as for the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*).

For the purposes of calculating the Basket Return, the "**Reference Asset Return**" will be the result obtained by subtracting from the Strike Level the result obtained by dividing the Final Price for each Reference Asset by the Initial Price.

(xiii) *"Booster Long" structure*

If the Basket Return is greater than or equal to the Initial Basket Level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return.

If the Basket Return is less than the Initial Basket Level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return (which may result in a Redemption Amount of less than the Principal Amount of the Notes).

The "**Basket Return**" will be calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) (*"Basket Long" structure*).

(xiv) *"Booster Risk Barrier Short" structure*

If the Basket Return is at or above the Initial Basket Level on the final Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return on the final Valuation Date.

If the Basket Return is at or above the Barrier Level on each Valuation Date but below the Initial Basket Level on the final Valuation Date, the Additional Amount will be zero.

If the Basket Return is below the Barrier Level on any Valuation Date and below the Initial Basket Level on the final Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return on the final Valuation Date (which may result in a Redemption Amount of less than the Principal Amount of the Notes).

The "**Basket Return**" will be calculated in the same manner as for the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*).

(xv) *"Booster Risk Barrier Long" structure*

If the Basket Return is at or above the Initial Basket Level on the final Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return on the final Valuation Date.

If the Basket Return is at or above the Barrier Level on each Valuation Date but below the Initial Basket Level on the final Valuation Date, the Additional Amount will be zero.

If the Basket Return is below the Barrier Level on any Valuation Date and below the Initial Basket Level on the final Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return on the final Valuation Date (which may result in a Redemption Amount of less than the Principal Amount of the Notes).

The "**Basket Return**" will be calculated in the same manner as for the "Basket Long" Structure set out in Condition 6(a)(i) (*"Basket Long" structure*).

For the purposes of calculating the Basket Return, the "**Reference Asset Return**" will be the result obtained by dividing the Final Price for each Reference Asset by the Initial Price, and subtracting the Strike Level.

(xvi) *"Twin-Win"*

If the Basket Return calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*) is at or above the Barrier Level 2 on

the relevant Valuation Date(s), the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return on the Twin-Win Valuation Date calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*).

If the Basket Return calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*) is at or above the Barrier Level 1 on the relevant Valuation Date(s) but below the Barrier Level 2 on the relevant Valuation Date(s), the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and by the Basket Return on the Twin-Win Valuation Date, calculated in the same manner as for the "Basket Short" structure set out in Condition 6(a)(ii) ("*Basket Short" structure*).

If the Basket Return calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*) is below the Barrier Level 1 on the relevant Valuation Date(s) and below the Barrier Level 2 on the relevant Valuation Date(s), the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 3 and the Basket Return on the Twin-Win Valuation Date, calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*) (which will result in a Redemption Amount of less than the Principal Amount of the Notes).

(xvii) *"Bonus Booster Short" structure*

If the Basket Return is at or above the Initial Basket Level on the final Valuation Date and below the Barrier Level on any Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return on the final Valuation Date.

If the Basket Return is below the Barrier Level on any Valuation Date and below the Initial Basket Level on the final Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return on the final Valuation Date (which may result in a Redemption Amount of less than the Principal Amount of the Notes).

If the Basket Return is never below the Barrier Level on any Valuation Date, the Additional Amount will be equal to the higher of:

(A) the Principal Amount of the Notes multiplied by the Coupon; and

(B) the amount calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return on the final Valuation Date.

The "**Basket Return**" will be calculated in the same manner as for the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*).

For the purposes of calculating the Basket Return, the "**Reference Asset Return**" will be the result obtained by subtracting from the Strike Level the result obtained by dividing the Final Price for each Reference Asset by the Initial Price.

(xviii) *"Bonus Booster Long" structure*

If the Basket Return is at or above the Initial Basket Level on the final Valuation Date and below the Barrier Level on any Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return on the final Valuation Date.

If the Basket Return is below the Barrier Level on any Valuation Date and below the Initial Basket Level on the final Valuation Date, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return on the final Valuation Date (which may result in a Redemption Amount of less than the Principal Amount of the Notes).

If the Basket Return is never below the Barrier Level on any Valuation Date, the Additional Amount will be equal to the higher of:

(A) the Principal Amount of the Notes multiplied by the Coupon; and

(B) the amount calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return on the final Valuation Date.

The "**Basket Return**" will be calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) (*"Basket Long" Structure*).

For the purposes of calculating the Basket Return, the "Reference Asset Return" will be the result obtained by dividing the Final Price for each Reference Asset by the Initial Price, and subtracting the Strike Level.

(xix) *"Cliquet" structure*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the highest of:

(i) the Final Lock-in Level;

(ii) the Cliquet Return; and

(iii) the Global Floor.

The "**Final Lock-in Level**" means the highest Lock-in Level which is reached or exceeded by the Aggregate Basket Return on any Valuation Date.

"**Lock-in Level**" means each level specified as such in the applicable Final Terms.

The "**Cliquet Return**" means the lower of:

(i) the Global Cap; and

(ii) the Adjusted Coupon.

The "**Adjusted Coupon**" means the Initial Coupon plus the Aggregate Basket Return as at the most recently occurring Valuation Date.

The "**Global Cap**" means the value specified in the applicable Final Terms. If the Global Cap is specified as not applicable in the Final Terms, the Global Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount.

The "**Global Floor**" means the value specified in the applicable Final Terms. If the Global Floor is specified as not applicable in the Final Terms, the Global Floor shall be ascribed a notional value of zero for the purposes of calculating the Redemption Amount.

The "**Initial Coupon**" means the value specified in the applicable Final Terms.

The "**Aggregate Basket Return**" for each Valuation Period (the "**relevant Valuation Period**") will be the sum of the Adjusted Periodic Basket Returns for each Valuation Period up to and including the relevant Valuation Period.

The "**Adjusted Periodic Basket Return**" for each applicable Valuation Period will be the higher of:

(A) The Local Floor; and

(B) the lower of: (a) the Local Cap and (b) the Unadjusted Periodic Basket Return.

The "**Local Cap**" means the value specified in the applicable Final Terms. If the Local Cap is specified as not applicable in the Final Terms, the Local Cap shall be ascribed a notional value of infinity for the purposes of calculating the Redemption Amount.

The "**Local Floor**" means the value specified in the applicable Final Terms. If the Local Floor is specified as not applicable in the Final Terms, the Local Floor shall be ascribed a notional value of zero for the purposes of calculating the Redemption Amount.

The "**Unadjusted Periodic Basket Return**" is the result obtained by taking the sum of the Weighted Asset Returns as at the applicable Valuation Date, and subtracting the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date, and expressing that result as a percentage of the sum of the Weighted Asset Returns as at the immediately preceding Valuation Date.

The "**Weighted Asset Return**" is the Reference Asset Return multiplied by the applicable Basket Participation.

The "**Reference Asset Return**" will be the result obtained by dividing the Final Price for each Reference Asset by the Initial Price and subtracting the Strike Level.

(xx) *"Reverse Cliquet" structure*

The Additional Amount will be calculated in the same manner as for the "*Cliquet*" structure set out in Condition 6(a)(xix), save that the definition of "Adjusted Coupon" shall read as follows:

The "**Adjusted Coupon**" means the Initial Coupon less the Aggregate Basket Return as at the most recently occurring Valuation Date.

(xxi) *"Replacement Cliquet" structure*

The Additional Amount will be calculated in the same manner as for the "*Cliquet*" structure set out in Condition 6(a)(xix), save that the definition of "Adjusted Periodic Basket Return" shall read as follows:

The "**Adjusted Periodic Basket Return**" for each applicable Valuation Period will be the Unadjusted Periodic Basket Return, save that in respect of the Valuation Periods with the N highest Unadjusted Periodic Basket Returns, the Unadjusted Periodic Basket Return shall be replaced with the relevant Fixed Periodic Basket Return specified in the Final Terms.

"**N**" shall have the value given to it in the applicable Final Terms.

"**Fixed Periodic Basket Return**" shall be as specified in the applicable Final Terms.

(xxii) *"Reverse Replacement Cliquet" structure*

The Additional Amount will be calculated in the same manner as for the "*Reverse Cliquet*" structure set out in Condition 6(a)(xx), save that the definition of "*Adjusted Periodic Basket Return*" shall read as follows:

The "**Adjusted Periodic Basket Return**" for each applicable Valuation Period will be the Unadjusted Periodic Basket Return, save that in respect of the Valuation Periods with the N highest Unadjusted Periodic Basket Returns, the Unadjusted Periodic Basket Return shall be replaced with the relevant Fixed Periodic Basket Return specified in the Final Terms.

"**N**" shall have the value given to it in the applicable Final Terms.

"**Fixed Periodic Basket Return**" shall be as specified in the applicable Final Terms

(xxiii) *"Rainbow Replacement Cliquet" structure*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the higher of:

(i) the Minimum Basket Return; and

(ii) the sum of the Weighted Replacement Cliquet Performance of each Reference Asset in the Basket.

The "**Weighted Replacement Cliquet Performance**" will be the Replacement Cliquet Performance of the relevant Reference Asset multiplied by the applicable Basket Participation.

The "**Basket Participation**" will be determined on the basis of the Replacement Cliquet Basket Participation.

The "**Replacement Cliquet Performance**" will be the sum of the Adjusted Periodic Reference Asset Returns of the relevant Reference Asset for each Valuation Period.

The "**Adjusted Periodic Reference Asset Return**" for each applicable Valuation Period will be the Periodic Reference Asset Return, save that in respect of the Valuation Periods with the N highest Periodic Reference Asset Returns, the Reference Asset Return shall be replaced with the relevant Fixed Reference Asset Return specified in the Final Terms.

"**N**" shall have the value given to it in the applicable Final Terms.

"**Fixed Reference Asset Return**" shall be as specified in the applicable Final Terms.

The "**Periodic Reference Asset Return**" will be the result (expressed as a percentage) obtained by dividing the Final Price for each Reference Asset by the Start Price and subtracting 100 per cent.

The "**Start Price**" will be the Closing Price of the relevant Reference Asset on the Valuation Date immediately preceding the start of the application Valuation Period.

The "**Final Price**" will be the Closing Price of the relevant Reference Asset on the Valuation Date at the end of the applicable Valuation Period.

(xxiv) *Reverse Convertible structure*

If the Basket Return is equal to or above the Initial Basket Level, the Redemption Amount will be equal to the Principal Amount of the Notes.

If the Basket Return is below the Initial Basket Level, the Redemption Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the Basket Return and adding the resulting negative amount to the Principal Amount of the Notes (in this case the Redemption Amount will be less than the Principal Amount of the Notes).

The "**Basket Return**" will be calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) (*"Basket Long" structure*) or the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

(xxv) *Reverse Convertible Risk Barrier structure*

If the Basket Return is below the Barrier Level on any Valuation Date, and on the final Valuation Date the Basket Return is below the Initial Basket Level, the Redemption Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the Basket Return and adding the resulting negative amount to the Principal Amount of the Notes (in this case the Redemption Amount will be less than

the Principal Amount of the Notes). Otherwise the Redemption Amount will be equal to the Principal Amount of the Notes.

The "**Basket Return**" will be calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long*" *structure*) or the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

(xxvi) *"Best of/Worst of" Reverse Convertible structure*

If the Nth Best Reference Asset Return is below the Barrier Level on any Valuation Date, and below the Initial Basket Level on the final Valuation Date, the Redemption Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and the Nth Best Reference Asset Return and adding the resulting negative amount to the Principal Amount of the Notes. In this case the Redemption Amount will be less than the Principal Amount. Otherwise, the Redemption Amount will be equal to the Principal Amount of the Notes.

The "**Nth Best Reference Asset Return**" is the Reference Asset Return in respect of which the Reference Asset Return is the Nth highest, where "**N**" shall be the value specified in the Final Terms.

The "**Reference Asset Return**" is the result obtained by dividing the Final Price for each Reference Asset by the Initial Price and subtracting the Strike Level.

(xxvii) *Worst of Digital Memory Coupon 1*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the higher of: (i) zero, and (ii) the Coupon Level.

The "**Coupon Level**" means, on any Valuation Date, the higher of: (i) the Coupon Level on the immediately preceding Valuation Date (or, in the case of the Initial Valuation Date, the Initial Coupon) and (ii) the product of N, the Coupon Barrier Level and the Coupon.

"**N**" will be the number of the relevant Valuation Date, where the first Valuation Date has the value N=1, the second Valuation Date has the Value N=2, and so forth.

The "**Coupon Barrier Level**" will be 1 if the Reference Asset Return (as determined in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms) for every Reference Asset within the Basket is greater than, or equal to, the Barrier Level on each Valuation Date, otherwise it will be zero.

(xxviii) *Worst of Call Option*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio, and the higher of: (i) the Minimum Performance and (ii) zero.

The "**Minimum Performance**" means the lowest Reference Asset Performance of all Reference Assets within the Basket

The "**Reference Asset Performance**" means the result of dividing:

(A) the Closing Price of the relevant Reference Asset on the applicable Valuation Date, as specified in the Final Terms, by

(B) the average of the Closing Prices of the relevant Reference Asset on each Initial Valuation Date.

and subtracting the Strike Level.

(xxix) *Outperformance Option*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio, and the lower of:

(A) the Maximum Performance (if applicable), and

(B) the higher of the Minimum Performance (if applicable) and the Performance Differential.

The "**Maximum Performance**" will be the value specified in the applicable Final Terms.

The "**Minimum Performance**" will be the value specified in the applicable Final Terms.

The "**Performance Differential**" will be calculated by subtracting the B Performance from the A Performance, provided however that, if "Outperformance Option" is specified as applicable in the Final Terms and the A Performance is negative, the Performance Differential shall be zero.

The "**A Performance**" will be calculated in the same manner as "Basket Return" for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*) or the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the applicable Final Terms; and

The "**B Performance**" will be calculated in the same manner as "Basket Return" for the "Basket Long" structure set out in Condition 6(a)(i) (*"Basket Long" structure*), or the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the applicable Final Terms.

The Reference Assets used for the purposes of calculating the A Performance and the B Performance will be grouped into two separate Baskets ("**Basket A**" and "**Basket B**" respectively, and each a "**Basket**"), as specified in the applicable Final Terms.

(xxx) *Non-Tranched CLN Structure*

The Redemption Amount will be equal to the Principal Amount of the Notes multiplied by the sum of:

(A) 1 minus the Portfolio Exposure; and

(B) the product of the Target Redemption Amount and the Portfolio Return.

The "**Portfolio Return**" means the difference between 1 and the Portfolio Loss.

The "**Portfolio Loss**" means the sum of the Weighted Asset Loss for each Reference Entity within the Basket.

The "**Weighted Asset Loss**" shall be either:

(C) If "**Credit Event Ranked Basket Participation**" is specified as applicable in the relevant Final Terms, calculated by multiplying the Basket Participation and the Reference Entity Loss for each Reference Entity as follows:

(1) for the Reference Entities which have been subject to a Credit Event, the relevant Credit Event Ranked Weight is used as the Basket Participation; or

(2) for the remaining Reference Entities which have not been subject to a Credit Event (in alphabetical order), the relevant Reference Entities shall be listed in alphabetical order and the remaining Credit Event Ranked Weights will be assigned in numerical order for the purposes of determining the Basket Participation (Interest), following the principle

that the first Reference Entity in alphabetical order shall be assigned the first available Credit Event Ranked Weight in numerical order and so forth.

(D) If "**Credit Event Ranked Basket Participation**" is specified as not being applicable, the product of the Basket Participation and the Reference Entity Loss for the relevant Reference Entity.

The "**Reference Entity Loss**" will be determined by subtracting the Recovery Value in respect of the relevant Reference Entity from 1.

The "**Recovery Value**" will be 100 per cent. if a Credit Event (as defined in Part 3: *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(xxxi) *Tranched CLN Structure*

The Redemption Amount will be equal to the Principal Amount of the Notes multiplied by the sum of:

(A) 1 minus the Aggregate Portfolio Exposure; and

(B) the sum of the Credit Linked Exposure in respect of each Basket.

The "**Credit Linked Exposure**" means the product of the applicable Target Redemption Amount and the Portfolio Return for each Basket.

The "**Portfolio Return**" means the result obtained by subtracting the Adjusted Tranche Loss from 1.

The "**Adjusted Tranche Loss**" means the result obtained by dividing the lower of a) the Tranche Attachment Range and b) the Tranche Loss, by the Tranche Attachment Range.

The "**Tranche Loss**" means the higher of:

(A) zero and

(B) the result obtained by subtracting the Tranche Attachment Point from the sum of the Weighted Asset Loss for each Reference Entity within the relevant Basket.

The "**Weighted Asset Loss**" means the product of the Basket Participation and the Reference Entity Loss for the relevant Reference Entity.

The "**Reference Entity Loss**" will be the result obtained by subtracting the Recovery Value in respect of the relevant Reference Entity from 1.

The "**Recovery Value**" will be 100 per cent. if a Credit Event (as defined in Part 3: *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(xxxii) *Nth to Default CLN Structure*

The Redemption Amount will be equal to the Principal Amount of the Notes multiplied by the sum of:

(A) 1 minus the Portfolio Exposure; and

(B) the product of the Portfolio Exposure, the Target Redemption Amount and the Portfolio Return.

The "**Portfolio Return**" means the difference between 1 and the Portfolio Loss.

The "**Portfolio Loss**" means:

(C) if the number of Credit Events that have occurred in relation to any Reference Entity within the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is greater than or equal to N, the Reference Entity Loss for the Nth Reference Entity within the Basket in respect of which a Credit Event occurs; or

(D) if the number of Credit Events that have occurred in relation to any Reference Entity within the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is less than N, zero.

"**N**" shall be the figure specified in the Final Terms under the heading "Performance Structure-related items".

The "**Reference Entity Loss**" will be the difference between 1 and the Recovery Value in respect of the relevant Reference Entity.

The "**Recovery Value**" will be 100 per cent. if a Credit Event (as defined in Part 3: *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(xxxiii) *Nth and Nth+1 to Default CLN Structure*

The Redemption Amount will be equal to the Principal Amount of the Notes multiplied by the sum of:

(A) 1 minus the Portfolio Exposure; and

(B) the product of the Portfolio Exposure, the Target Redemption Amount and the Portfolio Return.

The "**Portfolio Return**" means the result obtained by subtracting the Portfolio Loss from 1.

The "**Portfolio Loss**" means:

(A) if the number of Credit Events that have occurred in relation to any Reference Entity within the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is greater than N the sum of the Weighted Asset Loss for the Nth Reference Entity to default and the Nth plus 1 (i.e. the immediately succeeding) Reference Entity to default within the Basket; or

(B) if the number of Credit Events that have occurred in relation to any Reference Entity within the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date is equal N, an amount equal to the Weighted Asset Loss of the Nth Reference Entity in respect of which a Credit Event occurs;

(C) if the number of Credit Events that have occurred in relation to any Reference Entity within the Basket during the period commencing on the Observation Start Date and ending on the Observation End Date, is less than N, zero.

"**N**" shall be the figure specified in the Final Terms under the heading "Performance Structure-related items".

The "**Weighted Asset Loss**" means the product of the Basket Participation and the Reference Entity Loss for the relevant Reference Entity.

The "**Reference Entity Loss**" will be the result obtained by subtracting the Recovery Value in respect of the relevant Reference Entity from 1.

The "**Recovery Value**" will be 100 per cent. if a Credit Event (as defined in Part 3: *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(xxxiv) *Option CLN structure*

The Redemption Amount will be equal to the sum of:

(i) the Principal Amount of the Notes; and

(ii) the product of: (x) the Principal Amount of the Notes, and (y) the sum of K, Option Amount 1, Option Amount 2, Option Amount 3 and Option Amount 4.

The value of "**K**" will be as specified in the relevant Final Terms.

The "**Option Amount** 1" will be calculated as the product of Factor1 and the higher of:

(A) 0; and

(B) the sum of:

(1) the product of:

a. Indicator1;

b. the CDS Mark to Market 1; and

c. 1 minus the Portfolio Loss 1; and

(2) the product of:

a. Indicator 1; and

b. Portfolio Loss 2.

The "**CDS Mark to Market 1**" will be calculated as the sum of:

(A) the product of:

(1) Spread Difference1A; and

(2) Annuity1A; and

(B) the product of:

(1) Spread Difference1B; and

(2) Annuity1B.

The "**Factor1**" will be the value specified in the relevant Final Terms.

The "**Indicator1**" will be either -1 or 1 as specified in the relevant Final Terms.

The "**Spread Difference1A**" means the relevant CDS Spread on the Observation Date less the CDS Convention Spread.

The "**Spread Difference1B**" means the relevant CDS Convention Spread less the Strike 1.

"**Strike 1**" will be the value specified in the relevant Final Terms.

The "**Annuity1A**" means the present value of an annuity payment of 1, based on the relevant CDS spread on the Observation Date and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The "**Annuity1B**" means the present value of an annuity payment of 1, based on the Strike 1 and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The relevant "**CDS**" means a credit default swap referencing the Reference Entity or index of Reference Entities specified in the applicable Final Terms, with the maturity and CDS Convention Spread specified in the applicable Final Terms and otherwise containing terms and conditions that observe standard market conventions, as determined by the Calculation Agent in its sole discretion.

The "**CDS Spread**" means the spread or premium payable in order to purchase the relevant CDS (if the Indictor is negative) or sell the relevant CDS (if the Indicator is positive), as determined by the Calculation Agent in its sole discretion.

The "**CDS Convention Spread**" means the fixed coupon received by the Seller of the relevant CDS or paid by the purchaser of the relevant CDS (as the case may be), and specified in the relevant Final Terms.

The "**Portfolio Loss 1**" means the sum of the Weighted Asset Loss 1 for each Reference Entity within the relevant CDS.

The "**Weighted Asset Loss 1**" means the product of the Basket Participation and the Reference Entity Loss 1 for the relevant Reference Entity.

The "**Reference Entity Loss 1**" will be the result obtained by subtracting the Recovery Value 1 in respect of the relevant Reference Entity from 1.

The "**Recovery Value 1**" will be 100 per cent. if a Credit Event (as defined in Part 3: *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be a Fixed Recovery Value of 0 per cent.

The "**Portfolio Loss 2**" means the sum of the Weighted Asset Loss 2 for each Reference Entity within the CDS.

The "**Weighted Asset Loss 2**" means the product of the Basket Participation and the Reference Entity Loss 2 for the relevant Reference Entity.

The "**Reference Entity Loss 2**" will be the result obtained by subtracting the Recovery Value 2 in respect of the relevant Reference Entity from 1.

The "**Recovery Value 2**" will be 100 per cent. if a Credit Event (as defined in Part 3: *Additional Conditions for Credit-Linked Notes*) has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be a Market Recovery Value.

The "**Option Amount2**" will be calculated as the product of Factor2 and the higher of:

(A) 0; and

(B) the sum of:

(1) the product of:

a. Indicator2;

b. The CDS Mark to Market 2; and

c. 1 minus the Portfolio Loss 1; and

(2) the product of:

a. Indicator 2; and

b. Portfolio Loss 2;

The "**CDS Mark to Market 2**" will be calculated as the sum of:

(A) The product of:

(1) Spread Difference2A; and

(2) Annuity2A; and

(B) The product of:

(1). Spread Difference2B; and

(2) Annuity2B.

The "**Factor2**" will be the value specified in the relevant Final Terms.

The "**Indicator2**" will be either -1, 0 or 1 as specified in the relevant Final Terms.

The "**Spread Difference2A**" means the relevant CDS Spread on the Observation Date less the CDS Convention Spread.

The "**Spread Difference2B**" means the relevant CDS Convention Spread less the Strike 2.

"**Strike 2**" will be the value specified in the relevant Final Terms.

The "**Annuity2A**" means the present value of an annuity payment of 1, based on the relevant CDS spread on the Observation Date and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The "**Annuity2B**" means the present value of an annuity payment of 1, based on the Strike 2 and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The "**Option Amount 3**" will be calculated as the product of Factor3 and the higher of:

(A) 0; and

(B) the sum of:

(1) the product of:

a. Indicator3;

b. The CDS Mark to Market 3; and

c. 1 minus the Portfolio Loss 1; and

(2) the product of:

a. Indicator 3; and

b. Portfolio Loss 2;

The "**CDS Mark to Market 3**" will be calculated as the sum of:

(A) The product of:

(1) Spread Difference3A; and

(2) Annuity3A; and

(B) The product of:

(1) Spread Difference3B; and

(2) Annuity3B.

The "**Factor3**" will be the value specified in the relevant Final Terms.

The "**Indicator3**" will be either -1,0 or 1 as specified in the relevant Final Terms.

The "**Spread Difference3A**" means the relevant CDS Spread on the Observation Date less the relevant CDS Convention Spread.

The "**Spread Difference3B**" means the relevant CDS Convention Spread less the Strike 3.

"**Strike 3**" will be the value specified in the relevant Final Terms.

The "**Annuity3A**" means the present value of an annuity payment of 1, based on the relevant CDS spread on the Observation Date and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The "**Annuity3B**" means the present value of an annuity payment of 1, based on the Strike 3 and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The "**Option Amount 4**" will be calculated as the product of Factor4 and the higher of:

(A) 0; and

(B) the sum of:

(1) the product of:

a. Indicator4;

b. The CDS Mark to Market4; and

c. 1 minus the Portfolio Loss 1; and

(2) the product of:

a. Indicator 4; and

b. Portfolio Loss 2;

The "**CDS Mark to Market 4**" will be calculated as the sum of:

(A) The product of:

(1) Spread Difference4A; and

(2) Annuity4A; and

(B) The product of:

(1) Spread Difference4B; and

(2) Annuity4B.

The "**Factor4**" will be the value specified in the relevant Final Terms.

The "**Indicator4**" will be either -1 or 1 as specified in the relevant Final Terms.

The "**Spread Difference4A**" means the relevant CDS Spread on the Observation Date less the relevant CDS Convention Spread.

The "**Spread Difference4B**" means the relevant CDS Convention Spread less the Strike 4.

"**Strike 4**" will be the value specified in the relevant Final Terms.

The "**Annuity4A**" means the present value of an annuity payment of 1, based on the relevant CDS spread on the Observation Date and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The "**Annuity4B**" means the present value of an annuity payment of 1, based on the Strike 4 and the same payment dates and conventions as the fixed amount in the relevant CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

(xxxv) *Mark to Market CDS*

The Redemption Amount will be equal to the sum of:

(i) the Principal Amount of the Notes; and

(ii) the product of:

(x) the Principal Amount of the Notes, and

(y) the sum of, in respect of each CDS, the product of the relevant Mark to Market value and the applicable CDS Factor specified in the Final Terms.

The "**Mark to Market**" of the relevant CDS will be calculated as the sum of:

(A) the product of:

(1) The Indicator 1

(2) The CDS Spread Difference;

(3) The Annuity; and

(4) 1 minus the Portfolio Loss 1; and

(B) the product of:

(1) The Indicator 2

(2) The Accrued Interest; and

(C) The product of:

(1) The Indicator 3

(2) The PortfolioLoss2.

The "**Indicator 1**" will be either -1 or 1 as specified in the relevant Final Terms.

The "**Indicator 2**" will be either 1, 0 or -1 as specified in the relevant Final Terms.

The "**Indicator 3**" will be either 1, 0 or -1 as specified in the relevant Final Terms.

The "**Accrued Interest**" will be the accrued interest from the last coupon payment date of the relevant CDS, as determined by the Calculation Agent in its sole discretion on the Observation Date.

The "**Annuity**" means the present value of an annuity payment of 1, based on the same payment dates and conventions as the fixed amount in the CDS and determined by the Calculation Agent on the Valuation Date in its sole discretion.

The "**CDS**" means a credit default swap referencing the Reference Entity or index of Reference Entities specified in the applicable Final Terms, with the maturity and CDS Convention Spread specified in the applicable Final Terms and otherwise containing terms and conditions that observe standard market conventions, as determined by the Calculation Agent in its sole discretion.

The "**CDS Spread Difference**" means the CDS Spread on the Observation Date less the CDS Convention Spread on the Observation Date.

The "**CDS Spread**" means the spread or premium payable in order to purchase the relevant CDS (if the Indicator is negative) or sell the relevant CDS (if the Indicator is positive), as determined by the Calculation Agent in its sole discretion on the Observation Date.

The "**CDS Convention Spread**" means the fixed coupon received by the seller of the relevant CDS or paid by the purchaser of the relevant CDS (as applicable) and specified in the relevant Final Terms.

The "**Portfolio Loss 1**" means the sum of the Weighted Asset Loss 1 for each Reference Entity within the Basket.

The "**Weighted Asset Loss 1**" means the product of the Basket Participation and the Reference Entity Loss 1 for the relevant Reference Entity.

The "**Reference Entity Loss 1**" will be the result obtained by subtracting the Recovery Value 1 in respect of the relevant Reference Entity from 1.

The "**Recovery Value 1**" will be 100 per cent. if a Credit Event has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be a Fixed Recovery Value of 0 per cent.

The "**Portfolio Loss 2**" means the sum of the Weighted Asset Loss 2 for each Reference Entity within the Basket.

The "**Weighted Asset Loss 2**" means the product of the Basket Participation and the Reference Entity Loss 2 for the relevant Reference Entity.

The "**Reference Entity Loss 2**" will be the result obtained by subtracting the Recovery Value 2 in respect of the relevant Reference Entity from 1.

The "**Recovery Value 2**" will be 100 per cent. if a Credit Event has not occurred in relation to that Reference Entity during the period commencing on the Observation Start Date and ending on the Observation End Date, or if such a Credit Event has occurred, it will be either a Fixed Recovery Value or a Market Recovery Value, as specified in the applicable Final Terms.

(xxxvi) *Digital Long*

If the Basket Return on the final Valuation Date is greater than or equal to the Basket Strike Level, the Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Coupon.

If the Basket Return is not greater than or equal to the Basket Strike Level on the final Valuation Date, the Additional Amount will be zero.

The Basket Return will be calculated on the basis of the "Basket Long" structure in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

(xxxvii) *Digital Short*

If the Basket Return on the final Valuation Date is less than or equal to the Basket Strike Level, the Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Coupon.

If the Basket Return on the final Valuation Date is not less than or equal to the Basket Strike Level, the Additional Amount will be zero.

The Basket Return will be calculated on the basis of the "Basket Long" Structure in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or the "*Basket Short*" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms.

(xxxviii) *Best of/Worst of Digital Long*

If the Reference Asset Return of the Nth best performing Reference Asset on the final Valuation Date is greater than or equal to the relevant Barrier Level, the Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Coupon.

If the Reference Asset Return of the Nth best performing Reference Asset on the final Valuation Date is not greater than or equal to the relevant Barrier Level, the Additional Amount will be zero.

The "**Nth best performing**" Reference Asset will be the Reference Asset with the Nth highest Reference Asset Return (as defined in Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms), where "**N**" shall be the value specified in the relevant Final Terms.

(xxxix) *Best of/Worst of Digital Short*

If the Reference Asset Return of the Nth best performing Reference Asset on the final Valuation Date is less than or equal to the relevant Barrier Level, the Additional Amount will be equal to the Principal Amount of the Notes multiplied by the Coupon.

If the Reference Asset Return of the Nth best performing Reference Asset on the final Valuation Date is less than or equal to the relevant Barrier Level the Additional Amount will be zero.

The "**Nth best performing**" Reference Asset will be the Reference Asset with the Nth highest Reference Asset Return (as defined in Condition 6(a)(i) (*"Basket Long" Structure*) or Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms), where "**N**" shall be the value specified in the relevant Final Terms.

(xl) *"Series of Digitals"*

The Redemption Amount will be equal to the Principal Amount of the Notes multiplied by the fraction of which the numerator is the number of Reference Assets with a Closing Price which is at or above the relevant Barrier Level on each Valuation Date and the denominator is the number of Reference Assets within the Basket.

(xli) *Delta 1 Structures*

Subject to the occurrence of a Deferred Redemption as specified below, the Redemption Amount will payable on the Scheduled Redemption Date and will be an amount equal to the Redemption Proceeds in relation to the relevant Reference Asset(s), less the Fee Amount and less any applicable Taxes.

The "**Fee Amount**" means a structuring fee payable to the Issuer in an amount calculated as a percentage per annum. of the aggregate Principal Amount of the Notes specified in the applicable Final Terms multiplied by the relevant Day Count Fraction.

"**Taxes**" means all taxes, fees or other deductions relating to a Hedging Party's purchase, ownership, redemption or transfer of the Reference Assets, any dividends pertaining to the Reference Assets, or any currency conversion in respect of the exchange of the Note proceeds for the currency of the relevant Reference Asset(s).

Deferred Redemption

If it is not possible for the Hedging Party to redeem Reference Assets before the Scheduled Redemption Date or Early Redemption Date because the Reference Assets are subject to a restriction on redemptions or for any other reason, or if the Hedging Party determines that it will not receive the full amount of any Redemption Proceeds on or before the Scheduled Redemption Date or the Early Redemption Date (as applicable) (each such event a "**Deferred Redemption**"), then the Issuer shall promptly notify the Holders of such event (a "**Deferred Redemption Notice**").

Following a Deferred Redemption Notice the Issuer shall make a partial redemption of the Notes on (i) the Scheduled Redemption Date or the Early Redemption Date, as applicable, provided and to the extent that the Hedging Party has received (or is deemed to have received) any part of the Fund Redemption Proceeds no later than on the tenth Business Day prior to such date, and thereafter (ii) within five Business Days after each date on which the Hedging Party receives (or is deemed to have received) all or part of the Redemption Proceeds (each such date, a "**Deferred Redemption Date**").

The amount of each such partial redemption of the Notes shall be calculated in accordance with the formula for calculating the Redemption Amount set out above, and for such purpose the "Redemption Proceeds" shall be deemed to be the most recent partial amount of the Redemption Proceeds received (or deemed to have been received) by the Hedging Party prior to the relevant Deferred Redemption Date and the "Fee Amount" shall be deemed to be the aggregate Fee Amount as of the relevant Deferred Redemption Date less any part of the Fee Amount that has previously been deducted from (i) the Redemption Proceeds or (ii) the Redemption Amount in connection with any prior partial redemption of the Notes.

The sum of all partial redemption payments shall never exceed the aggregate Redemption Proceeds which the Hedging Party has received (or is deemed to have

received) on or prior to the Back Stop Date *less* (i) the aggregate Fee Amount and *less* (ii) the aggregate amount of all Taxes.

If the Issuer has determined that a Deferred Redemption has occurred and is continuing and that it can be reasonably expected that any amount of the Redemption Proceeds will not be received by the Hedging Party on or prior to the Back Stop Date, then the Issuer (i) may extend the Back Stop Date in order for it to be in alignment with expected future receipts of Redemption Proceeds as determined by the Issuer, or (ii) by notice to the Holders and to the relevant Clearing System(s) cancel the Notes with immediate effect, whereupon the Issuer shall not be obliged to make, and no Holder shall be entitled to receive, any redemption payment or other amount in respect of the Notes.

Any Redemption Proceeds received by the Issuer or the Hedging Party after the Back Stop Date shall not be payable to Holders and the Holders shall have no claim to receive any such remaining part of the Redemption Amount after the Back Stop Date.

(xlii) *Inflation Linker*

The Redemption Amount will be the Principal Amount of the Notes multiplied by the higher of:

(A) The Minimum Redemption Percentage; and

(B) the result (expressed as a percentage) obtained by dividing the value of the Inflation Rate at the Valuation Time on the Final Valuation Date (as displayed on the price source specified in the relevant Final Terms) by the value of the Inflation Rate at the Valuation Time on the Initial Valuation Date (as displayed on the price source specified in the relevant Final Terms).

(xliii) *"Barrier outperformance" structure 2*

If the Basket Return (as determined in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*)), as specified in the Final Terms, on any Valuation Date exceeds the Barrier Level, the Additional Amount will be calculated as the Principal Amount of the Notes multiplied by the Participation Ratio and multiplied by the higher of the Coupon and the Basket Return. If the Basket Return does not exceed the Barrier Level on any Valuation Date, the Additional Amount will be zero.

(xliv) *"Barrier Underperformance" structure 2*

If the Basket Return (as determined in accordance with Condition 6(a)(i) ("*Basket Long" structure*) or Condition 6(a)(ii) (*"Basket Short" structure*)), as specified in the Final Terms, on any Valuation Date falls below the Barrier Level, the Additional Amount will be calculated as the Principal Amount of the Notes multiplied by the Participation Ratio and multiplied by the higher of the Coupon and the Basket Return. If the Basket Return does not fall below the Barrier Level on any Valuation Date, the Additional Amount will be zero.

(xlv) *"Target Volatility" structure*

The Additional Amount will be the product of the Principal Amount of the Notes, the Participation Ratio and the Synthetic Index Return.

The "**Synthetic Index Return**" means the higher of a) the Minimum Synthetic Index Return, and b) the result obtained by dividing the Synthetic Index Value on the final Valuation Date (or, if Valuation Date Averaging is applicable, the average of the Synthetic Index Value on the relevant Averaging Dates) by the Synthetic Index Value on the Initial Valuation Date, and subtracting the Synthetic Index Strike Level.

The "**Minimum Synthetic Index Return**" shall mean the value specified in the applicable Final Terms.

The "**Synthetic Index Value**" will be recalculated at the end of each Valuation Period (the "**relevant Valuation Period**") as the product of:

(i) the Synthetic Index Value on the immediately preceding Valuation Date (or in the case of the Initial Valuation Date, the Initial Synthetic Index Value); and

(ii) the sum of: (x) 1, and (y) the product of:

(A) the relevant Exposure on the immediately preceding Valuation Date; and

(B) the relevant Excess Return for the applicable Valuation Period.

The "**Exposure**" will be recalculated on each Rebalancing Date, or as soon as practicable thereafter (as determined by the Issuer, in its sole discretion after taking into account the time required by the Hedging Party in order to establish the relevant Hedge Transactions), and will be the higher of:

(a) the Minimum Exposure; and

(b) the lower of:

(i) the Maximum Exposure; and

(ii) the Adjusted Exposure,

provided however that if the recalculation of the Exposure in the manner described above would result in an adjustment of less than the Minimum Adjustment Threshold, the Issuer will not be required to adjust the Exposure on such Rebalancing Date, and the Exposure with effect from such Rebalancing Date will be deemed to be the same as the Exposure on the immediately preceding Rebalancing Date.

"**Adjusted Exposure**" means, in respect of a Rebalancing Date, the level of exposure to the relevant Basket that can, in the sole discretion of the Issuer, be achieved by the Hedging Party (after deducting any applicable Hedging Costs) in establishing one or more Hedge Transactions that are intended to generate the Target Exposure on the relevant Rebalancing Date.

"**Target Exposure**" means, in respect of a Rebalancing Date, the lower of:

(a) the result of dividing the Target Volatility by the Historic Volatility; and

(b) if specified as applicable in the relevant Final Terms, the result of dividing the Target Volatility by the Second Historic Volatility.

"**Hedging Costs**" means an amount equal to any tax, duty, expenses, fee or other costs which the Issuer determines in its sole discretion would be incurred by a Hedging Party as a result of establishing any Hedge Transaction(s) entered into by such Hedging Party in order to hedge any obligation of the Issuer to make payments in respect of the Notes.

"**Minimum Adjustment Threshold**" has the meaning given to it in the relevant Final Terms.

"**Minimum Exposure**" means, in respect of a Rebalancing Date, the minimum percentage specified in the applicable Final Terms;

"**Maximum Exposure**" means, in respect of a Rebalancing Date, the maximum percentage specified in the applicable Final Terms;

"**Target Volatility**" means, in respect of Rebalancing Date, the target volatility, expressed as a percentage, specified in the applicable Final Terms;

"**Historic Volatility**" means, in respect of a Rebalancing Date (the "**Relevant Rebalancing Date**"), a number determined as:

(a) the square root of the Annualising Factor multiplied by,

(b) the square root of:

(i) 1/(N-1) multiplied by:

(ii)

(x) the sum of the Log Squared Basket Return as calculated on each Rebalancing Date during the Lookback Rebalancing Period, less

(y) the sum of the Log Basket Return as calculated on each Rebalancing Date during the Lookback Rebalancing Period, raised to the power of 2 and then multiplied by 1/N.

The "**Annualising Factor**" shall mean the value specified in the Final Terms;

"**Second Historic Volatility**" means, in respect of a Rebalancing Date (the "**Relevant Rebalancing Date)**, a number determined as:

(a) the square root of the Second Annualising Factor multiplied by:

(b) the square root of:

(i) 1/(K-1) multiplied by:

(ii)

(x) the sum of the Log Squared Basket Return as calculated on each Rebalancing Date during the Second Lookback Rebalancing Period, less

(y) the sum of the Log Basket Return as calculated on each Rebalancing Date during the Second Lookback Rebalancing Period, raised to the power of 2 and then multiplied by 1/K.

The "**Second Annualising Factor**" shall mean the value specified in the Final Terms;

The "**Log Squared Basket Return**" means the natural logarithm of the Rebalancing Basket Return on the relevant Rebalancing Date, raised to the power of 2;

The "**Log Basket Return**" means the natural logarithm of the Rebalancing Basket Return on the relevant Rebalancing Date;

The "**Lookback Rebalancing Period**" means each of the N Rebalancing Dates up to and including the relevant Rebalancing Date, where "N" is the value specified in the applicable Final Terms;

The "**Second Lookback Rebalancing Period**" means each of the K Rebalancing Dates up to and including the relevant Rebalancing Date, where "K" is the value specified in the applicable Final Terms;

The "**Rebalancing Basket Return**" means the sum of:

(a) 1 and

(b) the sum of the Weighted Rebalancing Performance in respect of each Reference Asset on the relevant Rebalancing Date;

The "**Weighted Rebalancing Performance**" in respect of the relevant Reference Asset is equal to:

(a) the Rebalancing Performance (as defined in Condition 1 (*Definitions*)) less 1, multiplied by,

(b) the applicable Basket Participation;

The "**Basket Return**" will be calculated on the basis of either the "Basket Long" Structure in accordance with Condition 6(a)(i) (*"Basket Long" structure*) or the "Basket Short" Structure in accordance with Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms;

The "**Excess Return**" for any period will be equal to the Basket Return less the Cash Return for such period;

The "**Cash Return**" for any Valuation Period means the Cash Rate on the Valuation Date at the start of the relevant Valuation Period (as determined by the Issuer in its sole discretion), multiplied by the Cash Return Day Count Fraction;

The "**Cash Rate**" means the interest rate specified in the Final Terms; and

The "**Cash Return Day Count Fraction**" means the Day Count Fraction specified in the applicable Final Terms.

(xlvi) *Booster Risk Barrier 2*

If the Basket Return, calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*), is at or above the Barrier Level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio and by the Basket Return.

If the Basket Return calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long" structure*), is below the Barrier Level, the Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Participation Ratio 2 and the Basket Return calculated in the same manner as for the "Basket Short" structure set out in Condition 6(a)(ii) ("*Basket Short" structure*).

(xlvii) *Autocallable Rate Structure*

If the Autocall Condition is satisfied on any Valuation Date prior to the final Valuation Date, the Notes will be subject to early redemption in accordance with Condition 6(w) (*Early Redemption of Notes with Autocallable Rate structure*). If the Autocall Condition is not satisfied on any Valuation Date prior to the final Valuation Date, the Notes will be redeemed on the Redemption Date at an amount equal to their Principal Amount.

(xlviii) *In Option – Basket Long*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Factor and the sum of:

(A) The result obtained by multiplying the Participation Ratio by the Knock-In Factor and the higher of (1) the Basket Return; and (2) zero; and

(B) The result obtained by multiplying the Knock-In Differential by the Coupon.

If the"In Option Type" is specified as "Bought Up and In" in the relevant Final Terms:

(i) The **"Knock-In Factor"** will be:

(A) A value equal to 1 if the Basket Return is at or above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is below the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to 1.

If "In Option Type" is specified as "Sold Up and In" in the relevant Final Terms:

(i) The **"Knock-In Factor"** will be:

(A) A value equal to 1 if the Basket Return is above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or below the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to -1.

If "In Option Type" is specified as "Bought Down and In" in the relevant Final Terms:

(i) The "**Knock-In Factor**" will be:

(A) A value equal to 1 if the Basket Return is at or below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is above the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to 1.

If "In Option Type" is specified as "Sold Down and In" in the relevant Final Terms the following will apply:

(i) The **"Knock-In Factor"** will be:

(A) A value equal to 1 if the Basket Return is below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or above the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to -1.

The "**Coupon**" means the value specified in the applicable Final Terms.

The "**Knock-In Differential**" means 1 minus the Knock-In Factor.

The "**Basket Return**" will be calculated on the basis of the "Basket Long" structure in accordance with Condition 6(a)(i) (*Basket Long Structure*).

(xlix) *In Option – Basket Short*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Factor and the sum of:

(A) The result obtained by multiplying the Participation Ratio by the Knock-In Factor and the higher of (1) the Basket Return; and (2) zero; and

(B) The result obtained by multiplying the Knock-In Differential by the Coupon.

If “In Option Type” is specified as “Bought Down and In” in the relevant Final Terms:

(i) The **"Knock-In Factor"** will be:

(A) A value equal to 1 if the Basket Return is at or above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is below the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to 1.

If “In Option Type” is specified as “Sold Down and In” in the relevant Final Terms:

(i) The **"Knock-In Factor"** will be:

(A) A value equal to 1 if the Basket Return is above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or below the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to -1.

If “In Option Type” is specified as “Bought Up and In” in the relevant Final Terms:

(i) The **"Knock-In Factor"** will be:

(A) A value equal to 1 if the Basket Return is at or below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is above the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to 1.

If “In Option Type” is specified as “Sold Up and In” in the relevant Final Terms:

(i) The **"Knock-In Factor"** will be:

(A) A value equal to 1 if the Basket Return is below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or above the Barrier Level on all Valuation Dates.

(ii) The **"Factor"** will be a value equal to -1.

The "**Coupon**" means the value specified in the applicable Final Terms.

The "**Knock-In Differential**" means 1 minus the Knock-In Factor.

The “**Basket Return**” will be calculated on the basis of the "Basket Short" structure in accordance with Condition 6(a)(ii) (*Basket Short Structure*).

(l) *Out Option – Basket Long*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Factor and the sum of:

(A) The result obtained by multiplying the Participation Ratio by the Knock-Out Differential and the higher of (1) the Basket Return; and (2) zero.

(B) The result obtained by multiplying the Knock-Out Factor by the Rebate.

If "Out Option Type" is specified as "Bought Up and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or below the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to 1.

If "Out Option Type" is specified as "Sold Up and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is at or above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is below the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to -1.

If "Out Option Type" is specified as "Bought Down and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or above the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to 1.

If "Out Option Type" is specified as "Sold Down and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is at or below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is above the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to -1.

The "**Rebate**" means the value specified in the applicable Final Terms.

The "**Knock-Out Differential**" means 1 minus the Knock-Out Factor.

The "**Basket Return**" will be calculated on the basis of the "Basket Long" structure in accordance with Condition 6(a)(i) (Basket Long Structure).

(li) *Out Option – Basket Short*

The Additional Amount will be calculated by multiplying the Principal Amount of the Notes by the Factor and the sum of:

(A) The result obtained by multiplying the Participation Ratio by the Knock-Out Differential and the higher of (1) the Basket Return; and (2) zero.

(B) The result obtained by multiplying the Knock-Out Factor by the Rebate.

If "Out Option Type" is specified as "Bought Down and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or below the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to 1.

If "Out Option Type" is specified as "Sold Down and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is at or above the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is below the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to -1.

If "Out Option Type" is specified as "Bought Up and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is at or above the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to 1.

If "Out Option Type" is specified as "Sold Up and Out" in the relevant Final Terms:

(i) The "**Knock-Out Factor**" will be:

(A) A value equal to 1 if the Basket Return is at or below the Barrier Level on any Valuation Date;

(B) A value equal to zero if the Basket Return is above the Barrier Level on all Valuation Dates.

(ii) The "**Factor**" will be a value equal to -1.

The "**Rebate**" means the value specified in the applicable Final Terms.

The "**Knock-Out Differential**" means 1 minus the Knock-Out Factor.

The "**Basket Return**" will be calculated on the basis of the "Basket Short" structure in accordance with Condition 6(a)(ii) (Basket Short Structure).

(b) ***FX Components***

(i) *FX Component – Reference Asset*

If "FX Component – Reference Asset" is specified as applicable in the relevant Final Terms, then the Reference Asset Return of one or more Reference Assets specified in the Final Terms (as determined in accordance with whichever of the provisions of Condition 6(a) (*Redemption at Maturity*) is specified as applicable to the relevant Reference Asset(s) in such Final Terms), will be further multiplied by the applicable FX Factor for the purposes of determining the relevant Additional Amount payable to the Holders.

(ii) *FX Component – Additional Amount*

If "FX Component – Additional Amount" is specified as applicable in the relevant Final Terms, then one or more Additional Amounts specified in the applicable Final Terms (as determined in accordance with whichever of the provisions of Condition 6(a) (*Redemption at Maturity*) is specified as applicable to the relevant Additional Amount in such Final Terms), will be further multiplied by the applicable FX Factor for the purposes of determining the relevant Additional Amount payable to the Holders. The FX Component – Additional Amount may only apply if the Additional Amount is positive, or may only apply if the Additional Amount is negative, in either case as specified in the Final Terms.

(iii) *FX Component – Base Redemption Amount*

If "FX Component – Redemption Amount" is specified as applicable in the relevant Final Terms, then the Base Redemption Amount will be multiplied by the applicable FX Factor for the purposes of determining the actual Redemption Amount payable in accordance with Condition 6(a) (*Redemption at Maturity*).

(iv) *FX Component – Composite*

If "FX Component – Composite" is specified as applicable in the relevant Final Terms, then the Reference Asset Return of one or more Reference Assets specified in the Final Terms (as determined in accordance with whichever of the provisions of Condition 6(a) (Redemption at Maturity) is specified as applicable to the relevant Reference Asset in such Final Terms), will be calculated as:

(a) If the method of calculating the Basket Return specified in the Final Terms is the "Basket Long" structure, the "**Reference Asset Return**" will be the result obtained by dividing the Final Price for each relevant Reference Asset by the Initial Price for the relevant Reference Asset and multiplying the result by the FX Factor and then subtracting the Strike Level.

(b) If the method of calculating the Basket Return specified in the Final Terms is the "Basket Short" structure, the "**Reference Asset Return**" will be the result obtained by subtracting from the Strike Level the product of (i) the result obtained by dividing the Final Price for each relevant Reference Asset by the Initial Price for the relevant Reference Asset; and (ii) the FX Factor.

(c) ***Best of/Worst of Modifier***

If this Condition 6(c) (*Best of/Worst of Modifier*) is specified as applicable in the relevant Final Terms, then references to the Basket Return shall be replaced by references to the "Reference Asset Return of the Nth best performing Reference Asset" for the purposes of calculating the Additional Amount in accordance with one or more of the applicable performance structure(s) set out in Condition 6(a) (*Redemption at Maturity*), or whether or not Autocallable Notes shall be subject to early redemption in accordance with Condition 6(p) (*Early Redemption of Notes with Autocallable Performance Structure*) or 6(w) (*Early Redemption of Notes with Autocallable Rate Structure*). The Final Terms will specify which performance structure(s) and Conditions will be modified in accordance with this Condition 6(c) (*Best of/Worst of Modifier*).

The "**Nth best performing Reference Asset**" shall be the Reference Asset with the Nth highest Reference Asset Return, where "**N**" shall be the value specified in the Final Terms under the heading "*Strategy –related items* ".

(d) ***Lookback Initial Price Modifier***

If this Condition 6(d) (*Lookback Initial Price Modifier*) is specified as applicable in the relevant Final Terms, then references to the "Initial Price" shall be replaced by references to the "Lookback Initial Price" for the purposes of calculating the Additional Amount in accordance with the applicable performance structure(s) in Condition 6(a) (*Redemption at Maturity*) which are specified as applicable in the relevant Final Terms.

If the "**Lookback Factor**" is specified as being "**Minimum**", in the applicable Final Terms, the "**Lookback Initial Price**" shall be the Closing Price of the relevant Reference Asset on the Valuation Date at the start of the Valuation Period when the Lookback Return was the lowest.

If the "**Lookback Factor**" is specified as being "**Maximum**", the "**Lookback Initial Price**" shall be the Closing Price of the relevant Reference Asset on the Valuation at the start of the Valuation Period when the Lookback Return was the highest.

(e) ***Lookback Final Price Modifier***

If this Condition 6(e) (*Lookback Final Price Modifier*) is specified as applicable in the relevant Final Terms, then references to the "Final Price" shall be replaced by references to the "Lookback Final Price" for the purposes of calculating the Additional Amount in accordance with the applicable performance structure(s) in Condition 6(a) (*Redemption at Maturity*) which are specified as applicable in the relevant Final Terms.

If the "**Lookback Factor**" is specified as being "**Minimum**", in the applicable Final Terms, the "**Lookback Final Price**" shall be the Closing Price of the relevant Reference Asset on the Valuation Date at the end of the Valuation Period when the Lookback Return was the lowest.

If the "**Lookback Factor**" is specified as being "**Maximum**", the "**Lookback Observation Price**" shall be the Closing Price of the relevant Reference Asset on the Valuation Date at the end of the Valuation Period when the Lookback Return was the highest.

(f) ***"Lock-in" Modifier***

If this Condition 6(f) (*Lock-in Modifier*) is specified as applicable in the relevant Final Terms, then references to the Basket Return shall be replaced by the Lock-in Basket Return for the purposes of calculating the Additional Amount in accordance with the applicable performance structure(s) in Condition 6(a) (*Redemption at Maturity*) which are specified as applicable in the relevant Final Terms.

The "**Lock-in Basket Return**" will be the highest of the Locked-in Return and the Basket Return on the final Valuation Date. The "**Locked-in Return**" will be the pre-determined percentage which corresponds to the highest Lock-in Level which is reached or exceeded by the Basket Return on any Valuation Date, as specified in the Final Terms.

(g) ***Combination of Structures***

If "Combination of Structures" is specified as applicable in the Final Terms, the Additional Amount payable to the Holders on the Redemption Date or, if applicable, the Alternative Additional Amount Payment Date, may be a combination of two or more of the performance structures specified in Condition 6(a) (*Redemption at Maturity*) or combine the same performance structure but calculated by reference to different underlying Baskets, in either case, as set out in the applicable Final Terms:

(i) If "**Addition**" is specified in the Final Terms the Additional Amounts determined in accordance with each applicable sub-paragraph of Condition 6(a) (*Redemption at Maturity*) shall be multiplied by the relevant Performance Percentage and then aggregated for the *purposes* of calculating the total Additional Amount payable by the

Issuer. If "Single Basket" is specified in the Final Terms, the same underlying Basket will be used to determine the Additional Amount in respect of each applicable performance structure. Otherwise, each performance structure will apply to a separate underlying Basket, as specified in the Final Terms.

The "**Performance Percentage**" will be the percentage specified in the applicable Final Terms.

(ii) If "**Subtraction**" is specified in the Final Terms the Additional Amounts determined in accordance with each applicable sub-paragraph of Condition 6(a) (*Redemption at Maturity*) shall be multiplied by the relevant Performance Percentage and then the Additional Amount relating to Basket B, shall be subtracted from the Additional Amount relating to Basket A for the *purposes* of calculating the total Additional Amount payable by the Issuer.

The "**Performance Percentage**" will be the percentage specified in the applicable Final Terms.

(iii) If "**Alternative Calculation**" is specified in the Final Terms, the applicable performance structure used to determine the Additional Amount will differ depending on whether or not the Basket Return on a particular Valuation Date has exceeded certain pre-specified Barrier Levels, as set out in the relevant Final Terms.

(h) ***Maximum Redemption***

If this Condition 6(h) (*Maximum Redemption*) is specified as applicable in the relevant Final Terms, the Redemption Amount will be the lesser of: a) the Redemption Amount determined in accordance with the applicable provisions of Condition 6(a) (*Redemption at Maturity*) and b) the Maximum Redemption Amount.

(i) ***Minimum Redemption***

If this Condition 6(i) (*Minimum Redemption*) is specified as applicable in the relevant Final Terms and Condition 6(h) (*Maximum Redemption*) is not applicable, the Redemption Amount shall be the greater of: a) the amount determined in accordance with the applicable provisions of Condition 6(a) (*Redemption at Maturity*), and b) the Minimum Redemption Amount.

If both this Condition 6(i) (*Minimum Redemption*) and Condition 6(h) (*Maximum Redemption*) are specified as applicable in the relevant Final Terms, the Redemption Amount shall be the greater of: a) the Redemption Amount determined in accordance with Condition 6(h) (*Maximum Redemption*), and b) the Minimum Redemption Amount.

(j) ***Inflation-Protected Principal***

If this Condition 6(j) (*Inflation – Protected Principal*) is specified as applicable in the relevant Final Terms, the Redemption Amount determined in accordance with the applicable provisions of Condition 6(a) (*Redemption at Maturity*) will be multiplied by the ratio obtained by dividing the Final CPI by the Base CPI.

(k) ***Instalment Redemption***

If specified in the Final Terms, certain Notes may be amortising. If so, the Redemption Amount will be paid in instalments equal to the Instalment Amount on one or several Instalment Dates, as specified in the Final Terms.

(l) ***Early Redemption for Taxation Reasons***

If, in relation to any Series of Notes, as a result of any change in the laws of the Issuer's jurisdiction or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which becomes effective on or after the date of issue of such Notes or any earlier date specified in the relevant Final Terms on the occasion of the next payment due in respect of such Notes the

Issuer would be required to pay additional amounts as provided in Condition 7 (*Taxation*), the Issuer may, at its option having given not less than thirty nor more than sixty days' notice, or such other period as may be specified in the Final Terms (ending, in the case of Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable) redeem in whole (but not, unless and to the extent that the relevant Final Terms specifies otherwise, in part) the Notes of the relevant Series at its principal amount (or such other redemption amount as may be specified in the relevant Final Terms), together with accrued interest (if any) thereon.

In the event withholding tax is introduced in Finland or Sweden and, pursuant to such Finnish or Swedish withholding tax the Issuer is obliged to effect deductions as referred to in the preceding paragraph, the Issuer reserves the right to obtain the following information regarding each Holder:

(i) the Holder's name, personal identification number or other identification number and postal address; and

(ii) the number of Notes held by the Holder and their Principal Amount.

The information referred to above need only be provided in relation to Notes issued under this Programme.

A request for information pursuant to this Condition 6(l) (*Early Redemption for Taxation Reasons*) shall be submitted to Euroclear Sweden or Euroclear Finland (as applicable) in sufficient time for Euroclear Sweden or Euroclear Finland to process.

(m) ***Optional Early Redemption (Call)***

If specified in the relevant Final Terms, the Issuer may redeem Notes early, in whole or in part, at the Early Redemption Amount together with accrued interest (if any), on the date or dates specified in the Final Terms.

The Issuer shall notify the Holders of any early redemption in accordance with Condition 16 (*Notices*) not later than 10 days prior to the relevant Early Redemption Date. Such notice of early redemption shall be irrevocable.

(n) ***Optional Early Redemption (Put)***

If specified in the relevant Final Terms, the Holder shall be entitled to demand early redemption of Notes at their Early Redemption Amount together with accrued interest (if any) thereon, on the date or dates set out in the Final Terms and subject to any conditions specified in the Final Terms.

In order to exercise such option, the Holder, must not less than 45 days prior to the relevant Early Redemption Date give notice to the Issuer. Such notice of early redemption shall be irrevocable.

(o) ***Early Redemption of non-interest bearing Notes***

Upon early redemption of Zero Coupon Notes, the relevant Notes shall be repaid in an amount determined on the Record Date (or, in the case of Bearer Notes, the due date for payment) in accordance with the following formula:

$$\frac{\text{Principal Amount}}{(1 + r)^t}$$

r = the Reference Yield stated in the Final Terms.

t = the remaining term of the Notes, expressed as a number of days divided by 360 (whereby each month shall be deemed to consist of 30 days) or based on the actual number of days/actual number of days.

(p) ***Early Redemption of Notes with Autocallable performance structure***

If the Basket Return on any Observation Date (other than the final Observation Date) is at or above the relevant Call Barrier Level, then the Issuer will give notice to Holders in accordance with Condition 16 (*Notices*) and redeem the Notes early, in whole but not in part, on the later of: (i) the next following Early Redemption Date, or (ii) the date falling 40 days after the relevant Observation Date at their Early Redemption Amount which will be the Principal Amount of the relevant Notes together with any Coupon (if any) payable in accordance with Condition 5(g) (*Coupon Bearing Notes*).

The "Basket Return" will be calculated in the same manner as for the "Basket Long" structure set out in Condition 6(a)(i) ("*Basket Long*" *structure*) or the "Basket Short" structure set out in Condition 6(a)(ii) (*"Basket Short" structure*), as specified in the Final Terms, unless Condition 6(c) (*Best of/Worst of Modifier*) is specified as applicable to this Condition 6(p) in the relevant Final Terms, in which case the Basket Return shall be replaced with the Reference Asset Return of the Nth Best Performing Reference Asset in accordance with that Condition.

(q) ***Early Redemption of Credit Linked Notes***

In the event that the Recovery Value in relation to one or more Reference Entities (each a "**Defaulted Reference Entity**") is determined prior to the scheduled Redemption Date for the Notes, the Issuer may elect to make an early repayment of all or part of the Notes on any Interest Payment Date by giving notice thereof to Holders in accordance with Condition 16 (*Notices*). The applicable Early Redemption Amount shall be determined by the Issuer in good faith and in a commercially reasonable manner, and shall be calculated on a pro-rata basis such that the Holder receives a share of the Redemption Amount that would (notwithstanding the early redemption of the Notes in accordance with this Condition 6(q) (*Early Redemption of Credit Linked Notes*)) otherwise be due and payable on the Redemption Date in accordance with the applicable provisions of Condition 6(a) (*Redemption at Maturity*) which is proportionate to the weighting of the relevant Defaulted Reference Entity or Defaulted Reference Entities in relation to the Basket as a whole.

(r) ***Amortisation of Credit Linked Notes by way of Pool Factor***

If a Credit Event occurs which the Issuer determines (in good faith and in a commercially reasonable manner) would have an impact on the Redemption Amount payable on the applicable Redemption Date in accordance with the applicable provisions of Condition 6(a) (*Redemption at Maturity*), the Issuer may make a *pro-rata* reduction in the outstanding principal amount of the Notes in order to reflect the occurrence of such Credit Event (and the determination of any applicable Recovery Value), or may reflect the same by way of an appropriate pool factor in the records of the relevant Clearing System. The Issuer shall notify the relevant Clearing Systems and the Fiscal Agent of any *pro-rata* reduction in the outstanding Principal Amount of the Notes or (if applicable) the appropriate pool factor from time to time. If the Issuer elects to apply a pool factor, the Redemption Amount shall (for the purposes of payment on the relevant Redemption Date) be equal to the Principal Amount of the Notes multiplied by the applicable pool factor at the relevant Redemption Date.

(s) ***Purchase of Notes***

The Issuer and its subsidiaries (if any) may at any time purchase Notes in the open market or otherwise and at any price **provided that**, in the case of interest-bearing Definitive Notes, any unmatured Receipts and Coupons appertaining thereto are purchased therewith.

(t) ***Procedure for Payment upon Redemption***

Any redemption of the VP Notes, VPS Notes, Swedish Notes or Finnish Notes pursuant to this Condition 6 (*Redemption and Purchase*) shall be in accordance with, in the case of VP Notes, the VP Rules, in the case of VPS Notes, the VPS Rules, in the case of Swedish Notes, the Euroclear Sweden Rules and in the case of Finnish Notes, the Euroclear Finland Rules.

(u) ***Payment of Unwind Amount on Early Redemption***

If this Condition 6(u) (*Payment of Unwind Amount on Early Redemption)* is specified as applicable in the Final Terms, the Early Redemption Amount payable to the Holders shall be reduced by any applicable Unwind Amount, where: "**Unwind Amount**" means an amount determined by the Calculation Agent in its sole discretion in a commercially reasonable manner equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with such early redemption, and the related termination, settlement or re-establishment of any hedge or related trading position, plus any amount payable by the relevant hedge counterparty or swap counterparty to the Issuer or minus any amount payable by the Issuer to the relevant hedge counterparty or swap counterparty equal to any amount payable as a result of the unwind of any swap transaction entered into in connection with the Notes, **provided that** such amount is greater than zero.

(v) ***TOM Cumulative Strategy***

If the "**TOM Cumulative Strategy**" is specified as applicable in the relevant Final Terms, the Redemption Amount will be equal to the Principal Amount of the Notes multiplied by the TOM Participation Ratio and multiplied by the Final TOM Value.

The "**TOM Value**" will be 100% on the Initial Valuation Date, and thereafter will be equal to the TOM Value on the preceding TOM Valuation Date multiplied by the applicable TOM Performance applicable to the relevant TOM Period or NTOM Period (as applicable).

"**Final TOM Value**" means the TOM Value on the final TOM Valuation Date or, if "TOM Final Value Averaging" is specified as applicable in the relevant Final Terms, the average of the TOM Values determined on each TOM Final Value Averaging Date specified in the Final Terms.

The "**TOM Performance**" will be equal to the sum of 1 and the Basket Return for each TOM Period, and the sum of 1 and the Reference Rate Return for each NTOM Period. If "Final TOM Period Performance Averaging" is specified as applicable in the relevant Final Terms, the TOM Performance used to determine the TOM Value on the TOM Valuation Date falling at the end of each of the final N number of TOM Periods during the term of the Notes, will be replaced with the Average Final TOM Period Performance.

The "**Average Final TOM Period Performance**" will be determined by the Issuer, at the end of the final TOM Period, as the average of the TOM Performance for each of the final N number of TOM Periods during the term of the Notes.

"**N**" will be the value specified in the applicable Final Terms.

The "**Basket Return**" will be equal to the Additional Amount for the relevant TOM Period, calculated in accordance with the performance structure(s) specified in the applicable Final Terms and expressed as a percentage of the Principal Amount of the Notes, save that references to the "Initial Valuation Date" and any related Averaging Dates shall be construed as references to the relevant TOM Calculation Start Date and any related Averaging Dates (if applicable), and references to the "Valuation Date" and any related Averaging Dates shall be construed as references to the relevant TOM Calculation End Date and any related Averaging Dates (if applicable).

The "**Reference Rate Return**" will be equal to the applicable Reference Rate multiplied by the relevant Day Count Fraction.

(w) ***Early Redemption of Notes with Autocallable Rate structure***

If the Autocall Condition is satisfied on any Valuation Date (other than the final Valuation Date), then the Issuer will give notice to Holders in accordance with Condition 16 (*Notices*) and redeem the Notes early, in whole but not in part, on the later of: (i) the next following Early Redemption Date, and (ii) the date falling 40 days after the relevant Valuation Date, in each case at an amount equal to the Principal Amount of the relevant Notes, together with any Interest Amount (if any) payable in accordance with Condition 5(u) (*Autocallable Rate*).

(x) ***Lock-in Basket Floor***

If "Lock-in Basket Floor" is specified as applicable in the relevant Final Terms, then if the Basket Return on any Valuation Date exceeds the relevant Barrier Level, then references to the Basket Return shall be replaced by the Lock-in Basket Floor for the purposes of calculating the Additional Amount in accordance with the applicable performance structure(s) in Condition 6(a) (*Redemption at Maturity*) which are specified as applicable in the relevant Final Terms.

The "**Lock-in Basket Floor**" will be the higher of the Minimum Basket Return and the Basket Return on the final Valuation Date.

(y) ***Alternative Additional Amount Payment Dates***

If an "Alternative Additional Amount Payment Date" is specified in the relevant Final Terms, the Additional Amount(s) will not be payable on the Redemption Date, but will be payable on the Alternative Additional Amount Payment Date specified in the relevant Final Terms. Notwithstanding the foregoing, the Base Redemption Amount will be payable on the Redemption Date in accordance with Condition 6(a) (*Redemption at Maturity*).

(z) ***Substantial Repurchase Event***

If "Substantial Repurchase Event" is specified as applicable in the relevant Final Terms, the Issuer may redeem Notes early, in whole but not in part, at their Fair Market Value together with accrued interest (if any), if the Issuer shall have purchased or cancelled at least 80 per cent. by principal amount of the Notes originally issued.

The "**Fair Market Value**" means an amount determined in good faith by the Calculation Agent, on the basis of a commonly accepted market valuation method and taking account such factors as it considers appropriate.

The Issuer shall notify the Holders of any early redemption in accordance with Condition 16 (*Notices*) not later than 10 days prior to the relevant date fixed for early redemption (the "**Early Redemption Date**"). Such notice of early redemption shall be irrevocable.

7. **Taxation**

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

(i) in the Issuer's jurisdiction of incorporation;

(ii) by or on behalf of a Holder who is liable to such taxes or duties in respect of such Note or Coupon by reason of such Holder having some connection with the Issuer's jurisdiction of incorporation other than the mere holding of such Note or Coupon; or

(iii) more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of thirty days; or

(iv) by or on behalf of, a Holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

(v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(vi) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

(b) For the purposes of these Conditions, the "**Relevant Date**" means the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Fiscal Agent or, as the case may be, the Registrar or, in the case of Swiss Franc Notes only, the Swiss Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Holders of the Notes of the relevant Series in accordance with Condition 16 (*Notices*).

(c) Any reference in these Conditions to principal, redemption amount and/or interest in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 7 (*Taxation*) or any undertaking given in addition thereto or in substitution therefore.

(d) Notwithstanding anything in this Condition 7 (*Taxation*) or in Condition 8 (*Payments*) to the contrary, the Issuer shall be permitted to withhold and deduct for or on account of any taxes imposed pursuant to sections 871(m) or 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service, on any amount payable in respect of the Notes and shall not be required to pay any additional amounts in respect of any such taxes.

8. **Payments**

(1) ***Payments — Bearer Notes***

(a) This Condition 8(1) is applicable in relation to Bearer Notes.

(b) Payment of amounts (including accrued interest) due on the redemption of Bearer Notes will be made against presentation and, save in the case of a partial redemption by reason of insufficiency of funds or payment of an Instalment Amount (other than the final Instalment Amount), surrender of the relevant Bearer Notes to or to the order of any of the Paying Agents.

Payment of Instalment Amounts (other than the final Instalment Amount) in respect of an Instalment Note will be made against presentation of the Bearer Note together with (where applicable) the relevant Receipt and surrender of such Receipt.

The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Bearer Note to which they relate will not represent any obligation of the Issuer.

Accordingly, the presentation of a Bearer Note without the relative Receipt or the presentation of a Receipt without the Bearer Note to which it appertains shall not entitle the Holder to any payment in respect of the relevant Instalment Amount.

(c) Payment of amounts due in respect of interest on Bearer Notes will be made:

(i) in the case of a Temporary Global Note or Permanent Global Note, against presentation of the relevant Temporary Global Note or Permanent Global Note at the specified office of any of the Paying Agents outside the United States and, in the case of a Temporary Global Note, upon due certification as required therein;

(ii) in the case of Definitive Notes without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Notes at the specified office of any of the Paying Agents outside the United States; and

(iii) in the case of Definitive Notes delivered with Coupons attached thereto at the time of the initial delivery, against surrender of the relevant Coupons at the specified office of any of the Paying Agents outside the United States.

(d) If the due date for payment of any amount due (whether in respect of principal, interest or otherwise) in respect of any Bearer Notes is not a Business Day, then the Holder thereof will not be entitled to payment thereof until the next following such Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Conditions.

(e) Each Definitive Note initially delivered with Coupons or Receipts attached thereto should be surrendered for final redemption together with all unmatured Coupons or Receipts appertaining thereto, failing which:

(i) in the case of Definitive Notes which bear interest at a fixed rate or rates, the amount of any missing unmatured Coupons will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time prior to the tenth anniversary of the due date of such final redemption or, if later, the fifth anniversary of the date of maturity of such Coupon;

(ii) in the case of Definitive Notes which bear interest at, or at a margin above or below, a floating rate, all unmatured Coupon relating to such Definitive Notes (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them; and

(iii) in the case of Bearer Notes initially delivered with Receipts attached thereto, all Receipts relating to such Bearer Notes in respect of a payment of an Instalment Amount which (but for such redemption) would have fallen due on a date after such due date for redemption (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

(2) ***Payments — Registered Notes***

(a) This Condition 8(2) is applicable in relation to Registered Notes.

(b) Payments of amounts (including accrued interest) due on the final redemption of Registered Notes will be made against presentation and, save in the case of a partial redemption by reason of insufficiency of funds, surrender of the relevant Registered Notes as the specified office of the Registrar. If the due date for payment of the final redemption amount of Registered Notes is not a Business Day, the Holder thereof will not be entitled to payment thereof until the next following such Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Conditions.

(c) Payment of amounts (whether principal, interest or otherwise) due (other than in respect of the final redemption of Registered Notes) in respect of Registered Notes will be paid to the Holders thereof (or, in the case of joint Holders, the first-named) as appearing in the register kept by the Registrar as at opening of business (New York time) on the fifteenth New York Banking Day before the due date for such payment (the "**Record Date**").

(d) Notwithstanding the provisions of Condition 8(8)(b), payments of interest due (other than in respect of the final redemption of Registered Notes) in respect of Registered Notes will be made by a cheque drawn on a bank in the Relevant Financial Centre and posted to the address (as recorded in the register held by the Registrar) of the Holder

thereof, (or, in the case of joint Holders, the first-named) on the Business Day immediately preceding the relevant date for payment unless prior to the relevant Record Date the Holder thereof (or, in the case of joint Holders, the first named) has applied to the Registrar and the Registrar has acknowledged such applications for payment to be made to a designated account (in the case aforesaid, a non-resident account with an authorised foreign exchange bank).

(3) ***Payments — Swiss Franc Notes***

This Condition 8(3) is applicable in relation to Swiss Franc Notes.

Payment of principal and/or interest shall be made in freely disposable Swiss francs without collection costs in Switzerland to the Noteholders and/or Couponholders, without any restrictions, whatever the circumstances may be, irrespective of nationality, domicile or residence of the Noteholders and/or Couponholders and without requiring any certification, affidavit or the fulfilment of any other formality.

Payment to the Swiss Paying Agent by the Issuer and the receipt by the Swiss Paying Agent of the due and punctual payment of the funds in Swiss francs in Switzerland shall release the Issuer of its obligations under the Notes and Coupons for the purposes of payment of principal and interest due on the respective payment dates to the extent of such payments.

(4) ***Payments — VP Notes***

Payments of principal and/or interest in respect of the VP Notes shall be made to the Holders as appearing registered in the register kept by the VP as such on the fifth business day (as defined by the then applicable VP Rules) before the due date for such payment, such day being a Danish Business Day, or such other business day falling closer to the due date as then may be stipulated in VP Rules and will be made in accordance with said VP Rules. Such day shall be the "**Record Date**" in respect of the VP Notes in accordance with VP Rules.

(5) ***Payments — VPS Notes***

Payments of principal and/or interest in respect of the VPS Notes shall be made to the Holders registered in the VPS System as defined by the applicable VPS Rule) as shown in the relevant records of the VPS before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in the VPS Rules and will be made in accordance with said VPS Rules. Such day shall be the "**Record Date**" in respect of the VPS Notes in accordance with the VPS Rules. *As of the date of this Prospectus the default VPS record date for the Redemption Amount is two business days prior to the relevant payment date. Record dates for interest payments are fifteen business days prior to the relevant payment day.*

(6) ***Payments — Swedish Notes***

Payments of principal and/or interest in respect of the Swedish Notes shall be made to the Holders as appearing registered in the register kept by Euroclear Sweden as such on the fifth business day (as defined by the then applicable Euroclear Sweden Rules) before the due date for such payment, such day being a Stockholm Business Day, or such other business day falling closer to the due date as then may be stipulated in Euroclear Sweden Rules and will be made in accordance with said Euroclear Sweden Rules. Such day shall be the "**Record Date**" in respect of the Swedish Notes in accordance with Euroclear Sweden Rules.

(7) ***Payments — Finnish Notes***

Payments of principal and/or interest in respect of the Finnish Notes shall be made to the Holders as appearing registered in the register kept by Euroclear Finland as such on the fifth business day (as defined by the then applicable Euroclear Finland Rules) before the due date for such payment, such day being a Helsinki Business Day, or such other business day falling closer to the due date as then may be stipulated in the Euroclear Finland Rules and will be made in accordance with said Euroclear Finland Rules. Such day shall be the "**Record Date**" in respect of the Finnish Notes in accordance with the Euroclear Finland Rules.

(8) ***Payments — General Provisions***

(a) Save as otherwise specified herein, this Condition 8 (*Payments*) is applicable in relation to Notes whether in bearer or in registered form.

(b) Payments of amounts due (whether in respect of principal, interest or otherwise) in respect of Notes denominated in a currency other than euro will be made by cheque drawn on, or by transfer to, an account maintained by the payee with, a bank in the Relevant Financial Centre and in respect of a Note denominated in euro by cheque drawn on, or by transfer to, an euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union. Payments will, without prejudice to the provisions of Condition 0 (*Taxation*), be subject in all cases to any applicable fiscal or other laws and regulations.

(c) For the purposes of these Conditions:

Interest Payment Dates in relation to Fixed Rate Notes, Inflation-Linked Interest Notes, Rate Adjustment Notes or Zero coupon Notes shall be subject to the Following Business Day Convention, unless otherwise specified in the Final Terms. Interest will then only be payable up to and including the originally scheduled Interest Payment Date, Redemption Date or Early Redemption Date, as applicable.

Interest Payment Dates in relation to Floating Rate Notes shall be subject to the Modified Following Business Day Convention, unless otherwise specified in the Final Terms. Interest will then be calculated on an adjusted or unadjusted basis, as set out in the Final Terms.

Other Notes shall be subject to the Following Business Day Convention, unless otherwise specified in the Final Terms.

If Notes are subject to a Business Day Convention other than those specified above, then the applicable Business Day Convention shall be specified and described in the Final Terms.

(d) In the event that the applicable Clearing System is prevented from making any payment in accordance with the above provisions due to a delay in performance by the Issuer or for any other reason, the applicable Clearing System will make such payment to each person that is registered as a Holder on the relevant Record Date as soon as payment is received from the Issuer or the reason for delay has ceased.

(e) If the Issuer is prevented from making payments to the Holders through the applicable Clearing System because the applicable Clearing System is affected by an event or circumstance set out in the first paragraph of Condition 22 (*Limitation of liability etc.*), then the Issuer shall be entitled to defer payment until such time as the event or circumstance affecting the applicable Clearing System has ceased. In such case, interest shall be payable in accordance with Condition 8(9) (*Default Interest*).

(f) If a person or entity to whom payment was made in accordance with the above provisions was not entitled to receive such payment, the Issuer and the applicable Clearing System shall nevertheless be deemed to have discharged their respective payment obligations, unless the Issuer or the applicable Clearing System had knowledge that payment was made to a person or entity that was not entitled to receive the payment or if the Issuer or the applicable Clearing System did not act with due care.

(g) All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*). In the event that the Issuer (or any agent acting on its behalf) is prohibited from making any payment on account of any applicable law or regulation, the Issuer shall have no liability to Noteholders in respect of any delay or failure in making such payment to holders.

(9) ***Default Interest***

(a) In the event of any default in payment, default interest shall be payable on the due and unpaid amount from its due date up to and including the day on which payment is made at a Interest Rate equal to the Interest Base Rate (as specified in the Final Terms) for a period of one week, plus two percent. The Interest Base Rate shall thereupon be determined by the Issuer on the first Business Day of each calendar week during the period of default. Notwithstanding the aforesaid, the default interest rate on interest bearing Notes shall not (except in circumstances set out in paragraph (b) below) be lower than the rate which applied to the relevant Notes on the relevant due date plus two percent. Default interest shall not be capitalised.

(b) If any default in payment under the Notes is due to any event or circumstance affecting the Issuer or the relevant Clearing System as referred to in the first paragraph of Condition 22 (*Limitations on liability etc.*) the default interest rate shall, with respect to interest bearing Notes, not exceed the Interest Rate which applied to the relevant Notes on the relevant due date (without the addition of two per cent. in accordance with the preceding paragraph) and, with respect to non-interest bearing Notes, no default interest shall accrue or be payable.

(10) ***Interest Deferral***

If "Interest Deferral" is specified as applicable in the relevant Final Terms, then notwithstanding any of the foregoing provisions of these Conditions, the Issuer shall defer (in whole, and not in part) any Interest Amount that is otherwise scheduled to be paid to Holders on any Interest Payment Date until the earlier of: a) the Redemption Date in respect of the Notes; or b) the Early Redemption Date on which such Notes are redeemed in full.

Any Interest Amount that the Issuer is required to defer pursuant to this Condition 8(10) (*Interest Deferral*) and that has not been satisfied shall be referred to as a "**Deferred Interest Amount**". Non-payment of any Deferred Interest Amount on the scheduled Interest Payment Date in accordance with this Condition 8(10) (*Interest Deferral*) shall not constitute a default by the Issuer under the Notes, or for any other purpose, and Deferred Interest Amounts shall not themselves bear interest.

9. **Change in Law**

The following provisions shall apply to all Notes unless "Change in Law" is stated not to be applicable in the relevant Final Terms.

(a) Where, in the Issuer's opinion, as a consequence of any changes in any law, ordinance, regulation or equivalent or decision by a public authority or any change in the application thereof, or if a decree of moratorium, currency restriction, embargo, blockade or boycott of a central bank, national government or other public authority such as the United Nations or the European Union, (each a "**Change in Law**") it would be unlawful, significantly more difficult or cause significant reputational damage to the Issuer to issue and to hold Notes, or if it becomes unlawful or more difficult for the Issuer or a third party or cause significant reputational damage to the Issuer to hold, acquire or divest Reference Assets or to enter into derivative transactions with respect to a Reference Asset, which may be entered into to hedge the Issuer's exposure under the Notes, the Issuer may determine that the Affected Reference Asset shall be replaced by a replacement Reference Asset (as selected by the Issuer in its discretion), or alternatively adjust the calculation of the Redemption Amount.

(b) Where the Issuer determines that it would not provide a reasonable result to replace the Affected Reference Asset or to adjust the applicable calculation, the Issuer may perform an early calculation of the Redemption Amount and/or the yield. Such calculation shall be based on the most recently published value of the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield, the Issuer shall notify the Holders of the amount of the Redemption Amount and/or the yield and the Interest Rate which shall continue to accrue on the Notes which shall be a market rate (and which may be zero). The Redemption Amount (including accrued interest, if applicable) shall be paid on the Redemption Date.

(c) The Issuer shall be entitled to make any addition, adjustment or amendment to the Conditions as the Issuer deems necessary in connection with a Change in Law.

10. **Increased Costs of Hedging**

The following terms and conditions shall apply to all Notes unless "Increased Costs of Hedging" is stated not to be applicable in the relevant Final Terms:

(a) Where, in the Issuer's opinion, as a consequence of any change in any law, ordinance, regulation or equivalent or decision by a public authority or the application thereof, or any other event or circumstance not directly attributable to the Issuer's deteriorated credit rating which, in the opinion of the Issuer, would affect the Issuer's costs for holding, acquiring or divesting Reference Assets or entering into, maintaining or terminating derivative instruments relating to the Reference Asset for the purpose of managing the Issuer's exposure under the Notes, would increase in a manner which is not insignificant for the Issuer or if the Issuer's risk management costs, for a reason other than as listed above would, in the opinion of the Issuer, increase, or where, in the Issuer's opinion, the risk management costs significantly increase (each an "**Increased Cost**"), the Issuer may determine that the Affected Reference Asset shall be replaced by a Replacement Reference Asset or alternatively adjust the calculation of the Redemption Amount.

(b) Where the Issuer believes that it would not provide a commercially reasonable result to replace the Affected Reference Asset or to adjust the applicable calculation, the Issuer may perform an early calculation of the Redemption Amount and/or the yield. Such early calculation shall be based on the most recently published value of the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield, the Issuer shall notify the Holders of the amount of the Redemption Amount and/or the yield and the Interest Rate which shall continue to accrue on the Notes, which shall be a market rate (and which may be zero). The Redemption Amount (including accrued interest, if applicable) shall be paid on the Redemption Date.

(c) The Issuer shall be entitled to make any addition, adjustment or amendment to the Conditions as the Issuer deems necessary in connection with Increased Costs.

11. **Hedging Disruption**

The following terms and conditions shall apply to all Notes unless "Hedging Disruption" is stated not to be applicable in the relevant Final Terms:

(a) Where, in the Issuer's opinion, after using commercially reasonable efforts, it would be substantially more difficult or impossible to hold, acquire, establish, re-establish, substitute, maintain, unwind or dispose of Reference Assets or enter into transactions or acquire financial instruments for the purpose of hedging/risk management with reference to Reference Assets which have been acquired to secure the Issuer's exposure/delivery obligation under the Notes), (each such event a "**Hedging Disruption**") the Issuer may determine that Affected Reference Asset shall be replaced by a Replacement Reference Asset or alternatively adjust the calculation of the Redemption Amount, any Interest Amount and/or alter the Redemption Date.

(b) Where the Issuer determines that it would not provide a reasonable result to replace the Affected Reference Asset or to adjust the applicable calculation, the Issuer may perform an early calculation of the Redemption Amount and/or the yield. Such calculation shall be based on the most recently published value of the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield, the Issuer shall notify the Holders of the amount of the Redemption Amount and/or the yield and the Interest Rate which shall continue to accrue on the Notes which may be a market rate or which may be zero. The Redemption Amount (including accrued interest, if applicable) shall be paid on the Redemption Date.

12. **Prescription**

(a) Bearer Notes and the related Coupons will become void unless presented for payment within ten years (or, in the case of Coupons and save as provided in Condition 8(1)(e), five years) after the due date for payment.

(b) Claims against the Issuer in respect of Registered Notes will be prescribed unless made within 10 years (or, in the case of claims in respect of interest, five years) after the due date for payment.

(c) Claims in respect of Finnish Notes shall become statute barred three years after the relevant payment date (in the case of claims for both principal and interest).

(d) Claims against the Issuer for the payment of a Redemption Amount or Additional Amount in respect of Swedish Notes, or VPS Notes will be statute barred unless made within ten years after the relevant Redemption Date or Alternative Additional Amount Payment Date (as applicable). Claims against the Issuer for the payment of interest or other yield in respect of Swedish Notes or VPS Notes shall be statute barred unless made within three years after the relevant Interest Payment Date.

If the limitation period in respect of Swedish Notes is interrupted a new limitation period of ten years will commence for claims in respect of Redemption Amounts or Additional Amounts and three years for claims in respect of interest amounts and other yield. Where the limitation period is interrupted through any acknowledgement, claim or reminder a new limitation period shall commence on the date of the interruption or, where the limitation period is interrupted through legal proceedings or the claims for payment is brought before in a court of law, enforcement authority or in arbitration proceedings, bankruptcy proceedings or proceedings for a judicial composition with creditors, a new limitation period shall commence on the date on which a judgment or final decision is rendered or the procedure is otherwise terminated.

13. The Paying Agents and the Registrar

The initial Paying Agents and Registrar and their respective initial specified offices are specified below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or the Registrar and to appoint additional or other Paying Agents or another Registrar **provided that** it will at all times maintain (i) a Fiscal Agent, (ii) a Registrar, (iii) a Paying Agent with a specified office in continental Europe but outside the Issuer's jurisdiction of incorporation, (iv) so long as any VPS Notes are settled through VPS, a Paying Agent with a specified office in Norway, (v) so long as any Swedish Notes are cleared through Euroclear Sweden, an Issuing Agent with a specified office in Sweden, and (vi) so long as any Finnish Notes are cleared through Euroclear Finland, an Issuing Agent with a specified office in Finland. The Paying Agents and the Registrar reserve the right at any time to change their respective specified offices to some other specified office in the same city, and **provided further that** so long as any VP Notes are cleared through VP, the Issuer, the Fiscal Agent and the VP Issuing Agent shall have the respective rights and obligations arising under the Fiscal Agency Agreement and no other Paying Agent shall have any rights and obligations in relation thereto Notice of all changes in the identities or specified offices of the Paying Agents or the Registrar will be notified promptly to the Holders.

In respect of Swiss Franc Notes, the Issuer will at all times maintain a paying agent having its specified office in Switzerland and at no time maintain a paying agent having its specified office outside of Switzerland.

14. Replacement of Notes

If any Note, Receipt or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent (in the case of Bearer Notes and Coupons) or of the Registrar (in the case of Registered Notes), subject to all applicable laws and the requirements of any stock exchange and/or listing authority on which the relevant Notes are listed, upon payment by the claimant of all expenses incurred in such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Fiscal Agent or, as the case may be, the Registrar may require. Mutilated or defaced Notes, Receipts and Coupons must be surrendered before replacements will be delivered.

15. Meetings of Holders; Modifications

The Fiscal Agency Agreement contains provisions, which are binding on the Issuer and the Holders of Notes or Coupons, for convening meetings of the Holders of Notes of any Series to

consider matters affecting their interests, including the modification or waiver of the Conditions applicable to any Series of Notes.

In relation to VPS Notes only, meetings of Holders shall be held in accordance with the Fiscal Agency Agreement and in compliance with the relevant regulations of the VPS. For the purposes of a meeting of Holders, the person named in the certificate from the VPS shall be treated as the Holder specified in such certificate **provided that** he has given an undertaking not to transfer the VPS Notes so specified (prior to the close of the meeting).

In relation to Swedish Notes and Finnish Notes, meetings of Holders shall be held in accordance with the Fiscal Agency Agreement.

The Issuer is entitled to make any amendment to these Conditions that is approved at a meeting of Holders or is approved by all Holders of the relevant Notes. The Issuer shall promptly notify the Holders of any amendment to the Terms and Conditions in accordance with Condition 16 (*Notices*).

If the Issuer determines, acting reasonably, that from time to time there has been a change in prevailing market standard terms or market trading conventions, which change affects any Hedge Transaction such that the terms of such Hedge Transaction are or may thenceforth be inconsistent with corresponding provisions of these Conditions, then it may, without the consent of the Noteholders or the Paying Agent, modify these Conditions to the extent necessary to preserve such consistency. The Issuer shall notify the Noteholders and the Paying Agent in accordance with Condition 16 (*Notices*) promptly following any such determination.

In addition to the foregoing the Issuer is entitled, without the consent of Holders, to amend these Conditions (including the applicable Final Terms): (i) in order to correct any manifest error or (ii) to the extent appropriate upon a change in applicable mandatory law, or (iii) to the extent that any such amendment would not, in the opinion of the Issuer, be materially prejudicial to the Holders of the Notes.

16. Notices

(a) *To Holders of Bearer Notes*

Notices to Holders of Bearer Notes will, save where another means of effective communication has been specified in the relevant Final Terms, be deemed to be validly given if published on the website of the Issuer at www.nordea.com or www.nordeamarkets.com or, in the case of a Temporary Global Note or Permanent Global Note if delivered to Euroclear and Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein **provided that**, in the case of Notes admitted to listing and/or trading on any stock exchange, the requirements of such stock exchange or listing authority have been complied with. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of first such publication) or, as the case may be the date of such delivery.

(b) *To Holders of Registered Notes*

Notices to Holders of Registered Notes will be deemed to be validly given if sent by first class mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the Register kept by the Registrar, and will be deemed to have been validly given on the fourth Business Day after the date of such mailing.

(c) *To the Issuer*

Notices to NBAB will be deemed to be validly given if delivered to Smålandsgatan 17, SE-105 71, Stockholm and clearly marked on their exterior "Urgent — Attention: Group Treasury" and to NBF if delivered to Aleksanterinkatu 36 B FIN-00020 Nordea (Helsinki and clearly marked on their interior "Urgent – Attention: Group Treasury (or at such other address and for such other attention as may have been notified to the Holders of the Notes in accordance with this Condition 16) and will be deemed to have been validly given at the opening of business on the next day on which the Issuer's principal office is open for business.

(d) ***Notices in respect of Swiss Franc Notes***

Notices in respect of Swiss Franc Notes will, so long as the Notes are listed on the SIX Swiss Exchange and the rules of the SIX Swiss Exchange so require, be deemed to have been given if published by the Swiss Paying Agent at the expense of the Issuer, (i) by means of electronic publication on the internet website of the SIX Swiss Exchange under the section headed "*Official Notices*" (where notices are currently published under the address: http://www.six-exchange-regulation.com/publications/published_notifications/official_ notices_en.html) or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange. Notices shall be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication.

For Swiss Franc Notes that are not listed on the SIX Swiss Exchange, notices to Noteholders shall be given by communication through the Swiss Paying Agent to SIS (or such other intermediary) for forwarding to the holders of the Notes. Any notice so given shall be deemed to be validly given with the communication to SIS (or such other intermediary).

(e) ***Notices in respect of VP Notes***

Notices in respect of VP Notes will be either (i) in writing and shall be addressed to such Holders of the VP Notes at the address appearing in the Danish Note Register maintained by the VP Issuing Agent in accordance with the VP Rules or (ii) published on the website of the Issuer at www.Nordea.dk or www.nordea.com

(f) ***Notices in respect of VPS Notes***

Notices in respect of VPS Notes will be either (i) in writing given to the VPS for communication by it to such Holders, (ii) in writing, sent by first class mail, by electronic mail or through other electronic means, directly to such Holders, or (iii) published on the website of the Issuer at www.nordea.no or www.nordea.com.

(g) ***Notices in respect of Swedish Notes***

Notices in respect of Swedish Notes will be either (i) in writing, addressed to such Holders at the address appearing in Euroclear Sweden Register and will be deemed to have been validly given on the fourth Business Day after the date of such mailing, or (ii) published on the website of the Issuer at www.nordea.se or www.nordea.com.

(h) ***Notices in respect of Finnish Notes***

Notices regarding Finnish Notes shall be published by the Issuer in a national daily newspaper in the jurisdictions in which Notes have been offered to the public or on the Issuer website www.nordea.fi/joukkolainat or www.nordea.com or on any other website as specified in the Final Terms for the respective Notes. Written notice may also be sent to Holders at the address recorded in the Issuer's register. Where Notes have been issued as dematerialised securities, notice to Holders may be sent via Euroclear Finland and Account Operators. Notices shall be deemed received by Holders on the day on which they are published in a national daily newspaper, on a relevant website or in Euroclear Finland or, where the notice has been sent by letter, on the seventh day after despatch of the letter.

17. **Provision of Information**

In relation to VP Notes, each Holder agrees and gives consent to the VP to provide to the VP Issuing Agent, upon request, information registered with the VP relating to the VP Notes and the Holders of the VP Notes in order that the VP Issuing Agent may provide any relevant Danish authorities, including the Financial Supervisory Authority of Denmark (*Finanstilsynet*) and the Danish tax authorities with any information required under applicable Danish laws. Such information shall include, but not be limited to, the identity of the holder of the VP Notes, the residency of the holder of the VP Notes, the number of VP Notes of the relevant holder and the address of the relevant holder.

The VPS Paying Agent is obligated, upon request, to provide any relevant Norwegian authorities, including the Financial Supervisory Authority of Norway and the Norwegian tax authorities, with any information registered on the relevant VPS account(s). Such information may include the identity of the registered Holder of the Notes, the residency of the registered Holder of the Notes, the number of Notes registered with the relevant Holder, the address of the relevant Holder, the account operator in respect of the relevant VPS account and whether or not the Notes are registered in the name of a nominee and the identity of any such nominee

In relation to Finnish Notes, each Holder agrees and gives consent to Euroclear Finland to provide to the Finnish Issuing Agent, upon request, information registered with Euroclear Finland relating to the Finnish Notes and the Holders of the Finnish Notes in order that the Finnish Issuing Agent may provide any relevant Finnish authorities, including the Finnish Financial Supervisory Authority (in Finnish: *Finanssivalvonta*) and the Finnish tax authorities, with any information required under applicable Finnish laws. Such information shall include, but not be limited to, the identity of the registered holder of the Finnish Notes, the residency of the registered holder of the Finnish Notes, the number of Finnish Notes registered with the relevant holder, the address of the relevant holder, the account operator in respect of the relevant Euroclear Finland account (in Finnish: *Tilinhoitaja*) and whether or not the Finnish Notes are registered in the name of a nominee and the identity of any such nominee.

18. **Further Issues**

The Issuer may from time to time without the consent of the Holders of any Notes of any Series create and issue further notes and other debt securities having terms and conditions the same as those of the Notes of such Series or the same except for the amount of the first payment of interest (if any), which may be consolidated and form a single Series with the outstanding Notes of such Series.

19. **Obtaining Information**

The Issuer shall be entitled to obtain information from the Euroclear Sweden Register in respect of the Swedish Notes and Holders thereof.

The Issuer has the right, with respect to Notes other than Swedish notes, to request and obtain from the relevant Clearing System certain information relating to an account in the relevant Clearing System's noteholders register, including but not limited to: (i) the Holder's name, personal identification number or other identification number as well as postal address, (ii) Notes held and the terms and conditions of such Notes and (iii) where applicable, the number of Notes and their nominal amount.

The Issuer shall have access on demand to static data and ownership of the Bondholders registered in the Securities Depository as regulated in Clause 36.3 of the Danish FSA Executive Order 819 of 2 June 2013 on Book-Entry etc. of Investment Securities with a Central Securities Depository.

20. **Law and Jurisdiction**

(a) The Notes and all non-contractual obligations arising out of or in connection with them may be governed by English law, Swedish law, Finnish law, Danish law or Norwegian law, as specified in the Final Terms. In relation to VP Notes, Danish law and jurisdiction will be applicable with regard to the registration of such Notes in the VP and VP Notes must comply with the Danish Securities Trading etc. Act (*Lov om værdipapirhandel m.v.*), as amended from time to time, and the Danish Executive Order on Book Entry, etc. of dematerialised Securities in a Central Securities Depositary (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*), as amended from time to time. Norwegian law and jurisdiction will be applicable with regard to the registration of such VPS Notes in the VPS. Swedish law and jurisdiction will be applicable with regard to the registration of such Swedish Notes in Euroclear Sweden and the Swedish Notes must comply with the SFIA Act. Finnish law and jurisdiction will be applicable with regard to the registration of such Finnish Notes in Euroclear Finland and the Finnish Notes must comply with the Finnish Act on the Book-Entry Securities System and Clearing Activity (*Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012)), as amended,

and the Finnish Act on Book-Entry Accounts (*Laki arvo-osuustileistä*) (827/1991), as amended, as well as the rules and regulations of Euroclear Finland.

(b) Subject to the provisions of Condition 20(a), the Issuer irrevocably agrees for the benefit of the Holders of the Notes that the Courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with Notes governed by English law (including a dispute relating to any non-contractual obligation arising out of or in connection with the Notes) (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submit to the jurisdiction of such courts. The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum. The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to Nordea Bank Finland Plc, London Branch at its registered address in London from time to time, being presently at 8th Floor, City Place House, 55 Basinghall Street, London EC2V 5NB or, if different, its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the Companies Act 2006. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall forthwith appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Fiscal Agent. Nothing contained herein shall affect the right to serve process in any other manner permitted by law. The submission to the jurisdiction of the Courts of England shall not (and shall not be construed so as to) limit the right of the Holders of the Notes or of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

(c) If Swedish law is specified in the Final Terms as the governing law, then disputes concerning the interpretation or application of these terms and conditions shall be settled in Swedish courts. The Stockholm District Court shall be court of first instance.

(d) If Finnish law is specified in the Final Terms as the governing law, then disputes concerning the interpretation or application of these terms and conditions shall be settled in Finnish courts. The court of first instance shall be *Helsingin käräjäoikeus*.

(e) If Danish law is specified in the Final Terms as the governing law, then disputes concerning the interpretation or application of these terms and conditions shall be settled by Danish courts. The court of first instance shall be *Københavns Byret*.

(f) If Norwegian law is specified in the Final Terms as the governing law, then disputes concerning the interpretation or application of these terms and conditions shall be settled by Norwegian courts. The court of first instance shall be *Oslo Tingrett*.

(g) Notwithstanding that, under the SFIA Act or the operating procedures, rules and regulations of Euroclear Sweden (together, the "**Swedish Remedies**"), Holders of Swedish Notes may have remedies against the Issuer for non-payment or non-performance under the Conditions applicable to such Swedish Notes, a Swedish Note Holder must first exhaust all available remedies under the applicable governing law for non-payment or non-performance before any Proceedings may be brought against the Issuer in Sweden in respect of the Swedish Remedies. Notwithstanding Condition 20(b), and in this limited respect only, a Holder of Swedish Notes may therefore not take concurrent Proceedings in Sweden.

21. **Third Parties Rights**

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

22. **Limitation of liability etc.**

The Issuer and the relevant Clearing System shall not, in connection with the discharge or purported discharge of any of their respective obligations in respect of the Notes, be held liable for any damage arising out of any legal enactment, or any measure undertaken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if an aforementioned entity takes such measures, or is subject to such measures.

The Issuer or the relevant Clearing System shall not be held liable for any other damage or loss incurred if such entity has exercised due care. The aforementioned entities shall not in any case be held responsible for any indirect damage, consequential damage and/or loss of profit, otherwise than as a result of or in relation to the gross negligence of the Issuer or the relevant Clearing System.

Should there be an impediment to the Issuer or the relevant Clearing System taking any action pursuant to these terms and conditions due to any circumstance set out in the first paragraph of this Condition 22 (*Limitation of liability etc.*), such action may be postponed until the impediment has ceased.

The provisions of this Condition 22 (*Limitation of liability etc.*) shall apply unless otherwise provided by applicable law.

PART 2: ADDITIONAL CONDITIONS FOR CERTAIN STRUCTURED NOTES

1. **Market Disruption**

The following provisions will apply to all Notes, other than those in respect of which the Reference Assets are solely interest rates, commodities or Reference Entities or any combination of the foregoing, unless "Market Disruption" is specified as not being applicable in the Final Terms.

(a) Market Disruption with respect to a Reference Asset exists where, in the Issuer's opinion, any of the following events occurs:

(i) the quotation of an official final price for a Reference Asset or significant portion of the Reference Assets included in the Reference Asset does not exist, is unavailable or ceases;

(ii) where applicable, if a compilation and/or publication of the value of the Reference Asset's value ceases;

(iii) the Relevant Exchange and/or Options or Futures Exchange does not open for trading during its normal trading hours or closes for trading earlier than its normal closing time;

(iv) trading in a Reference Asset or a significant portion of the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Relevant Exchange or Options or Futures Exchange ceases, is suspended or is significantly restricted;

(v) the ability of market participants to carry out trades in, or obtain the market value for, a Reference Asset or a significant portion of the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Relevant Exchange or Options or Futures Exchange ceases, is discontinued or significantly deteriorates due to any other event; or

(vi) in respect of Fund-linked Notes only, the valuation of a Reference Asset, which comprises funds or fund units, on any Relevant Date for the Reference Asset does not take place or full payment of the redemption amount with respect to such Reference Asset does not take place on a redemption day for the Fund.

(b) A limitation on the number of hours or days when trading occurs shall not be deemed to constitute a Market Disruption where the restriction is due to a published change in the normal trading hours for the Relevant Exchange and/or Options or Futures Exchange.

(c) A restriction in trading which is introduced during the course of a day due to changes in prices which exceeds permitted levels pursuant to the Relevant Exchange and/or Options or Futures Exchange shall be deemed to constitute a Market Disruption.

(d) Where, in the Issuer's opinion, a Market Disruption has occurred on any Relevant Date, the Relevant Date shall, with respect to determination of any Relevant Value to be determined on such date, be the Following Scheduled Trading Day (for each Affected Reference Asset, respectively) on which Market Disruption does not exist; however, where Market Disruption exists on the eight Scheduled Trading Days (for each Affected Reference Asset, respectively) that follows immediately after the original Relevant Date as stated in the Final Terms, such eighth Scheduled Trading Day (for each Affected Reference Asset, respectively) shall be deemed the Relevant Date irrespective of the existence of Market Disruption, and the Issuer shall thereupon determine the Relevant Value to be applied upon calculation of the Redemption Amount, Interest Amount or in conjunction with any calculation or valuation in accordance with the Conditions.

(e) Where the Issuer believes that it is not possible or would not provide a fair result to determine or replace the value of the Affected Reference Asset at the time of such Market Disruption, the Issuer may perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Where the Issuer has determined the Redemption Amount and/or the yield or Interest Amount the Issuer

shall notify the Holders of the amount of the Redemption Amount and the yield and the interest rate which will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if any) shall be paid on the Redemption Date.

The Issuer shall be entitled to make any addition, adjustment, or amendment to the Conditions as the Issuer deems necessary in connection with Market Disruption or Disruption.

2. **Market Disruption Commodity**

The following provisions will apply to all Notes in respect of which the Reference Assets consist of one or more commodities, or options or futures contracts related to commodities, or one or more commodity index, unless, "Market Disruption Commodity" is specified as not being applicable in the Final Terms:

(a) Market Disruption with respect to a Reference Asset exists where, in the Issuer's opinion, any of the following events occurs:

(i) the quotation, compilation, calculation or publication of official final prices for a Reference Asset or the underlying assets included in the Reference Asset does not exist, unavailable or ceases;

(ii) the quotation, compilation, calculation or publication of the value of a Reference Asset or the value of the underlying assets included in the Reference Asset does not exist, is unavailable or ceases;

(iii) the Relevant Exchange is not open for trading during its normal trading hours;

(iv) trading in a Reference Asset or the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Stock Exchange ceases, is suspended or significantly restricted;

(v) the possibilities for parties on the market to carry out trades in or obtain the market value for a Reference Asset or a significant portion of the underlying assets included in a Reference Asset or options or futures contracts related to a Reference Asset, which is/are traded on the Relevant Exchange ceases, is discontinued or significantly deteriorates due to any other event;

(vi) the manner of calculating a Reference Asset or the underlying assets included in the Reference Asset or the value thereof changes significantly;

(vii) the content, compilation or structure of a Reference Asset or the underlying assets included in a Reference Asset or relevant options or futures contract changes significantly; or

(viii) the introduction, change or repeal of tax provisions with respect to a Reference Asset or tax provisions regarding tax calculated by way of reference to the underlying assets included in a Reference Asset (however, not tax on, or which is calculated by reference to, gross or net income) after the Initial Observation Date, Initial Valuation Date or Start Date, as a consequence of which the final price on the relevant Initial Observation Date, Initial Valuation Date or Observation Start Date changes as compared to what it would have been had the tax provisions not been introduced, changed or repealed.

(b) Where, in the opinion of the Issuer, a Market Disruption has occurred on any Relevant Date such Relevant Date for determination of the Relevant Value to be determined on such date shall be the immediately following Scheduled Trading Day (for each Affected Reference Asset) where Market Disruption does not exist (for each Affected Reference Asset), or alternatively the Relevant Value may be determined or replaced by the Issuer in another appropriate manner; however, where Market Disruption occurs during the five Scheduled Trading Days (for each Affected Reference Asset) immediately following the Relevant Date and the Relevant Value may be determined or replaced by the Issuer in another appropriate manner, such fifth Scheduled Trading Day (for each Affected Reference Asset) shall be deemed to be the Relevant irrespective

of whether Market Disruption exists, and the Issuer shall thereupon determine or replace the Relevant Value for the purposes of calculating the Interest Amount, Redemption Amount or another relevant value.

(c) Where the Issuer believes that it is not possible or would not provide a fair result to determine or replace the value of the Affected Reference Asset at the time of such Market Disruption, the Issuer may perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Where the Issuer has determined the Redemption Amount and/or the yield or Interest Amount the Issuer shall notify the Holders of the amount of the Redemption Amount and the yield and the interest rate which will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if any) shall be paid on the Redemption Date.

(d) The Issuer shall be entitled to make any addition, adjustment, or amendment to the Terms and Conditions and to the Final Terms as the Issuer deems necessary in connection with Market Disruption.

3. **Disruption Currency**

The following provisions will apply to any Notes which have an FX Rate or FX Rate (Interest) as a Reference Asset or in respect of which Condition 5(aaa) (*FX Component (Interest)*) or Condition 6(b) (*FX Components*) is applicable, unless "Disruption Currency" is specified as not applicable in the Final Terms:

(a) "**Disruption**" with respect to an FX Rate or FX Rate (Interest) (including an FX Rate or FX Rate (Interest) which is a Reference Asset) exists where, in the Issuer's opinion, any of the following events occurs:

(i) spot or futures prices are not available for the FX Rate or FX Rate (Interest) or the underlying assets included in the FX Rate or FX Rate (Interest);

(ii) calculation or publication of any final price/exchange rate/currency price on a specified reference source for an FX Rate or FX Rate (Interest) or the underlying assets included in the FX Rate or FX Rate (Interest) does not exist, is unavailable or ceases to be published on the specified reference source;

(iii) a material price deviation occurs between the price of various currencies, exchange rates and/or currency prices;

(iv) a quotation of spot and/or futures prices cannot be obtained on a stated minimum amount in one or a reasonable number of currency transactions which together amount to a predetermined minimum sum; or

(v) the introduction of any currency exchange regulations or currency exchange restrictions which affect the ability to exchange a currency which constitutes an FX Rate or FX Rate (Interest) into another currency and/or to transfer the relevant currency from the relevant jurisdiction.

(b) Where, in the opinion of the Issuer, Disruption has occurred on any Relevant Date, the Issuer shall determine the value of the Relevant Value based on all available information which the Issuer believes to be relevant in conjunction with calculation of the Redemption Amount, Interest Amount or any other calculation or valuation in accordance with the Conditions.

(c) The Issuer shall be entitled to make any addition, adjustment, or amendment to the Conditions as the Issuer deems necessary in connection with Disruption.

4. **Calculation Adjustment**

The following provisions will apply to all Notes unless "Calculation Adjustment" is specified as not applicable in the Final Terms.

(a) Where, in the opinion of the Issuer, the compilation, calculation or publication of any Reference Asset ceases in whole or in part, or the characteristics of the Reference Assets are changed significantly, the Issuer shall be entitled, upon calculation of the Redemption Amount, to replace such Affected Reference Asset with a comparable alternative. Where, in the Issuer's opinion, a comparable alternative to such Affected Reference Asset is not compiled, calculated and published or where, in the opinion of the Issuer, the method of calculating any Affected Reference Asset or the value thereof is changed significantly, the Issuer shall be entitled to make such adjustments in the calculation as the Issuer, based reasonable grounds deems necessary, in order for the calculation of the value of the Affected Reference Asset to reflect and be based on the manner in which such was previously compiled, calculated and published. The value thereby calculated shall replace the value of the Affected Reference Asset in calculations of the relevant Redemption Amount or Interest Amount.

(b) Where the Issuer believes that it would not provide a fair result to replace the Affected Reference Asset or adjust the applicable calculation, the Issuer may perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Such calculation shall be based on the most recently published value of the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield, the Issuer shall notify the Holders of the amount of the Redemption Amount and/or the yield and the Interest Rate which will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if any) shall be paid on the Redemption Date.

(c) The Issuer is entitled to make any addition, adjustment or amendment to the Conditions as the Issuer deems necessary in connection with Calculation Adjustment.

5. **Corrections**

The following provisions will apply to all Notes, other than those in respect of which the Reference Assets are solely interest rates, commodities or Reference Entities or any combination of the foregoing, unless "Corrections" is specified as not applicable in the Final Terms:

Where the official closing price for a Reference Asset is corrected within the number of days from the original publication as normally elapse between a trade and settlement day in conjunction with spot trading in the Reference Asset or in the underlying assets included in the Reference Asset, and such price is used to determine a Relevant Value, the Issuer shall be entitled to make a corresponding correction **provided that** such official closing price is corrected by no later than the Number of Exchange Business Days after the Relevant Date.

6. **Correction Commodity**

The following provisions will apply to all Notes in respect of which the Reference Assets consist of one or more commodities, or options or futures contracts related to commodities, or one or more commodity index, unless "Correction Commodity" is stated as not applicable in the Final Terms:

Where the official closing price for a Reference Asset is corrected within 30 days of the original publication and such a price is used to determine a Closing Price and/or other Relevant Value, the Issuer shall be entitled to make a corresponding correction to the Closing Price and/or other Relevant Value.

7. **Correction Currency**

The following provisions will apply to all Notes which have an FX Rate or FX Rate (Interest) as a Reference Asset unless "Correction Currency" is specified as not applicable in the Final Terms:

Where the official closing price for a Reference Asset is corrected and such price is used to determine a Relevant Value, the Issuer shall be entitled to make a corresponding correction not later than six Currency Business Days after the official closing price for the Reference Asset was published.

8. **Extraordinary Events**

The following provisions will apply to all Notes which have equities, or an equities Basket as Reference Asset(s), unless "Extraordinary Events" is specified as not applicable in the relevant Final Terms:

(a) Where, in the Issuer' opinion, delisting, nationalisation, bankruptcy proceedings, liquidation, company reorganisation, compulsory redemption, merger, demerger, asset transfer, share swap, swap offer, public tender offer or other similar event occurs with respect to equities which constitute a Reference Asset or a company whose shares are included in an equities basket which constitutes a Reference Asset; or where, in the Issuer's opinion, a subdivision, new issue, bonus issue, issuance of warrants or convertible debentures, reverse split, or buy-back occurs with respect to such an equity or basket of equities as constitute a Reference Asset, or any other event occurs as specified in the Final Terms or which, in accordance with practice on the market for equity-related derivative products, may lead to an adjustment in the calculation during outstanding transactions (each an "**Extraordinary Event**"), the Issuer shall be entitled to make such adjustments in the calculation of any Relevant Value and/or compilation of Reference Assets, or to replace the Affected Reference Asset with a Replacement Reference Asset which the Issuer thereby deems necessary in order to achieve a calculation of the Redemption Amount which reflects, and is based on, the manner in which such was previously calculated.

(b) Where the Issuer believes that it would not provide a fair result to replace the Affected Reference Asset or adjust the applicable calculation or the structure of the Reference Asset, the Issuer may perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Such early calculation shall be based on the most recently published value for the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield or Interest Amount, the Issuer shall notify the Holders of the amount of the Redemption Amount and the yield or Interest Amount and the rate at which interest will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if applicable) shall be paid on the Redemption Date.

(c) The Issuer shall be entitled to make any addition, adjustment or amendment to the Conditions as the Issuer deems necessary in connection with Extraordinary Events.

9. **Interest Rate Fallbacks**

Where the Reference Asset is an interest rate, and unless "Rate Option Fallback" is specified not to apply in the applicable Final Terms, then if the relevant interest rate does not appear on the applicable price source specified in the Final Terms on any Relevant Date, and at the relevant time, required by the Conditions, the Issuer shall determine the interest rate for the applicable Relevant Date in accordance with the fallback provisions relating to the relevant Rate Option specified in the 2006 ISDA Definitions.

PART 3: ADDITIONAL CONDITIONS FOR CREDIT-LINKED NOTES

The provisions below shall apply when specified in the Final Terms.

Credit Event: The occurrence of one or more of the following events (as specified in the Final Terms), as determined by the Issuer in its sole discretion:

(a) in relation to a Reference Entity which is not a Sovereign: (i) Failure to Pay, (ii) Restructuring, (iii) Bankruptcy or (iv) Governmental Intervention;

(b) in relation to a Reference Entity which is a Sovereign: (i) Failure to Pay, (ii) Repudiation/moratorium or (iii) Restructuring and, in relation to east European and central Asian Sovereigns, also (iv) Obligation Acceleration;

whereupon a Credit Event shall be deemed to exist notwithstanding that the event is directly or indirectly caused by, or an obligation is contested by reference to, any of the following: (i) lack of authority, lack of legal capacity, lack of capacity to enter into legal relations or similar in respect of a Reference Entity; (ii) actual or alleged invalidity, illegality or unenforceability of Debt Obligations; (iii) applicable law, regulations, public authority decisions, judgments, court decisions, decisions of arbitrators or similar procedures or the implementation of, or amendment to, or interpretation of applicable law or regulations on order of any court of arbitration or public authority; or (iv) the introduction of, or changes to, currency regulations, monetary restrictions or similar provisions by any monetary or other authority (including central banks).

Repudiation/Moratorium: Means the occurrence of both of the following events: (i) an authorised officer of the Reference Entity or a Governmental Authority (x) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Debt Obligations in an aggregate amount of not less than the Failure to Pay Amount or (y) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Debt Obligations in an aggregate amount of not less than the Failure to Pay Amount and (ii) a Failure to Pay or a Restructuring, determined without regard to the Failure to Pay Amount, with respect to any such Debt Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

Governmental Authority: Means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or other department therefor), any court, tribunal, administrative or other governmental, inter-governmental or supranational body; any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or of the jurisdiction of organisation of the Reference Entity or some or all of its obligations, or any other entity which is analogous to any of the foregoing.

Repudiation/Moratorium Evaluation Date: If a Potential Repudiation/Moratorium occurs on or prior to the scheduled Redemption Date (i) if the Debt Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (A) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (B) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/ Moratorium; **provided that**, in either case, the Repudiation/ Moratorium Evaluation Date shall

occur no later than the scheduled Redemption Date.

Bond:	Any obligation comprising Borrowed Money which is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money.
Borrowed Money:	Means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).
Loan:	Means any obligation comprising Borrowed Money that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.
Bond or Loan:	Means any obligation that is either a Bond or a Loan.
Grace Period:	Means (i) the applicable grace period with respect to payments under the and in accordance with the terms of the relevant Debt Obligation in effect as at the later of the relevant Issue Date for the Notes or the date on which such Debt Obligation is issued or incurred **provided that** (ii) if the terms of the Debt Obligation do not contain a grace period or if such grace period is less than 3 Grace Period Business Days the Grace Period shall be deemed to be 3 Grace Period Business Days but in no circumstances shall the Grace Period end later than the Redemption Date.
Grace Period Business Day:	Means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Debt Obligation or, if a place or places are not so specified, (a) if the currency in which the relevant Debt Obligation is denominated (the "**Obligation Currency**") is the euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.
Publicly Available Information:	Means information confirming that a Credit Event has occurred and:

(i) that have been published in at least one Public Source (regardless of whether the reader or user thereof pays a fee to obtain such information);

(ii) is information received from or published by (A) the Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign), or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for the relevant Debt Obligation; or

(iii) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in paragraphs (ii) or (iii) above is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

Potential Repudiation/ Moratorium: Means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.

Replacement Reference Entity: Such Reference Entity as may be determined by the Issuer.

Bankruptcy: Means that a Reference Entity:

(a) is dissolved (other than through a consolidation, amalgamation or merger);

(b) becomes insolvent, is unable to pay its debts as they fall due, suspends payments or admits or declares in writing in judicial proceedings, administrative proceedings, regulatory proceedings or otherwise admits or declares a general inability to pay its debts as they fall due;

(c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;

(d) institutes or has instituted against it a proceeding seeking a judgment or decision regarding insolvency, inability to pay or bankruptcy, or any similar relief pursuant to bankruptcy-, insolvency- or similar statutes or regulations which affect creditors' rights, or a petition to dissolve or place the Reference Entity into liquidation has been filed and such proceedings or such a petition

(i) result in a judgment or a decision of insolvency, inability to make payment or bankruptcy, a judgment or a decision which generally affects creditors' rights, or a decision to place the Reference Entity into liquidation; or

(ii) is not withdrawn, dismissed, discharged, stayed or restrained or generally restricted within thirty days after the proceedings have been commenced or the petition filed;

(e) has a resolution passed for its winding-up or liquidation (other than pursuant to consolidation, amalgamation or merger);

(f) seeks or becomes subject to the appointment of a trustee (including every form of bankruptcy or insolvency administration), receiver, investigator, administrator or other similar office with respect to the Reference Entity and all or a significant part of the Reference Entity's assets;

(g) has a secured party take possession of all or substantially all of the Reference Entity's assets, or the Reference Entity becomes the subject of execution, attachment or other similar measure or procedure with respect to all or a significant part of its assets, and such creditor retains possession or such procedure is not, dismissed, discharged or stayed within thirty days; or

(h) causes or is subject to an event or circumstance which, according to law applicable to the Reference Entity, has an analogous effect to any of the events specified in clauses (a) – (g).

Public Source: A public source such as Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, NihonKezain Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source of business news in the relevant Reference Entity's jurisdiction and every other internationally recognised, published or electronically displayed public source.

Sovereign: Any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including, without limiting the foregoing, the central bank) thereof.

Restructuring:

(a) Restructuring means, with respect to one or more Debt Obligations, and is an amount that equals or exceeds, in total, the amount specified in the Final Terms at the time the Credit Event occurs (the "**Restructuring Amount**") any one or more of the following events occurs in a form that binds all holders of such Debt Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Debt Obligation to bind all holders of the Debt Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Debt Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Debt Obligation is issued or incurred:

(i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;

(iv) a change in the ranking in priority of payment of any Debt Obligation, causing the subordination of such Debt Obligation to any other Debt Obligation; or

(v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

(b) None of the following shall constitute a Restructuring:

(i) the payment in euros of interest, principal or premium in relation to a Debt Obligation denominated in a currency of

a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;

(ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

(iii) the occurrence of, agreement to or announcement of any of the events described in clauses (a)(i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

(iv) the occurrence of, agreement to or announcement of any of the events described in clauses (a)(i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, **provided that** in respect of clause (a)(v) only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

(c) If an exchange has occurred, the determination as to whether one of the events described under clauses (a)(i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

(d) In paragraphs (a) and (b) above, "Debt Obligation" also includes the Reference Entity acting as provider of a guarantee undertaking or surety, whereupon "Reference Entity" in paragraph (a) shall mean the debtor under the obligation for which the guarantee or surety is issued and in paragraph (b) shall mean the Reference Entity.

Credit Event Backstop Date: Means, for the purposes of any event that constitutes a Credit Event (or with respect to a Repudiation/Moratorium, if applicable, the event described in paragraph (ii) of the definition of Repudiation/Moratorium), the date that is determined by the Issuer in accordance with Market Convention.

Debt Obligation: Means each Reference Entity's current, future, conditional or other payment obligations (whether or not Subordinated) under (a) agreements having the commercial effect of borrowings, e.g. loan agreements, notes or commercial paper (irrespective of term to maturity) or financing limits, payment obligations regarding deposits or letters of credit and (b) guarantees or other sureties or commitments which the Reference Entity has provided or provides with respect to the payment obligations of a third

party.

Obligation Acceleration: One or more Debt Obligations in an aggregate amount of at least the amount specified in the Final Terms (the "**Obligation Acceleration Amount**") have become due and payable before they would otherwise become due and payable (through acceleration or any other reason) as a result of, or on the basis of the occurrence of a default or other similar condition or event relating to the Reference Entity (and such breach of contract does not relate to Failure to Pay).

Failure to Pay: A Reference Company's or a Sovereign's failure to pay when due (after expiry of any applicable Grace Period), in accordance with the terms and conditions for one or more Debt Obligations, any amount due for payment provided the amount which is due and payable or the total of the amounts that are due and payable equals or exceeds the amount specified in the Final Terms (the "**Failure to Pay Amount**").

Governmental Intervention: means that, with respect to one or more Debt Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made, by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other applicable law), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Debt Obligation:

(a) any event which would affect creditors' rights so as to cause:

(i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);

(ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

(iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;

(iv) a change in the ranking in priority of payment of any Debt Obligation, causing the Subordination of such Debt Obligation to any other Debt Obligation;

(b) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Debt Obligation;

(c) a mandatory cancellation, conversion or exchange; or

(d) any event which has an analogous effect to any of the foregoing.

A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes under the Notes.

If, with respect to one or more Debt Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention.

CoCo Provision: means, with respedct to a Debt Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

Trigger Percentage: means the trigger percentage specified in the Final Terms or, if no such trigger percentage is specified, 5.25 per cent.

Capital Ratio: means the ratio of capital to risk weighted assets applicable to the Debt Obligation, as described in the terms therefore in effect from time to time.

Default Requirement: the amount specified as such in the relevant Final Terms or its equivalent in the currency of the relevant Debt Obligation (or, if no such amount is specified, USD 10,000,000 or its equivalent in the currency of the relevant Debt Obligation) in either case, as of the occurrence of the relevant Credit Event.

Subordination: Means, with respect to an obligation (the "**Second Obligation**") and another obligation of the Reference Entity to which such obligation is being compared (the "**First Obligation**"), a contractual, trust or similar arrangement providing that (I) upon the liquidation, dissolution, reorganization or winding up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. "Subordinated" will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the

Debt Obligation the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred and shall not reflect any change to such ranking in priority of payment after such date.

Standard Specified Currencies: Any of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

Successor:

(a) means, subject to paragraph (b) below, the entity or entities, if any, determined as follows:

(i) subject to paragraph (a)(vii) below, if one entity succeeds to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;

(ii) if only one entity succeeds to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of

the Relevant Obligations will be the sole Successor;

(iii) if more than one entity each succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor, determined in accordance with paragraph (f) below;

(iv) if one or more entities each succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor, determined in accordance with paragraph (f) below;

(v) if one or more entities succeed, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity and the Notes will not be changed in any way as a result of such succession;

(vi) if one or more entities succeed to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (**provided that** if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor, determined in accordance with paragraph (f);

(vii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor.

(b) An entity may only be a Successor if:

(i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;

(ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and

(iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

(c) "**succeed**" means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (ii) issues Bonds or incurs Loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable, and the terms "**succeeded**" and "**succession**" shall be construed accordingly.

(d) In the case of an exchange offer, the determination required pursuant to paragraph (a) above shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

(e) If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**"), then it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors), in equal parts.

(f) Where more than one Successor has been identified, the Issuer shall make such changes to the Conditions as it may, in its sole discretion, consider necessary in order to reflect the relative Basket Participations of the relevant Successor(s) and the other Reference Entities (if any), in relation to the Notes, including any adjustment to the Credit Event Ranked Weight(s) if a Credit Event occurs in relation to the relevant Successor(s).

The Issuer shall determine whether or not there has been a Successor to any Reference Entity, and carry out those calculations and determinations which are required under the definition of "*Successor*", and shall notify the holders of the outcome thereof. The Issuer has the right, with binding effect on the Holders, to make such adjustments to the terms and conditions of the Notes which the Issuer determines necessary as a result of the determination of a Successor. The Issuer shall perform the appropriate adjustments of the Final Terms to reflect a Successor and the scope of the Relevant Obligations as well as any other amendments that the Issuer deems necessary. The Successor shall, from the day the Issuer so determines, replace the Reference Entity as a "Reference Entity" in respect of the relevant Notes.

Steps Plan: A plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities. In calculating the percentages used to determine whether an entity qualifies as a Successor, if there is a Steps Plan, the Issuer shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

Eligible Information: Information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

Succession Date:	The legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; **provided that** if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (i) the date on which a determination pursuant of a Successor would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of a Credit Event in respect of the Reference Entity or any entity which would constitute a Successor.
Successor Backstop Date:	For purposes of any Successor determination the date that is determined by the Issuer in accordance with market convention. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.
Relevant Obligations:	Means the Debt Obligations of the Reference Entity which fall within the category of "Bond or Loan" (whether directly, or by way of guarantee, surety or other commitment) and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), **provided that**: (a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates (as defined in the standard form 2002 ISDA Master Agreement), or held by the Reference Entity, shall be excluded; (b) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made under the definition of "Successor" make the appropriate adjustments required to take account of any Debt Obligations of the Reference Entity which fall within the category "Bond or Loan" that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;
Sovereign Succession Event:	With respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.
Payment Deferral:	If it is not possible for the Issuer to determine either: (a) whether or not one or more Credit Events has occurred, or (b) the Recovery Value in respect of one or more Reference Entities, in either case before the Scheduled Redemption Date or Early Redemption Date because an auction settlement procedure has not yet been concluded, or for any other reason, or if the Issuer or applicable Hedging Party reasonably determines that it will not receive the full amount of any Hedge Proceeds on or before the Scheduled Redemption Date or the Early Redemption Date (as applicable) (each such event a "**Deferred Redemption**"), then the Issuer shall promptly notify the Holders of such event (a "**Deferred Redemption Notice**"). Following a Deferred Redemption Notice the Issuer shall make a partial redemption of the Notes and/or, a partial payment of any accrued Interest Amount due and payable on the relevant Scheduled Redemption Date or Early Redemption Date (as applicable) on (i) the Scheduled Redemption Date or the Early Redemption Date, as applicable, provided and to the extent that the Hedging Party has received (or is deemed to have received) any part of the Hedge Proceeds no later than on the tenth Business Day prior to such date, and thereafter (ii) within five Business Days after each date on which the Hedging Party receives (or is deemed to have received) all or part of the Hedge Proceeds (each such date, a "**Deferred Redemption Date**"). The amount of each such partial redemption of the Notes shall be calculated in accordance with the formula for calculating the Redemption Amount and/or Interest Amount set out above, and for such purpose the "**Hedge**

Proceeds" shall be deemed to be the most recent partial amount of the Hedge Proceeds received (or deemed to have been received) by the Hedging Party prior to the relevant Deferred Redemption Date.

The sum of all partial redemption and interest payments shall never exceed the aggregate Hedge Proceeds which the Hedging Party has received (or is deemed to have received) on or prior to the Back Stop Date.

If the Issuer has determined that a Deferred Redemption has occurred and is continuing and that it can be reasonably expected that any amount of the Hedge Proceeds will not be received by the Hedging Party on or prior to the Back Stop Date, then the Issuer (i) may extend the Back Stop Date in order for it to be in alignment with expected future receipts of Hedge Proceeds as determined by the Issuer, or (ii) by notice to the Holders and to the relevant Clearing System(s) cancel the Notes with immediate effect, whereupon the Issuer shall not be obliged to make, and no Holder shall be entitled to receive, any redemption payment or other amount in respect of the Notes.

Any Hedge Proceeds received by the Issuer or the Hedging Party after the Back Stop Date shall not be payable to Holders and the Holders shall have no claim to receive any such remaining part of the Redemption Amount or Interest Amoutn after the Back Stop Date.

Other Terms: In case of dispute regarding the interpretation of the conditions for Credit Linked Notes, guidance shall be sought in the definitions issued by ISDA in the "2014 ISDA Credit Derivatives Definitions" together with all from time to time published addendums, protocols, updates and similar (the "**ISDA Definitions**").

PART 4: ADDITIONAL CONDITIONS FOR FUND-LINKED NOTES

The following provisions will apply if stated in the Final Terms.

"Fund" As specified in the Final Terms;

"Fund Manager" Means in respect of a Fund, any person who is appointed to provide services, directly or indirectly, for that Fund, whether or not specified under law or the constitutive and governing documents, subscription agreements and other agreements, applicable to the Fund, including any fund adviser, fund administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent and any other person specified as such in the Final Terms.

"Fund Event" The Issuer may, in its own discretion, determine that a Fund Event has occurred, if any of the following events should occur following the initial Observation Date, Observation Start Date, Risk Barrier Observation Date, or Initial Valuation Date:

1. the Net Asset Value ("**NAV**") in respect of the Fund is not calculated and not published on such a day or in such a way as stated in the provisions for the Fund and the terms of the Fund and Fund Manager's operations;

2. the occurrence of any event or circumstance affecting the Fund or the fund units which has (or may potentially have) a negative effect on the value of the Fund or the fund units;

3. the Fund or the Fund Manager refuses subscription or redemption (in whole or partially) of fund units of the Fund on such a day when subscription or redemption should be possible in accordance with the provisions of the Fund and in accordance with the terms of the Funds operation;

4. the proceeds that the Fund pays out as a result of a redemption consists of assets other than cash;

5. the Fund or the Fund Manager restricts the ability to subscribe for or redeem fund units, introduces or amends fees or any additional taxes or other charges arises in connection with subscription or redemption after the Initial Observation Date, Observation Start Date, initial Risk Barrier Observation Date, or Initial Valuation Date;

6. a material change of the Reference Assets or the Fund occurs, which includes expropriation or similar event, such event resulting in the assets being transferred to or taken over by an authority or similar institution or organisation, or by other by instruction from an authority or similar institution or organisation, which has a negative effect on the value of the fund units;

7. the Fund or the Fund Manager becomes insolvent, negotiations are initiated in regard to declaring either the Fund or the Fund Manager bankrupt, either the Fund or the Fund Manager seeks or becomes subject to winding up, seeks the appointment of an administrator, makes a composition or is subject to any similar event;

8. the Fund or the Fund Manager merges with or into or becomes subject to sale (in whole or partially);

9. the Fund breaches any terms applicable to the Fund's operations, including its investment guidelines and its constitutive documents;

10. the Fund or the Fund Manager makes any changes in the terms applicable to the Fund's or the Fund Manager's operations such as changes in the risk profile of the Fund, changes in regard to the right to vote in respect of the fund units, change of the investment guidelines of the Fund, change of the denomination of the fund units or such other change that is adverse in the Issuer's opinion;

11. the Fund breaches any agreements to which it is party or any court order or governmental order;

12. any change in law, regulation or other set of rules (including tax legislation and accounting rules), or resolution is passed by governmental agency, court or other body which has a negative impact on the Fund or the Fund Manager or the Issuer's possibilities to subscribe for or redeem the Reference Asset;

13. the Fund, the Fund Manager, the administrator, the account operator or the board of directors becomes subject to investigation, lawsuit or similar action by an authority or other due to breach of relevant legislation or other rules applicable to the Fund, the Fund Manager, the administrator, the account operator or the board of directors or the relevant license for any of these is withdrawn;

14. the Fund Manager, the administrator, the account operator or the board of directors are replaced;

15. any conversion of the Reference Asset into other fund units;

16. any compulsory transfer or redemption of fund units occur;

17. the Fund experience difficulties, or is not able, to carry out investments;

18. any change of the derivative instruments of the Fund which has a negative effect on the value of the fund units or the possibility of the fund to admit redemption;

19. the Fund, the Fund Manager or the administrator fails to provide such information within such grace period as The Fund, the Fund Manager or the administrator has undertaken to provide information to any investor;

20. any other event or circumstance occurs which, as determined by the Issuer, has a negative effect on the application of the Conditions of the Notes.

If a Fund Event occurs with respect to one or more Funds which constitutes a Reference Asset, the Issuer shall be entitled to make such adjustments in the calculation of the Redemption Amount, Interest Amount and/or compilation of Reference Assets, or to replace the Affected Reference Asset with a Replacement Reference Asset which the Issuer thereby deems necessary in order to achieve a calculation of the Redemption Amount which reflects, and is based on, the manner in which such was previously calculated.

Where the Issuer believes that it would not provide a fair result to replace the Affected Reference Asset or adjust the applicable calculation or the structure of the Reference Asset, the Issuer may either elect to extend the Back Stop Date to such future date as may be determined by the Issuer, or

perform an early calculation of the Redemption Amount and/or the yield or Interest Amount and determine the Redemption Amount and/or the yield or Interest Amount. Such early calculation shall be based on the most recently published value for the Reference Asset. When the Issuer has determined the Redemption Amount and/or the yield or Interest Amount, the Issuer shall notify the Holders of the amount of the Redemption Amount and the yield or Interest Amount and the rate at which interest will continue to accrue on the Notes. The Issuer shall pay market interest on the Principal Amount. The Redemption Amount (including accrued interest, if applicable) shall be paid on the Redemption Date.

The Issuer shall be entitled to make any addition, adjustment or amendment to the Conditions as the Issuer deems necessary in connection with Fund Events.

VILLKOR FÖR LÅN

Detta avsnitt är en inofficiell översättning av villkoren för Lån och den legalt bindande texten är den engelska text som återfinns omedelbart före detta avsnitt. Den svenska översättningen är uteslutande för att underlätta för investerare att få en övergripande bild och en investerare i Lån måste ta till sig och förstå villkoren på engelska.

Följande Allmänna Villkor utgör, tillsammans med Slutliga Villkor för respektive emission, de fullständiga Villkoren för varje Serie av Lån.

DEL 1: – ALLMÄNNA VILLKOR

Utgivandet av Lån regleras i ett fiscal agency-avtal ("**Fiscal Agency-avtalet**") daterat 18 december 2015 mellan Nordea Bank AB (publ) ("**NBAB**"), Nordea Bank Finland Plc ("**NBF**"), Citibank, N.A., London Branch i egenskap av fiscal agent ("**Fiscal Agent**", vilket ska inkludera varje efterträdare till Citibank, N.A., London Branch som sådan agent), Citibank N.A. genom sitt New York-kontor som registreringsagent ("**Registeringsagent**", avseende varje Serie av Lån förutom Svenska Lån, vilket ska inkludera en efterträdare till Citibank N.A. som sådan agent), vissa finansiella institutioner angivna däri som betalningsagenter ("**Betalningsagenter**", vilket ska inkludera fiscal agent och eventuella efterträdare till denna samt eventuella ytterligare betalningsagenter utsedda i enlighet med Fiscal Agency-avtalet), Nordea Bank Danmark A/S som administrerande institut för VP-Lån (som definierat nedan) ("**VP-Administrerande Institut**"), Citibank N.A. Zurich i egenskap av schweizisk betalningsagent (”**Schweiziska Betalningsagenten**” vilket ska inkludera en eventuell efterträdare till Citibank N.A. Zurich som sådan agent), Nordea Bank Norge ASA i egenskap av norsk betalningsagent för VPS-Lån ("**VPS-Betalningsagent**"), Nordea Bank AB (publ) i egenskap av svenskt administrerande institut för Svenska Lån ("**Svenska Administrerande Institutet**") och Nordea Bank Finland Plc i egenskap av finskt administrerande institut för Finska Lån ("**Finska Administrerande Institutet**"). NBAB och NBF har undertecknat en så kallad deed of covenant ("**Deed of Covenant**") daterad 18 december 2015 (såsom ändrad, bekräftad eller ersatt från tid till annan) avseende Lånen. Kopior av Fiscal Agency-avtalet och Deed of Covenant finns tillgängliga på de kontor som är angivna för Betalningsagenterna respektive Registreringsagenten. Varje person som från tid till annan har de rättigheter som följer av ett innehav av Lån ska anses ha vetskap om och vara bunden av samtliga villkor i Fiscal Agency-avtalet och Deed of Covenant i den utsträckning dessa villkor är tillämpliga på det relevanta Lånet. En hänvisning till "**Emittenten**" i dessa Allmänna Villkor är en hänvisning till den av NBAB och NBF som anges som emittent i tillämpliga Slutliga Villkor.

Lånen emitteras i serier (en "**Serie**") Tranched i en eller flera trancher (en "**Tranch**"). Till varje Tranch hör specifika slutliga villkor ("**Slutliga Villkor**"). I de fall ansökan har gjorts om att en Serie ska noteras på officiella listan vid Irish Stock Exchange, och sedan tas upp till handel på dess reglerade marknad, kommer en kopia av de Slutliga Villkoren att lämnas in till Irish Stock Exchange och finnas tillgänglig på det kontor som anges för Fiscal Agent, alternativt Registreringsagenten, senast på emissionsdagen för Lån i den specifika Serien.

Clearing av Lån kommer att ske genom SIX SIS AG, Olten, Schweiz för lån denominerade i schweiziska franc (”**Lån i Schweiziska Franc**” respektive ”**SIS**”), eller avvecklas genom VP Securities A/S ("**VP-Lån**" respektive "**VP**"), genom central värdepappersförvarare i Norge som kommer att vara Verdipapirsentralen ASA ("**VPS-Lån**" respektive "**VPS**"), genom central värdepappersförvarare i Sverige som kommer att vara Euroclear Sweden AB, reg. nr. 556112-8074 ("**Svenska Lån**" och "**Euroclear Sverige**"), eller genom central värdepappersförvarare i Finland kommer som vara Euroclear Finland Ltd, med finskt registreringsnummer 1061446-0 ("**Finska Lån**" och "**Euroclear Finland**").

Lån i Schweiziska Franc kommer att ges ut som fysiska värdepapper och kommer att representeras av ett så kallat permanent globalt Lån, vilket kommer att förvaras av den Schweiziska Betalningsagenten hos SIS eller hos en annan förvarare godkänd av SIS. En hänvisning i dessa Villkor till "**Euroclear**" och/eller "**Clearstream, Luxembourg**" ska avseende Lån i Schweiziska Franc tolkas som att inkludera SIS (vilket också ska inkludera ett eventuell annat clearinginstitut som erkänns av SIX Swiss Exchange och hos vilken det permanenta globala Lånet från tid till annan kan komma att förvaras), vilket också ska anses vara ett alternativt clearingsystem inom ramen för dessa Villkor.

VP-Lånen kommer att registreras på ett värdepapperskonto i VP varför inga fysiska värdepapper kommer att utfärdas. VP-Lån registrerade i VP är överlåtbara värdepapper vilka inte är föremål för några överlåtelsebegränsningar under dansk rätt.

Eftersom inga fysiska VP-Lån kommer att utfärdas ska de Allmänna Villkoren för VP-Lånen anses införlivade genom hänvisning i, och vara en del av, den Deed of Covenant till vilken VP-lånen är hänförliga.

VPS-Lånen kommer att registreras på ett värdepapperskonto i VPS varför inga fysiska värdepapper kommer att utfärdas. VPS-Lån registrerade i VPS är överlåtbara värdepapper vilka inte är föremål för några överlåtelsebegränsningar under norsk rätt.

Eftersom inga fysiska VPS-Lån kommer att utfärdas ska de Allmänna Villkoren för VPS-Lånen anses införlivade genom hänvisning i, och vara en del av, den Deed of Covenant till vilken VPS-lånen är hänförliga.

Ett registreringsagentavtal daterat 16 April 2013 (såsom ändrat, bekräftat eller ersatt från tid till annan, "**VPS-Registreringsagentavtalet**") har ingåtts mellan Emittenten och VPS-Betalningsagenten avseende VPS-Lånen.

Central värdepappersförvarare för en Serie av Svenska Lån kommer att vara Euroclear Sverige ("**Svensk CSD**") i enlighet med vid var tid gällande lag (1998:1479) om kontoföring av finansiella instrument ("**Kontoföringslagen**").

Svenska Lån kommer att registreras på ett värdepapperskonto i Euroclear Sverige varför inga fysiska värdepapper kommer att utfärdas. Svenska Lån registrerade i Euroclear Sverige är överlåtbara värdepapper vilka inte är föremål för några överlåtelsebegränsningar under svensk rätt.

Eftersom inga fysiska Svenska Lån kommer att utfärdas ska de Allmänna Villkoren för Svenska Lån anses införlivade genom hänvisning i, och vara en del av, den Deed of Covenant till vilken de Svenska Lånen är hänförliga.

Finska Lån kommer att registreras på ett värdepapperskonto i Euroclear Finland varför inga fysiska värdepapper kommer att utfärdas. Finska Lån registrerade i Euroclear Finland är överlåtbara värdepapper vilka inte är föremål för några överlåtelsebegränsningar under finsk rätt.

Finska Lån kommer att registreras för Innehavares räkning på ett värdepapperskonto i enlighet med den finska lagen om "kontoförda värdepapperssystem och clearingverksamhet" (Fin. *Laki arvo-osuujärjestelmästä ja selvitystoiminnasta* (749/2012)), såsom ändrad från tid till annan, och den finska lagen om "kontoförda konton" (Fin. *Laki arvo-osuustileistä* (827/1991)), såsom ändrad från tid till annan, varför inga fysiska värdepapper kommer att utfärdas. Begäran om en registreringsåtgärd avseende Finska Lån ska adresseras till kontoförande institut ("**Kontoförande Institut**") i enlighet med den finska lagen om kontoförda värdepapperssystem och clearingverksamhet" (Fin. *Laki arvo-osuujärjestelmästä ja selvitystoiminnasta* (749/2012)), såsom ändrad från tid till annan, och Euroclear Finlands regelverk.

Lån som är emitterade i singaporianska dollar i valörer mindre än SGD 200 000 ("**SGD-lån**") ska tecknas i Sverige där Emittenten är Nordea Bank AB (publ) eller Finland där Emitten är Nordea Bank Finland Plc. En filial till en Emittent av SGD-lån är inte föremål för reglering eller tillsyn i Singapore. SGD-lånen och återbetalningen av SGD-lånen är inte säkerställda på något vis (varken genom panträtt, förmånsrätt eller borgensåtagande eller liknande).

En hänvisning i dessa Allmänna Villkor ("**Villkoren**") till Lån är en hänvisning till Lån i den relevanta Serien. En hänvisning till Kupong eller Payment Receipts (båda såsom definierade nedan) är en hänvisning till Kupong och Payment Receipts hänförliga till Lån i den relevanta Serien.

10. Definitioner

I dessa Allmänna Villkor ska följande definitioner gälla.

"**2006 ISDA Definitions**"	means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first

	Tranche of the Notes of the relevant Series.
"**2006 ISDA-Definitioner**"	avser 2006 års "ISDA-Definitioner" publicerade av International Swaps and Derivatives Association, Inc. med tillägg och uppdateringar per Lånedatum för den första Tranchen i relevant Serie;
"**Additional Amount(s)**"	means the additional amount (or additional amounts) to be added to, or subtracted from, the Base Redemption Amount for the purposes of calculating the Redemption Amount in accordance with the relevant Conditions;
"**Tilläggsbelopp**"	avser det eller de ytterligare belopp som adderas till, eller subtraheras ifrån, Basåterbetalningsbeloppet för att beräkna Återbetalningsbeloppet i enlighet med tillämpliga Villkor;
"**Additional Financial Centre(s)**"	means the city or cities specified as such in the relevant Final Terms;
"**Ytterligare Finanscentrum**"	avser den stad eller de städer såsom angivna i relevanta Slutliga Villkor;
"**Adjusted Calculation Amount**"	means (in respect of Notes that bear credit-linked interest), the Calculation Amount as adjusted in accordance with the provisions of one of Conditions 5(h) to (k) inclusive or, in the case of all other Notes, the Original Calculation Amount.
"**Justerat Beräkningsbelopp**"	avser (beträffande Lån som uppbär kreditlänkad ränta) Beräkningsbeloppet såsom justerat i enlighet med bestämmelserna i Villkor 5(h) till och med (k) eller, beträffande alla andra Lån, det Ursprungliga Beräkningsbeloppet;
"**Affected Reference Asset**"	a Reference Asset (or part thereof) that is affected by one or more of Market Disruption, Disruption, Calculation Adjustment, Corrections, or Extraordinary Events, Change in Law or Increased Costs. If the Reference Asset is constituted by a basket of underlying assets, Market Disruption, Market Disruption Commodity, Disruption, Calculation Adjustment, Corrections, Extraordinary Events, Change in Law or Increased Costs shall be deemed to have occurred only for such underlying asset or assets which are affected;
"**Påverkad Referenstillgång**"	Referenstillgång som påverkas av Marknadsavbrott, Avbrott, Ändrad Beräkning, Korrigering eller Särskilda Händelser, Ändring i Lag eller Ökade Riskhanteringskostnader. För det fall Referenstillgång utgörs av en Korg av Referenstillgångar ska Marknadsavbrott, Marknadsavbrott Råvara, Avbrott, Ändrad Beräkning, Korrigering, Särskilda Händelser, Ändring i Lag eller Ökade Riskhanteringskostnader, anses ha inträffat endast för de respektive Referenstillgångar som är påverkade;
"**Aggregate Portfolio Exposure**"	means the sum of the Portfolio Exposures in respect of each Basket;
"**Aggregerad Portföljexponering**"	avser summan av Portföljexponeringen i förhållande till

	varje Korg;
"**Autocall Condition**"	has the meaning given to it in Condition 5(u) (*Autocallable Rate*);
"**Autocall-händelse**"	såsom anges i Villkor 5(u) (*Autocall-nivå*);
"**Averaging Dates**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Medelvärdesberäkningsdagar**"	de datum som anges i Slutliga Villor (justerade efter den Planerade Handelsdagen-konventionen);
"**Back Stop Date**"	as specified in the Final Terms;
"**Back Stop-Datum**"	såsom närmare anges i Slutliga Villkor;
"**Barrier Level**"	means each barrier level specified in the Final Terms;
"**Barriärnivå**"	avser varje barriärnivå såsom närmare anges i Slutliga Villkor;
"**Base CPI**"	the value of the relevant Inflation Rate as determined at the Valuation Time on the Initial Valuation Date(s);
"**Bas-KPI**"	avser den relevanta Inflationstakten bestämd vid Värderingstidpunkten på Startdagen;
"**Base Currency**"	the currency in which the Reference Asset is denominated;
"**Basvaluta**"	avser den valuta i vilken Referenstillgång anges;
"**Base Redemption Amount**"	as specified in the Final Terms;
"**Basåterbetalningsbelopp**"	såsom närmare anges i Slutliga Villkor;
"**Basket(s)**"	means the basket(s) of Reference Assets or Reference Entities specified in the applicable Final Terms;
"**Korg(ar)**"	avser den eller de korg(ar) av Referenstillgångar eller Referensbolag vilka närmare anges i tillämpliga Slutliga Villkor;
"**Basket Participation**"	means the proportionate share of the Basket represented by each Reference Asset, determined as follows: If "**Fixed Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be the fixed percentage specified in the Final Terms in relation to the relevant Reference Asset.
"**Korgandel**"	avser den andel av en Korg som representeras av en enskild Referenstillgång, bestämd enligt följande: Om en "**Fast Korgandel**" anges i de Slutliga Villkoren ska Korgandelen vara den fasta procentsats som anges i de Slutliga Villkoren avseende den relevanta Referenstillgången. If "**Rainbow Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be determined by reference to the relative Reference

Asset Return. Each Reference Asset will be assigned a ranking based on the Reference Asset Return as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket Participation of each Reference Asset will correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms.

Om "**Rainbow Korgandel**" anges i de Slutliga Villkoren ska Korgandelen avgöras genom hänvisning till den relativa Referenstillgångsvärdeutvecklingen. Varje Referenstillgång kommer att ges en ranking baserad på Referenstillgångsvärdeutvecklingen, vilken fastställs av Emittenten i enlighet med relevant index i Punkt 6(a) (*Återbetalning på Förfallodagen*) och varje Referenstillgångs Korgandel kommer att motsvara den Korgandel som anges för respektive ranking i Slutliga Villkoren.

If "**Replacement Cliquet Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be determined by reference to the relative Replacement Cliquet Performance of the relevant Reference Asset. Each Reference Asset will be assigned a ranking based on the Replacement Cliquet Performance of the relevant Reference Asset as determined by the Issuer in accordance with Condition 6(a)(xxiii) (*"Rainbow Replacement Cliquet" structure*), and the Basket Participation of each Reference Asset will correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms.

Om "**Korgandel Ersättande Periodsummering**" anges i de Slutliga Villkoren ska Korgandelen avgöras genom hänvisning till den relativa Ersättande Periodsummevärdeutvecklingen för den relevanta Referenstillgången. Varje Referenstillgång kommer att ges en ranking baserad på Ersättande Periodsummeavkastingen för respektive Referenstillgång, vilken fastställs av Emittenten i enlighet med Punkt 6(a)(xxiii) (*"Regnbåge Ersättande Periodsumme"-struktur*). Varje Referenstillgångs Korgandel kommer att motsvara den Korgandel som anges för respektive ranking i Slutliga Villkoren.

If "**Momentum Basket Participation**" is specified as applicable in the relevant Final Terms, the Basket Participation of each Reference Entity will initially be the value specified in the applicable Final Terms. Thereafter, the Basket Participation will be rebalanced on each applicable Rebalancing Date by reference to the relative Rebalancing Performance of each Reference Asset. Each Reference Asset will be assigned a ranking based on the Rebalancing Performance of the relevant Reference Asset during the period from (and including) the immediately preceding Rebalancing Date to (and including) the current Rebalancing Date, and the Basket Participation of each Reference Asset for the Rebalancing Period commencing on the current Rebalancing Date will correspond to the Basket Participation shown against the relevant ranking in

the applicable Final Terms.

Om "**Korgandel Momentum**" anges i de Slutliga Villkoren ska Korgandelen för varje Referensbolag initialt vara den andel som anges i tillämpliga Slutliga Villkor. Därefter ska Korgandelen ombalanseras vid varje Ombalanseringsdag med hänvisning till den relativa Ombalanseringvärdeutvecklingen för den relevanta Referenstillgången. Varje Referenstillgång kommer att ges en ranking baserad på Ombalanseringsvärdeutvecklingen för respektive Referenstillgång under perioden från och med den omedelbart föregående Ombalanseringsdagen till och med nuvarande Ombalanseringsdag och varje Referenstillgångs Korgandel under den Ombalanseringsperiod som påbörjas på nuvarande Ombalanseringsdag kommer att motsvara den Korgandel som anges för respektive ranking i Slutliga Villkoren.

If "**Accumulating Rainbow Basket Participation**" is specified as applicable in the Final Terms, the Basket Participation will be determined by reference to the relative Reference Asset Return. Each Reference Asset will be assigned a ranking on the Issue Date, as specified in the applicable Final Terms, and thereafter the Basket Participation will be recalculated on each Valuation Date based on the Reference Asset Return as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket Participation of each Reference Asset for the next following Valuation Period will be reset and correspond to the Basket Participation shown against the relative ranking in the applicable Final Terms.

Om "**Ackumulerande Rainbow Korgandel**" anges i de Slutliga Villkoren ska Korgandelen avgöras med hänvisning till den relativa Referenstillgångsvärdeutvecklingen. Varje Referenstillgång kommer att ges en ranking på Lånedatumet angiven i relevanta Slutliga Villkor. Därefter kommer Korgandelen att omräknas på varje Värderingsdag baserat på Referenstillgångsvärdeutvecklingen vilken fastställs av Emittenten i enlighet med relevant index i Punkt 6(a) (*Återbetalning på Förfallodagen*). Korgandelen för varje Referenstillgång för nästkommande Värderingsperiod kommer att återställas och motsvara den Korgandel som anges för respektive ranking i Slutliga Villkoren.

"**Basket Participation (Interest)**" means the Basket Participation of each Reference Entity (Interest), determined as follows:

"**Korgandel (Ränta)**" avser Korgandel för varje Referensbolag (Ränta), bestämd enligt följande:

If "**Fixed Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be the fixed percentage specified in the Final Terms in relation to the relevant Reference Entity (Interest).

Om "**Fast Korgandel (Ränta)**" anges i de Slutliga Villkoren ska Korgandelen (Ränta) vara den fasta procentsats som anges i de Slutliga Villkoren avseende det relevanta Referensbolaget (Ränta).

If "**Rainbow Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be determined by reference to the relative Reference Entity Return. Each Reference Entity (Interest) will be assigned a ranking based on the Reference Entity Return as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket Participation (Interest) of each Reference Entity (Interest) will correspond to the Basket Participation (Interest) shown against the relative ranking in the applicable Final Terms.

Om "**Rainbow Korgandel (Ränta)**" anges i de Slutliga Villkoren ska Korgandelen (Ränta) avgöras genom hänvisning till den relativa Referensbolagsvärdeutvecklingen. Varje Referensbolag (Ränta) kommer att ges en ranking baserad på Referensbolagsvärdeutvecklingen, vilken fastställs av Emittenten i enlighet med relevant index i Punkt 6(a) (*Återbetalning på Förfallodagen*) och varje Referensbolags (Ränta) Korgandel (Ränta) kommer att motsvara den Korgandel (Ränta) som anges för respektive ranking i Slutliga Villkoren.

If "**Replacement Cliquet Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be determined by reference to the relative Replacement Cliquet Performance of the relevant Reference Entity (Interest). Each Reference Entity (Interest) will be assigned a ranking based on the Replacement Cliquet Performance of the relevant Reference Entity (Interest) as determined by the Issuer in accordance with Condition 6(a)(xxiii) (*"Rainbow Replacement Cliquet" structure*), and the Basket Participation (Interest) of each Reference Entity (Interest) will correspond to the Basket Participation (Interest) shown against the relative ranking in the applicable Final Terms.

Om "**Korgandel Periodsumme (Ränta)**" anges i de Slutliga Villkoren ska Korgandelen (Ränta) bestämmas genom hänvisning till den relativa Ersättande Periodsummetvärdeutvecklingen för det relevanta Referensbolaget (Ränta). Varje Referensbolag (Ränta) kommer att ges en ranking baserad på Ersättande Periodsummetvärdeutvecklingen för respektive Referensbolag (Ränta), vilken fastställs av Emittenten i enlighet med Punkt 6(a)(xxiii) (*"Regnbåge Ersättande Periodsumme"-struktur*). Varje Referensbolags (Ränta) Korgandel (Ränta) kommer att motsvara den Korgandel (Ränta) som anges för respektive ranking i Slutliga Villkoren.

If "**Momentum Basket Participation (Interest)**" is specified as applicable in the relevant Final Terms, the

Basket Participation (Interest) of each Reference Entity (Interest) will initially be the value specified in the applicable Final Terms. Thereafter, the Basket Participation (Interest) will be rebalanced on each applicable Rebalancing Date by reference to the relative Rebalancing Performance of each Reference Entity (Interest). Each Reference Entity (Interest) will be assigned a ranking based on the Rebalancing Performance of the relevant Reference Entity (Interest) during the period from (and including) the immediately preceding Rebalancing Date to (and including) the current Rebalancing Date, and the Basket Participation (Interest) of each Reference Entity (Interest) for the Rebalancing Period commencing on the current Rebalancing Date will correspond to the Basket Participation (Interest) shown against the relevant ranking in the applicable Final Terms.

Om "**Korgandel Momentum (Ränta)**" anges i de Slutliga Villkoren ska Korgandelen (Ränta) för varje Referensbolag (Ränta) initialt vara den andel som anges i tillämpliga Slutliga Villkor. Därefter ska Korgandelen (Ränta) ombalanseras vid varje Ombalanseringsdag med hänvisning till den relativa Ombalanseringvärdeutvecklingen för det relevanta Referensbolaget (Ränta). Varje Referensbolag (Ränta) kommer att ges en ranking baserad på Ombalanseringsvärdeutvecklingen för respektive Referensbolag (Ränta) under perioden från och med den omedelbart föregående Ombalanseringsdagen till och med nuvarande Ombalanseringsdag och varje Referensbolags (Ränta) Korgandel (Ränta) under den Ombalanseringsperiod som påbörjas på nuvarande Ombalanseringsdag kommer att motsvara den Korgandel (Ränta) som anges för respektive ranking i Slutliga Villkoren.

If "**Accumulating Rainbow Basket Participation (Interest)**" is specified as applicable in the Final Terms, the Basket Participation (Interest) will be determined by reference to the relative Reference Asset Return (Interest). Each Reference Asset (Interest) will be assigned a ranking on the Issue Date, as specified in the applicable Final Terms, and thereafter the Basket Participation (Interest) will be recalculated on each Interest Determination Date based on the Reference Asset Return (Interest) as determined by the Issuer in accordance with the relevant performance structure specified in Condition 6(a) (*Redemption at Maturity*), and the Basket (Interest) of each Reference Asset (interest) for the next following Interest Period will be reset and correspond to the Basket Participation (Interest) shown against the relative ranking in the applicable Final Terms.

Om "**Ackumulerande Rainbow Korgandel (Ränta)**" anges i de Slutliga Villkoren ska Korgandelen (Ränta) avgöras med hänvisning till den relativa Referenstillgångsvärdeutvecklingen (Ränta). Varje Referenstillgång (Ränta) kommer att ges en ranking på Lånedatumet angiven i relevanta Slutliga Villkor. Därefter kommer Korgandelen (Ränta) att omräknas på varje Räntebestämningsdag baserat på

Referenstillgångsvärdeutvecklingen (Ränta) vilken fastställs av Emittenten i enlighet med relevant index i Punkt 6(a) (*Återbetalning på Förfallodagen*). Korgandelen (Ränta) för varje Referenstillgång (Ränta) för nästkommande Ränteperiod kommer att återställas och motsvara den Korgandel (Ränta) som anges för respektive ranking i Slutliga Villkoren.

"**Basket Strike Level**" as specified in the Final Terms;

"**Korglösennivå**" såsom närmare anges i Slutliga Villkor;

"**Business Day**"

(a) means in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Financial Centre; and

(b) means in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Centre of the relevant currency and in each (if any) Additional Financial Centre.

"**Bankdag**"

(a) avser, när en betalning ska ske i euro, en TARGET Avvecklingsdag och varje dag då affärsbanker och valutamarknader generellt kan avveckla betalningar i varje Ytterligare Finanscentrum (om sådant finns); och

(b) när en betalning ska ske i annan valuta än euro, dag då affärsbanker och valutamarknader generellt kan avveckla betalningar, i Huvudsakligt Finansiellt Centrum för den relevanta valutan och i varje Ytterligare Finanscentrum (om sådant finns);

"**Business Day Convention**" means the convention applicable for the purposes of adjusting a relevant day where the day would otherwise occur on a day which is not a Business Day. The adjustment may be made in accordance with any of the conventions listed below, and the applicable convention in respect of each Series of Notes will be specified in the relevant Final Terms;

"**Bankdagskonvention**" avser den konvention som är tillämplig för att justera en relevant dag om dagen annars skulle infalla på en dag som inte är en Bankdag. Justeringen kan göras i enlighet med någon av nedan angivna konventioner, och den konvention som är tillämplig för en specifik Serie kommer att anges i relevanta Slutliga Villkor.

Following Business Day:

where an Interest Payment Date or another relevant date occurs on a day which is not a Business Day, it shall be deferred to the immediately following Business Day;

Efterföljande Bankdag:

Om en Ränteförfallodag eller annan relevant dag infaller på en dag som inte är en Bankdag ska den skjutas upp till påföljande Bankdag.

Modified Following Business Day:

where an Interest Payment Date or another relevant date occurs on a day which is not a Business Day, it shall be deferred to the immediately following Business Day unless that day would fall in the next calendar month, in which case the Interest Payment Date or another relevant date shall occur on the immediately preceding Business Day;

Modifierad Efterföljande Bankdag:

Om en Ränteförfallodag eller annan relevant dag infaller på en dag som inte är en Bankdag ska den skjutas upp till påföljande Bankdag såvida inte den påföljande Bankdagen infaller under nästkommande kalendermånad. I sådant fall ska Ränteförfallodagen eller annan relevant dag infalla närmast föregående Bankdag.

Preceding Business Day:

where an Interest Payment Date occurs on a day which is not a Business Day, it shall instead occur on the immediately preceding Business Day;

Föregående Bankdag:

Om en Ränteförfallodag eller annan relevant dag infaller på en dag som inte är en Bankdag ska den istället infalla på närmast föregående Bankdag.

"**Calculation Adjustment**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Justerad Beräkning**"	såsom närmare anges i Del 2: *Särskilda villkor för vissa strukturerade Lån* i dessa Villkor;
"**Calculation Agent**"	the agent for the Issuer specified in the relevant Final Terms;
"**Beräkningsagent**"	den agent för Emittenten som anges i Slutliga Villkor;
"**Calculation Amount**"	has the meaning given in the relevant Final Terms;
"**Beräkningsbelopp**"	såsom närmare anges i Slutliga Villkor;
"**Call Barrier Level**"	as specified in the Final Terms;
"**Inlösenbarriärnivå**"	såsom närmare anges i Slutliga Villkor;
"**Cap Strike**"	means the value specified in the Final Terms;
"**Lösenpristak**"	såsom närmare anges i Slutliga Villkor;
"**Cap Strike Lower**"	means the value specified in the Final Terms;
"**Lösenpristak Lägre**"	såsom närmare anges i Slutliga Villkor;

"**Cap Strike Upper**"	means the value specified in the Final Terms;
"**Lösenpristak Övre**"	såsom närmare anges i Slutliga Villkor;
"**Change in Law**"	as specified in Condition 9 (*Change in Law*);
"**Ändring i Lag**"	såsom närmare anges i Punkt 9 (*Ändring i Lag*);
”**CDOR**”	the Interest Rate which, (1) at or about 11.00 am Toronto Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in CAD for the relevant period on the Toronto interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by Canadian commercial banks for loans in CAD for the relevant period on the Toronto interbank market;
”**CDOR**”	den räntesats som (1) kl. 11.00 CET aktuell dag publiceras på relevant Skärmsida (eller genom sådant annat system eller på sådan annan sida som ersätter nämnda system respektive sida) eller, om sådan notering inte finns, (2) vid nyss nämnda tidpunkt motsvarar (a) genomsnittet av Referensbankers erbjudna räntor till ledande affärsbanker i Toronto för depositioner i CAD för aktuell period på interbankmarknaden i Toronto eller, om endast ett eller inget sådant erbjudande ges – (b) den ränta ledande affärsbanker i Kanada erbjuder för utlåning i CAD för aktuell period på interbankmarknaden i Toronto;
"**CIBOR**"	the Interest Rate which, (1) at or about 11.00 am Central European Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in DKK for the relevant period on the Copenhagen interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by Danish commercial banks for loans in DKK for the relevant period on the Copenhagen interbank market;
"**CIBOR**"	Den räntesats som (1) kl. 11.00 CET aktuell dag publiceras på relevant Skärmsida (eller genom sådant annat system eller på sådan annan sida som ersätter nämnda system respektive sida) eller, om sådan notering inte finns, (2) vid nyss nämnda tidpunkt motsvarar (a) genomsnittet av Referensbankers erbjudna räntor till ledande affärsbanker i Danmark för depositioner i DKK för aktuell period på interbankmarknaden i Köpenhamn eller, om endast ett eller inget sådant erbjudande ges – (b) den ränta ledande affärsbanker i Köpenhamn erbjuder för utlåning i DKK för aktuell period på interbankmarknaden

	i Köpenhamn;
"**Clearing System**"	means one or more of Euroclear, Clearstream Luxembourg, Euroclear Finland, Euroclear Sweden, VP, VPS and SIS, as specified in the applicable Final Terms;
"**Clearinginstitut**"	avser någon eller några av Euroclear, Clearstream Luxembourg, Euroclear Finland, Euroclear Sverige, VP, VPS och SIS, såsom anges i Slutliga Villkor;
"**Closing Price**"	the value of the relevant Reference Asset at the Valuation Time on the applicable Rebalancing Date(s), Valuation Date(s), Observation Date(s), Risk Barrier Observation Date(s) or Initial Valuation Date(s), as determined by the Issuer by reference to the price source specified in the Final Terms;
"**Stängningskurs**"	avser värdet av relevant Referenstillgång vid Värderingstidpunkten på den eller de tillämpliga Ombalanseringsdagen/arna, Värderdingsdagen/arna, Observationsdagen/arna, Riskbarriärobservationsdag/arna eller Startdagen/arna, såsom fastställs av Emittenten med hänvisning till priskällan som närmare anges i Slutliga Villkor;
"**Component Security**"	means, in relation to an Index, each component security of the Index;
"**Indexkomponent**"	avser, i förhållande till ett Index, varje finansiellt instrument inom Indexet;
"**Correction**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Korrigering**"	såsom närmare anges i Del 2: *Särskilda villkor för vissa strukturerade Lån* i dessa Villkor;
"**Coupon**"	the value specified in the relevant Final Terms;
"**Kupong**"	såsom närmare anges i Slutliga Villkor;
"**Coupon 2**"	the value specified in the relevant Final Terms;
"**Kupong 2**"	såsom närmare anges i Slutliga Villkor;
"**Coupon Barrier Level**"	each coupon barrier level specified in the relevant Final Terms;
"**Kupongbarriärnivå**"	såsom närmare anges i Slutliga Villkor;
"**Coupon Rate**"	each coupon rate as specified in the relevant Final Terms;
"**Kupongnivå**"	såsom närmare anges i Slutliga Villkor;
"**Credit Event**"	means any of the events named as such in Part 3: *Additional Conditions for Credit-Linked Notes* to these Conditions, and specified as applicable to the relevant Notes in the applicable Final Terms;
"**Kredithändelse**"	avser varje händelse som angetts som en sådan i *Särskilda villkor för Kreditlänkade Lån* i dessa Villkor och som har angetts såsom tillämplig för de relevanta Lånen i de

tillämpliga Slutliga Villkoren;

"**Credit Event Ranked Weight**"	means the weighting assigned to the relevant Credit Event, as specified in the Final Terms;
"**Kredithändelserankad Vikt**"	avser viktningen som tilldelats den relevanta Kredithändelsen såsom anges i Slutliga Villkor;
"**Currency Business Day**"	means any day in which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre for the relevant currency. In respect of any transaction where the Notes and/or Reference Asset(s) are denominated in Euro, each TARGET Settlement Day shall be a Currency Business Day;
"**Handelsdag Valuta**"	avser varje dag då kommersiella banker är öppna (inklusive för handel och insättningar i utländsk valuta) i det huvudsakliga finansiella centrumet för den relevanta valutan. För varje transaktion där Lånen och/eller Referenstillgång/ar är angivna i Euro, ska varje TARGET Avvecklingsdag vara en Handelsdag Valuta;
"**Currency Business Day Convention**"	means the convention applicable for the purposes of adjusting a relevant day where the day would otherwise fall on a day which is not a Currency Business Day. The adjustment may be made in accordance with any of the conventions listed under "Business Day Convention" as if references therein to a "Business Day" were references to a Currency Business Day. Unless otherwise specified in the applicable Final Terms, the Currency Business Day Convention will be the same as the Business Day Convention;
"**Handelsdag Valutakonvention**"	avser den konvention som är tillämplig för att justera en relevant dag om dagen annars skulle infalla på en dag som inte är en Handelsdag Valuta. Justeringen kan göras i enlighet med någon av de konventioner som anges under Bankdagskonvention som om hänvisningar däri till ”Bankdag” var hänvisningar till Handelsdag Valuta. Om inte annat särskilt anges i tillämpliga Slutliga Villkor ska Handelsdag Valutakonvention vara detsamma som Bankdagskonvention.
"**Day Count Fraction**"	means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:
"**Dagberäkningsmetod**"	avser, vid beräkningen av ett belopp med avseende på en tidsperiod ("Beräkningsperioden"), den beräkningsgrund som anges i dessa Villkor eller de relevanta Slutliga Villkoren och:

(i) if "**Actual/Actual (ICMA)**" is so specified, means:

(i) om "**Actual/Actual (ICMA)**" anges som tillämplig, avses:"

(a) where the Calculation Period is equal to or shorter than the Regular Period

during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(a) om Beräkningsperioden är lika med eller Shortare än den Ordinarie Perioden till vilken den är hänförlig, det faktiska antalet dagar i Beräkningsperioden dividerat med produkten av (1) det faktiska antalet dagar i sådan Ordinarie Period och (2) antalet Ordinarie Perioder under ett år; och

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(b) om Beräkningsperioden är längre än en Ordinarie Period, summan av:

(A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(A) antalet dagar i sådan Beräkningsperiod som infaller under den Ordinarie Period i vilken den inleds dividerat med produkten av (1) det faktiska antalet dagar i sådan Ordinarie Period och (2) antalet Ordinarie Perioder under ett år; och

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

(B) det faktiska antalet dagar i sådan Beräkningsperiod som infaller under nästa Ordinarie Period dividerat med produkten av (1) det faktiska antalet dagar i sådan Ordinarie Period och (2) antalet Ordinarie Perioder under ett år;

(ii) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the

Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) Om "**Actual/Actual (ISDA)**" anges vara tillämplig, avses det faktiska antalet dagar i en Beräkningsperiod dividerat med 365 (eller, om någon del av Beräkningsperioden infaller under ett skottår, summan av (A) det faktiska antalet dagar i sådan del av Beräkningsperioden som infaller under ett skottår dividerat med 366 och (B) det faktiska antalet dagar i den del av Beräkningsperioden som löper under ett icke-skottår dividerat med 365);

(iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iii) om "**Actual/365 (Fixed)**" anges vara tillämplig, avses det faktiska antalet dagar i Beräkningsperioden dividerat med 365;

(iv) if "**Actual/365 (Sterling)**" is so specified, means the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap years, 366;

(iv) om "**Actual/365 (Sterling)**" anges vara tillämplig, avses det faktiska antalet dagar i Beräkningsperioden dividerat med 365 eller, vad avser en Räntebetalningsdag som infaller under ett skottår, 366;

(v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(v) om "**Actual/360**" anges vara tillämplig, avses det faktiska antalet dagar i Beräkningsperioden dividerat med 360;

(vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

(vi) om "**30/360**", "**360/360**" eller "**Bond Basis**" anges vara tillämplig, avses antalet dagar i Beräkningsperioden dividerat med 360, beräknat enligt följande formel;

Day Count Fraction =
Dagberäkningsmetod =

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

where:
vari:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_1**" är året, uttryckt som ett nummer, under vilket den första dagen i Beräkningsperioden infaller;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**Y_2**" är året, uttryckt som ett nummer, under vilket den dag som omedelbart efterföljer den sista dagen i Beräkningsperioden infaller;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_1**" är kalendermånaden, uttryckt som ett nummer, under vilken den första dagen i Beräkningsperioden infaller;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_2**" är kalendermånaden, uttryckt som ett nummer, under vilken den dag som omedelbart efterföljer den sista dagen i Beräkningsperioden infaller;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_1**" är den första kalenderdagen, uttryckt som ett nummer, i Beräkningsperioden, om inte sådant nummer skulle vara 31, i vilket fall D1 ska vara 30; och

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30";

"**D_2**" är den kalenderdag, uttryckt som ett nummer, som infallet direkt efter den sista dagen i Beräkningsperioden, om inte sådant nummer skulle vara 31 och D1 är större än 29, i vilket fall

D2 ska vara 30;

(vii) if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:
om "**30E/360**" eller "**Eurobond Basis**" anges vara tillämplig, avses antalet dagar i Beräkningsperioden dividerat med 360, beräknat enligt följande formel;

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

Day Count Fraction =

Dagberäkningsmetod =

where:

vari:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;
"**Y_1**" är året, uttryckt som ett nummer, under vilket den första dagen i Beräkningsperioden infaller;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**Y_2**" är året, uttryckt som ett nummer, under vilket den dag som omedelbart efterföljer den sista dagen i Beräkningsperioden infaller;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_1**" är kalendermånaden, uttryckt som ett nummer, under vilken den första dagen i Beräkningsperioden infaller;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_2**" är kalendermånaden, uttryckt som ett nummer, under vilken den dag som omedelbart efterföljer den sista dagen i Beräkningsperioden infaller;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_1**" är den första kalenderdagen, uttryckt som ett nummer, i Beräkningsperioden, om inte sådant

nummer skulle vara 31, i vilket fall D1 ska vara 30; och

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

"**D_2**" är den kalenderdag, uttryckt som ett nummer, som infaller direkt efter den sista dagen i Beräkningsperioden, om inte sådant nummer skulle vara 31, i vilket fall D2 ska vara 30; och

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

(viii) om "**30E/360 (ISDA)**" anges vara tillämplig, avses antalet dagar i Beräkningsperioden dividerat med 360, beräknat enligt följande formel;

Day Count Fraction =

Dagberäkningsmetod =

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

where:

vari:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_1**" är året, uttryckt som ett nummer, under vilket den första dagen i Beräkningsperioden infaller;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**Y_2**" är året, uttryckt som ett nummer, under vilket den dag som omedelbart efterföljer den sista dagen i Beräkningsperioden infaller;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_1**" är kalendermånaden, uttryckt som ett nummer, under vilken den första dagen i Beräkningsperioden infaller;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_2**" är kalendermånaden, uttryckt som ett nummer, under vilken den dag som omedelbart efterföljer den sista dagen i Beräkningsperioden infaller;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D_1**" är den första kalenderdagen, uttryckt som ett nummer, i Beräkningsperioden, om inte (i) sådan dag är sista dagen i februari eller (ii) sådant nummer skulle vara 31, i vilket fall D1 ska vara 30; och

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Redemption Date or (ii) such number would be 31, in which case D2 will be 30,

"**D_2**" är den kalenderdag, uttryckt som ett nummer, som infaller direkt efter den sista dagen i Beräkningsperioden, om inte (i) sådan dag är sista dagen i februari men inte utgör Återbetalningsdagen eller (ii) sådant nummer skulle vara 31, i vilket fall D2 ska vara 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period; dock med förbehåll för att i varje sådant fall beräknas antalet dagar i Beräkningsperioden från och med den första dagen i Beräkningsperioden till, men exklusive, den sista dagen i Beräkningsperioden;

"**Regular Period**" means:

"**Ordinarie Period**" avser:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from but excluding the Interest Commencement Date to and including the first Interest Payment Date and each successive period from but excluding one Interest Payment Date to and including the next Interest Payment Date;

(i) med avseende på Lån för vilka ränta avses att betalas endast på sedvanligt sätt, varje period från, men exklusive, Startdatum för Ränta som infaller under ett år till och med den första Räntebetalningsdagen och varje efterföljande period från, men exklusive, en Räntebetalningsdag till och med nästa

Räntebetalningsdag;

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

(ii) med avseende på Lån för vilka, förutom avseende den första Ränteperioden, ränta avses att erläggas endast genom regelbundna betalningar, varje period från men exklusive ett Ordinarie Datum som infaller under ett år till och med nästa Ordinarie Datum, där "**Ordinarie Datum**" avser den dag och månad (men inte år) på vilken en Räntebetalningsdag infaller; och

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

(iii) med avseende på Lån för vilka, förutom avseende den första Ränteperioden, ränta avses att erläggas endast genom regelbundna betalningar, varje period från men exklusive ett Ordinarie Datum som infaller under ett år till, men exklusive, nästa Ordinarie Datum, där "**Ordinarie Datum**" avser den dag och månad (men inte år) på vilken en Räntebetalningsdag infaller förutom Räntebetalningsdagen som infaller i slutet av den oregelbundna Ränteperioden;

"**Dealer**"/"**Dealers**"	NBAB, Nordea Bank Danmark A/S, NBF and Nordea Bank Norge ASA or any other dealer as appointed in respect of an issue of Notes under the Programme;
"**Emissionsinstitut**"	NBAB, Nordea Bank Danmark A/S, NBF and Nordea Bank Norge ASA eller sådant annat institut som utses för respektive emission av Lån under Programmet;
"**Denomination**"	the denomination of the Notes as specified in the Final Terms;
"**Valör**"	såsom närmare anges i Slutliga Villkor;
"**Designated Maturity**"	as specified in the Final Terms;
"**Avsedd Återbetalningsdag**"	såsom närmare anges i Slutliga Villkor;
"**Early Redemption Amount**"	as specified in the Final Terms;

"**Förtida Återbetalningsbelopp**"	såsom närmare anges i Slutliga Villkor;
"**Early Redemption Date**"	the Interest Payment Date(s) or other such date(s) as specified in the Final Terms on which the Notes may be redeemed prior to their Scheduled Redemption Date in accordance with the Conditions;
"**Förtida Återbetalningsdag**"	avser Räntebetalningsdag/ar eller sådana andra dagar som anges i Slutliga Villkor på vilka Lån kan inlösas före den Planerade Återbetalningsdagen enligt Villkoren;
"**EURIBOR**"	the Interest Rate which (1) at 11:00 am Central European Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates quoted by European Reference Banks to leading commercial banks in Europe for deposits in Euro for the relevant period or, where only one or no such quotation is given, (b) the Issuing Agent's (where applicable, Calculation Agent's) or Issuer's assessment of the Interest Rate offered by leading commercial banks in Europe for loans in Euro in respect of the relevant period on the European interbank market;
"**EURIBOR**"	den Räntesats som (1) kl. 11.00 centraleuropeisk tid aktuell dag publiceras på relevant Skärmsida för aktuell period (eller genom annat system eller på annan sida som ersätter nämnda system respektive sida) eller – om sådan notering ej finns (2) vid nyssnämnda tidpunkt motsvarar (a) genomsnittet av Europeiska Referensbankers offererade räntor till ledande affärsbanker i Europa för insättningar i euro för aktuell period – eller – om endast en eller ingen sådan offert ges – (b) Administrerande Instituts (i förekommande fall Beräkningsagents) eller Emittentens bedömning av den ränta som ledande affärsbanker i Europa erbjuder för lån i euro för aktuell period på interbankmarknaden i Europa;
"**Euroclear Finland**"	Euroclear Finland Ltd.;
"**Euroclear Finland**"	Euroclear Finland Ltd.;
"**Euroclear Sweden**"	Euroclear Sweden AB;
"**Euroclear Sweden**"	Euroclear Sweden AB;
"**European Reference Banks**"	four major commercial banks which, at the time in question, quote EURIBOR and are appointed by an Issuing Agent (or, where applicable, the Calculation Agent) or the Issuer;
"**Europeiska Referens-banker**"	fyra större affärsbanker som vid aktuell tidpunkt kvoterar EURIBOR och som utses av Administrerande Institut (i förekommande fall av Beräkningsagenten) eller Emittenten;
"**Exchange Business Day**"	means any Scheduled Trading Day on which each Relevant Exchange and each Options or Futures Exchange is open for trading during its regular trading

	sessions;
"**Börsdag**"	avser en Planerad Handelsdag på vilken varje Relevant Börs och varje Options- eller Terminsbörs är öppna för vanlig handel och (i förhållande till Index) på vilken Indexsponsorn publicerar indexnivåer;
"**Extraordinary Events**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Särskilda händelser**"	såsom anges i Del 2: *Särskilda Villkor för vissa Strukturerade Lån* till dessa Villkor;
"**Final CPI**"	the value of the relevant Inflation Rate as determined at the Valuation Time on the Valuation Date(s);
"**Slutligt KPI**"	värdet av den relevanta Inflationstakten så som det bestäms vid Värderingstidpunkten på Värderingsdagen;
"**Final Currency Value**"	as specified in the Final Terms;
"**Slutvärde Valuta**"	såsom närmare anges i Slutliga Villkor;
"**Final FX Rate**"	unless otherwise specified in these Conditions means the FX Rate, or the average value of the FX Rate at the FX Valuation Time, on the applicable FX Valuation Date(s) specified in the Final Terms;
"**Slutlig Valutakurs**"	avser, om inte annat anges i Slutliga Villkor, Valutakursen, eller det genomsnittliga värdet av Valutakursen vid Värderingstidpunkt Valuta, på den tillämpliga Värderingsdagen Valuta eller de tillämpliga Värderingsdagarna Valuta, såsom anges i Slutliga Villkor;
"**Final FX Rate (Interest)**"	unless otherwise specified in these Conditions the Final Terms means the FX Rate (Interest), or the average value of the FX Rate (Interest) at the FX Valuation Time (Interest), on the applicable FX Valuation Date(s) (Interest) specified in the Final Terms;
"**Slutlig Valutakurs (Ränta)**"	avser, om inte annat anges i Slutliga Villkor, Valutakursen (Ränta), eller det genomsnittliga värdet av Valutakursen (Ränta) på Värderingstidpunkt Valuta (Ränta), på den tillämpliga Värderingsdagen Valuta (Ränta) eller de tillämpliga Värderingsdagarna Valuta (Ränta), såsom anges i Slutliga Villkor;
"**Final Price**"	unless otherwise specified in the Final Terms, means the Closing Price (or, if Valuation Date Averaging is specified in the Final Terms, the average of the Closing Prices), for the relevant Reference Asset, on the Valuation Date(s) (or on the Averaging Dates applicable to the relevant Valuation Date(s)), Observation Date(s), Risk Barrier Observation Date(s) or Interest Determination Date(s), specified in the Final Terms;
"**Slutkurs**"	avser, om inte annat anges i Slutliga Villkor, Stängningskursen (eller, om Värderingsdag Medelvärdesberäkning är specificerat i Slutliga Villkor, genomsnittet av Stängningskurserna), för den relevanta Referenstillgången på Värderingsdagen(-arna) (eller på Medelvärdesberäkningsdagarna som är tillämpliga på relevant(a) Värderingsdag(ar)), Observationsdagen(-arna), Riskbarriärobservationsdag(-arna) eller Räntebestämningsdagen(-arna), såsom anges i Slutliga

	Villkor;
"**Fixed Interest Amount**"	means the amount specified in the Final Terms;
"**Bestämt Räntebelopp**"	avser det beloppet som specificerats i Slutliga Villkor;
"**Fixed Price**"	as specified in the Final Terms;
"**Fastställd Kurs**"	såsom närmare anges i Slutliga Villkor;
"**Fixed Rate Notes**"	has the meaning given to it in Condition 5(a) (*Interest – Fixed Rate*);
"**Fasträntelån**"	såsom närmare anges i Punkt 5(a) (*Ränta – Fast Räntesats*);
"**Fixed Recovery Value**"	as specified in the relevant Final Terms;
"**Fast Återbetalningsbelopp**"	såsom närmare anges i Slutliga Villkor;
"**Floating Rate Notes**"	has the meaning given to it in Condition 5(d) (*Interest – FRNs (Floating Rate Notes)*);
"**FRN (Floating Rate Notes)**"/ "**Lån med Rörlig Ränta**"	såsom definierat i Punkt 5(d) (*Ränta – FRNs (Floating Rate Notes)*);
"**Floor Strike**"	means the value specified in the applicable Final Terms;
"**Lösenprisgolv**"	avser det värde såsom närmare anges i Slutliga Villkor;
"**Floor Strike Lower**"	means the value specified in the applicable Final Terms;
"**Lösenprisgolv Lägre**"	avser det värde såsom närmare anges i Slutliga Villkor;
"**Floor Strike Upper**"	means the value specified in the applicable Final Terms;
"**Lösenprisgolv Högre**"	avser det värde såsom närmare anges i Slutliga Villkor;
"**FRN Participation Ratio**"	as specified in the Final Terms;
"**FRN Deltagandegrad**"	såsom närmare anges i Slutliga Villkor;
"**Fund**"	as specified in the Final Terms;
"**Fond**"	såsom närmare anges i Slutliga Villkor;
"**Fund Event**"	has the meaning specified in Part 4: *Additional Conditions for Fund-Linked Notes* to these Conditions;
"**Fondhändelse**"	såsom definierat i Del 4: *Särskilda villkor för Fondobligationer* till dessa Villkor;
"**Fund-Linked Notes**"	means Notes in respect of which the Reference Asset(s) consist(s) of units or shares in a fund (or funds), as further specified in the relevant Final Terms;
"**Fondobligationer**"	avser Lån med Referenstillgång(ar) bestående av fondandelar, såsom närmare anges i Slutliga Villkor;
"**FX Factor**"	means, if "FX Factor-Long" is specified in the applicable Final Terms, the value obtained by dividing the Final FX Rate by the Initial FX Rate or, if "FX Factor-Short" is specified in the Final Terms, the value obtained by dividing the Initial FX Rate by the Final FX Rate;

"**Valutafaktor**"	avser, om "Valutafaktor Long" är specificerat i tillämpliga Slutliga Villkor, värdet som erhålls genom att dividera Slutlig Valutakurs med Valutastartkurs eller, om "Valutafaktor Short" är specificerat i tillämpliga Slutliga Villkor, värdet som erhålls genom att dividera Valutastartkurs med Slutlig Valutakurs;
"**FX Factor (Interest)**"	means, if "FX Factor (Interest) Long" is specified in the applicable Final Terms, the value obtained by dividing the Final FX Rate (Interest) by the Initial FX Rate (Interest) or, if "FX Factor (Interest) Short" is specified in the Final Terms, the value obtained by dividing the Initial FX Rate (Interest) by the Final FX Rate (Interest);
"**Valutafaktor (Ränta)**"	avser, om "Valutafaktor (Ränta) Long" är specificerat i tillämpliga Slutliga Villkor, värdet som erhålls genom att dividera Slutlig Valutakurs (Ränta) med Valutastartkurs (Ränta) eller, om "Valutafaktor (Ränta) Short" är specificerat i tillämpliga Slutliga Villkor, värdet som erhålls genom att dividera Valutastartkurs (Ränta) med Slutlig Valutakurs (Ränta);
"**FX Rate**"	means the currency exchange rate (which may be calculated on the basis of a combination of rates) specified in the relevant Final Terms, as displayed on the price source(s) specified in such Final Terms;
"**Valutakurs**"	avser den valutaväxlingskurs (som kan vara baserad på en kombination av kurser) angivna i tillämpliga Slutliga Villkor, som visas på sådan(a) priskälla(or) som närmare anges i Slutliga Villkor;
"**FX Rate (Interest)**"	means the currency exchange rate (which may be calculated on the basis of a combination of rates) specified in the relevant Final Terms, as displayed on the price source(s) specified in such Final Terms;
"**Valutakurs (Ränta)**"	avser den valutaväxlingskurs (som kan vara baserad på en kombination av kurser) angivna i tillämpliga Slutliga Villkor, som visas på sådan(a) priskälla(or) som närmare anges i Slutliga Villkor;
"**FX Valuation Date(s)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;
"**Värderingsdag(ar) Valuta**"	det eller de datum som närmare anges i Slutliga Villkor, justerat i enlighet med Handelsdag Valutakonvention;
"**FX Valuation Date(s) (Interest)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;
"**Värderingsdag(ar) Valuta (Ränta)**"	det eller de datum som närmare anges i Slutliga Villkor, justerat i enlighet med Handelsdag Valutakonvention;
"**FX Valuation Time**"	as specified in the applicable Final Terms;
"**Värderingstidpunkt Valuta**"	såsom närmare anges i Slutliga Villkor;
"**FX Valuation Time (Interest)**"	as specified in the applicable Final Terms;
"**Värderingstidpunkt Valuta**	såsom närmare anges i Slutliga Villkor;

(Ränta)"

"**Hedge Proceeds**"	means the amount(s) received by the Issuer or other applicable Hedging Party as a result of unwinding any hedge position entered into by the Issuer or relevant Hedging Party in order to hedge any obligation of the Issuer to make payments in respect of the Notes;
"**Riskhanteringsintäkter**"	avser det beloppet som Emittenten eller någon annan Riskhanterande Part uppbär till följd av avslutandet av en riskhanteringstransaktion som ingåtts av Emittenten eller någon annan Riskhanterande Part i syfte att riskhantera skyldigheten för Emittenten att göra återbetalningar i förhållande till Lånen;
"**Hedge Transaction**"	means any transaction or trading position entered into or held by the Issuer and/or any of its Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Notes or any hypothetical transaction or trading position relating to the Issuer's obligations or positions (whether in whole or in part) in respect of the Notes, as determined by the Issuer in its sole discretion;
"**Riskhanteringstransaktion**"	avser en transaktion eller handelsposition ingången av Emittenten eller någon av dess närstående i syfte att direkt eller indirekt säkra Emittentens förpliktelser eller investeringar (helt eller delvis) i förhållande till Lånen eller någon hypotetisk transaktion eller investering avseende Emittentens förpliktelser eller investeringar (helt eller delvis) i förhållande till Lånen, som beslutas av Emittenten, enligt dennes självständiga bedömning;
"**Hedging Disruption**"	as specified in Condition 11 (*Hedging Disruption*);
"**Avbrott i Riskhantering**"	såsom närmare anges i Villkor 11 (*Avbrott i Riskhantering*);
"**Hedging Party**"	means any of the Issuer, any other entity within the Nordea Group (as selected by the Issuer from time to time in its sole discretion), or a hypothetical investor located in Denmark, Finland or Sweden, that will be deemed to hold the Reference Assets;
"**Riskhanterade Part**"	avser någon av Emittenterna, en annan entitet inom Nordea-koncernen som från tid till annan utsetts av Emittenten (enligt Emittentens självständiga bedömning), eller en hypotetisk investerare i Danmark, Finland eller Sverige, som ska anses hålla Referenstillgångarna;
"**Holder**"	a person or entity identified as the holder of one or more Notes in accordance with these Conditions;
"**Innehavare**"	en person som identifierats som innehavare av ett eller flera Lån i enlighet med dessa Villkor;
"**Increased Costs**"	has the meaning specified in Condition 10 (*Increased Costs of Hedging*);
"**Ökade Kostnader**"	såsom definierat i Punkt 10 (*Ökade Riskhanteringskostnader*);

"**Index Sponsor**"	means the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Index and (b) customarily announces (directly or through an agent) the level of the relevant Index on a regular basis during each Scheduled Trading Day;
"**Indexsponsor**"	avser det bolag eller den entitet som (a) ansvarar för att fastställa och att överse de regler och metoder som används för beräkna och justera (om tillämpligt) ett Index (b) direkt eller genom en agent regelbundet annonserar nivån på ett Index på varje Planerad Handelsdag;
"**Inflation-Linked Interest**"	the amount of interest determined in accordance with Condition 5(e) (*Interest-Inflation-Linked*);
"**Inflationslänkad Ränta**"	Det räntebelopp som fastställs i enlighet med Punkt 5(e) (*Inflationslänkad Ränta*);
"**Inflation-Linked Interest Notes**"	Notes that bear Inflation-Linked Interest;
"**Inflationslänkade Räntebärande Lån**"	Lån som uppbär Inflationslänkad Ränta;
"**Inflation Rate**"	the inflation rate specified as the Reference Asset (Interest) as specified in the Final Terms;
"**Inflationstakt**"	inflationstakten som är specificerad som Referenstillgång (Ränta) i Slutliga Villkor;
"**Initial Basket Level**"	as specified in the Final Terms;
"**Korgs Startvärde**"	såsom närmare anges i Slutliga Villkor;
"**Initial FX Rate**"	unless otherwise specified in the Final Terms means the FX Rate, or the average value of the FX Rate, at the FX Valuation Time, on the applicable Initial FX Valuation Date(s) as specified in the Final Terms;
"**Valutastartkurs**"	om inte annat anges i Slutliga Villkor, Valutakursen, eller genomsnittet av Valutakursen, vid Värderingstidpunkt Valuta, på tillämplig Startdag Valuta såsom närmare anges i Slutliga Villkor;
"**Initial FX Rate (Interest)**"	unless otherwise specified in the Final Terms means the FX Rate (Interest), or the average value of the FX Rate (Interest), at the FX Valuation Time (Interest), on the applicable Initial FX Valuation Date(s) (Interest), as specified in the Final Terms;
"**Valutastartkurs (Ränta)**"	avser, om inte annat anges i de Slutliga Villkoren, Valutakursen (Ränta), eller genomsnittet av Valutakursen (Ränta), på Värderingstidpunkt Valuta (Ränta), på tillämplig Startdag Valuta (Ränta) såsom närmare anges i Slutliga Villkor;
"**Initial FX Valuation Date(s)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;
"**Startdag(ar) Valuta**"	det eller de datum som närmare anges i Slutliga Villkor,

	justerat i enlighet med Handelsdag Valutakonvention;
"**Initial FX Valuation Date(s) (Interest)**"	the date(s) specified in the Final Terms, as adjusted in accordance with the Currency Business Day Convention;
"**Startdag(ar) Valuta (Ränta)**"	det eller de datum som närmare anges i Slutliga Villkor, justerat i enlighet med Handelsdag Valutakonvention;
"**Initial Price**"	unless otherwise specified in these Conditions, means the Closing Price (or, if Initial Valuation Date Averaging is specified in the Final Terms, the average of the Closing Prices), of the relevant Reference Asset on the Initial Valuation Date(s) (or on the Averaging Dates applicable to the relevant Initial Valuation Date(s)), as specified in the Final Terms;
"**Startkurs**"	om inte annat anges i Slutliga Villkor, Stängningskursen (eller, om Startdag Medelvärdesberäkning anges i Slutliga Villkor, genomsnittet av Stängningskurserna), för den relevanta Referenstillgången på Startdagen (eller på Medelvärdesberäkningsdagarna som tillämpas på den relevanta Startdagen) såsom närmare anges i Slutliga Villkor;
"**Initial Valuation Date**"	the date or date(s) specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if Initial Valuation Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to the Initial Valuation Date shall, where the context so admits, also include reference to any related Averaging Dates;
"**Startdag**"	det eller de datum som närmare anges i Slutliga Villkor (justerade i enlighet med Planerad Handelsdagskonvention) och, om Startdag Medelvärdesberäkning anges som tillämpligt i Slutliga Villkor, ska, när sammanhanget så tillåter, hänvisning i dessa Villkor till Startdag innefatta en hänvisning till tillhörande Medelvärdesberäkningsdagar;
"**Instalment Amount**"	means, in relation to an Instalment Note, the amount of each instalment as may be specified in, or determined in accordance with the provisions of, the Final Terms. To the extent that an Instalment Amount requires determination, such amount may be determined by the Calculation Agent;
"**Amorteringsbelopp**"	avser, för ett Amorteringslån, beloppet för respektive amortering såsom närmare anges i, eller bestäms i enlighet med, Slutliga Villkor. För det fall ett Amorteringsbelopp behöver fastställas äger Beräkningsagenten rätt att fastställa detta.
"**Instalment Date**"	as specified in the Final Terms;
"**Amorteringsdag**"	såsom närmare anges i Slutliga Villkor;
"**Interest Base Rate**"	EURIBOR, STIBOR, LIBOR, NIBOR, CIBOR, CDOR or the Nordea Own Funds Rate, as may be specified in the Final Terms;

"**Basränta**"	EURIBOR, STIBOR, LIBOR, NIBOR, CIBOR, CDOR eller Nordeas Upplåningsränta såsom närmare anges i Slutliga Villkor;
"**Interest Commencement Date**"	as specified in the Final Terms;
"**Startdatum för Ränta**"	såsom närmare anges i Slutliga Villkor;
"**Interest Determination Date**"	the day which occurs two Business Days prior to the first day in each Interest Period, or such other date(s) as may be specified in the Final Terms;
"**Räntebestämningsdag**"	den dag som infaller två Bankdagar före den första dagen i Ränteperioden, eller sådant annat datum såsom närmare anges i Slutliga Villkor;
"**Interest Margin**"	as specified in the Final Terms;
"**Räntemarginal**"	såsom närmare anges i Slutliga Villkor;
"**Interest Payment Date(s)**"	the date(s) specified in the Final Terms;
"**Räntebetalningsdag**"	det eller de datum som närmare anges i Slutliga Villkor;
"**Interest Period**"	(i) with respect to the first Interest Period, the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date; and (ii) with respect to subsequent Interest Periods, the period commencing on (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date **provided that** in the case of Swedish Notes, the period beginning on (but excluding) the Interest Commencement Date and ending on (and including) the first Interest Payment Date and each period on (but excluding) an Interest Payment Date and ending on (and including) the next Interest Payment Date shall be the relevant Interest Period;
"**Ränteperiod**"	(i) avseende den första Ränteperioden, perioden från (och med) Startdatum för Ränta till (men exklusive) den första Räntebetalningsdagen och (ii) avseende efterföljande Ränteperioder, perioden som inleds på (och inklusive) en Räntebetalningsdag till (men exklusive) nästa Räntebetalningsdag, under förutsättning, vad gäller de svenska Lånen, att perioden vilken börjar på (men exkluderar) Startdatum för Ränta och slutar på (och inkluderar) den inledande Räntebetalningsdagen och varje period vilken börjar på (men exkluderar) en Räntebetalningsdag och slutar på (men inkluderar) nästa Räntebetalningsdag ska vara den relevanta Ränteperioden.
"**Interest Rate**"	as specified in the Final Terms in respect of Fixed Rate Notes or as specified in Condition 5(d) (*Interest – FRNs (Floating Rate Notes))* in the case of Floating Rate Notes;
"**Räntesats**"	såsom närmare anges i Slutliga Villkor avseende Fasträntelån eller som anges i Punkt 5(c) (*Ränta – FRNs (Lån med Rörlig Ränta*) för Lån med Rörlig Ränta;
"**Issue Date**"	as specified in the Final Terms or if such day is not a Business Day, as determined in accordance with the

	applicable Business Day Convention;
"**Lånedatum**"	såsom närmare anges i Slutliga Villkor eller, om sådan dag inte är en Bankdag, såsom fastställs i enlighet med tillämplig Bankdagskonvention;
"**Issuing Agent**"	as specified in the Final Terms;
"**Administrerande Institut**"	såsom närmare anges i Slutliga Villkor;
"**LIBOR**"	the Interest Rate which, (1) at or about 11.00 am London Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in the Specified Currency for the relevant period on the London interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by London commercial banks for loans in the Specified Currency for the relevant period on the London interbank market;
"**LIBOR**"	Räntesatsen som (1) klockan 11.00 eller omkring klockan 11.00 GMT på den relevanta dagen publiceras på relevant Skärmsida för den relevanta perioden (eller genom sådant annat system eller på sådan annan sida som ersätter det tidigare nämnda systemet) eller, i avsaknad av sådan notering, Räntesatsen som (2) vid den tidigare nämnda tidpunkten motsvarar (a) det genomsnittliga värdet av de räntesatser för insättningar i Angiven Valuta för den relevanta perioden på Londons interbankmarknad som erbjuds av Referensbankerna eller, där bara ett eller inga erbjudande ges (b) den Räntesats som enligt Emittentens uppfattning erbjuds av Londons affärsbanker för lån i Angiven Valuta för den relevanta perioden på Londons interbankmarknad;
"**Lock-in Level**"	as specified in the Final Terms;
"**Inlåsningsnivå**"	såsom närmare anges i Slutliga Villkor;
"**Lookback Factor**"	as specified in the Final Terms;
"**Lookback-Faktor**"	såsom närmare anges i Slutliga Villkor;
"**Lookback Return**"	means either the Basket Return or the Reference Asset Return, as specified in the relevant Final Terms. The Basket Return or Reference Asset Return will, in each case, be calculated in accordance with the relevant performance structure specified in the Final Terms.
"**Lookback-Avkastning**"	avser antingen Korgavkastningen eller Referenstillgångsavkastningen, såsom närmare anges i relevanta Slutliga Villkor. Korgavkastningen eller Referenstillgångsavkastningen kommer, i vart och ett av fallen, beräknas i enlighet med den relevanta värdeutvecklingsstruktur som närmare anges i Slutliga Villkor;

"**Market Disruption**"	as specified in Part 2: *Additional Conditions for Certain Structured Notes* to these Conditions;
"**Marknadsavbrott**"	såsom anges i Del 2: *Särskilda Villkor för vissa Strukturerade Lån* till dessa Villkor;
"**Market Recovery Value**"	means the final price for deliverable obligations of the relevant Reference Entity or Reference Entity (Interest), as applicable, as determined in accordance with any applicable auction process or other valuation methodology administered or endorsed by or on behalf of the International Swaps and Derivatives Association, Inc., or any successor organisation, or in the absence of such a price, the value determined by the Issuer acting in good faith and in a commercially reasonable manner;
"**Marknadsåtervinningsvärde**"	avser det slutliga priset för leveransåtaganden av relevant Referensbolag eller Referensbolag (Ränta), i tillämpliga delar, som bestämts i enlighet med tillämplig auktionsprocess eller annan värderingsmetod administrerad eller förordad av International Swaps and Derivatives Association, Inc., eller efterträdande organisation, eller i frånvaro av ett sådant pris, värdet bestämt av Emittenten under förutsättning att denne handlar bona fide och på ett affärsmässigt rimligt sätt;
"**Maximum Basket Return**"	as specified in the Final Terms;
"**Maximal Korgavkastning**"	såsom närmare anges i Slutliga Villkor;
"**Maximum Interest Rate**"	as specified in the Final Terms;
"**Maximal Räntesats**"	såsom närmare anges i Slutliga Villkor;
"**Maximum Performance**"	in respect of each Reference Asset, the percentage specified in the Final Terms;
"**Maximal Värdeutveckling**"	avseende respektive Referenstillgång, procentsatsen såsom närmare anges i Slutliga Villkor;
"**Maximum Redemption Amount**"	as specified in the relevant Final Terms;
"**Högsta Återbetalningsbelopp**"	såsom närmare anges i Slutliga Villkor;
"**Minimum Basket Return**"	as specified in the Final Terms;
"**Lägsta Korgavkastning**"	såsom närmare anges i Slutliga Villkor;
"**Minimum Interest Rate**"	as specified in the Final Terms;
"**Lägsta Räntesats**"	såsom närmare anges i Slutliga Villkor;
"**Minimum Redemption Amount**"	as specified in the relevant Final Terms;
"**Lägsta Återbetalningsbelopp**"	såsom närmare anges i Slutliga Villkor;
"**Minimum Redemption Percentage**"	means the minimum redemption amount expressed as a percentage of the Principal Amount of the Notes;
"**Lägsta Återbetalningsprocentsats**"	avser det lägsta återbetalningsbeloppet uttryckt som en procentsats av Lånens Kapitalbelopp;

"**N**"	as specified in the Final Terms;
"**N**"	såsom närmare anges i Slutliga Villkor;
"**New York Banking Day**"	a day on which commercial banks and foreign exchange markets are generally open for business in New York City;
"**Bankdag New York**"	dag på vilken affärsbanker och valutamarknader normalt har öppet i New York;
"**NIBOR**"	the Interest Rate which, (1) at or about 12.00 pm Oslo Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in NOK for the relevant period on the Oslo interbank market as quoted by the Reference Banks or, where only one or no such quotation is given (b) the Issuer's determination of the Interest Rate offered by Norwegian commercial banks for loans in NOK for the relevant period on the Oslo interbank market;
"**NIBOR**"	Räntesatsen som (1) klockan 12.00 eller omkring klockan 12.00 CET på den relevanta dagen publiceras på relevant Skärmsida för den relevanta perioden (eller genom sådant annat system eller på sådan annan sida som ersätter det tidigare nämnda systemet) eller, i avsaknad av sådan notering, Räntesatsen som (2) vid den tidigare nämnda tidpunkten motsvarar (a) det genomsnittliga värdet av de räntesatser för insättningar i NOK för den relevanta perioden på Oslos interbankmarknad som erbjuds av Referensbankerna eller, där bara ett eller inga erbjudande ges (b) den Räntesats som enligt Emittentens uppfattning erbjuds av Londons affärsbanker för lån i NOK för den relevanta perioden på Oslos interbankmarknad.
"**Nordea Group**"	NBAB and its subsidiaries, licensed to carry on financing business in their respective country of domicile;
"**Nordeakoncernen**"	NBAB och dess dotterbolag vilka har tillstånd att bedriva finansieringsverksamhet i det land i vilket respektive bolag har sin hemvist;
"**Nordea Own Funds Rate**"	means the cost to the Nordea Group of obtaining funding in the Specified Currency for a term equivalent to the relevant Interest Period, as determined by the relevant Issuer on each relevant Interest Determination Date;
"**Nordeas Upplåningsränta**"	avser kostnaden för Nordeakoncernen att låna upp medel i Angiven Valuta med en löptid motsvarande Ränteperioden, vilken fastställs av Emittenten på respektive Räntebestämningsdag;
"**Notes**"	debt instruments which form part of a Series issued by the Issuer under this Programme, with the terms and conditions specified in the relevant Final Terms and these Conditions;

"**Lån**"	skuldebrev vilka utgör en del av en Serie emitterad av Emittenten under detta Program, i enlighet med de villkor som framgår av Slutliga Villkor och dessa Allmänna Villkor;
"**NTOM Period**"	means the period from and including the Issue Date to (but excluding the initial TOM Calculation Start Date, and thereafter each period from (but excluding) a TOM Calculation End Date to (and including) the next following TOM Calculation Start Date;
"**NTOM-Period**"	avser perioden från och med Lånedatum till, men exklusive, första TOM Inledande Beräkningsdag, och därefter varje period från, men exklusive, en TOM Slutlig Beräkningsdag till och med nästkommande TOM Inledande Beräkningsdag;
"**Number of Business Days**"	means the Number of Business Days specified in the Final Terms;
"**Antal Bankdagar**"	avser det Antal Bankdagar som närmare anges i Slutliga Villkor;
"**Number of Exchange Business Days**"	means the number of Exchange Business Days specified in the Final Terms or, if the Final Terms do not specify the relevant number, three (3) Exchange Business Days;
"**Antal Börsdagar**"	avser det antal Börsdagar som specificeras i de Slutliga Villkoren eller, om de Slutliga Villkoren inte specificerar det relevanta antalet, tre (3) Börsdagar.
"**Observation Date**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Observationsdag**"	de datum som närmare anges i Slutliga Villkor (justerat i enlighet med Planerad Handelsdagkonvention);
"**Observation End Date**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Slutlig Observationsdag**"	de datum som närmare anges i Slutliga Villkor (justerade med Planerad Handelsdagskonvention);
"**Observation Start Date**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Inledande Observationsdag**"	de datum som närmare anges i Slutliga Villkor (justerade i enlighet med Planerad Handelsdagskonvention);
"**Options or Futures Exchange**"	means each exchange or quotation system specified in the Final Terms or, if "All Exchanges" is specified in the Final Terms, each exchange or quotation system where trading has a material effect (as determined by the Issuer) on the overall market for futures or options contracts relating to the relevant Reference Asset(s);
"**Options- eller Terminsbörs**"	avser varje sådan börs eller sådant system för noteringar som närmare anges i Slutliga Villkor eller, om "Samtliga Börser" är angivet i Slutliga Villkor, varje sådan börs eller sådant system för notering där handeln har en väsentlig inverkan (enligt Emittentens uppfattning) på den sammanlagda marknaden för terminer och optioner

	avseende den relevanta Referenstillgången;
"**Original Calculation" Amount**	the Calculation Amount specified in the applicable Final Terms.
"**Ursprungligt Beräkningsbelopp**"	det Beräkningsbelopp som specificeras i tillämpliga Slutliga Villkor;
"**Participation Ratio**"	as specified in the Final Terms;
"**Deltagandegrad**"	såsom närmare anges i Slutliga Villkor;
"**Participation Ratio 2**"	as specified in the Final Terms;
"**Deltagandegrad 2**"	såsom närmare anges i Slutliga Villkor;
"**Participation Ratio 3**"	as specified in the Final Terms;
"**Deltagandegrad 3**"	såsom närmare anges i Slutliga Villkor;
"**Portfolio Exposure**"	as specified in the Final Terms;
"**Portföljexponering**"	såsom närmare anges i Slutliga Villkor;
"**Principal Amount**"	the nominal amount of the Notes;
"**Kapitalbelopp**"	det nominella beloppet för Lånen;
"**Principal Financial Centre**"	means, in relation to any currency, the principal financial centre for that currency **provided**, **however**, **that**:
"**Huvudsakligt Finansiellt Centrum**"	Avser, i förhållande till en valuta, det huvudsakliga finansiella centrumet för den valutan förutsatt dock att : (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and (a) i förhållande till euro, avser definitionen det finansiella centrumet i den medlemsstat av Europeiska Gemenskapen som anges (avseende betalningar) av betalningsmottagaren eller (avseende en beräkning) Beräkningsagenten; och (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; (b) i förhållande till Nya Zeeländska dollar, avses definitionen antingen Wellington eller Auckland såsom angivet av (avseende betalningar) av betalningsmottagaren eller (avseende en beräkning) Beräkningsagenten;
"**Programme Amount**"	€15,000,000,000 or the equivalent thereof in other currencies (unless otherwise amended by agreement between the Issuers and the Dealers);
"**Rambelopp**"	€15,000,000,000 eller motvärdet i annan valuta (i den mån inte tillägg gjorts efter överenskommelse mellan

	Emittenterna och Dealers).
"**Rate Adjustment Notes**"	has the meaning given to it in Condition 5(b) (*Interest – Rate Adjustment*);
"**Kursjusterade Lån**"	har den innebörd som ges i Punkt 5(b) (Justering av Räntesats);
"**Rate Option**"	means the provisions for determining the relevant interest rate, as specified in Section 7.1 (*Rate Options*) of the 2006 ISDA Definitions.
"**Ränteoption**"	avser bestämmelserna för att fastställa relevant räntesats, såsom angivna i punkten 7.1 (*Rate Options*) i 2006 ISDA-Definitioner;
"**Rebalancing Date(s)**"	the date(s) specified in the Final Terms (subject to adjustment in accordance with the Scheduled Trading Day Convention);
"**Ombalanseringsdag**"	det eller de datum som närmare anges i Slutliga Villkor (förbehållet justering i enlighet med Planerad Handelsdagskonvention);
"**Rebalancing Performance**"	is calculated by dividing the Closing Price of the relevant Reference Asset or Reference Asset (Interest) on the relevant Rebalancing Date by the Closing Price of the relevant Reference Asset or Reference Asset (Interest) on the immediately preceding Rebalancing Date or (in the case of the initial Rebalancing Date), the Start Date.
"**Ombalanseringvärdeutvecklingen**"	beräknas som kvoten av, Stängningskursen för den relevanta Referenstillgången eller Referenstillgång (Ränta) på den relevanta Ombalanseringsdagen genom Stängningskursen för den relevanta Referenstillgången eller Referenstillgången (Ränta) på den närmast föregående Ombalanseringsdagen eller (om det avser den första Ombalanseringsdagen), Startdagen.
"**Record Date**"	the Business Day on which the entitlement of Holders to receive payment under these Conditions, is determined, as specified in Condition 8 (*Payments*);
"**Bokföringsdag**"	den Bankdag på vilken rätten för Innehavare att erhålla betalning under dessa Villkor, avgörs, såsom närmare anges i Punkt 8 (*Betalningar*);
"**Redemption Amount**"	the amount calculated in accordance with Condition 6 (*Redemption and Purchase*);
"**Återbetalningsbelopp**"	det belopp som beräknats i enlighet med Punkt 6 (*Återbetalning och Förvärv*);
"**Redemption Date**"	as specified in the Final Terms or, if such day is not a Business Day, as determined in accordance with the applicable Business Day Convention;
"**Återbetalningsdag**"	såsom närmare anges i Slutliga Villkor eller, om sådan dag inte är en Bankdag, såsom fastställs i enlighet med tillämplig Bankdagskonvention;

"**Reference Asset(s)**"	as specified in the Final Terms – Reference Assets may include equities, shares (including private equity)/depository receipts, indices, interest rates, currencies, fund units, commodities, credit risks or baskets thereof, combinations or relationships between assets, the change in price or performance of which affects the size of the Redemption Amount and shall (unless the context otherwise requires) include Reference Entities and/or Reference Rates;
"**Referenstillgång(ar)**"	såsom närmare anges i Slutliga Villkor – Referenstillgångarna kan bestå av värdepapper, index, räntor, valutor, fondandelar, råvaror, kreditexponeringar eller korgar av kreditexponeringar, kombinationer eller förhållanden mellan tillgångar, vilkas förändring i pris och värdeutveckling påverkar storleken på Återbetalningsbeloppet och ska (om inte sammanhanget påbjuder annat) innefatta Referenstillgångar och/eller Refernskurser;
"**Reference Banks**"	four major commercial banks which, at the relevant time, quote the relevant Interest Base Rate and are appointed by the Issuing Agent (or, where applicable, the Calculation Agent) or Issuer;
"**Referensbanker**"	fyra stora affärsbanker som vid aktuell tidpunkt kvoterar relevant Basränta och som utses av Administrerande Institut (eller, i förekommande fall, Beräkningsagenten) eller Emittenten;
"**Reference Entity**"	as specified in the Final Terms (and including any Replacement Reference Entity, as determined in accordance with the Conditions);
"**Referensbolag**" eller "**Referensenhet**"	såsom närmare anges i Slutliga Villkor (inklusive eventuella Ersättande Referensbolag, bestämda i enlighet med Villkoren);
"**Reference Entity (Interest)**"	as specified in the Final Terms (and including any Replacement Reference Entity (Interest), as determined in accordance with the Conditions);
"**Referensbolag (Ränta)**" eller "**Referensenhet (Ränta)**"	såsom närmare anges i Slutliga Villkor (inklusive eventuella Ersättande Referensbolag (Ränta), bestämda i enlighet med Villkoren);
"**Reference Rate**"	as specified in the Final Terms;
"**Referenskurs**"	såsom närmare anges i Slutliga Villkor;
"**Reference Yield**"	the yield specified in the Final Terms for calculation of the Redemption Amount in relation to certain Zero Coupon Notes where the Issuer or, where applicable, a Holder, is entitled to require early redemption of the Notes pursuant to the Conditions;
"**Referensavkastning**"	den avkastning som anges i de Slutliga Villkoren för att beräkna Återbetalningsbeloppet för vissa Nollkupongslån där Emittenten eller, i förekommande fall, en Innehavare, har rätt att kräva förtida inlösen av Lånen i enlighet med Villkoren;

"**Relevant Date**"	means on Alternative Additional Amount Payment Date, an Averaging Date, Early Redemption Date, Initial FX Valuation Date, FX Valuation Date, Initial FX Valuation Date (Interest), FX Valuation Date (Interest), Initial Observation Date, Observation Date, Observation Start Date Risk Barrier Observation Date, Rebalancing Date, Start Date, Initial Valuation Date, Valuation Date, TOM Valuation Date, Twin-Win Valuation Date, Interest Determination Date (as applicable), or such other relevant date as the Issuer may (in its sole discretion) determine for the purposes of any valuation, calculation, determination or observation pursuant to these Conditions;
"**Relevant Datum**"	Avser på den Alternativa Betalningsdagen för Tilläggsbelopp en Medelvärdesberäkningsdag, Förtida Återbetalningsdag, Värderingsdag Valuta, Startdag Valuta, Startdag Valuta (Ränta), Värderingsdag Valuta (Ränta), Observationsdag, Inledande Observationsdag, Riskbarriärsobservationsdag, Ombalanseringsdag, Startdatum, Startdag, TOM Värderingsdag, Twin-Win Värderingsdag, Räntebestämningsdag (som tillämpligt), eller sådan annan dag som Emittenten (enligt Emittentens självständiga bedömning) beslutar i syfte att värdera, beräkna, bestämma eller observera enligt dessa Villkor;
"**Relevant Exchange**"	the stock exchange(s) on which the underlying Reference Asset(s) is/are listed and/or quoted and/or traded, as specified in the Final Terms or, if none is specified, the principal exchange or quotation system for trading in the relevant Reference Asset (or, the case of a Reference Asset which is an index, each security which comprises such index), as determined by the Issuer, or any substitute exchange or quotation system to which trading in the relevant Reference Asset (or component of such Reference Asset) has temporarily located, provided that the Issuer has determined that there is comparable liquidity relative to such Reference Asset (or component of such Reference Asset) or such temporary substitute exchange or quotation system as on the original exchange;
"**Relevant Börs**"	den börs eller de börser där den underliggande Referenstillgången eller de underliggande Referenstillgångarna är noterade och/eller erbjudna och/eller handlas, såsom närmare anges i Slutliga Villkor eller, om ingen är angiven, huvudbörsen eller huvudnoteringssystemet för handel med Referenstillgången (eller, för det fall Referenstillgången är ett index, varje värdepapper som innehåller sådant index), enligt Emittentens uppfattning, eller en ersättningsbörs eller ersättningsnoteringssystem dit handel av Referenstillgången (eller beståndsdel av sådan Referenstillgång) flyttats tillfälligt, under förutsättning att Emittenten fastställt att Referenstillgångens (eller dess beståndsdels) likviditet på ersättningsbörsen eller ersättningsnoteringssystemet är likvärdig med dess likviditet på den ursprungliga börsen;
"**Replacement Factor**"	as specified in the Final Terms;

"**Ersättningsfaktor**"	såsom närmare anges i Slutliga Villkor;
"**Replacement Reference Asset**"	means an alternative Reference Asset, as selected by the Issuer in a commercially fair and reasonable manner;
"**Relevant Value**"	means an FX Rate, FX Rate (Interest), Initial FX Rate, Initial FX Rate (Interest), Reference Rate, Closing Price, Initial Price and/or Final Price (as applicable) or such other relevant value as the Issuer may (in its sole discretion) determine for the purposes of any valuation, calculation, determination or observation pursuant to these Conditions;
"**Relevant Belopp**"	avser en Valutakurs, Valutakurs (Ränta), Valutastartkurs, Valutastartkurs (Ränta), Referenskurs, Stängningskurs, Startkurs och/eller Slutkurs (som tillämpligt) eller sådant annan relevant kurs som Emittenten (enligt dennes självständiga bedömning) beslutar i syfte att värdera, uträkna, bestämma eller övervaka enligt dessa Villkor;
"**Ersättande Referenstillgång**"	avser en alternativ Referenstillgång som Emittenten bestämmer på ett affärsmässigt rättvist och rimligt sätt;
"**Risk Barrier Event**"	means (unless otherwise specified in these Conditions) that the Basket Return is below the applicable Barrier Level;
"**Riskbarriärhändelse**"	avser (om inte annat anges specifikt i dessa Villkor) att Korgavkastningen är lägre än tillämplig Barriärnivå;
"**Risk Barrier Observation Date(s)**"	the dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if Risk Barrier Observation Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to a Risk Barrier Observation Date shall, where the context so admits, include reference to any related Averaging Dates.
"**Riskbarriärobservationsdag(ar)**"	det eller de datum som närmare anges i Slutliga Villkor (justerade i enlighet med Planerad Handelsdagskonvention) och, om Riskbarriärobservationsdag Medelvärdesberäkning anges som tillämpligt i Slutliga Villkor, ska, när sammanhanget så tillåter, hänvisning i dessa Villkor till en Riskbarriärobservationsdag innefatta en hänvisning till tillhörande Medelvärdesberäkningsdagar;
"**Scheduled Closing Time**"	means, in respect of a Relevant Exchange or an Options or Futures Exchange and a Scheduled Trading Day, the scheduled weekeday closing time of such Relevant Exchange or Options or Futures Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.
"**Planerad Stängningstid**"	avser, i förhållande till en Relevant Börs eller en Options- eller Terminsbörs och en Planerad Handelsdag, den planerade stängningstiden på en veckodag för sådan Relevant Börs eller Options- eller Terminsbörs på sådan Planerad Handelsdag, bortsett från extra öppettider eller handel som sker utanför sedvanliga öppettider för handel;

"**Scheduled Redemption Date**"	as specified in the Final Terms;
"**Planerad Återbetalningsdag**"	såsom närmare anges i Slutliga Villkor;
"**Scheduled Trading Day**"	unless otherwise specified in the Final Terms and irrespective of whether a Market Disruption, Disruption Currency, or Fund Event has occurred, (a) with respect to each Reference Asset which is an equity depository receipts, equities index or any other type of Reference Asset which is traded on a stock exchange or market place, a day on which (i) trading is intended to take place in a Reference Asset (or, in the case of an index, any security which comprises such index) on a Relevant Exchange and on an Options or Futures Exchange and/or (ii) the relevant Index Sponsor is scheduled to publish the level of the Index; (b) with respect to Reference Assets which comprise a currency or a currency index or any other type of Reference Asset for which the price is published, a day on which the price for such Reference Asset or currency included in a Reference Asset is published or is intended to be published on the price source specified in the Final Terms; (c) with respect to a Reference Asset which is a fund or a fund index, a day on which it is intended that the value of the Reference Asset or units in the Reference Asset shall be published in accordance with the governing rules or methodology of such fund or fund index and (d) with respect to any other Reference Asset, such day as is specified in the Final Terms;
"**Planerad Handelsdag**"	avser, om inte annat anges i de Slutliga Villkoren och oavsett om Marknadsavbrott, Valutastörning eller Fondhändelse inträffat, (a) med beaktande av varje Referenstillgång som är en aktie/insättningsbevis, aktieindex eller någon annan typ av Referenstillgång som handlas på en börs eller marknadsplats, en dag då (i) handel ska ske i en Referenstillgång (eller, i förhållande till ett index, ett värdepapper som innehåller sådant index) på en Relevant Börs och på en Options- eller Terminsbörs och/eller (ii) den relevanta Indexsponsorn avser att publicera nivån på sådant Index; (b) med hänsyn till Referenstillgång som omfattar en valuta eller valutaindex eller annan typ av Referenstillgång för vilken pris är publicerat, en dag på vilken priset för en sådan Referenstillgång eller valuta inkluderad i en Referenstillgång är publicerad eller kommer att publiceras på priskällan som närmare anges i de Slutliga Villkoren; (c) med hänsyn till en Referenstillgång som är en fond eller ett fondindex, en dag på vilken det avses att värdet av Referenstillgången eller enheter av Referenstillgången ska publiceras i enlighet med tillämpliga regler eller praxis för sådan fond eller fondindex; och (d) med hänsyn till någon annan Referenstillgång en dag såsom den definieras i de Slutliga Villkoren.

"**Scheduled Trading Day Convention**"	means the applicable convention for the purposes of adjusting a relevant day where the day occurs on a day which is not a Scheduled Trading Day. Adjustment may take place in accordance with any of the following conventions:
"**Planerad Handelsdagskonvention**"	avser den konvention som är tillämplig för att justera en relevant dag om dagen skulle infalla på en dag som inte är en Planerad Handelsdag. Justeringen kan göras i enlighet med någon av nedan angivna konventioner:
	Following Scheduled Trading Day
	Efterföljande Planerad Handelsdag
	where a relevant day occurs on a day which is not a Scheduled Trading Day, it shall be deferred until the Following Scheduled Trading Day;
	Om en relevant dag infaller på en dag som inte är en Planerad Handelsdag skall den skjutas upp till påföljande Planerad Handelsdag.
	Modified Following Scheduled Trading Day
	Modifierad Efterföljande Planerad Handelsdag
	where a relevant day occurs on a day which is not a Scheduled Trading Day, it shall be deferred to the immediately following Scheduled Trading Day in the same calendar month unless that day would fall in the next calendar month, in which case the relevant day shall occur on the immediately preceding Scheduled Trading Day;
	Om en relevant dag infaller på en dag som inte är en Planerad Handelsdag skall den skjutas upp till påföljande Planerad Handelsdag såvida inte den påföljande Planerade Handelsdagen infaller under nästkommande kalendermånad. I sådant fall ska den relevanta dagen infalla på närmast föregående Planerad Handelsdag.
	Preceding Scheduled Trading Day
	Föregående Planerad Handelsdag
	where a relevant day or another relevant day occurs on a day which is not a Scheduled Trading Day, it shall instead occur on the immediately preceding Scheduled Trading Day;
	Om en relevant dag infaller på en dag som inte är en Planerad Handelsdag skall den istället infalla på närmast föregående Planerad Handelsdag.
"**Screen Page**"	as specified in the Final Terms;
”**Skärmsida**”	såsom närmare anges i Slutliga Villkor;
"**Specified Currency**"	SEK, EUR, DKK, NOK or such other currency as may be specified in the Final Terms;

"**Angiven Valuta**"	SEK, EUR, DKK, NOK eller sådan annan valuta såsom närmare anges i Slutliga Villkor;
"**Specified Denomination**"	as specified in the Final Terms;
"**Angiven Enhet**"	såsom närmare anges i Slutliga Villkor;
"**STIBOR**"	the Interest Rate which, (1) at or about 11.00 am Central European Time on the relevant day is published on the relevant Screen Page for the relevant period (or through such other system or on such other screen as replaces the aforementioned system or screen) or, in the absence of such quotation, the Interest Rate which (2) at the aforementioned time corresponds to (a) the arithmetic mean of the rates for deposits in SEK for the relevant period on the Stockholm interbank market as quoted by the Reference Banks or, where only one or no such quotation is given – (b) the Issuer's determination of the Interest Rate offered by Swedish commercial banks for loans in SEK for the relevant period on the Stockholm interbank market;
"**STIBOR**"	Räntesatsen som (1) klockan 11.00 eller omkring kl. 11.00 CET på den relevanta dagen publiceras på relevant Skärmsida för den relevanta perioden (eller genom sådant annat system eller på sådan annan sida som ersätter det tidigare nämnda systemet) eller, i avsaknad av sådan notering, Räntesatsen som (2) vid den tidigare nämnda tidpunkten motsvarar (a) det genomsnittliga värdet av de räntesatser för insättningar i SEK för den relevanta perioden på Stockholms interbankmarknad som erbjuds av Referensbankerna eller, där bara ett eller inga erbjudande ges (b) den Räntesats som enligt Emittentens uppfattning erbjuds av Londons affärsbanker för lån i SEK för den relevanta perioden på Stockholms interbankmarknad.
"**Strike Level**"	as specified in the Final Terms;
"**Lösenprisnivå**"	såsom närmare anges i Slutliga Villkor;
"**Strike Lower**"	Means the value specified in the Final Terms;
"**Lösenpris Lägre**"	avser det värde som anges i Slutliga Villkor;
"**Strike Upper**"	Means the value specified in the Final Terms;
"**Lösenpris Högre**"	avser det värde som anges i Slutliga Villkor;
"**TARGET2**"	means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;
"**TARGET2**"	avser betalningssystemet Trans-European Automated Real-Time Gross Settlement Express Transfer som använder sig av en delad plattform och som lanserades den 19 november 2007;
"**TARGET Settlement Day**"	means any day on which TARGET2 is open for the settlement of payments in euro;

"**TARGET Avvecklingsdag**"	avser dag på vilken TARGET2 är öppet för avveckling av betalningar i EUR;
"**Target Redemption Amount**"	as specified in the Final Terms;
"**Eftersträvat Återbetalningsbelopp**"	såsom närmare anges i Slutliga Villkor;
"**TOM Calculation Start Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if TOM Calculation Start Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to the TOM Calculation Start Date shall, where the context so admits, also include reference to any related Averaging Dates;
"**TOM Inledande Beräkningsdag**"	det datum som anges i Slutliga Villkor (justerat i enlighet med Planerad Handelsdagskonvention) och, om TOM Inledande Beräkningsdag anges i Slutliga Villkor, ska hänvisningar i Villkoren till TOM Inledande Beräkningsdag också innefatta eventuella relaterade Medelvärdesberäkningsdagar, där sammanhanget tillåter detta;
"**TOM Calculation End Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if TOM Calculation End Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to the TOM End Start Date shall, where the context so admits, also include reference to any related Averaging Dates;
"**TOM Slutlig Beräkningsdag**"	det datum som anges i Slutliga Villkor (justerat i enlighet med Planerad Handelsdagskonvention) och, om TOM Slutlig Beräkningsdag anges i Slutliga Villkor, ska hänvisningar i Villkoren till TOM Slutlig Beräkningsdag också innefatta eventuella relaterade Medelvärdesberäkningsdagar, där sammanhanget tillåter detta;
"**TOM Commencement Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Startdatum för TOM**"	det datum som anges i Slutliga Villkor (justerat i enlighet med Planerad Handelsdagskonvention);
"**TOM End Date**"	the date specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention);
"**Slutdatum för TOM**"	det datum som anges i Slutliga Villkor (justerat i enlighet med Planerad Handelsdagskonvention);
"**TOM Participation Ratio**"	the value specified in the relevant Final Terms;
"**TOM Deltagandegrad**"	avser det värde som anges i Slutliga Villkor;
"**TOM Period**"	means, in respect of each calendar month in the period commencing on the TOM Commencement Date and ending on the TOM End Date, the period from (and including) the TOM Calculation Start Date to (and including) the TOM Calculation End Date, provided that if the first day of the TOM Period (as the result of any

	applicable business day convention or adjustment provision(s)) falls on such TOM Calculation End Date, the last day of the TOM Period shall instead be the Scheduled Trading Day immediately following such TOM Calculation Start Date;
"**TOM-Period**"	avser, beträffande varje kalendermånad under perioden som inleds på Startdatum för TOM och avslutas på Slutdatum för TOM, perioden från och med TOM Inledande Beräkningsdag till och med TOM Slutlig Beräkningsdag, dock att om den första dagen i TOM-Perioden (som en föjd av tillämplig bankdagskonvention eller justeringsvillkor) infaller på sådan TOM Slutlig Beräkningsdag ska sista dagen för TOM-Perioden istället vara den Planerade Handelsdag som infaller omedelbart efter sådan TOM Inledande Beräkningsdag;
"**TOM Valuation Date**"	means each TOM Calculation Start Date and TOM Calculation End Date (as applicable);
”**TOM-Värderingsdag**”	avser varje TOM Inledande Beräkningsdag och TOM Slutlig Beräkningsdag (såsom tillämpligt);
"**Tranche Attachment Point**"	the percentage specified in the Final Terms;
"**Tranch Fästpunkt**"	den procentsats som närmare anges i Slutliga Villkor;
"**Tranche Attachment Range**"	means the result obtained by subtracting the Tranche Attachment Point from the Tranche Detachment Point;
"**Tranch Fästspann**"	avser det resultat som fås fram genom att subtrahera Tranch Fästpunkt med Tranch Avskiljningspunkt;
"**Tranche Detachment Point**"	the percentage specified in the Final Terms;
"**Tranch Avskiljningspunkt**"	den procentsats som närmare anges i Slutliga Villkor;
"**Twin-Win Valuation Date(s)**"	the Valuation Date(s) specified in the applicable Final Terms;
“**Twin-Win Värderingsdag(ar)**”	den eller de Värderingsdagar som närmare anges i Slutliga Villkor;
"**Valuation Date(s)**"	the date or dates specified in the Final Terms (as adjusted in accordance with the Scheduled Trading Day Convention) and, if Valuation Date Averaging is specified as applicable in the relevant Final Terms, references in these Conditions to a Valuation Date shall, where the context so admits, include reference to any related Averaging Dates;
"**Värderingsdag**"	det eller de datum som närmare anges i Slutliga Villkor (justerade i enlighet med Planerad Handelsdagskonvention) och, om Värderingsdag Medelvärdesberäkning anges som tillämpligt i Slutliga Villkor, ska, när sammanhanget så tillåter, hänvisning i dessa Villkor till en Värderingsdag innefatta en hänvisning till tillhörande Medelvärdesberäkningsdagar;
"**Valuation Period**"	means the period from (but excluding) each Valuation Date (including the Initial Valuation Date), to and

including the immediately following Valuation Date;

"**Värderingsperiod**"	avser perioden från (men exklusive) varje Värderingsdag (inklusive Startdagen, till och med den närmast efterföljande Värderingsdagen;
"**Valuation Time**"	unless otherwise specified in the Final Terms, with respect to each Reference Asset which is not an Index, the time at which its official closing price is determined or the value thereof is otherwise determined as specified in the Final Terms and in relation to a Reference Asset which is an Index: (i) for the purposes of determining whether a Market Disruption has occurred: (a) in respect of any Component Security, the Scheduled Closing Time on the Relevant Exchange in respect of such Component Security (which may be a single Relevant Exchange in respect of each Component Security), and (b) in respect of any options contracts or future contracts on the Index, the close of trading on the relevant Options or Futures Exchange; and (ii) in all other circumstances, the time at which the official closing level of the Index is calculated and published by the Index Sponsor;
"**Värderingstidpunkt**"	avser, om inte annat anges i Slutliga Villkor, för varje Referenstillgång som inte är ett Index, den tidpunkt då dess officiella stängningskurs fastställs eller värdet av densamma bestäms på annat sätt som närmare anges i Slutliga Villkor och i förhållande till en Referenstillgång som är ett Index: (i) i syfte att avgöra huruvida ett Marknadsavbrott inträffat: (a) i relation till en Indexkomponent, den Planerade Stängningstiden för den Relevanta Börsen för sådan Indexkomponent (vilket kan vara en enskild Relevant Börs i förhållande till varje Indexkomponent), och (b) i förhållande till något options- eller terminsavtal på Indexet, den tid som handel upphör för relevant Options- eller Terminsbörs; och (ii) i alla andra fall, den tid Indexsponsorn räknar ut och publicerar den officiella stängningsnivån på ett Index;
"**Weighted Asset Return**"	means, unless otherwise specified in these Conditions, the product of the Reference Asset Return and the Basket Participation in respect of each relevant Reference Asset; and
"**Viktad Tillgångsavkastning**"	avser, om inte annat anges i Slutliga Villkor, produkten av Referenstillgångsavkastning och Korgandelen avseende varje relevant Referenstillgång; och
"**Zero Coupon Notes**"	has the meaning given to it in Condition 5(f) (*Zero Coupon Notes*).
"**Nollkupongslån**"	har den innebörd som givits det i Punkt 5(f) (*Nollkupongslån*);

11. Form och Valör

(a) *Form*

Lån (förutom VP-Lån, VPS-Lån, Svenska Lån och Finska Lån) ges ut antingen som fysiska värdepapper eller registreras på värdepapperskonto, vilket närmare specificeras i relevanta Slutliga Villkor. Dessa lån ges också ett serienummer.

VP-Lånen registreras på ett värdepapperskonto i VP i enlighet med den vid var tid gällande danska lagen *Værdipapirhandelsloven*, såsom vid var tid gällande, och i enlighet med den danska förordningen *Bekendtgørelse om registering, m.v. af fondsaktiver i en vaerdipapircentral*, såsom vid var tid gällande.

VPS-Lånen registreras på ett värdepapperskonto i VPS i enlighet med den norska lagen *Lov om registrering av finansielle instrumenter (2002 5. juli nr. 64).*

Svenska Lånen registreras på värdepapperskonto i enlighet med den vid var tid gällande svenska *lag (1998:1479) om kontoföring av finansiella instrument*.

Finska Lånen registreras på värdepapperskonto i enlighet med finska lagen *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012), vid var tid gällande, den finska lagen *laki arvo-osuustileistä* (827/1991), vid var tid gällande samt Euroclear Finlands regelverk.

(b) *Form för Innehavarlån*

Lån som ges ut i form av fysiska värdepapper ("**Innehavarlån**") kommer, med undantag av Lån i Schweiziska Franc efter en emission att representeras av antingen ett temporärt globalt lån ("**Temporärt Globalt Lån**") eller ett permanent globalt lån ("**Permanent Globalt Lån**"), i båda fallen huvudsakligen med den utformning som framgår av bilaga till Fiscal Agency-avtalet (med förbehåll för att detta kan komma att ändras och ska färdigställas).

Ett Temporärt Globalt Lån och/eller ett Permanent Globalt Lån kommer att förvaras av en så kallad common depositary eller common safekeeper för Euroclear Bank SA/NV ("**Euroclear**"), Clearstream Banking, société anonyme ("**Clearstream Luxembourg**") eller annat clearingsystem till vilket Lån eller rättigheter knutna därtill från tid till annan kan komma att anslutas. Betalningar av Kapitalbelopp eller Ränta (om sådan finns) på ett Permanent Globalt Lån kommer att ske genom Eurocelar och Clearstream Luxembourg.

Räntebärande Definitiva Lån kommer, om så anges i relevanta Slutliga Villkor, vid dess initiala leverans att ha kuponger ("**Kuponger**") fogade till sig. Uppvisande av dessa Kuponger kommer att vara ett villkor för utbetalning av ränta under vissa nedan angivna omständigheter förutsatt att räntebärande Definitiva Lån, om så anges i relevanta Slutliga Villkor, vid initial leverans har Kuponger fogade till sig tillsammans med en Talong som berättigar till ytterligare Kuponger ("**Talong**", och tillsammans med Kuponger när sammanhanget så tillåter, "**Kupongerna**", vilken berättigar innehavaren till ytterligare Kuponger och en ytterligare Talong).

Innehavarlån vilkas kapitalbelopp ska återbetalas genom amorteringar ("**Amorterande Lån**") har vid initial leverans utbetalningsPayment Receipts ("**Payment Receipts**") fogade till sig vilka avser de amorteringar som ska ske av kapitalbeloppet.

(c) *Form för Registrerade Lån*

Lån som registreras på värdepapperskonto ("**Registrerade Lån**") kommer huvudsakligen att ha den utformning som framgår av bilaga till Fiscal Agency-avtalet (med förbehåll för att detta kan komma att ändras och ska färdigställas). Registrerade Lån kommer inte att kunna omvandlas till Innehavarlån.

(d) *Form för Lån i Schweiziska Franc*

Lån i Schweiziska Franc kommer att denomineras i Schweiziska Franc och emitteras i innehavarform samt att representeras exklusivt av ett Permanent Globalt Lån vilket kommer att förvaras hos SIS eller hos en annan förvarare godkänd av SIX Regulatory Board vid SIX Swiss

Exchange. Då det Permanenta Globala Lånet deponerats hos Mellanhanden och förts in på konton hos en eller flera medlemmar av Mellanhanden, kommer Lånen utgöra mellanhandsförvarade värdepapper (*Bucheffekten*) ("**Mellanhandsförvarade Värdepapper**") i enlighet med den schweiziska lagen *Bucheffekengesetz.*

Varje Innehavare (såsom definierats i Villkor 3 (*Äganderätt*) nedan) ska ha ett proportionellt samägande (*Miteigentumsanteil*) i det Permanenta Globala Lånet i den omfattning som motsvarar Innehavarens fordran på Emittenten, **förutsatt att**, samägandet i det Globala Permanenta Lånet, under den tid som det är deponerat hos Mellanhanden, är vilande och att Lånen endast får överföras eller på annat sätt avyttras i enlighet med bestämmelser i den schweiziska lagen *Bucheffekengesetz*, d.v.s. vid införandet av de överförda Lånen på ett värdepapperskonto hos förvärvaren.

Varken Emittenten eller Innehavarna ska vid någon tidpunkt ha rätten att påverka eller kräva konvertering av det Permanenta Globala Lånet (*Globalurkunde*) till, eller leverans av, ocertifierade värdepapper (*Wertrechte*) eller Defintiva Lån (*Wertpapiere*).

Ingen fysisk leverans av Lånen ska ske förrän, alternativt om, Definitiva Lån skrivits ut. Definitiva Lån får endast skriva ut i sin helhet, och inte delvis, om den schweiziska Betalningsagenten, efter eget skön, bestämmer att utskrifter av Definitiva Lån är nödvändiga eller lämpliga. Om den schweziska Betalningsagenten skulle ta ett sådant beslut ska denne tillse att utskrifter av Definitiva Lån (*Wertpapiere*) sker utan kostnad för Innehavarna. Vid leverans av Definitiva Lån (*Wertpapiere*) ska det Permanenta Globala Lånet sägas upp och det Definitiva Lånet ska levereras till Innehavarna i utbyte mot uppsägning av Lånen i Innehavarnas värdepapperskonton.

(e) ***Form för VP-Lån***

En Tranch eller Serie Lån kan, om så anges i tillämpliga Slutliga Villkor, clearas genom VP i enlighet med dansk rätt och de förfaranderegler som från tid till annan tillämpas av och/eller ges ut av VP ("**VP-Reglerna**"). I dessa Villkor ska VP-Lån anses vara Registrerade Lån, dock endast i den mån dessa Villkor är förenliga med danska lagar, bestämmelser och VP-Reglerna. Inga fysiska Lån eller certifikat kommer att ges ut i förhållande till VP-Lån och regleringar i dessa Villkor relaterade till uppvisande, återlämnande eller utbyte av fysiska Lån eller certifikat ska inte tillämpas på VP-Lånen. Emittenten kommer att intyga att Nordea Bank Danmark A/S är, på dagen för utgivande av en Tranch eller Serie VP-Lån, antecknad i VP som kontoförande institut (*kontoførende institut*) för den registrerade innehavaren av sådan Tranch eller Serie Lån.

(f) ***Form för VPS-Lån***

I dessa Villkor ska VPS-Lån anses vara Registrerade Lån under förutsättning att detta är i linje med norsk rätt och de förfaranderegler som från tid till annan tillämpas av och/eller ges ut av VPS ("**VPS-Reglerna**"). Inga fysiska VPS-Lån eller certifikat kommer att ges ut i förhållande till VPS-Lån och regleringar i dessa Villkor relaterade till uppvisande, återlämnande eller utbyte av fysiska Lån eller certifikat ska inte tillämpas på VPS-Lånen.

(g) ***Form för Svenska Lån***

I dessa Villkor ska Svenska Lån anses vara Registrerade Lån under förutsättning att detta är i linje med svensk rätt och de förfaranderegler som från tid till annan tillämpas av och/eller ges ut av Euroclear Sverige ("**Euroclear Sverige-reglerna**"). Inga fysiska Svenska Lån eller certifikat kommer att ges ut i förhållande till Svenska Lån och regleringar i dessa Villkor relaterade till uppvisande, återlämnande eller utbyte av fysiska Lån eller certifikat ska inte tillämpas på Svenska Lån.

(h) ***Form för Finska Lån***

I dessa Villkor ska Finska Lån anses vara Registrerade Lån under förutsättning att detta är i linje med finsk rätt och de förfaranderegler som från tid till annan tillämpas av och/eller ges ut av Euroclear Finland ("**Euroclear Finland-reglerna**"). Inga fysiska Finska Lån eller certifikat kommer att ges ut i förhållande till Finska Lån och regleringar i dessa Villkor relaterade till

uppvisande, återlämnande eller utbyte av fysiska Lån eller certifikat ska inte tillämpas på Finska Lån.

(i) ***Valör för Innehavarlån***

Innehavarlån kommer att ha en eller flera valörer (varje sådan valör är delbar med varje mindre valör) såsom närmare angivet i Slutliga Villkor. Innehavarlån med en valör kan inte bytas ut mot Innehavarlån med en annan valör.

(j) ***Valör för Registrerade Lån***

Registerade Lån kommer att ha en minsta valör såsom närmare angivet i Slutliga Villkor och, om inget annat anges i Slutliga Villkor, multiplar därav.

(k) ***Valör för VP-Lån***

VP-Lån kommer att ha en eller flera valörer (varje sådan valör är delbar med varje mindre valör) såsom närmare angivet i Slutliga Villkor. VP-Lån med en valör kan inte bytas ut mot VP-Lån med en annan valör.

(l) ***Valör för VPS-Lån***

VPS-Lån kommer att ha en eller flera valörer (varje sådan valör är delbar med varje mindre valör) såsom närmare angivet i Slutliga Villkor. VPS-Lån med en valör kan inte bytas ut mot VPS-Lån med en annan valör.

(m) ***Valör för Svenska Lån***

Svenska Lån kommer att ha en eller flera valörer (varje sådan valör är delbar med varje mindre valör) såsom närmare angivet i Slutliga Villkor. Svenska Lån med en valör kan inte bytas ut mot Svenska Lån med en annan valör.

(n) ***Valör för Finska Lån***

Finska Lån kommer att ha en eller flera valörer (varje sådan valör är delbar med varje mindre valör) såsom närmare angivet i Slutliga Villkor. Finska Lån med en valör kan inte bytas ut mot Finska Lån med en annan valör.

(o) ***Lånens valuta***

Lån kan anges i vilken valuta som helst förutsatt att alla tillämpliga legala och/eller regulatoriska krav och/eller krav från relevant centralbank är uppfyllda.

En hänvisning till Lån i dessa Villkor ska, när sammanhanget så kräver, anses inkludera Temporära Globala Lån, Permanenta Globala Lån, Definitiva Lån och i förekommande fall Registrerade Lån.

Emittenten kan under vissa omständigheter konsolidera Lån med en eller flera andra Tranchr av Lån i samma Serie, såsom närmare beskrivet i Punkt 18 ([*Övrigt*]) nedan.

12. Äganderätt

(a) ***Äganderätt till Innehavarlån, Registrerade Lån, VP-Lån, VPS-Lån, Svenska Lån, Finska Lån och Lån i Schweiziska Franc***

Äganderätten till Innehavarlån (med undantag av Lån i Schweiziska Franc), Payment Receipts och Kuponger övergår genom överlämnandet. Hänvisningar till "**Innehavare**" av ett Fysiskt Lån eller av Payment Receipts eller Kuponger avser innehavaren av sådant Fysiskt Lån eller sådana Payment Receipts och Kuponger.

Äganderätten till Registrerade Lån övergår genom registrering i det register som hanteras av Registreringsagenten såsom angiven i relevanta Slutliga Villkor. Hänvisningar till "**Innehavare**" av ett Registrerat Lån avser personerna i vilkas namn sådana Lån är registrerade.

Äganderätten till VP-Lån övergår genom registrering i registret ("**Danska Lånregistret**") fört av VP-Administrerande Institutet i enlighet med VP-Reglerna. Emittenten ska ha rätt att erhålla information från VP i enlighet med VP-Reglerna. Om inget annat har beslutats av behörig domstol eller fordras av gällande rätt ska Innehavare (som definierat nedan) av ett VP-Lån anses vara och behandlas som oinskränkt ägare i alla avseenden, oavsett överskridna tidsfrister, meddelanden om äganderättens övergång eller andra intressen i Lånet, och ingen person ska kunna lida skada av sådan behandling av en Innehavare. Enbart i relation till VP-Lån avses i dessa med "**Fordringshavare**" eller"**Innehavare**", mot bakgrund av relevant kontext, den person i vars namn ett VP-Lån är registrerat i det danska VPS-registret och ska även inkludera en person som i vederbörlig ordning blivit auktoriserad att agera som förvaltare och registrerad innehavare av VP-Lånen. Om Lån i en sådan Tranch slutar vara registrerade i VP ska Nordea Bank Danmark A/S som kontoförande institut för de registrerade ägarna tillhandahålla VP-Administrerande Institutet all nödvändig information avseende sådana registrerade ägare och VP-Administrerande Institutet ska föra in denna information i Danska Låneregistret.

Äganderätten till VPS-Lån övergår genom registrering i registret ("**VPS-Registret**") i enlighet med norska VPS-Reglerna. Emittenten ska ha rätt att erhålla information från VPS i enlighet med VPS-Reglerna. Om inget annat har beslutats av behörig domstol eller fordras av gällande rätt ska Innehavare (som definierat nedan) av ett VPS-Lån anses vara och behandlas som oinskränkt ägare i alla avseenden, oavsett överskridna tidsfrister, meddelanden om äganderättens övergång eller andra intressen i Lånet, och ingen person ska kunna lida skada av sådan behandling av en Innehavare. Med "**Fordringshavare**" eller "**Innehavare**" avses, mot bakgrund av relevant kontext, den person i vars namn ett VPS-Lån är registrerat i VPS-registret och ska även inkludera en person som i vederbörlig ordning blivit auktoriserad att agera som förvaltare (*forvalter*) och registrerad innehavare av VPS-Lånen.

Äganderätten till Svenska Lån övergår genom registrering på ett värdepapperskonto i det system och register som tillhandahålls av Euroclear Sweden ("**Euroclear Sverige-Registret**"). Om inget annat har beslutats av behörig domstol eller fordras av gällande rätt ska Innehavare (som definierat nedan) av ett Svenskt Lån anses vara och behandlas som oinskränkt ägare i alla avseenden, oavsett överskridna tidsfrister, meddelanden om äganderättens övergång eller andra intressen i Lånet, och ingen person ska kunna lida skada av sådan behandling av en Innehavare. I dessa Villkor, i relation till svenska Lån endast, avses med "**Fordringshavare**" eller "**Innehavare**", mot bakgrund av relevant kontext, den person i vars namn ett Svenskt Lån är registrerat i Euroclear Sverige-Registret och ska även inkludera en person som i vederbörlig ordning blivit auktoriserad att agera som förvaltare och registrerad innehavare av de Svenska Lånen

Om en förvaltare är registrerad i enlighet med Kontoföringslagen ska denna behandlas av Emittenten som Innehavare av relevanta Svenska Lån.

Äganderätten till Finska Lån övergår genom registrering i det datoriserade registret fört av eller för Euroclear Finland. Om inget annat har beslutats av behörig domstol eller fordras av gällande rätt ska Innehavare (som definierat nedan) av ett Finskt Lån anses vara och behandlas som oinskränkt ägare i alla avseenden, oavsett överskridna tidsfrister, meddelanden om äganderättens övergång eller andra intressen i Lånet, och ingen person ska kunna lida skada av sådan behandling av en Innehavare. Hänvisningar till "**Innehavare**" av ett Finskt Lån avser personerna i vilkas namn sådana Finska Lån är registrerade.

Innehavare av ett Lån eller Kupong ska (om inget annat fordras av gällande rätt eller regulatoriska krav) anses vara och behandlas som oinskränkt ägare i alla avseenden, oavsett överskridna tidsfrister, meddelanden om äganderättens övergång, andra intressen i Lånet eller Kupongen, anteckningar på dessa eller stöld eller förlust av dessa, och ingen person ska kunna lida skada av sådan behandling av en Innehavare.

Lån i Schweiziska Franc

Mellanhandens register avgör antalet Lån som innehas av varje medlem av Mellanhanden. Avseende Lån som är Värdepapper förvarade hos Mellanhanden, ska innehavaren av Lånen ("**Innehavaren**") vara den person som innehar Lånen på ett värdepapperskonto (*Effektenkonto*) utställt i eget namn, eller för det fall att mellanhand (*Verwahrungsstellen*) finns, att mellanhanden

(*Verwahrungsstellen*) innehar Lånen för egen räkning på ett värdepapperskonto (*Effektenkonto*) utställt i eget namn.

(b) ***Överlåtelse av Registrerade Lån, VP Lån, VPS Lån, Svenska Lån och Finska Lån***

Registrerade Lån

Ett Registrerat Lån kan, beroende på villkoren i Fiscal Agency-avtalet, överföras helt eller delvis bara (**förutsatt att** sådan del är likvärdig med, eller är tillåten en heltalsmultipel som överskrider minimumvalören som specificeras i de relevanta Slutliga Villkoren, vid återlämnandet av det Registrerade Lånet att överföras, tillsammans med överföringsformuläret påskrivet på detta, korrekt fullbordat och exekverat, vid det specificerade kontoret hos Registreringsagenten. Ett nytt Registrerat Lån kommer att utfördas till överlåtaren och i fall där endast en del av ett Registrerat Lån överförts, kommer ett nytt Registrerat Lån som täcker den del som inte överförts att utfärdas till överföraren.

Varje nytt Registrerat Lån som ska utfärdas vid överföring av Registrerade Lån skall, vid faktiskt mottagande hos Registreringsagenten i hans specificerade kontor, vara tillgängligt för leverans till Registreringsagenten specificerade kontor. För dessa ändamål så ska ett överföringsformulär mottaget av Registreringsagenten under en period av femton Bankdagar i London, med slut vid förfallodagen för alla betalningar för de relevanta Registrerade Lånen betraktas som inte varande i kraft hos Registreringsagenten förrän dagen efter förfallodagen för sådan betalning.

Utfärdandet av nya Registrerade Lån vid överföring ska ske utan avgift av eller för Emittenten eller Registreringsagenten, men efter betalning från sökanden av (eller efter att sökanden har givit sådan säkerhet som Registreringsagenten kan kräva med avseende på) tillämpligt skatt eller andra myndighetsbestämda avgifter som kan avkrävas i relation till detta.

VP-Lån

Ett eller fler VP-Lån kan överföras i enlighet med VP-regler. Varje nytt VP-Lån som ska utfärdas ska finnas tillgänglig för leverans inom tre Bankdagar efter mottagandet av begäran och avgivandet av VP-Lån för utbyte. Leverans av de nya VP-Lånen/ det nya VP-Lånet ska ske till samma VP-konto på vilket de ursprungliga VP-Lånen var registrerade. I detta Villkor 2(b) (*Överföring av Registrerade Lån, Svenska Lån och Finska Lån*) ska "**Bankdag**" ha samma betydelse avseende VP-Lån som tillskrivs en sådan term av de då gällande reglerna och procedurerna för VP.

Utbyte eller överföring av VP-Lån vid registrering, överföring, partiell inlösen eller exekverandet av en sälj- eller köpoption ska verkställas utan avgift av Administrerande Institutet för VP, men mot betalning av tillämplig skatt eller andra myndighetsföreskrivna avgifter som kan komma att utkrävas med avseende på denna VP (eller ställande av sådan säkerhet som Administrerande Institut för VP kan komma att kräva).

Ingen Fordringshavare får kräva att överföring av ett VP-Lån ska registreras under någon stängd period i enlighet med de tillämpliga VP-reglerna.

Alla överföringar av VP-Lån är föremål för cut-off datum tillämpliga på sådana VP-Lån och de andra regler och procedurer som för tillfället gäller för VP. VP:s regler och bestämmelser kan laddas ner från dess webbsida: http://www.vp.dk.

VPS-Lån

Ett eller fler VPS-Lån kan överföras i enlighet med VPS-reglerna. I fall av exekvering av en option, som resulterar i att VPS-Lån hos samma innehavare har olika villkor, så ska separata VPS-Lån som är registrerade i VPS-registret utfärdas med avseende på de VPS-Lån som denna innehavare har som har samma villkor. Sådana VPS-Lån ska bara utfärdas under avgivande av de existerande VPS-Lånen i enlighet med VPS-reglerna.

Varje ny VPS-Lån som ska utfärdas i enlighet med det ovanstående ska vara tillgänglig för leverans inom fem Bankdagar efter mottagande av begäran och avgivandet av VPS-Lånen för utbyte. Leverans av VPS-Lånen ska ske till samma VPS-konto där de ursprungliga VPS-Lånen

var registrerade. I detta Villkor 3(b) (*Överföring av Registrerade Lån, VP-Lån, VPS-Lån, Svenska Lån och Finska Lån*) med avseende bara på VPS-Lån, "**Bankdag**" betyder en dag annan än lördag eller söndag när VPS är öppet för transaktioner.

Utbyte och överföring av VPS-Lån vid registrering, överföring, partiell inlösen eller exekvering av en option ska exekveras utan avgift till eller för Emittentens räkning eller till VPS-**B**etalningsagenten, men efter betalning av tillämplig skatt eller annan avgift till myndigheter som kan avkrävas med avseende på den (eller ställandet av sådan säkerhet som VPS-Betalningsagenten kan komma att kräva).

Ingen Fordringshavare kan kräva överföring av en VPS-aktie för att registreras under en stängd period, i enlighet med de för tillfället gällande VPS-reglerna.

Under dessa villkor betyder "**Fordringshavare**" eller "**Innehavare**" avseende VPS-Lån, som sammanhanget kräver, den person i vars namn en VPS-Lån är registrerad i VPS-registret, och ska också inkludera personer som är auktoriserade att fungera som förvaltare (på norska "forvalter") och registrerad som en innehavare av VPS-Lån.

Svenska Lån

Ett eller fler Svenska Lån kan överföras i enlighet med Euroclear Sverige-reglerna. Utbyte och överföring av Svenska Lån rörande överföring, partiell återbetalning, eller exekvering av en köp- eller säljoption ska exekveras utan avgift till eller för Emittentens räkning eller för det svenska Emissionsinstitutet, men efter betalning av tillämplig skatt eller andra avgifter till myndigheter som kan avkrävas med avseende på den (eller ställande av sådan säkerhet som det svenska Administrerande Institutet kan kräva).

Ingen Fordringshavare kan kräva överföring av ett Svenskt Lån att registreras under en stängd period i enlighet med de vid tillfället gällande Euroclear Sverige-reglerna.

Alla överföringar av Svenska Lån är föremål för cut-off datum tillämpliga på sådana Svenska Lån och de andra regler och procedurer som för tillfället gäller hos Euroclear Sverige. Euroclear Sveriges Regler kan laddas ner från deras webbsida: www.euroclear.com

Finska Lån

Ett eller fler Finska Lån kan överföras i enlighet med Euroclear Finland Rules. Utbyte och överföring av Finska Lån beträffande registrering, överföring, partiell återbetalning eller exekverandet av en köp- eller sälgoption ska exekveras utan avgift till eller till förmån för Emittenten eller det finska Administrerande Institutet, men efter betalning av tillämplig skatt eller andra avgifter krävda av myndigheter i samband med det (eller ställande av sådan säkerhet som det finska Administrerande Institutet kan kräva).

Ingen Fordringshavare får kräva att överföringen av ett Finskt Lån ska registreras under en stängd period i enlighet med de för tillfället gällande Euroclear Finland Rules.

Alla överföringar av Finska Lån är föremål för cut-off datum tillämpliga på sådana Finska Lån, och de andra regler och procedurer som för tillfället gäller hos Euroclear Finland. Euroclear Finlands regler och förordningar kan laddas ner från deras webbsida: http://www.euroclear.com.

3A. **Tillämpning av svenska och finska skuldnedskrivningsverktyg på norska Lån**

Bestämmelserna i detta Villkor 3A (*Tillämpning av svenska och finska skuldnedskrivningsverktyg på norska Lån*) ska tillämpas på alla Lån som styrs av norsk rätt i de Slutliga Villkoren.

(1) Så länge som något Lån är utestående ska varje innehavare oåterkalleligen bekräfta och gå med på, och ska genom att inneha ett Lån anses bekräfta och gå med på, att:

(a) varje förpliktelse för Emittenten gentemot en innehavare av ett Lån kan komma att Nedskrivas eller Omvandlas av den Relevanta Resolutionsmyndigheten (och går med på varje sådan nedskrivning eller omvandling);

(b) innehavaren är (och går med på att vara) bunden av varje utövande av den Relevanta Resolutionsmyndigheten av Nedskrivning eller Omvandling, särskilt i förhållande till:

i. varje minskning av hela eller delar av kapitalbeloppet eller utestående belopp förfallet till betalning (inklusive upplupen men ännu inte betalad ränta) i förhållande till varje sådan förpliktelse; och/eller

ii. varje omvandling av hela eller delar av sådana förpliktelser (och varje överlåtelse i stället för hela eller delar av sådan sådana förpliktelser), stamaktier, andra ägarbevis eller andra värdepapper från Emittenten eller någon annan person,

som kan komma från ett sådant utövande;

(iv) villkoren för Lånen samt rättigheterna som innehavare är föremål för ändring och kommer att ändras i den mån det är nödvändigt för att effektuera varje sådant utövande och innehavaren kommer att vara bunden av varje sådan ändring (och går med på varje sådan ändring);

(v) acceptera (och innehavaren accepterar) att stamaktier, andra ägarbevis eller andra värdepapper från Emittenten eller någon annan person kan komma att träda i stället för rättigheterna under ett Lån som ett resultat av utövandet av sådana rättigheter; och

(vi) bestämmelserna i denna paragraf utgör (och innehavaren går med på att de utgör) den fullständiga överenskommelsen mellan parterna i de delar som ovan har beskrivits och utesluter varje annat avtal, upplägg eller avsikt mellan parterna i de delarna.

Emittentens förpliktelser enligt Lånen kan komma att bli föremål för skuldnedskrivningsverktyget eller omvandling, vilket medför att kapitalbeloppet eller ränta enligt något Lån inte förfaller till betalning, om inte sådan återbetalning eller betalning är i linje med något villkor eller handlande vid utövandet av sådana rättigheter och det skulle vara tillåtet för Emittenten under de lagar och regler i Sverige eller Finland (som tillämpligt) och Europeiska Unionen som är tillämpliga på Emittenten att återbetala och/eller betala sådana belopp.

Begrepp som används i detta Villkor:

”**Relevant Lagstiftning**” avser varje lag, order, förordning, krav eller liknande som från tid till annan är i kraft och tillämplig i Finland eller Sverige (som tillämpligt) som avser resolution av banker, bankgrupper, kreditinstitutioner, investmentföretag eller finansiella institutioner eller filialer till någon av dessa.

”**Relevant Resolutionsmyndighet**”avser varje regulatoriskt eller statligt organ eller myndighet som har makt att under den Relevanta Lagstiftningen utöva Nedskrivning eller Omvandling.

”**Nedskrivning eller Omvandling**” avser:

(c) varje befogenhet under den Relevanta Lagstiftningen att göra skuldnedskrivningsbestämmelser i förhållande till en bank eller annan enhet för vilken den Relevanta Lagstiftning är tillämplig, vilket (sammanfattningsvis) innefattar befogenhet att göra följande (och varje kombination av dessa):

(a) bestämmelser som utsläcker enhetens förpliktelser (eller avtal enligt vilka enheten har förpliktelser);

(b) bestämmelser som modifierar, eller ändrar formen av, en enhets förpliktelser (eller avtal enligt vilka enheten har förpliktelser, konvertering eller utbyte av instrument, skapandet av nya säkerheter eller omvandling av förpliktelser till värdepapper som utges av enheten eller en annan person); och

(c) bestämmelser som innebär att ett avtal enligt vilket enheten har en förpliktelse ska ha en sådan effekt som om en specifik rättighet hade utnyttjats enligt avtalet; eller

(vii) varje annan befogenhet enligt den Relevanta Lagstiftningen:

(a) att reducera hela eller delar av kapitalbeloppet eller utestående belopp förfallna till betalning (samt upplupen men ännu inte betalad ränta) i förhållande till förpliktelserna för en person enligt ett avtal eller instrument;

(b) att omvandla hela eller delar av en persons förpliktelser enligt ett avtal eller instrument, direkt eller indirekt, till stamaktier, andra ägarbevis eller andra värdepapper för den personen eller någon annan person; eller

(c) att upphäva varje avtal eller instrument utgivna av någon person; eller

(viii) varje befogenhet enligt den Relevanta Lagstiftningen som relaterad till någon av de befogenheter som har nämnts ovan.

(2) När Emittenten blir medveten om utövandet av Nedskrivning eller Omvandling i förhållande till Lånen av den Relevanta Resolutionsmyndigheten ska Emittenten upplysa den fiskala agenten eller tillse att den fiskala agenten blir upplyst om detta skriftligen så snart som möjligt. Den fiskala agenten ska upplysa Fordringshavarna för Emittentens räkning så snart som det är praktiskt möjligt i enlighet med Villkor 16 efter utövandet av Nedskrivning eller Omvandling.

(3) Vid utövandet av Nedskrivning eller Omvandling av den Relevanta Resolutionsmyndigheten i förhållande till Lånen ska Emittenten släppas från sina betalningsförpliktelser (i förhållande till återbetalning av kapitalbeloppet, betalning av ränta och andra belopp förfallna till betalning) enligt Lånen, i den utsträckning kapitalbelopp enligt Lånen har varit föremål för Nedskrivning eller Omvandling av den Relevanta Resolutionsmyndigheten. Detta gäller inte om det vid tidpunkten när sådan återbetalning eller betalning förväntas förfalla till betalning skulle vara tillåtet för Emittenten att göra sådan återbetalning eller betalning enligt de lagar och regler i Sverige och Finland (som tillämpligt) eller Europeiska unionen som är tillämpliga på Emittenten.

(4) Trots att Emittenten är i dröjsmål med att leverera, eller underlåtit att leverera, sådana underrättelser som avses i Villkor 3A(2) ovan, ska sådant dröjsmål eller underlåtenhet inte påverka giltigheten eller verkställbarheten av en Nedskrivning eller Omvandling.

(5) Varje återbetalning av kapitalbelopp eller betalning av ränta enligt Lånen som görs till Fordringshavarna efter utövandet av Nedskrivning eller Omvandling över det belopp som är tillåtet att betalas av Emittenten enligt de lagar och regler i Sverige och Finland (som tillämpligt) och Europeiska Unionen som är tillämpliga på Emittenten är ogiltiga, och de Fordringshavarna som erhållit sådan betalning ska återbära vad de sålund erhållit omedelbart.

(6) Inga Fordringshavare är berättigade att, efter utövandet av Nedskrivning eller Omvandling, kvitta några av deras tidigare fordringar i förhållande till Lånen mot någon annan förpliktelse de kan ha gentemot Emittenten vid den tidpunkten, i den utsträckning som sådana rättigheter i förhållande till Lånen har utsläckts, minskats eller omvandlats genom Nedskrivning eller Omvandling.

13. **Status**

Lånen i varje Serie utgör ej säkrade och ej eftersällda förpliktelser av Emittenten och rankas jämsides (*pari passu*) utan någon preferens bland de själva och åtminstone jämställt (*pari passu*) med alla andra nuvarande och framtida utestående ej säkerställda och ej efterställda förpliktelser av Emittenten,.

14. **Ränta**

Lån kan vara räntebärande eller icke-räntebärande, såsom specificerats i de relevanta Slutliga Villkoren. Den ränta som ska betalas per Beräkningsbelopp på varje Räntebetalningsdag ("**Räntebeloppet**") beräknas i enlighet med ett av följande alternativ och såsom ytterligare specificerats i de Slutliga Villkoren. Såvida inte annat anges i dessa Villkor, ska Räntebeloppet vara ett belopp per Beräkningsbelopp (med förbehåll för Villkor 8(10) (*Uppskjuten Ränta*) och ska betalas i efterskott på varje Räntebetalningsdag.

(a) ***Ränta – Fast Ränta***

Om Lånen är specificerade som Lån med Fast Ränta ska Lånen bära ränta enligt Räntesatsen, från och med Startdatum för Ränta till men exklusive Återbetalningsdagen **förutsatt att,** såvitt gäller Svenska Lån, sådana Svenska Lån ska vara räntebärande från, men exklusive, deras Startdatum för Ränta till och med Återbetalningsdagen. Ränta som upplupit under varje Ränteperiod ska vara betalningsbar i efterhand på varje relevant Räntebetalningsdag.

Om ett bestämt Räntebelopp har angetts i tillämpliga Slutliga Villkor ska detta vara den ränta som varje Lån uppbär under varje Ränteperiod och, om Lånen denomineras i mer än en Angiven Enhet, ska detta vara det bestämda Räntebeloppet i förhållande till varje Angiven Enhet.

För varje period som det inte finns något bestämt Räntebelopp ska Räntebeloppet för varje Lån beräknas genom att tillämpa Räntesatsen på det Justerade Beräkningsbeloppet, och multiplicera produkten med Dagsräkningsmetoden, och avrunda det resulterande beloppet till den närmaste underenheten för den specificerade valutan (en halv subenhet avrundas uppåt) och multiplicera detta avrundade tal med en bråkdel som är lika med den specificerade Valören för sådant Lån dividerad med det Ursprungliga Beräkningsbeloppet. I detta Villkor 5 (*Ränta*), avser en "**underenhet**" för alla valutor utom Euro, den minsta enhet av sådan valuta som finns tillgänglig som lagligt betalningsmedel i valutans hemland, och i fallet Euro betyder det en cent.

Om inte annat specificerats i de Slutliga Villkoren så tillämpas Bankdagskonventionen i Villkor 8 (8)(c) nedan på Lån med Fast Ränta.

(b) ***Ränta – Räntejustering***

Om Lånen är specificerade som Lån med Räntejustering får detta Villkor 5 (*Ränta*), som ska användas för beräkning av den Ränta som ska betalas för Lånen, justeras periodiskt i enlighet med de tillämpliga Slutliga Villkoren.

(c) ***Ränta – Kombination***

Om ”Kombination av Räntebaser” är specificerat som tillämpligt i de Slutliga Villkoren, kan Lån även ge ränta i enlighet med fler än ett av räntealternativen i detta Villkor 5 (*Ränta*): (i) om ”Enskild Korgsammanslagning” är specificerat i Slutliga Villkor kommer samma underliggande Korg användas för beräkningen av varje alternativt Räntebelopp och Räntebeloppen som sålunda fastställs ska aggregeras i syfte att fastställa det totala belopp som ska betalas till innehavarna vid den relevanta Räntebetalningsdagen, (ii) om ”Multipel Korgsammanslagning” är specificerat i Slutliga Villkor kommer olika underliggande Korgar användas för beräkningen av varje individuellt Räntebelopp (såsom närmare anges i Slutliga Villkor), varefter Räntebeloppen läggs samman för att fastställa det totala betalbara beloppet till innehavarna på den relevanta Räntebetalningsdagen eller (iii) om ”Alternativ Uträkning” är specificerad i Slutliga Villkor kommer det tillämpliga Villkoret för ränteberäkning att avvika beroende på huruvida Korgavkastningen på en viss Räntebestämningsdag har överstigit vissa förutbestämda Räntebarriärnivåer eller ej, såsom framgår av relevanta Slutliga Villkor.

Korgavkastningen kommer att fastställas i enlighet med Villkor 6(a)(i) (*”Basket Long”-struktur*), såsom specificerat i Slutliga Villkor.

(d) ***Ränta – Lån med Rörlig Ränta (FRN (Floating Rate Notes))***

Om Lånen är specificerade som Lån med Rörlig Ränta ska Lånen ge ränta från och med Startdatum för Ränta till men exklusive Återbetalningsdagen **förutsatt att,** såvitt gäller Svenska Lån, sådana Svenska Lån ska vara räntebärande från, men exklusive, deras Startdatum för Ränta till och med Återbetalningsdagen. Räntesatsen som är tillämplig för varje Ränteperiod ska fastställas av Emissionsinstitutet (eller, där det är tillämpligt, Beräkningsagenten) eller Emittenten, vid den relevanta Räntebestämningsdagen, såsom summan av:

(i) Basräntan multiplicerat med FRN Deltagandegrad; och

(ii) Räntemarginalen för den relevanta perioden.

Om en Högsta Räntesats eller en Lägsta Räntesats (eller båda) är angivet i tillämpliga Slutliga Villkor ska Räntesatsen under inga omständigheter vara högre än den Högsta Räntesatsen eller lägre än den Lägsta Räntesatsen.

Ränta för varje Ränteperiod betalas i efterskott vid den relevanta Räntebetalningsdagen och beräknas genom att tillämpa Räntesatsen på det Justerade Beräkningsbeloppet, och att multiplicera med Dagberäkningsmetoden, och avrunda till den närmaste underenheten för den specificerade valutan (en halv underenhet avrundas uppåt) och att multiplicera med sålunda avrundade tal med en bråkdel som är lika den specificerade Valören för sådant Lån dividerad med det Ursprungliga Beräkningsbeloppet. I detta Villkor 5 (*Ränta*) avser en "**underenhet**" för alla valutor utom Euron, den minsta enheten av en sådan valuta som finns tillgänglig som lagligt betalningsmedel i hemlandet för denna valuta, och avseende Euron, en cent.

Om det finns en lång eller kort första eller sista Ränteperiod för något eller några Lån (en ”**Oregelbunden Ränteperiod**”), vilken är antingen längre eller kortare i förhållande till den Avsedda Återbetalningsdagen för Basräntan såsom specificerats i Slutliga Villkor, kan Emittenten antingen specificera en Alternativ Avsedd Återbetalningsdag för sådan Oregelbunden Ränteperiod i tillämpliga Slutliga Villkor eller, om ”linjär interpolering” är angett i Slutliga Villkor, fastställa Basräntan med linjär interpolering av de räntesatser som visas för ’Alternativ Förfallodag 1’ och ’Alternativ Förfallodag 2’, i varje fall såsom angetts i Slutliga Villkor, och som visas på tillämplig Skärmsida.

Om inte annat specificerats i de Slutliga Villkoren, så tillämpas Bankdagskonventionen i Villkor 8(8)(c) nedan på Lån med Rörlig Ränta.

(e) ***Ränta – Inflationslänkad***

Om "Inflationslänkat Räntebärande Lån”-bestämmelser är specificerade som tillämpliga i Slutliga Villkor ska Lånen ge Inflationslänkad Ränta från och med Startdatum för Ränta till, men exklusive, Återbetalningsdagen **förutsatt att,** såvitt gäller Svenska Lån, sådana Svenska Lån ska vara räntebärande från, men exklusive, deras Startdatum för Ränta till och med Återbetalningsdagen. Räntesatsen kan vara fast eller rörlig och räntebeloppet för varje Ränteperiod ska beräknas på det sätt som specificeras i Villkor 5(a) (*Ränta – Fast Ränta*) eller Villkor 5(d) (*Ränta – Lån med Rörlig Ränta (FRN)*) och multipliceras med ett tal i enlighet med den kvot som beräknats genom att dividera Slutligt KPI med Bas-KPI.

Såvida inte annat specificerats i de Slutliga Villkoren, så ska Bankdagskonventionen specificerad i Villkor 8(8)(c) nedan tillämpas på Inflationslänkade Lån.

(f) ***Nollkupongslån***

Om Lånen är specificerade som Nollkupongslån ska de inte vara räntebärande. Nollkupongslån kan utfärdas med rabatt och lösas in till Kapitalbeloppet. Alternativt kan Nollkupongslån utfärdas till Kapitalbeloppet och lösas in till ett högre värde i enlighet med de tillämpliga Slutliga Villkoren och vilket, i ett sådant fall, ska betalas på Inlösningsdagen.

Om inte något annat anges i Slutliga Villkor, så tillämpas Bankdagskonventionen i Villkor 8(8)(c) nedan för Nollkupongslån.

Om inget annat anges i Slutliga Villkor ska Lån inte bära ränta såsom ett Nollkupongslån och vid inlösen av Lånen ska betalning av Återbetalningsbelopp som understiger eller överstiger Kapitalbeloppet anses vara ränta eller avkastning.

(g) ***Kupongbärande Lån***

Om Lånen är specificerade som Kupongbärande Lån och om en Kuponghändelse inträffar på någon Värderingsdag, då ska Lånen betala ränta ("**Kupongen**") på den omedelbart efterföljande Räntebetalningsdagen. Beloppet av en sådan Kupongbetalning fastställs enligt följande.

(i) Om "**Flat Kupong**" är specificerad i Slutliga Villkor, så är Kupongbetalningen lika med Kapitalbeloppet på Lånen multiplicerat med den relevanta Kupongnivån;

(ii) Om "**Memory Kupong**" är specificerad i de Slutliga Villkoren, så blir Kupongbetalningen lika med Kapitalbeloppet på Lånen multiplicerat med den relevanta Kupongnivån och multiplicerat med antalet föregående Räntebetalningsdagar (fram till och med den Räntebetalningsdag som omedelbart följer den tillämpliga Värderingsdagen) för vilka en Kupong inte har betalats;

(iii) Om "**Plus Flat Kupong**" är specificerad i Slutliga Villkor så kommer Kupongbetalningen att bli lika med Kapitalbeloppet för Lånen multiplicerat med det högre av: (a) den relevanta Kupongnivån och (b) Korgavkastningen, och

(iv) Om "**Plus Memory Kupong**" är specificerad i Slutliga Villkor, så blir betalningen lika med Kapitalbeloppet för Lånen, multiplicerat med det högre av: (a) den relevanta Kupongnivån multiplicerat med med antalet föregående Räntebetalningsdagar (fram till och med den Räntebetalningsdag som omedelbart följer den tillämpliga Värderingsdagen) för vilka en Kupong inte har betalats och (b) Korgavkastningen,

En ”**Kuponghändelse**” inträffar om Korgavkastningen är högre än eller lika med en eller flera specificerade Kupongbarriärnivå(er) vid den relevanta Värderingsdagen.

”**Korgavkastningen**” bestäms enligt följande:

(i) om "*Korgnivån*" är specificerad i de Slutliga Villkoren, kommer Korgavkastningen beräknas på samma sätt som för ”Basket Long”-strukturen som framgår av Villkor 6(a)(i) (*”Basket Long”-struktur*) eller som för ”Basket Short”-strukturen som framgår av Villkor 6(a)(ii); eller

(ii) om "*Bästa/Sämsta Kurs*" är specificerat i Slutliga Villkor, kommer ”Korgavkastningen” vara Referenstillgångsavkastningen för Referenstillgången med den Nth bästa värdeutvecklingen.

Referenstillgången med den ”**Nth bästa värdeutvecklingen**” ska vara Referenstillgången med den Nth högsta Referenstillgångsavkastningen, och för detta Villkor 5(g) (*Kupongbärande Lån*) ska ”**N**” vara det värde som specificeras i Slutliga Villkor under rubriken ”Bestämmelser för Kupongbärande Lån”.

”**Referenstillgångsavkastningen**” ska beräknas på samma sätt som för ”Basket Long”-strukturen som framgår av Villkor 6(a)(i) (*”Basket Long”-struktur*) eller ”Basket Short”-strukturen som framgår av Villkor 6(a)(ii) (”*Basket Short”-struktur*).

Om ingen Kuponghändelse inträffat på en viss Värderingsdag, så betalas ingen ränta ut på den omedelbart följande Räntebetalningsdagen.

(h) ***Non-tranched CLN Ränta***

Om Lånen är specificerade som Non-tranched CLN Ränta så kan räntesatsen vara fast eller rörlig och mängden ränta för varje Ränteperiod ska beräknas på det sätt som specificeras i någon av de andra bestämmelserna i detta Villkor 5 (*Ränta*), dock att Beräkningsbeloppet som används för att bestämma Räntebeloppet i enlighet med ett sådant annat Villkor (”**Justerat Beräkningsbelopp**”) ska justeras enligt följande:

(i) om "**Bestämningsdag Exponering**" är specificerad i de Slutliga Villkoren ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med Justerad Portföljavkastning (Ränta) vid den Observationsdag som inträffar Antalet Bankdagar före den relevanta Räntebetalningsdagen, dock att, för det fall någon Räntebetalningsdag inträffar efter den slutliga Observationsdagen ska Justerade Portföljavkastningen (Ränta) bestämmas på den slutliga Observationsdagen, eller

(ii) om "**Viktad Genomsnittlig Exponering**" är specificerad i de Slutliga Villkoren ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med det viktade medelvärdet av Justerad Portföljavkastning (Ränta) under varje kalenderdag från och med den föregående Observationsdagen (men exklusive) Observationsdagen som infaller på eller är omedelbart föregående den relevanta Räntebetalningsdagen, såsom

fastställts av Emittenten enligt dennes självständiga bedömning, *dock att,* för de Ränteperioder som börjar på eller efter den Slutliga Observationsdagen, ska det viktade medelvärdet av Justerad Portföljavkastning (Ränta) för varje kalenderdag under Ränteperioden motsvara den Justerade Portföljavkastningen (Ränta) på den Slutliga Observationsdagen, såsom fastställt av Emittenten enligt dennes självständiga bedömning.

Den "**Justerade Portföljavkastningen (Ränta)**" ska vara skillnaden mellan 1 och den Justerade Portföljförlusten (Ränta).

Den "**Justerade Portföljförlusten (Ränta)**" betyder summan av Default-Viktningen för varje Referensenhet (ränta) inom Korgen.

"**Default-Viktningen**" ska antingen:

(v) om ”Kredithändelserankad Korgandel (Ränta)” är specificerat som tillämpligt i relevanta Slutliga Villkor, beräknas genom att multiplicera Korgandel (Ränta) med Default-Värdet med avseende på vardera Referensbolag (Ränta) enligt följande:

(A) för Referensbolag (Ränta) som varit föremål för en Kredithändelse används relevant Kredithändelserankad Vikt som Korgandel (Ränta); eller

(B) för resterande Referensbolag (Ränta) som inte varit föremål för en Kredithändelse ska relevanta Referensbolag sorteras i alfabetisk ordning och de resterande Kredithändelserankade Vikterna ska sorteras i nummerordning i syfte att bestämma Korgandel (Ränta), enligt principen att det första Referensbolaget (Ränta) i alfabetisk ordning skall tilldelas den första tillgängliga Kredithändelserankade Vikten i nummerordning och så vidare.

(vi) om ”Kredithändelserankad Korgandel (Ränta)” är specificerad som inte tillämplig, beräknas genom att multiplicera Korgandelen (Ränta) med Default-värdet med avseende på varje Referensenhet (Ränta).

"**Default-Värdet**" med avseende på varje Referensenhet (Ränta) blir skillnaden mellan 100% och Återvinningsvärdet.

"**Återvinningsvärdet**" blir 100 procent om en Kredithändelse (såsom definieras i Del 3; *Ytterligare villkor för Kreditlänkade Lån*) inte har inträffat i förbindelse med denna Referensenhet (Ränta) sedan Inledande Observationsdag eller, om en sådan Kredithändelse har inträffat, så blir den antingen ett fast Återvinningsvärde (såsom närmare anges i Slutliga Villkor) eller ett Marknadsåtervinningsvärde, i varje enskilt fall angett som en procentsats.

(i) ***Tranched CLN Ränta***

Om Lånen är specificerade som Tranched CLN Ränta, så kan räntesatsen vara fast eller rörlig och mängden ränta för varje Ränteperiod ska beräknas på det sätt som specificerats i någon av de andra bestämmelserna i detta Villkor 5 (*Ränta*), dock att Beräkningsbeloppet som används för att fastställa det betalbara Räntebeloppet i enlighet med sådant annat Villkor (”**Justerat Beräkningsbelopp**”) ska justeras enligt följande:

(i) om "**Bestämningsdag Exponering**" är specificerat i Slutliga Villkor ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med Justerad Portföljavkastning (Ränta) såsom vid Observationsdag som inträffar Antalet Bankdagar innan den relevanta Räntebetalningsdagen dock att, för det fall någon Räntebetalningsdag inträffar efter den slutliga Observationsdagen ska Justerade Portföljavkastningen (Ränta) bestämmas på den slutliga Observationsdagen, eller, eller

(ii) om "**Viktad Genomsnittlig Exponering**" är specificerat i Slutliga Villkor ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med det viktade medelvärdet av Justerad Portföljavkastning (Ränta) under varje kalenderdag från och med den föregående Observationsdagen (men exklusive) Observationsdagen som infaller på eller eller är omedelbart föregående den relevanta Räntebetalningsdagen,

såsom fastställts av Emittenten enligt dennes självständiga bedömning, *dock att,* för de Ränteperioder som börjar på eller efter den Slutliga Observationsdagen, ska det viktade medelvärdet av Justerad Portföljavkastning (Ränta) för varje kalenderdag under Ränteperioden motsvara den Justerade Portföljavkastningen (Ränta) på den Slutliga Observationsdagen, såsom fastställt av Emittenten enligt dennes självständiga bedömning.

"**Justerad Portföljavkastning (Ränta)** " ska vara resultatet som erhålles genom att subtrahera Justerad Tranchförlust (Ränta) (Justerad skiva, förlust (Ränta)) från 1.

"**Justerad Tranchförlust (Ränta)**" blir resultatet som erhålls genom att dividera det lägre av a) Tranch Fästspann och b) Tranchförlust (Ränta), med Tranch Fästspann.

"**Tranchförlust (Ränta)**" är det högre av:

(i) noll och

(ii) summan av:

(a) det högre av (x) noll och (y) det resultat som erhållits genom att subtrahera Tranch Fästpunkt från summan av den Viktade Tillgångsförlusten (Ränta) för varje Referensenhet (ränta) inom den relevanta Korgen; och

(b) Kupongriskfaktorn.

"**Viktad Tillgångsförlust (Ränta)**" betyder produkten av Korgdeltagande (Ränta) och Referensenhetsförlusten (Ränta) för den relevanta Referensenheten (Ränta).

"**Referensenhetsförlusten (Ränta)** blir resultatet som erhålles genom att subtrahera Återvinningsvärdet med avseende på den relevanta Referensenheten (Ränta) från 1,

"**Återvinningsvärdet**" blir 100 procent om en Kredithändelse såsom definieras i Del 3; *Ytterligare villkor för Kreditlänkade Lån*) inte har inträffat med avseende på denna Referensenhet (Ränta) sedan Inledande Observationsdag eller, om en sådan Kredithändelse har inträffat, så blir det antingen ett Fast Återbetalningsbelopp (såsom specificerats i de Slutliga Villkoren) eller ett Marknadsåtervinningsvärde, i alla fallen uttryckt som ett procentvärde.

"**Kupongriskfaktorn**" betyder det högre av (i) noll och (ii) summan av Viktat Tillgångsåtervinningsvärde (Ränta) för de Referensbolag (Ränta) för vilka en Kredithändelse inträffat sedan Inledande Observationsdagen, minus resultatet som erhålls genom att subtrahera Tranch Avskiljningspunkt från 1.

Den "**Viktade Tillgångsåtervinningen (Ränta)**" betyder produkten av Korgandelen (Ränta) och Återvinningsvärdet för den relevanta Referensenheten (Ränta).

(j) ***Nth till Default CLN Ränta***

Om Lånen är specificerade som att de ger Nth till Default CLN Ränta, så kan räntesatsen vara fast eller rörlig och mängden ränta för varje Ränteperiod ska beräknas i enlighet med den metod som specificerats i någon av de bestämmelserna i detta Villkor 5 (*Ränta*), dock att Beräkningsbeloppet som används för att fastställa det betalbara Räntebeloppet i enlighet med sådant annat Villkor (”**Justerat Beräkningsbelopp**”) ska justeras enligt följande:

(i) om "**Bestämningsdag Exponering**" är specificerat i Slutliga Villkor ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med Justerad Portföljavkastning (Ränta) såsom vid Observationsdag som infaller Antalet Bankdagar innan den relevanta Räntebetalningsdagen dock att, för det fall någon Räntebetalningsdag inträffar efter den slutliga Observationsdagen ska Justerade Portföljavkastningen (Ränta) bestämmas på den slutliga Observationsdagen, eller, eller

(ii) om "**Viktad Genomsnittlig Exponering**" är specificerat i Slutliga Villkor ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med det viktade

medelvärdet av Justerad Portföljavkastning (ränta) under varje kalenderdag från och med den föregående Observationsdagen (men exklusive) Observationsdagen som infaller på eller som föregår den relevanta Räntebetalningsdagen, såsom fastställts av Emittenten enligt dennes självständiga bedömning, *dock att,* för de Ränteperioder som börjar på eller efter den Slutliga Observationsdagen, ska det viktade medelvärdet av Justerad Portföljavkastning (Ränta) för varje kalenderdag under Ränteperioden motsvara den Justerade Portföljavkastningen (Ränta) på den Slutliga Observationsdagen, såsom fastställt av Emittenten enligt dennes självständiga bedömning.

Den "**Justerade Portföljavkastningen (Ränta)**" ska vara resultatet som erhålls genom att subtrahera den Justerade Portföljförlusten (Ränta) från 1.

Den "**Justerade Portföljförlusten (Ränta)**" betyder a) om antalet Kredithändelser som har inträffat med avseende på någon eller några Referensenheter (Ränta) inom Korgen under den period som börjar med Inledande Observationsdag och slutar med Observationsdagen som infaller närmast före den relevanta Räntebetalningsdagen, är större än eller lika med N, 1: eller b) om antalet Kredithändelser som har inträffat i relation till någon Referensenhet (Ränta) inom Korgen under den period som börjar med Inledande Observationsdag och slutar med Observationsdagen som infaller närmast före den relevanta Räntebetalningsdagen är mindre än N, noll.

"**N**" ska vara det tal som specificerats i de Slutliga Villkoren under rubriken ”CLN Räntebestämmelser”.

(k) ***Nth och Nth + 1 till Default CLN Ränta***

Om Lånen som specificerats som att de ger Nth och Nth + 1 till Default CLN Ränta, så kan räntesatsen vara fast eller rörlig och mängden ränta för varje Ränteperiod ska beräknas på det sätt som specificerats i en av bestämmelserna i detta Villkor 5 (*Ränta*), dock att Beräkningsbeloppet som används för att fastställa det betalbara Räntebeloppet i enlighet med sådant annat Villkor (”**Justerat Beräkningsbelopp**”) ska justeras enligt följande:

(i) om "**Bestämningsdag Exponering**" är specificerat i Slutliga Villkor ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med Justerad Portföljavkastning (Ränta) såsom vid Observationsdagen omedelbart föregående den relevanta Räntebetalningsdagen dock att, för det fall någon Räntebetalningsdag inträffar efter den slutliga Observationsdagen ska Justerade Portföljavkastningen (Ränta) bestämmas på den slutliga Observationsdagen, eller, eller

(ii) om "**Viktad Medelvärdesexponering**" är specificerad i Slutliga Villkor ska Beräkningsbeloppet som anges i Slutliga Villkor multipliceras med det viktade medelvärdet av Justerad Portföljavkastning (Ränta) varje kalenderdag från och med den omedelbart föregående Räntebetalningsdagen till (men exklusive) Observationsdagen omedelbart föregående den relevanta Räntebetalningsdagen, såsom fastställt av Emittenten enligt dennes självständiga bedömning.

Den "**Justerade Portföljavkastningen (Ränta)**" ska vara resultatet som erhålls genom att subtrahera den Justerade Portföljförlusten (Ränta) från 1.

Den "**Justerade Portföljförlusten (Ränta)**" kommer att betyda:

(i) om antalet Kredithändelser som har inträffat med avseende på någon Referensenhet (Ränta) inom Korgen under den period som börjar på Inledande Observationsdagen och slutar på Observationsdagen som infaller närmast före den relevanta Räntebetalningsdagen är större än N, summan av Korgandelen för Nth Referensenheten (Ränta) till brott och den Nth plus 1 (dvs. den omedelbart följande) Referensenheten (Ränta) till brott inom Korgen; eller

(ii) om antalet Kredithändelser som har inträffat med avseende på någon Referensenhet (Ränta) inom Korgen under den period som började vid Inledande Observationsdag och slutade vid Observationsdagen som infaller närmast före den relevanta

Räntebetalningsdagen är lika med N, ett belopp lika med Korgandelen hos Nth Referensenheten (Ränta) med avseende på vilken en Kredithändelse inträffar; eller

(iii) om antalet Kredithändelser som har inträffat med avseende på någon Referensenhet (Ränta) inom Korgen under den period som började vid Inledande Observationsdag och slutade vid Observationsdagen som infaller närmast före den relevanta Räntebetalningsdagen är mindre än N, noll.

"**N**" ska vara det tal som specificerats i de Slutliga Villkoren under rubriken ”CLN Räntebestämmelser”.

(l) ***Tak Golv Float***

Om Villkoret 5(l) (*Tak Golv Float*) är specificerat i de relevanta Slutliga Villkoren, så blir Räntebeloppet för den tillämpliga Ränteperioden lika med Beräkningsbeloppet multiplicerat med:

(a) det lägre av Lösenpristak och Justerad Referensräntesatsavkastning; och

(b) Dagberäkningsmetoden;

Den "**Justerade Referensräntesatsavkastningen**" blir det högre av:

(a) Gearingen multiplicerad med summan av Referenskursen och tillämplig Spread; och

(b) Lösenprisgolv.

"**Spread**" blir det värde som är specificerat i de tillämpliga Slutliga Villkoren.

”**Gearing**” avser det värde som är specificerat i de tillämpliga Slutliga Villkoren.

(m) ***Tak Golv***

Om detta Villkor 5(m) (*Tak Golv*) är specificerad som tillämpligt i de relevanta Slutliga Villkoren, så blir Räntebeloppet för den tillämpliga Ränteperioden lika med summan av Takbeloppet och Golvbeloppet.

"**Takbeloppet**" kommer vara lika med Beräkningsbeloppet multiplicerat med:

(a) Takvärdet:

(b) Hävstång (Tak);

(c) Takavkastningen; och

(d) Dagberäkningsmetoden.

"**Takvärdet**" kommer vara antingen 1, minus 1 eller noll, såsom specificerats i de tillämpliga Slutliga Villkoren.

"**Hävstång (Tak)**" blir det värde som specificerats i de tillämpliga Slutliga Villkoren.

"**Takavkastningen**" kommer vara det högre av (x) resultatet som erhålls genom att subtrahera Lösenpristaket från Referenskursen; och (y) noll.

"**Golvbeloppet**" kommer vara lika med Beräkningsbeloppet multiplicerat med:

(a) Golvvärdet:

(b) Hävstång (Golv);

(c) Golvavkastningen; och

(d) Dagberäkningsmetoden.

"**Golvvärdet**" är antingen 1, minus 1 eller noll, såsom specificerats i de tillämpliga Slutliga Villkoren.

"**Hävstång (Golv)**" kommer att vara det värde som specificerats i de tillämpliga Slutliga Villkoren.

"**Golvavkastningen**" kommer att vara det högre av (x) det resultat som erhålles genom att subtrahera Referenskursen från Lösenprisgolvet och (y) noll.

(n) ***Tak Golv Spread***

Om detta Villkor 5(n) (*Tak Golv Spread*) är specificerad som tillämpligt i de relevanta Slutliga Villkoren, så kommer Räntebeloppet för den tillämpliga Ränteperioden vara lika med summan av Takspreadbeloppet och Golvspreadbeloppet.

"**Takspreadbeloppet**" kommer vara lika med Beräkningsbeloppet multiplicerat med:

(a) Takvärdet:

(b) Hävstång (Tak);

(c) Takavkastningen; och

(d) Dagberäkningsmetoden.

"**Takvärdet**" kommer att vara antingen 1, minus 1 eller noll, såsom specificerats de tillämpliga Slutliga Villkoren.

"**Hävstång (Tak)**" kommer vara det värde som specificerats i de tillämpliga Slutliga Villkoren.

"**Takavkastningen**" kommer vara det lägre av:

(a) det resultat som erhålls genom att subtrahera Lösenpristak Lägre från Lösenpristak Högre; och

(b) det högre av (x), resultatet som erhålls genom att subtrahera Lösenpristak Lägre från Referenskursen; och (y) noll.

"**Golvspreadbeloppet**" är lika med Beräkningsbeloppet multiplicerat medan:

(a) Golvvärdet:

(b) Hävstång (Golv);

(c) Golvavkastningen; och

(d) Dagberäkningsmetoden.

"**Golvvärdet**" är antingen 1, minus 1 eller noll, såsom specificerats i de tillämpliga Slutliga Villkoren.

"**Hävstång (Golv)**" kommer att vara det värde som specificerats i de tillämpliga Final Terms.

"**Golvavkastningen**" kommer att vara det lägre av:

(a) det resultat som erhålles genom att subtrahera Lösenprisgolv Lägre från Lösenprisgolv Högre; och

(b) det högre av (x) - det resultat som erhålles genom att subtrahera Referenskursen från Lösenprisgolv Högre och (y) noll.

(o) ***Range Accrual***

Om detta Villkor 5(o) (*Range Accrual*) är specificerat såsom tillämpligt i de relevanta Slutliga Villkoren, så är räntebeloppet för den tillämpliga ränteperioden lika med Beräkningsbeloppet multiplicerat med:

(a) X

(b) den Relevanta Proportionen; och

(c) Dagberäkningsmetoden.

"**X**" ska vara det värde som specificerats i de tillämpliga Slutliga Villkoren

Den "**Relevanta Proportionen**" ska beräknas genom att dividera antalet dagar under den relevanta Ränteperioden under vilket Referenskursen, Referenstillgången eller Korgen är lägre än eller lika med Startkurs Högre och högre än eller lika med Startkurs Lägre, med det totala antalet dagar under den tillämpliga ränteperioden.

(p) ***Range Accrual In/Ut***

Om detta Villkor 5(p) (*Range Accrual In/Ut*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, så kommer Räntebeloppet för den tillämpliga Ränteperioden att vara lika med Beräkningsbeloppet multiplicerat med:

(a) Justerad Spännviddsvärdeutveckling; och

(b) Dagberäkningsmetoden.

"**Justerad Spännviddsvärdeutveckling** " kommer att vara högre än Lösenprisgolv och Spännviddsvärdeutveckling.

"**Spännviddsvärdeutveckling**" beräknas genom att subtrahera Spännviddsfallerande Värde från Spännviddsframgångsvärde, och dividera resultatet med det totala antalet dagar under den tillämpliga Ränteperioden.

"**Spännviddsframgångsvärde**" är produkten av X och antalet dagar under den relevanta Ränteperioden då Referenskursen var lägre än Startkurs Högre och högre än Startkurs Lägre.

Så "**Spännviddsfallerande Värde** " är produkten av Y och antalet dagar under den relevanta Ränteperioden där Referenskursen är högre än Startkurs Högre eller lägre än Startkurs Lägre.

"**X**" och "**Y** är de värden som specificeras i de tillämpliga Slutliga Villkoren.

(q) ***Knock-Out Range Accrual***

Om detta Villkor 5(q) (*Knock-Out Range Accrual*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, så är räntesatsen för den tillämpliga Ränteperioden lika med Beräkningsbeloppet multiplicerat med:

(a) X

(b) den Relevanta Proportionen; och

(c) Dagberäkningsmetoden.

"**X**" ska vara det värde som specificerats i de tillämpliga Slutliga Villkoren.

Den "**Relevanta Proportionen**", i förhållande till varje tillämplig Ränteperiod:

(a) ska, om ingen Knock-Out-Händelse har inträffat i tidigare Ränteperioder eller i den innevarande Ränteperioden, vara 1 (ett);

(b) ska, om en Knock-Out-Händelse inträffar för första gången i den innevarande Ränteperioden, beräknas genom att dividera antalet Observationsdagar i den innevarande Ränteperioden som infallit före Knock-Out-Händelsen med det totala antalet Observationsdagar i den tillämpliga Ränteperioden;

(c) ska, om en Knock-Out-Händelse har inträffat i en tidigare Ränteperiod, vara 0 (noll).

"**Knock-Out-Händelse**" definieras som varje Observationsdag då Referenskursen är högre än Startkurs Högre eller lägre än Startkurs Lägre.

(r) ***Binärt Tak/Golv***

Om detta Villkor 5(r) (*Binärt Tak/Golv*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, då:

Om Referenskursen är högre än eller lika med Lösenpristaket då är Räntebeloppet för den tillämpliga Ränteperioden lika med Beräkningsbeloppet multiplicerat med:

(a) X; och

(b) Dagberäkningsmetoden.

Om Referenskursen är lägre än Lösenpristaket, så är Räntebeloppet för den tillämpliga Ränteperioden lika med Beräkningsbeloppet multiplicerat med:

(a) Z; och

(b) Dagberäkningsmetoden.

Om Referenskursen är lägre än eller lika med Lösenprisgolv, så är Räntebeloppet lika med Beräkningsbeloppet multiplicerat med:

(a) Y; och

(b) Dagberäkningsmetoden.

Om Referenskursen är högre än Lösenprisgolv, så är Räntebeloppet lika med Beräkningsbeloppet multiplicerat med:

(a) W; och

(b) Dagberäkningsmetoden.

"**W**", "**X**", "**Y**" och "**Z**" kommer att vara värdena som specificerats i de tillämpliga Slutliga Villkoren.

(s) ***Binär Nollkupong***

Om detta Villkor 5(s) (*Binär Nollkupong*) är specificerat i de relevanta Slutliga Villkoren, så kommer Räntebeloppet att vara utbetalningsbart bara vid Återbetalningsdagen, och kommer att vara lika med:

(a) produkten av Beräkningsbeloppet och den Periodisk Avkastningen, minus

(b) Beräkningsbeloppet.

Den "**Periodiska Avkastningen**" är produkten av Referenskursavkastningen.

"**Referenskursavkastningen**" för varje tillämplig Referenskurs blir summan av:

(a) 1; och

(b) Rate-värdet multiplicerat med den tillämpliga Dagberäkningsmetoden

Där "**Rate-värdet**" kommer att vara X om Referenskursen är högre än K, eller Y om Referenskursen är lägre än eller lika med K.

"**K**", "**X**" och "**Y**" har de värden som specificerats i Slutliga Villkor.

(t) ***Inverterad Floater***

Om detta Villkor 5(t) (*Inverterad Floater*) är specificerad som tillämplig i de relevanta Slutliga Villkoren, så är Räntebeloppet för den tillämpliga Ränteperioden lika med produkten av Beräkningsbeloppet, Referenskursavkastningen och den tillämpliga Dagberäkningsmetoden.

"**Referenskursavkastningen**" blir summan av Y och det lägre av

(a) Z och

(b) det högre av: (x) noll; och (y) k multiplicerat med resultatet av att subtrahera Referenskursen från X.

"**k**", "**X**", "**Y**" och "**Z**" är värdena specificerade i de tillämpliga Slutliga Villkoren..

(u) ***Autocall-nivå***

Om detta Villkor 5(u) (*Autocall-nivå*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, då om Autocall-villkoret är uppfyllt vid någon tillämplig Värderingsdag under Ränteperioden, så kommer Räntebeloppet för den relevanta ränteperioden att vara lika med Beräkningsbeloppet, multiplicerat med X, multiplicerat med N och multiplicerat med den tillämpliga Dagberäkningsmetoden.

Om Autocallvillkoret inte är uppfyllt vid någon tillämplig Värderingsdag under den relevanta Ränteperioden, så blir Räntebeloppet för den relevanta Ränteperioden noll.

"**N**" betyder antalet Ränteperioder som har förlupit fram till och med Ränteperioden då Autocallvillkoret är uppfyllt, eller det andra värde som anges i de tillämpliga Slutliga Villkoren.

"**X**" är det värde som är specificerat i de tillämpliga Slutliga Villkoren.

Så "**Autocallvillkoret**" betyder att Referenskursen är högre än Kupongbarriärnivån, är lika med Kupongbarriärnivån, eller är lägre än Kupongbarriärnivån, såsom specificerats i de tillämpliga Slutliga Villkoren.

(v) ***Digital Long***

Om detta Villkor 5(v) (*Digital Long*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, om Korgavkastningen för någon Räntebestämningsdag är lika med eller överskrider Korglösennivån så blir Räntebeloppet lika med Beräkningsbeloppet multiplicerat med Kupongen.

Korgavkastningen bestäms i enlighet med Villkor 6(a)(i) (*"Basket Long" struktur*) eller Villkor 6(a)(ii) (*"Basket Short" struktur*) såsom närmare anges i Slutliga Villkor.

Om Korgavkastningen inte är lika med eller överskrider Korglösennivån vid någon Räntebestämningsdag så blir Räntebeloppet noll.

(w) ***Digital Short***

Om detta Villkor 5(w) (*Digital Short*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, om Korgavkastningen vid någon Räntebestämningsdag är lika med eller lägre än Korglösennivån så blir Räntebeloppet för den relevanta Ränteperioden Beräkningsbeloppet multiplicerat med Kupongen.

Om Korgavkastningen är högre än Korglösennivån vid någon Räntebestämningsdag så blir Räntebeloppet för den relevanta Ränteperioden noll.

Korgavkastningen bestäms i enlighet med Villkor 6(a)(i) (*”Basket Long” struktur*) eller Villkor 6(a)(ii) (*”Basket Short” struktur*) såsom närmare anges i Slutliga Villkor.

(x) ***Best of/Worst of Digital Long***

Om detta Villkor 5(x) (*Best of/Worst of Digital Long*) är specificerat i de relevanta Slutliga Villkoren, då, om Referenstillgångsavkastningen för Referenstillgången med Nth bäst Värdeutveckling vid någon Räntebestämningsdag är lika med eller överskrider Barriärnivån, blir Räntebeloppet för den relevanta Ränteperioden Beräkningsbeloppet multiplicerat med Kupongen.

Om Referenstillgångsavkastningen för Referennstillgången med Nth bäst Värdeutveckling understiger Barriärnivån vid någon Räntebestämningsdag, så blir Räntebeloppet för den relevanta Ränteperioden noll.

Referenstillgången med "**Nth bäst Värdeutveckling**" blir den Referenstillgång som har Nth högst Referenstillgångsavkastningen, i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short" struktur*), såsom närmare anges i Slutliga Villkor, där ”**N**” ska ha det värde som närmare anges i Slutliga Villkor.

(y) ***Best of/Worst of Digital Short***

Om detta Villkor 5(y) (*Best of/Worst of Digital Short*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, då:

Om Referenstillgångsavkastningen för Referenstillgången med Nth bäst Värdeutveckling vid någon Räntebestämningsdag är lika med eller lägre än Barriärnivån, så blir Räntebeloppet för den relevanta Ränteperioden Beräkningsbeloppet multiplicerat med Kupongen.

Om Värdeutvecklingen för Referenstillgången med Nth bäst Värdeutveckling överstiger Barriärnivån vid någon Räntebestämningsdag, så blir Räntebeloppet för den relevanta Ränteperioden noll.

Referenstillgången med "**Nth bäst Värdeutveckling**" blir den Referenstillgång som har Nth högst Referenstillgångsavkastningen, i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short" struktur*), såsom närmare anges i Slutliga Villkor, där ”**N**” ska ha det värde som närmare anges i Slutliga Villkor.

(z) ***Worst of Digital Memory Kupong 2***

Om detta Villkor 5(z) (*Worst of Digital Memory Kupong 2*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, då kommer Räntebeloppet för den relevanta Ränteperioden beräknas genom att multiplicera Beräkningsbeloppet multipliceras med det högre av: (i) Räntenivån minus den Utbetalda Räntan och (ii) noll.

"**Räntenivå**" syftar, med hänsyn till alla Värderingsdagar, till produkten av N, Kupongbarriärnivån och Kupongen.

"**N**" kommer vara numret i ordningen för relevant Värderingsdag där den första Värderingsdagen har värdet N=1, den andra Värderingsdagen har värdet N=2 och så vidare.

"**Kupong**" kommer vara det värde som angivits i de tillämpliga Slutliga Villkoren, och

"**Kupongbarriärnivån**" kommer vara 1 om Referenstillgångsavkastningen (i enlighet med det angivna i Villkor 6(a)(i) ("*Basket Long*"*-struktur*) eller Villkor 6(a)(ii) ("*Basket Short*"*-struktur*), såsom specificeras i tillämpliga Slutliga Villkor) för varje Referenstillgång inom Korgen är högre än, eller lika med, Barriärnivån vid varje Räntebestämningsdag, och annars lika med noll.

"**Utbetald ränta**" syftar till summan av alla räntor som har blivit betalda fram till (men exklusive) den relevanta Räntebestämningsdagen.

(aa) ***Digital Podium Long***

Om detta Villkor 5(aa) (*Digital Podium Long*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren:

Om Referenstillgångsavkastningen hos varje Referenstillgång vid någon Räntebestämningsdag är lika med eller överskrider den relevanta Barriärnivån, så blir Räntebeloppet för den relevanta Ränteperioden Beräkningsbeloppet multiplicerat med Kupongen.

Om Referenstillgångsavkastningen av var och en av de N Referenstillgångarna med bästa Värdeutvecklingarna är lika med eller överskrider den relevanta Barriärnivån vid någon Räntebestämningsdag, så blir Räntebeloppet för den relevanta Ränteperioden Beräkningsbeloppet multiplicerat med Kupong 2.

Referenstillgångarna med de "**N bästa Värdeutvecklingarna**" Referenstillgångarna kommer att bli det förutbestämda antalet Referenstillgångar med den högsta Referenstillgångsavkastningen, såsom det bestäms i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short*"*-struktur*), såsom specificeras i tillämpliga Slutliga Villkor, där ”**N**” ska vara det värde som närmare anges i Slutliga Villkor.

Om Referenstillgångsavkastningen för var och en av de N bästa Referenstillgångarna inte är lika med eller överskrider den relevanta Barriärnivån vid någon Räntebestämningsdag, så blir Räntebeloppet för den relevanta Ränteperioden noll.

(bb) ***Digital Podium Short***

Om detta Villkor 5(bb) (*Digital Podium Short*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, då:

Om Referenstillgångsavkastningen hos varje Referenstillgång vid någon Räntebestämningsdag är lika med eller under den relevanta Barriärnivån, så blir Räntebeloppet för den relevanta Ränteperioden Beräkningsbeloppet multiplicerat med Kupongen.

Om Referenstillgångsavkastningen hos var och en av de N Referenstillgångarna med sämsta Värdeutvecklingarna är lika med eller under den relevanta Barriärnivån vid någon Räntebestämningsdag, så blir Räntebeloppet för den relevanta Ränteperioden Beräkningsbeloppet multiplicerat med Kupong 2.

Referenstillgångarna med de "**N sämsta Värdeutvecklingarna**" kommer att bli ett på förhand specificerat antal Referenstillgångar med lägst Referenstillgångsavkastning, såsom det bestäms i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short*"*-struktur*), där ”**N**” ska vara det värde som närmare anges i Slutliga Villkor.

Om Referenstillgångsavkastningen för var och en av de N Referenstillgångarna med sämsta Värdeutvecklingarna inte är lika med eller under den relevanta Barriärnivån vid någon Räntebestämningsdag, så blir Räntebeloppet för den relevanta Ränteperioden noll.

(cc) ***Serier av Digitala***

Om detta Villkor 5(cc) (*Serier av Digitala*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, då blir Räntebeloppet för den relevanta Ränteperioden lika med det Justerade Beräkningsbeloppet multiplicerat med Kupongen.

Det "**Justerade Beräkningsbeloppet**" är Beräkningsbeloppet multiplicerat med ett bråk där täljaren är antalet Referenstillgångar med en Stängningskurs som är lika med eller högre än den relevanta Barriärnivån på varje Observationsdag under den relevanta Ränteperioden, och nämnaren är antalet Referenstillgångar inom Korgen.

(dd) ***Cash Settled Swaption Straddle***

Om detta Villkor 5(dd) (*Cash Settled Swaption Straddle*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden summan av Cash Settled Payer Swaption och Cash Settled Received Swaption.

"**Cash Settled Payer Swaption**" betyder ett belopp lika med Beräkningsbeloppet multiplicerat med:

(a) Gearing Payer;

(b) det högsta av noll och resultatet som fås genom att subtrahera Payer Strike från Referenskursen på den relevanta Värderingsdagen; och

(c) Payer Annuity (Cash).

"**Gearing Payer**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Payer Strike**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Payer Annuity (Cash)**" betyder värdet som det nuvarande värdet av en "annuity payment" av 1 baserat på samma betalningsdagar och konventioner som den bestämda räntefoten i den underliggande swappen av swaptionen och beräknad av Beräkningsagenten på Värderingsdagen med användning av Referenskursen som rabbattkurs.

"**Cash Settled Receiver Swaption**" betyder ett värde motsvarande Beräkningsbeloppet multiplicerat med:

(a) Gearing Receiver;

(b) det högsta av noll och resultatet som fås genom att subtrahera Referenskursen på Värderingstidpunkten på den relevanta Värderingsdagen från Receiver Strike; och

(c) Receiver Annuity (Cash).

"**Gearing Receiver**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Receiver Strike**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Receiver Annuity (Cash)**" betyder värdet som det nuvarande värdet av en "annuity payment" av 1 baserat på samma betalningsdagar och konventioner som den bestämda räntefoten i den underliggande swappen av swaptionen och beräknad av Beräkningsagenten på Värderingsdagen med användning av Referenskursen som rabbattkurs.

(ee) ***Power Tak/Golv***

Om detta Villkor 5(ee) (*Power Tak/Golv*) är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med Beräkningsbeloppet multiplicerat med:

(a) Räntesatsen; och

(b) Dagberäkningsmetoden.

"**Räntesatsen**" betyder det lägsta av den Maximala Räntesatsen och Poweravkastningen.

"**Poweravkastningen**" betyder det högsta av: (i) noll och (ii) Justerade Referensräntesatsavkastningen, i bägge fall höjda till styrkan av Powerfaktorn.

"**Justerade Referensräntesatsavkastningen**" betyder produkten av Gearing och resultatet som fås av att subtrahera Startkursen från Referenskursen vid Värderingstidpunkten på den relevanta Värderingsdagen.

"**Gearing**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Powerfaktorn**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(ff) ***Compounding Floater***

Om detta Villkor 5(ff) (*Compounding Floater)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, kommer Räntebeloppet för den relevanta Ränteperioden betalas på Återbetalningsdagen och vara lika med Beräkningsbeloppet multiplicerat med den Kapitaliserade Räntesatsen.

"**Kapitaliserade Räntesatsen**" är den periodiskt kapitaliserade Räntesatsen, med hänsyn till den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" är det lägsta av den Maximala Räntesatsen och Justerade Referensräntesatsavkastningen.

"**Justerade Referensräntesatsavkastningen**" betyder det högsta av:

(i) Golvvärdet, och

(ii) Gearing multiplicerad med summan av Referenskursen på den tillämpliga Värderingsdagen(-arna) och Spread.

”**Golvvärdet**” betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Spread**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Gearing**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(gg) ***Lock-In 1***

Om detta Villkor 5(gg) (*Lock-In 1)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" betyder:

(a) om Referenskursen har uppfyllt Lock-In Villkoret vid Värderingstidpunkten på var Värderingsdag, kommer Räntesatsen var lika med den Fasta Räntan;

(b) om Referenskursen inte har uppfyllt Lock-In Villkoret vid Värderingstidpunkten på var Värderingsdag, kommer Räntesatsen var det lägre av den Maximala Räntesatsen och Justerade Referensräntesatsavkastningen;

"**Lock-In Villkoret**" är uppfyllt om Referenskursen är antingen högre än Startkurs Högre eller lägre än Startkurs Lägre.

"**Fasta Räntan**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Justerade Referensräntesatsavkastningen**" betyder det högsta av:

(i) Golvvärdet, och

(ii) summan av Referenskursen på Värderingstidpunkten på den relevanta Värderingsdagen och Spread, minus Startkursen.

”**Golvvärdet**” betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Spread**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(hh) ***Lock-In 2***

Om detta Villkor 5(hh) (*Lock-In 2)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" betyder:

(a) om Referenskursen inte har uppfyllt Lock in Villkoret vid Värderingstidpunkten på var Värderingsdag, kommer Räntesatsen var lika med den Fasta Räntan;

(b) om Referenskursen har uppfyllt Lock-In Villkoret vid Värderingstidpunkten på var Värderingsdag, kommer Räntesatsen var det lägre av den Maximala Räntesatsen och Justerade Referensräntesatsavkastningen;

"**Lock-In Villkoret**" är uppfyllt om Referenskursen är antingen högre än Startkurs Högre eller lägre än Startkurs Lägre.

"**Fasta Räntan**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Justerade Referensräntesatsavkastningen**" betyder det högsta av:

(i) Golvvärdet, och

(ii) summan av Referenskursen på Värderingstidpunkten på var Värderingsdag och Spridningen, minus Startkursen.

”**Golvvärdet**” betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Spread**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(ii) ***Snowball***

Om detta Villkor 5(ii) (*Snowball)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer vara lika med summan av Kupongavkastningen för varje tillämplig Värderingsperiod.

"**Kupongavkastningen**" kommer:

(i) på Startdagen, vara Kupongen;

(ii) på varje följande Värderingsdag, vara den Justerade Kupongen.

"**Justerade Kupongen**" kommer vara det högre av:

(i) noll; och

(ii) summan av:

(a) Kupongavkastningen på den direkt föregående Värderingsdagen; och

(b) produkten av (X) resultatet som fås genom att subtrahera Referenskursen på Värderingstidpunkten på den tillämpliga Värderingsdagen från Startkursen, och (Y) K.

"**K**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(jj) ***Ackumulator***

Om detta Villkor 5(jj) (*Ackumulator)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer vara lika med Kupongavkastningen för varje tillämplig Värderingsperiod.

"**Kupongavkastningen**" kommer vara:

(i) på Startdagen, den Initiala Kupongen;

(ii) på varje följande Värderingsdag, summan av:

(a) Kupongavkastningen på den direkt föregående Värderingsdagen; och

(b) Justerade Kupongen.

"**Justerade Kupongen**" kommer vara Gearing multiplicerat med det högre av:

(i) Golvvärdet; och

(ii) resultatet som fås genom att subtrahera Startkursen från Referenskursen på Värderingstidpunkten på den relevanta Värderingsdagen.

"**Gearing**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Golvvärdet** " betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(kk) ***Binär Ackumulator***

Om detta Villkor 5(kk) (*Binär Ackumulator)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer vara lika med Kupongavkastningen för varje tillämplig Värderingsperiod.

"**Kupongavkastningen**" kommer:

(i) på Startdagen, vara den Initiala Kupongen;

(ii) på varje följande Värderingsdag, vara summan av:

(a) Kupongavkastningen på den direkt föregående Värderingsdagen; och

(b) Justerade Kupongen.

"**Justerade Kupongen**" kommer vara Gearing multiplicerat med det högre av:

(i) Golvvärdet; och

(ii) Kupongnivån.

”**Golvvärdet**” betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Kupongnivån**" betyder:

(a) om Referenskursen på Värderingstidpunkten på den tillämpliga Värderingsdagen är lägre än eller lika med X och högre än eller lika med Y, Kupongen; eller

(b) annars, noll.

(ll) ***Betingat Tak/Golv***

Om detta Villkor 5(ll) (*Betingat Tak/Golv)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer:

(a) om Referenskursen 2 på Värderingstidpunkten på den tillämpliga Värderingsdagen är högre än eller lika med Lösenpris 2, vara det högsta av:

(i) noll, och

(ii) Gearing multiplicerad med resultatet som fås av att subtrahera Startkursen från Referensnivån på den tillämpliga Värderingsdagen.

(b) om Referensräntan 2 på den tillämpliga Värderingsdagen är lägre än Lösenpris 2, vara noll.

"**Referenskursen 2**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Lösenpris 2**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Gearing**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(mm) ***Dubbel Digital Tak***

Om detta Villkor 5(mm) (*Dubbel Digital Tak)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer:

(a) om Referenskursen på Värderingstidpunkten på den tillämpliga Värderingsdagen är högre än eller lika med Startkursen och Referenskursen 2 vid Värderingstidpunkten på den tillämpligt Värderingsdagen är högre än eller lika med Lösenpris 2, vara Kupongen,

(b) om Referenskursen på Värderingstidpunkten på den tillämpliga Värderingsdagen är lägre än Startkursen och/eller Referenskursen 2 vid Värderingstidpunkten på den tillämpliga Värderingsdagen är lägre än Lösenpris 2, vara noll.

"**Referenskursen 2**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Lösenpris 2**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(nn) ***Dubbel Digital Golv***

Om detta Villkor 5(nn) (*Dubbel Digital Golv)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer:

(a) om Referenskursen på Värderingstidpunkten på den tillämpliga Värderingsdagen är lägre än eller lika med Startkursen och Referenskursen 2 vid Värderingstidpunkten på den tillämpligt Värderingsdagen är lägre än eller lika med Lösenpris 2, vara Kupongen,

(b) om Referenskursen på Värderingstidpunkten på den tillämpliga Värderingsdagen är högre än Startkursen och/eller Referenskursen 2 vid Värderingstidpunkten på den tillämpliga Värderingsdagen är högre än Lösenpris 2, vara noll.

"**Referenskursen 2**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Lösenpris 2**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(oo) ***Binärt Inflationstak***

Om detta Villkor 5(oo) (*Binärt Inflationstak)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer:

m Inflationstakten är högre än eller lika med Startnivån vid Värderingstidpunkten på den tillämpliga Värderingsdagen, vara lika med Kupongen, annars kommer Räntesatsen vara noll.

(pp) ***Binärt Inflationsgolv***

Om detta Villkor 5(pp) (*Binärt Inflationsgolv)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer:

om Inflationstakten är lägre än eller lika med Startnivån vid Värderingstidpunkten på den tillämpliga Värderingsdagen, vara lika med Kupongen, annars kommer Räntesatsen vara noll.

(qq) ***Binärt Inflationsspann***

Om detta Villkor 5(qq) (*Binärt Inflationsspann)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer:

om Inflationstakten är högre än eller lika med Startkurs Lägre och lägre än eller lika med Startkurs Högre vid Värderingstidpunkten på den tillämpliga Värderingsdagen, vara lika med Kupongen, annars kommer Räntesatsen vara noll.

(rr) ***Inflationsspann Periodiserad***

Om detta Villkor 5(rr) (*Inflationsspann Periodiserad)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Räntesatsen och den tillämpliga Dagberäkningsmetoden.

"**Räntesatsen**" kommer vara lika med Kupongen multiplicerad med resultatet av bråket där täljaren är antalet Värderingsperioder som uppfyller det Periodiserat Spann Villkoret, och där nämnaren är det totala antalet Värderingsperioder.

"**Periodiserat Spann Villkoret**" betyder att Inflationstakten är högre än eller lika med Startkurs Lägre och lägre än Startkurs Högre vid Värderingstidpunkten på den tillämpliga Värderingsdagen.

(ss) ***Inflation Tak/Golv***

Om detta Villkor 5(ss) (*Inflation Tak/Golv)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Gearing, Inflationsavkastningen och den tillämpliga Dagberäkningsmetoden.

"**Gearing**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Inflationsavkastningen**" kommer vara det högre av:

(a) noll, och

(b) produkten av Flaggan och resultatet av att subtrahera Startkursen från Inflationstakten vid Värderingstidpunkten på den tillämpliga Värderingsdagen.

"**Flaggan**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(tt) ***Inflation Ömsesidig***

Om detta Villkor 5(tt) (*Inflation Ömsesidig)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av summan av Inflationstaket och Inflationsgolvet, Beräkningsbeloppet den tillämpliga Dagberäkningsmetoden.

"**Inflationstaket**" kommer vara lika med produkten av Gearing (Tak) och det högre av;

(a) resultatet som fås av att subtrahera Lösenpris Högre från Inflationstakten vid Värderingstidpunkten på den tillämpliga Värderingsdagen; och

(b) noll.

"**Inflationsgolvet**" kommer vara lika med produkten av Gearing (Golv) och det högre av;

(a) resultatet som fås av att subtrahera Lösenpris Lägre från Inflationstakten vid Värderingstidpunkten på den tillämpliga Värderingsdagen; och

(b) noll.

"**Gearing** (**Tak**)" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Gearing** (**Golv**)" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Lösenpris Högre**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Lösenpris Lägre**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(uu) ***Inflation Tak Golv Spread***

Om detta Villkor 5(uu) (*Inflation Tak Golv Spread)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av summan av Inflationstak Spread och Inflationsgolv Spread, Beräkningsbeloppet och den tillämpliga Dagberäkningsmetoden.

"**Inflation Tak Spread**" kommer vara lika med produkten av:

(a) Takvärdet;

(b) Hävstång (Tak); och

(c) Takavkastningen

"**Takvärdet**" kommer vara antingen 1, minus 1 eller noll, såsom specificerat i de tillämpliga Slutliga Villkoren.

"**Hävstång** (**Tak**)" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Takavkastningen**" kommer vara det lägre av:

(a) resultatet som fås av att subtrahera Lösenpristak Lägre från Lösenpristak Övre; och

(b) det högre av (x) resultatet som fås av att subtrahera Lösenpristak Lägre från Inflationstakten vid Värderingstidpunkten på den tillämpliga Värderingsdagen; och (y) noll.

"**Inflation Golv Spread**" kommer vara lika med produkten av:

(a) Golvvärdet;

(b) Hävstång (Golv); och

(c) Golvavkastningen

"**Golvvärdet**" kommer vara antingen 1, minus 1 eller noll, såsom specificerat i tillämpliga Slutliga Villkoren.

"**Hävstång** (**Golv**)" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Golvavkastningen**" kommer vara det lägre av:

(a) resultatet som fås av att subtrahera Lösenprisgolv Lägre från Lösenprisgolv Högre; och

(b) det högre av (x) resultatet som fås av att subtrahera Inflationstakten Värderingstidpunkten på den tillämpliga Värderingsdagen från Lösenprisgolv Högre; och (y) noll.

(vv) ***ZC Inflation Tak Golv***

Om detta Villkor 5(vv) (*ZC Inflation Tak Golv)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Gearing och det högre av:

(a) noll; och

(b) Inflationsavkastningen.

"**Gearing**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Inflationsavkastningen**" kommer vara produkten av:

(i) Flaggan, och

(ii) resultatet som fås av att subtrahera Startkurs Avdragsbar från Inflationstakten vid Värderingstidpunkten på den tillämpliga Värderingsdagen.

"**Startkurs Avdragsbar**" betyder:

(i) summan av 1 och Startkursen;

(ii) upphöjd med Löptiden;

(iii) minskat med 1.

"**Flaggan**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Löptid**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(ww) ***Inflationslänkad 1***

Om detta Villkor 5(ww) (*Inflationslänkad 1)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Gearing och Inflationsavkastningen.

"**Gearing**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

"**Inflationsavkastningen**" kommer vara det högre av:

(i) noll, och

(ii) summan av Inflationstakten vid Värderingstidpunkten på den tillämpliga Värderingsdagen och Spreaden.

"**Spreaden**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(xx) ***Inflation Linker 2***

Om detta Villkor 5(xx) (*Inflation Linker 2)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet, Kupongen och Inflationsjustering.

"**Inflationsjustering**" kommer vara lika med resultatet som fås av att dela Inflationsindex vid Värderingstidpunkten på den tillämpliga Värderingsdagen med Inflationsindex på Startdagen.

"**Inflationsindex**" betyder värdet som specificeras i de tillämpliga Slutliga Villkoren.

(yy) ***Strip of Call Spreads***

Om detta Villkor 5(yy) (*Strip of Call Spreads)* är specificerat som tillämpligt i de relevanta Slutliga Villkoren, är Räntebeloppet för den relevanta Ränteperioden lika med produkten av Beräkningsbeloppet och det högre av:

(a) Lägsta Korgavkastningen; och

(b) det lägre av (i) Kupongen och (ii) Korgavkastningen (Ränta).

"**Korgavkastningen (Ränta)**" kommer vara summan av den Viktade Tillgångsavkastningen (Ränta) för varje Referenstillgång (Ränta) i Korgen.

"**Viktade Tillgångsavkastningen** (**Ränta**)" är genomsnittet av Referenstillgångsavkastningen (Ränta) multiplicerat med den tillämpliga Korgandelen (Ränta) för den relevanta Referenstillgången på varje Räntebestämningsdag.

"**Referenstillgångsavkastningen** (**Ränta**)" kommer vara resultatet som fås genom att dela Slutkursen för den relevanta Referenstillgången (Ränta) på den tillämpliga Räntebestämningsdagen med Startkursen och subtrahera Lösenprisnivån.

(zz) ***Allmänna Villkor rörande ränta***

Om en Räntesats av någon anledning inte kan fastställas, vare sig det beror på en oförmåga att värdera någon specifik Referenstillgång eller en händelse som refereras till i första stycket av Villkor 22 (*Ansvarsbegränsning etc.*) eller beror på vilket som helst annat skäl, så ska ränta fortsätta att upplupas på Lånen till den räntesats som är tillämplig för den dåvarande Ränteperioden. Administrerande Institut (eller i tillämpliga fall Beräkningsagenten) skall, så snart den relevanta händelsen har upphört, beräkna den nya Räntesatsen som ska tillämpas från den andra Bankdagen efter det datum beräkningen gjordes tills den aktuella Ränteperioden utlöper.

Emittenten har rätt att utse en annan person, fysisk eller juridisk, för att utföra beräkningar i enlighet med dessa Villkor ("**Beräkningsagenten**"). Namnet på sådan Beräkningsagent ska specificeras i de tillämpliga Slutliga Villkoren.

Om Emittenten enligt dennes självständiga bedömning beslutar att räntan som faktiskt betalts till Fordringshavarna vid någon Räntebetalningsdagg översteg beloppet på hur mycket ränta skulle betalas till Fordringshavarna, vid en sådan Räntebetalningsdag, såsom beräknats i enlighet med Villkor 5 (*Ränta*) (sådant belopp är en "**Överbetalning**"), så kan Emittenten reducera det belopp som ska betalas vid vilken som helst Räntebetalningsdag för att kompensera Emittenten för en sådan Överbetalning. Beloppet för ränta som ska dras av vid någon Räntebetalningsdag ska inte överstiga summan av alla Överbetalningar med avseende på de relevanta Lånen, minus alla eventuella tidigare avdrag i enlighet med Villkor 5(zz) (*Allmänna Villkor rörande ränta*). Emittenten ska meddela Låneinnehavare om eventuell reduktion av den räntesumma som är planlagd att betalas på en Räntebetalningsdag, och anledningarna därtill, åtminstone 2 Bankdagar före Räntebetalningsdagen. Sådant meddelande ska ges till Låneinnehavare i enlighet med bestämmelserna i Villkor 16 (*Meddelanden*).

(åå) ***Valutakomponent (Ränta)***

Om ”Valutakomponent (Ränta)” uppges vara tillämpligt på ett eller flera Räntebelopp som ska betalas på viss(a) Räntebetalningsdag(ar) specificerad(e) i tillämpliga Slutliga Villkor, ska Räntebeloppet för den relevanta Räntebetalningsdagen, bestämd i enlighet de av bestämmelserna i Villkor 5 (*Ränta*) ovan som ska tillämpas enligt tillämpliga Slutliga Villkor, vidare multipliceras med den tillämpliga Valutakomponenten (Ränta), i syfte att bestämma totala Räntebeloppet att erläggas till Fordringshavarna på den relevanta Räntebetalningsdagen.

15. **Återbetalning och köp**

(a) ***Återbetalning på Återbetalningsdagen***

Om inte annat framgår av dessa Villkor eller de relevanta Slutliga Villkoren, ska Emittenten lösa in Lånen till deras Återbetalningsbelopp på Återbetalningsdagen specificerad i de Slutliga Villkoren. Återbetalningsbeloppet fastställs enligt följande, men alltid med förbehåll för tillämpliga övriga bestämmelser i detta Villkor 6 (*Återbetalning och köp*):

Om ”**Tilläggsbelopp**” är angett som tillämpligt i relevanta Slutliga Villkor ska Återbetalningsbeloppet vara antingen (i) summan av Basåterbetalningsbeloppet och Tilläggsbeloppet eller (ii) det värde som fås genom att subtrahera Tilläggsbeloppet från Basåterbetalningsbeloppet, såsom specificeras i Slutliga Villkor. Tilläggsbeloppet beräknas i enlighet med en av värdeutvecklingsstrukturerna listade nedan, såsom specificerat i relevanta Slutliga Villkor eller, om Villkor 6(g) (*Kombination av Strukturer*) är tillämpligt kommer Tilläggsbeloppet fastställas i enlighet med Villkor 6(g) (*Kombination av Strukturer*) baserat på en kombination av de nedan listade värdeutvecklingsstrukturerna, i varje fall såsom specificerat i relevanta Slutliga Villkor; eller

Om ”**Tilläggsbelopp**” inte är angett som tillämpligt i relevanta Slutliga Villkor ska Återbetalningsbeloppet vara lika med Basåterbetalningsbeloppet eller bestämmas i enlighet med en av de övriga värdeutvecklingsstrukturerna som följer av detta Villkor 6(a) (*Återbetalning på Återbetalningsdagen*), i varje fall såsom specificerat i relevanta Slutliga Villkor.

De Slutliga Villkoren specificerar vilken av de följande resultatstrukturerna är tillämplig på varje Serie. Om Räntebeloppet som ska betalas på Återbetalningsdagen är ett negativt belopp, ska det dras av från Återbetalningsbeloppet som bestäms i enlighet med detta Villkor 6 (*Återbetalning och köp*), med iakttagande av att Återbetalningsbeloppet aldrig ska vara lägre än noll.

Om resultatstrukturen specificerad i de Slutliga Villkoren är:

(i) *"Basket Long" struktur*

Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen.

"**Korgavkastningen**" är summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen, **dock att**:

A. om "Korggolv" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Korgavkastningen vara det högre av a) den Lägsta Korgavkastningen, och b) summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen; eller

B. om "Korgtak" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Korgavkastningen vara det lägre av a) den Högsta Korgavkastningen, och b) summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen.

Den "**Viktade Tillgångsavkastningen**" är Referenstillgångsavkastningen multiplicerad med det tillämpliga Korgandelen.

"**Referenstillgångsavkastningen**" är resultatet som erhålls genom division av Slutkursen för varje Referenstillgång med Startkursen och subtraktion av Lösenprisnivån, *dock att*:

A. om "Referenstillgång Golv" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Referenstillgångsavkastningen vara det högre av a) den Lägsta Referenstillgångsavkastningen, och b) Referenstillgångsavkastningen uträknat såsom anges i den föregående delen av denna definition; eller

B. om "Referenstillgång Tak" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Korgavkastningen vara det lägre av a) den Högsta Referenstillgångsavkastningen för den relevanta Referenstillgången, och b) Referenstillgångsavkastningen uträknat såsom anges i den föregående delen av denna definition.

(ii) *"Basket Short" struktur*

Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen.

"**Korgavkastning**" är summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen, **dock att:**

A. om "Korggolv" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Korgavkastningen vara det högre av a) den Lägsta Korgavkastningen, och b) summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen; eller

B. om "Korgtak" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Korgavkastningen vara det lägre av a) den Högsta Korgavkastningen, och b) summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen.

Den "**Viktade Tillgångsavkastningen**" är Referenstillgångsavkastningen multiplicerad med det tillämpliga Korgandelen.

"**Referenstillgångsavkastningen**" kommer att fastställas genom att subtrahera från Startkursen och resultatet som erhållits genom att dividera Slutkursen för varje Referenstillgång med Startkursen, **dock att:**

A. om "Referenstillgång Golv" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Referenstillgångsavkastningen vara det högre av a) den Lägsta Referenstillgångsavkastningen för den relevanta Referenstillgången, och b) Referenstillgångsavkastningen uträknat såsom anges i den föregående delen av denna definition; eller

B. om "Referenstillgång Tak" är specificerat som tillämpligt i de relevanta Slutliga Villkoren, ska Korgavkastningen vara det lägre av a) den Högsta Referenstillgångsavkastningen för den relevanta Referenstillgången, och b) Referenstillgångsavkastningen uträknat såsom anges i den föregående delen av denna definition.

(iii) *"Barriär Outperformance" struktur*

om Korgavkastningen (fastställd i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short" struktur*)), såsom specificerat i de Slutliga Villkoren, på någon Värderingsdag överstiger Barriärnivån, kommer Tilläggsbeloppet att vara den Högsta Korgavkastningen. Om Korgavkastningen inte överstiger Barriärnivån på någon Värderingsdag, kommer Tilläggsbeloppet att vara noll.

(iv) *"Barriär Underperformance" struktur*

om Korgavkastningen (fastställd i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short" struktur*)), såsom specificerat i de Slutliga Villkoren, på någon Värderingsdag faller under Barriärnivån, kommer Tilläggsbeloppet att vara den Högsta Korgavkastningen. Om Korgavkastningen inte faller under Barriärnivån på någon Värderingsdag, kommer Tilläggsbeloppet att vara noll.

(v) *"Best of/Worst of Barriär Outperformance" struktur*

om Referenstillgångsavkastningen av den Nth bäst presterande Referenstillgången (såsom fastställt i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short" struktur*)), såsom specificerat i de Slutliga Villkoren, på någon Värderingsdag överstiger Barriärnivån, kommer Tilläggsbeloppet att vara den Högsta Korgavkastningen. Om Referenstillgångsavkastningen av den Nth bäst presterande Referenstillgången inte överstiger Barriärnivån på någon Värderingsdag, kommer Tilläggsbeloppet att vara noll.

Den "**Nth bäst presterande**" Referenstillgången ska vare den Referenstillgång med de Nth högsta Referenstillgångsavkastningen, där "**N**" ska vara värdet som specificeras i de Slutliga Villkoren.

(vi) *"Best of/Worst of Barriär Underperformance" struktur*

om Referenstillgångsavkastningen av den Nth bäst presterande Referenstillgången (såsom fastställt i enlighet med Villkor 6(a)(i) ("*Basket Long" struktur*) eller Villkor 6(a)(ii) ("*Basket Short" struktur*)), såsom specificerat i de Slutliga Villkoren, på någon Värderingsdag faller under Barriärnivån, kommer Tilläggsbeloppet att vara den Högsta Korgavkastningen. Om Referenstillgångsavkastningen av den Nth bäst presterande Referenstillgången inte faller under Barriärnivån på någon Värderingsdag, kommer Tilläggsbeloppet att vara Lånens noll.

Den "**Nth bäst presterande**" Referenstillgången ska vare den Referenstillgång med de Nth högsta Referenstillgångsavkastningen, där "**N**" ska vara värdet som specificeras i de Slutliga Villkoren.

(vii) *"Autocallstruktur Long"*

Om Lånen inte varit föremål för förtida återbetalning i enlighet med Villkor 6(p) (*Förtida Återbetalning av Lån med Värdeutvecklingsstrukturen Autocall*), kommer Tilläggsbeloppet att beräknas såsom följer:

(A) Om en Riskbarriärhändelse inträffat på en Riskbarriärobservationsdag kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och det lägre av: (i) Korgavkastningen på Värderingsdagen och (ii) Högsta Korgavkastningen; eller

(B) Om en Riskbarriärhändelse inte har inträffat på någon Riskbarriärobservationsdag kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden 2 och det högre av (i) Korgavkastningen på Värderingsdagen och (ii) Lägsta Korgavkastningen.

"**Korgavkastningen**" beräknas på samma sätt som för "Basket Long" strukturen framställd i Villkor 6(a)(i) ("*Basket Long" struktur*) såvida inte Villkor 6(c) (*Best of/ Worst of Modifier*) är angett som tillämpligt i Slutliga Villkor varvid Korgavkastningen ska bytas ut mot Referenstillgångsavkastningen för den Referenstillgång med den Nth bästa värdeutvecklingen i enlighet med förutnämnda Villkor 6(a)(i) ("*Basket Long" struktur*).

(viii) *"Autocallstruktur – Short"*

Om Lånen inte varit föremål för förtida återbetalning i enlighet med Villkor 6(p) (*Förtida Återbetalning av Lån med Värdeutvecklingsstrukturen Autocall*), så kommer Tilläggsbeloppet att beräknas på samma sätt som beskrivs i Villkor 6(a)(vii) (*Autocallstruktur Long*) ovan, förutom att "**Korgavkastningen**" och "**Referenstillgångsavkastningen**" kommer bestämmas på samma sätt som för ”**Basket Short**”-strukturen som framgår av Villkor 6(a)(ii) ("*Basket Short*" *struktur*).

(ix) *"Replacement Basket" struktur*

Tilläggsbeloppet kommer beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen.

"**Korgavkastning**" är summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen.

Den "**Viktade Tillgångsavkastningen**" är Referenstillgångsavkastningen multiplicerad med den tillämpliga Korgandelen, *förutsatt att* Referenstillgångsavkastningen av de Nth bäst presterande Referenstillgångarna kommer att ersättas med Ersättningsfaktorn i syfte att fastställa den Viktade Referensavkastningen.

De "**N bäst presterande Referenstillgångarna**" kommer att vara antalet "**N**" av Referenstillgångar (såsom specificerat i de Slutliga Villkoren) med den högsta Referenstillgångsavkastningen.

"**Referenstillgångsavkastningen**" är resultatet som erhålls genom division av Slutkursen för varje Referenstillgång med Startkursen och subtraktion av Lösenprisnivån.

(x) *"Locally Capped Basket" struktur*

Tilläggsbeloppet kommer beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen.

"**Korgavkastning**" är summan av den Viktade Tillgångsavkastningen för varje Referenstillgång i Korgen.

Den "**Viktade Tillgångsavkastningen**" är den lägre av: (i) Referenstillgångsavkastningen och (ii) den Maximala Värdeutvecklingen, i bägge fall multiplicerad med den tillämpliga Korgandelen.

"**Referenstillgångsavkastningen**" är resultatet som erhålls genom division av Slutkursen för varje Referenstillgång med Startkursen och subtraktion av Lösenprisnivån.

(xi) *"Rainbow Basket" struktur*

Tilläggsbeloppet kommer beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen.

"**Korgavkastning**" kommer beräknas i enlighet med antingen "Basket Long"-strukturen som framgår av Villkor 6(a)(i) (*"Basket Long" struktur*) eller ”Basket Short”-strukturen som framgår av Villkor 6(a)(ii) (*"Basket Short" struktur*), såsom närmare anges i Slutliga Villkor.

"**Korgandelen**" kommer att fastställas på basis av Rainbow Basketandelen.

(xii) *"Booster Short" struktur*

Om Korgavkastningen är högre än eller lika med Korgens Startvärde, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen.

Om Korgavkastningen understiger Korgens Startvärde, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 2 och Korgavkastningen (vilket kan resultera i ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp).

"**Korgavkastningen**" beräknas på samma sätt som för "Basket Short" strukturen i Villkor 6(a)(ii) (*"Basket Short" struktur*).

I syfte att beräkna Korgavkastningen, ska "**Referenstillgångsavkastning**" vara resultatet som erhålls genom att subtrahera från Startkursen resultatet som erhålls genom att dividera Slutkursen för varje Referenstillgång med Startkursen.

(xiii) *"Booster Long" struktur*

Om Korgavkastningen är högre än eller lika med Korgens Startvärde, kommer Tilläggsbeloppet beräkas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen.

Om Korgavkastningen understiger Korgens Startvärde, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 2 och med Korgavkastningen (vilket kan resultera i ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp).

"**Korgavkastningen**" beräknas på samma sätt som för "Basket Long" strukturen framställd i Villkor 6(a)(i) (*"Basket Long" struktur).*

(xiv) *"Booster Riskbarriär Short" struktur*

Om Korgavkastningen är lika med eller högre än Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen på den slutliga Värderingsdagen.

Om Korgavkastningen är lika med eller högre än Barriärnivån på varje Värderingsdag men under Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet att vara noll.

Om Korgavkastningen är under Barriärnivån på en Värderingsdag och under Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 2 och Korgavkastningen på den slutliga Värderingsdagen (vilket kan resultera i ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp).

"**Korgavkastningen**" beräknas på samma sätt som för "Basket Short" strukturen i Villkor 6(a)(ii) ("*Basket Short" struktur*).

(xv) *"Booster Risk Barriär Long" struktur*

Om Korgavkastningen är lika med eller högre än Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen på den slutliga Värderingsdagen.

Om Korgavkastningen är lika med eller högre än Barriärnivån på varje Värderingsdag men under Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet att vara noll.

Om Korgavkastningen är under Barriärnivån på en Värderingsdag och under Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 2 och Korgavkastningen på den slutliga Värderingsdagen (vilket kan resultera i ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp).

"**Korgavkastningen**" kommer att beräknas på samma sätt som för den "Basket Long"-struktur angiven i Villkor 6(a)(i) ("*Basket Long*" *struktur*).

För beräkning av Korgavkastningen, ska "**Referenstillgångsavkastning**" vara resultatet som erhålls genom division av Slutkursen för varje Referenstillgång med Startkursen, och subtraktion av Startkursen.

(xvi) *"Twin-Win" struktur*

Om Korgavkastningen, beräknad på samma sätt som för ”Basket Long”-strukturen angiven i Villkor 6(a)(i) (*"Basket Long*" *struktur*), är lika med eller högre än Barriärnivå 2 på den eller de relevanta Värderingsdagarna, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen på Twin-Win Värderingsdagen, beräknat på samma sätt som för ”Basket Long”-strukturen angiven i Villkor 6(a)(i) (*"Basket Long" struktur*).

Om Korgavkastningen, beräknad på samma sätt som för ”Basket Long”-strukturen angiven i Villkor 6(a)(i) (*"Basket Long*" *struktur*), är lika med eller högre än Barriärnivå 1 på den eller de relevanta Värderingsdagarna men under Barriärnivå 2 på den eller de relevanta Värderingsdagarna, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 2 och Korgavkastningen på Twin-Win Värderingsdagen, beräknat på samma sätt som för ”Basket Short”-strukturen angiven i Villkor 6(a)(ii) (*"Basket Short" struktur*).

Om Korgavkastningen, beräknad på samma sätt som för ”Basket Long”-strukturen angiven i Villkor 6(a)(i) (*"Basket Long*" *struktur*), är lägre än Barriärnivå 1 på den eller de relevanta Värderingsdagarna och under Barriärnivå 2 på den eller de relevanta Värderingsdagarna, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 3 och Korgavkastningen på Twin-Win Värderingsdagen, beräknat på samma sätt som för ”Basket Long”-strukturen angiven i Villkor 6(a)(i) (*"Basket Long" struktur*) Korgavkastningen (vilket kommer resultera i ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp).

(xvii) *"Bonus Booster Short" struktur*

Om Korgavkastningen är lika med eller högre än Korgens Startvärde på den slutliga Värderingsdagen och under Barriärnivån på någon Värderingdag, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad och med Korgavkastningen på den slutliga Värderingsdagen.

Om Korgavkastningen är under Barriärnivån på en Värderingsdag och under Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 2 och Korgavkastningen på den slutliga Värderingsdagen (vilket kan resultera i ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp).

Om Korgavkastningen aldrig är under Barriärnivån på någon Värderingsdag, blir Tilläggsbeloppet lika med det högre av:

(A) Lånens Kapitalbelopp multiplicerat med Kupongen; och

(B) det beräknade beloppet genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen på den slutliga Värderingsdagen.

"**Basket Return**" kommer att beräknas på samma sätt som för den "Basket Short"-struktur angiven i Villkor 6(a)(ii) ("*Basket Short" struktur*).

För syftet att beräkna Korgavkastningen, ska "**Referenstillgångsavkastning**" vara resultatet som erhålls genom att subtrahera från Startkursen resultatet som erhålls genom att dividera Slutkursen för varje Referenstillgång med Startkursen.

(xviii) *"Bonus Booster Long" struktur*

Om Korgavkastningen är lika med eller högre än Korgens Startvärde på den slutliga Värderingsdagen och under Barriärnivån på någon Värderingdag, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen på den slutliga Värderingsdagen.

Om Korgavkastningen är under Barriärnivån på en Värderingsdag och under Korgens Startvärde på den slutliga Värderingsdagen, kommer Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad 2 och Korgavkastningen på den slutliga Värderingsdagen (vilket kan resultera i ett Återbetalningsbelopp som är lägre än Lånens Kapitalbelopp).

Om Korgavkastningen aldrig är under Barriärnivån på någon Värderingsdag, blir Tilläggsbeloppet lika med det högre av:

(A) Lånens Kapitalbelopp multiplicerat med Kupongen; och

(B) det beräknade beloppet genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och med Korgavkastningen på den slutliga Värderingsdagen.

"**Korgavkastningen**" kommer att beräknas på samma sätt som för den "Basket Long"-struktur angiven i Villkor 6(a)(i) ("*Basket Long" struktur*).

I syfte att beräkna Korgavkastningen, kommer "Referenstillgångsavkastningen" att vara det resultat som erhålles genom att dividera Slutkursen för varje Referenstillgång med Startkursen, och subtrahera Startkursen.

(xix) *"Periodsumme" struktur*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och det högsta av:

(i) den Slutliga Lock-In-Nivån;

(ii) Periodsumme-Avkastningen; och

(iii) det Globala Golvet.

Den "**Slutliga Lock-In-Nivån**" innebär den högsta Lock-In-Nivå som nås eller överskrids av den sammantagna Korgavkastningen vid någon Värderingsdag.

"**Lock-In-Nivån**" innebär varje nivå som specificeras som sådan i de tillämpliga Slutliga Villkoren.

"**Periodsumme-Avkastningen**" innebär det lägre av:

(i) det Globala Taket; och

(ii) den Justerade Kupongen.

Den "**Justerade Kupongen**" innebär den Initiala Kupongen plus den sammantagna Korgavkastningen vid den senaste Värderingsdagen.

Det "**Globala Taket**" innebär det värde som specificerats i de tillämpliga Slutliga Villkoren. Om det Globala Taket är specificerat som inte tillämpligt i Slutliga Villkoren, ska det Globala Taket tillskrivas ett noterat oändligt värde i syfte att beräkna Återbetalningsbeloppet.

Det "**Globala Golvet**" innebär det värde som specificerats i de tillämpliga Slutliga Villkoren. Om det Globala Golvet har specificerats som inte tillämpligt i de Slutliga Villkoren, ska det Globala Golvet tillskrivas ett noterat värde på noll, i syfte att beräkna Återbetalningsbeloppet.

Den "**Initiala Kupongen**" innebär det värde som specificerats i de tillämpliga Slutliga Villkoren.

Den "**Sammantagna Korgavkastningen**" för varje Värderingsperiod (den "**Relevanta Värderingsperioden**") kommer att vara summan av de Justerade Periodiska Korgavkastningarna för varje Värderingsperiod fram till och inkluderande den relevanta Värderingsperioden.

Den "**Justerade Periodiska Korgavkastningen**" för varje tillämplig Värderingsperiod kommer att vara det högre av:

(A) Det Lokala Golvet; och

(B) det lägre av: (a) det Lokala Taket och (b) den Ojusterade Periodiska Korgavkastningen.

Det "**Lokala Taket**" innebär det värde som specificerats i de tillämpliga Slutliga Villkoren. Om det Lokala Taket är specificerat som inte tillämpligt i de Slutliga Villkoren, ska det Lokala Taket tillskrivas ett noterat oändligt värde i syfte att beräkna Återbetalningsbeloppet.

Det "**Lokala Golvet**" innebär det värde som specificerats i de tillämpliga Slutliga Villkoren. Om det Lokala Golvet är specificerat som inte tillämpligt i de Slutliga Villkoren, ska det lokala golvet tillskrivas ett noterat värde om noll i syfte att beräkna Återbetalningsbeloppet.

Den "**Ojusterade Periodiska Korgavkastningen**" är det resultat som erhålles genom att ta summan av de viktade avkastningarna på tillgångarna vid tillämplig Värderingsdag, och subtrahera summan av de viktade avkastningarna på tillgångarna vid den omedelbart föregående Värderingsdagen, och uttrycka detta resultat som en procentandel av summan av de de viktade avkastningarna på tillgångarna vid den omedelbart föregående Värderingsdagen.

Den "**Viktade Tillgångsavkastningen**" är Referenstillgångsavkastningen multiplicerad med den tillämpliga Korgandelen.

"**Referenstillgångsavkastningen**" är resultatet som erhålls genom division av Slutkursen för varje Referenstillgång med Startkursen och subtraktion av Startkursen.

(xx) *"Omvänd Periodsumme" struktur*

Tilläggsbeloppet kommer att beräknas på samma sätt som för den "*Periodsumme*"-struktur som anges i Villkor 6(a)(xix), med reservation för att definitionen av "Justerad Kupong" ska lyda som följer:

Den "**Justerade Kupongen**" innebär den Initiala Kupongen minus den sammantagna Korgavkastningen vid den allra senast inträffade Värderingsdagen

(xxi) *"Ersättande periodsumme" -struktur*

Tilläggsbeloppet kommer att beräknas på samma sätt som för den "*Periodsumme*"-struktur som anges i Villkor 6(a)(xix), med reservation för att definitionen av "Justerad Periodisk Korgavkastning" ska lyda som följer:

Den "**Justerade Periodiska Korgavkastningen**" för varje tillämplig Värderingsperiod ska vara den ojusterade periodiska Korgavkastningen, med reservation för att med avseende på Värderingsperioderna med de N högsta ojusterade periodiska Korgavkastningarna, ska den ojusterade periodiska Korgavkastningen ersättas med den relevanta låsta periodiska Korgavkastning som specificerats i de Slutliga Villkoren.

"**N**" ska ha ett sig tilldelat värde i de tillämpliga Slutliga Villkoren.

"**Låst periodisk Korgavkastning (Fixed Periodic Basket Return)**" ska vara efter vad som specificerats i de tillämpliga Slutliga Villkoren.

(xxii) *"Omvänd Ersättning Periodsumme" struktur*

Tilläggsbeloppet kommer att beräknas på samma sätt som för den "*Reverse Periodsumme*"-struktur som anges i Villkor 6(a)(xx), med reservation för att definitionen av "*justerad periodisk Korgavkastning*" ska lyda som följer:

Den "**justerade periodiska Korgavkastningen**" för varje tillämplig Värderingsperiod ska vara den ojusterade periodiska Korgavkastningen, med reservation för att med avseende på Värderingsperioderna med de N högsta ojusterade periodiska Korgavkastningarna, ska den ojusterade periodiska Korgavkastningen ersättas med den relevanta låsta periodiska Korgavkastning som specificerats i de Slutliga Villkoren.

"**N**" ska ha ett sig tilldelat värde i de tillämpliga Slutliga Villkoren.

"**Låst periodisk Korgavkastning**" ska vara så som specificerats i de tillämpliga Slutliga Villkoren

(xxiii) *"Rainbow Ersättande periodsumme" -struktur*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegrad och det högre av:

(i) den Lägsta Korgavkastningen; och

(ii) summan av den Viktade Ersättningen av Periodsummeprestationen för varje Referenstillgång i Korgen.

Den "**Viktade Ersättningen av Periodsummeprestationen**" kommer att vara Periodsummeersättningsprestationen för den relevanta Referenstillgången, multiplicerad med den tillämpliga Korgandelen.

"**Korgandelen**" bestäms baserat på Korgandelen i Periodsumme-ersättningen.

"**Periodsummeersättningsprestationen**" kommer att vara summan av de Justerade Periodiska Referenstillgångarnas Avkastning för den relevanta Referenstillgången i varje Värderingsperiod.

"**Justerade Periodiska Referenstillgångarnas Avkastning**" för varje tillämplig Värderingsperiod kommer att vara avkastningen från den Periodiska Referenstillgången, med reservation för att med avseende på Värderingsperioderna med de N högsta avkastningarna från den periodiska Referenstillgången ska avkastningen från Referenstillgången ersättas med den relevanta avkastningen från den låsta Referenstillgång som som specificerats i de Slutliga Villkoren.

"**N**" ska ha det värde som det tilldelats under de tillämpliga Slutliga Villkoren

"**Avkastningen från den Fasta Referenstillgången**" ska vara enligt vad som specificerats under de tillämpliga Slutliga Villkoren.

"**Avkastningen från den Periodiska Referenstillgången**" kommer att vara det resultat (uttryckt som en procentandel) som erhålles genom att dividera Slutkursen för varje Referenstillgång med startpriset, och subtrahera 100 procent.

"**Startpriset**" kommer att vara Stängningskursen för den relevanta Referenstillgången på Värderingsdagen omedelbart föregående början på applikationens Värderingsperiod.

”**Slutkursen**" kommer att vara Stängningskursen för den relevanta Referenstillgången på Värderingsdagen vid slutet av den tillämpliga Värderingsperioden.

(xxiv) *Omvänd Konvertibel struktur*

Om Korgavkastningen är lika med eller högre än Korgens Startvärde, kommer Återbetalningsbeloppet att bli lika med Lånens Kapitalbelopp.

Om Korgavkastningen är under Korgens Startvärde, kommer Återbetalningsbeloppet att beräknas genom att multiplicera Lånens Kapitalbelopp med en Deltagandegrad och Korgavkastningen, och addera det resulterande negativa beloppet till från Lånens Kapitalbelopp (i vilket fall Återbetalningsbeloppet kommer vara lägre än Lånens Kapitalbelopp).

"**Korgavkastningen**" kommer att beräknas på samma sätt som för "Basket Long"-strukturen som anges i Villkor 6(a)(i) ("*Basket Long*"-*struktur*) eller "Basket Short"-strukturen som anges i Villkor 6(a)(ii) ("*Basket Short*"-*struktur*), enligt vad som anges i de tillämpliga Slutliga Villkoren.

(xxv) *Omvänd Konvertibel Riskbarriärstruktur*

Om Korgavkastningen är under Barriärnivån vid någon Värderingsdag, och på den slutliga Värderingsdagen Korgavkastningen är under den Korgs Startvärde, kommer Återbetalningsbeloppet att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen, och addera det resulterande negativa beloppet till Lånens Kapitalbelopp (i vilket fall Återbetalningsbeloppet kommer vara lägre än Lånens Kapitalbelopp). Annars kommer Återbetalningsbeloppet att vara lika med Lånens Kapitalbelopp.

"**Korgavkastningen**" kommer att beräknas på samma sätt som för "Basket Long"-strukturen som anges i Villkor 6(a)(i) ("*Basket Long*"-*struktur*) eller "Basket Short"-strukturen som anges i Villkor 6(a)(ii) ("*Basket Short*"-*struktur*), enligt vad som anges i de tillämpliga Slutliga Villkoren.

(xxvi) *"Best of/Worst of" Omvänd Konvertibel struktur*

Om den Nth bästa Referenstillgångsavkastningen är lägre än Barriärnivån på någon Värderingsdag och under den ursprunliga Korgnivån på den slutliga Värderingsdagen, ska Återbetalningsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och den Nth bästa Referenstillgångsavkastningen och addera det negativa resultatet till Lånens Kapitalbelopp. I detta fall kommer Återbetalningsbeloppet bli lägre än Lånens Kapitalbelopp. Annars kommer Återbetalningsbeloppet att vara lika med Lånens Kapitalbelopp.

Den "**Nth bästa Referenstillgångsavkastningen**" är den Avkastning på Referenstillgången som är Nth högst, där ”**N**” ska vara det värde som framgår av Slutliga Villkor.

"**Referenstillgångsavkastningen**" är det resultat som fås genom att dela Slutkursen för varje Referenstillgång med Startkursen och subtrahera Lösenprisnivån.

(xxvii) *Worst of Digital Memory Coupon 1*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Nominella belopp med det högre av: (i) noll och (ii) Kupongnivån.

"**Kupongnivå**" syftar, med hänsyn till alla Värderingsdagar, till det högre av: (i) Kupongnivån vid den direkt föregående Värderingsdagen (eller Initiala Kupongen, avseende Startdagen) (ii) och produkten av N, Kupongbarriärnivån och den Kupongen.

"**N**" kommer vara ordningsnumret för relevant Värderingsdag där den första Värderingsdagen har värdet N=1, den andra Värderingsdagen har värdet N=2 och så vidare.

"**Kupongbarriärnivån**" kommer vara 1 om den Referenstillgångens avkastning (i enlighet med det angivna i Villkor 6(a)(i)(*"Basket Long"-struktur*) eller Villkor 6(a)(ii) (*"Basket Short"-struktur*), såsom närmare anges i Slutliga Villkor för varje Referenstillgång inom Korgen är högre än, eller lika med, Startkursen vid varje Värderingsdag, annars är det lika med noll.

(xxviii) *Worst of Call Option*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Nominella belopp med Deltagandegraden, och det högre av: (i) den Lägsta Värdeutvecklingen och (ii) noll.

"**Lägsta Värdeutvecklingen**" betyder den lägsta Referenstillgångsvärdeutvecklingen för alla Referenstillgångar i Korgen.

"**Referenstillgångsvärdeutvecklingen**" betyder resultatet av att dela:

(A) stängningskursen för den relevanta Referenstillgången på den tillämpliga Värderingsdagen, såsom specificerat i de Slutliga Villkoren, genom

(B) genomsnittet av Stängningspriset för den relevanta Referenstillgången på varje Startdag,

och dra av Lösenprisnivån.

(xxix) *Outperformance Option*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden, och det lägre av:

(A) den Högsta Värdeutvecklingen (om tillämpligt), och

(B) det högre av den Lägsta Värdeutvecklingen (om tillämpligt) och Värdeutvecklingsdifferensen.

Den "**Högsta Värdeutvecklingen**" kommer vara värdet som angivits i de tillämpliga Slutliga Villkoren.

Den "**Lägsta Värdeutvecklingen**" kommer vara värdet som angivits i de tillämpliga Slutliga Villkoren.

"**Värdeutvecklingsdifferensen**" kommer att beräknas genom att subtrahera Värdeutveckling B från Värdeutveckling A, dock att om "**Överträffandeoption**" anges som tillämpligt i Slutliga Villkor och Värdeutveckling A är negativ ska Värdeutvecklingsdifferensen vara noll.

"**Värdeutveckling A**" kommer beräknas på samma sätt som "Korgavkastning" för strukturen "Basket Long" som anges i Villkor 6(a)(i) (*"Basket Long" struktur*) eller strukturen "Basket Short" som anges i Villkor 6(a)(ii) (*"Basket Short" struktur*); och

"**Värdeutveckling B**" kommer beräknas på samma sätt som "Korgavkastning" för strukturen "Basket Long" som anges i Villkor 6(a)(i) (*"Basket Long" struktur*) eller strukturen "Basket Short" som anges i Villkor 6(a)(ii) (*"Basket Short" struktur*)..

De Referenstillgångar som används i syfte att beräkna Värdeutveckling A och Värdeutveckling B respektive kommer att grupperas i två separata Korgar ("**Korg A**" och "**Korg B**" respektive, och en "**Korg**"), i enlighet med de tillämpliga Slutliga Villkoren.

(xxx) *Non-tranched CLN struktur*

Återbetalningsbeloppet kommer vara lika med Lånens Kapitalbelopp multiplicerat med summan av:

(A) 1 minus Portföljexponeringen, och

(B) produkten av Eftersträvat Återbetalningsbelopp och Portföljavkastningen.

"**Portföljavkastningen**" syftar till skillnaden mellan 1 och Portföljens förluster.

"**Portföljens förluster**" syftar till summan av den vägda avkastningen på tillgång för varje Referensenhet inom Korgen.

"**Viktad Tillgångsförlust**" ska vara antingen:

(A) Om ”**Kredithändelserankad Korgandel**” anges som tillämpligt i relevanta Slutliga Villkor, beräknad som produkten av Korgandelen och Referensenhetsfsom inte tillämpligörlust för varje Referensenhet enligt följande:

(1) för Referensenheter som varit föremål för en Kredithändelse används relevant Kredithändelserankad Vikt som Korgandel; eller

(2) för resterande Referensenheter som inte varit föremål för en Kredithändelse ska relevanta Referensenheter sorteras i alfabetisk ordning och de resterande Kredithändelserankade Vikterna ska sorteras i nummerordning i syfte att bestämma Korgandel (Ränta), enligt principen att det första Referensenheten i alfabetisk ordning skall tilldelas den första tillgängliga Kredithändelserankade Vikten i nummerordning och så vidare.

(B) om ”**Kredithändelserankad Korgandel**” är specificerad som inte tillämplig, beräknad genom att multiplicera Korgandelen med Referensenhetsförlusten för relevant Referensenhet.

"**Referensenhetsförlust**" kommer bestämmas av differensen mellan Återvinningsvärdet med hänsyn till den relevanta Referensenheten och 1.

"**Återvinningsvärde**" kommer vara 100 procent. Om en Kredithändelse (i enlighet med Del 3: *Kompletterande Villkor för Kreditlån*) inte har inträffat i förhållande till den Referensenheten under perioden som börjar på Observationsstartdatum och som avslutas på Observationsslutdatum, eller om sådan Kredithändelse har inträffat, kommer det antingen vara ett Fast Återbetalningsbelopp eller ett Marknadsmässigt Återvinningsbelopp, i enlighet med det angivna i de tillämpliga Slutliga Villkoren.

(xxxv) *Tranched CLN struktur*

Återbetalningsbeloppet kommer vara lika med Lånens Kapitalbelopp multiplicerat med summan av:

(A) 1 minus den Aggregerade Portföljexponeringen, och

(B) summan av den Kreditlänkade Exponeringen i förhållande till varje Korg.

Den ”**Kreditlänkade Exponeringen**” avser produkten av tillämpligt Eftersträvat Återbetalningsbelopp och Portföljavkastningen för varje Korg.

"**Portföljavkastningen**" syftar till differensen mellan den Justerade Tranchförlusten och 1.

"**Justerad Tranchförlust**" syftar till kvoten av det lägre av a) Tranchens fastställda värde och b) Tranchens förlust, genom Tranchens fastställda värde.

"**Tranchförlust**" syftar till det högre av:

(A) noll och

(B) differensen mellan Tranchens fastställda värde och summan av den vägda tillgångsförlusten för varje Referensenhet inom den relevanta Korgen.

"**Viktad Tillgångsförlust**" syftar till produkten av Korgandelen och Förlusten för relevant Referensenhet.

"**Förlust för Referenstillgång**" kommer bli differens mellan Återvinningsvärde med hänsyn till den relevanta Referensenheten och 1.

"**Återvinningsvärde**" kommer vara 100 procent. Om en Kredithändelse (i enlighet med angivna i Del 3: *Kompletterande Villkor för Kreditlån*) inte har inträffat med hänsyn till den Referensenheten under perioden som börjar på Observationsstartdatum och som avslutas på Observationsslutdatumg Observationsdag, eller om sådan Kredithändelse har inträffat, kommer det antingen vara ett Fast Återbetalningsbelopp eller ett Marknadsmässigt Återvinningsbelopp, i enlighet med det angivna i de tillämpliga Slutliga Villkoren.

(xxxvi) *Nth to Default CLN struktur*

Återbetalningsbeloppet kommer vara lika med Lånens Kapitalbelopp multiplicerat med summan av:

(A) 1 minus Portföljexponeringen, och

(B) produkten av Portföljexponeringen, Eftersträvat Återbetalningsbeloppoch Portföljavkastningen.

"**Portföljavkastningen**" syftar till skillnaden mellan 1 och Portföljförluster.

"**Portföljförluster**" syftar till:

(A) Förlust på Referensenhet för den Nth Referensenheten inom Korgen där en Kredithändelse inträffar, om antalet Kredithändelser som har inträffat med hänsyn till någon Referensenhet inom Korgen under perioden som börjar på Inledande Observationsdag och som avslutas på Slutlig Observationsdag är större än, eller lika med, **N**, eller

(B) om antalet Kredithändelser som har inträffat med hänsyn till någon Referensenhet inom Korgen under perioden som börjar på Inledande Observationsdag och som avslutas på Slutlig Observationsdag är lägre än N, noll.

"**N**" ska vara det tal som specificerats i de Slutliga Villkoren under rubriken ”Värdeutvecklingsstruktur-relaterade punkter”.

"**Förlust på Referensenhet**" kommer att vara differensen mellan 1 och Återvinningsvärdet med hänsyn till den relevanta Referensenheten.

"**Återvinningsvärde**" kommer vara 100 procent. Om en Kredithändelse (i enlighet med angivna i Del 3: *Kompletterande Villkor för Kreditlån*) inte har inträffat med hänsyn till den Referensenheten under perioden som börjar på Inledande Observationsdag och som avslutas på Slutlig Observationsdag, eller om sådan Kredithändelse har inträffat, kommer det antingen vara ett Fast Återbetalningsbelopp eller ett Marknadsmässigt Återvinningsbelopp, i enlighet med det angivna i de tillämpliga Slutliga Villkoren.

(xxxvii) *Nth och Nth+1 Default CLN struktur*

Återbetalningsbeloppet kommer vara lika med Lånens Kapitalbelopp multiplicerat med summan av:

(A) 1 minus Portföljexponeringen, och

(B) produkten av Portföljexponeringen, Eftersträvat Återbetalningsbeloppoch Portföljavkastningen.

"**Portföljavkastning**" syftar till differensen mellan Portföljförlusten och 1.

"**Portföljförlust**" syftar till:

(A) om antalet Kredithändelser som har inträffat med hänsyn till någon Referensenhet inom Korgen under perioden som börjar på Inledande Observationsdag och som avslutas på Slutlig Observationsdag, är större än N kommer summan av de Viktade Tillgångsförlusten för den Nth Referensenheten till dröjsmål och den Nth plus 1 (d.v.s. den omedelbart efterföljande) Referensenheten till dröjsmål inom Korgen, eller

(B) om antalet Kredithändelser som har inträffat med hänsyn till någon Referensenhet inom Korgen under perioden som börjar på Inledande Observationsdag och som avslutas på Slutlig Observationsdag är lika med N, en summa som är lika med den Viktade Tillgångsförlusten av den Nth Referensenheten avseende vilken en Kredithändelse inträffar;

(C) noll, om antalet Kredithändelser som har inträffat med hänsyn till någon Referensenhet inom Korgen under perioden som börjar på Inledande Observationsdag och som avslutas på Slutlig Observationsdag är lägre än N.

"**N**" ska vara det tal som specificerats i de Slutliga Villkoren under rubriken ”Värdeutvecklingsstruktur-relaterade punkter”.

"**Viktade Tillgångavkastningen**" syftar till produkten av Korgandelen och Referensenhets avkastning för relevant Referensenhet.

"**Referensenhetsförlusten**" kommer vara differensen mellan Återvinningsvärdet med hänsyn till den relevanta Referensenheten och 1.

"**Återvinningsvärde**" kommer vara 100 procent. Om en Kredithändelse (i enlighet med Del 3: *Kompletterande Villkor för Kreditlänkade Lån*) inte har inträffat med hänsyn till den Referensenheten under perioden som börjar på Observationsstartdatum och som avslutas på Observationsslutdatum, eller om sådan Kredithändelse har inträffat, kommer det antingen vara ett Fast Återbetalningsbelopp eller ett Marknadsmässigt Återvinningsbelopp, i enlighet med det angivna i de tillämpliga Slutliga Villkoren.

(xxxviii) *Option CLN-struktur*

Återbetalningsbeloppet kommer att vara lika med summan av:

(i) Lånens Kapitalbelopp; och

(ii) produkten av: (x) Lånens Kapitalbelopp och (y) summan av K, Optionsbelopp 1, Optionsbelopp 2, Optionsbelopp 3 och Optionsbelopp 4.

Värdet på ”**K**” kommer att anges i de relevanta Slutliga Villkoren.

”**Optionsbelopp 1**” kommer att beräknas som produkten av Faktor 1 och det högre av:

(A) 0; och

(B) summan av:

(1) produkten av:

a Indikator 1;

b CDS Mark to Market 1; och

c 1 minus Portföljförlust 1; och

(2) produkten av:

a Indikator 1; och

b Portföljförlust 2;

”**CDS Mark to Market 1**” beräknas som summan av:

(A) produkten av:

(1) Spread-differens1A; och

(2) Annuitet1A; och

(B) produkten av:

(1) Spread-differens1B; och

(2) Annuitet1B.

”**Faktor 1**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Indikator 1**” kommer att vara antingen -1 eller 1, såsom närmare anges i de tillämpliga Slutliga Villkoren.

”**Spread-differens1A**” betyder den relevanta CDS-spreaden på Observationsdagen minus CDS-konventionsspreaden.

”**Spread-differens1B**” betyder den relevanta CDS-konventionsspreaden minus Strike 1.

”**Strike 1**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Annuitet1A**” betyder nuvärdet på en annuitetsbetalning av 1, baserat på den relevanta CDS-spreaden på Observationsdagen och samma betalningsdagar och konventioner som det bestämda beloppet i relevant CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

”**Annuitet1B**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på Strike 1 och samma betalningsdatum och konventioner som det fasta beloppet för relevant CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

Relevant ”**CDS**” betyder en credit default swap som hänvisar till Referensenheten eller ett index av Referensenheter, såsom närmare anges i de tillämpliga Slutliga Villkoren, med en förfallodag och CDS-konventionsspread som anges i de tillämpliga Slutliga Villkoren och som i övrigt innehåller villkor som iakttar och följer marknadspraxis, såsom bestämt av Beräkningsagenten, enligt dennes självständiga bedömning.

”**CDS-spreaden**” betyder spreaden eller premien att betala för att förvärva relevant CDS (om Indikatorn är negativt) eller sälja relevant CDS (om Indikatorn är positiv), bestämt av Beräkningsagenten, enligt dennes självständiga bedömning.

”**CDS-konventionsspreaden**” betyder den fasta kupong som erhållits av Säljaren av relevant CDS eller som betalats av köparen av relevant CDS (som tillämpligt) och som specificerats i de relevanta Slutliga Villkoren.

”**Portföljförlust 1**” betyder summan av Viktad Tillgångsförlust 1 för varje Referensenhet inom relevant CDS.

”**Viktad Tillgångsförlust 1**” betyder produkten av Korgdeltagandet och Referensenhetsförlusten 1 för den relevanta Referensenheten.

”**Referensenhetsförlusten 1**” betyder differensen mellan Återvinningsvärdet 1 med hänsyn till den relevanta Referensenheten och 1.

"**Återvinningsvärde**" är 100 procent. Om en Kredithändelse (i enlighet med Del 3: *Kompletterande Villkor för Kreditlänkade Lån*) inte har inträffat avseende den Referensenheten under perioden som börjar på Observationsstartdatum och som avslutas på Observationslutdatum, eller om sådan Kredithändelse har inträffat, kommer det vara ett Fast Återbetalningsbelopp om 0 procent.

”**Portföljförlust 2**” betyder summan av Viktad Tillgångsförlust 2 för varje Referensenhet inom relevant CDS.

”**Viktad Tillgångsförlust 2**” betyder produkten av Korgdeltagandet och Referensenhetsförlusten 2 för den relevanta Referensenheten.

”**Referensenhetsförlusten 2**” betyder differensen mellan Återvinningsvärdet 2 med hänsyn till den relevanta Referensenheten och 1.

"**Återvinningsvärde 2**" är 100 procent. Om en Kredithändelse (i enlighet med Del 3: *Kompletterande Villkor för Kreditlänkade Lån*) inte har inträffat med hänsyn till den Referensenheten under perioden som börjar på Inledande Observationsdag och som avslutas på Slutlig Observationsdag, eller om sådan Kredithändelse har inträffat kommer det att vara ett Marknadsmässigt Återvinningsbelopp.

”**Optionsbelopp 2**” betyder produkten av Faktor 2 och det högre av

(A) 0; och

(B) summan av:

(1) produkten av:

a Indikator 2;

b CDS Mark to Market 2; och

c 1 minus Portföljförlust 1; och

(2) produkten av:

a Indikator 2; och

b Portföljförlust 2.

”**CDS Mark to Market 2**” beräknas som summan av:

(A) produkten av:

(1) Spread-differens2A; och

(2) Annuitet2A; och

(B) produkten av:

(1) Spread-differens2B; och

(2) Annuitet2B.

”**Faktor 2**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Indikator 2**” kommer att vara antingen -1, 0 eller 1, såsom närmare anges i de tillämpliga Slutliga Villkoren.

”**Spread-differens2A**” betyder relevant CDS-spread på Observationsdagen minus CDS-konventionsspreaden.

”**Spread-differens2B**” betyder relevant CDS-konventionsspread minus Strike 2.

”**Strike 2**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Annuitet2A**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på relevant CDS-spread på Observationsdagen och samma betalningsdatum och konventioner som det fasta beloppet för relevant CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

”**Annuitet2B**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på Strike 2 och samma betalningsdatum och konventioner som det fasta beloppet för CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

”**Optionsbelopp 3**” betyder produkten av Faktor 3 och det högre av

(A) 0; och

(B) summan av:

(1) produkten av:

a Indikator 3;

b CDS Mark to Market 3; och

c 1 minus Portföljförlusten 1; och

(2) produkten av:

a Indikator 3; och

b Portföljförlust 2;

”**CDS Mark to Market 3**” beräknas som summan av:

(A) produkten av:

(1) Spread-differens3A; och

(2) Annuitet3A; och

(B) produkten av:

(1) Spread-differens3B; och

(2) Annuitet3B.

”**Faktor 3**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Indikator 3**” kommer att vara antingen -1, 0 eller 1, såsom närmare anges i de tillämpliga Slutliga Villkoren.

”**Spread-differens3A**” betyder relevant CDS-spread på Observationsdagen minus relevant CDS-konventionsspread.

”**Spread-differens3B**” betyder relevant CDS-konventionsspread minus Strike 3.

”**Strike 3**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Annuitet3A**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på relevant CDS-spread på Observationsdagen och samma betalningsdatum och konventioner som det

fasta beloppet för relevant CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

”**Annuitet3B**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på Strike 3 och samma betalningsdatum och konventioner som det fasta beloppet för relevant CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

”**Optionsbelopp 4**” betyder produkten av Faktor 4 och det högre av

(A) 0; och

(B) summan av:

(1) produkten av:

a Indikator 4;

b CDS Mark to Market 4;

c 1 minus Portföljförlusten 1; och

(2) produkten av:

a Indikator 4; och

b Portföljförlust 2;

”**CDS Mark to Market 4**” beräknas som summan av:

(A) produkten av:

(1) Spread-differens4A; och

(2) Annuitet4A; och

(B) produkten av:

(1) Spread-differens4B; och

(2) Annuitet4B.

”**Faktor 4**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Indikator 4**” kommer att vara antingen -1 eller 1, såsom närmare anges i de tillämpliga Slutliga Villkoren.

”**Spread-differens4A**” betyder relevant CDS-spread på Observationsdagen minus CDS-konventionsspreaden.

”**Spread-differens4B**” betyder relevant CDS-konventionsspread minus Strike 4.

”**Strike 4**” kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

”**Annuitet4A**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på relevant CDS-spread på Observationsdagen och samma betalningsdatum och konventioner som det fasta beloppet för relevant CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

”**Annuitet4B**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på Strike 4 och samma betalningsdatum och konventioner som det fasta beloppet för relevant CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

(xxxix) *Mark to Market CDS*

Återbetalningsbeloppet kommer att vara lika med summan av:

(i) Kapitalbeloppet för Lånen; och

(ii) produkten av:

x. Lånens Kapitalbelopp; och

y. summan av, i förhållande till varje CDS, produkten av det relevanta Mark to Market-värdet och tillämplig CDS-faktor specificerad i de Slutliga Villkoren.

”**Mark to Market**” av relevant CDS beräknas som summan av:

(A) produkten av:

(1) Indikator 1

(2) CDS-spreaddifferensen;

(3) Annuiteten; och

(4) 1 minus Portföljförlust 1; och

(B) produkten av:

(1) Indikator 2

(2) den Upplupna Räntan; och

(C) produkten av:

(1) Indikator 3

(2) Portföljförlust 2.

”**Indikator 1**” är antingen -1 eller 1 efter vad som specificeras i de relevanta Slutliga Villkoren.

”**Indikator 2**” är antingen 1, 0 eller -1 efter vad som specificeras i de relevanta Slutliga Villkoren.

”**Indikator 3**” är antingen 1, 0 eller -1 efter vad som specificeras i de relevanta Slutliga Villkoren.

Den ”**Upplupna Räntan**” motsvarar den upplupna räntan från den senaste kupongbetalningsdagen av relevant CDS, och bestäms enhälligt av Beräkningsagenten på Observationsdagen.

”**Annuiteten**” betyder nuvärdet av en annuitetsbetalning om 1, baserat på CDS-spreaden på Observationsdagen och samma betalningsdatum och konventioner som det fasta beloppet för CDS och bestäms enhälligt av Beräkningsagenten på Värderingsdagen.

”**CDS**” betyder kreditswappar som följer Referensenheten eller ett index av Referensenheter som specificeras i de tillämpliga Slutliga Villkoren, där slutdagen och CDS-konventionsspreaden specificeras i de tillämpliga Slutliga Villkoren eller annars innehåller villkor som är marknadsmässiga, som enhälligt bestäms av Beräkningsagenten.

”**CDS-spreaddifferensen**” betyder CDS-spreaden på Observationsdagen minus CDS-konventionsspreaden.

”**CDS-spread**” betyder den spread eller det premium som ska betalas för att köpa relevant CDS (om Indikatorn är negativ) eller sälja relevant CDS (om Indikatorn är positiv), som enhälligt bestäms av Beräkningsagenten på Observationsdagen.

”**CDS-konventionsspreaden**” betyder den fasta kupong som erhållits av säljaren av relevant CDS eller som betalats av köparen av relevant CDS (som tillämpligt) och som specificerats i de relevanta Slutliga Villkoren.

”**Portföljförlust 1**” betyder summan av den Balanserade Tillgångsförlusten 1 för varje Referensenhet inom Korgen.

Den ”**Balanserade Tillgångsförlusten 1**” betyder produkten av Korgdeltagandet och Referensenhetsförlust 1 för den relevanta Referensenheten.

”**Referensenhetsförlust 1**” utgör differensen som fås genom att subtrahera Återhämtningsvärde 1 i förhållande till den relevanta Referensenheten från 1.

”**Återhämtningsvärde 1**” utgör 100 % om en Kredithändelse inte har inträffat i förhållande till en Referensenhet under den period som börjar på Observationsstartdatum och slutar på Observationsslutdatum, eller, om en Kredithändelse har inträffat, ett Fast Återhämtningsvärde om 0 %.

”**Portföljförlust 2**” betyder summan av den Balanserade Tillgångsförlusten 2 för varje Referensenhet inom Korgen.

Den ”**Balanserade Tillgångsförlusten 2**” betyder produkten av Korgdeltagandet och Referensenhetsförlust 2 för den relevanta Referensenheten.

”**Referensenhetsförlust 2**” utgör differensen som fås genom att subtrahera Återhämtningsvärde 2 i förhållande till den relevanta Referensenheten från 1.

”**Återhämtningsvärde 2**” utgör 100 % om en Kredithändelse inte har inträffat i förhållande till en Referensenhet under den period som börjar på Observationsstartdatum och slutar på Observationsslutdatum, eller, om en Kredithändelse har inträffat, det ena av det Fasta Återhämtningsvärdet och Marknadsåterhämtningsvärdet, vilket specificeras i de tillämpliga Slutliga Villkoren.

(xxxviii) *Digital Long*

Om Korgavkastningen på den slutliga Värderingsdagen överstiger eller är lika med Korglösennivån, kommer Tilläggsbeloppet vara lika med Lånens Kapitalbelopp multiplicerat med Kupongen.

Om Korgavkastningen inte överstiger eller är lika med Korglösennivån på den slutliga Värderingsdagen kommer Tilläggsbeloppet att vara noll.

Korgavkastningen kommer att beräknas på samma sätt som för "Basket Long"-strukturen som anges i Villkor 6(a)(i) ("*Basket Long*"*-struktur*) eller "Basket Short"-strukturen som anges i Villkor 6(a)(ii) ("*Basket Short*"*-struktur*), enligt vad som anges i de tillämpliga Slutliga Villkoren.

(xxxix) *Digital Short*

Om Korgavkastningen på den slutliga Värderingsdagen understiger eller är lika med Korglösennivån, kommer Tilläggsbeloppet vara Lånens Kapitalbelopp multiplicerat med Kupongen.

Om Korgavkastningen på den slutliga Värderingsdagen inte understiger eller är lika med Korglösennivån kommer Tilläggsbeloppet vara noll.

Korgavkastningen kommer att beräknas på samma sätt som för "Basket Long"-strukturen som anges i Villkor 6(a)(i) ("*Basket Long*"*-struktur*) eller "Basket Short"-

strukturen som anges i Villkor 6(a)(ii) ("*Basket Short*"*-struktur*), enligt vad som anges i de tillämpliga Slutliga Villkoren.

(xl) *Best of/Worst of Digital Long*

Om Referenstillgångsavkastningen på den Nth bäst presterande Referenstillgången på den slutliga Värderingsdagen överstiger eller är lika med relevanta Barriärnivån, kommer Tilläggsbeloppet vara Lånens Kapitalbelopp multiplicerat med Kupongen.

Om Referenstillgångsavkastningen på den Nth bäst presterande Referenstillgången på den slutliga Värderingsdagen inte överstiger eller är lika med den relevanta Barriärnivån, kommer Tilläggsbeloppet vara noll.

Den "**Nth bäst presterande**" Referenstillgången kommer vara den Referenstillgång som har den Nth högsta Referenstillgångsavkastningen (såsom definierat i Villkor 6(a)(i) (*"Basket Long"-Struktur)* eller Villkor 6(a)(ii) ("*Basket Short*"*-struktur*) såsom specificeras i Slutliga Villkor), där ”**N**” ska ha det värde som närmare anges i Slutliga Villkor.

(xli) *Best of/Worst of Digital Short*

Om Referenstillgångsavkastningen på den Nth bäst presterande Referenstillgången på den slutliga Värderingsdagen understiger eller är lika med den relevanta Barriärnivån, kommer Tilläggsbeloppet vara Lånens Kapitalbelopp multiplicerat med Kupongen.

Om Referenstillgångsavkastningen på den Nth bäst presterande Referenstillgången på den slutliga Värderingsdagen understiger eller är lika med den relevanta Barriärnivån kommer Tilläggsbeloppet vara noll.

Den "**Nth bäst presterande**" Referenstillgången kommer vara den Referenstillgång som har den Nth högsta Referenstillgångsavkastningen (såsom definierat i Villkor 6(a)(i) (*"Basket Long" Struktur)* eller Villkor 6(a)(ii) ("*Basket Short*"*-struktur*) såsom specificeras i Slutliga Villkor), där ”**N**” ska ha det värde som närmare anges i Slutliga Villkor.

(xlii) *Series of Digitala*

Återbetalningsbeloppet kommer vara det samma som Lånens Kapitalbelopp multiplicerat med kvoten av täljaren, som är antalet Referenstillgångar med ett Stängningskurs som ligger på eller över den relevanta Barriärnivån på varje Värderingsdag, och nämnaren, som är antalet Referenstillgångar i Korgen.

(xliii) *Delta 1 strukturer*

I händelse av en Uppskjuten Återbetalning, i enlighet med nedan, ska Återbetalningsbeloppet utbetalas på den Planerade Återbetalningsdagen och det kommer vara ett belopp som är lika med Inlösenbeloppet relaterat till de relevanta Referenstillgångarna, minus Avgifter och gällande Skatter.

"**Avgifter**" syftar till en struktureringsavgift som betalas till Emittenten genom ett belopp som beräknas som en procentsats per år på det totala beloppet av Lånens Kapitalbelopp som står specificerat i de tillämpliga Slutliga Villkoren multiplicerat med den relevanta Dagberäkningsmetoden.

"**Skatter**" syftar till alla skatter, avgifter eller andra avdrag relaterade till en Hedging Partys köp, ägarskap, inlösen eller överföring av de Referenstillgångarna, eventuella utdelningar tillhörande de Referenstillgångarna eller några valutaomvandlingar med hänsyn till byte av Lånelikvid för valutan för de(n) relevanta Referenstillgången(-arna).

Uppskjuten Återbetalning

Om Hedging Party inte har möjlighet att lösa in Referenstillgångar innan den planenliga Återbetalningsdagen eller Förtida Återbetalningsdagen på grund av att de Referenstillgångarna omfattas av en restriktion gällande inlösen eller av någon annan anledning, eller om Hedging Party bedömer att denne inte kommer erhålla det fullständiga Återbetalningsbeloppet på eller innan den planenliga Återbetalningsdagen eller den Förtida Återbetalningsdagen (varje sådan händelse kallas en "**Uppskjuten Återbetalning**"), ska Emittenten omedelbart meddela Fordringshavarna om detta (ett "**Meddelande om Uppskjuten Återbetalning**).

Efter ett Meddelande om Uppskjuten Återbetalning ska Emittenten göra en delåterbetalning av Lån på (i) den planenliga Återbetalningsdagen eller den förtida återbetalningsdagen förutsatt att, och i den utsträckning som, Hedging Party har mottagit (eller anses ha mottagit) någon del av tillgångarnas Återbetalningsbelopp ej senare än på den tionde Bankdagen innan sådant datum, och därefter (ii) inom fem Bankdagar efter varje datum då Hedging Party mottar (eller anses ha mottagit) alla eller delar av Återbetalningsbeloppet (varje sådant datum kallas för ett "**Uppskjutet Återbetalningsdag**").

Beloppet för varje sådan delåterbetalning av Lån ska beräknas i enlighet med formeln för beräkning av Återbetalningsbelopp angivet ovan och för detta ändamål ska "Återbetalningsbeloppen" anses vara det senaste delbeloppet av de Återbetalningsbelopp som mottagits (eller anses ha mottagits) av Hedging Party innan den relevanta Uppskjutna Återbetalningsdagen och "Avgiften" ska anses vara den totala avgiften per det relevanta Uppskjutna Återbetalningsdagen minus den eventuella del av Avgiften som tidigare har avdragits från (i) Återbetalningsbelopp eller (ii) Återbetalningsbeloppet i anknytning till tidigare delåterbetalningar av Lån.

Summan av alla delinlösenbetalningar ska aldrig överstiga de totala Återbetalningsbeloppen som Hedging Party har mottagit (eller anses ha mottagit) på eller innan Back-Stop datumet *minus* (i) totala Avgifter och *minus* (ii) den totala summan av alla Skatter.

Om Emittenten har fastställt att en Uppskjuten Återbetalning har inträffat och fortgår, och att det skäligen kan förväntas att någon del av Återbetalningsbeloppen inte har mottagits av Hedgingparten på eller innan Back-Stop datumet, kan Emittenten (i) förlänga Back-Stop datumet för att detta ska anpassas till förväntade framtida erhållna Återbetalningsbelopp i enlighet med det som fastställts av Emittenten, eller (ii) genom meddelande till Innehavarna och till relevanta Clearingsystem terminera Lånen med omedelbar effekt varpå Emittenten inte ska vara förpliktigad att göra, och Fordringshavare ej heller ska vara berättigade att motta, någon återbetalning eller andra belopp med avseende till Lånen.

Återbetalningsbelopp som har mottagits av Emittenten eller Hedging Party efter Back-Stop datumet ska inte betalas till Innehavarna och Innehavarna ska inte ha någon rätt att motta någon sådan återstående del av Återbetalningsbeloppet efter Back-Stop datumet.

(xlvii) *Inflation Linker*

Återbetalningsbeloppet kommer vara Lånens Kapitalbelopp multiplicerat med det högsta av:

(A) Lägsta Återbetalningsprocent; och

(B) det resultat (uttryckt som en procentandel) som erhålls genom att dividera värdet av Inflationstakten vid Värderingstidpunkten på den slutliga Värderingsdagen (såsom framgår på den priskälla som närmare anges i Slutliga Villkor) med värdet på Inflationstakten vid Värderingstidpunkten på Startdagen (såsom framgår på den priskälla som närmare anges i Slutliga Villkor).

(xlvii) *"Barrier Outperformance" struktur 2*

Om Korgavkastningen (fastställd i enlighet med Villkor 6(a)(i) (*"Basket Long*" struktur) eller Villkor 6(a)(ii) ("*Basket Short*" struktur)), såsom specificerat i de Slutliga Villkoren, på någon Värderingsdag överstiger Barriärnivån, kommer Tilläggsbeloppet att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och det högre av Kupongen och Korgavkastningen. Om Korgavkastningen inte överstiger Barriärnivån på någon Värderingsdag, kommer Tilläggsbeloppet att vara noll.

(xlviii) *"Barrier Underperformance" strultur 2*

Om Korgavkastningen (fastställd i enlighet med Villkor 6(a)(i) (*"Basket Long*" struktur) eller Villkor 6(a)(ii) ("*Basket Short*" struktur) såsom specificerat i de Slutliga Villkoren), på någon Värderingsdag faller under Barriärnivån, kommer Tilläggsbeloppet att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och det högre av Kupongen och Korgavkastningen. Om Korgavkastningen inte faller under Barriärnivån på någon Värderingsdag, kommer Tilläggsbeloppet att vara noll.

(xlix) *"Eftersträvad Volatilitet"-struktur*

Tilläggsbeloppet kommer att vara produkten av Lånens Kapitalbelopp, Deltagandegraden och den Syntetiska Index-avkastningen.

"**Syntetiska Index-avkastningen**" betyder det högre av a) Lägsta Syntetiska Index-avkastningen, och b) det Syntetiska Index-värdet på den slutliga Värderingsdagen (eller, om Värderingsdagsgenomsnitt är tillämpligt, medelvärdet av det Syntetiska Index-värdet på relevanta Snittdatum) dividerat med det Syntetiska Index-värdet på Startdagen, minus den Syntetiska Index-strikenivån.

"**Lägsta Syntetiska Index-avkastningen**" kommer att vara det värde som anges i de tillämpliga Slutliga Villkoren.

"**Syntetiska Index-värdet**" ska omräknas på slutet av varje Värderingsperiod (den "**Relevanta Värderingsperioden**") och vara produkten av:

(i) Syntetiska Index-värdet på den omedelbart föregående Värderingsdagen (eller, på den Initiala Värderingsdagen, Startvärdet för Syntetiska Indexet); och

(ii) summan av (x) 1, och (y) produkten av:

(A) summan av 1 och den relevanta Exponeringen på den omedelbart föregående Värderingsdagen; och

(B) den relevanta Överskjutande Avkastningen för den tillämpliga Värderingsperioden.

"**Exponeringen**" kommer omräknas på varje Ombalanseringsdag, eller så snart därefter som det är möjligt (och sådan senare tidpunkt avgörs enhälligt av Emittenten efter att denne tagit i beräkning den tid som fordras av en Riskhanterande Part för att genomföra relevanta Hedgingtransaktioner) och vara det högre av:

(a) Minsta Exponering; och

(b) det lägre av:

(i) Högsta Exponering; och
(ii) Justerad Exponering,

dock att om omräkningen av Exponeringen såsom beskrivet ovan resulterar i en justering som är mindre än Lägsta Justeringströskeln behöver Emittenten inte justera Exponeringen på sådan Ombalanseringsdag, och Exponeringen som

gäller från en sådan Ombalanseringsdag ska anses vara densamma som Exponeringen på den omedelbart föregående Ombalanseringdagen.

”**Justerad Exponering**” avser, i förhållande till Ombalanseringsdagen, nivån av exponering mot den relevanta Korgen som, enligt Emittentens enhälliga bedömning, kan uppnås av en Riskhanterande Part (efter avdrag för tillämpliga Hedgingkostnader) vid upprättandet av en eller flera Hedgingtransaktioner som avser att uppnå Önskad Exponering på den relevanta Ombalanseringsdagen.

”**Önskad Exponering**” avser, i förhållande till Ombalanseringsdagen, det lägre av:

(a) kvoten som erhålls genom att dividera Eftersträvad Volatilitet med Historisk Volatilitet; och

(b) om den har angivits som tillämplig i de Slutliga Villkoren, kvoten som erhålls genom att dividera Eftersträvad Volatilitet med Andra Historiska Volatiliteten.

”**Riskhanteringskostnader**” avser det belopp som motsvarar varje skatte- och tullkostnad, pålaga eller annan avgift som Emittenten enhälligt bestämt kommer att ådras av en Riskhanterande Part vid upprättandet av Hedgingtransaktioner som ingås av sådan Riskhanterande Part i syfte att riskhantera varje förpliktelse för Emittenten att göra betalningar i förhållande till Lånen.

”**Lägsta Justeringströskeln**” avser den tröskel som anges i de tillämpliga Slutliga Villkoren;

”**Minsta Exponering**” avser, beträffande en Ombalanseringsdag, den minsta procentsatsen som är specificerad i tillämpliga Slutliga Villkor;

”**Högsta Exponering**” avser, beträffande en Ombalanseringsdag, den högsta procentsatsen som är specificerad i tillämpliga Slutliga Villkor;

”**Eftersträvad Volatilitet**” avser, beträffande en Ombalanseringsdag, den eftersträvade volatiliteten uttryckt som en procentsats angiven i tillämpliga Slutliga Villkor;

”**Historisk Volatilitet**” avser, beträffande en Ombalanseringsdag (den ”**Relevanta Ombalanseringsdagen**”), ett nummer utgörande:

(a) kvadratroten ur Årsberäkningsfaktorn, multiplicerat med:

(b) kvadratroten ur:

(i) 1/(N-1), multplicerat med:

(x) summan av Log Kvadrat Korgavkastning beräknad på varje Ombalanseringsdag under Lookback Ombalanseringsperioden; minus

(y) summan av Log Korgavkastning beräknad på varje enskild Ombalanseringsdag under Lookback Ombalanseringsperioden upphöjd till 2 och sedan multiplicerad med 1/N.

”**Årsberäkningsfaktor**” avser det värde som specificeras i Slutliga Villkor;

”**Andra Historiska Volatiliteten**” avser, beträffande en Ombalanseringsdag (den ”**Relevanta Ombalanseringsdagen**”), ett nummer utgörande:

(a) kvadratroten ur Andra Årsberäkningsfaktorn, multiplicerat med:

(b) kvadratroten ur:

(i) 1/(K-1), multplicerat med:

(ii)

(x) summan av Log Kvadrat Korgavkastning beräknat på varje Ombalanseringsdag under Andra Lookback Ombalanseringsperioden; minus

(y) summan av Log Korgavkastning beräknat på varje enskild Ombalanseringsdag under Andra Lookback Ombalanseringsperioden upphöjd till 2 och sedan multiplicerad med 1/K.

”**Andra Årsberäkningsfaktorn**” avser det värde som specificeras i Slutliga Villkor;

”**Log Kvadrat Korgavkastning**” avser den naturliga logaritmen av Ombalanseringskorgavkastning på relevant Ombalanseringsdag upphöjd till 2;

”**Log Korgavkastning**” avser den naturliga logaritmen av Ombalanseringskorgavkastning på relevant Ombalanseringsdag;

”**Lookback Ombalanseringsperiod**” avser varje enskild N Ombalanseringsdag fram till och med relevanta Ombalanseringsdagen, där N är värdet som specificeras i Slutliga Villkor;

”**Andra Lookback Ombalanseringsperioden**” avser varje enskild K Ombalanseringsdag fram till och med relevanta Ombalanseringsdagen, där K är värdet som specificeras i Slutliga Villkor;

”**Ombalanseringskorgavkastning**” avser summan av:

(a) 1; och

(b) summan av den den Viktade Ombalanseringvärdeutvecklingen beträffande varje enskild Referenstillgång på relevant Ombalanseringsdag.

”**Viktade Ombalanseringvärdeutvecklingen**” beträffande den relevanta Referenstillgången är lika med:

(a) Ombalanseringvärdeutvecklingen (såsom definierat i Villkor 1 (*Definitioner*)) minus 1; multiplicerat med

(b) tillämpligt Korgdeltagande.

”**Korgavkastningen**” kommer att beräknas på samma sätt som för "Basket Long"-strukturen som anges i Villkor 6(a)(i) ("*Basket Long*"-*struktur*) eller "Basket Short"-strukturen som anges i Villkor 6(a)(ii) ("*Basket Short*"-*struktur*), enligt vad som anges i de tillämpliga Slutliga Villkoren.

”**Överskjutande Avkastning**” för en period kommer att vara Korgavkastningen minus Kontant Återbetalning för samma period.

”**Kontant Återbetalning**” för varje Värderingsperiod är Kontanträntan på Värderingsdagen vid början av den relevanta Värderingsperioden (vilket bestäms av Emittenten enligt dennes självständiga bedömning), multiplicerat med Kontant Återbetalning Dagberäkningsmetod.

”**Kontanträntan**” avser den ränta som anges i de tillämpliga Slutliga Villkoren.

”**Kontant Återbetalning Dagberäkningsmetod**” avser den Dagberäkningsmetod som anges i de tillämpliga Slutliga Villkoren.

(xlvii) *”Booster Risk Barrier 2”*

Om Korgavkastningen (fastställd i enlighet med Villkor 6(a)(i) (*"Basket Long*" struktur)) överstiger eller är lika med relevanta Barriärnivån kommer Tilläggsbeloppet att beräknas

genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden och Korgavkastningen.

Om Korgavkastningen (fastställd i enlighet med Villkor 6(a)(i) ("*Basket Long*" struktur)) understiger relevanta Barriärnivån, kommer Tilläggsbeloppet att beräknas genom att multiplicera Lånens Kapitalbelopp med Deltagandegraden 2 och Korgavkastningen (fastställd i enlighet med Basket short-strukturen enligt Villkor 6(a)(ii) ("*Basket Short*"-*struktur*)).

(xlviii) *"Autocall-nivå"-struktur*

Om Autocall-händelsen inträffat på en Värderingsdag som inträffar före den slutliga Värderingsdagen kommer Lånen att inlösas i enlighet med Villkor 6(w) (*Förtida Inlösen för Lån med Autocall-nivå-struktur*). Om Autocall-händelsen inte inträffat på någon Värderingsdag före den slutliga Värderingsdagen kommer Lånen att återbetalas på Återbetalningsdagen till ett belopp som motsvarar deras Kapitalbelopp.

(xlix) *In Option – Korg Lång*

Tilläggsbeloppet beräknas genom att multiplicera Lånens Kapitalbelopp med Faktorn och summan av:

(A) produkten vid multiplikation av Deltagandegraden med Knock-in-faktorn och det högre av (1) Korgavkastningen; och (2) noll; och

(B) produkten vid multiplikation av Knock-in-differensen med Kupongen.

Om "*In Option*–typen" är specificerad som "*Bought Up and In*" i de relevanta Slutliga Villkoren:

(i) avser "**Knock-in-faktorn**":

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är lägre än Barriärnivån på någon Värderingsdag.

(ii) avser "**Faktorn**" 1.

Om "*In Option*-typen" är specificerad som "*Sold Up and In*" i de relevanta Slutliga Villkoren:

(i) avser "**Knock-in-faktorn**":

(A) ett värde som motsvarar 1 om Korgavkastningen är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är lika med eller lägre än Barriärnivån på varje Värderingsdag.

(ii) avser "Faktorn" -1.

Om "*In Option*-typen" är specificerad som "*Bought Down and In*" i de relevanta Slutliga Villkoren:

(i) avser "**Knock-in-faktorn**":

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen högre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

Om ”*In Option*-typen” är specificerad som ”*Sold Down and In*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-in-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen motsvarar eller är högre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

”**Kupong**” avser det värde som specificerats i de tillämpliga Slutliga Villkoren.

”**Knock-in-differensen**” betyder 1 minus Knock-in-faktorn.

”**Korgavkastningen**” beräknas med grund i ”*Basket Long*”-strukturen enligt Villkor 6(a)(i) (*”Basket Long”-struktur*).

(l) *In Option – Korg Kort*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Kapitalbelopp med Faktorn och summan av:

(A) produkten som erhålls genom att multiplicera Deltagandegraden med Knock-in-faktorn och det högre av (1) Korgavkastningen; och (2) noll; och

(B) produkten som erhålls genom att multiplicera Knock-in-differensen med Kupongen.

Om ”*In Option*-typen” specificeras som ”*Bought Down and In*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-in-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är lägre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

Om ”*In Option*-typen” specificeras som ”*Sold Down and In*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-in-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen motsvarar eller är lägre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” -1.

Om ”*In Option*-typen” specificeras som ”*Bought Up and In*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-in-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är högre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

Om ”*In Option*-typen” specificeras som ”*Sold Up and In*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-in-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen motsvarar eller är högre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” -1.

”**Kupong**” avser det värde som specificerats i de tillämpliga Slutliga Villkoren.

”**Knock-in-differensen**” betyder 1 minus Knock-in-faktorn.

”**Korgavkastningen**” beräknas med grund i ”*Basket Short*”-strukturen enligt Villkor 6(a)(ii) (*”Basket Short”-struktur*).

(Ii) *Out Option – Basket Long*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Kapitalbelopp med Faktorn och summan av:

(A) produkten som erhålls genom att multiplicera Deltagandegraden med Knock-out-differensen och det högre av (1) Korgavkastningen; och (2) noll; och

(B) produkten som erhålls genom att multiplicera Knock-in-faktorn med Rabatten.

Om ”*Out Option*-typen” specificeras som ”*Bought Up and Out*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen motsvarar eller är lägre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

Om ”*Out Option*-typen” specificeras som ”*Sold Up and Out*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är lägre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” -1.

Om ”*Out Option*-typen” specificeras som ”*Bought Down and Out*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen motsvarar eller är högre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

Om ”*Out Option*-typen” specificeras som ”*Sold Down and Out*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är högre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” -1.

”**Rabatten**” avser det värde som specificeras i de tillämpliga Slutliga Villkoren.

”**Knock-out-differensen**” motsvarar 1 minus Knock-out-faktorn.

”**Korgavkastningen**” beräknas med grund i ”*Basket Long*”-strukturen enligt Villkor 6(a)(i) (*”Basket Long”-struktur*).

(lii) *Out Option – Basket Short*

Tilläggsbeloppet kommer att beräknas genom att multiplicera Lånens Kapitalbelopp med Faktorn och summan av:

(A) produkten som erhålls genom att multiplicera Deltagandegraden med Knock-out-differensen och det högre av (1) Korgavkastningen; och (2) noll; och

(B) produkten som erhålls genom att multiplicera Knock-in-faktorn med Rabatten.

Om ”*Out Option*-typen” specificeras som ”*Bought Down and Out*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen motsvarar eller är lägre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

Om ”*Out Option*-typen” specificeras som ”*Sold Down and Out*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är högre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är lägre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” -1.

Om ”*Out Option*-typen” specificeras som ”*Bought Up and Out*” i de relevanta Slutliga Villkoren:

(i) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen motsvarar eller är högre än Barriärnivån på varje Värderingsdag.

(ii) avser ”**Faktorn**” 1.

Om ”*Out Option*-typen” specificeras som ”*Sold Up and Out*” i de relevanta Slutliga Villkoren:

(iii) avser ”**Knock-out-faktorn**”:

(A) ett värde som motsvarar 1 om Korgavkastningen motsvarar eller är lägre än Barriärnivån på någon Värderingsdag; eller

(B) ett värde som motsvarar 0 om Korgavkastningen är högre än Barriärnivån på varje Värderingsdag.

(iv) avser ”**Faktorn**” -1.

”**Rabatten**” avser det värde som specificeras i de tillämpliga Slutliga Villkoren.

”**Knock-out-differensen**” motsvarar 1 minus Knock-out-faktorn.

”**Korgavkastningen**” beräknas med grund i ”*Basket Short*”-strukturen enligt Villkor 6(a)(ii) (*”Basket Short”-struktur*).

(a) ***Valutakomponenter***

(i) *Valutakomponenter – Referenstillgång*

Om "Valutakomponenter – Referenstillgång" finns specificerat som tillämplig i de relevanta Slutliga Villkoren kommer Referenstillgångsavkastningen för en eller flera Referenstillgångar specificerade i de Slutliga Villkoren (som fastställts i enlighet med vilkendera av bestämmelserna i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) och finns specificerat i förhållande till de relevanta Referenstillgångarna i de Slutliga Villkoren) vidare att multipliceras med den tillämpliga Valutafaktorn i syfte att fastställa det totala betalbara Tilläggsbeloppet till Fordringshavarna.

(ii) *Valutakomponent – Tilläggsbelopp*

Om "Valutakomponent – Tilläggsbelopp" finns specificerat som tillämpligt i de relevanta Slutliga Villkoren, kommer ett eller flera Tilläggsbelopp specificerade i de Slutliga Villkoren (som fastställts i enlighet med vilkendera av bestämmelserna i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) och som specificerats som tillämpliga i förhållande till Tilläggsbeloppen i sådana Slutliga Villkor) vidare att multipliceras med den tillämpliga Valutafaktorn i syfte att fastställa Tilläggsbeloppet som ska betalas till Fordringshavarna. ”Valutakomponent – Tilläggsbelopp” är endast tillämpligt om Tilläggsbeloppet är positivt eller negativt, i båda fall såsom närmare specificerat i de Slutliga Villkoren.

(iii) *Valutakomponent – Basåterbetalningsbelopp*

Om ”Valutakomponent – Återbetalningsbelopp” finns specificerat som tillämplig i de relevanta Slutliga Villkoren ska Basåterbetalningsbeloppet multipliceras med den tillämpliga Valutafaktorn i syfte att bestämma det faktiska Återbetalningsbeloppet som ska betalas i enlighet med Villkor 6(a) (*Återbetalning på Återbetalningsdagen*).

(iv) *Valutakomponent – Sammansatt*

Om ”Valutakomponent – Sammansatt” finns specificerat som tillämplig i de relevanta Slutliga Villkoren ska Referenstillgångsavkastningen för en eller flera Referenstillgångar specificerade i de Slutliga Villkoren såsom bestäms i enlighet med vilkendera bestämmelse av Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) som är tillämplig för den relevanta Referenstillgången i sådana Slutliga Villkor) beräknas som:

(a) Om metoden för att beräkna Korgavkastningen specificerad i de Slutliga Villkoren är ”*Basket Long”*-strukturen avser ”**Referenstillgångsavkastningen**” kvoten som erhålls genom att dividera Slutkursen för varje relevant Referenstillgång med Startkursen för den relevanta Referenstillgången multiplicerad med Valutafaktorn för att sedan subtrahera Strikenivån.

(b) Om metoden för att beräkna Korgavkastningen specificerad i de Slutliga Villkoren är ”*Basket Short*”-strukturen avser ”**Referenstillgångsavkastningen**” resultat som erhålls genom att subtrahera från Strikenivån produkten av (i) kvoten som erhålls genom att dividera Slutkursen för varje relevant Referenstillgång med Startkursen för varje relevant Referenstillgång; och (ii) Valutafaktorn.

(b) ***Best of/ Worst of Modifier***

Om detta Villkor 6(c) (*Best of/Worst of Modifier*) är angivet som tillämpligt i de relevanta Slutliga Villkoren, ska hänvisningar till Korgavkastning ersättas med hänvisningar till "Referenstillgångsavkastning av den Nth bäst presterande Referenstillgången" för beräkningen av Tilläggsbeloppet i enlighet med en eller flera tillämpliga värdeutvecklingsstrukturer angivna i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*), eller huruvida Lån med Autocall ska vara föremål för förtida inlösen i enlighet med Villkor 6(p) (*Förtida Återbetalning av Lån med Värdeutvecklingsstrukturen Autocall*) eller Villkor 6(w) (*Förtida Inlösen för Lån med Autocall-nivå-struktur*). Slutliga Villkor kommer ange vilken eller vilka värdeutvecklingsstrukturer och Villkor som ska modifieras i enlighet med detta Villkor 6(c) (*Best of/ Worst of Modifier*).

Den ”**Nth bäst presterande**” Referenstillgången ska vara den Referenstillgång som har den Nth högsta Referenstillgångsavkastningen, där "N" ska vara det värde som anges i de Slutliga Villkoren under rubriken *” Strategirelaterade punkter”*.

(c) ***Lookback Startkurs Modifier***

Om detta Villkor 6(d) (*Lookback Startkurs Modifier*) angetts som tillämpligt i relevanta Slutliga Villkor så ska hänvisning till ”Startkurs” ersättas med hänvisning till ”Lookback Startkurs” för beräkningen av Tilläggsbeloppet i enlighet med den/de värdeutvecklingsstruktur(er) i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) som anges som tillämpliga i Slutliga Villkor.

Om ”**Lookback-Faktor**” anges vara ”**Minsta**” i relevanta Slutliga Villkor ska ”**Lookback Startkurs**” vara Stängningskursen för relevant Referenstillgång på Värderingsdagen vid inledningen av Värderingsperioden då Lookback-Avkastningen var som lägst.

Om ”**Lookback-Faktor**” anges vara ”**Högsta**” så ska ”**Lookback Startkurs**” vara Stängningskursen för relevant Referenstillgång på Värderingsdagen vid inledningen av Värderingsperioden då Lookback-Avkastningen var som högst.

(d) ***Lookback Slutkurs Modifier***

Om detta Villkor 6(e) (*Lookback Slutkurs Modifier*) angetts som tillämpligt i relevanta Slutliga Villkor så ska hänvisning till ”Slutkurs” ersättas med hänvisning till ”Lookback Slutkurs” för beräkningen av Tilläggsbeloppet i enlighet med den/de värdeutvecklingsstruktur(er) i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) som anges som tillämpliga i Slutliga Villkor.

Om ”**Lookback-Faktor**” anges vara ”**Minsta**” i relevanta Slutliga Villkor ska ”**Lookback Slutkurs**” vara Stängningskursen för relevant Referenstillgång på Värderingsdagen vid utgången av Värderingsperioden då Lookback-Avkastningen var som lägst.

Om ”**Lookback-Faktor**” anges vara ”**Högsta**” så ska ”**Lookback Observationskurs**” vara Stängningskursen för relevant Referenstillgång på Värderingsdagen vid utgången av Värderingsperioden då Lookback-Avkastningen var som högst.

(e) ***Lock-in Modifier***

Om detta Villkor 6(f) (*Lock-in Modifier*) angetts som tillämpligt i relevanta Slutliga Villkor så ska hänvisning till Korgavkastningen ersättas med hänvisning till Lock-in Korgavkastningen för beräkningen av Tilläggsbeloppet i enlighet med den/de värdeutvecklingsstruktur(er) i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) som anges som tillämpliga i Slutliga Villkor.

”**Lock-in Korgavkastningen**” ska vara det högre av Locked-in-Avkastningen och Korgavkastningen på den slutliga Värderingsdagen.

”**Locked-in-Avkastningen**” ska vara den förbestämda procentsats som motsvarar den högsta Lock-in-Nivån som nås eller överskrids av Korgavkastningen på en Värderingsdag, såsom specificeras i Slutliga Villkor.

(g) ***Kombination av strukturer***

Om "Kombination av strukturer" finns specificerad som tillämplig i de Slutliga Villkoren kan det betalbara Tilläggsbeloppet till Innehavarna på Återbetalningsdagen, eller, om tillämpligt, Alternativa Betalningsdagen för Tilläggsbelopp, vara en kombination av två eller fler av de Värdeutvecklingsstrukturer som finns specificerade i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) eller en kombination av samma värdeutvecklingsstruktur som är beräknad med hänvisning till olika underliggande Korgar, i vart och ett av fallen, såsom anges i tillämpliga Slutliga Villkor:

(i) Om ”**Sammanslagning**” är angivet i Slutliga Villkor ska Tilläggsbeloppen som fastställts i enlighet med varje tillämplig underparagraf i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) multipliceras med den relevanta Värdeutvecklingsprocentsatsen och därefter summeras i syfte att beräkna det totala Återbetalningsbeloppet som ska betalas av Emittenten. Om ”Enskild Korg” är specificerat i Slutliga Villkor kommer samma underliggande Korg användas för bestämningen av Tilläggsbeloppet med avseende på varje tillämplig värdeutvecklingsstruktur. I annat fall kommer varje enskild värdeutvecklingsstruktur tillämpas på de individuella Korgarna i enlighet med vad som framgår av Slutliga Villkor.

"**Värdeutvecklingsprocentsatsen**" kommer vara procentsatsen såsom specificerad i de Slutliga Villkoren.

(ii) Om ”**Subtraktion**” är angivet i Slutliga Villkor ska Tilläggsbeloppen som fastställts i enlighet med varje tillämplig underparagraf i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) multipliceras med den relevanta Värdeutvecklingsprocentsatsen och sedan ska Tilläggsbeloppet som rör Korg B subtraheras från Tilläggsbeloppet som rör Korg A i syfte att beräkna det totala betalbara Tilläggsbeloppet.

"**Värdeutvecklingsprocentsatsen**" kommer vara procentsatsen såsom specificerad i de Slutliga Villkoren.

(iii) Om ”**Alternativ Uträkning**” är angiven i Slutliga Villkor kommer den värdeutvecklingsstruktur som används för att bestämma Tilläggsbeloppet avvika beroende på huruvida Korgavkastningen på en viss Värderingsdag har överstigit vissa förutbestämda Barriärnivåer eller ej, såsom anges i relevanta Slutliga Villkor.

(h) ***Högsta Återbetalning***

Om detta Villkor 6(h) (*Högsta Återbetalning*) finns specificerat som tillämpligt i de relevanta Slutliga Villkoren ska Återbetalningsbeloppet vara det lägre av a) Återbetalningsbeloppet såsom bestämt i enlighet med tillämpliga bestämmelser i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) och b) det Högsta Återbetalningsbeloppet.

(i) ***Lägsta Återbetalning***

Om detta Villkor 6(i) (*Lägsta Återbetalning*) finns specificerat som tillämpligt i de relevanta Slutliga Villkoren och Villkor 6(h) (*Högsta Återbetalning*) inte är tillämpligt, ska Återbetalningsbeloppet vara det högre av a) beloppet som fastställts i enlighet med tillämpliga bestämmelser i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*), och b) det Lägsta Återbetalningsbeloppet.

Om både detta Villkor 6(i) (*Lägsta Återbetalning*) och Villkor 6(h) (*Högsta Återbetalning*) finns specificerade som tillämpliga i de relevanta Slutliga Villkoren ska Återbetalningsbeloppet vara det större av: a) det Återbetalningsbelopp som bestäms i enlighet med Villkor 6(h) (*Högsta Återbetalningsbelopp*) och b) det Lägsta Återbetalningsbeloppet.

(j) ***Inflationsskyddat Kapitalbelopp***

Om detta Villkor 6(j) (*Inflationsskyddat Kapitalbelopp*) finns specificerat som tillämpligt i de relevanta Slutliga Villkoren kommer Återbetalningsbeloppet som fastställts i enlighet med tillämpliga bestämmelser i Villkor 6(a) (*Återbetalning på Återbetalningsdagen*) att multipliceras med proportionen som erhålls genom att dividera Slutligt KPI med Bas KPI.

(k) ***Amorterande Återbetalning***

Vissa Lån kan amorteras om detta specificeras i de Slutliga Villkoren. Om så är fallet kommer Återbetalningsbeloppet betalas i utbetalningar motsvarande Amorteringsbeloppet vid ett eller flera Amorteringsdagar, i enlighet med de Slutliga Villkoren.

(l) ***Förtida Återbetalning av Skatteskäl***

Om Emittenten skulle komma behöva betala extrabelopp i enlighet med Villkor 7 (*Beskattning*), för någon Serie av Lån, som en konsekvens av någon lagändring i Emittentens jurisdiktion eller av någon politisk underavdelning därav eller någon myndighet eller organ som däri eller därav har befogenhet att beskatta eller genom tolkning eller administration av någon sådan lag eller bestämmelse som träder i kraft på eller efter Lånedatumet av sådana Lån eller något tidigare datum specificerat i de relevanta Slutliga Villkoren vid nästkommande utbetalning med hänsyn till sådana Lån, har denne möjlighet att med minst trettio och högst sextio dagars notifiering, eller sådan annan period som specificeras i de Slutliga Villkoren (utgående, i händelse av Lån som genererar rörlig ränta, på en dag då räntan är betalbar), hos Innehavarna, i enlighet med Villkor 16 (*Meddelanden*) (vilket meddelande ska vara oåterkalleligt) inlösa hela (men inte delar därav, såvida inte och i den utsträckning som de relevanta Slutliga Villkoren specificerar annat) Lånesinnehavet i den relevanta serien till dess Kapitalbelopp (eller sådant annat Återbetalningsbelopp som kan finnas specificerat i de relevanta Slutliga Villkoren), tillsammans med upplupen ränta (om någon) därtill.

I händelse av att kupongskatt införs i Finland eller Sverige och, enligt sådan finsk eller svensk kupongskatt Emittenten förpliktigas att utföra sådana avdrag som syftas till i den föregående paragrafen, reserverar sig Emittenten rätten att erhålla följande information gällande varje Innehavare:

(i) Innehavarens namn, personnummer eller annat identifieringsnummer och postadress, samt

(ii) antal Lån som innehas av Innehavaren och dess Kapitalbelopp.

Informationen som hänvisas till ovan behöver endast tillgängliggöras med avseende på Lån som utställts under detta Program.

En förfrågan om information enligt detta Villkor 6(l) (*Förtida Återbetalning av Skatteskäl*) ska ges in till Euroclear Sverige eller Euroclear Finland (som tillämpligt) i tillräckligt god tid för Euroclear Sverige eller Euroclear Finland att handlägga denna.

(m) ***Frivillig Förtida Återbetalning (Call)***

Emittenten kan, om så anges i de relevanta Slutliga Villkoren, inlösa Lån i förtid, i sin helhet eller delvis, till det Förtida Återbetalningsbeloppet tillsammans med upplupen ränta (om någon), på de(t) datum som angivits i de Slutliga Villkoren.

Emittenten ska tillkännage Innehavarna om varje förtida återbetalning i enlighet med Villkor 16 (*Meddelanden*) senast 10 dagar innan den relevanta förtida återbetalningsdagen. Sådant meddelande om förtida återbetalning ska vara oåterkallelig.

(n) ***Frivillig Förtida Återbetalning (Put)***

Om det står specificerat i de relevanta Slutliga Villkoren ska Innehavaren vara berättigad att kräva en förtida återbetalning av Lån till det Förtida Återbetalningsbeloppet tillsammans med upplupna räntor (om några) på de(t) datum som anges i de Slutliga Villkoren och omfattas av Villkoren i de Slutliga Villkoren.

För att nyttja sådan möjlighet måste Innehavaren minst 45 dagar innan den relevanta Förtida Återbetalningsdagen meddela detta till Emittenten. Sådant meddelande om Förtida Återbetalning ska vara oåterkalleligt.

(o) ***Förtida Återbetalning av icke-räntebärande Lån***

Vid förtida återbetalning av Nollkupongare ska de relevanta Lånen återbetalas till ett belopp som fastställs på Bokföringsdagen (eller förfallodagen för betalningen, gällande Innehavarlån) i enlighet med följande formel:

$$\frac{\text{Kapitalbelopp}}{(1 + r)^t}$$

r = Referensavkastningen enligt de Slutliga Villkoren.

t = den återstående löptiden på Lånen, uttryckt som antal dagar dividerat på 360 (där varje månad antas bestå av 30 dagar) eller baserat på det faktiskta antalet dagar/faktiska antalet dagar.

(p) ***Förtida Återbetalning av Lån med Värdeutvecklingsstrukturen Autocall***

Om Korgavkastningen på någon Observationsdag (annan än den slutliga Observationsdagen) är på eller över den relevanta Inlösenbarriärnivån kommer Emittenten tillkännage detta för Innehavaren i enlighet med Villkor 16 (*Meddelanden*) och inlösa Lånen i förtid, i sin helhet men inte delvis, på den senare av: (i) nästkommande Förtida Återbetalningsdag, eller (ii) den dag som infaller 40 dagar efter relevant Observationsdag till sitt Förtida Återbetalningsbelopp vilket kommer vara Kapitalbeloppet för de relevanta Lånen tillsammans med alla betalbara räntor på nominellt belopp (om några) i enlighet med Villkor 5(g) (*Kupongbärande Lån*).

"**Korgavkastningen**" beräknas på samma sätt som för "Basket Long" strukturen angiven i Villkor 6(a)(i) (*"Basket Long"-struktur*) eller Villkor 6(a)(ii) ("*Basket Short"-struktur*), såsom specificerats i de Slutliga Villkoren, såvida inte Villkor 6(c) (*Best of/ Worst of Modifier*) är angett som tillämpligt till detta Villkor 6(p) i Slutliga Villkor varvid Korgavkastningen ska bytas ut mot Referenstillgångsavkastningen för den Referenstillgång med den Nth bästa värdeutvecklingen i enlighet med sådant Villkor.

(q) ***Förtida Återbetalning av Kreditlänkade Lån***

I händelse av att Återvinningsvärdet i förhållande till en eller flera Referensenheter (var och en kallade för en "**Fallerad Referensenhet**") fastställs till det planenliga Återbetalningsdagen för Lån kan Emittenten välja att göra en Förtida Återbetalning av alla eller delar av Lånen på en Räntebetalningsdag genom att tillkännage detta till Innehavarna i enlighet med Villkor 16 (*Meddelanden*). Det tillämpliga Förtida Återbetalningsbeloppet ska fastställas av Emittenten i god tro och på ett kommersiellt rimligt sätt och ska beräknas på en proportionerlig grund så att Innehavaren mottar en del av Återbetalningsbeloppet som annars skulle (utan hinder av vad som anges om förtida återbetalning av Lån i enlighet med detta Villkor 6(q) (*Förtida Återbetalning av Kreditlänkade Lån*)) vara förfallet och betalbart på Återbetalningsdagen i enlighet med de tillämpliga avsättningarna från Villkor 6(a) (*Återbetalning på Förfallodagen*) som är proportionerliga till vägningen av den relevanta Fallerade Referensenheten eller Fallerade Referensenheterna med hänsyn till Korgen som helhet.

(r) ***Amortering av Kreditlänkade Lån med Poolfaktor***

Om en Kredithändelse inträffar som Emittenten bedömer (i god tro och på affärsmässiga grunder) skulle påverka Återbetalningsbeloppet som ska betalas på tillämplig Återbetalningsdag i enlighet med tillämpliga bestämmelser i Villkor 6(a) (*Återbetalning på Förfallodagen*) så kan Emittenten göra en proportionelig minskning av det utestående kapitalbeloppet för Lånen för att reflektera inträffandet av en sådan Kredithändelse (och bestämmandet av ett eventuellt tillämpligt Återvinningsvärde), eller reflektera detsamma med en lämplig poolfaktor i relevant Clearingsystems arkiv. Emittenten ska meddela relevanta Clearingsystem och Fiscal Agent om en eventuell proportionerlig minskning av det utestående kapitalbeloppet för Lånen eller (om tillämpligt) den från tid till annan lämpliga poolfaktorn. Om Emittenten väljer att tillämpa en poolfaktor ska Återbetalningsbeloppet (med anledning av utbetalning på den relevanta Återbetalningsdagen) vara lika med Lånens Kapitalbelopp multiplicerat med den tillämpliga poolfaktorn på den relevanta Återbetalningsdagen.

(s) ***Köp av Lån***

Emittenten och dess dotterbolag (om några) kan när som helst köpa Lån på den öppna marknaden eller på annat sätt för vilket pris som helst **förutsatt att**, gällande räntebärande Lån som är Definitiva Lån, alla ej förfallna Payment Receipts och Kuponger därtill tillhörande köps därmed.

(t) ***Förfarande för Betalning vid Återbetalning***

Alla återbetalningar av Lån av typen VP, VPS, Svenska eller Finska Lån enligt detta Villkor 6 (*Återbetalning och Köp*) ska ske i enlighet med reglerna för VP gällande Lån av typen VP, reglerna för VPS gällande Lån av typen VPS, reglerna för Euroclear Sverige gällande Svenska Lån och reglerna för Euroclear Finland gällande Finska Lån.

(u) ***Betalning av Korrigeringsbelopp vid Förtida Inlösen***

Om detta Villkor 6(u)(*Betalning av Korrigeringsbelopp vid Förtida Inlösen)* finns specificerat som tillämpligt i de Slutliga Villkoren ska det betalbara Förtida Återbetalningsbeloppet till Innehavarna reduceras med alla gällande Korrigeringsbelopp, där: "**Korrigeringsbelopp**" syftar till ett belopp som fastställs av Beräkningsombudet enligt dennes självständiga bedömning på ett kommersiellt rimligt sätt motsvarande summan av (utan duplicering) alla kostnader, utgifter (inklusive förlust av finansiering), skatter och förpliktelser som ingåtts av Emittenten i anslutning till sådan tidigare återbetalning, samt det relaterade avslutandet, kvittandet eller återinförandet av någon hedge eller liknande handelsposition, plus varje belopp som ska betalas av någon hedgemotpart eller swapmotpart till Emittenten eller minus varje belopp som ska betalas av Emittenten till den relevanta hedgemotparten eller swapmotparten lika med varje belopp som ska betalas som ett resultat av avslutande av någon swaptransaktion som har ingåtts i samband med Lånen, **förutsatt att** ett sådant belopp är större än noll.

(v) ***TOM Ackumulerande Strategi***

Om ”TOM Ackumulerande Strategi” angetts som tillämpligt i relevanta Slutliga Villkor kommer Återbetalningsbeloppet vara lika med Lånens Kapitalbelopp multiplicerat med Deltagandegraden och multiplicerat med Slutliga TOM-Värdet.

"**TOM-Värdet**" kommer vara 100 % vid Startdagen och därefter lika med TOM Värdet på den föregående TOM-Värderingsdagen multiplicerat med den tillämpliga TOM Värdeutvecklingen som är tillämplig på den relevanta TOM-Perioden eller NTOM-Perioden (såsom tillämpligt).

”**Slutliga TOM-Värdet**” kommer vara TOM-Värdet på den slutliga TOM Värderingsdagen, eller, om ”TOM Slutvärde Medelvärdesberäkning” specificerats i de tillämpliga Slutliga Villkoren, medelvärdet av de TOM-Värden som bestämts på varje TOM Slutvärde Medelberäkningsdag.

"**TOM-Värdeutvecklingen**" kommer vara lika med summan av 1 och Korgavkastningen för varje TOM-Period, och summan av 1 och Referensränteavkastningen för varje NTOM-Period. Om ”Slutlig TOM-Period-Värdeutveckling Medelvärdesberäkning” specificerats som tillämpligt i de tillämpliga Slutliga Villkoren, ska TOM-Värdeutvecklingen som används för att bestämma TOM-Värdet på TOM-Värderingsdagen som inträffar på slutet av vardera av de sista N TOM-perioder under Lånens löptid, ersättas med Genomsnittliga Slutliga TOM-period-Värdeutvecklingen.

”**Genomsnittliga Slutliga TOM-period-Värdeutvecklingen**” ska bestämmas av Emittenten på slutet av varje TOM-period som medelvärdet av TOM-Värdeutvecklingen för varje slutligt N antal TOM-perioder under Lånens Löptid.

”**N**” kommer vara det värde som anges i Slutliga Villkoren.

"**Korgavkastningen**" kommer vara lika med Tilläggsbeloppet for relevant TOM-Period, beräknad i enlighet med den/de värdeutvecklingsstruktur(er) som specificerats i tillämpliga Slutliga Villkor och uttryckta som ett procentvärde av Lånens Kapitalbelopp, dock att hänvisningar till ”Startdag” och eventuella Medelvärdesberäkningsdagar ska förstås som hänvisningar till relevant TOM Inledande Beräkningsdag och eventuella tillämpliga Medelvärdesberäkningsdagar, och hänvisningar till ”Värderingsdag” och eventuella Medelvärdesberäkningsdagar ska förstås som hänvisningar till relevant TOM Slutlig Beräkningsdag och eventuella relaterade Medelvärdesberäkningsdagar.

"**Referensränteavkastning**" kommer vara lika med den tillämpliga Referensräntan multiplicerad med den relevanta Dagberäkningsmetoden.

(w) ***Förtida Inlösen för Lån med Autocall-nivå-struktur***

Om Autocall-händelsen inträffat på en Värderingsdag (annat än på den slutliga Värderingsdagen), ska Emittenten meddela Fordringshavarna därom i enlighet med Villkor 16 (*Meddelanden*) och förtidsinlösa Lånen i sin helhet vid det senare av: (i) nästa Förtida Återbetalningsdag, och (ii) den dag som inträffar 40 dagar efter den relevanta Värderingsdagen. Inlösen ska ske till ett belopp som motsvarar Lånets Kapitalbelopp, plus eventuell Ränta som ska betalas enligt Villkor 5(u) (*Autocall-nivå*).

(x) ***Lock-In Korggolv***

Om ”Lock-In Korggolv” har specificerats i de tillämpliga Slutliga Villkoren, ska, om Korgavkastningen överstiger relevant Barriärnivå på någon Värderingsdag, hänvisningar till Korgavkastningen bytas ut mot hänvisningar till Lock-In Korggolv för beräkning av Tilläggsbelopp i enlighet med tillämpliga värdeutvecklingsstrukturer i Villkor 6(a) (*Återbetalning på Förfallodagen*) som närmare anges i tillämpliga Slutliga Villkor.

”**Lock-In Korggolv**” ska vara det högre av Lägsta Korgavkastningen och Korgavkastningen på den slutliga Värderingsdagen.

(y) ***Alternativ Betalningsdag för Tilläggsbelopp***

Om en ”**Alternativ Betalningsdag för Tilläggsbelopp**” specificeras som tillämplig i de relevanta Slutliga Villkoren ska något/några Tilläggsbelopp inte betalas på Återbetalningsdagen utan på den Alternativa Betalningsdagen för Tilläggsbelopp som specificerat i de relevanta Slutliga Villkoren. Oaktat detta ska Basåterbetalningsbeloppet betalas på Återbetalningsdagen i enlighet med Villkor 6(a) (*Återbetalning på Återbetalningsdagen*).

(z) ***Väsentlig Återköpshändelse***

Om en ”Väsentlig Återköpshändelse” har specificerats som tillämplig i de relevanta Slutliga Villkoren kan Emittenten återköpa alla eller delar av Lånen till Marknadspris jämte upplupen men ännu inte betalad ränta (för det fall att sådan finns) om Emittenten återköper eller återkallar minst 80 procent av kapitalbeloppet för de Lån som ursprungligen emitterats.

”**Marknadspriset**” avser ett belopp som bestämts i god anda av Beräkningsagenten baserat på allmänt accepterade värderingsprinciper och på sådana faktorer som den anser vara relevanta och lämpliga.

Emittenten ska underrätta Innehavarna om varje tidigt återköp i enligthet med Villkor 16 (*Meddelanden*) inte senare än 10 dagar före den relevanta dagen för förtida återbetalning (den ”**Förtida Återbetalningsdagen**”). En sådan underrättelse om förtida återbetalning ska var oåterkallelig.

16. **Beskattning**

(a) Alla belopp (vare sig kapital, återbetalningsbelopp, ränta eller annat) avseende Lånen kommer betalas utan innehållande av eller avdrag för, eller med anledning av, nuvarande eller framtida skatter eller annan avgift oavsett om dessa påförs eller påläggs av eller på uppdrag av jurisdiktionen för Emittentens hemvist eller någon politisk underavdelning därav eller någon myndighet eller organ som däri eller därav berättigas att beskatta, såvida innehållandet eller avdraget av sådana skatter eller andra avgifter krävs av lag. I händelse därav ska Emittenten betala sådana extrabelopp som krävs för att Innehavarnas nettofordran efter sådant innehållande eller avdrag ska vara lika med respektive belopp som skulle ha utgjort fordran i avsaknad av nämnda innehållande eller avdrag, dock att inga sådana extrabelopp ska vara betalbara för Lån eller Kuponger som presenterats för betalning:

(i) inom jurisdiktionen för Emittentens hemvist,

(ii) av eller till förmån för en Fordringshavare som är ansvarig för sådana skatter eller förpliktelser med hänsyn till sådana Lån eller Kuponger med anledning av att sådan Fordringshavare har någon anknytning med jurisdiktionen för Emittentens hemvist annan än själva innehavet av sådant Lån eller Kupong, eller

(iii) fler än trettio dagar efter det Relevanta Datumet, förutom i sådan utsträckning som den relevanta Innehavaren skulle vara berättigad till sådana extrabelopp vid presentation av den samma för betalning vid utlöpandet av sådan trettiodagarsperiod, eller

(iv) av eller på uppdrag av en Fordringshavare som inte skulle vara förpliktigad eller omfattas av innehållandet eller avdraget genom att lämna en deklaration för utomlandsboende eller andra liknande yrkande till relevant skattemyndighet, eller

(v) där sådant innehållande eller avdrag påläggs på en betalning till en individ och så måste påläggas i enlighet med EU-direktiv 2003/48/EG eller lag i syfte att tillämpa eller uppfylla, eller introducerats för att överensstämma med, sådant Direktiv, eller

(vi) av eller på uppdrag av en Fordringshavare som skulle kunna ha möjligheten att undvika sådant innehållande eller avdrag genom att presentera det relevanta Lånet, Payment Receipt eller Kupong för ett annat Betalningsombud i en Medlemsstat inom den Europeiska Unionen.

(b) Vid tillämpning av dessa Villkor syftar "**Relevant datum**" till det datum när sådan betalning först förfaller och blir betalbar, men om det fullständiga beloppet av de betalbara pengarna inte har mottagits av Fiscal Agent eller, om fallet är sådant, Registreringsagenten eller, såvitt endast avser Lån i Schweiziska Franc, den Schweiziska Betalningsagenten på eller innan sådant förfallodatum syftar det till det första datumet när det fullständiga beloppet har mottagits och tillkännagivande om detta har givits till Innehavarna av sådana Lån i de relevanta serierna i enlighet med Villkor 16 (*Meddelanden*).

(c) Alla referenser i dessa Villkor till kapitalbelopp, återbetalningsbelopp och/eller ränta med hänsyn till Lån ska omfatta eventuella extrabelopp som kan bli betalbara under detta Villkor 7 (*Beskattning*) eller eventuella åtaganden som ges därtill eller som ersättning därför.

(d) Utan hinder av detta Villkor 7 (*Beskattning*) eller Villkor 8 (*Betalningar*) ska Emittenten tillåtas att innehålla och göra avdrag för eller till följd av eventuella skatter som pålagts i enlighet med avsnitten 871(m) eller 1471 till 1474 under U.S. Internal Revenue Code of 1986, såsom ändrad, och lagstiftning som utfärdats därunder i enlighet med alla mellanstatliga avtal, eller implementering av lagstiftning som antagits av andra jurisdiktioner i anslutning till dessa bestämmelser, eller i enlighet med avtal med U.S. Internal Revenue Service, för alla betalbara belopp gällande Lånen och ska inte krävas på betalning av extrabelopp gällande sådana skatter.

17. Betalningar

(1) *Betalningar — Innehavarlån*

(a) Detta Villkor 8(1) är tillämpligt för Innehavarlån.

(b) Betalning av förfallna belopp (inklusive upplupen ränta) vid inlösen av Innehavarlån kommer göras mot uppvisande och återlämnande av relevanta Innehavarlån till något av Betalningsombuden eller order, förutom i händelse av en delvis inlösen till följd av otillräckliga medel eller betalning av ett Amorteringsbelopp (annat än det slutliga Amorteringsbeloppet).

Betalning av Amorteringsbelopp (andra än slutliga Amorteringsbeloppet) för Amorterande Lån kommer ske mot presentation av det Innehavarlånet tillsammans med (i förekommande fall) det relevanta Payment Receiptst och återlämnandet av sådant Payment Receipts.

Payment Receiptsa är inte och ska inte under några som helst omständigheter anses utgöra ägarbevis och om de separeras från det Innehavarlånet som de tillhör kommer de ej heller vara bärare av någon förpliktelse för Emittenten.

Således ska presentationen av Innehavarlån utan tillhörande Payment Receiptst eller uppvisande av ett Payment Receipts utan det Innehavarlånet som detta tillhör inte berättiga Innehavaren till någon betalning med hänsyn till det relevanta Amorteringsbeloppet.

(c) Betalning av förfallna belopp avseende ränta på Innehavarlån kommer ske:

(i) i de fall det rör sig om ett Temporärt Globalt Lån eller Permanent Globalt Lån, mot presentation av det relevanta Temporära Globala Lånet eller Permanenta Globala Lånet vid det angivna kontoret hos något av Betalningsombuden utanför USA och, gällande Temporära Globala Lån, med vederbörlig certifiering som krävs däri,

(ii) i de fall det rör sig om Definitiva Lån utan bifogade Kuponger därtill vid tidpunkten för deras ursprungliga leverans, mot presentation av de relevanta Definitiva Lånen vid det angivna kontoret hos något av Betalningsombuden utanför USA, och

(iii) i de fall det rör sig om Definitiva Lån som levererats med bifogade Kuponger därtill vid tidpunkten för deras ursprungliga leverans, mot avträdet av

relevanta Kuponger vid det angivna kontoret hos något av Betalningsombuden utanför USA.

(d) Om förfallodagen för betalning av något förfallet belopp (vare sig det gäller kapital, räntor eller annat) gällande något Fysiskt Lån inte är en Bankdag kommer Innehavaren därav inte vara berättigad betalning därav förrän nästkommande sådan Bankdag och inga ytterligare betalningar kommer bero på sådan fördröjning förutom i händelse av en efterföljande underlåtenhet till betalning i enlighet med dessa Villkor inträffar.

(e) Varje Definitivt Lån som ursprungligen levererats med bifogade Kuponger eller Payment Receipts ska återlämnas för slutlig inlösen tillsammans med alla tillhörande, ej förfallna Kuponger eller Payment Receipts, i annat fall ska:

(i) i de fall det rör sig om Definitiva Lån som är räntebärande till en fast ränta eller fasta räntor, beloppet för eventuella saknade ej förfallna Kuponger dras av från det belopp som annars är betalbart vid sådan slutlig inlösen, där beloppet som dras av blir betalbart mot återlämnas från den relevanta Kupongen vid det angivna kontoret hos något av Betalningsombuden när som helst innan tioårsdagen efter förfallodatumet för sådan slutlig inlösen eller, om senare, femårsdagen från förfallodatumet för sådan Kupong;

(ii) i de fall det rör sig om Definitiva Lån som är räntebärande till en rörlig ränta, eller till en marginal över eller under en sådan, alla ej förfallna Kuponger relaterade till sådana Definitiva Lån (oavsett om de återlämnas därmed) bli ogiltiga och ingen betalning kommer därefter utgå för dem; och

(iii) i de fall det rör sig om Innehavarlån som ursprungligen levererats med bifogade Payment Receipts därtill, alla Payment Receipts gällande sådana Innehavarlån med hänsyn till en betalning av ett Amorteringsbelopp som (men för sådan inlösen) skulle ha förfallit på ett datum efter sådant förfallodatum för inlösen (oavsett om de därmed återlämnas), bli ogiltiga och ingen betalning kommer därefter att utgå för dem.

(2) ***Betalningar — Registrerade Lån***

(a) Detta Villkor 8(2) är tillämpligt för Registrerade Lån.

(b) Betalning av förfallna belopp (inklusive upplupen ränta) vid den slutliga inlösen av Registrerade Lån kommer ske mot presentation och återlämnande av de relevanta Registrerade Lånen vid det specificerade kontoret hos Registreringsagenten, förutom i händelse av en delvis inlösen till följd av otillräckliga medel. Om förfallodatumet för betalning av det slutliga Återbetalningsbeloppet för de Registrerade Lånen inte är en Bankdag kommer Innehavaren inte vara berättigad till betalning därav förrän nästföljande sådan Bankdag och ingen ytterligare betalning kommer bero därav till följd av sådan fördröjning förutom i händelse av en efterföljande underlåtenhet till betalning i enlighet med dessa Villkor inträffar.

(c) Betalning av förfallna (förutom gällande den slutliga inlösen av Registrerade Lån) belopp (huruvida kapital, ränta eller eljest) med hänsyn till Registrerade Lån kommer betalas till Innehavarna därav (eller, i de fall det rör sig om flera Fordringshavare, den förstnämnda) som framgår i registret som förs av Registreringsagenten vid öppningen av verksamheten (New York-tid) på den femtonde Bankdagen i New York före sådant förfallodatum för sådan betalning ("**Avstämningsdagen**").

(d) Oaktat bestämmelserna i Villkor 8(8)(b), kommer betalning av förfallen ränta (annan än avseende slutgiltig inlösen av Registrerade Lån) gällande Registrerade Lån att ske med check utfärdad i bank i tillämpligt finanscentrum och postas till adressen (enligt register som upprättats av registrator) till dess Fordringshavare (eller vid flera Fordringshavare, den förstnämnde) på den Bankdag som närmast föregår gällande betalningsdag, om inte Innehavaren (eller vid flera Fordringshavare, den förstnämnde) före gällande avstämningsdag har ansökt till registrator och registrator har godkänt sådan ansökan om

att betalning ska ske till ett härför avsett konto (i nämnda fall ett utländskt konto i en auktoriserad valutahandelsbank).

(3) ***Betalningar – Lån i Schweiziska Franc***

Detta Villkor 8(3) gäller för Lån i Schweiziska Franc.

Betalning av kapitalbelopp och/eller ränta ska ske i fritt tillgängliga schweiziska franc utan uppbördskostnader i Schweiz till Fordringshavarna och/eller Innehavare av Kuponger, utan några begränsningar, under alla omständigheter, oavsett nationalitet, hemort eller vistelseort för Fordringshavarna och/eller Innehavarna av Kuponger och utan att någon certifiering, skriftlig försäkran eller något uppfyllande av någon annan formalitet krävs.

Betalning till den Schweiziska Betalningsagenten av Emittenten och mottagandet av den schweiziska betalningsagenten av förfallen punktlig betalning i Schweiziska Franc i Schweiz ska frita Emittenten från dess förpliktelser enligt Lån och Kuponger vad gäller betalning av huvudkapital och förfallen ränta till betalning på respektive betalningsdatum enligt omfattningen på dessa betalningar.

(4) ***Betalningar – VP-Lån***

Betalningar av kapitalbelopp och/eller ränta avseende VP-Lån ska ske till innehavarna enligt VP:s register per den femte Bankdagen (enligt definition i gällande VP-regler) före förfallodagen för sådan betalning, om denna dag är en dansk Bankdag eller annan Bankdag som ligger närmare förfallodagen enligt vad som anges i VP-reglerna och kommer att ske enligt nämnda VP-regler. Denna dag ska vara "**Bokföringsdag**" avseende VP-Lån enligt VP-reglerna.

(5) ***Betalningar – VPS-Lån***

Betalningar av kapitalbelopp och/eller ränta avseende VPS-värdepapper ska ske till registrerade Fordringshavare i VPS-Systemet (enligt definition i gällande VPS-regler) som anges i tillämpliga VPS-register före förfallodatum för sådan betalning eller annan Bankdag som ligger närmare förfallodatum som anges i VPS-reglerna och kommer att ske enligt nämna VPS-regler. Denna dag ska vara "**Bokföringsdag**" avseende VPS-värdepapper enligt VPS-reglerna. *Vid dagen för detta Grundprospekt är utgångspunkten för VPS bokföringsdag med avseende på Återbetalningsbelopp att den infaller två dagar före den relevanta betalningsdagen. Bokföringsdagar för räntebetalningar infaller femton bankdagar före den relevanta betalningsdagen.*

(6) ***Betalningar – Svenska Lån***

Betalningar av kapitalbelopp och/eller ränta avseende Svenska Lån ska göras till Fordringshavare enligt register förda av Euroclear Sverige, på den femte Bankdagen (enligt definition i Euroclear Sveriges gällande regler) före förfallodagen för sådan betalning om denna dag är Bankdag i Stockholm eller annan Bankdag som ligger närmare förfallodagen enligt vad som anges i Euroclear Sveriges regler och kommer att ske enligt Euroclear Sveriges regler. Denna dag ska vara "**Bokföringsdag**" avseende Svenska Värdepapper enligt Euroclear Sveriges regler.

(7) ***Betalningar – Finska Lån***

Betalningar av kapitalbelopp och/eller ränta avseende Finska Lån ska göras till Fordringshavare enligt register förda av Euroclear Finland på den femte Bankdagen (enligt definition i Euroclear Finlands gällande regler) före förfallodagen för sådan betalning om denna dag är Bankdag i Helsingfors eller annan Bankdag som ligger närmare förfallodagen enligt vad som anges i Euroclear Finlands regler och kommer att ske enligt Euroclear Finlands regler. Denna dag ska vara "**Bokföringsdag**" avseende Finska Lån enligt Euroclear Finlands regler.

(8) ***Betalningar – allmänna villkor***

(a) Förutom i de fall som anges på andra ställen i detta dokument gäller detta Villkor 8 (*Betalningar*) för Lån i fysisk eller registrerad form.

(b) Betalningar av förfallet belopp (vare sig gällande kapitalbelopp, ränta eller annat) avseende Lån i en annan valuta än euro sker med check utställd på eller överförs till ett konto som tillhör betalningsmottagaren hos en bank i tillämpligt finanscentrum och gällande Lån i euro med check utställd på eller genom överföring till ett eurokonto (eller annat konto till vilket euro kan krediteras eller överföras) som innehas av betalningsmottagaren hos en bank i huvudfinanscentret i en medlemsstat i Europeiska unionen. Betalningar lyder under alla omständigheter under gällande skattelagstiftning och annan lagstiftning, utan inverkan på bestämmelserna i Villkor 7 (*Beskattning*).

(c) För dessa Villkor:

Räntebetalningsdagar avseende Lån med Fast Ränta, Inflationslänkade Lån, Lån med Räntejustering eller Nollkuponglån lyder under Bankdagskonventionen Efterföljande Bankdag, om inte annat anges i de Slutliga Villkoren. Ränta utgår därefter endast fram till och med den ursprungligt planerade Räntebetalningsdagen, Återbetalningsdagen respektive Förtida Återbtalningsdagen (som tillämpligt).

Räntebetalningsdagar avseende Lån med Rörlig Ränta lyder under Bankdagskonventionen Modifierad Efterföljande Bankdag, om inte annat anges i de Slutliga Villkoren. Ränta kommer därefter att beräknas justerat eller ojusterat, enligt vad som anges i de Slutliga Villkoren.

För andra värdepapper gäller Bankdagskonventionen Efterföljande Bankdag, om inte annat anges i de Slutliga Villkoren.

Om någon annan Bankdagskonvention än ovan gäller för Lånen i fråga, ska den tillämpliga Bankdagskonventionen anges och beskrivas i de Slutliga Villkoren.

(d) Om tillämpligt Clearinginstitut förhindras att göra en betalning enligt Villkoren ovan på grund av en försening av Emittentens fullgöranden eller av någon annan anledning, gör Clearinginstitutet i fråga betalningen till varje person som är registrerad som Fordringshavare per gällande avstämningsdag så snart som betalning mottagits från Emittenten eller anledningen till förseningen har upphört.

(e) Om Emittenten förhindras från att göra betalningar till Innehavarna genom tillämpligt Clearinginstitut på grund av att Clearinginstitutet i fråga drabbats av en händelse eller omständighet som anges i första stycket av Villkor 22 (*Ansvarsbegränsning etc.*), är Emittenten berättigad till att skjuta upp betalningen till dess händelsen eller omständigheten som påverkar Clearinginstitutet i fråga har upphört. I sådana fall utgår ränta enligt Villkor 8 (9) (*Dröjsmålsränta*).

(f) Om en person eller juridisk person till vilken betalning skett enligt Villkoren ovan, inte varit berättigad till sådan betalning, ska Emittenten och tillämpligt Clearinginstitut vara befriade från sina respektive betalningsförpliktelser, om inte Emittenten eller tillämpligt Clearinginstitut hade kännedom om att betalningen gjordes till en person eller juridisk person som inte var berättigad till betalningen eller om Emittenten eller tillämpligt Clearinginstitut inte agerade med tillbörlig aktsamhet.

(g) Betalningar i förhållande till Lånen är under alla omständigheter underkastade gällande skattelagstiftning och annan lagstiftning, utan inverkan på bestämmelserna i Villkor 7 (*Beskattning*). För det fall att Emittenten (eller någon som agerar på Emittentens vägnar) skulle vara förhindrad från att göra betalningar på grund av tillämplig lagstiftning eller andra regler ska Emittenen inte hållas ansvarig gentemot Fordringshavarna för dröjsmål eller misslyckande med att göra sådan betalning gentemot innehavarna.

(9) ***Dröjsmålsränta***

(a) Vid försenad betalning utgår dröjsmålsränta på det förfallna och obetalda beloppet från förfallodatum fram till och med den dag betalning sker med en räntesats som är lika med basräntesatsen (enligt de Slutliga Villkoren) för en vecka plus två procent. Basräntesatsen ska därpå fastställas av Emittenten på den första Bankdagen i varje

kalendervecka under dröjsmålsperioden. Oaktat ovanstående ska dröjsmålsräntesatsen på räntebärande Lån inte vara lägre än den ränta som gällde för värdepappren i fråga på förfallodagen plus två procent (förutom vid de omständigheter som anges i paragraf (b) nedan). Dröjsmålsränta får inte kapitaliseras.

(b) Om förseningen av betalningen gällande Lån beror på någon händelse eller omständighet som drabbat Emittenten eller tillämpligt Clearinginstitut enligt första paragrafen i Villkor 22 (*Ansvarsbegränsning etc.*) får dröjsmålsräntan avseende räntebärande Lån inte överskrida den räntesats som gällde för värdepappren i fråga på förfallodagen (utan två procents tillägg enligt föregående paragraf) och, avseende icke räntebärande Lån, ska ingen dröjsmålsränta tillkomma eller utgå.

(10) ***Uppskjuten Ränta***

(a) Om ”Uppskjuten Ränta” har specificerats som tillämpligt i tillämpliga Slutliga Villkor så ska, oavsett vad som i övrigt framgår i Villkoren, Emittenten helt (och inte delvis) uppskjuta utbetalning av ett Räntebelopp som annars skulle betalats till Fordringshavarna på en Räntebetalningsdag till det tidigare av a) Återbetalningsdagen för Lånen; och (b) sådan Förtida Återbetalningsdag som Lånen helt inlöses.

(b) Ett Räntebelopp som Emittenten är skyldig att uppskjuta betalning av i enlighet med detta Villkor 8(10) (*Uppskjuten Ränta*) och som inte har återbetalats ska anses vara ett ”**Uppskjutet Räntebelopp**”. Underlåtenhet att betala något Uppskjutet Räntebelopp på avsedd Räntebetalningsdag i enlighet med detta Villkor 8(10) (*Uppskjuten Ränta*) innebär inte att Emittenten begår någon överträdelse av Villkoren avseende Lånen i, eller på något annat sätt anses vara en överträdelse. Uppskjutna Räntebelopp berättigar inte till Ränta.

18. **Lagändring**

Följande Villkor ska tillämpas på alla Lån såvida "Lagändring" anges vara ej tillämpligt i gällande Slutliga Villkor.

(a) Om det, enligt Emittentens åsikt som en följd av lagändring, påbud, bestämmelse eller motsvarande eller på grund av beslut av myndighet eller ändring av tillämpningen därav eller på grund av moratorium, valutarestriktion, embargo, blockad eller bojkott av centralbank, nationell regering eller annan offentlig myndighet som Förenta nationerna eller Europeiska unionen (vardera en "**Lagändring**") skulle bli olagligt, betydligt svårare eller leda till betydande skadat rykte för Emittenten att utfärda och inneha Lån eller om det blir olagligt eller svårare för Emittenten eller tredje part eller leda till betydande skadat rykte för Emittenten att inneha, förvärva eller avveckla Referenstillgångar eller att ingå i derivattransaktioner gällande Referenstillgång, som kan ingås för att skydda Emittentens exponering på grund av värdepappren, kan Emittenten bestämma att den Påverkade Referenstillgången ska ersättas av en ersättningsreferenstillgång (som väljs av Emittenten enligt självständiga bedömning) eller alternativt justera beräkningen av Återbetalningsbeloppet.

(b) Om Emittenten fastställer att det inte skulle ge ett rimligt resultat att ersätta den Påverkade Referenstillgången eller att justera den tillämpliga beräkningen kan Emittenten genomföra en förtida beräkning av Återbetalningsbeloppet och eller avkastningen. En sådan beräkning ska baseras på det senaste publicerade värdet för Referenstillgången. När Emittenten har fastställt Återbetalningsbeloppet och/eller avkastningen ska Emittenten meddela Innehavarna om beloppet för Återbetalningsbelopp och/eller avkastning och den räntesats som ska fortsätta att utgå på värdepappren, vilket ska vara en marknadsränta (och kan vara noll). Återbetalningsbeloppet (inklusive ackumulerad ränta, om så är tillämpligt) ska betalas på inlösendagen.

(c) Emittenten ska vara berättigad till att göra eventuella tillägg, justeringar eller ändringar av Villkoren efter vad Emittenten finner nödvändigt i samband med en lagändring.

19. **Ökade Riskhanteringskostnader**

Följande Villkor ska tillämpas på alla Lån såvida "Ökade Riskhanteringskostnader" anges vara ej tillämpligt i tillämpliga Slutliga Villkor:

(a) Om Emittentens kostnader för innehav, förvärv eller avveckling av Referenstillgångar eller inträdande i, underhåll eller avslut av derivatinstrument som hör till Referenstillgången för ändamålet att hantera Emittentens exponering på grund av värdepappren, enligt Emittentens åsikt som en följd av eventuell ändring av lagändring, påbud, bestämmelse eller motsvarande eller beslut av myndighet eller ändring av tillämpningen därav eller på grund av någon annan händelse eller omständighet som inte direkt kan tillskrivas försämrad kreditbedömning av Emittenten, enligt Emittenten, skulle öka på ett sätt som inte är obetydligt för Emittenten eller om Emittentens riskhanteringskostnader, av någon annan anledning än ovanstående enligt Emittenten skulle öka eller om riskhanteringskostnaderna enligt emittenens åsikt skulle öka betydligt (alla utgör en "**Ökad Kostnad**"), får Emittenten bestämma att den Påverkade Referenstillgången ska ersättas av en ersättningsreferenstillgång eller alternativt justera beräkningen av Återbetalningsbeloppen.

(b) I fall där Emittenten anser att det inte skulle leda till ett kommersiellt skäligt resultat att ersätta den relevanta Referenstillgången eller att justera den tillämpliga beräkningen kan Emittenten genomföra en tidig beräkning av Återbetalningsbeloppet och/eller avkastningen. Dylika tidiga beräkningar ska grundas på senast publicerade värde på Referenstillgången. När Emittenten har fastställt Återbetalningsbeloppet och/eller avkastningen ska Emittenten meddela Innehavarna om beloppet för Återbetalningsbelopp och/eller avkastning och den räntesats som ska fortsätta att utgå på värdepappren, vilket ska vara en marknadsränta (som kan vara noll). Återbetalningsbeloppet (inklusive ackumulerad ränta, om så är tillämpligt) ska betalas på Återbetalningsdagen.

(c) Emittenten ska ha rätt att göra eventuella tillägg, justeringar eller ändringar till de Villkor som Emittenten anser nödvändiga i samband med en Ökad Kostnad.

20. **Störning av Riskhantering**

Följande Villkor ska tillämpas på alla Lån såvida "Störning av Riskhantering" anges vara ej tillämpligt i tillämpliga Slutliga Villkor:

(a) I fall där Emittenten anse, efter att ha nyttjat affärsmässigt rimliga insatser, det skulle vara avsevärt mycket svårare eller omöjligt att inneha, införskaffa, upprätta, återupprätta, byta ut, underhålla, avveckla eller avyttra Referenstillgångar eller ingå transaktioner eller införskaffa finansiella instrument för att använda vid hedging/riskhantering med hänvisning till Referenstillgångar som har införskaffats för att säkerställa Emittentens exponering/leveransskuldighet enligt Notes), (varje dylik tilldragelse är en "**Störning av Riskhantering**") kan Emittenten besluta att den relevanta Referenstillgången ska bytas ut mot en ny Referenstillgång eller alternativt justera beräkningen av Återbetalningsbeloppet, något Räntebelopp och/eller Återbetalningsdag.

(b) Om Emittenten bestämmer att det inte skulle leda till ett rimligt resultat att byta ut den relevanta Referenstillgången eller vid justering av den gällande beräkningen kan Emittenten genomföra en tidig beräkning av Återbetalningsbeloppet och/eller avkastningen. En sådan beräkning ska baseras på det senast publicerade värdet av Referenstillgången. När Emittenten har fastslagit Återbetalningsbeloppet och/eller avkastningen ska Emittenten meddela Innehavarna om de extra summorna och/eller avkastningen och vilken Räntesats som ska fortsätta att utgå på Lånen, en ränta som kan vara marknadsmässig (eller som kan vara noll). Återbetalningsbeloppet (inklusive ackumulerad ränta, om så är tillämpligt) ska betalas på inlösendagen.

21. **Preskription**

(a) Innehavarlån och tillhörande Kuponger blir ogiltiga om de inte löses in inom tio år (eller, avseende Kuponger och med förbehåll för Villkor 8(1)(e), fem år) efter förfallodatumet för betalning.

(b) Krav mot Emittenten avseende Registrerade Lån kommer att preskriberas om de inte görs inom 10 år (eller, avseende krav i samband med ränta, fem år) efter förfallodagen för betalning.

(c) Krav avseende Finska Lån ska preskriberas tre år efter relevant betalningsdatum (avseende krav på både kapital och ränta).

(d) Krav mot Emittenten på betalning av ett Återbetalningsbelopp eller ett Tilläggsbelopp avseende Svenska Lån eller VPS-Lån kommer att preskriberas såvida de inte reses inom tio år efter den relevanta Återbetalningsdagen eller den Alternativa Betalningsdagen för Tilläggsbelopp (såsom tillämpligt). Krav mot den Emittenten gällande betalning av ränta eller annan avkastning avseende Svenska Lån eller VPS Lån ska avskrivas såvida inte kravet görs inom tre år räknat från räntans förfallodag.

Om preskriptionstiden för Svenska Lån avbryts kommer en ny preskriptionstid på tio år att påbörjas för fordringar avseende lösenbelopp och tre år för fordringar avseende räntebelopp och annan avkastning. När preskriptionstiden avbryts på grund av eventuell bekräftelse, krav eller påminnelse, ska en ny preskriptionstid börja på den dag då avbrottet inträffade eller om preskriptionen avbryts genom rättsliga förfaranden eller ett krav på betalning väcks vid en domstol, tillsynsmyndighet eller skiljeförfarande, konkurs process eller för ett rättsligt ackordsförfarande, ska en ny preskriptionstid börja den dag då en dom eller slutligt beslut meddelas eller förfarandet avslutas på annat sätt.

22. Betalningsombuden och Registreringsombudet

Det första Betalningsombudet och Registreringsombudet och deras respektive första specificerade kontor anges nedan. Emittenten förbehåller sig rätten att när som helst ändra eller avbryta uppdraget åt Betalningsombud (vilket omfattar Fiscal Agent) eller Registreringsombud och utse ytterligare eller annat Betalningsombud eller annat Registreringsombud **förutsatt att** det alltid kommer att finnas (i) en Fiscal Agent, (ii) ett Registreringsombud (iii) ett betalningsombud med ett angivet kontor på det europeiska fastlandet men utanför den lagsaga där Emittentens företag är registrerat, (iv) förutsatt att eventuella VPS-Lån avvecklas av VPS, ett betalningsombud med ett specificerat kontor i Norge, (v) förutsatt att Svenska Lån hanteras av Euroclear Sverige, ett Emittentombud med ett specificerat kontor i Sverige och (vi) förutsatt att Finska Lån hanteras av Euroclear Finland, ett Administrerande Institut med ett specificerat kontor i Finland. Betalningsombudet och Registreringsombudet förbehåller sig rätten att ändra sina respektive specificerade kontor till annat specificerat kontor i samma stad, och förutsatt att VP-Lån clearas genom VP, ska Emittenten, Fiscal Agent och VP Administrerande Institut ha samma respektive rättigheter och skyldigheter som uppkommer under Fiscal Agency-avtalet och ingen annan Betalningsagent ska ha några rättigheter eller skyldigheter därtill. Meddelanden om eventuella ändringar avseende identiteter eller specificerade kontor till betalningsombuden eller Registreringsombudet ska i god tid meddelas Innehavarna.

Avseende Lån i Schweiziska Franc ska Emittenten vid varje given tidpunkt tillse att en Betalningsagent har sitt specificerade kontor i Schweiz och att inte vid något tillfälle ha en Betalningsagent som har sitt specificerade kontor utanför Schweiz.

23. Utfärdande av nya Lån för att ersätta gamla

Om ett Lån, ett Payment Receipts eller en Kupong skulle tappas bort, stjälas, skadas, utplånas eller förstöras, kan den/det ersättas på Fiscal Agents angivna kontor (avseende Innehavarlån och Kuponger) eller om Registreringsagenten (avseende Registrerade Lån), i enlighet med alla tillämpliga lagar och de krav som ställs av eventuella börser och/eller noteringsmyndighet där de relevanta Lånen är noterade, efter betalning av Innehavaren av alla kostnader för sådan ersättning och på sådana villkor som omfattar bevisning, säkerhet, gottgörelse och i övrigt enligt Emittentens och Fiscal Agent eller, i förekommande fall, Registreringsagenten kan begära. Skadade eller vanställda Lån, Payment Receipts och Kuponger måste överlämnas innan nya kan utfärdas.

24. Fordringshavarmöten; Ändringar

Fiscal Agency-avtalet innehåller bestämmelser som är bindande för Emittenten och Fordringshavarna eller innehavare av Kuponger, avseende sammankallande av möten för Innehavare av Lån av varje Serie för att behandla frågor som berör deras intressen, innefattande ändringar av eller upphävande av de Villkor som gäller för alla Serier av Lån.

För VPS-Lån ska Fordringshavarmöten hållas i enlighet med Fiscal Agency-avtalet och relevanta regleringar för VPS. Avseende Fordringshavarmöten ska den person vars namn står på

certifikatet från VPS betraktas som den Innehavare som anges i certifikatet i fråga **förutsatt att** han har åtagit sig att inte överföra några angivna VPS-Lån (före mötet är över).

För Svenska och Finska Lån ska Fordringshavarmöten hållas i enlighet med Fiscal Agency-avtalet.

Emittenten har rätt att göra ändringar i dessa Villkor som har godkänts vid ett möte med Innehavare av de relevanta Lånen. Emittenten ska i god tid meddela Innehavarna om ändringar av Villkoren i enlighet med Villkor 16 (*Meddelande*).

Om det, enligt Emittentens skäliga uppfattning, skett en förändring i någon marknadspraxis eller rådande marknadsläge som kan påverka någon Risksäkringsaktivitet på ett sådant sätt att det uppstår eller kan uppstå inkonsekvenser mellan villkoren för Risksäkringsaktiveteten och dessa Villkor, så får Emittenten, utan Fordringshavarnas eller Betalningsagentens medgivande, ändra dessa Villkor i den utsträckning som krävs för att undvika sådana inkonsekvenser. Emittenten ska meddela Fordringshavarna och Betalningsagenten i enlighet med Villkor 16 (*Meddelanden*) efter att sådant beslut fattats.

Utöver ovanstående har Emittenten rätt att utan medgivande av Innehavarna ändra i dessa Villkor (inklusive relevanta Slutliga Villkor): (i) för att korrigera ett uppenbart fel eller (ii) i den utsträckning det krävs efter en förändring av gällande lag, eller (iii) i den mån en sådan ändring inte enligt Emittenten skulle vara till väsentlig nackdel för Innehavare av Lån.

25. Meddelanden

(a) *Till innehavare av Innehavarlån*

Meddelande till innehavare av Innehavarlån ska, förutom i fall där ett annat effektivt sätt att kommunicera har angivits i de relevanta Slutliga Villkoren, betraktas som överlämnade om de offentliggörs på Emittentens webbsida på www.nordea.com eller www.nordeamarkets.com och avseende ett Temporärt Globalt Lån eller Permanent Globaly Lån som levereras till Euroclear och Clearstream, Luxemburg för kommunikation till de personer som anges ha intresse därav i deras annaler **under förutsättning av** att för Lån som givits tillstånd till notering och/eller handel på börser, att de regler som den börsen eller noteringsmyndigheten har ska efterföljas. Meddelanden som överlämnas på detta sätt ska betraktas som överlämnade på det datum då de offentliggörs (eller, om de offentliggörs mer än en gång, det datum då de först offentliggjordes) eller, i förekommande fall det datum då en dylik leverans äger rum.

(b) *Till innehavare av Registrerade Lån*

Meddelanden till innehavare av Registrerade Lån ska betraktas som överlämnade om de skickas med post till dem (eller, avseende gemensamma innehavare, den vars namn kommer först i det register som administreras av Registreringsombudet) till deras respektive adresser enligt inskrivning i det register som administreras av Registreringsombudet, och ska betraktas som överlämnat på den fjärde Bankdagen efter poststämpeln på brevet.

(c) *Till Emittenten*

Meddelanden till NBAB ska betraktas som överlämnade om de levereras till Smålandsgatan 17, SE 105 71, Stockholm och om det tydligt står på utsidan "**Brådskande—Attn: Group Treasury**" och till NBF om det levereras till Aleksanterinkatu 36 B FIN-00020 Nordea (Helsingfors och om det tydligt står på utsidan "Brådskande—Attn:Group Treasury (eller till annan adress och för annan person som meddelats till innehavare av Lån i enlighet med detta Villkor 16) och ska betraktas som överlämnade vid öppningsdags på nästa Bankdag då Emittentens huvudkontor är öppet.

(d) *Meddelanden avseende Lån i Schweiziska Franc*

Meddelanden avseende Lån i Schweiziska Franc ska, förutsatt att Lånen är noterade på SIX Swiss Exchange och att reglerna för SIX Swiss Exchange kräver det, betraktas som överlämnade om de offentliggörs av det schweiziska Betalningsagenten på bekostnad av Emittenten (i) på elektronisk väg på internet på hemsidan för SIX Swiss Exchange under avsnittet med rubriken

"*Official Notices*" (där meddelanden för tillfället publiceras på adressen:http://www.six-exchange-regulation.com/publications/published_notifications/official__notices_en.html) eller (ii) på annat sätt i enlighet med reglerna för SIX Swiss Exchange. Meddelanden ska betraktas som överlämnade på det datum då offentliggörandet sker eller om de offentliggörs mer än en gång, på det datum då de offentliggörs första gången.

Avseende Lån i Schweiziska Franc som inte finns noterade på SIX Swiss Exchange ska meddelanden till innehavare av Lån överlämnas med hjälp av kommunikation via det schweiziska betalningsombudet till SIS (eller annan mellanhand) för vidarebefordran till Innehavare av Lån. Meddelanden som lämnas på detta sätt ska betraktas som överlämnade när kommunikationen kommer SIS tillhanda (eller annan mellanhand).

(e) ***Meddelanden avseende VP-Lån***

Meddelanden avseende VP-Lån ska göras antingen (i) skriftligen och adresseras till Innehavare av VP-Lån på den adress som anges i det danska registret för Lån som administreras av VP:s emissionsinstitut i enlighet med reglerna för VP eller (ii) genom publicering på Emittentens hemsida www.nordea.dk eller www.nordea.com.

(f) ***Meddelanden avseende VPS-Lån***

Meddelanden avseende VPS-Lån ska göras antingen (i) skriftligen, överlämnat till VPS för deras befordran till Fordringshavarna, (ii) skriftligen, och per post eller elektronisk post eller genom andra elektroniska kommunikationssätt, direkt till sådana Fordringshavare, eller (iii) genom att publiceras på Emittentens webbsida på www.nordea.no eller www.nordea.com.

(g) ***Meddelanden avseende Svenska Lån***

Meddelanden avseende Svenska Lån ska göras antingen (i) skriftligen och adresseras till Innehavare på den adress som anges i Euroclear Sveriges register och ska betraktas som överlämnade på den fjärde Bankdagen efter poststämpeln på kuvertet, eller (ii) genom att publiceras på Emittentens webbsida på www.nordea.se eller www.nordea.com.

(h) ***Meddelanden avseende Finska Lån***

Meddelanden avseende Finska Lån ska offentliggöras av Emittenten i en rikstäckande dagstidning i den jurisdiktion där Lån har bjudits ut till allmänheten eller på Emittentens hemsida www.nordea.fi/joukkolainat eller www.nordea.com eller annan hemsida som angivits i de Slutliga Villkoren för Lån i fråga. Skriftligt besked kan dessutom komma att skickas till Innehavare på den adress som finns antecknad i Emittentens register. I de fall besked har skickats ut som dematerialiserade säkerheter kan besked till Innehavare komma att skickas via Euroclear Finland och kontoansvariga. Meddelanden ska anses vara mottagna av Innehavare på den dag de publiceras i en rikstäckande dagstidning, på en relevant webbplats eller hos Euroclear Finland, eller, i de fall beskedet har skickats med brev, på den sjunde dagen efter dess avsändande.

26. **Tillhandahållande av information**

Avseende VP-Lån gäller att varje Innehavare samtycker till och ger godkännande till VP att till VPs Administrerande Institut på begäran tillhandahålla den information som finns registrerad hos VP som är relaterad till VP-Lån och innehavarna av VP-Lån, så att VPs Administrerande Institut kan tillhandahålla till alla relevanta danska myndigheter, inklusive det danska Finanstilsynet och de danska skattemyndigheterna all den information som erfordras under tillämpliga danska lagar. Sådan information ska inkludera, men inte vara begränsad till, identiteten på Innehavaren av VP-Lån, bostadsort för Innehavaren av VP-Lån, antalet VP-Lån hos den relevanta Innehavaren och adressen till den relevanta Innehavaren.

VPS Betalningsombud är förpliktigad, att på begäran förse alla relevanta norska myndigheter, inklusive den norska *Kredittilsynet* och den norska skattemyndigheten med information registrerad på relevant VPS-konto(n). Sådan information kan utgöras av vem som är den registrerade Innehavaren av Lånen, boplatsort för den registrerade Innehavaren av Lånen, antal Lånen registrerade för den registrerade Innehavaren av Lånen, den relevanta Innehavarens adress,

den kontoansvarige med avseende på det relevanta VPS-kontot och huruvida Lånen är förvaltarregistrerade och identiteten för varje sådan förvaltare.

I förhållande till Svenska Lån gäller att varje Innehavare samtycker till och ger godkännande till Euroclear Sverige att till det svenska Administrerande Institutet på begäran tillhandahålla information till Euroclear Sverige, som är relaterad till Svenska Lån, och Innehavare av Svenska Lån, så att det svenska Administrerande Institutet kan tillhandahålla till alla relevanta svenska myndigheter, inklusive svenska Finansinspektionen och de svenska skattemyndigheterna all den information som erfordras under tillämpliga svenska lagar. Sådan information ska inkludera, men inte vara begränsad till, identiteten på den registrerade Innehavaren av Svenska Lån, bostadsort för den registrerade Innehavaren av de Svenska Lånen, antalet Svenska Lån som finns registrerade för den relevanta Innehavaren, adressen till den relevanta Innehavaren, den kontoansvarige med avseende på det relevanta kontot för Euroclear Sverige (*Kontoförande*) och huruvida de Svenska Lånen är förvaltarregistrerade och identiteten för varje sådan förvaltare.

I förhållande till Finska Lån gäller att varje Innehavare samtycker till och ger godkännande till Euroclear Finland att till det svenska Administrerande Institutet på begäran tillhandahålla information till Euroclear Finland, som är relaterad till Finska Lån, och Innehavare av Finska Lån, så att det finska Administrerande Institutet kan tillhandahålla till alla relevanta finska myndigheter, inklusive finska finansinspektionen (*Finanssivalvonta*) och de finska skattemyndigheterna all den information som erfordras under tillämpliga finska lagar. Sådan information ska inkludera, men inte vara begränsad till, identiteten på den registrerade Innehavaren av Finska Lån, bostadsort för den registrerade Innehavaren av de Finska Lånen, antalet Finska Lån som finns registrerade för den relevanta Innehavaren, adressen till den relevanta Innehavaren, den kontoansvarige med avseende på det relevanta kontot för Euroclear Finland (*Tilinhoitaja*) och huruvida de Finska Lånen är förvaltarregistrerade och identiteten för varje sådan förvaltare.

27. Ytterligare emissioner

Emittenten kan från tid till annan komma att, utan godkännande från Innehavarna av eventuella Lån, i varje Serie skapa och utge ytterligare Lån och andra skuldsäkerheter, som har samma föreskrifter och villkor som de som gäller för Lån i sådana serier eller desamma, med undantag för beloppet på den första utbetalningen av ränta (om det blir någon), vilka kan komma att konsolideras och bilda en enda serie tillsammans med de utestående Lånen i en sådan Serie.

28. Tillgång till information

Avseende Svenska Lån har Emittenten rätt erhålla information om sådana Lån och dess Innehavare från Euroclear Sveriges innehavarregister.

Emittenten har rätt att begära och erhålla från det relevanta Clearinginstitut information rörande ett konto i det relevanta clearing-systemets innehavar-register för Lån (med undantag för Svenska Lån), inklusive, men inte begränsat till: (i) Innehavarens namn, personnummer eller annat identifieringsnummer, liksom postadress, (ii) de Lån som innehas och föreskrifterna och villkoren för sådana Lån, och (iii) där så är tillämpbart, antalet Lån och deras nominella belopp.

Emittenten ska ha tillgång till statisk data och ägaruppgifter rörande Lånen och Fordringshavarna som registerats hos den centrala värdepappersförvararen som reglerat i avsnitt 36.3 av det danska Finanstilsynets kungörelse nr. 819 av den 2 juni 2013 om kontoföring m.m. av värdepapper hos en central värdepappersförvarare.

29. Lagstiftning och jurisdiktion

(a) Lånen och alla utomkontraktuella förpliktelser som uppkommer utifrån eller i samband med dem kan komma att regleras av engelsk lagstiftning, svensk lagstiftning, finsk lagstiftning, dansk lagstiftning eller norsk lagstiftning, efter vad som specificeras i de Slutliga Villkoren. I förhållande till VP-Lån kommer dansk lagstiftning och jurisdiktion att vara tillämpbar med avseende på registreringen av sådana sedlar i VP, och VP-Lån måste efterleva den danska lagen om värdepappershandel (*Lov om vaerdipapirhandel m.v.*), såsom vid var tid gällande, den danska lagen *Bekendtgorelse om registrering m.v.af fondsaktiver i en vaerdipapircentral*, såsom vid var

tid gällande och den danska statens bestämmelse nr. 4, 4:e januari 2008, enligt ändringar. Norsk lagstiftning och jurisdiktion kommer att vara tillämpbar med avseende på registreringen av sådana VPS-Lån i VPS. Svensk lagstiftning och jurisdiktion kommer att vara tillämpbar med avseende på registreringen av sådana Svenska Lån i Euroclear Sverige, och de Svenska Lån måste efterleva Kontoföringslagen. Finsk lagstiftning och jurisdiktion kommer att vara tillämpbar med avseende på registreringen av sådana Finska Lån i Euroclear Finland, och de Finska Lånen måste efterleva den finska lagen *laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (749/2012), enligt ändringar, och den finska lagen *laki arvo-osuustileistä* (827/1991), enligt ändringar, såväl som reglerna och bestämmelserna hos Euroclear Finland.

(b) Med förbehåll för föreskrifterna i Villkor 20(a), godtar Emittenten oåterkalleligen för sedelinnehavarnas förmån, att de engelska domstolarna ska ha domsrätt att höra och fastställa varje eventuell stämning, rättsprocess eller förhandling, och att bilägga varje tvist som kan uppkomma från eller i samband med Lån som regleras av engelsk lagstiftning (inkluderande en tvist som rör varje icke-kontraktmässig förpliktelse som uppkommer ur eller i samband med Lånen) ("**Rättsprocesser**" respektive "**Tvister**") och, för sådana ändamål, oåterkalleligen rätta sig efter domsrätten hos sådana domstolar. Emittenten avstår oåterkalleligen från varje eventuell invändning som denne nu eller i det följande skulle kunna ha gentemot de engelska domstolar som är utsedda till forum för att höra och avgöra alla eventuella Rättsprocesser, och att överenskomma alla eventuella Dispyter, och samtycker till att inte hävda att någon sådan domstol inte är ett lämpligt eller passande forum. Emittenten bekräftar att den process med vilken Tvister i England påbörjas kan delgivas Emittenten genom att delgivningen levereras till Nordea Bank Finland Plc, Londonkontoret vid deras registrerade adress i London från tid till en annan, deras nuvarande adress är 8th Floor, City Place House, 55 Basinghall Street, London EC2V 5NB eller, om annat, deras registrerade kontor kan från en tid till en annan vara någon av Emittentens adresser i Storbritannien vid vilken processen kan delges i enlighet med Companies Act 2006. Om en sådan person inte är eller upphör att vara funktionellt kapabel att ta emot delgivning på Emittentens vägnar, så ska Emittenten med omedelbar verkan utse en ytterligare person i England att kunna ta emot delgivning för process på Emittentens vägnar, och, om personen uraktlåter att sålunda utse någon inom 15 dagar, så varje Fordringshavare ha rätt att utse en sådan person med hjälp av ett skriftligt meddelande till Emittenten och levererad till Emittenten och meddelandet levererat till Emittenten eller till dennes Ekonomiska Agent. Ingenting som innehålls häri ska påverka rätten att delge process på vilket som helst annat sätt som tillåts enligt lag. Underkastelsen till Englands rättsväsen ska inte (och ska inte tolkas såsom att) det begränsar rätten för Fordringshavare eller någon av dem att vidta Rättsprocesser i någon annan domstol hos en kompetent jurisdiktion, och inte heller ska startande av Rättsprocesser i någon annan jurisdiktion förhindra att starta en Rättsprocess i någon annan jurisdiktion (vare sig Rättsprocesserna går samtidigt eller ej) om och i den utsträckning som det är tillåtet enligt tillämplig lag.

(c) Om svensk rätt är specificerad i de Slutliga Villkoren som gällande rätt, så ska Tvister rörande tolkningen av dessa Villkor fastställas av svenska domstolar. Stockholms Tingsrätt ska vara domstol i första instans.

(d) Om finsk rätt är specificerad i de Slutliga Villkoren som gällande rätt, så ska Tvister rörande tolkningen av dessa Villkor fastställas av finska domstolar. *Helsingin käräjäoikeus /Helsingfors' Tingsrätt* ska vara domstol i första instans.

(e) Om dansk rätt är specificerad i de Slutliga Villkoren som gällande rätt, så ska Tvister rörande tolkningen av dessa Villkor fastställas av danska domstolar. *Københavns Byret* ska vara domstol i första instans.

(f) Om norsk rätt är specificerad i de Slutliga Villkoren som gällande rätt, så ska Tvister rörande tolkningen av dessa Villkor fastställas av norska domstolar. *Oslo Tingrett* ska vara domstol i första instans.

(g) Oavsett att en Fordringshavare avseende Svenska Lån under Kontoföringslagen eller de operationella procedurerna, reglerna och förordningarna hos Euroclear Sverige (tillsammans, "**Svenska Åtgärder**") kan ha rätt att vidta åtgärder gentemot Emittenten i anledning av obetalda belopp eller underlåtenhet att vidta åtgärder enligt Villkoren för sådana Svenska Lån, måste en svensk Fordringshavare uttömma alla tillgängliga åtgärder under den för Villkoren gällande

rätten innan någon Rättsprocess kan bringas mot Emittenten med avseende på Svenska Åtgärder. Oavsett Villkoret 20(b), och bara i detta begränsade avseende, kan en Fordringshavare avseende Svenska Lån inte initiera samtidiga Rättsprocesser i Sverige.

30. **Tredjemansrättigheter**

Ingen person ska ha några rättigheter att verkställa något Villkor fört Lån under Contracts (Rights of Third Parties) Act 1999.

31. **Ansvarsbegränsningar etc.**

Emittenten och det relevanta Clearinginstitutet ska inte, i förbindelse med utförandet eller det påstådda utförandet av sina respektive skyldigheter med avseende på Lån, hållas ersättningsskyldiga för någon som helst skada som uppstår genom någon rättslig åtgärd eller annan åtgärd vidtagen av en officiell myndighet, eller krig, strejk, lockout, bojkott, blockad eller någon liknande omständighet. Reservationen gällande strejker, lockouter, bojkotter och blockader gäller även om den nämnda enheten vidtar sådana åtgärder, eller är föremål för sådana åtgärder.

Emittenten eller det relevanta Clearinginstitutet ska inte hållas ansvarigt för någon annan skada som uppstått, om denna enhet har använt normal omsorg. De förutnämnda enheterna ska inte i något fall hållas ansvariga för någon indirekt skada, följdskada och/eller förlust av vinst, annat än som ett resultat av eller i samband med grov försummelse hos Emittenten eller det relevanta Clearinginstitutet.

Skulle det föreligga något hinder för Emittenten eller det relevanta Clearinginstitutet att vidta någon åtgärd i enlighet med dessa Villkor på grund av omständigheter visade i det första stycket av detta Villkor 22 (*Ansvarsbegränsningar etc.*), så får sådana åtgärder uppskjutas tills hindret har upphört.

Reglerna enligt detta Villkor 22 (*Ansvarsbegränsningar etc.*) ska gälla om inte annat stadgat i tillämplig lag.

DEL 2: SÄRSKILDA VILLKOR FÖR VISSA STRUKTURERADE LÅN

32. **Marknadsavbrott**

Följande bestämmelser ska tillämpas på alla Lån med undantag av sådana där Referenstillgångarna utgörs uteslutande av räntesatser, råvaror eller Referensenheter eller en kombination av det föregående, såvida inte ”Marknadsavbrott” är specificerat som inte tillämpligt i Slutliga Villkor:

(a) Marknadsavbrott avseende Referenstillgång föreligger om någon av följande händelser, enligt Emittentens bedömning, inträffar:

(i) notering av officiell slutkurs för Referenstillgång eller väsentlig andel av de underliggande tillgångar som ingår i Referenstillgång saknas, är otillgänglig eller upphör;

(ii) i förekommande fall, om en sammanställning och/eller offentliggörande av Referenstillgångs värde upphör;

(iii) relevant Börs och/eller Options- eller Terminsbörs öppnar inte för handel under sin normala öppettid eller stänger för handel innan ordinarie stängningstid;

(iv) handeln med Referenstillgång eller en väsentlig del av de underliggande tillgångar som ingår i Referenstillgång eller options- eller terminskontrakt relaterade till Referenstillgång, vilken/vilka handlas på Börs respektive Options- eller Terminsbörs upphör, stoppas eller begränsas på ett väsentligt sätt;

(v) marknadsaktörernas möjligheter att göra avslut i eller erhålla marknadsvärden för Referenstillgång eller väsentlig del av de underliggande tillgångar som ingår i Referenstillgång eller options- eller terminskontrakt relaterade till Referenstillgång vilken/vilka handlas vid Börs respektive Options- eller Terminsbörs upphör, avbryts eller försämras på ett väsentligt sätt på grund av någon annan händelse; eller

(vi) gällande enbart Fondobligationer, värderingen av Referenstillgång, som utgör fond eller fondandel, på ett Relevant Datum för Referenstillgången uteblir eller full betalning för inlösenbeloppet avseende sådan Referenstillgång uteblir på en inlösendag för Fonden.

(b) En begränsning av det antal timmar eller dagar när handel sker skall inte anses utgöra ett Marknadsavbrott om begränsningen följer av en offentliggjord förändring av den normala öppethållandetiden för aktuell Börs och/eller Options- eller Terminsbörs.

(c) En begränsning av handeln som införs under loppet av en dag på grund av förändringar i priser som överstiger tillåtna nivåer enligt aktuell Börs och/eller Options- eller Terminsbörs skall anses utgöra ett Marknadsavbrott.

(d) Om Marknadsavbrott enligt Emittentens bedömning inträffat på ett Relevant Datum skall sådant Relevant Datum för fastställande av något Relevant Belopp som ska bestämmas på sådant datum vara efterföljande Planerade Handelsdag (avseende respektive Påverkad Referenstillgång) då Marknadsavbrott ej föreligger för respektive Påverkad Referenstillgång, dock att om Marknadsavbrott föreligger på de åtta Planerade Handelsdagarna (avseende respektive Påverkad Referenstillgång) som följer omedelbart efter det ursprungliga Relevanta Datumet såsom anges i Slutliga Villkoren skall sådan åttonde Planerade Handelsdag (avseende respektive Påverkad Referenstillgång) anses vara det Relevanta Datumet såsom anges i dessa villkor oberoende av att Marknadsavbrott föreligger, och Emittenten skall då fastställa det Relevanta Beloppet som skall tillämpas vid beräkningen av Återbetalningsbelopp, Räntebelopp eller vid annan beräkning enligt dessa Villkor.

(e) Om Emittenten inte tror att det inte är möjligt eller inte skulle ge ett rimligt resultat att fastställa eller ersätta värdet av den Påverkade Referenstillgången vid tiden för sådant Marknadsavbrott, får Emittenten utföra en förtida beräkning av Återbetalningsbeloppet och/eller avkastning eller Räntebelopp och fastställa Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet. Om Emittenten fastställt Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet ska

Emittenten meddela Innehavarna det belopp som utgör Återbetalningsbeloppet och avkastningen och Räntebeloppet som kommer fortsätta att löpa på Lånen. Emittenten ska betala marknadsmässig ränta på Kapitalbeloppet. Återbetalningsbeloppet (inklusive eventuell upplupen ränta,) ska betalas ut på Återbetalningsdagen.

Emittenten äger göra samtliga de tillägg och justeringar till Villkoren som Emittenten bedömer vara nödvändiga i samband med Marknadsavbrott eller Avbrott.

33. **Marknadsavbrott Råvara**

Följande bestämmelser ska tillämpas på alla Lån där Referenstillgångarna består av en eller flera råvaror, eller optioner eller framtida kontrakt avseende råvaror, eller en eller flera råvaruindex, såvida inte ”Marknadsavbrott Råvara” är specificerat som inte tillämpligt i Slutliga Villkor:

(a) Marknadsavbrott avseende Referenstillgång föreligger om någon av följande händelser, enligt Emittentens bedömning, inträffar:

(i) notering, sammanställning, beräkning eller offentliggörande av officiell slutkurs för Referenstillgång eller de underliggande tillgångar som ingår i Referenstillgång saknas, är otillgänglig eller upphör;

(ii) notering, sammanställning, beräkning eller offentliggörande av Referenstillgångs värde eller värdet av de underliggande tillgångar som ingår i Referenstillgång saknas, är otillgänglig eller upphör;

(iii) relevant Börs öppnar inte för handel under sin normala öppettid;

(iv) handeln med Referenstillgång eller de underliggande tillgångar som ingår i Referenstillgång eller options- eller terminskontrakt relaterade till Referenstillgång, vilken/vilka handlas på Börs upphör, stoppas eller begränsas på ett väsentligt sätt;

(v) marknadsaktörernas möjligheter att göra avslut i eller erhålla marknadsvärden för Referenstillgång eller väsentlig del av de underliggande tillgångar som ingår i Referenstillgång eller options- eller terminskontrakt relaterade till Referenstillgång, vilken/vilka handlas på Börs upphör eller avbryts eller försämras på ett väsentligt sätt på grund av någon annan händelse;

(vi) sättet att beräkna Referenstillgång eller de underliggande tillgångar som ingår i Referenstillgång eller värdet därav förändras på ett väsentligt sätt;

(vii) innehåll, sammanställning eller struktur av Referenstillgång eller de underliggande tillgångar som ingår i Referenstillgång eller relevanta options- eller terminskontrakt förändras på ett väsentligt sätt; eller

(viii) införande, ändring eller upphävande av skattebestämmelse för Referenstillgång eller skattebestämmelse för skatt som beräknas med hänvisning till de underliggande tillgångar som ingår i Referenstillgång (dock ej skatt på eller som beräknas med hänvisning till brutto- eller nettoinkomst) efter Startdagen eller Inledande Observationsdag, vilken gör att slutkursen på relevanta Initiala Observationsdagen, Observationsstartsdagen eller Värderingsdagen förändras i förhållande till hur den skulle ha blivit om skattebestämmelsen inte hade införts, ändrats eller upphävts.

(b) Om Marknadsavbrott enligt Emittentens bedömning inträffat på ett Relevant Datum skall sådant Relevant Datum för fastställande av Relevanta Belopp anses vara den omedelbart efterföljande Planerade Handelsdagen (för respektive Påverkad Referenstillgång) då Marknadsavbrott ej föreligger (för respektive Påverkad Referenstillgång) eller, alternativt, så kan Relevant Belopp bestämmas eller ersättas av Emittenten på ett annat lämpligt sätt; dock att om Marknadsavbrott föreligger på de fem Planerade Handelsdagar (för respektive Påverkad Referenstillgång) som följer omedelbart efter tillämpligt Relevant Datum och Relevant Belopp får bestämmas eller ersättas av Emittenten på ett annat lämpligt sätt, skall sådan femte Planerade Handelsdag (avseende respektive Påverkad Referenstillgång) anses vara Relevant Datum trots att

Marknadsavbrott föreligger, och Emittenten skall då fastställa det Relevanta Beloppet för beräkning av Räntebeloppet, Återbetalningsbeloppet eller annat relevant belopp.

(c) Om Emittenten bedömer att det inte är möjligt eller inte skulle ge ett skäligt resultat att fastställa eller ersätta värdet av Påverkad Referenstillgång vid sådant Marknadsavbrott, får Emittenten göra en förtida beräkning av Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet och fastställa Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet. Då Emittenten fastställt Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet skall Emittenten informera Fordringshavarna om Återbetalningsbeloppet och/eller avkastningens eller Räntebeloppets storlek och till vilken räntesats Lånet fortsättningsvis löper. Emittenten skall på Återbetalningsbeloppet erlägga marknadsmässig ränta. Återbetalningsbeloppet (jämte upplupen ränta, om någon) återbetalas på Återbetalningsdagen.

(d) Emittenten äger göra samtliga de tillägg och justeringar till Villkoren som Emittenten bedömer vara nödvändiga i samband med Marknadsavbrott.

34. **Avbrott Valuta**

Följande bestämmelser ska tillämpas på alla Lån som har en Valutakurs eller Valutakurs (Ränta) som en Referenstillgång eller sådana där Villkor 5(åå) (*Valutakomponent (Ränta)*) eller 6(b) (*Valutakomponenter*) är tillämpliga, såvida inte ”Avbrott Valuta” är specificerat som inte tillämpligt i Slutliga Villkor:

(a) Avbrott avseende Valutakurs eller Valutakurs (Ränta) (inklusive avseende Valutakurs eller Valutakurs (Ränta) som utgör en Referenstillgång) föreligger om någon av följande händelser, enligt Emittentens bedömning, inträffar:

(i) om avista- eller terminskurs inte finns att tillgå för Valutakursen eller Valutakursen (Ränta) eller de underliggande tillgångar som ingår i Valutakursen eller Valutakursen (Ränta);

(ii) om beräkning eller offentliggörande av slutkurs/växelkurs/valutakurs på angiven referenskälla för en Valutakurs eller Valutakurs (Ränta) eller de underliggande tillgångar som ingår i Valutakursen eller Valutakursen (Ränta) saknas är otillgänglig eller upphör att publiceras på angiven referenskälla;

(iii) en väsentlig prisavvikelse mellan priset på olika valutor, växelkurser och/eller valutakurser;

(iv) om en kvotering av avista- och/eller terminskurs inte kan erhållas på föranstaltat minimibelopp i en eller ett rimligt antal valutatransaktioner som tillsamman uppgår till föranstaltat minimibelopp; eller

(v) om valutareglering eller valutarestriktioner införs som påverkar möjligheten att utväxla valuta som utgör en Valutakurs eller Valutakurs (Ränta) mot annan valuta samt att föra ut valuta ur relevant jurisdiktion.

(b) Om Avbrott enligt Emittentens bedömning inträffat på ett Relevant Datum skall Emittenten fastställa värdet av det Relevanta Beloppet på basis av all tillgänglig information som Emittenten bedömer vara relevant vid beräkningen av Återbetalningsbelopp, Räntebelopp eller annan relevant beräkning eller belopp enligt dessa Villkor.

(c) Emittenten äger göra samtliga de tillägg och justeringar till Villkoren som Emittenten bedömer vara nödvändiga i samband med Avbrott.

35. **Ändrad Beräkning**

Följande bestämmelser ska tillämpas på alla Lån, såvida inte ”Ändrad Beräkning” är specificerat som inte tillämpligt i Slutliga Villkor:

(a) Om sammanställning, beräkning eller offentliggörande av någon Referenstillgång skulle upphöra, helt eller delvis eller Referenstillgångens egenskaper skulle förändras på ett väsentligt sätt, enligt

Emittentens bedömning, äger Emittenten vid beräkningen av Återbetalningsbeloppet ersätta sådan Påverkad Referenstillgång med ett jämförbart alternativ. Skulle ett jämförbart alternativ till sådan Påverkad Referenstillgång, enligt Emittentens bedömning, inte sammanställas, beräknas och offentliggöras, eller om sättet att beräkna någon Påverkad Referenstillgång eller värdet därav förändras på ett väsentligt sätt, enligt Emittentens bedömning, äger Emittenten göra sådana justeringar i beräkningen såsom Emittenten på goda grunder anser nödvändiga i syfte att uppnå en beräkning av värdet av Påverkad Referenstillgång som avspeglar och är grundad på hur denna tidigare sammanställts, beräknats och offentliggjorts. Det sålunda beräknade värdet skall då ersätta värdet av Påverkad Referenstillgång vid beräkning av relevant Återbetalningsbelopp eller Räntebelopp.

(b) Om Emittenten bedömer att det inte skulle ge ett skäligt resultat att ersätta Påverkad Referenstillgång eller justera tillämplig beräkning, får Emittenten göra en förtida beräkning av Återbetalningsbeloppet och/eller avkastningen och fastställa Återbetalningsbeloppet och/eller avkastningen. Då Emittenten fastställt Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet skall Emittenten informera Fordringshavarna om Återbetalningsbeloppets och/eller avkastningens eller Räntebeloppets storlek och till vilken räntesats Lånet fortsättningsvis löper. Emittenten skall på Återbetalningsbeloppet erlägga marknadsmässig ränta. Återbetalningsbeloppet (jämte upplupen ränta, om någon) återbetalas på Återbetalningsdagen.

(c) Emittenten äger göra samtliga de tillägg och justeringar till Allmänna Villkor och Slutliga Villkor som Emittenten bedömer vara nödvändiga i samband med Ändrad Beräkning.

36. **Korrigering**

Följande bestämmelser ska tillämpas på alla Lån med undantag av sådana där Referenstillgångarna utgörs uteslutande av räntesatser, råvaror eller Referensenheter eller en kombination av det föregående, såvida inte ”Korrigering” är specificerat som inte tillämpligt i Slutliga Villkor:

Om den officiella stängningskursen för en Referenstillgång blir korrigerad inom det antal dagar från det ursprungliga offentliggörandet som normalt förflyter mellan avslut och likviddag vid avistahandel med Påverkad Referenstillgång eller med de underliggande tillgångar som ingår i Referenstillgång, dock senast tre Planerade Handelsdagar efter Relevant Datum, och sådan kurs använts för att bestämma Relevant Belopp äger Emittenten göra motsvarande korrigering.

37. **Korrigering Råvara**

Följande bestämmelser ska tillämpas på alla Lån där Referenstillgångarna består av en eller flera råvaror, eller optioner eller framtida kontrakt avseende råvaror, eller en eller flera råvaruindex, såvida inte ”Korrigering Råvara” är specificerat som inte tillämpligt i Slutliga Villkor:

Om den officiella stängningskursen för Referenstillgång blir korrigerad inom 30 dagar från det ursprungliga offentliggörandet och sådan kurs använts för att bestämma en Stängningskurs och/eller annat Relevant Belopp äger Emittenten göra motsvarande korrigering under förutsättning att den officiella stängningskursen korrigeras senast Antal Börsdagar efter Relevant Datum.

38. **Korrigering Valuta**

Följande bestämmelser ska tillämpas på alla Lån som har en Valutakurs elle Valutakurs (Ränta) som en Referenstillgång, såvida inte ”Korrigering Valuta” är specificerat som inte tillämpligt i Slutliga Villkor:

Om den officiella stängningskursen för Referenstillgång blir korrigerad och sådan kurs använts för att bestämma en Stängningskurs och/eller eller annat Relevant Belopp äger Emittenten göra motsvarande korrigering, dock ej senare än sex Handelsdagar Valuta från det att den officiella stängningskursen för Referenstillgång blev offentliggjord.

39. **Särskilda Händelser**

Följande bestämmelser ska tillämpas på alla Lån som har aktier, eller en Korg med aktier, som Referenstillgång, såvida inte ”Särskilda Händelser” är specificerat som inte tillämpligt i Slutliga Villkor:

(a) Om avnotering, nationalisering, konkursförfarande, likvidation, företagsrekonstruktion, tvångsinlösen, fusion, fission, verksamhetsöverlåtelse, aktieutbyte, utbyteserbjudande, offentligt uppköpserbjudande eller annan liknande händelse, enligt Emittentens bedömning, inträffar beträffande Referenstillgång eller avseende företag till vilka Referenstillgången relaterar, eller om split, nyemission, fondemission, utgivande av optioner eller konvertibler, sammanläggning eller återköp såvitt avser Referenstillgång, enligt Emittentens bedömning, sker, eller annan händelse sker som närmare anges i dessa Slutliga Villkor eller som enligt praxis på marknaden för aktierelaterade derivatprodukter kan föranleda justering i beräkningar under utestående transaktioner (varje sådan en "**Särskild Händelse**"), äger Emittenten göra sådana justeringar i beräkningen av Relevant Belopp och/eller sammansättningen av Referenstillgångar, eller ersätta Påverkad Referenstillgång med en Ersättande Referenstillgång, som Emittenten därmed anser nödvändiga i syfte att uppnå en beräkning av Återbetalningsbeloppet som avspeglar och är grundad på hur denna tidigare beräknats.

(b) Om Emittenten bedömer att det inte skulle ge ett skäligt resultat att ersätta Påverkad Referenstillgången eller justera tillämplig beräkning eller sammansättningen av Referenstillgångar, får Emittenten göra en förtida beräkning av Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet och fastställa Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet. Då Emittenten fastställt Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet skall Emittenten informera Fordringshavarna om Återbetalningsbeloppet och/eller avkastningens eller Räntebeloppets storlek och till vilken räntesats Lånet fortsättningsvis löper. Emittenten skall på Återbetalningsbeloppet erlägga marknadsmässig ränta. Återbetalningsbeloppet (jämte upplupen ränta, om någon) återbetalas på Återbetalningsdagen.

(c) Emittenten äger göra samtliga de tillägg och justeringar till Villkoren som Emittenten bedömer vara nödvändiga i samband med Särskilda Händelser.

40. **Fallback Räntesats**

Om Referenstillgången är en räntesats och såvida inte ”Ränteoption Fallback” specificerats som inte tillämplig i Slutliga Villkor så ska Emittenten, om den relevanta räntesatsen inte framgår av den tillämpliga priskällan såsom angiven i Slutliga Villkor på aktuell tid och Relevant Datum i enlighet med Villkoren, fastställa räntesatsen för tillämpligt Relevant Datum i enlighet med fallback-bestämmelserna som hänför sig till relevanta Ränteoptioner i 2006 ISDA-Definitioner.

DEL 3: SÄRSKILDA VILLKOR FÖR KREDITLÄNKADE LÅN

Följande bestämmelser gäller då det särskilt anges i Slutliga Villkor.

Kredithändelse: Inträffandet av en eller flera av följande händelser (såsom särskilt anges i Slutliga Villkor) i förhållande till något av Referensbolagen, enligt Emittentens självständiga bedömning:

(a) avseende en Referenstillgång som inte är en Stat: (i) Utebliven Betalning, (ii) Omläggning av Skulder, (iii) Insolvensförfarande eller (iv) Myndighetsingripanden;

(b) avseende en Referenstillgång som är en Stat: (i) Utebliven Betalning, (ii) Avstående/Moratorium eller (iii) Omläggning av Skulder, och avseende östeuropeiska eller centralasiatiska Stater, (iv) Uppsägning av Åtagande;

varvid gäller att en Kredithändelse skall anses föreligga även om den relevanta händelsen föranleds direkt eller indirekt av, eller invändning gjorts med hänvisning till, något av följande: (i) obehörighet, bristande rättskapacitet, bristande rättshandlingsförmåga eller liknande hos det relevanta Referensbolaget, (ii) faktisk eller påstådd ogiltighet, lagstridighet eller icke verkställbarhet rörande Skuldförbindelse (iii) tillämplig lag, föreskrift, myndighetsbeslut, dom, domstolsbeslut, beslut av skiljenämnd eller liknande handlingsorder eller införandet av, ändring av, eller domstolsskiljenämnds- eller myndighets tolkning av tillämplig lag eller föreskrift eller liknande eller (iv) införande av, eller ändring av, valutareglering, monetära restriktioner eller liknande föreskrifter från monetär eller annan myndighet (inklusive centralbank).

Avstående/Moratorium: Avser att följande två omständigheter inträffar: (i) Referensenhets eller Behörig Myndighets behöriga företrädare (x) underkänner, avsäger, förnekar eller avfärdar, helt eller delvis, eller ifrågasätter giltigheten av, en eller flera Skuldförbindelser om ett belopp som inte understiger Utebliven Betalning – Belopp eller (y) förklarar eller ålägger ett moratorium, stillestånd, uppskjutning eller anstånd, faktiskt eller legalt, avseende en eller flera Skuldförbindelser om ett som inte understiger Utebliven Betalning – Beloppp och (ii) en Utebliven Betalning eller en Omläggning av Skulder, med avseende på sådant Skuldinstrument inträffar på eller innan Avstämningsdag för Avstående/Moratorium.

Behörig Myndighet: Avser en faktisk eller legal statlig (eller myndighet, institution, ministerium eller annan funktion för detta), domstol, tribunal, administrativ eller annan statlig myndighet, överstatlig myndighet eller annan civil eller offentlig person som har rätt att antingen utfärda regelverk eller utöva tillsyn och övervakning av den finansiella marknaden (inklusive en centralbank) med avseende på en Referensenhet eller inom den jurisdiktion inom vilken Referenstillgången är etablerad eller har några förpliktelser, eller något annat motsvarande organ.

Avstämningsdag för Avstående/Moratorium: Om ett Potentiell Avstående/Moratorium inträffar på eller innan den planerade Återbetalningsdagen, (i) om de Skuldförbindelser till vilka Potentiellt Avstående/Moratorium relaterar inkluderar Obligationer, den dag som infaller på det senare av (A) det datum som infaller 60 dagar efter dagen för sådan Potentiellt Avstående/Moratorium och (B) den första betalningsdagen för en Obligation efter datumet för sådant Potentiellt Avstående/Moratorium (eller, om senare, den sista dagen i en tillämplig Anståndsperiod med avseende på sådan betalningsdag) och (ii) om de Skuldförbindelser till vilka Potentiellt Avstående/Moratorium relaterar inte inkluderar Obligationer, den dag som infaller 60 dagar efter dagen för sådant Potentiellt Avstående/Moratorium; **dock att**, i varje fall, att

Avstämningsdag för Avstående/Moratorium inte ska infalla senare än den planerade Återbetalningsdagen.

Obligation: Varje skuldförbindelse innehållandes Lånade Medel, som är i formen av, eller representeras av, en obligation, skuldebrev (annat än de som levereras enligt Lånen), skuldinstrument i fysisk form eller annan skuldförbindelse, och ska inte innefatta någon annan typ av Lånade Medel.

Lånade Medel: Avser varje förpliktelse (utom under revolverande kreditfacilitetsarrangemang där inga belopp dragits och det inte finnns några utestående kapitalbelopp) för betalning eller återbetalning av lånade pengar (där ”pengar” ska innefatta, utan begränsning, insättningar och krav på återbetalning som uppstår till följd av att man drar belopp genom kreditivbrev).

Kredit: Avser varje förpliktelse avseende Lånade Medel som dokumenterats i ett låneavtal, revolverande kreditavtal eller annnat liknande kreditavtal och ska inte innefatta några andra typer av Lånade Medel.

Obligation eller Kredit Avser varje förpliktelse som är antingen en Obligation eller en Kredit.

Anståndsperiod: Avser: (i) anståndsperiod för betalning, vilken har avtalats i samband med och i enlighet med villkoren för den relevanta gällande Skuldförbindelsen vid det senare av det datum Lånen utgavs eller dagen då sådan Skuldförbindelse emitterades eller uppstod; dock att (ii) om sådan anståndsperiod inte avtalats eller den avtalade anståndsperioden är kortare än tre (3) Anståndsperiodsbankdagar, så skall Anståndsperioden vara tre (3) Anståndsperiodsbankdagar. Oaktat det föregående ska dock Anståndsperioden aldrig inträffa senare än Återbetalningsdagen.

Anståndsperiodsbankdagar: Avser en dag då affärsbanker och valutamarknader typiskt sett är öppna för handel i de platser och på de dagar som specificerats för detta ändamål i den relevanta Skulderförbindelsen eller, om någon plats inte specificerats, (a) om den valuta i vilket den relevanta Skuldförbindelsen är denominerad (”**Obligationsvalutan**”) är Euro, en TARGET Avvecklingsdag, och (b) annars, en dag som affärsbanker och valutamarknader typiskt sett är öppna för handel i den stad som är finansiellt center i Obligationsvalutans jurisdiktion.

Offentligt Tillgänglig Information: Avser information som bekräftar att en Kredithändelse har inträffat och:

(i) som har offentliggjorts i minst en Nyhetskälla (oaktat om dess läsare eller användare betalar för att komma sådan information);

(ii) som är information som mottagits från eller offentliggjorts av (i) relevant Referensbolag (eller, om Referensbolaget är en Stat, någon sådans Stats agent, ministerium, departement eller myndighet som agerar i egenskap av myndighet (inklusive, utan begränsning, centralbank), eller (ii) en trustee, adminstrativ eller fiskal agent, clearing-agent, betalningsagent eller agentbank för den relevanta Skuldförbindelsen;

(iii) som är information baserad på innehåll i något utslag, underrättelse, dekret, petition eller ansökan, oavsett hur det beskrivits eller ingivits till en myndighet, domstol, tribunal, handelsplats, eller liknande adminstrativ myndighet, tillståndsmyndighet eller annan myndighet;

) dock att om någon information i (ii)-(iii) ovan inte är allmänt tillgänlig utgör den Offentligt Tillgänglig Information endast om den kan göras allmänt tillgänglig utan brott mot lag, avtal, åtagande eller annan

begränsning avseende sekretess rörande sådan information.

Potentiellt Avstående/Moratorium:	Avser inträffandet av den händelse som beskrivs i (i) i definitionen av Avstående/Moratorium.
Ersättande Referenstillgång:	Sådan Referenstillgång som Emittenten bestämmer.
Insolvensförarande:	Avser att något av Referensbolagen;

(a) upplöses (annat än genom fusion);

(b) blir insolvent, blir oförmögen att betala sina skulder vid förfall, ställer in betalningarna eller skriftligen i ett rättegångsförfarande, administrativt förfarande, myndighetsförfarande eller annars medger eller förklarar generell oförmåga att betala sina skulder vid förfall;

(c) framtar upplägg för en generell överlåtelse eller ackord till förmån för dess borgenärer generellt, eller implementerar sådant upplägg;

(d) inleder eller blir föremål för förfarande som syftar till en dom eller ett beslut om insolvens, betalningsoförmåga eller konkurs, eller annat liknande beslut med stöd av konkurs-, insolvens- eller liknande lagar eller förordningar som påverkar borgenärers rätt (innefattande även företagsrekonstruktion), eller ansökan om att upplösa eller försätta Referensbolaget i likvidation har lämnats och ett sådant förfarande eller en sådan ansökan:

(i) leder till en dom eller ett beslut om insolvens, betalningsoförmåga eller konkurs, ett beslut som generellt påverkar borgenärernas rätt eller ett beslut om att försätta det relevanta Referensbolaget i likvidation, eller

(ii) inte återkallas, ogillas, avskrivs, avbryts eller generellt begränsas inom trettio dagar efter det att förfarandet inletts eller ansökan inlämnats;

(e) omfattas av ett beslut av bolagsstämma eller annat organ om att upplösa Referensbolaget, ställa Referensbolaget under företagsrekonstruktion eller tvångsförvaltning, eller försätta Referensbolaget i likvidation (annat än genom fusion);

(f) ansöker om eller blir föremål för ett förordnande om förvaltare (innefattande varje form av konkurs- eller insolvensförvaltning), syssloman, utredningsman, god man eller annan motsvarande befattningshavare med avseende på Referensbolaget och samtliga eller en väsentlig del av Referensbolagets tillgångar;

(g) låter en borgenär med säkerhet i någon av Referensbolagets tillgångar komma i besittning av samtliga eller en väsentlig del av Referensbolagets tillgångar eller Referensbolaget blir föremål för utmätning, kvarstad, annan verkställighetsåtgärd eller annat förfarande med avseende på samtliga eller en väsentlig del av Referensbolagets tillgångar, och sådan borgenär behåller besittningen eller sådant förfarande inte återkallas, ogillas, avskrivs, avbryts eller begränsas inom trettio dagar; eller

(h) orsakar eller utsätts för en händelse eller omständighet som enligt en på Referensbolaget tillämplig lag har motsvarande effekt som en eller flera av de händelser som nämns i punkterna (a)-(g).

Korg: Avser den korg av Referenstillgångar såsom anges i Slutliga Villkor.

Nyhetskälla: Nyhetskälla såsom Bloomberg, Reuters, Dow Jones Newswires, Wall Street Journal, New York Times, NihonKezain Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review och Debtwire (eller ersättande publikation eller elektronisk nyhetskälla), huvudkällan för affärsnyheter i Referensbolagets hemlandsjurisdiktion och varje annan internationellt erkänd nyhetskälla.

Stat: Avser en sådan stat, politisk underdivision eller myndighet eller något ministerium, myndighet, departement, civilförvaltning eller liknande som utöver myndighetsutövning (inklusive, men inte begränsat till, respektive centralbank).

Omläggning av Skulder:

(a) Med "Omläggning av Skulder" avses, i förhållande till en eller flera Skuldförbindelser, och med ett belopp som är lika med eller överstiger det belopp som angivits i de Slutliga Villkoren när en Kredithändelse inträffar (”**Omläggningsbeloppet**”), när en eller flera av nedanstående händelse inträffar med bindande verkan för samtliga innehavare av Skuldförbindelsen, överenskoms mellan Referenbolaget eller en Behörig Myndighet och ett tillräckligt antal innehavare av Skuldförbindelsen för att träffa överenskommelse med bindande verkan för samtliga innehavare av Skuldförbindelsen eller annonseras av Referensbolaget eller en Behörig Myndighet på ett sätt som binder samtliga innehavarna av Skuldförbindelsen (inklusive, i varje fall, i förhållande till Skuldförbindelser, genom utbyte), och sådan händelse inte uttryckligt regleras i villkoren för sådan Skuldförbindelse som gäller vid den senare av Kredithändelse backstop-dagen och det datum som Skuldförbindelsen utgivits eller uppstått:

(i) en minskning av räntesats, räntebelopp eller upplupen ränta (inklusive genom omdenominering);

(ii) en minskning av kapitalbelopp eller premie som förfaller till betalning på slutförfallodagen eller på annan förfallodag (inklusive genom omdenominering);

(iii) en senareläggning eller annat uppskjutande av förfallodag för antingen (A) betalning eller beräkning av ränta eller (B) betalning av kapitalbelopp eller premie;

(iv) en förändring av Skuldförbindelsens förmånsrätt som innebär att Skuldförbindelsen blir efterställd i förhållande till någon annan Skuldförbindelse; eller

(v) en ändring av den valuta i vilken någon betalning av ränta, kapitalbelopp eller premie till någon valuta annat än till lagligt betalningsmedel i Kanda, Japan, Schweiz, Storbritannien och USA och euron eller någon ersättande valuta till någon av dessa valutor (vilket i förhållande till euron ska avses den valuta som ersätter euron i sin helhet).

(b) Inget av följande skall utgöra en "Omläggning av Skulder":

(i) betalning i euro av ränta, kapitalbelopp eller premier avseende en Skuldförbindelse i en till Europeiska unionen hörande medlemsstats nationella valuta, då medlemsstaten ifråga har infört eller ska införa den gemensamma valutan enligt fördraget om etablerandet av den Europeiska Gemenskapen (inklusive tillägg);

(ii) omdenominering från euro till en annan valuta görs om (A)

omdenomineringen sker till följd av en Behörig Myndighets i en medlemsstat i Europeiska Unionen som är allmänt tillämplig inom sådan myndighets jurisdiktion beslut eller agerande, och (B) en fri och öppen marknad som tillåter växling mellan euron och sådan valuta fanns tillgänglig när sådan omdenominering görs och ingen minskning sker i räntebelopp, kapitalbelopp eller premier, vid tillämpning av en växelkurs tillgänglig på sådan fri och öppen marknad;

(iii) att någon av händelserna i (a) (i)-(v) ovan inträffar, meddelas ha inträffat eller avtalas om till följd av en administrativ justering, bokföringsmässig justering, skattemässig eller annan teknisk justering eller korrigering inom ramen för normal affärsverksamhet; och

(iv) om någon av händelserna i (a) (i)-(v) ovan inträffar, meddelas ha inträffat eller avtalas om och detta inte direkt eller indirekt inträffar på grund av en försämring av Referensbolagets kreditvärdighet eller finansiella ställning, dock att i förhållande till endast (a) (v), ska ingen försämring i Referensbolagets kreditvärdighet eller finansiella ställning krävas där omdenomineringen sker från euro till ett annat lands valuta och det sker till följd av en Behörig Myndighets i en medlemsstat i Europeiska Unionen som är allmänt tillämplig inom sådan myndighets jurisdiktion beslut eller agerande.

(c) Om ett utbyte har inträffat ska huruvida någon händelse i (a) (i)-(v) inträffat avgöras utifrån en jämförelse av villkoren för Obligationen precis före sådant utbyte och de villkor som gäller för de nya obligationerna efter utbytet.

(d) I punkterna (a) och (b) ovan avses med "Skuldförbindelse" även de förbindelser för vilka Referensbolaget har ställt en garanti eller borgen, varvid med Referensbolag i punkt (a) avses gäldenären i den förbindelse för vilken borgen eller garanti ställts och i punkt (b) avses Referensbolaget.

Kredithändelse Backstop-datum: Avser, i förhållande till någon händelse som utgör en Kredithändelse (eller avseende ett Avstående/Moratorium, om tillämpligt, en sådan händelse som beskrivs i (ii) av definitionen av Avstående/Moratorium), det datum som avgörs av Emittenten i enlighet med marknadspraxis.

Skuldförbindelse: Referensbolags samtliga nuvarande, framtida, villkorade eller övriga betalningsförpliktelser (efterställda eller ej) under (a) med upplåning förknippade avtal, såsom bland annat kreditavtal, obligations-, eller certifikatlån (oavsett löptid) eller finansieringslimiter, betalningsförpliktelse avseende insättning eller remburs och (b) borgen eller annan skriftlig garanti eller förbindelse, som ett Referensbolag ställt eller ställer för någon annans betalningsförpliktelse.

Uppsägning av Åtagande: En eller flera Skuldförbindelser som tillsammans uppgår till det belopp som anges i Slutliga Villkor ("**Uppsägning av Åtagande – Belopp**") förfaller till förtida betalning (genom uppsägning eller på annat sätt) som ett resultat av, eller på basis av att en uppsägningsgrund inträffar eller annat liknande villkor eller händelse som relaterar till Referenstillgången (och sådant kontraktsbrott inte relaterar till Utebliven Betalning).

Utebliven Betalning: Ett Referensbolags eller Stats underlåtenhet att i enlighet med villkoren för en eller flera Skuldförbindelser erlägga förfallen betalning (och efter att eventuell Anståndsperiod löpt ut) och det belopp som är förfallet till betalning eller summan av de belopp som är förfallna till betalning uppgår

till lägst det belopp som anges i Slutliga Villkor ("**Utebliven Betalning – Belopp**").

Myndighetsingripande: Avser, beträffande en eller flera Skuldförbindelser och avseende ett aggregerat belopp motsvarande minst Defaultkravet, att en eller flera av följande händelser inträffar som en följd av vidtagna åtgärder eller uttalanden av en Behörig Myndighet med stöd av en omstruktureringslag eller reglering (eller annan tillämplig lag) vilken är tillämplig på och bindande för Referensenheten, oaktat huruvida sådan händelse framgår explicit av villkoren för sådana Skuldförbindelser:

(f) en händelse som skulle kunna påverka en fordringsägare såvitt avser:

(b) en sänkning av räntesatsen eller betalbart räntebelopp eller framtida ränteansamlingar (inklusive genom omdenominering);

(ix) en sänkning av kapitalbeloppet eller ett premium som är betalbart vid inlösen (inklusive genom omdenominering);

(x) en fördröjning eller annan uppskjutning av ett datum för antingen (A) betalning av upplupen ränta eller (B) utbetalning av kapitalbelopp eller premium;

(xi) en förändring av prioriteringsordningen för betalning av en Skuldförbindelse som leder till att sådan Skuldförbindelse blir efterställd en annan Skuldförbindelse;

(b) expropriation, övergång eller annan händelse som tvingar fram ett utbyte av en Skuldförbindelses rättighetsinnehavare;

(c) en obligatorisk uppsägning, omvandling eller utväxling; eller

(d) en händelse som får en motsvarande effekt som något av ovan.

(i) Inget av det följande ska utgöra ett Myndighetsingripande:

(ii) betalning i euro av ränta, kapitalbelopp eller premium i förhållande till en Skuldförbindelse som är denominerad i valutan i en EU-medlemsstat vilken antar eller har antagit den gemensamma valutan i enlighet med EG-fördraget, såsom ändrat genom EU-fördraget; eller

(e) omvandling från euro till en annan valuta om det finns en fritt tillgänglig marknadskurs för växling mellan euro och sådan annan valuta och det inte innebär någon sänkning av räntesatsen eller räntebeloppet, kapitalbeloppet eller betalbart premium med hänvisning till sådan växlingskurs.

En CoCo-bestämmelse ska anses vara en bestämmelse som tillåter ett Myndighetsingripande i samtliga fall i förhållande till Lånen.

Om, i förhållande till en eller flera Skuldförbindelser och i förhållande till ett sammanlagt belopp som inte understiger Defaultkravet, tillämpningen av en eller flera CoCo-bestämmelser leder till (i) en permanent eller tillfällig minskning av det kapitalbelopp som ska återbetalas vid återbetalning eller (ii) en omvandling av kapitalbelopp till aktier eller andra finansiella instrument, ska en sådan händelse anses utgöra ett Myndighetsingripande.

CoCo-bestämmelse avser, i förhållande till en Skuldförbindelse, en bestämmelse som kräver (i) en permanent eller tillfällig minsking av det kapitalbelopp som ska återbetalas vid återbetalning eller (ii) en omvandling av kapitalbeloppet till aktier eller något annat finansiellt instrument och, i båda fall, om

Kapitalkvoten är lika med eller lägre än Triggerandelen.

Triggerandel — avser den triggerandel som specificeras i de Slutliga Villkoren eller, om någon sådan triggerandel inte specificeras, 5,25 procent.

Defaultkrav: — Avser det belopp som anges i relevanta Slutliga Villkor eller motsvarande i den valuta som Skuldförbindelsen denominerats (eller, om ingen sådant angetts, 10 000 000 amerikanska dollar eller motsvarande i den valuta i vilken Skuldförbindelsen denominerats), som tillämpligt, när Kredithändelsen inträffar.

Efterställning: — Avser, beträffande en förpliktelse (den ”**Andra Förpliktelsen**”) och en ytterligare förpliktelse för Referensenheten mot vilken sådan förpliktelse jämförs (den ”**Första Förpliktelsen**”), ett kontrakt, en fond eller ett liknande upplägg där (I) i händelse av Referensenhetens likvidation, avvecklande, rekonstruering eller upplösande, krav från rättighetsinnehavare under den Första Förpliktelsen ska tillgodoses innan krav från rättighetsinnehavare under den Andra Förpliktelsen eller (II) rättighetsinnehavare under den Andra Förpliktelsen ska inte vara berättigade till att mottaga eller kvarhålla utbetalningar av kapitalbelopp avseende deras krav mot Referenseneheten vid någon tidpunkt då Referensenheten är i betalningsdröjsmål i förhållande till, eller annars brutit mot, den Första Förpliktelsen. ”Efterställd” ska ha motsvarande mening.

Vid fastställandet av huruvida Efterställning föreligger eller huruvida en förpliktelse är Efterställd en annan förpliktelse mot vilken den jämförs ska (x) fordringsägare med förmånsrätt enligt lag eller säkerhet, kreditstöd eller annan kreditförstärkning eller säkerhetsupplägg inte tas med i bedömningen förutom att, oaktat det föregående, förmånsordning som uppstår eller föreligger enligt lag ska beaktas då Referenstillgången är en Stat och (y) förmånsordningen bestämmas utifrån ordningen på emissionsdatumet eller när den uppstod, och några ändringar som uppstår efter sådan tidpunkt i sådant hänseende lämnas utan beaktande.

Standardvaluta: — De gällande valutorna i Kanada, Japan, Schweiz, Frankrike, Tyskland, Storbritannien och USA samt euro och en valuta som ersätter någon av dessa (vilket med avseende på euro ska avse den valuta som ersätter euron helt och hållet)

Ersättande Referensbolag: — Avser, med förbehåll för avsnitt (b) nedan, det bolag eller de bolag (om något) som bestäms enligt följande:

(vi) Avser, med förbehåll för avsnitt (b) nedan, det bolag eller de bolag (om något) som bestäms enligt följande:

(i) Med förbehåll för avsnitt (a)(vii) nedan, om ett bolag övertar (direkt eller indirekt) 75% eller mer av Referensbolagets Relevanta Förpliktelser, kommer det bolaget att vara ensamt Ersättande Referensbolag;

(ii) Om endast ett bolag övertar (direkt eller indirekt) mer än 25% (men mindre än 75%) av Referensbolagets Relevanta Förpliktelser och inte mer än 25% av Referensbolagets Relevanta Förpliktelser förblir med Referensbolaget, kommer det bolag som övertar mer än 25% av de Relevanta Förpliktelserna att vara ensamt Ersättande Referensbolag;

(iii) Om mer än ett bolag övertar (direkt eller indirekt) mer än 25% av Referensbolagets Relevanta Förpliktelser och inte mer än 25% av Referensbolagets Relevanta Förpliktelser förblir med Referensbolaget, kommer båda bolag som övertar mer än 25%

av de Relevanta Förpliktelserna att vara Ersättande Referensbolag, enligt (f) nedan;

(iv) Om ett eller flera bolag övertar (direkt eller indirekt) mer än 25% av Referensbolagets Relevanta Förpliktelser och mer än 25% av Referensbolagets Relevanta Förpliktelser förblir med Referensbolaget, kommer varje sådant bolag som övertar mer än 25% av de Relevanta Förpliktelserna och Referensbolaget att vara Ersättande Referensbolag, enligt (f) nedan;

(v) Om en eller flera bolag övertar (direkt eller indirekt) en andel av Referensbolagets Relevanta Förpliktelser, men inget övertar mer än 25% av Referensbolagets Relevanta Förpliktelser och Referensbolaget inte upphör, kommer inget Ersättande Referensbolag att finnas och Referensbolaget och Lånen kommer inte ändras på grund av sådant övertagande;

(vi) Om en eller flera bolag övertar (direkt eller indirekt) en andel av Referensbolagets Relevanta Förpliktelser, men inget övertar mer än 25% av Referensbolagets Relevanta Förpliktelser och Referensbolaget upphör att existera, kommer det bolag som direkt eller indirekt övertar den största andelen av de Relevanta Förpliktelserna att vara Ersättande Referensbolag (dock att om två eller flera bolag övertar lika stor andel enligt detta avsnitt kommer varje sådant bolag att vara ett Ersättande Referensbolag enligt (f) nedan);

(vii) I förhållande till ett Referensbolag som inte är en Stat, om ett bolag övertar alla Referensbolagets förpliktelser (varav minst en en Relevant Förplktelse), och vid tidpunkten för avgörandet antingen (a) Referensbolaget har upphört att existera, eller (B) Referensbolaget håller på att upplösas (på vilket sätt det må vara) och det inte i förhållande till Referensbolaget uppstått några förpliktelser hänförliga till Lånade Medel vid någon tidpunkt sedan den tidpunkten som övertagandet blir juridiskt bindande kommer sådant bolag (”**Universalsuccesorn**”) att vara ensamt Ersättande Referensbolag.

(vii) Ett bolag kan endast vara ett Ersättande referensbolag om:

(i) antingen (A) relevant Ersättandedatum inträffar på eller efter Backstop-datum för Ersättande, eller (B) sådant bolag är en Universalsuccessor där Ersättandedatum inträffat efter 1 januari 2014;

(ii) Referensbolaget hade åtminstone en utestående Relevant Förpliktelse innan Ersättandedatumet och sådant bolag övertar åtminstone en av Referensbolagets Relevanta Förpliktelser;

(iii) där Referensbolaget är en Stat, sådant bolag övertog de Relevanta Förpliktelserna genom ett Statsersättningshändelse.

(viii)”överta”, ”övertog” och ”övertagande” betyder, i förhållande till Referensbolaget och dess Relevanta Förpliktelser, att ett bolag annat än Referensbolaget: (i) upptar eller blir skyldig för de ifrågavarande Relevanta Förpliktelserna eller Relevant Förpliktelse antingen genom verkan av lag eller genom avtal (inklusive, i förhållande till ett Referensbolag som är en Stat, protokoll, konvention, traktat, entente, pakt eller liknande eller annat avtal) (ii) utger Obligationer eller upptar Kredit (”**Ersättande Obligationer eller Krediter**”) som utbyts mot de Relevanta Förpliktelserna, och i de fall Referensbolaget inte därefter är

direkt gäldenär eller lämnat en garanti med avseende på sådana Relevanta Förpliktelser eller sådana Ersättande Obligationer eller Krediter, som tillämpligt, och termerna ”överta”, ”övertog” och ”övertagande” ska justeras för att förstås i sådant sammanhang.

(ix) Inträffar ett erbjudande om utbyte ska den bedömning som görs enligt (a) ovan göras med utgångspunkt från det utestående kapitalbeloppet av de Relevanta Förpliktelserna som utbytts och inte avseende kapitalbeloppet på de Ersättande Obligationerna eller Krediterna.

(x) Om två eller flera enheter (var och en en ”**Möjlig Medersättare**” tillsammans övertar en Relevant Förpliktelse (en ”**Delad Relevant Förpliktelse**”) ska den behandlas som om den övergått till varje Möjlig Medersättare i lika delar.

(xi) Om mer än ett Ersättande Referensbolag har identifierats ska Emittenten göra vederbörliga ändringar till Villkoren som den, i sin självständiga bedömning, finner nödvändigt i syfte att återge de relevanta Korgandelarna av de Ersättande Referensbolagen och de andra Referensbolagen (om något eller några finns) i förhållande till Lånen, inklusive justeringar till Kredithändelserankad(e) Vikt(er) om en Kredithändelser inträffar i förhållande till ett Ersättande Referensbolag .

Emittenten avgör själv om något Ersättande Referensbolag ska anses finnas i förhållande till till något Referensbolag, och ska utföra de beräkningar och fatta de beslut som behövs under detta avsnitt, och ska underrätta fordringshavarna om resultatet av sådana beräkningar och om vilka beslut som fattats. Emittenten har rätt att med bindande effekt för Fordringshavarna göra de ändringar till Lånens villkor som krävs efter att ett Ersättande Referensbolag utsetts. Emittenten ska justera de Slutliga Villkoren för att återge Ersättande Referensbolag(en) och tillämpliga Relevanta Förpliktelser på det sätt som Emittenten finner nödvändigt. Ersättande Referensbolag ska, från och med det datum som Emittenten begär, ersätta Referensbolag som ”Referensbolag” i förhållande till de relevanta Lånen.

Stegplan: Avser en plan som understöds av Lämplig Information rörande övertagande av vissa eller samtliga ett Referensbolags Relevanta Förpliktelser från ett eller flera andra bolag. Om det finns en Stegplan ska Emittenten beakta alla relaterade övertaganden i förhållande till Stegplanen såsom de vore ett och samma övertagande när denne beräknar procentsatserna för att bestämma vilken eller vilka personer (om någon) som ska anses vara Ersättande Referensbolag.

Lämplig Information: Information som är allmänt tillgänglig eller som kan blir gjord allmänt tillgänglig utan att bryta mot någon lag, bestämmelse i avtal, överenskommelse eller genom att överträda någon annan begränsning rörande sekretess i förhållande till sådan information.

Ersättandedatum: Det datum som en eller flera bolag med laglig effekt övertar en eller flera Relevanta Förpliktelser från Referensbolaget, dock att om det finns en Stegplan kommer Ersättandedatum att vara det datum som det sista övertagandet som sker enligt sådan Stegplan får legal effekt, eller om tidigare: (i) det datum som inga fler händelser inträffar i förhållande till ett bolag enligt sådan Stegplan som skulle ha någon inverkan på bestämmandet av huruvida sådant bolag ska anses vara ett Ersättande Referensbolag, eller (ii) en Kredithändelse inträffar för ett Referensbolag eller ett bolag som skulle utgöra ett Ersättande Referensbolag.

Backstop-datum för Det datum som, enligt marknadspraxis, Emittenten avgör i syfte att utse ett Ersättande Referensbolag. Ingen Handelsdagskonvention ska tillämpas för

Ersättande: att justera Backstop-datum.

Relevanta Förpliktelser: Avser ett Referensbolags Skuldförbindelser som faller inom definitionen av ”Obligation eller Kredit” (oavsett om det är direkt, eller genom en garanti, säkerhet eller annan typ av åtagande) och som är utestående före Ersättandedatum (eller, om det finns en Stegplan, omedelbart före det datum som det första övertagandet skedde) **dock att**:

(xiii) eventuella Obligationer eller Krediter utestående mellan Referensbolag och något av dess närstående (affiliates) (som definierat i 2002 ISDA Master Agreement), eller hålls av Referensbolaget, ska undantas; och

(xiv) om det finns en Stegplan ska Beräkningsagenten i syfte att bestämma vilket eller vilka bolag som ska utgöra Ersättande Referensbolag göra tillämpliga justeringar för att beakta några av Referensbolagets Skuldförbindelser som faller inom kategorin ”Obligationer eller Krediter” som utgivits, uppstått, återköpts, inlösts eller uppsagts från och med (och inklusive) det datum som det första övertagandet vinner legal effekt till och med (och inklusive) Ersättandedatum.

Statsersättningshändelse: Avser, i förhållande till en Referensenhet som är en Stat, en annektering, sammanförande, utträde, uppdelning, upplösning, konsolidering, ombildning eller liknande händelse.

Uppskjuten Betalning: Om Emittenten inte har möjlighet att bestämma antingen: (a) huruvida en eller flera Kredithändelser har inträffat, eller (b) Återbetalningsbeloppet med avseende på en eller flera Referensenheter, på antingen den Planerade Återbetalningsdagen eller något Förtida Återbetalningsdatum eftersom ett auktionsförfarande inte har avslutats, eller av någon annan anledning, eller om Emittenten eller den relevanta Riskhanterade Parten rimligen bedömer att den inte kommer att ta emot det fulla Riskhanteringsbeloppet vid eller innan den Planerade Återbetalningsdagen eller på ett Förtida Återbetalningsdatum (såsom tillämpligt) (varje sådan händelse kallas en "**Uppskjuten Återbetalning**"), ska Emittenten omedelbart meddela Fordringshavarna om detta (ett "**Meddelande om Uppskjuten Återbetalning**").

Efter ett Meddelande om Uppskjuten Återbetalning ska Emittenten göra en delåterbetalning av Lån och/eller delbetalning av upplupet Räntebelopp som förfaller till betalning på den relevanta Planerade Återbetalningsdagen eller på den Förtida Återbetalningsdagen (som tillämpligt) på (i) den planenliga Återbetalningsdagen eller på ett Förtida Återbetalningsdatum förutsatt att, och i den utsträckning som, Riskhanterade Part har mottagit (eller anses ha mottagit) någon del av Riskhanteringsbeloppet ej senare än på den tionde Bankdagen innan sådant datum, och därefter (ii) inom fem Bankdagar efter varje datum då Riskhanterade Part mottar (eller anses ha mottagit) alla eller delar av Riskhanteringsbeloppet (varje sådan dag en "**Uppskjuten Återbetalningsdag**").

Beloppet för varje sådan delåterbetalning av Lån ska beräknas i enlighet med formeln för beräkning av Återbetalningsbelopp och/eller Räntebeloppet angivet ovan och för detta ändamål ska "**Riskhanteringsbeloppet**" anses vara det senaste delbeloppet av de Riskhanteringsbelopp som mottagits (eller anses ha mottagits) av Riskhanterade Part innan den relevanta Uppskjutna Återbetalningsdagen.

Summan av alla delinlösen- och räntebetalningar ska aldrig överstiga de totala Riskhanteringsbelopp som Riskhanterande Part mottagit (eller anses ha mottagit) på eller innan Back-Stop datumet.

Om Emittenten har fastställt att en Uppskjuten Återbetalning har inträffat

och fortgår, och att det skäligen kan förväntas att någon del av Riskhanteringsbeloppet inte har mottagits av Riskhanterande Part på eller innan Back-Stop datumet, kan Emittenten (i) förlänga Back-Stop datumet för att detta ska anpassas till förväntade framtida erhållna Riskhanteringsbeloppet i enlighet med det som fastställts av Emittenten, eller (ii) genom meddelande till Innehavarna och till relevanta Clearingsystem terminera Lånen med omedelbar effekt varpå Emittenten inte ska vara förpliktigad att göra, och Fordringshavare ej heller ska vara berättigade att motta, någon återbetalning eller andra belopp med avseende till Lånen.

Riskhanteringsbelopp som har mottagits av Emittenten eller Riskhanterande Part efter Back-Stop datumet ska inte betalas till Innehavarna och Innehavarna ska inte ha någon rätt att motta någon sådan återstående del av Återbetalningsbeloppet eller Räntebeloppet efter Back-Stop datumet.

Övriga Bestämmelser: I händelse av oklarhet rörande tolkningen eller tillämpningen av viss bestämmelse för Lånet skall ledning sökas i de definitioner som publicerats av ISDA under benämningen "2014 ISDA Credit Derivatives Definitions" jämte samtliga från tid till annan publicerade tillägg ("**ISDA Definitionerna**").

DEL 4: SÄRSKILDA VILLKOR FÖR FONDLÄNKADE LÅN

Följande bestämmelser gäller då det särskilt anges i Slutliga Villkor.

"**Fonden**" såsom närmare anges i Slutliga Villkor;

"**Fondbolaget**" Avser, med avseende på en Fond, varje person som är utsedd att utföra tjänster, direkt eller indirekt, åt Fonden, oavsett om detta följer enligt lag eller de konstituerande eller de styrande handlingarna, teckningshandlingar, och andra handlingar och avtal, som är tillämpliga på Fonden, inklusive fondens rådgivare, administratör, fondbolag, förvaringsinstitut, mäklare, registrator, och alla andra liknande funktionärer och andra personer såsom närmare anges i Slutliga Villkor.

"**Fondhändelse**" Emittenten har rätt att bestämma och bedöma att en Fondhändelse har inträffat, om någon av följande händelser inträffar efter Inledande Observationsdagen, Observationsstartdagen, Riskbarriärobservationsdagen eller Startdagen:

1. Net Asset Value-värdet ("**NAV-värdet**") med avseende på Fonden inte beräknas och publiceras för Fonden på sådan dag och sådant sätt som anges i bestämmelserna för Fonden och i villkoren för Fondens eller Fondbolagets verksamhet;

2. någon förändring av Fondens, eller fondandelarnas, egenskaper görs vilket, enligt Emittentens bedömning, kan komma att påverka värdet på fondandelarna negativt;

3. Fonden eller Fondbolaget (helt eller delvis) inte medger teckning eller inlösen av fondandelar för Fonden på sådan dag då teckning och inlösen ska vara möjlig enligt bestämmelserna för Fonden och i enlighet med villkoren för Fondens verksamhet;

4. de medel som betalas ut av Fond som en följd av en begäran om inlösen inte består av kontanta medel;

5. Fond eller Fondbolag inför restriktioner eller nya ändrade avgifter för teckning eller inlösen av fondandelar alternativt att skatt eller annan pålaga tillkommer efter Inledande Observationsdagen, Observationsstartdagen, inledande Riskbarriärobservationsdagen eller Startdagen i samband med teckning eller inlösen av fondandelar;

6. en väsentlig förändring av Referenstillgångarna eller Fonden sker, vilket inkluderar expropriation eller liknande händelse som medför att tillgångarna överlåts till eller övertas av myndighet eller av liknande organ eller organisation, eller av annan efter instruktion av myndighet eller liknade organ eller organisation, som på ett ogynnsamt sätt påverkar värdet på fondandelarna;

7. Fond eller Fondbolag blir insolvent, förhandlingar inleds om Fonds eller Fondbolags försättande i konkurs, Fonden eller Fondbolaget beslutar om eller försätts i likvidation, inleder företagsrekonstruktion, inleder förhandlingar om ackord eller blir föremål för liknande händelse;

8. Fonden eller Fondbolaget fusioneras eller blir föremål för försäljning helt eller delvis;

9. Fond bryter mot de bestämmelser som gäller för Fondens verksamhet vilket inkluderar dess investment guidelines och

Fondens konstituerande dokument;

10. Fond eller Fondbolag genomför förändringar i bestämmelserna för Fonden eller Fondens verksamhet såsom förändring av riskprofilen i Fonden, förändring i rösträtten för fondandelarna, förändring görs av investeringsriktlinjerna för Fonden, förändring av vilken valuta fondandelarna är denominerade i eller sådan annan förändring som Emittenten bedömer är av materiell betydelse;

11. Fonden bryter mot avtal som den är bunden av eller mot domstols eller annan myndighets beslut;

12. ändring i lag, förordning eller annat regelverk (inklusive skattelagstiftning och redovisningsregler), eller beslut av myndighet, domstol eller annat organ som har en negativ effekt på Fond eller Fondbolag eller Emittentens möjligheter att investera i eller inlösa Referenstillgången;

13. Fond, Fondbolag, administratör, förvaringsinstitut eller styrelse blir föremål för utredning, process eller liknande från myndigheter eller annan som avser överträdelse av relevant lagstiftning eller andra regler som är tillämpliga för Fond, Fondbolag, administratör, förvaringsinstitut eller styrelse eller tillståndet att bedriva relevant verksamhet för någon av dessa dras in;

14. Fondbolaget, administratören, förvaringsinstitutet eller styrelsen byts ut;

15. Referenstillgången konverteras till annan fondandel;

16. Referenstillgången omfattas av tvångsinlösen eller tvångsförsäljning;

17. Fond har inte möjlighet att genomföra investeringar;

18. en förändring sker med avseende på någon av Fondernas derivatinstrument som på ett ogynnsamt påverkar värdet av dess fondandelar eller Fondens möjlighet att medge inlösen därav;

19. Fonden, Fondbolaget eller administratören av Fonden underlåter att tillhandahålla sådan information inom sådan tidsgräns som någon av dessa har åtagit sig att tillhandahålla information till en eller flera investerare;

20. händelse som, enligt Emittentens bedömning, har en negativ effekt på tillämpningen av Slutliga Villkor.

Om en Fondhändelse inträffar med avseende på en eller flera Fonder som utgör en Referenstillgång äger Emittenten göra sådana justeringar i beräkningen av Återbetalningsbelopp, Räntebelopp och/eller sammansättningen av Referenstillgångar, eller ersätta Påverkad Referenstillgången med en Ersättande Referenstillgång, som Emittenten därmed anser nödvändiga i syfte att uppnå en beräkning av Återbetalningsbeloppet som avspeglar och är grundad på hur denna tidigare beräknats.

Om Emittenten bedömer att det inte skulle ge ett skäligt resultat att ersätta Påverkad Referenstillgången eller justera tillämplig beräkning eller sammansättningen av Referenstillgångar, får Emittenten senarelägga Back Stop-Datumet att infalla på ett datum enligt Emittentens bedömning, eller göra en förtida beräkning av Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet och fastställa Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet. Då Emittenten fastställt Återbetalningsbeloppet och/eller avkastningen eller Räntebeloppet skall Emittenten informera Fordringshavarna om Återbetalningsbeloppet och/eller avkastningens eller Räntebeloppets storlek och till vilken räntesats Lånet fortsättningsvis löper. Emittenten skall på Återbetalningsbeloppet erlägga

marknadsmässig ränta. Återbetalningsbeloppet (jämte upplupen ränta, om någon) återbetalas på Återbetalningsdagen.

Emittenten äger göra samtliga de tillägg och justeringar till Villkoren som Emittenten bedömer vara nödvändiga i samband med Fondhändelser.

FORMS OF FINAL TERMS FOR NOTES

MALLAR FÖR SLUTLIGA VILLKOR FÖR LÅN

Form of Final Terms for Certain Structured Notes with a denomination of less than €100,000 to be admitted to trading on the Main Securities Market of the Irish Stock Exchange and/or offered to the public in the EEA

Mall för Slutliga Villkor för Särskilda Strukturerade Lån med valörer om mindre än €100 000 som ska bli föremål för handel på Irish Stock Exchanges Main Securities Market och/eller erbjudas till allmänheten inom EES.

[IMPORTANT NOTICE

VIKTIGT MEDDELANDE

In accessing the attached final terms (the "Final Terms") you agree to be bound by the following terms and conditions.

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Neither the Final Terms nor the Base Prospectus constitutes an offer to sell or the solicitation of an offer to buy securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities law of any such jurisdiction.

Varken de Slutliga Villkoren eller Grundprospektet utgör ett erbjudande att sälja eller en inbjudan att köpa värdepapper i USA eller i någon annan jurisdiktion i vilka ett sådant erbjudande, inbjudan eller försäljning skulle vara olagligt innan de har registrerats, ett undantag från registrering har erhållits eller enligt annan bestämmelse under värdepapperslagarna i en sådan jurisdiktion.

The securities described in the Final Terms and the Base Prospectus have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons or to persons within the United States of America (as such terms are defined in Regulation S under the Securities Act ("**Regulation S**")). The securities described in the Final Terms will only be offered in offshore transactions to non-U.S. persons in reliance upon Regulation S.]

De värdepapper som beskrivs i de Slutliga Villkoren och i Grundprospektet har inte, och kommer inte, registreras i enlighet med U.S. Securities Act of 1933, såsom den har ändrats ("**Securities Act**") och får inte erbjudas eller säljas direkt eller indirekt inom USA eller till, för, eller till förmån för, amerikanska medborgare eller till personer i USA (såsom termerna definieras i Regulation S i Securities Act ("**Regulation S**")). De värdepapper som beskrivs i dessa Slutliga Villkor kommer endast erbjudas i offshore-transaktioner till icke-amerikanska medborgare i enlighet med Regulation S.

[These Final Terms have not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, these Final Terms and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

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

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

No Notes linked to collective investment schemes (as defined under the SFA) may be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore.][7]

[Dessa Slutliga Villkor har inte registrerats som ett prospekt hos den relevanta singaporianska myndigheten i enlighet med kapitel 289 i den singaporianska lagen om värdepappershandel ("**SLVP**"). Dessa Slutliga Villkor samt varje annat dokument eller material som tillhandahålls i anslutning till erbjudande eller försäljning, eller inbjudan till teckning, av Lånen får inte cirkuleras eller på annat sätt distribueras. Inte heller får erbjudande eller försäljning, eller erbjudande om teckning, av Lånen, varken direkt eller indirekt, riktas till personer i Singapore annat än (i) till institutionella investerare enligt avsnitt 274 i SLVP, (ii) till en relevant person enligt avsnitt 275(1), eller någon person enligt avsnitt 275(1A), samt i enlighet med villkoren som specificeras i avsnitt 275, i SLVP eller (iii) annars i enlighet med övriga bestämmelser i SLVP.

Om Lånen tecknas eller köps enligt avsnitt 275 SLVP av en relevant person som är:

(a) ett bolag (vilket inte är en ackrediterad investerare (såsom definierat i avsnitt 4A SLVP)) vars enda verksamhet är att inneha investeringstillgångar och vars hela aktiekapital ägs av en eller flera individer, vilka var och en är en ackrediterad investerare; eller

(b) en trust (där förvaltaren inte är en ackrediterad investerare) vars enda verksamhet är att inneha investeringstillgångar och där varje förmånstagare är en individ som är en ackrediterad investerare,

[7] Insert disclaimer text for Singapore targeted offerings

får värdepapper (såsom definieras i avsnitt 239(1) SLVP) i det bolaget eller förmånstagarnas rättigheter och intressen (hurän de beskrivits) i den trusten inte överföras inom sex månader efter det att bolaget eller trusten förvärvat Lånen enligt med ett erbjudande enligt 275 SLVP, förutom:

(1) till en institutionell investerare eller till en relevant person såsom definierad i avsnitt 275(2) SLVP, eller till någon person som uppkommer till följd av ett erbjudande som hänvisas till i avsnitt 275(1a) eller avsnitt 276(4)(i)(B) SLVP;

(2) där ingen prestation ges eller kommer att ges för överlåtelsen;

(3) där överlåtelsen följer av tillämplig lag;

(4) under de förutsättningar som anges i avsnitt 276(7) SLVP; eller

(5) i enlighet med förordning 32 i Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 av Singapore.

Inga Lån som hör till kollektiva investeringsprogram (såsom definieras i SLVP) får erbjudas eller säljas, eller erbjudas att tecknas eller köpas, varken direkt eller indirekt, till personer i Singapore.][8]

[8] Infoga ansvarsfriskrivning text för Singapore riktade erbjudanden.

Final Terms dated [•]

Slutliga Villkor daterade [•]

[NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €15,000,000,000
Structured Note Programme

NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC
Utgivande av [Sammanlagt Nominellt Belopp av Tranch] [Namn på Lån]
under ett €15 000 000 000
Program för Strukturerade Lån

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (b) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

(a) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or

(b) in those Public Offer Jurisdictions mentioned in Paragraph 10 of Part B below, provided such person is one of the persons described in Paragraph 10 of Part B below [and which satisfies conditions set out therein] and that such offer is made during the Offer Period specified for such purpose therein.

[Grundprospektet som det hänvisas till nedan (som kompletteras av dessa Slutliga Villkor) har tagits fram under förutsättningen att, förutom såsom anges i punkten (b) nedan, varje erbjudande om Lån i varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet som har implementerat Prospektdirektivet (var och en benämnda en "**Relevant Medlemsstat**") kommer att göras under med stöd av ett undantag i Prospektdirektivet, såsom det har implementerats i den Medlemsstaten, från kravet på att publicera ett prospekt för erbjudanden om Lån. Följaktligen kan personer som lämnar eller som avser att lämna erbjudanden avseende Lånen göra det enbart:

(a) under omständigheter då ingen förpliktelse uppstår för Emittenten eller något Emissionsinstitut att publicera ett prospekt i enlighet med Artikel 3 i Prospektdirektivet eller att komplettera ett prospekt i enlighet med Artikel 16 i Prospektdirektivet, i bägge fall i samband med ett sådant erbjudande; eller:

(b) i de Erbjudande till Allmänheten – Jurisdiktioner som anges i punkt 11 av Del B nedan, under förutsättning att sådana personer är en av de personer som beskrivs i punkt 11 av Del B nedan [och som uppfyller de villkor som anges däri] och att erbjudandet görs under den Erbjudandeperiod som specificeras däri för sådant syfte.

With respect to any subsequent resale or final placement of Notes as provided in sub-paragraph (b) above, the Issuer consents to the use of the Base Prospectus and accepts responsibility for the content of the Base Prospectus. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Avseende varje senare återförsäljning eller slutlig placering av Lånen såsom anges i punkt (b) ovan, samtycker Emittenten användandet av Grundprospektet och accepterar ansvar för innehållet i Grundprospektet. Varken Emittenten eller något Emissionsinstitut har godkänt, eller godkänner, att några erbjudanden avseende Lånen görs under några andra omständigheter.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) provided, however, that all references in this document to the "**Prospectus Directive**" in relation to any Member State of the European Economic Area refer to Directive

2003/71/EC (as amended), and include any relevant implementing measure in the relevant Member State.][9]

Uttrycket "**Prospektdirektivet**" avser direktivet 2003/71/EG (med gjorda ändringar, inklusive 2010 års ändringsdirektiv 2010/73/EU) **dock att** alla hänvisningar i detta dokument till "Prospektdirektivet" i relation till varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet hänvisar till direktiv 2003/71/EG (med gjörda ändringar), och inkluderar varje relevant implementeringsåtgärd i den relevanta Medlemsstaten).][10]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

[Grundprospektet som det hänvisas till nedan (som kompletteras av dessa Slutliga Villkor) har tagits fram under förutsättningen att varje erbjudande om Lån i varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet som har implementerat Prospektdirektivet (var och en benämnda en "**Relevant Medlemsstat**") kommer att göras med stöd av ett undantag i Prospektdirektivet, såsom det har implementerats i den Medlemsstaten, från kravet på att publicera ett prospekt för erbjudanden om Lån. Följaktligen kan personer som lämnar eller som avser att lämna erbjudanden avseende Lånen göra det enbart under omständigheter då ingen förpliktelse uppstår för Emittenten eller något Emissionsinstitut att publicera ett prospekt i enlighet med Artikel 3 i Prospektdirektivet eller att komplettera ett prospekt i enlighet med Artikel 16 i Prospektdirektivet, i bägge fall i samband med ett sådant erbjudande. Varken Emittenten eller något Emissionsinstitut har godkänt, eller godkänner, att några erbjudanden avseende Lånen görs under några andra omständigheter.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) **provided, however, that** all references in this document to the "**Prospectus Directive**" in relation to any Member State of the European Economic Area refer to Directive 2003/71/EC (as amended), and include any relevant implementing measure in the relevant Member State.][11]

Uttrycket "**Prospektdirektivet**" avser direktivet 2003/71/EG (med gjorda ändringar, inklusive 2010 års ändringsdirektiv 2010/73/EU) **under förutsättning, att** alla hänvisningar i detta dokument till "Prospektdirektivet" i relation till varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet hänvisar till direktiv 2003/71/EG (med gjorda ändringar), och inkluderar varje relevant implementeringsåtgärd i den relevanta Medlemsstaten).][12]

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[9] Include this legend where a non-exempt offer of Notes is anticipated.

[10] Inkludera detta avsnitt om ett icke-undantaget erbjudande av Lånen förväntas.

[11] Include this legend where a non-exempt offer of Notes is NOT anticipated.

[12] Inkludera detta avsnitt om ett icke-undantaget erbjudande av Lånen INTE förväntas.

PART A – CONTRACTUAL TERMS

DEL A – KONTRAKTUELLA VILLKOR

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the [original base prospectus dated [16 April 2013/20 December 2013/19 December 2014] and which are incorporated by reference into the][13] Base Prospectus dated 18 December 2015 [and the supplemental Base Prospectus dated [•]] [which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive[14]]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive[15]] and must be read in conjunction with the Base Prospectus. A summary of the Notes (which comprises the summary in the Base Prospectus as completed to reflect the provisions of these Final Terms) is annexed to these Final Terms. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the base prospectus supplement[s]] and these Final Terms are available for viewing during normal business hours at, and copies may be obtained from, the principal office of the Issuer [Smålandsgatan 17, SE-105 71 Stockholm, Sweden/Aleksis Kiven katu 9, 00020 Nordea, Helsinki, Finland.] and from [www.nordea.com/www.nordea.no/www.nordea.no/www.nordea.dk].

Ord som används häri ska anses ha samma innebörd som i Villkoren ("**Villkoren**") som anges i det ursprungliga grundprospektet daterat [16 april 2013/20 december 2013/19 december 2014] och som inkorporeras genom hänvisning till[16] Grundprospektet daterat 18 december 2015 [och i supplement till Grundprospektet daterat [•]] [vilka/[et] [tillsammans] utgör ett grundprospekt ("**Grundprospektet**") i Prospektdirektivets mening[17]]. Det här dokumentet utgör de Slutliga Villkoren för Lånen som beskrivs häri [i enlighet med artikel 5.4 i Prospektdirektivet[18]] och måste läsas tillsammans med Grundprospektet. En sammanfattning av Lånen (innefattande sammanfattningen i Grundprospektet upprättad för att reflektera bestämmelserna i dessa Slutliga Villkor) är bilagt till dessa Slutliga Villkor. Fullständig information om Emittenten och erbjudandet om Lån kan endast fås genom dessa Slutliga Villkor och Grundprospektet (tillsammans med eventuella tillägg) i kombination. Grundprospektet [och tillägg till Grundprospektet] och kopior av dessa Slutliga Villkor finns tillgängliga för granskning under normal arbetstid och kopior kan erhållas från Emittentens huvudkontor på Smålandsgatan 17, 105 71 Stockholm, Sverige/Aleksis Kiven katu 9, 00020 Nordea, Helsingfors, Finland] och på [www.nordea.com/www.nordea.no/www.nordea.no/www.nordea.dk].

Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]

[Inkludera samtliga av följande som är tillämpliga eller ange "Inte Tillämpligt" (N/A). Notera att numreringen ska bibehållas såsom den har angetts nedan, även om "Inte Tillämpligt" har angetts för enkilda punkter (i vilket fall underpunkterna till sådana punkter som inte är tillgängliga kan raderas). Kursiv text är vägledning för att färdigställa de Slutliga Villkoren.]

[*The following must be inserted where the Notes are denominated in Singapore dollars and are issued with a denomination of less than SGD 200,000:*

The Notes will be booked in [Sweden / Finland]. The [branch/office] of the Issuer at which the issue is booked is not subject to regulation or supervision in Singapore. The Notes and repayment of the Notes are not secured by any means (whether by mortgage, charge, guarantee or other means).]

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13 Insert for fungible issues.

14 Delete wording in square brackets for an unlisted, exempt offer.

15 Delete wording in square brackets for an unlisted, exempt offer.

16 Inkludera för fungibla emissioner.

17 Radera text inom hakparenteser för ett erbjudande som inte listas och är undantaget.

18 Radera text inom hakparenteser för ett erbjudande som inte listas och är undantaget.

[*Följande stycke måste infogas om Lånen är i singaporianska dollar och emitterade i valörer mindre än SGD 200 000:*

Lånen kommer att noteras i [Sverige / Finland]. Emittentens [filial/kontor] där emissionen noteras är inte föremål för reglering eller övervakning i Singapore. Lånen och återbetalningen av Lånen är inte säkerställda på något sätt (varken genom pantsättning, borgensåtagande eller liknande).]

I. GENERAL TERMS

ALLMÄNNA VILLKOR

1.	(i)	Issuer:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
	(i)	Emittent:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
2.	(i)	Series Number:	[•]
	(i)	Serienummer:	[•]
	(ii)	Tranche Number:	[•]
	(ii)	Tranchenummer:	[•]
	[(iii)	Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of series*] on [[*insert date*]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 59 below [which is expected to occur on or about [*insert date*]].]
	[(iii)	Datum då Lånen blir fungibla:	[Inte Tillämpligt/Lånen ska konsolideras, bli en enda serie och vara utbytbara för handel med [*ange beskrivning av serier*] på [[*ange datum*]/Lånedatum/utbyte av Temporära Globala Lån för intressen i Permanenta Globala Lån, såsom beskrivs i punkt 58 nedan [vilket är beräknat att inträffa på eller runt omkring [*ange datum*]].]
3.	Specified Currency or Currencies:		[•]
	Angiven Valuta:		[•]
4.	Aggregate Principal Amount:		[•]
	Sammanlagt Kapitalbelopp:		[•]
	(i)	Series:	[•]
	(i)	Serie:	[•]
	(ii)	Tranche:	[•]
	(ii)	Tranche:	[•]
5.	Issue Price:		[[•] per cent. of the Aggregate Principal Amount of each Note [plus accrued interest from [*insert date*]]/ The Issue Price will be determined by the Issuer on a daily basis during the Offer Period (as defined below), based on the prevailing market price for the Notes. The Notes will be issued with an initial Issue Price of approximately [ ] per cent on the Issue Date].

	Pris:		[[•] procent av det Sammanlagda Kapitalbeloppet för varje Lån [plus upplupen ränta från [*datum*]]. / Priset avgörs av Emittenten på en daglig basis under Erbjudandeperioden (som definierat nedan) baserat på Lånens rådande marknadsvärde. Lånen kommer att utges till ett initialt Pris om [ ] procent på Lånedatumet.]
6.	(i)	Specified Denominations:	[•]
	(i)	Valörer:	[•]
	(ii)	Calculation Amount:	[•]
	(ii)	Beräkningsbelopp:	[•]
7.	(i)	Issue Date:	[•]
	(i)	Lånedatum:	[•]
	(ii)	Interest Commencement Date:	[[*insert date*]/Issue Date/Not Applicable]
	(ii)	Startdatum för Ränta:	[[*datum*]/Lånedatum/Inte Tillämpligt]
8.	Redemption Date:		[[•]/[Interest Payment Date falling in or nearest to [•]]
	Återbetalningsdag:		[[•]/[Räntebetalningsdag som infaller i eller närmast [•]]
9.	Base Redemption Amount:		[[•]/Not Applicable]
	Basåterbetalningsbelopp:		[[•]/Inte Tillämpligt]
10.	Additional Amounts:		[Applicable/Not Applicable] [The Additional Amount(s) will be added to/subtracted from the Base Redemption Amount]
	Tilläggsbelopp:		[Tillämpligt/Inte Tillämpligt] [Tilläggsbeloppet/en kommer läggas till/subtraheras från Basåterbetalningsbeloppet]
	[Alternative Additional Amount Payment Date:		[[•]/Not Applicable]
	[Alternativa Betalningsdagen för Tilläggsbelopp:		[[•]/Inte Tillämpligt]
11.	Minimum Redemption:		[Applicable/Not Applicable]
	Lägsta Återbetalning:		[Tillämpligt/Inte Tillämpligt]
	•	Minimum Redemption Amount:	[[•]/Not Applicable]
	•	Lägsta Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
12.	Maximum Redemption:		[Applicable/Not Applicable]
	Högsta Återbetalning:		[Tillämpligt/Inte Tillämpligt]

	• Maximum Redemption Amount:	[[•]/Not Applicable]
	• Högsta Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
13.	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day] [adjusted/unadjusted]
	Bankdagskonvention:	[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention] [justerad/ojusterad]
14.	Currency Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day]/[Not Applicable]
	Handelsdag Valutakonvention:	[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention]/[Inte Tillämpligt]
15.	Relevant Exchange:	[[•]/[As set out in the Conditions]]
	Relevant Börs:	[[•]/[Såsom framgår av Villkoren]]
16.	Scheduled Trading Day Convention:	[[Following Scheduled Trading Date Convention/Modified Following Scheduled Trading Day Convention/Preceding Scheduled Trading Day Convention]/[Not Applicable]]
	Planerad Handelsdagskonvention:	[Efterföljande Planerad Handelsdagskonvention/ Modifierad Efterföljande Planerad Handelsdagskonvention /Föregående Planerad Handelsdagskonvention]
II.	**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE]**	**[APPLICABLE/NOT APPLICABLE]**
	BESTÄMMELSER FÖR RÄNTA (OM NÅGON)	**[TILLÄMPLIGT/EJ TILLÄMPLIGT]** [Items 17-30 have been intentionally omitted][19] [Punkterna 17-30 har medvetet utelämnats][20]
17.	Interest Basis:	[[•] per cent. Fixed Rate]
	Räntebas:	[[•] procent Fast Ränta] [EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/ [CIBOR]/[CDOR]/[Nordea Own Funds Rate] +/– [•] per cent. Floating Rate] [EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/ [CDOR]/[Nordeas Upplåningsränta] +/– [•] procent

[19] Include where interest provisions are marked as "Not Applicable"

[20] Att inkluderas då räntebestämmelser angivits som "Inte Tillämpligt"

Rörlig Ränta]

[Inflation Linked]

[Inflationslänkad]

[Zero Coupon]

[Nollkupong]

[Rate Adjustment]

[Räntejustering]

[Coupon Bearing Notes]

[Kupongbärande Lån]

[Non-Tranched CLN Interest]

[Non-Tranched CLN Ränta]

[Tranched CLN Interest]

[Tranched CLN Ränta]

[Nth to Default CLN Interest]

[Nth to Default CLN Ränta]

[Nth and Nth + 1 to Default CLN Interest]

[Nth and Nth + 1 to Default CLN Ränta]

[Capped Floor Float]

[Tak Golv Float]

[Cap Floor]

[Tak Golv]

[Cap Floor Spread]

[Tak Golv Spread]

[Range Accrual]

[Range Accrual]

[Range Accrual In/Out]

[Range Accrual In/Ut]

[Knockout Range Accrual]

[Knockout Range Accrual]

[Binary Cap/Floor]

[Binärt Tak/Golv]

[Binary Zero Coupon]

[Binär Nollkupong]

[Inverse Floater]

[Inverterad Floater]

[Autocallable Rate]

[Autocallable-nivå]

[Digital Long]

[Digital Long]

[Digital Short]

[Digital Short]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Short]

[Best of/Worst of Digital Short]

[Worst of Digital Memory Coupon 2]

[Worst of Digital Memory Coupon 2]

[Digital Podium Long]

[Digital Podium Lång]

[Digital Podium Short]

[Digital Podium Kort]

[Series of Digitals]

[Serier av Digitala]

[Cash Settled Swaption Straddle]

[Cash Settled Swaption Straddle]

[Power Cap/Floor]

[Power Tak/Golv]

[Compounding Floater]

[Compounding Floater]

[Lock-In 1]

[Lock-In 1]

[Lock-In 2]

[Lock-In 2]

[Snowball]

[Snowball]

[Accumulator]

[Ackumulator]

[Binary Accumulator]

[Binär Ackumulator]

[Contingent Cap/Floor]

[Betingat Tak/Golv]

[Dual Digital Cap]

[Dubbel Digital Tak]

[Dual Digital Floor]

[Dubbel Digital Golv]

[Binary Inflation Cap]

[Binärt Inflationstak]

[Binary Inflation Floor]

[Binärt Inflationsgolv]

[Binary Inflation Range]

[Binärt Inflationsspann]

[Inflation Range Accrual]

[Inflationsspann Periodiserad]

[Inflation Cap/Floor]

[Inflation Tak/Golv]

[Inflation Straddle]

[Inflation Ömsesidig]

[Inflation Cap Floor Spread]

[Inflation Tak Golv Spread]

[ZC Inflation Cap Floor]

[ZC Inflation Tak Golv]

[Inflation Linker 1]

[Inflationslänkad 1]

[Inflation Linker 2]

[Inflationslänkad 2]

[Strip of Call Spreads]

		[Strip of Call Spreads] (further particulars specified below in paragraph[s] [21/22/23/24/26/27/28/29/30]) (ytterligare detaljer specificerade nedan i punkt(erna) [21/22/23/24/26/27/28/29/30])
18.	Combination of Interest Bases:	[Applicable/Not Applicable]
	Kombination av Räntebaser:	[Tillämpligt/Inte Tillämpligt]
	(i) Method of Combination:	[Single Basket Addition/Multiple Basket Addition/Alternative Calculation]
	Kombinationsmetod:	[Enskild Korgsammanslagning/Alternativ Uträkning]
	(ii) Relevant Condition(s) for determination of Interest Amount:	[Condition [•] will be applicable if Interest Barrier Level 1 is not exceeded on [any/the final] Interest Determination Date, Condition [•] will be applicable if Interest Barrier Level 1 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level 2 is not exceeded, Condition [•] will be applicable if Interest Barrier Level 2 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level [•] is not exceeded… Condition [•] will be applicable if Interest Barrier Level [•] is exceeded on [any/the final] Interest Determination Date/Condition(s) [•] and [•] are applicable.]
	Relevanta Villkor för bestämmande av Räntebelopp:	[Villkor [•] ska vara tillämpligt om Räntebarriärnivå 1 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå 2 inte överskrids, Villkor [•] ska vara tillämpligt om Räntebarriärnivå 2 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå [•] inte överskrids… Villkor [•] ska vara tillämpligt om Räntebarriärnivå [•] överskrids på [en/slutlig] Räntebestämningsdag/Villkor [•] och [•] är tillämpliga.] [Condition [•] in respect of Basket A, Condition [•] in respect of Basket B etc.] [Villkor [•] beträffande Korg A, Villkor [•] beträffande Korg B etc.]
	• [Interest Barrier Level 1:]	[•]
	• [Räntebarriärnivå 1:]	[•]
	• [Interest Barrier Level 2:]	[•]
	• [Räntebarriärnivå 2:]	[•]
	• [Interest Barrier Level 3:]	[•]
	• [Räntebarriärnivå 3:]	[•]

19.	Method of calculating Basket Return for the purposes of Interest determination:	[Basket Long Structure/Basket Short Structure [in respect of Basket A/B]/Not Applicable]
	Metod för att beräkna Korgavkastningen för Räntebestämning:	[Basket Long Struktur/Basket Short Struktur [avseende Korg A/B]/Inte Tillämpligt]
20.	**Interest Deferral**	[Applicable/Not Applicable]
	Uppskjuten Ränta	[Tillämpligt/Inte Tillämpligt]
21.	**Fixed Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Fast Ränta	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Rate:	[•] per cent. per annum
	(i) Räntesats:	[•] procent årligen
	(ii) Interest Payment Date(s):	[•] [in each year]
	(ii) Räntebetalningsdag(ar):	[•] [varje år]
	(iii) Interest Determination Date:	[[•]/Not Applicable]
	(iii) Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(iv) Fixed Interest Amount:	[•] per Note of [•] Denomination/Not Applicable
	(iv) Bestämt Räntebelopp:	[•] per Lån av Valören [•]/Inte Tillämpligt]
	(v) Details of Irregular Interest Amount(s):	[[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]/Not Applicable]
	(v) Bestämmelser för Oregelbundna Räntebelopp:	[[•] per Beräkningsbelopp, att betalas på Räntebetalningsdagen som infaller [i/på] [•]/[Inte Tillämpligt]
	(vi) Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
	(vi) Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
22.	**Floating Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Rörlig Ränta	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Payment Dates:	[•] [in each year]
	(i) Räntebetalningsdag(ar):	[•] [för varje år]
	(ii) Interest Determination Date:	[[•]/Not Applicable]
	(ii) Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(iii) Issuing Agent:	[Not Applicable/[•]]
	(iii) Administrerande Institut:	[Inte Tillämpligt/[•]

(iv)	Calculation Agent:	[Not Applicable/[•]]
(iv)	Beräkningsagent:	[Inte Tillämpligt/[•]]
(v)	Interest Base Rate:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[CDOR]/[Nordea Own Funds Rate]]
(v)	Basränta:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]]/[CDOR]/[Nordeas Upplåningsränta]
(vi)	Designated Maturity:	[•]
(vi)	Avsedd Återbetalningsdag:	[•]
	• Alternative Designated Maturity	[[•]/Not Applicable/Applicable in respect of the [short/long/ [initial/final] interest period from (and including) [date] to (but excluding) [date]]
	• Alternativ Avsedd Återbetalningsdag	[[•]/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]
(vii)	Linear Interpolation:	[Applicable/Not Applicable/Applicable in respect of the [short/long/ [initial/final] interest period from (and including) [date] to (but excluding) [date]]]
(vii)	Linjär Interpolering:	[[•]/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]
	• Alternative Maturity 1	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 1	[[•]/Inte Tillämpligt]
	• Alternative Maturity 2	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 2	[[•]/Inte Tillämpligt]
(viii)	Screen Page:	[•]
(viii)	Skärmsida:	[•]
(ix)	Interest Margin(s):	[+/-][•] per cent. per annum
(ix)	Räntemarginal(er):	[+/-][•] procent årligen
(x)	FRN Participation Ratio:	[•] per cent.
(x)	FRN Deltagandegrad:	[•] procent
(xi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
(xi)	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xii)	Maximum Interest Rate:	[[•]/Not Applicable]

	(xii) Högsta Räntesats:	[[•]/Inte Tillämpligt]
	(xiii) Minimum Interest Rate:	[[•]/Not Applicable]
	(xiii) Lägsta Räntesats:	[[•]/Inte Tillämpligt]
23.	**Zero Coupon Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Nollkupongslån	[Tillämpligt/Inte tillämplig]
	Reference Yield:	[•] per cent. per annum
	Referensavkastning:	[•] procent årligen
24.	**Inflation-Linked Interest Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Inflationslänkade Räntebärande Lån	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]
	(i) Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt 21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]
	(ii) Base Index/CPI:	
	(ii) Bas Index/CPI:	
	• Relevant date:	[•]
	• Relevant datum:	[•]
	• Relevant time:	[•] [a.m./p.m.]
	• Relevant tid:	[•] [a.m./p.m.]
25.	**Rate Adjustment Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Kursjusterade Lån	[Tillämpligt/Inte Tillämpligt]
	Provisions relating to the adjustment of the Interest Rate:	The Interest Basis will be [•] from [and including/but excluding] [•] to [and including/but excluding] the Interest Payment Date falling in [•], and [•] from [and including/but excluding] the Interest Payment Date falling in [•] up to ([and including/but excluding]) the Redemption Date.
	Bestämmelser relaterade till justering av Räntesatsen:	Räntebasen ska vara [•] från [och med/men exklusive] [•] till [och med/men exklusive] Räntebetalningsdagen som infaller [•], och [•] från [och med/men exklusive] Räntebetalningsdagen som infaller [•] till [och med/men exklusive] Återbetalningsdagen.

26. **Coupon Bearing Note Provisions** [Applicable/Not Applicable]

Bestämmelser för Kupongbärande Autocall-lån [Tillämpligt/Inte Tillämpligt]

(i) Valuation Date(s):

	Reference Asset **Referens-tillgång**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag Medelvärdesberäkningsdag**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
(i) Värderingsdag(ar):	[•]	[•]	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
		[•]	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(ii) Coupon Barrier Level(s): [•]

(ii) Kuponbarriärnivå(er): [•]

(iii) Interest Payment Date(s): [•] in each year

(iii) Räntebetalningsdag(ar): [•] varje år

(iv) Flat Coupon: [Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]

(iv) Flat Kupong: [Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]

(v) Memory Coupon: [Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]

(v) Memory Kupong: [Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]

(vi) Plus Flat Coupon: [Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is

		reached [and Coupon Barrier [•] is not reached]]
(vi)	Plus Flat Kupong:	[Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(vii)	Plus Memory Coupon:	[Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(vii)	Plus Memory Kupong:	[Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(viii)	Coupon Rate(s):	[[•] if Coupon Barrier [•] is reached/Not Applicable]
(viii)	Kupongnivå(er):	[[•] om Kupongbarriär [•] uppnås/Inte Tillämpligt]
(ix)	Basket Rate:	[Applicable/Not Applicable]
(ix)	Korgnivå:	[Tillämpligt/Inte Tillämpligt]
(x)	Best of/Worst of Rate:	[Applicable/Not Applicable]
(x)	Best of/Worst of Kurs:	[Tillämpligt/Inte Tillämpligt]
(xi)	N:	[Applicable/Not Applicable]
(xi)	N:	[Tillämpligt/Inte Tillämpligt]
27.	**CLN Interest Provisions**	[Applicable/Not Applicable]
	Bestämmelser för CLN Ränta	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]
(i)	Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt 21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]
(ii)	Determination Date Exposure:	[Applicable/Not Applicable]
	• [Number of Business Days:	[[•]/The Observation Date shall be the relevant Interest Payment Date]
	• [Antal Bankdagar:]	[[•]/Observationsdagen ska vara den relevanta Räntebetalningsdagen]
(ii)	Bestämningsdag Exponering:	[Tillämpligt/Inte Tillämpligt]
(iii)	Weighted Average Exposure:	[Applicable/Not Applicable]
(iii)	Viktad Genomsnittlig Exponering:	[Tillämpligt/Inte Tillämpligt]
(iv)	Tranche Attachment Point:	[[•]/Not Applicable]

(iv)	Fästpunkt Tranche:	[[•]/Inte Tillämpligt]
(v)	Tranche Detachment Point:	[[•]/Not Applicable]
(v)	Avskiljningspunkt Tranche:	[[•]/Inte Tillämpligt]
(vi)	Fixed Recovery Value:	[[•]/Not Applicable]
(vi)	Fast Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
(vii)	Market Recovery Value:	[Applicable/Not Applicable]
(vii)	Marknadsåtervinningsvärde:	[Tillämpligt/Inte Tillämpligt]
(viii)	N:	[[•]/Not Applicable]
(viii)	N:	[[•]/Inte Tillämpligt]
(ix)	Observation Date(s):	[[•]/Not Applicable/the day falling [•] Business Days prior to each Interest Payment Date]
(ix)	Observationsdag(ar):	[[•]/Inte Tillämpligt/dagen som infaller [•] Bankdagar före varje Räntebetalningsdag]
(x)	Credit Event Ranked Basket Participation (Interest):	[Applicable/Not Applicable]
(x)	Kredithändelserankad Korgandel (Ränta):	[Tillämpligt/Inte Tillämpligt]

• Credit Event Ranked Weight:	**Credit Event** (in order of occurrence) **Kredithändelse** (i kronologisk ordning)	**Weighting** **Viktning**
• Kredithändelserankad vikt:	1	[•]%
	2	[•]%
	3	[•]%
	N	[•]%

(xi)	Possible Repudiation Moratorium Amount:	[Applicable/Not Applicable]
(xi)	Belopp för Potentiellt Avstående Moratorium:	[Tillämpligt/Inte Tillämpligt]
(xii)	Restructuring Amount:	[Applicable/Not Applicable]
(xii)	Belopp för Omläggning av Skulder:	[Tillämpligt/Inte Tillämpligt]
(xiii)	Replacement Reference Entity:	[Applicable/Not Applicable]
(xiii)	Belopp för Ersättande Referenstillgång:	[Tillämpligt/Inte Tillämpligt]
(xiv)	Obligation Acceleration Amount:	[Applicable/Not Applicable]

(xiv)	Belopp för Uppsägning av Åtagande:	[Tillämpligt/Inte Tillämpligt]
(xv)	Failure to Pay Amount:	[Applicable/Not Applicable]
(xv)	Belopp för Utebliven Betalning:	[Tillämpligt/Inte Tillämpligt]
(xvi)	Credit Events:	[[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration]/ Not Applicable]
(xvi)	Kredithändelser:	[[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförarande Myndighetsingripande/ Avstående/ Moratorium/ Uppsägning av Åtagande]/ Inte Tillämpligt]
(xvii)	Default Requirement:	[[•]/Not Applicable/As set out in the Conditions]
(xvii)	Defaultkrav:	[[•]/Inte Tillämpligt/Såsom framgår av Villkoren]
28.	**Digital Interest Provisions**	[Applicable/Not Applicable]
	Bestämmelser om Digital Ränta	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Determination Date:	[[•]/Not Applicable]
(i)	Räntebestämningsdag:	[[•]/Inte Tillämpligt]
(ii)	Interest Payment Date(s):	[[•]/Not Applicable]
(ii)	Räntebalningsdag(ar):	[[•]/Inte Tillämpligt]
(iii)	Strike Level:	[[•]/Not Applicable]
(iii)	Lösenprisnivå:	[[•]/Inte Tillämpligt]
(iv)	Coupon:	[[•]/Not Applicable]
(iv)	Kupong:	[[•]/Inte Tillämpligt]
(v)	Coupon 2:	[[•]/Not Applicable]
(v)	Kupong 2:	[[•]/Inte Tillämpligt]
(vi)	N:	[[•]/Not Applicable]
(vi)	N:	[[•]/Inte Tillämpligt]
(vii)	Barrier Level:	[[•]/Not Applicable]
(vii)	Barriärnivå:	[[•]/Inte Tillämpligt]
(viii)	Basket Strike Level:	[[•]/Not Applicable]
(viii)	Korglösennivå:	[[•]/Inte Tillämpligt]
(ix)	Observation Date(s):	[[•]/Each Scheduled Trading Day up to and including the Interest Determination Date/Not Applicable]
(ix)	Observationsdag(ar):	[[•]/Varje Planerad Handelsdag fram till och med Räntebestämningsdagen/Inte Tillämpligt]

(x) Valuation Time: [[•]/Not Applicable]

(x) Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset (Interest) **Referenstillgång (Ränta)**	**Valuation Time** **Värderingstidpunkt**
[•]	[•]
[•]	[•]
[•]	[•]

29. **Additional Interest Provisions** [Applicable/Not Applicable]

Ytterligare Räntebestämmelser [Tillämpligt/Inte Tillämpligt]

(i) Interest Determination Date: [[•]/Not Applicable]

Räntebestämningsdag: [[•]/Inte Tillämpligt]

(ii) Interest Payment Date(s): [[•]/Not Applicable]

Räntebetalningsdag(ar): [[•]/Inte Tillämpligt]

(iii) Day Count Fraction: [[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]

Dagberäkningsmetod: [[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]

(iv) Reference Rate: [[•]/Not Applicable]

Referensränta: [[•]/Inte Tillämpligt]

(v) Reference Rate 2: [[•]/Not Applicable]

Referensränta 2: [[•]/Inte Tillämpligt]

(vi) Spread: [[•]/Not Applicable]

Spread: [[•]/Inte Tillämpligt]

(vii) Cap Strike: [[•]/Not Applicable]

Lösenpristak: [[•]/Inte Tillämpligt]

(viii) Floor Strike: [[•]/Not Applicable]

Lösenprisgolv: [[•]/Inte Tillämpligt]

(ix) Cap Value: [1/-1/0/Not Applicable]

Takvärde: [1/-1/0/Inte Tillämpligt]

(x) Floor Value: [1/-1/0/Not Applicable]

Golvvärde Value: [1/-1/0/Inte Tillämpligt]

(xi)	Leverage (Cap):	[[•]/Not Applicable]
	Hävstång (Tak):	[[•]/Inte Tillämpligt]
(xii)	Leverage (Floor):	[[•]/Not Applicable]
	Hävstång (Golv):	[[•]/Inte Tillämpligt]
(xiii)	Cap Strike Upper:	[[•]/Not Applicable]
	Lösenpristak Högre:	[[•]/Inte Tillämpligt]
(xiv)	Cap Strike Lower:	[[•]/Not Applicable]
	Lösenpristak Lägre:	[[•]/Inte Tillämpligt]
(xv)	Floor Strike Upper:	[[•]/Not Applicable]
	Lösenprisgolv Högre:	[[•]/Inte Tillämpligt]
(xvi)	Floor Strike Lower:	[[•]/Not Applicable]
	Lösenprisgolv Lägre:	[[•]/Inte Tillämpligt]
(xvii)	Strike Upper:	[[•]/Not Applicable]
	Lösenpris Högre:	[[•]/Inte Tillämpligt]
(xviii)	Strike Lower:	[[•]/Not Applicable]
	Lösenpris Lägre:	[[•]/Inte Tillämpligt]
(xix)	Strike 2	[[•]/Not Applicable]
	Lösenpris 2	[[•]/Inte Tillämpligt]
(xx)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xxi)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xxii)	W:	[[•]/Not Applicable]
	W:	[[•]/Inte Tillämpligt]
(xxiii)	X:	[[•]/Not Applicable]
	X:	[[•]/Inte Tillämpligt]
(xxiv)	Y:	[[•]/Not Applicable]
	Y:	[[•]/Inte Tillämpligt]
(xxv)	Z:	[[•]/Not Applicable]
	Z:	[[•]/Inte Tillämpligt]
(xxvi)	Maximum Interest Rate:	[[•]/Not Applicable]
	Högsta Räntesats:	[[•]/Inte Tillämpligt]

(xxvii)	Gearing:	[[•]/Not Applicable]
	Gearing:	[[•]/Inte Tillämpligt]
(xxviii)	Coupon:	[[•]/Not Applicable]
	Kupong:	[[•]/Inte Tillämpligt]
(xxix)	Coupon Barrier Level(s):	[[•]/Not Applicable] [The Autocall Condition will be satisfied if the Reference Rate [exceeds/equals/is below] the Coupon Barrier Level]
	Kupongbarriärnivå(er):	[[•]/Inte Tillämpligt] [Autocall-Villkoret uppfylls om Referenskursen [överstiger/är lika med/understiger] Kupongbarriärnivån]
(xxx)	Minimum Basket Return:	[[•]/Not Applicable]
	Minsta Korgavkastning:	[[•]/Inte Tillämpligt]
(xxxi)	Gearing Payer:	[[•]/Not Applicable]
	Gearing Payer:	[[•]/Inte Tillämpligt]
(xxxii)	Gearing Receiver:	[[•]/Not Applicable]
	Gearing Receiver:	[[•]/Inte Tillämpligt]
(xxxiii)	Payer Strike:	[[•]/Not Applicable]
	Payer Strike:	[[•]/Inte Tillämpligt]
(xxxiv)	Receiver Strike:	[[•]/Not Applicable]
	Receiver Strike:	[[•]/Inte Tillämpligt]
(xxxv)	Power Factor:	[[•]/Not Applicable]
	Powerfaktor	[[•]/Inte Tillämpligt]
(xxxvi)	Fixed Rate:	[[•]/Not Applicable]
	Fast ränta:	[[•]/Inte Tillämpligt]
(xxxvii)	Flag:	[[•]/Not Applicable]
	Flagga:	[[•]/Inte Tillämpligt]
(xxxviii)	Tenor:	[[•]/Not Applicable]
	Löptid:	[[•]/Inte Tillämpligt]
(xxxix)	Gearing Cap:	[[•]/Not Applicable]
	Gearing Tak:	[[•]/Inte Tillämpligt]
(xl)	Gearing Floor:	[[•]/Not Applicable]
	Gearing Golv:	[[•]/Inte Tillämpligt]
(xli)	Inflation Index:	[[•]/Not Applicable]

Inflationsindex: [[•]/Inte Tillämpligt]

(xlii) Valuation Date(s): [[•]/Not Applicable]

Värderingsdag(ar): [[•]/Inte Tillämpligt]

Reference Asset (Interest) Referenstillgång (Ränta)	Valuation Date(s) Värderingsdag(ar)	Valuation Date Averaging Värderingsdag(ar) Medelvärdes-beräkning	Averaging Dates relevant to applicable Valuation Date Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag
[•]	**[•]**	[Applicable/Not Applicable] [Tillämplig/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	**[•]**	[Applicable/Not Applicable] [Tillämplig/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(xliii) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset (Interest) Referenstillgång (Ränta)	Valuation Time Värderingstidpunkt
[•]	[•]
[•]	[•]
[•]	[•]

30. **Provisions relating to FX Components (Interest)** [Applicable/Not Applicable]

Bestämmelser rörande Valutakomponenter (Ränta) [[•]/Inte Tillämpligt]

FX Component (Interest): [Applicable/Not Applicable/Applicable to the Interest Amount(s) determined in accordance with the [•] Interest Basis on the following Interest

Payment Dates: [•]]

Valutakomponent (Ränta): [Tillämpligt/Inte Tillämpligt/Tillämpligt avseende Räntebelopp beräknade enligt [•] Basränta på följande Räntebetalningsdagar: [•]]

- FX Rate (Interest): [[•]/Not Applicable]
- Valutakurs (Ränta): [[•]/Inte Tillämpligt]
- Initial FX Valuation Date(s) (Interest): [[•]/Not Applicable]
- Startdag Valuta (Ränta): [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**Initial FX Valuation Date(s) (Interest)** **Startdag Valuta (Ränta)**
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Date(s) (Interest): [[•]/Not Applicable
- Värderingsdag Valuta (Ränta): [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**FX Valuation Date(s) (Interest)** **Värderingsdag Valuta (Ränta)**
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time (Interest): [[•]/Not Applicable]
- Värderingstidpunkt Valuta (Ränta): [[•]/Inte Tillämpligt]
- FX Factor (Interest) Long/Short: [FX Factor (Interest) Long/FX Factor (Interest) Short/Not Applicable]
- Valutafaktor (Ränta) Lång/Kort: Valutafaktor (Ränta) Lång/Valutafaktor (Ränta) Kort]/Inte Tillämpligt]
- Initial FX Rate (Interest): [[•]/As set out in the Base Prospectus]
- Valutastartkurs (Ränta): [[•]/Såsom framgår av Grundprospektet]

	• Final FX Rate (Interest):	[[•]/As set out in the Base Prospectus]
	• Valutaslutkurs (Ränta):	[[•]/Såsom framgår av Grundprospektet]
III.	**ADDITIONAL PROVISIONS RELATING TO REDEMPTION**	**[APPLICABLE/NOT APPLICABLE]** [Items 31 to 39 have been intentionally omitted][21]
	YTTERLIGARE BESTÄMMELSER FÖR ÅTERBETALNING	**[TILLÄMPLIGT/INTE TILLÄMPLIGT]** [Punkterna 31 till 39 har medvetet utelämnats][22]
31.	Applicable performance structures:	["Basket Long" structure]
	Tillämpliga strukturer för värdeutveckling:	["Basket Long" struktur]
		["Basket Short" structure]
		["Basket Short" struktur]
		["Barrier outperformance" structure]
		["Barriär outperformance" struktur]
		["Barrier underperformance" structure]
		["Barriär underperformance" struktur]
		["Best of/Worst of Barrier Outperformance" structure]
		["Best of/Worst of Barriär Outperformance" struktur]
		["Best of/Worst of Barrier Underperformance" structure]
		["Best of/Worst of Barriär Underperformance" struktur]
		["Autocallable Structure Long"]
		["Autocallstruktur Long"]
		["Autocallable Structure Short"]
		["Autocallstruktur Short"]
		["Replacement Basket" structure]
		["Ersättningskorg" struktur]
		["Locally Capped Basket" structure]
		["Lokalt Begränsad Korg" struktur]
		["Rainbow Basket" structure]
		["Rainbow" struktur]
		["Booster Short" structure]

[21] Insert where additional redemption provisions are marked as Not Applicable.

[22] Att inkluderas då ytterligare bestämmelser för återbetalning angivits som Inte Tillämpligt.

["Booster Kort" struktur]

["Booster Long" structure]

["Booster Long" struktur]

["Booster Risk Barrier Short" structure]

["Booster Risk Barriär Short" struktur]

["Booster Risk Barrier Long" structure]

["Booster Risk Barriär Long" struktur]

["Twin Win" structure]

["Twin Win" struktur]

["Bonus Booster Short" structure]

["Bonus Booster Short" struktur]

["Bonus Booster Long" structure]

["Bonus Booster Long" struktur]

["Cliquet" structure]

["Cliquet" struktur]

["Reverse Cliquet" structure]

["Omvänd Periodsumme" struktur]

["Replacement Cliquet" structure]

["Ersättning Periodsumme" struktur]

["Reverse Replacement Cliquet" structure]

["Omvänd Ersättande Periodsumme" struktur]

["Rainbow Replacement Cliquet" structure]

["Regnbåge Ersättande Periodsumme" struktur]

["Reverse Convertible" structure]

["Omvänd Konvertibel" struktur]

["Reverse Convertible Risk Barrier" structure]

["Omvänd Konvertibel Riskbarriär" struktur]

["Best of/Worst of Reverse Convertible" structure]

["Best of/Worst of Omvänd Konvertibel" struktur]

[Worst of Digital Memory Coupon 1]

[Worst of Digital Memory Kupong 1]

[Worst of Call Option]

[Worst of Call Option]

[Outperformance Option [Long against Short/Long Against Long]]

[Outperformance Option [Long against Short/Long Against Long]]

["Non-Tranched CLN" structure]

["Non-Tranched CLN" struktur]

["Tranched CLN" structure]

["Tranched CLN" struktur]

["Nth to Default CLN" structure]

["Nth to Default CLN" struktur]

["Nth and Nth + 1 Default CLN" structure]

["Nth and Nth + 1 Default CLN" struktur]

[Option CLN structure]

[Option CLN-struktur]

["Digital Long" structure]

["Digital Long" struktur]

["Digital Short" structure]

["Digital Kort" struktur]

["Worst of Digital Long" structure]

["Worst of Digital Long" struktur]

["Worst of Digital Short" structure]

["Worst of Digital Short" struktur]

["Series of Digitals" structure]

["Serier av Digitala"-struktur]

["Delta 1" structure]

["Delta 1" struktur]

["Inflation Linker 2"]

["Inflationslänkad 2"]

["Barrier Outperformance" Structure 2]

["Barrier Outperformance" Struktur 2]

["Barrier Underperformance" Structure 2]

["Barrier Underperformance" Struktur 2]

		["Target Volatility" Structure] ["Eftersträvad Volatilitet" Struktur] ["Booster Risk Barrier 2" structure] ["Booster Risk Barrier 2"-struktur] ["Autocallable Rate" structure] ["Autocallable-nivå"-struktur] ["In Option – Basket Long" structure] ["In Option – Basket Long"-struktur] ["In Option – Basket Short" structure] ["In Option – Basket Short"-struktur] ["Out Option – Basket Long" structure] ["Out Option – Basket Long"-struktur] ["Out Option – Basket Short" structure] ["Out Option – Basket Short"-struktur]
32.	Method of calculating Basket Return for the purposes of applicable Performance Structure:	[Basket Long Structure/Basket Short Structure/ Not Applicable] [Basket A: Basket Long/Short Structure] [Basket B: Basket Long/Short Structure]
	Metod för att beräkna Korgavkastningen för tillämplig Värdeutvecklingsstruktur:	[Basket Long Struktur/Basket Short Strutur/ Inte Tillämpligt] [Korg A: Basket Long/Short Struktur] [Korg B: Basket Long/Short Struktur]
33.	Combination of structures:	[Applicable/Not Applicable]
	Kombinationer av strukturer:	[Tillämpligt/Inte Tillämpligt]
	(i) Method of Combination:	[Addition/Subtraction/Alternative Calculation]
	(i) Kombinationsmetod:	[Sammanslagning/Subtraktion/Alternativ Uträkning]
	(ii) Additional Amount Basket A:	[Not Applicable/the [•] structure]
	(ii) Tilläggsbelopp Korg A:	[Inte Tillämpligt/[•] strukturen]
	(iii) Additional Amount Basket B:	[Not Applicable/the [•] structure]
	(iii) Tilläggsbelopp Korg B:	[Inte Tillämpligt/[•] strukturen]
	(iv) Relevant Condition(s) for determination of Redemption Amount:	[Condition [•] will be applicable if Barrier Level 1 is not exceeded on [any/the final] Valuation Date, Condition [•] will be applicable if Barrier Level 1 is exceeded on [any/the final] Valuation Date but Barrier Level 2 is not exceeded, Condition [•] will be applicable if Barrier Level 2 is exceeded on [any/the final] Valuation Date but Barrier Level [•] has not been exceeded Condition [•] will be applicable if Barrier Level [•] is exceeded on

[any/the final] Valuation Date/Condition(s) [•] and [•] are applicable and the following Performance Percentages shall apply:

(iv) Relevanta Villkor för bestämmande av Återbetalningsbeloppet: [Villkor [•] ska vara tillämpligt om Barriärnivå 1 inte överskrids på [en/slutlig] Värderingsdag, Villkor [•] ska vara tillämpligt om Barriärnivå 1 överskrids på [en/slutlig] Värderingsdag men Barriärnivå 2 inte överskrids, Villkor [•], ska vara tillämpligt om Barriärnivå 2 överskrids på [en/slutlig] Värderingsdag men Barriärnivå [•] inte överskrids Villkor [•] ska vara tillämpligt om Barriärnivå [•] överskrids på [en/slutlig] Värderingsdag/Villkor [•] och [•] är tillämpliga och följade Värdeutvecklingsprocentsats ska tillämpas:

Basket **Korg**	**Performance Structure** **Värdeutecklingsstruktur**	**Performance Percentage** **Värdeutvecklingsprocent**
[Basket A/ single Basket] [Korg A/ enskild Korg]	[•]	[•]
[Basket B] [Korg B]	[•]	[•]
[Basket [•]] [Korg [•]]	[•]	[•]

34. **Performance structure-related items:** [Applicable/Not Applicable]

Värdeutvecklingsstruktur-relaterade punkter: [Tillämpligt/Inte Tillämpligt]

Dates and Times

Datum och tid

(i) Initial Valuation Date(s): [[•]/Not Applicable]

Startdag: [[•]/Inte Tillämpligt]

Reference Asset **Referens-tillgång**	**Initial Valuation Date(s)** **Startdag**	**Initial Valuation Date Averaging** **Startdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta**

				för tillämplig Värderingsdag
[•]	[•]	[Applicable/ Not Applicable] [Tillämpligt/ Inte Tillämpligt/]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	[•]	[Applicable/ Not Applicable] [Tillämpligt/ Inte Tillämpligt/]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(ii) Valuation Date(s): [[•]/Not Applicable]

Värderingdag(ar): [[•]/Inte Tillämpligt]

[The relevant Valuation Date(s) for comparing the Baset Return to the [Initial Basket Level/Barrier Level 1/Barrier Level 2] are:]

[Relevant(a) Värderingsdag(ar) för att jämföra Korgavkastningen med [Korgs Startvärde/Barriärnivå 1/Barriärnivå 2] är:]

			Averaging Dates relevant to applicable Valuation Date
Reference Asset **Referenstillgång**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag Medelvärdesberäkning**	**Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	[•]	[Applicable/Not Applicable/ Applicable to Synthetic Index Return calculation only] [Tillämplig t/Inte Tillämpligt /Tillämplig t endast i	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

				förhållande till beräkning av Syntetisk Index-avkastning] [Applicable /Not Applicable/ Applicable to Synthetic Index Return calculation only] [Tillämplig t/Inte Tillämpligt /Tillämplig t endast i förhållande till beräkning av Syntetisk Index-avkastning]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
		[•]	[•]		

(iii) Twin-Win Valuation Date(s): [•] if the Initial Basket Level is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 1 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 2 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level N is reached or exceeded on the relevant Valuation Date(s).

Twin-Win Värderingsdag(ar): [•] om Korgs Startvärde nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå 1 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå 2 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå N nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•].

(iv) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**Valuation Time** **Värderingstidpunkt**
[•]	[•]
[•]	[•]
[•]	[•]

(v) Rebalancing Date: [[•]/Not Applicable]

	Ombalanseringsdag:	[[•]/Inte Tillämpligt]
(vi)	Scheduled Redemption Date:	[[•]/Not Applicable]
	Planerad Återbetalningsdag:	[[•]/Inte Tillämpligt]
(vii)	Back Stop Date:	[[•]/Not Applicable]
	Back Stop-Datum:	[[•]/Inte Tillämpligt]
(viii)	Observation Date(s):	[[•]/Not Applicable]
	Observationsdag(ar):	[[•]/Inte Tillämpligt]

(ix) Observation Date Averaging:

	Reference Asset **Referenstillgång**	**Observation Date(s)** **Observationsdag(ar)**	**Observation Date Averaging** **Observationsdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Observation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Observationsdag**
Observationsdag Medelvärdesberäkning:			[Applicable /Not Applicable]	[[•]/Not Applicable]
	[•]	[•]	[Tillämpligt /Inte Tillämpligt]	[[•]/Inte Tillämpligt]
			[Applicable /Not Applicable]	[[•]/Not Applicable]
	[•]	[•]	[Tillämpligt /Inte Tillämpligt]	[[•]/Inte Tillämpligt]

(x) Risk Barrier Observation Date(s):

	Reference Asset Referenstillgång	Risk Barrier Observation Date(s) Riskbarriärobservationsdag(ar)	Risk Barrier Observation Date Averaging Riskbarriärobservationsdag Medelvärdesberäkning	Averaging Dates relevant to Risk Barrier Observation Date Medelvärdesberäkningsdagar som är relevanta för tillämplig Riskbarriärobservationsdag
Riskbarriärobservationsdag(ar):			[Applicable /Not Applicable]	[[•]/Not Applicable]
	[•]	[•]	[Tillämpligt /Inte Tillämpligt]	[[•]/Inte Tillämpligt]
			[Applicable /Not Applicable]	[[•]/Not Applicable]
	[•]	[•]	[Tillämpligt /Inte Tillämpligt]	[[•]/Inte Tillämpligt]

Amounts and Values

Belopp och Värden

(xi)	Participation Ratio:	[[•]/Not Applicable]
	Deltagandegrad:	[[•]/Inte Tillämpligt]
(xii)	Participation Ratio 2:	[[•]/Not Applicable]
	Deltagandegrad 2:	[[•]/Inte Tillämpligt]
(xiii)	Participation Ratio 3:	[[•]/Not Applicable]
	Deltagandegrad 3:	[[•]/Inte Tillämpligt]
(xiv)	Initial Price:	[[•]/as set out in the Conditions]
	Startkurs:	[[•]/såsom framgår av Villkoren]
(xv)	Final Price:	[[•]/as set out in the Conditions]
	Slutkurs:	[[•]/såsom framgår av Villkoren]
(xvi)	Basket Strike Level:	[[•]/Not Applicable]
	Korglösennivå:	[[•]/Inte Tillämpligt]
(xvii)	Initial Basket Level:	[[•]/Not Applicable]/[•] in respect of Basket A and [•] in respect of Basket B

	Korg Startvärde:	[[•]/Inte Tillämpligt]/[•] för Korg A och [•] för Korg B
(xviii)	Basket Floor:	[Applicable/Not Applicable]
	Korggolv:	[Tillämpligt/Inte Tillämpligt]
(xix)	Minimum Basket Return:	[[•]/Not Applicable]
	Lägsta Korgavkastning:	[[•]/Inte Tillämpligt]
(xx)	Basket Cap:	[Applicable/Not Applicable]
	Korgtak:	[Tillämpligt/Inte Tillämpligt]
(xxi)	Maximum Basket Return:	[[•]/Not Applicable]
	Maximal Korgavkastning:	[[•]/Inte Tillämpligt]
(xxii)	Reference Asset Floor:	[Applicable/Not Applicable]
	Referenstillgång Golv	[Tillämpligt/Inte Tillämpligt]
(xxiii)	Minimum Reference Asset Return:	[Not Applicable/
	Lägsta Referenstillgångsavkastningen:	[Inte Tillämpligt

Reference Asset **Referenstillgång**	**Minimum Reference Asset Return** **Lägsta Referenstillgångsavkastningen**
[•]	[•]
[•]	[•]
[•]	[•]

]

(xxiv)	Reference Asset Cap:	[Applicable/Not Applicable]
	Referenstillgång Tak:	[Tillämpligt/Inte Tillämpligt]
(xxv)	Maximum Reference Asset Return:	[Not Applicable/
	Högsta Referenstillgångsavkastningen:	[Inte Tillämpligt/

Reference Asset **Referenstillgång**	**Maximum Reference Asset Return** **Högsta Referenstillgångsavkastningen**
[•]	[•]
[•]	[•]
[•]	[•]

]

(xxvi)	Barrier Level(s):	[[•]/Not Applicable]
	Barriärnivå(er):	[[•]/Inte Tillämpligt]

(xxvii)	Replacement Factor:	[[•]/Not Applicable]
	Ersättningsfaktor:	[[•]/Inte Tillämpligt]
(xxviii)	Maximum Performance:	[[•]/Not Applicable]
	Maximal Avkastning:	[[•]/Inte Tillämpligt]
(xxix)	Minimum Performance:	[[•]/Not Applicable]
	Minsta Avkastning:	[[•]/Inte Tillämpligt]
(xxx)	Lock-in Level(s):	[[•]/Not Applicable]
	Lock-in Nivå/er:	[[•]/Inte Tillämpligt]
	• Locked-in Return(s)	[Applicable/Not Applicable]
	• Lock-in Level [1/2/3 …n]	[•]
(xxxi)	Global Cap:	[[•]/Not Applicable]
	Globalt Tak:	[[•]/Inte Tillämpligt]
(xxxii)	Global Floor:	[[•]/Not Applicable]
	Globalt Golv:	[[•]/Inte Tillämpligt]
(xxxiii)	Initial Coupon:	[[•]/Not Applicable]
	Initial Kupong:	[[•]/Inte Tillämpligt]
(xxxiv)	Local Cap:	[[•]/Not Applicable]
	Lokalt Tak:	[[•]/Inte Tillämpligt]
(xxxv)	Local Floor:	[[•]/Not Applicable]
	Lokalt Golv:	[[•]/Inte Tillämpligt]
(xxxvi)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xxxvii)	Outperformance Option:	[Applicable/Not Applicable]
	Outperformance Option:	[Tillämpligt/Inte Tillämpligt]
(xxxviii)	Fixed Periodic Basket Return(s):	[[•]/Not Applicable]
	Fast Periodiserad Korgavkastning:	[[•]/Inte Tillämpligt]
(xxxix)	Fixed Reference Asset Return(s):	[[•]/Not Applicable]
	Fast Referenstillgångsavkastning	[[•]/Inte Tillämpligt]
(xl)	Coupon Barrier Level(s):	[[•]/Not Applicable]
	Kupong Barriärnivå(er):	[[•]/Inte Tillämpligt]
(xli)	Coupon:	[[•]/Not Applicable]

	Kupong:	[[•]/Inte Tillämpligt]
(xlii)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xliii)	I:	[[•]/Not Applicable]
	I:	[[•]/Inte Tillämpligt]
(xliv)	Inflation-Protected Principal:	[Applicable/Not Applicable]
	Inflationsskyddat Kapitalbelopp:	[Tillämplig/Inte Tillämpligt]
(xlv)	Fee Amount:	[[•]/Not Applicable]
	Avgifter:	[[•]/Inte Tillämpligt]
(xlvi)	Rebate:	[[•]/Not Applicable]
	Rabatt:	[[•]/Inte Tillämpligt]
(xlvii)	Target Volatility:	[[•]/Not Applicable]
	Eftersträvad Volatilitet:	[[•]/Inte Tillämpligt]
	• Minimum Adjustment Threshold:	[[•]/Not Applicable]
	• Lägsta Justeringströskel:	[[•]/Inte Tillämpligt]
	• Minimum Exposure:	[[•]/Not Applicable]
	• Minsta Exponering:	[[•]/Inte Tillämpligt]
	• Maximum Exposure:	[[•]/Not Applicable]
	• Högsta Exponering:	[[•]/Inte Tillämpligt]
	• Annualising Factor:	[[•]/Not Applicable]
	• Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
	• Second Annualising Factor:	[[•]/Not Applicable]
	• Andra Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
	• Initial Synthetic Index Value:	[[•]/Not Applicable]
	• Startvärde för Syntetiskt Index:	[[•]/Inte Tillämpligt]
	• Synthetic Index Strike Level:	[[•]/Not Applicable]
	• Syntetiska Index-strikenivån:	[[•]/Inte Tillämpligt]
	• Minimum Synthetic	[[•]/Not Applicable]

Index Return:	
• Lägsta Syntetiska Index-avkastningen:	[[•]/Inte Tillämpligt]
• Cash Rate:	[[•]/Not Applicable]
• Kontanträntan:	[[•]/Inte Tillämpligt]
• Cash Return Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
• Kontant Återbetalning Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xlviii) In Option – Basket Long:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
In Option – Basket Long:	[Tillämpligt/Inte Tillämpligt]
• Options-typ:	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
(xlvix) In Option – Basket Short:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
In Option – Basket Short:	[Tillämpligt/Inte Tillämpligt]
• Options-typ:	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
(xlx) Out Option – Basket Long:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
Out Option – Basket Long:	[Tillämpligt/Inte Tillämpligt]
• Options-typ:	[Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
(xlxi) Out Option – Basket Short:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
Out Option – Basket Short:	[Tillämpligt/Inte Tillämpligt]
• Options-typ:	Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
35. **Strategy-related items**	[Applicable/Not Applicable/Applicable for the purposes of Condition [•] only]
Strategirelaterade punkter	[Tillämplig/Inte Tillämpligt/Tillämpligt endast för Villkor [•]]

(i)	Best of/Worst of Modifier:	[Applicable/Not Applicable]
	Best of/Worst of Modifierare:	[Tillämplig/Inte Tillämpligt]
	• N:	[[•]/Not Applicable]
	• N:	[[•]/Inte Tillämpligt]
(ii)	TOM Cumulative Strategy:	[Applicable/Not Applicable]
	TOM Ackumulerande struktur:	[Tillämplig/Inte Tillämpligt]
	• Reference Rate:	[[•]/Not Applicable]
	• Referensränta:	[[•]/Inte Tillämpligt]
	• TOM Participation Ratio:	[[•]/Not Applicable]
	• TOM Deltagandegrad:	[[•]/Inte Tillämpligt]
	• Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
	• Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
	• TOM Commencement Date:	[•]
	• Startdatum för TOM	[•]
	• TOM End Date:	[•]
	• Slutdatum för TOM:	[•]
	• TOM Calculation Start Date:	[•] Scheduled Trading Days prior to the first Scheduled Trading Day in each calendar month
	• TOM Inledande Beräkningsdag:	[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation Start Date Averaging **TOM Inledande Beräkningsdag Medelvärdes-beräkning**	**Averaging Dates relevant to applicable TOM Calculation Start Date** **Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Inledande Beräkningsdag**
[Applicable/Not Applicable] [Tillämplig/Inte Tillämpligt]	[[•] Scheduled Trading Days prior to the first Scheduled Trading Day in each calendar month /Not Applicable]

	[[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad/ Inte Tillämpligt]

- TOM Calculation End Date: [•] Scheduled Trading Days following the first Scheduled Trading Day in each calendar month
- TOM Slutlig Beräkningsdag: [•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation End Date Averaging	**Averaging Dates relevant to applicable TOM Calculation End Date**
TOM Slutlig Beräkningsdag Medelvärdes-beräkning	**Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Slutlig Beräkningsdag**
[Applicable/Not Applicable]	[[•] Scheduled Trading Days following the first Scheduled Trading Day in each calendar month /Not Applicable]
[Tillämplig/Inte Tillämpligt]	[[•] Planerade Handelsdagar efter första Planerade Handelsdagen i varje månad/ Inte Tillämpligt]

- TOM Final Value Averaging: [Applicable/Not Applicable]
- TOM Slutvärde Medelvärdesberäkning: [Tillämplig/Inte Tillämpligt]
- TOM Final Value Averaging Dates: [The TOM Valuation Dates falling on [•] and [•]/Not Applicable]
- TOM Slutvärde Medelvärdesberäknings-dagar: [De TOM-Värderingsdagar som infaller den [•] och [•]/Inte Tillämpligt]
- Final TOM Period Performance Averaging: [Applicable/Not Applicable]
- Slutlig TOM-Period-Värdeutveckling Medelvärdesberäkning: [Tillämplig/Inte Tillämpligt]
- N: [[●]/Not Applicable]
- N: [[•]/Inte Tillämpligt]

(iii) Lookback Initial Price Modifier: [Applicable/Not Applicable]

Lookback Startkurs Modifierare: [Tillämplig/Inte Tillämpligt]

(iv) Lookback Final Price Modifier: [Applicable/Not Applicable]

Lookback Slutkurs Modifierare: [Tillämplig/Inte Tillämpligt]

(v) Lookback Return: [Basket Return/Reference Assets Return/Not Applicable]

Lookback-Avkastning: [Korgavkastning/Referenstillgångsavkastning/Inte Tillämpligt]

(vi) Lookback Factor: [Minimum/Maximum/Not Applicable]

Lookback-Faktor: [Minsta/Högsta/Inte Tillämpligt]

(vii) Lock-in Modifier: [Applicable. The relevant Lock-in Levels are specified in paragraph 34 above/Not Applicable]

Lock-in Modifier: [Tillämpligt. De relevanta Lock-in-Nivåerna är specificerade i punkten 34 ovan/Inte Tillämpligt]

(viii) Lock-in Basket Floor: [Applicable/Not Applicable]

Lock-in Korggolv: [Tillämplig/Inte Tillämpligt]

36. **Provisions relating to FX Components** [Applicable/Not Applicable]

Bestämmelser för Valutakomponenter [Tillämplig/Inte Tillämpligt]

(i) FX Component - Reference Asset: [Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]

Valutakomponent - Referenstillgång: [Tillämpligt/Inte Tillämpligt/Tillämpligt om den Korgavkastningen är positiv/Tillämpligt om summan av Korgavkastningen är negativ]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]
- Initial FX Valuation Date: [Reference Asset / Initial FX Valuation Date(s)]
- Startdag Valuta: [Referenstillgång / Startdag Valuta]

[•]	[•]
[•]	[•]
[•]	[•]

- FX Valuation Date(s): Reference Asset / FX Valuation Date(s)
- Värderingsdag Valuta: Referenstillgång / Värderingsdag Valuta

[•]	[•]
[•]	[•]

		[•] [•]]
•	FX Valuation Time:	[[•]/Not Applicable]
•	Värderingstidpunkt Valuta:	[[•]/Inte Tillämpligt]
•	FX Factor Long/Short:	[FX Factor – Long/FX Factor – Short/Not Applicable]
•	Valutafaktor Long/Short:	[Valutafaktor – Long/Valutafaktor – Short/Inte Tillämpligt]
•	Initial FX Rate:	[[•]/As set out in the Base Prospectus]
•	Valutastartkurs:	[[•]/Såsom framgår av Grundprospektet]
•	Final FX Rate:	[[•]/As set out in the Base Prospectus]
•	Valutaslutkurs:	[[•]/Såsom framgår av Grundprospektet]
(iii)	FX Component – Additional Amount:	[Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]
	Valutakomponent – Tilläggsbelopp:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Korgavkastningen är positiv/Tillämpligt om Korgavkastningen är negativ]
•	FX Rate:	[[•]/Not Applicable]
•	Valutakurs:	[[•]/Inte Tillämpligt]
•	Initial FX Valuation Date:	**[Additional Amount** / **Initial FX Valuation Date(s)** [•] / [•] [•] / [•] [•] / [•]
•	Initial Valutakursvärderingsdag:	**[Tilläggsbelopp** / **Initial Valutakursvärderings dag** [•] / [•] [•] / [•] [•] / [•] [•] / [•]]
•	FX Valuation Time:	[[•]/Not Applicable]
•	Valutakursvärderingstidpunkt:	[[•]/Inte Tillämpligt]
•	FX Factor Long/Short:	[FX Factor – Long/FX Factor – Short/Not Applicable]

- Valutakursfaktor Long/Short: [Valutakursfaktor – Long/Valutakursfaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Initial Valutakurs: [[•]/Såsom angiven i Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Slutlig Valutakurs: [[•]/Såsom angiven i Grundprospektet]

(iv) FX Component – Base Redemption Amount: [Applicable/Not Applicable]

Valutakomponent – Basåterbetalningsbelopp: [Tillämpligt /Inte Tillämpligt]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]
- Initial FX Valuation Date:

Initial FX Valuation Date(s)	**FX Valuation Date(s)**
[•]	[•]
[•]	[•]
[•]	[•]

Initial FX Valuation Date:

Initial Valutakursvärderings dag	**Valutakursvärderings dag(ar)**
[•]	[•]
[•]	[•]
[•]	[•]

- FX Valuation Time: [[•]/Not Applicable]
- Valutakursvärderingstidpunkt: [[•]/Inte Tillämpligt]
- FX Factor Long/Short: [FX Factor – Long/FX Factor – Short/Not Applicable]
- Valutakursfaktor Long/Short: [Valutakursfaktor – Long/Valutakursfaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Initial Valutakurs: [[•]/Såsom angiven i Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Slutlig Valutakurs: [[•]/Såsom angiven i Grundprospektet]

(v) FX Component - Composite: [Applicable/Not Applicable]

Valutakomponent – Sammansatt: [Tillämpligt/Inte Tillämpligt]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]
- Initial FX Valuation Date:

[Reference Asset	**Initial FX Valuation Date(s)**
[•]	[•]
[•]	[•]
[•]	[•]

- Initial Valutakursvärderingsdag:

[Referenstillgång	**Initial Valutakursvärderings dag**
[•]	[•]
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time: [[•]/Not Applicable]
- Valutakursvärderingstidpunkt: [[•]/Inte Tillämpligt]
- FX Factor Long/Short: [FX Factor – Long/FX Factor – Short/Not Applicable]
- Valutakursfaktor Long/Short: [Valutakursfaktor – Long/Valutakursfaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Initial Valutakurs: [[•]/Såsom angiven i Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Slutlig Valutakurs: [[•]/Såsom angiven i Grundprospektet]

37. **Provisions relating to Inflation-Linked Notes:** [Applicable/Not Applicable]

Bestämmelser för Inflationslänkade Lån [Tillämpligt/Inte Tillämpligt]

(i) Inflation-Protected Principal: [[•]/Not Applicable]

Inflationsskyddat Kapital: [[•]/Inte Tillämpligt]

(ii) Inflation Rate: [[•]/Not Applicable]

Inflationstakt: [[•]/Inte Tillämpligt]

(iii) Final CPI: [[•]/Not Applicable]

Slutlig KPI: [[•]/Inte Tillämpligt]

38. **Provisions relating to Credit Linked** [Applicable/Not Applicable]

Notes:

Bestämmelser för Kreditlänkade Lån		[Tillämpligt/Inte Tillämpligt]
(i)	Observation Start Date:	[[•]/Not Applicable]
	Observationsstartdatum:	[[•]/Inte Tillämpligt]
(ii)	Observation End Date:	[[•]/Not Applicable]
	Observationsslutdatum:	[[•]/Inte Tillämpligt]
(iii)	Portfolio Exposure:	[[•] [in respect of Basket A/B]/Not Applicable]
	Portföljexponering:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(iv)	Fixed Recovery Value:	[[•] [in respect of Basket A/B]/Not Applicable]
	Fast Återbetalningsbelopp:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(v)	Market Recovery Value:	[Applicable/[in respect of Basket A/B]/Not Applicable]
	Marknadsåterbetalningsbelopp:	[Tillämpligt/[i förhållande till korg A/B]/Inte Tillämpligt]
(vi)	Tranche Attachment Point:	[[•] [in respect of Basket A/B]/Not Applicable]
	Fästpunkt Tranch:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(vii)	Tranche Detachment Point:	[[•] [in respect of Basket A/B]/Not Applicable]
	Avskiljningspunkt Tranch:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(viii)	Restructuring Amount:	[[•]/Not Applicable]
	Omläggning av Skulder – Belopp:	[[•]/Inte Tillämpligt]
(ix)	Replacement Reference Entity:	[Applicable/Not Applicable]
	Ersättande Referensenhet:	[Tillämpligt/Inte Tillämpligt]
(x)	Obligation Acceleration Amount:	[[•]/Not Applicable]
	Uppsägning av Åtagande – Belopp:	[[•]/Inte Tillämpligt]
(xi)	Failure to Pay Amount:	[[•]/Not Applicable]
	Utebliven Betalning – Belopp:	[[•]/Inte Tillämpligt]
(xii)	Default Requirement:	[[•]/Not Applicable/As set out in the Conditions]
	Defaultkrav:	[[•]/Såsom framgår av Grundprospektet]
(xiii)	Credit Events:	[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration/Not Applicable]
	Kredithändelser:	[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförfarande/ Myndighetsingripande/ Avstående/Moratorium/ Uppsägning av Åtagande/ Inte Tillämpligt]

(xiv)	Target Redemption Amount:	[[•][in respect of Basket A/B]/Not Applicable]
	Eftersträvat Återbetalningsbelopp:	[[•][i förhållande till Korg A/B]/Inte Tillämpligt]
(xv)	Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
(xvi)	Credit Event Ranked Basket Participation:	[Applicable/Not Applicable]
	Kredithändelserankad Korgandel:	[Tillämpligt/Inte Tillämpligt]

	Credit Event (*in order of occurrence*) **Kredithändelse** (*i kronologisk ordning*)	**Weighting** **Viktning**
• Credit Event Ranked Weight:		
• Kredithändelserankad vikt:	1	[•]%
	2	[•]%
	3	[•]%
	N	[•]%

(xvii)	Scheduled Redemption Date:	[[•]/Not Applicable]
	Planerad Återbetalningsdag:	[[•]/Inte Tillämpligt]
(xviii)	Back Stop Date:	[[•]/Not Applicable]
	Back Stop-Datum:	[[•]/Inte Tillämpligt]
(xix)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xx)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xxi)	Factor 1:	[[•]/Not Applicable]
	Faktor 1:	[[•]/Inte Tillämpligt]
(xxii)	Factor 2:	[[•]/Not Applicable]
	Faktor 2:	[[•]/Inte Tillämpligt]
(xxiii)	Factor 3:	[[•]/Not Applicable]
	Faktor 3:	[[•]/Inte Tillämpligt]
(xxiv)	Factor 4:	[[•]/Not Applicable]
	Faktor 4:	[[•]/Inte Tillämpligt]
(xxv)	Strike 1:	[[•]/Not Applicable]
	Strike 1:	[[•]/Inte Tillämpligt]

(xxvi)	Strike 2:	[[•]/Not Applicable]
	Strike 2:	[[•]/Inte Tillämpligt]
(xxvii)	Strike 3:	[[•]/Not Applicable]
	Strike 3:	[[•]/Inte Tillämpligt]
(xxviii)	Strike 4:	[[•]/Not Applicable]
	Strike 4:	[[•]/Inte Tillämpligt]
(xxix)	Indicator 1:	[[•]/Not Applicable]
	Indikator 1:	[[•]/Inte Tillämpligt]
(xxx)	Indicator 2:	[[•]/Not Applicable]
	Indikator 2:	[[•]/Inte Tillämpligt]
(xxxi)	Indicator 3:	[[•]/Not Applicable]
	Indikator 3:	[[•]/Inte Tillämpligt]
(xxxii)	Indicator 4:	[[•]/Not Applicable]
	Indikator 4:	[[•]/Inte Tillämpligt]
(xxxiii)	Trigger Percentage:	[[•]/Not Applicable]
	Triggerandel:	[[•]/Inte Tillämpligt]
39.	**Provisions relating to Fund Linked Notes:**	[Applicable/Not Applicable]
	Bestämmelser för Fondlänkade Lån	[Tillämpligt/Inte Tillämpligt]
(i)	Fund:	[[•]/Not Applicable]
	Fond:	[[•]/Inte Tillämpligt]
(ii)	Fund Manager:	[[•]/Not Applicable]
	Fondförvaltare:	[[•]/Inte Tillämpligt]
(iii)	Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
IV.	**INSTALMENT AND EARLY REDEMPTION**	**[APPLICABLE/NOT APPLICABLE]**
	AVBETALNING OCH FÖRTIDA INLÖSEN	**[TILLÄMPLIGT/INTE TILLÄMPLIGT]**
		[Items 40-46 have been intentionally omitted][23]
		[Punkterna 40-46 har medvetet utelämnats]
40.	Instalment Redemption	[[•]/Not Applicable]
	Avbetalning	[[•]/Inte Tillämpligt]

[23] Include where instalment and early redemption provisions are marked as "Not Applicable"

	(i) Instalment Amount:	[[•] per Calculation Amount/Not Applicable]
	(i) Avbetalningsbelopp:	[[•] per Beräkningsbelopp/Inte Tillämpligt]
	(ii) Instalment Date(s):	[[•]/Not Applicable]
	(ii) Avbetalningsdatum:	[[•]/Inte Tillämpligt]
41.	Optional Early Redemption (Call)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Call)	[Tillämpligt/Inte Tillämpligt]
	(i) Early Redemption Date(s):	[[•]/Not Applicable]
	(i) Förtida Återbetalningsdatum:	[[•]/Inte Tillämpligt]
	(ii) Early Redemption Amount(s) of each Note:	[•] per Calculation Amount
	(ii) Förtida Återbetalningsbelopp per Lån:	[•] per Beräkningsbelopp
42.	Optional Early Redemption (Put)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Put)	[Tillämpligt/Inte Tillämpligt]
	(i) Early Redemption Date(s):	[[•]/Not Applicable]
	(i) Förtida Återbetalningsdatum:	[[•]/Inte Tillämpligt]
	(ii) Early Redemption Amount(s) of each Note:	[•] per Calculation Amount
	(ii) Förtida Återbetalningsdatum:	[•]
43.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:	[•] per Calculation Amount
	Förtida Återbetalningsbelopp per Beräkningsbelopp att betalas vid återbetalning av skatteskäl	[•] per Calculation Amount
44.	Substantial Repurchase Event	[Applicable/Not Applicable]
	Väsentlig Återköpshändelse	[Tillämpligt/Inte Tillämpligt]
45.	Early Redemption Date(s) of Notes with "Autocallable" or "Autocallable Rate" performance structure:	[[•]/Not Applicable]
	Förtida Återbetalningsdatum för Lån med "Autocallable" eller "Autocallable-nivå" värdeutecklingsstruktur	[[•]/Inte Tillämpligt]
	• Call Barrier Level:	[[•]/Not Applicable]
	• Inlösenbarriärnivå:	[[•]/Inte Tillämpligt]
46.	Payment of Unwind Amount on Early Redemption:	[Applicable/Not Applicable]
	Betalning av Korrigeringsbelopp vid	[Tillämpligt/Inte Tillämpligt]

Förtida Återbetalning:

V. PROVISIONS APPLICABLE TO DISRUPTION, ADJUSTMENTS AND OTHER EXTRAORDINARY EVENTS.

BESTÄMMELSER TILLÄMPLIGA FÖR AVBROTT, JUSTERINGAR OCH ANDRA EXTRAORDINÄRA HÄNDELSER.

47.	Change in Law:	[As set out in the Conditions/Not Applicable]
	Ändring av Lag:	[Såsom framgår av Villkoren/Inte Tillämpligt]
48.	Increased Costs of Hedging:	[As set out in the Conditions/Not Applicable]
	Ökade Riskhanteringskostnader:	[Såsom framgår av Villkoren/Inte Tillämpligt]
49.	Hedging Disruption:	[As set out in the Conditions/Not Applicable]
	Störning av Riskhantering:	[Såsom framgår av Villkoren/Inte Tillämpligt]
50.	Market Disruption:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott:	[Såsom framgår av Villkoren/Inte Tillämpligt]
51.	Market Disruption Commodity:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
52.	Disruption Currency:	[As set out in the Conditions/Not Applicable]
	Valutastörning:	[Såsom framgår av Villkoren/Inte Tillämpligt]
53.	Calculation Adjustment:	[As set out in the Conditions/Not Applicable]
	Beräkningsjustering:	[Såsom framgår av Villkoren/Inte Tillämpligt]
	[Number of Exchange Business Days:	[•]/As set out in the Conditions]
	[Antal Valutahandelsdagar:	[•]/Såsom angivet i Villkoren]
54.	Corrections:	[As set out in the Conditions/Not Applicable]
	Korrigeringar:	[Såsom framgår av Villkoren/Inte Tillämpligt]
55.	Correction Commodity:	[As set out in the Conditions/Not Applicable]
	Korrigering Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
56.	Correction Currency:	[As set out in the Conditions/Not Applicable]
	Korrigeringar Valuta:	[Såsom framgår av Villkoren/Inte Tillämpligt]
57.	Extraordinary Events:	[As set out in the Conditions/Not Applicable]
	Extraordinära Händelser	[Såsom framgår av Villkoren/Inte Tillämpligt]
58.	Rate Option Fall Back:	[As set out in the Conditions/Not Applicable]
	Ränteoption Fallback:	[Såsom framgår av Villkoren/Inte Tillämpligt]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

GENERELLA BESTÄMMELSER FÖR LÅNEN

59.	Form of Notes:	[Bearer Notes:]
	Typ av Lån:	[Fysiska Lån:]
		[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot ett Permanent Globalt Lån vilket är utbytbart mot Definitiva Lån vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Temporary Global Note exchangeable for Definitive Notes]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån]
		[Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån med [•] dagars varsel/vid var tid/vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Swiss Franc Notes]
		[Lån i Schweiziska Franc]
		[Registered Notes:]
		[Registrerade Lån:]
		Global Registered Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is held under the New Safekeeping Structure)]
		Globalt Registrerat Lån registrerat i förvaltares namn för [en "common depositary" för Euroclear och Clearstream, Luxembourg/en "common safekeeper" för Euroclear och Clearstream, Luxembourg (som hålls under den Nya Förvaringsstrukturen)]
		[VP Notes]
		[VP Lån]
		[The Notes are VP Notes in uncertificated and dematerialised book entry form]

		[Lånen är VP Lån i dematerialiserad och kontoförd form]
		[VPS Notes]:
		[VSP Lån]:
		[The Notes are VPS Notes in uncertificated and dematerialised book entry form]
		[Lånen är VPS Lån i dematerialiserad och kontoförd form]
		[Swedish Notes]
		[Svenska Lån]
		[The Notes are Swedish Notes in uncertificated and dematerialised book entry form]
		[Lånen är Svenska Lån i dematerialiserad och kontoförd form]
		[Finnish Notes]
		[Finska Lån]
		[The Notes are Finnish Notes in uncertificated and dematerialised book entry form]
		[Lånen är Finska Lån i dematerialiserad och kontoför form]
60.	New Global Note:	[Yes] [No]
	Nytt Globalt Lån:	[Ja] [Nej]
61.	Additional Financial Centre(s) or other special provisions relating to payment dates:	[[•]/Not Applicable]
	Ytterligare Finansiella Center eller andra särskilda bestämmelser relaterade till betalningsdatum:	[[•]/Inte Tillämpligt]
62.	Calculation Agent:	[[•]/Not Applicable]
	Beräkningsagent:	[[•]/Inte Tillämpligt]
63.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No.]
	Talonger för framtida Kuponger eller Kvitton som ska fästas vid Definitiva Lån (och datum då sådana Talonger förfaller):	[Ja/Nej.]
64.	Governing Law:	[English Law/ Finnish Law/ Swedish Law/ Norwegian Law/

Danish Law]

Gällande Lag: [Engelsk Lag/
Finsk Lag/
Svensk Lag/
Norsk Lag/
Dansk Lag]

[PURPOSE OF FINAL TERMS

[SYFTE MED SLUTLIGA VILLKOR

These Final Terms comprise the final terms required for the issue [and admission to trading on the regulated market of the Irish Stock Exchange] of the Notes described herein pursuant to the €15,000,000,000 Structured Note Programme of Nordea Bank AB (publ) and Nordea Bank Finland Plc.

Dessa Slutliga Villkor omfattar de slutliga villkor som erfordras för utgivandet [och upptagande till handel på den reglerade marknaden vid Irish Stock Exchange av Lånen som beskrivs häri enligt det €15 000 000 000 Strukturerade Lån Programmet med Nordea Bank AB (publ) och Nordea Bank Finland Plc. som emittent]

RESPONSIBILITY

ANSVAR

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Emittenten åtar sig ansvar för den informationen som innefattas i dessa Slutliga Villkor. [*Relevant information från tredje man*] har hämtats från [*specificera källa*]. Emittenten bekräftar att sådan information har återgivits korrekt och att, såvitt Emittenten känner till, och har möjlighet att bekräfta genom information som publicerats av [*specificera källa*], inga fakta har utelämnats som skulle innebära att den återgivna informationen är felaktig eller misvisande.

Signed on behalf of [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

Undertecknas för [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

By: .....
Duly authorised

Av: .....
Behörigen utsedd

PART B – OTHER INFORMATION

DEL B – ÖVRIG INFORMATION

1.	**LISTING AND ADMISSION TO TRADING**	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application will be made for the Notes to be listed on the SIX Swiss Exchange. Application has been made for the Notes to be admitted to trading on [SIX Structured Products (formerly Scoach Switzerland)] [in the case of derivatives]/[the SIX Swiss Exchange] [in the case of bonds] with effect from [•]/other.] The last trading day is expected to be on [•].] [Not Applicable.]
	LISTNING OCH UPPTAGANDE TILL HANDEL	[Ansökan har gjorts av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid Irish Stock Exchange/Nasdaq Stockholm/Nasdaq OMX Helsinki] samt handlas från och med [•].] [Ansökan förväntas ges in av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq OMX Helsinki] samt handlas från och med [•].] [Ansökan ska göras för att Lånen ska listas på SIX Swiss Exchange. Ansökan har gjorts för att Lånen ska tas upp till handel på [SIX Structured Products (för detta Scoach Schweiz)] [såvitt avser derivat]/[SIX Swiss Exchange] [såvitt avser obligationer] samt handlas från och med [•]/annat]. Sista handelsdag beräknas vara [•].] [Inte Tillämpligt].
2.	**RATINGS**	The Notes to be issued have not been rated.
	BETYG	Lånen som ska emitteras har inte givits något kreditbetyg.

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

INTRESSEN FRÅN FYSISKA OCH JURIDISKA PERSONER SOM ÄR INVOLVERADE I EMISSIONEN/ERBJUDANDET

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."] (*Amend as appropriate if there are other interests)*

[(When adding any other description, consideration should be given as to whether such matters

described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

Inkludera beskrivning av alla intressen, inklusive intressekonflikter, vilka är av materiell betydelse för emissionen/erbjudandet, som beskriver de personer som är involverade och vilken typ av intresse det rör sig om.

"Utöver beskrivningen i ["Teckning och Försäljning"], har, såvitt Emittenten känner till, ingen person som är involverad i erbjudandet av Lånen något väsentligt intresse i erbjudandet."] (*Ändras om det finns andra intressen*)

[(När någon annan beskrivning läggs till, ska det övervägas om sådana beskrivningar utgör sådana "nya omständigheter" som aktualiserar behovet av ett tillägg till Prospektet under Artikel 16 i Prospektdirektivet.)]

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

SKÄL FÖR ERBJUDANDET, BERÄKNADE NETTOLIKVID OCH TOTALA KOSTNADER

[(i)	Reasons for the offer:	[•]
[(i)	Skäl för erbjudandet:	[•]
[(ii)]	Estimated net proceeds:	[•]
[(ii)]	Beräknad nettolikvid:	[•]
[(iii)]	Estimated total expenses:	[•]
[(iii)]	Beräknade totala kostnader:	[•]

5. **[*Fixed Rate Notes only* – YIELD**

[*Lån med Fast Ränta enbart* - AVKASTNING

Indication of yield:	Indicatively [•] but in no event lower than [•]
Indikation om avkastning:	Indikativt [•] men inte lägre än [•]

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

[*Lån med Rörlig Ränta enbart* – HISTORISKA RÄNTENIVÅER

Details of historic [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR/CDOR] rates can be obtained from [Reuters].]

Uppgifter om historiska nivåer avseende [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR/CDOR] kan erhållas från [Reuters].]

7. ***[Index-linked or other variable-linked notes only* – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, AND OTHER INFORMATION CONCERNING THE UNDERLYING**

***Indexlänkade eller andra variabellänkade lån endast* – VÄRDEUTVECKLING FÖR INDEX/FORMULA/ANDRA VARIABLER, OCH ANNAN INFORMATION OM DET UNDERLIGGANDE**

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.[24]*]*

Uppgifter om när tidigare och framtida värdeutveckling och volatilitet av index/formula/andra variabler kan erhållas.[25]*]*

Basket **Korg**	**Reference Asset(s)** **Referenstillgång(ar)**	**Basket Participation** **Korgandel**	**Stock Exchange and Options or Futures Exchange** **Aktiebörs och Options- eller Terminsbörs**	**Initial Price** **Startkurs**	**Strike Level** **Lösenprisnivå**	**Source for past and future performance data** **Källa för historisk och framtida prestationsdata**
[Basket A] [/Single Basket] [Korg A] [/Enskild Korg]	[●]	[●]	[●]	[●]/ [As determined in accordance with the Conditions set out in the Base Prospectus] [●]/ [Bestämd i enlighet med villkoren i Grundprospektet]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]	[●]

Basket **Korg**	**Reference Entity(ies) (Interest)/ Reference Entity(ies)/ Reference Entity(ies) (Interest)** **Referensenhet(er) (Ränta)/ Referensenhet(er)/ Referensenhet(er) (Ränta)**	**Basket Participation (Interest)/ Basket Participation** **Korgandel (Ränta)/Korgandel**	**Observation Start Date** **Startdatum för Observation**	**Observation End Date** **Slutdatum för Observation**	**Source for past and future performance data** **Källa för historiska och framtida prestationsdata**
[Basket A] [Korg A]	[●]	[●]	[●]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]

[24] Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

[25] Erfordras för derivatvärdepapper till vilka Annex XII i Prospektdirektivsförordningen är tillämpligt.

[Option] [Val]	CDS	CDS Maturity and Convention Spread CDS- förfallodag och CDS-konventionsspread	CDS Factor CDS-faktor	Reference Entities/Index Referensenheter/ Index	Source for past and future performance data Källa för historiska och framtida prestationsdata
[Option1] [Val 1]	[●]	[●]	[●]	[●]	[●]
[Option 2] [Val 2]	[●]	[●]	[●]	[●]	[●]
[Option 3] [Val 3]	[●]	[●]	[●]	[●]	[●]
[Option 4] [Val 4]	[●]	[●]	[●]	[●]	[●]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information][26].

[CDS-förfallodag: [•]]

Emittenten [avser att tillhandahålla information efter emissionen [*specificera vilket information som kommer rapporteras och var den går att ta del av*]] [avser inte att tillhandahålla någon information efter emissionen.][27].

8. **FURTHER DETAILS OF BASKET PARTICIPATION**

YTTERLIGARE UPPGIFTER FÖR KORGANDEL

Basket Participation (Interest):

Korgandel (Ränta):

- Fixed Basket Participation (Interest): [Applicable/Not Applicable]
- Fast Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** *(Bäst värdeutveckling först)*	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket Participation (Interest): [Applicable/Not Applicable]

[26] Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

[27] Erfordras för derivatvärdepapper till vilka Annex XII till Prospektdirektivsförordningen är tillämpligt.

- Ersättande Periodsumme Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation (Interest): [Applicable/Not Applicable]
- Korgandel Momentum (Ränta): [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

Basket Participation:

Korgandel:

- Fixed Basket Participation: [Applicable/Not Applicable]
- Fast Korgandel: [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation: [Applicable/Not Applicable]
- Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** (*Bäst värdeutveckling först*)	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket Participation: [Applicable/Not Applicable]
- Ersättande Periodsumme Korgandel: [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation: [Applicable/Not Applicable]
- Korgandel Momentum: [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation: [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

9. OPERATIONAL INFORMATION

OPERATIONELL INFORMATION

ISIN Code:	[•]
ISIN Kod:	[•]
Common Code:	[•]
[Swiss Security Number:	[•]]
[Schweiziskt Säkerhetsnummer:	[•]]
[Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No]
[Avsedd att hållas på ett sätt som skulle möjliggöra Eurosystem-tillgängligthet]	[Ja] [Nej]

[Note that the designation "yes" means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][28] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

[Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common Safekeeper]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][29]

[Notera att valet "ja" innebär att Lånen är avsedda att från utgivandet förvaras vid någon ICSD som "common safekeeper" [och förvaltarregistreradevid den ICSD som är "common safekeeper",] [30] och innebär inte nödvändigtvis att Lånen kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags kredithantering av Eurosystem, varken vid

[28] Insert this text for registered notes.

[29] Include this text if "yes" is selected, in which case bearer Notes must be issued in NGN form.

[30] Inkludera denna text för registrerade lån.

	utgivandet eller vid var annan tid under deras livstid. Sådant erkännande kommer vara avhängigt uppfyllandet av Eurosystems användbarhetskriterier.] [Även om valet "nej" har gjorts vid datumet för dessa Slutliga Villkor, kan Lånen förvaras hos en ICSD som "common safekeeper" [och förvaltarregistreras av den ICSD som är "common safekeeper"], om Eurosystems kriterier för tillgänglighet ändrats framöver på ett sådant sätt att Lånen uppfyller dem. Notera att detta inte nödvändigtvis innebär att Lånen då kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags kredithantering av Eurosystem vid någon tid under deras livstid. Sådant erkännande kommer vara avhängigt att ECB är tillfredsställda med Eurosystems användbarhetskriterier.] [31]
Clearing system(s) [and identification number, if applicable]:	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Clearingsystem [och identifikationsnummer, om tilläpligt]:	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Name(s) and address(es) of additional [Paying Agent(s) / VP Issuing Agent(s) / VPS Paying Agent(s) / Swedish Issuing Agent(s) / Swiss Paying Agent(s)] (if any):	Not applicable / *Give name and address*
Namn och adress till ytterligare [Betalningsagent / VP-Administrerande Institut / VPS-Betalningsagent / Svenskt Administrerande Institut / Schweizisk Betalningsagent] (om någon)	Inte tillämpligt / *Ange namn och adress*

10. **DISTRIBUTION**

DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(i)	Distributionsmetod:	[Syndikerat/Icke-Syndikerat]
(ii)	If syndicated:	[Not Applicable]
(ii)	Om syndikerat:	[Inte Tillämpligt]
(a)	Names and addresses of Managers and underwriting commitments:	[•]
(a)	Namn och adresser till Managers och åtaganden avseende	[•]

[31] Inkludera denna text om "ja" anges, i vilket fall Innehavarlån måste vara emitterade i NGN-form.

	underwriting:	
(b)	Date of subscription agreement:	[•]
(b)	Datum för teckningsavtal:	[•]
(c)	Stabilising Manager(s) (if any):	[Not Applicable/[•]]
(c)	Stabiliserande Manager(s) (om några):	[Inte Tillämpligt/[•]]
(iii)	If non-syndicated, name and address of Dealer:	[Not Applicable]
(iii)	Om icke-syndikerat, namn och adress till Försäljare:	[Inte Tillämpligt]
(a)	Name and address of Dealer:	[•]
(a)	Namn och adress till Försäljare:	[•]
(b)	Date of subscription agreement:	[•]
(b)	Datum för avtal om tecknande:	[•]
(iv)	Indication of the overall amount of the underwriting commission and of the placing commission:	[•] per cent. of the Aggregate Nominal Amount
(iv)	Indikation om det sammanlagda beloppet av kommission för underwriting och placering	[•] procent av det Sammanlagda Nominella Beloppet
(v)	U.S. Selling Restrictions:	[TEFRA C/TEFRA D/Not Applicable]
(v)	Försäljningsrestriktioner USA:	[TEFRA C/TEFRA D/Inte Tillämpligt] [(In the case of Swiss Franc Notes) – TEFRA D in accordance with usual Swiss practice] [(För Lån i Schweiziska Franc) – TEFRA D i enlighet med Schweizisk sedvanlig praxis]
(vi)	Public Offer:	[The Issuer does not consent to the use of the Base Prospectus in connection with a Public Offer of the Notes by any person.] [The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Notes during the period from and including *[specify date]* to but excluding *[specify date]* (the "**Offer Period**") in *[specify relevant Member State(s) –*

which must be jurisdictions where the Base Prospectus and any supplements have been passported] ("**Public Offer Jurisdictions**") by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and which has agreed to comply with the Authorised Offeror Terms set out in the Base Prospectus [and the additional following conditions: [*set out clear and objective conditions*].

The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Notes during the period from and including *[specify date]* to but excluding *[specify date]* (the "**Offer Period**") by [*insert names of financial intermediaries*] specified in *[specify relevant Member State(s) – which must be jurisdictions where the Base Prospectus and any supplements have been passported*] ("**Public Offer Jurisdictions**") [and subject to the Authorised Offeror Terms set out in the Base Prospectus and the following conditions: [*set out clear and objective conditions*], for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC).

(vi) Erbjudande till Allmänheten: [Emittenten samtycker inte till användning av Grundprospektet i samband med ett Erbjudande till Allmänheten av Lånen från någon person.]

[Emittenten samtycker till användandet av Grundprospektet i samband med ett Erbjudande till Allmänheten av Lånen under perioden från och med [*ange datum*] till, men exklusive, [*ange datum*] ("**Erbjudandeperioden**") {XE "Erbjudandeperioden"}") i [*ange relevant(a) Medlemsstat(er) – vilka måste vara jurisdiktioner dit Grundprospektet och eventuella tillägg har passporterats*] (**Erbjudande till Allmänheten - Jurisdiktioner** { XE "Erbjudande till Allmänheten - Jurisdiktioner" }") av någon finansiell mellanhand som är auktoriserad att göra sådana erbjudanden under Direktivet om Marknader för Finansiella Instrument (Direktiv 2004/39/EG) och som har åtagit sig att följa villkoren för Auktoriserade Säljare som framställts i Grundprospektet [och de följande ytterligare villkoren: [*ange tydliga och objektiva villkor*].

[Emittenten sammtycker till användandet av Grundprospektet i samband med ett Erbjudande till Allmänheten av Lånen under perioden från och med [*ange datum*] till, men exklusive, [*ange datum*] ("**Erbjudandeperioden**") {XE "Erbjudandeperioden"}") av [*ange namn på finansiella mellanhänder*] specificerade i [*ange relevant(a) Medlemsstat(er) – vilka måste vara jurisdiktioner dit Grundprospektet och eventuella tillägg har passporterats*] (**Erbjudande till**

Allmänheten - Jurisdiktioner { XE " Erbjudande till Allmänheten - Jurisdiktioner" }") [i enlighet med villkoren för Auktoriserade Säljare och följande villkor: [*ange tydliga och objektiva villkor*], under förutsättning att de är auktoriserade att göra sådana erbjudanden under Direktivet om Marknader för Finansiella Instrument (Direktiv 2004/39/EG).

11. **TERMS AND CONDITIONS**

VILLKOR

Offer Price:	[•]
Pris för Erbjudandet:	[•]
Conditions to which the offer is subject:	[Not Applicable/[•]] [The Issuer reserves its rights to cancel the offer under the following circumstances; (a) if the aggregate principal amount of Notes subscribed on or before [*insert date*] is less than [*insert amount*]; (b) if the [*insert relevant variable*] cannot be set at [*relevant value corresponding to the indicated minimum value];* or (c) if any event of an economic, financial or political nature occurs and which may jeopardise a successful offer, as determined by the Issuer]. [The Issuer may also replace any Reference Asset listed in the table(s) above at any time on or prior to [*insert date*] with a comparable type of underlying Reference Asset].
Villkor för erbjudandet:	[Inte Tillämpligt/[•]] [Emittenten förbehåller sig rätten att dra tillbaka erbjudandet under följande omständigheter; (a) om det sammanlagda beloppet av Lån som tecknats på eller före [*ange datum*] är lägre än [*ange belopp*]; (b) om [*ange relevant variabel*] inte kan anges till [*relevant värde som korresponderar till det indikerade lägsta värdet*]; eller (c) om någon händelse av ekonomisk, finansiell eller politisk natur inträffar och som kan äventyra ett framgångsrikt erbjudande, enligt Emittentens bedömning].

	[Emittenten kan också ersätta varje Referenstillgång som listas i tabellerna ovan vid var tid på eller före [*ange datum*] med en jämförbar typ av underliggande Referenstillgång.
Description of the application process:	[Not Applicable/[•]]
Beskrivning av ansökningsprocessen:	[Inte Tillämpligt/[•]]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/[•]]
Beskrivning av möjligheten att reducera antalet teckningar och metod för att återbetala överstigande belopp som har betalats av kandidater.	[Inte Tillämpligt/[•]]
Details of the minimum and/or maximum amount of application:	[Not Applicable/[•]]
Uppgifter om det minsta och/eller högsta antalet ansökningar:	[Inte Tillämpligt/[•]]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/[•]]
Uppgifter om metoden och tidsbegränsningar för att betala och leverera Lånen:	[Inte Tillämpligt/[•]]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/[•]]
Metod för och datum när resultat av erbjudandet kommer offentliggöras till allmänheten:	[Inte Tillämpligt/[•]]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/[•]]
Procedur för att utnyttja rättigheter för förköpsrätt, förhandling av teckningsrätter och behandling av teckningsrätter som inte har utnyttjats:	[Inte Tillämpligt/[•]]
whether tranche(s) have been reserved for certain countries:	[Not Applicable/[•]]
huruvida trancher har reserverats för särskilda länder:	[Inte Tillämpligt/[•]]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/[•]]
Process för att underrätta kandidater om det tilldelade belopp och om handel kan komma att påbörjas före	[Inte Tillämpligt/[•]]

det att underrättelse har skett:

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable/[In connection with the issuance of this type of notes, the Issuer incurs costs for, among other things, production, distribution, licences, stock exchange listing and risk management. In order to cover these costs, the Issuer charges brokerage fees and commission. The commission is included in the price and will amount to a maximum of [ ] per cent per year, calculated on the price of the Notes].
Belopp av utgifter och skatter som särskilt kan tas ut av tecknare eller köpare:	[Inte Tillämpligt/[I samband med utgivningen av denna typ av Lån har Emittenten kostnader för bland annat produktion, distribution, licenser, börsnotering och riskhantering. För att täcka dessa kostnader tar Emittenten ut courtage och arrangörsarvode. Arrangörsarvodet inkluderas i priset och uppgår maximalt till [ ] procent per år, beräknat på Lånets pris].
Name(s) and address(es), to the extent known to the Issuer, of the Authorised Offerors in the various countries where the offer takes place.	[None/[•]] [Address: [[•]]
Namn och adress(er), i den utsträckning som Emittenten känner till, till Auktoriserade Säljare i de olika länder där erbjudanden sker.	[Inget/[•]] [Adress: [[•]]

12. [***Swiss Franc Notes only*** **– DOCUMENTS AVAILABLE**

[***Lån i Schweiziska Franc enbart*** **–TILLGÄNGLIGA DOKUMENT**

Copies of the Final Terms and the Base Prospectus are available [at UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Switzerland (tel: +41 44 239 47 03, fax: +41 44 239 21 11 or email: swiss-prospectus@ubs.com) / from the offices of Credit Suisse AG at Uetlibergstrasse 231, 8070 Zürich, Switzerland].]

Kopior av de Slutliga Villkoren och Grundprospektet finns tillgängligt [vid UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Schweiz (tel: +41 44 239 47 03, fax: +41 44 239 21 11 eller epost: swiss-prospectus@ubs.com) / från Credit Suisse AG kontor vid Uetlibergstrasse 231, 8070 Zürich, Schweiz].]

13. [***Swiss Franc Notes only*** **– REPRESENTATIVE**

[*Lån i Schweiziska Franc enbart* – REPRESENTANT

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, [•] has been appointed by the Issuer as representative to lodge the listing application with the Admission Board of the SIX Swiss Exchange.]

I enlighet med Artikel 43 i Reglerna för Listning från SIX Swiss Exchange, har [•] utsetts av Emittenten som representant att genomföra ansökningen om notering hos SIX Swiss Exchanges Admission Board.]

14. [***Swiss Franc Notes only*** **– NO MATERIAL ADVERSE CHANGE / MATERIAL CHANGES SINCE THE MOST RECENT ANNUAL FINANCIAL STATEMENTS**

[*Lån i Schweiziska Franc enbart* – REPRESENTANT – INGEN VÄSENTLIG NEGATIV FÖRÄNDRING / VÄSENTLIGA FÖRÄNDRINGAR SEDAN DEN

SENASTE ÅRSREDOVISNINGEN

Except as disclosed in the Base Prospectus, there has been no material adverse change in the financial condition or operations of the Issuer since [31 December 2013], which would materially affect its ability to carry out its obligations under the Notes.]

Förutom såsom redogjorts för i Grundprospektet, har det inte skett någon väsentlig negativ förändring i Emittentens ekonomiska situation eller verksamhet sedan [31 December 2013], som väsentligen kan påverka dess möjligheter att uppfylla sina förpliktelser under Lånen.]

15. [***Swiss Franc Notes only*** **– LISTING/TRADING INFORMATION**

[*Lån i Schweiziska Franc enbart* – LISTNING/HANDELSINFORMATION

(a) Trading Size and Ratio: [minimum and maximum trading size and the standard exercise ratio]

(a) Handelsstorlek och Förhållande: [minsta och högsta handelsstorlek och standard för utövandeförhållande]

(b) First Trading Day: [first trading day]

(b) Första Handelsdag: [första handelsdag]

(c) Last Trading Day and Time: [last trading day as well as (in the case of derivatives) the time of day at which trading shall cease]

(c) Sista Handelsdag och -tidpunkt: [sista handelsdagen såväl som (om derivat) tidpunkten på den dag handel ska upphöra]

(d) [(In the case of derivatives) Capital Protection: [Capital protection [specify] / no capital protection]]

(d) [(om derivat) Kapitalskydd: [Kapitalskydd [specificera] / inget kapitalskydd]]

(e) [(In the case of derivatives) Type of quoting: [the Notes are traded or quoted including accrued interest (dirty trading)] [accrued interest is shown separately (clean trading)]]

(e) [(Om derivat) Typ av återgivning: [Lånen handlas och återges inklusive upplupen ränta (dirty trading)] [upplupen ränta visas separat (clean trading)]]

16. [***Swiss Franc Notes only*** **– INFORMATION RELATING TO UNDERLYINGS**

[***Lån i Schweiziska Franc enbart*** **– INFORMATION AVSEENDE UNDERLIGGANDE**

[insert the information on the underlying instruments required by section 4 of scheme F (for derivatives) and the tax information in relation to a purchase of underlying instruments required by section 3.2.12 of scheme F (for derivatives) of the SIX Swiss Exchange (for derivatives) in respect to Notes to be listed on the SIX Swiss Exchange, to the extent such information is not already included elsewhere in the Final Terms.]

[för in den information om de underliggade instrumenten som krävs enligt avsnitt 2 i investeringsplan F och den skatteinformation för ett köp av underliggande instrument som krävs enligt avsnitt 3.2.12 i investeringsplan F (för derivat) för SIX Swiss Exchange (för derivat) beträffande Lån som ska listas på SIX Swiss Exchange, såvida sådan information inte redan inkluderats på annan plats i Slutliga Villkor.

17. [***Swiss Franc Notes only*** **– ADDITIONAL INFORMATION**

[***Lån i Schweiziska Franc enbart*** **– YTTERLIGARE INFORMATION**

Fees charged by the Issuer to the Noteholders post issuance: [none] [give details]

Avifter som tas ut av Emittenten från Innehavare efter emission: [inga] [infoga detaljer]

ANNEX TO THE FINAL TERMS – SUMMARY OF THE ISSUE

BILAGA TILL DE SLUTLIGA VILLKOREN – SAMMANFATTNING AV EMISSIONEN

[*Base Prospectus summary to be inserted and the options given as placeholders in the summary to be completed in respect of the Notes being issued.*]

[*Grundprospektets sammanfattning ska infogas och de val som har angetts som hakparenteser i sammanfattningen ska kompletteras för de Lån som ska emitteras.*]

Form of Final Terms for Certain Structured Notes with a denomination of at least €100,000 to be admitted to trading on the Main Securities Market of the Irish Stock Exchange

Mall för Slutliga Villkor för Särskilda Strukturerade Lån med valörer om minst €100 000 som ska bli föremål för handel på Irish Stock Exchanges Main Securities Market.

[IMPORTANT NOTICE

VIKTIGT MEDDELANDE

In accessing the attached final terms (the "Final Terms") you agree to be bound by the following terms and conditions.

Genom att ta del av de bilagda slutliga villkoren ("Slutliga Villkoren") godkänner du att bli bunden av följande villkor.

The information contained in the Final Terms may be addressed to and/or targeted at persons who are residents of particular countries only as specified in the Final Terms and/or in the Base Prospectus (as defined in the Final Terms) and is not intended for use and should not be relied upon by any person outside those countries and/or to whom the offer contained in the Final Terms is not addressed. **Prior to relying on the information contained in the Final Terms, you must ascertain from the Final Terms and/or the Base Prospectus whether or not you are an intended addressee of the information contained therein.**

Informationen i dessa Slutliga Villkor är endast adresserad till och/eller riktad till personer som bor i de särskilda länder som anges i de Slutliga Villkoren och/eller i Grundprospektet (definierat i de Slutliga Villkoren) och är inte ämnad för användning och ska inte förlitas på av någon person utanför de länderna och/eller till vilka erbjudandet i dessa Slutliga Villkor inte är adresserat. **Innan du förlitar dig på innehållet i dessa Slutliga Villkor måste du säkerställa att du är en avsedd adressat av informationen i de Slutliga Villkoren och/eller Grundprospektet.**

Neither the Final Terms nor the Base Prospectus constitutes an offer to sell or the solicitation of an offer to buy securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities law of any such jurisdiction.

Varken de Slutliga Villkoren eller Grundprospektet utgör ett erbjudande att sälja eller en inbjudan att köpa värdepapper i USA eller i någon annan jurisdiktion i vilka ett sådant erbjudande, inbjudan eller försäljning skulle vara olagligt innan de har registrerats, ett undantag från registrering har erhållits eller enligt annan bestämmelse under värdepapperslagarna i en sådan jurisdiktion.

The securities described in the Final Terms and the Base Prospectus have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons or to persons within the United States of America (as such terms are defined in Regulation S under the Securities Act ("**Regulation S**")). The securities described in the Final Terms will only be offered in offshore transactions to non-U.S. persons in reliance upon Regulation S.]

De värdepapper som beskrivs i de Slutliga Villkoren och i Grundprospektet har inte, och kommer inte, registreras i enlighet med U.S. Securities Act of 1933, såsom den har ändrats ("**Securities Act**") och får inte erbjudas eller säljas direkt eller indirekt inom USA eller till, för, eller till förmån för, amerikanska medborgare eller till personer i USA (såsom termerna definieras i Regulation S i Securities Act ("**Regulation S**")). De värdepapper som beskrivs i dessa Slutliga Villkor kommer endast erbjudas i offshore-transaktioner till icke-amerikanska medborgare i enlighet med Regulation S.

[These Final Terms have not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, these Final Terms and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to

persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

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

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

No Notes linked to collective investment schemes (as defined under the SFA) may be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore.][32]

[Dessa Slutliga Villkor har inte registrerats som ett prospekt hos den relevanta singaporianska myndigheten i enlighet med kapitel 289 i den singaporianska lagen om värdepappershandel ("**SLVP**"). Dessa Slutliga Villkor samt varje annat dokument eller material som tillhandahålls i anslutning till erbjudande eller försäljning, eller inbjudan till teckning, av Lånen får inte cirkuleras eller på annat sätt distribueras. Inte heller får erbjudande eller försäljning, eller erbjudande om teckning, av Lånen, varken direkt eller indirekt, riktas till personer i Singapore annat än (i) till institutionella investerare enligt avsnitt 274 i SLVP, (ii) till en relevant person enligt avsnitt 275(1), eller någon person enligt avsnitt 275(1A), samt i enlighet med villkoren som specificeras i avsnitt 275, i SLVP eller (iii) annars i enlighet med övriga bestämmelser i SLVP.

Om Lånen tecknas eller köps enligt avsnitt 275 SLVP av en relevant person som är:

(a) ett bolag (vilket inte är en ackrediterad investerare (såsom definierat i avsnitt 4A SLVP)) vars enda verksamhet är att inneha investeringstillgångar och vars hela aktiekapital ägs av en eller flera individer, vilka var och en är en ackrediterad investerare; eller

(b) en trust (där förvaltaren inte är en ackrediterad investerare) vars enda verksamhet är att inneha investeringstillgångar och där varje förmånstagare är en individ som är en ackrediterad investerare,

får värdepapper (såsom definieras i avsnitt 239(1) SLVP) i det bolaget eller förmånstagarnas rättigheter och intressen (hurän de beskrivits) i den trusten inte överföras inom sex månader efter det att bolaget eller trusten förvärvat Lånen enligt med ett erbjudande enligt 275 SLVP, förutom:

[32] Insert disclaimer text for Singapore targeted offerings.

(1) till en institutionell investerare eller till en relevant person såsom definierad i avsnitt 275(2) SLVP, eller till någon person som uppkommer till följd av ett erbjudande som hänvisas till i avsnitt 275(1a) eller avsnitt 276(4)(i)(B) SLVP;

(2) där ingen prestation ges eller kommer att ges för överlåtelsen;

(3) där överlåtelsen följer av tillämplig lag;

(4) under de förutsättningar som anges i avsnitt 276(7) SLVP; eller

(5) i enlighet med förordning 32 i Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 av Singapore.

Inga Lån som hör till kollektiva investeringsprogram (såsom definieras i SLVP) får erbjudas eller säljas, eller erbjudas att tecknas eller köpas, varken direkt eller indirekt, till personer i Singapore.][33]

[33] Infoga ansvarsfriskrivning text för Singapore riktade erbjudanden.

Final Terms dated [•]

Slutliga Villkor daterade [•]

[NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €15,000,000,000
Structured Note Programme

NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC
Utgivande av [Sammanlagt Nominellt Belopp av Tranch] [Namn på Lån]
under ett €15 000 000 000
Program för Strukturerade Lån

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Grundprospektet som det hänvisas till nedan (som kompletteras av dessa Slutliga Villkor) har tagits fram under förutsättningen att varje erbjudande om Lån i varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet som har genomfört Prospektdirektivet (var och en benämnda en "**Relevant Medlemsstat**") kommer att göras med stöd av ett undantag i Prospektdirektivet, såsom det har genomförts i den Medlemsstaten, från kravet på att publicera ett prospekt för erbjudanden om Lån. Följaktligen kan personer som lämnar eller som avser att lämna erbjudanden avseende Lånen göra det enbart under omständigheter då ingen förpliktelse uppstår för Emittenten eller något Emissionsinstitut att publicera ett prospekt i enlighet med Artikel 3 i Prospektdirektivet eller att komplettera ett prospekt i enlighet med Artikel 16 i Prospektdirektivet, i bägge fall i samband med ett sådant erbjudande. Varken Emittenten eller något Emissionsinstitut har godkänt, eller godkänner, att några erbjudanden avseende Lånen görs under några andra omständigheter.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) **provided, however, that** all references in this document to the "Prospectus Directive" in relation to any Member State of the European Economic Area refer to Directive 2003/71/EC (as amended), and include any relevant implementing measure in the relevant Member State.]

Uttrycket "**Prospektdirektivet**" avser direktivet 2003/71/EG (med gjorda ändringar, inklusive 2010 års ändringsdirektiv 2010/73/EU) **dock att** alla hänvisningar i detta dokument till "Prospektdirektivet" i relation till varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet hänvisar till direktiv 2003/71/EG (med gjörda ändringar), och inkluderar varje relevant implementeringsåtgärd i den relevanta Medlemsstaten).]

PART A – CONTRACTUAL TERMS

DEL A – KONTRAKTUELLA VILLKOR

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the [original base prospectus dated [16 April 2013/20 December 2013/19 December 2014] and which are incorporated by reference into the][34] Base Prospectus dated 18 December 2015 [and the supplemental Base Prospectus dated [•]] [which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive[35]]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive[36]] and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the base prospectus supplement[s]] and these Final Terms are available for viewing during normal business hours at, and copies may be obtained from, the principal office of the Issuer [Smålandsgatan 17, SE-105 71 Stockholm, Sweden/Aleksis Kiven katu 9, 00020 Nordea, Helsinki, Finland.] and from [www.nordea.com/www.nordea.no/www.nordea.no/www.nordea.dk].

Ord som används häri ska anses ha samma innebörd som i Villkoren ("**Villkoren**") som anges i [det ursprungliga grundprospektet daterat [16 april 2013/20 december 2013/19 december 2014] och vilka är införlivade genom hänvisning till i][37] Grundprospektet daterat 18 december 2015 [och i tillägg till Grundprospektet daterat [•]] [vilka/[et] [tillsammans] utgör ett grundprospekt ("**Grundprospektet**") i Prospektdirektivets mening[38]]. Det här dokumentet utgör de Slutliga Villkoren för Lånen som beskrivs häri [i enlighet med artikel 5.4 i Prospektdirektivet[39]] och måste läsas tillsammans med Grundprospektet. Fullständig information om Emittenten och erbjudandet om Lån kan endast fås genom dessa Slutliga Villkor och Grundprospektet (tillsammans med eventuella tillägg) i kombination. Grundprospektet [och tillägg till Grundprospektet] och kopior av dessa Slutliga Villkor finns tillgängliga för granskning under normal arbetstid och kopior kan erhållas från Emittentens huvudkontor på [Smålandsgatan 17, 105 71 Stockholm, Sverige/Aleksis Kiven katu 9, 00020 Nordea, Helsinki, Finland] och på [www.nordea.com/www.nordea.no/www.nordea.no/www.nordea.dk].

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]

[Inkludera samtliga av följande som är tillämpliga eller ange "Inte Tillämpligt" (N/A). Notera att numreringen ska bibehållas såsom den har angetts nedan, även om "Inte Tillämpligt" har angetts för enkilda punkter (i vilket fall underpunkterna till sådana punkter som inte är tillgängliga kan raderas). Kursiv text är vägledning för att färdigställa de Slutliga Villkoren.]

[The following must be inserted where the Notes are denominated in Singapore dollars and are issued with a denomination of less than SGD 200,000:

The Notes will be booked in [Sweden / Finland]. The [branch/office] of the Issuer at which the issue is booked is not subject to regulation or supervision in Singapore. The Notes and repayment of the Notes are not secured by any means (whether by mortgage, charge, guarantee or other means).]

[*Följande stycke måste infogas om Lånen är i singaporianska dollar och emitterade i valörer mindre än SGD 200 000:*

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34 Insert for fungible issues.

35 Delete wording in square brackets for an unlisted issuance.

36 Delete wording in square brackets for an unlisted issuance.

37 Ange vid fungibla emissioner.

38 Radera text inom hakparenteser för ett erbjudande som inte listas.

39 Radera text inom hakparenteser för ett erbjudande som inte listas.

Lånen kommer att noteras i [Sverige / Finland]. Emittentens [filial/kontor] där emissionen noteras är inte föremål för reglering eller övervakning i Singapore. Lånen och återbetalningen av Lånen är inte säkerställda på något sätt (varken genom pantsättning, borgensåtagande eller liknande).]

I. GENERAL TERMS

ALLMÄNNA VILLKOR

1.	(i)	Issuer:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
	(i)	Emittent:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
2.	(i)	Series Number:	[•]
	(i)	Serienummer:	[•]
	(ii)	Tranche Number:	[•]
	(ii)	Tranchenummer:	[•]
	[(iii)	Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of series*] on [[*insert date*]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 59 below [which is expected to occur on or about [*insert date*]].]
	[(iii)	Datum då Lånen blir fungibla:	[Inte Tillämpligt/Lånen ska konsolideras, bli en enda serie och vara utbytbara för handel med [*ange beskrivning av serier*] på [[*ange datum*]/Lånedatum/utbyte av Temporära Globala Lån för intressen i Permanenta Globala Lån, såsom beskrivs i punkt 58 nedan [vilket är beräknat att inträffa på eller runt omkring [*ange datum*]].]
3.	Specified Currency or Currencies:		[•]
	Angiven Valuta:		[•]
4.	Aggregate Principal Amount:		[•]
	Sammanlagt Kapitalbelopp:		[•]
	(i)	Series:	[•]
	(i)	Serie:	[•]
	(ii)	Tranche:	[•]
	(ii)	Tranche:	[•]
5.	Issue Price:		[[•] per cent. of the Aggregate Principal Amount of each Note [plus accrued interest from [*insert date*]]/ The Issue Price will be determined by the Issuer on a daily basis during the Offer Period (as defined below), based on the prevailing market price for the Notes. The Notes will be issued with an initial Issue Price of approximately [ ] per cent on the Issue

			Date].
	Pris:		[[•] procent av det Sammanlagda Kapitalbeloppet för varje Lån [plus upplupen ränta från [*datum*]]. / Priset avgörs av Emittenten på en daglig basis under Erbjudandeperioden (som definierat nedan) baserat på Lånens rådande marknadsvärde. Lånen kommer att utges till ett initialt Pris om [ ] procent på Lånedatumet.]
6.	(i)	Specified Denominations:	[•]
	(i)	Valörer:	[•]
	(ii)	Calculation Amount:	[•]
	(ii)	Beräkningsbelopp:	[•]
7.	(i)	Issue Date:	[•]
	(i)	Lånedatum:	[•]
	(ii)	Interest Commencement Date:	[[*insert date*]/Issue Date/Not Applicable]
	(ii)	Startdatum för Ränta:	[[*datum*]/Lånedatum/Inte Tillämpligt]
8.	Redemption Date:		[[•]/[Interest Payment Date falling in or nearest to [•]]
	Återbetalningsdag:		[[•]/[Räntebetalningsdag som infaller i eller närmast [•]]
9.	Base Redemption Amount:		[[•]/Not Applicable]
	Basåterbetalningsbelopp:		[[•]/Inte Tillämpligt]
10.	Additional Amounts:		[Applicable/Not Applicable]
			[The Additional Amount(s) will be added to/subtracted from the Base Redemption Amount]
	Tilläggsbelopp:		[Tillämpligt/Inte Tillämpligt]
			[Tilläggsbeloppet/en kommer läggas till/subtraheras från Basåterbetalningsbeloppet]
	[Alternative Additional Amount Payment Date:		[•]/Not Applicable]
	[Alternativ Betalningsdag för Tilläggsbelopp:		[[•]/Inte Tillämpligt]
11.	Minimum Redemption		[Applicable/Not Applicable]
	Lägsta Återbetalning		[Tillämpligt/Inte Tillämpligt]
	•	Minimum Redemption Amount	[[•]/Not Applicable]
	•	Lägsta Återbetalningsbelopp	[[•]/Inte Tillämpligt]
12.	Maximum Redemption		[Applicable/Not Applicable]
	Högsta Återbetalning		[Tillämpligt/Inte Tillämpligt]

	• Maximum Redemption Amount	[[•]/Not Applicable]
	• Högsta Återbetalningsbelopp	[[•]/Inte Tillämpligt]
13.	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day] [adjusted/unadjusted]
	Bankdagskonvention:	[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention] [justerad/ojusterad]
14.	Currency Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day]/[Not Applicable]
	Handelsdag Valutakonvention:	[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention]/[Inte Tillämpligt]
15.	Relevant Exchange:	[[•]/[As set out in the Conditions]]
	Relevant Börs:	[[•]/[Såsom framgår av Villkoren]]
16.	Scheduled Trading Day Convention:	[[Following Scheduled Trading Date Convention/Modified Following Scheduled Trading Day Convention/Preceding Scheduled Trading Day Convention]/[Not Applicable]]
	Planerad Handelsdagskonvention:	[Efterföljande Planerad Handelsdagskonvention/ Modifierad Efterföljande Planerad Handelsdagskonvention /Föregående Planerad Handelsdagskonvention]
II.	**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**	**[APPLICABLE/NOT APPLICABLE]**
	BESTÄMMELSER FÖR RÄNTA (OM NÅGON)	**[TILLÄMPLIGT/EJ TILLÄMPLIGT]**
		[Items 17- 30 have been intentionally omitted][40] [Punkterna 17-30 har medvetet utelämnats][41]
17.	Interest Basis:	[[•] per cent. Fixed Rate]
	Räntebas:	[[•] procent Fast Ränta] [EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/ [CIBOR]/[CDOR]/[Nordea Own Funds Rate] +/– [•] per cent. Floating Rate] [EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/ [CIBOR]/[CDOR]/[Nordeas Upplåningsränta] +/–

[40] Include where interest provisions are marked as "Not Applicable"

[41] Att inkluderas då räntebestämmelser angivits som "Inte Tillämpligt"

[•] procent Rörlig Ränta]

[Inflation Linked]

[Inflationslänkad]

[Zero Coupon]

[Nollkupong]

[Rate Adjustment]

[Räntejustering]

[Coupon Bearing Notes]

[Kupongbärande Lån]

[Non-Tranched CLN Interest]

[Non-Tranched CLN Ränta]

[Tranched CLN Interest]

[Tranched CLN Ränta]

[Nth to Default CLN Interest]

[Nth to Default CLN Ränta]

[Nth and Nth + 1 to Default CLN Interest]

[Nth and Nth + 1 to Default CLN Ränta]

[Capped Floor Float]

[Tak Golv Float]

[Cap Floor]

[Tak Golv]

[Cap Floor Spread]

[Tak Golv Spread]

[Range Accrual]

[Range Accrual]

[Range Accrual In/Out]

[Range Accrual In/Ut]

[Knockout Range Accrual]

[Knockout Range Accrual]

[Binary Cap/Floor]

[Binärt Tak/Golv]

[Binary Zero Coupon]

[Binär Nollkupong]

[Inverse Floater]

[Inverterad Floater]

[Autocallable Rate]

[Autocall Swap]

[Digital Long]

[Digital Long]

[Digital Short]

[Digital Short]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Short]

[Best of/Worst of Digital Short]

[Worst of Digital Memory Coupon 2]

[Worst of Digital Memory Coupon 2]

[Digital Podium Long]

[Digital Podium Lång]

[Digital Podium Short]

[Digital Podium Kort]

[Series of Digitals]

[Serier av Digitala]

[Cash Settled Swaption Straddle]

[Cash Settled Swaption Straddle]

[Power Cap/Floor]

[Power Tak/Golv]

[Compounding Floater]

[Compounding Floater]

[Lock-In 1]

[Lock-In 1]

[Lock-In 2]

[Lock-In 2]

[Snowball]

[Snowball]

[Accumulator]

[Ackumulator]

[Binary Accumulator]

[Binär Ackumulator]

[Contingent Cap/Floor]

[Betingat Tak/Golv]

[Dual Digital Cap]

[Dubbel Digital Tak]

[Dual Digital Floor]

[Dubbel Digital Golv]

[Binary Inflation Cap]

[Binärt Inflationstak]

[Binary Inflation Floor]

[Binärt Inflationsgolv]

[Binary Inflation Range]

[Binärt Inflationsspann]

[Inflation Range Accrual]

[Inflationsspann Periodiserad]

[Inflation Cap/Floor]

[Inflation Tak/Golv]

[Inflation Straddle]

[Inflation Ömsesidig]

[Inflation Cap Floor Spread]

[Inflation Tak Golv Spread]

[ZC Inflation Cap Floor]

[ZC Inflation Tak Golv]

[Inflation Linker 1]

[Inflationslänkad 1]

[Inflation Linker 2]

[Inflationslänkad 2]

[Strip of Call Spreads]

		[Strip of Call Spreads] (further particulars specified below in paragraph[s] [21/22/23/24/26/27/28/29/30]) (ytterligare detaljer specificerade nedan i punkt(erna) [21/22/23/24/26/27/28/29/30])
18.	Combination of Interest Bases:	[Applicable/Not Applicable]
	Kombination av Räntebaser:	[Tillämpligt/Inte Tillämpligt]
	(i) Method of Combination:	[Single Basket Addition/Multiple Basket Addition/Alternative Calculation]
	Kombinationsmetod:	[Enskild Korgsammanslagning/Alternativ Uträkning]
	(ii) Relevant Condition(s) for determination of Interest Amount:	[Condition [•] will be applicable if Interest Barrier Level 1 is not exceeded on [any/the final] Interest Determination Date, Condition [•] will be applicable if Interest Barrier Level 1 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level 2 is not exceeded, Condition [•] will be applicable if Interest Barrier Level 2 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level [•] is not exceeded Condition [•] will be applicable if Interest Barrier Level [•] is exceeded on [any/the final] Interest Determination Date/Condition(s) [•] and [•] are applicable.]
	Relevanta Villkor för bestämmande av Räntebelopp:	[Villkor [•] ska vara tillämpligt om Räntebarriärnivå 1 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå 2 inte överskrids, Villkor [•] ska vara tillämpligt om Räntebarriärnivå 2 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå [•] inte överskrids Villkor [•] ska vara tillämpligt om Räntebarriärnivå [•] överskrids på [en/slutlig] Räntebestämningsdag/Villkor [•] och [•] är tillämpliga.] [Condition [•] in respect of Basket A/Condition [•] in respect of Basket B etc.] [Villkor [•] beträffande Korg A/Villkor [•] beträffande Korg B etc.]
	• [Interest Barrier Level 1:]	[•]
	• [Räntebarriärnivå 1:]	[•]
	• [Interest Barrier Level 2:]	[•]
	• [Räntebarriärnivå 2:]	[•]
	• [Interest Barrier Level 3:]	[•]
	• [Räntebarriärnivå 3:]	[•]

19.	Method of calculating Basket Return for the purposes of Interest determination:	[Basket Long Structure/Basket Short Structure [in respect of Basket A/B]/Not Applicable]
	Metod för att beräkna Korgavkastningen för Räntebestämning:	[Basket Long Struktur/Basket Short Struktur [avseende Korg A/B]/Inte Tillämpligt]
20.	**Interest Deferral**	[Applicable/Not Applicable]
	Uppskjuten Ränta	[Tillämpligt/Inte Tillämpligt]
21.	**Fixed Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Fast Ränta	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Rate:	[•] per cent. per annum
	(i) Räntesats:	[•] procent årligen
	(ii) Interest Payment Date(s):	[•] [in each year]
	(ii) Räntebetalningsdag(ar):	[•] [varje år]
	(iii) Interest Determination Date:	[[•]/Not Applicable]
	(iii) Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(iv) Fixed Interest Amount:	[•] per Note of [•] Denomination/Not applicable.
	(iv) Bestämt Räntebelopp:	[•] per Lån av Valören [•]/Inte Tillämpligt]
	(v) Details of Irregular Interest Amount(s):	[[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]/Not Applicable]
	(v) Bestämmelser för Oregelbundna Räntebelopp:	[[•] per Beräkningsbelopp, att betalas på Räntebetalningsdagen som infaller [i/på] [•]/[Inte Tillämpligt]
	(vi) Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
	(vi) Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
22.	**Floating Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Rörlig Ränta	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Payment Dates:	[•] [in each year]
	(i) Räntebetalningsdag(ar):	[•] [i varje år]
	(ii) Interest Determination Date:	[[•]/Not Applicable]
	(ii) Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(iii) Issuing Agent:	[Not Applicable/[•]]
	(iii) Administrerande Institut:	[Inte Tillämpligt/[•]
	(iv) Calculation Agent:	[Not Applicable/[•]]

(iv)	Beräkningsagent:	[Inte Tillämpligt/[•]]
(v)	Interest Base Rate:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[CDOR]/[Nordea Own Funds Rate]]
(v)	Basränta:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[CDOR]/[Nordeas Upplåningsränta]
(vi)	Designated Maturity:	[•]
(vi)	Avsedd Återbetalningsdag:	[•]
	• Alternative Designated Maturity	[[•]/Not Applicable/Applicable in respect of the [Short/Long] [initial/final] interest period from (and including) [*date*] to (but excluding) [*date*]].
	• Alternativ Avsedd Återbetalningsdag	[[•]/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]
(vii)	Linear Interpolation:	[Applicable/Not Applicable/Applicable in respect of the [Short/Long] [initial/final] interest period from (and including) [*date*] to (but excluding) [*date*]].
(vii)	Linjär Interpolering:	[Tillämpligt/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]
	• Alternative Maturity 1	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 1	[[•]/Inte Tillämpligt]
	• Alternative Maturity 2	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 2	[[•]/Inte Tillämpligt]
(viii)	Screen Page:	[•]
(viii)	Skärmsida:	[•]
(ix)	Interest Margin(s):	[+/-][•] per cent. per annum
(ix)	Räntemarginal(er):	[+/-][•] procent årligen
(x)	FRN Participation Ratio	[•] per cent.
(x)	FRN Deltagandegrad	[•] procent
(xi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
(xi)	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xii)	Maximum Interest Rate:	[[•]/Not Applicable]
(xii)	Högsta Räntesats:	[[•]/Inte Tillämpligt]

	(xiii) Minimum Interest Rate:	[[•]/Not Applicable]
	(xiii) Lägsta Räntesats:	[[•]/Inte Tillämpligt]
23.	**Zero Coupon Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Nollkupongslån	[Tillämpligt/Inte tillämplig]
	Reference Yield:	[•] per cent. per annum
	Referensavkastning:	[•] procent årligen
24.	**Inflation-Linked Interest Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Inflationslänkade Räntebärande Lån	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]
	(i) Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt 21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]
	(ii) Base Index/CPI:	
	(ii) Bas Index/CPI:	
	• Relevant date:	[•]
	• Relevant datum:	[•]
	• Relevant time:	[•] [a.m./p.m.]
	• Relevant tid:	[•] [a.m./p.m.]
25.	**Rate Adjustment Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Kursjusterade Lån	[Tillämpligt/Inte Tillämpligt]
	Provisions relating to the adjustment of the Interest Rate:	The Interest Basis will be [•] from [and including/but excluding] [•] to [and including/but excluding] the Interest Payment Date falling in [•], and [•] from [and including/but excluding] the Interest Payment Date falling in [•] up to ([and including/but excluding]) the Redemption Date.
	Bestämmelser relaterade till justering av Räntesatsen:	Räntebasen ska vara [•] från [och med/men exklusive] [•] till [och med/men exklusive] Räntebetalningsdagen som infaller [•], och [•] från [och med/men exklusive] Räntebetalningsdagen som infaller [•] till [och med/men exklusive] Återbetalningsdagen.

26. **Coupon Bearing Note Provisions** [Applicable/Not Applicable]

Bestämmelser för Kupongbärande Autocall-lån [Tillämpligt/Inte Tillämpligt]

(i) Valuation Date(s):

(i) Värderingsdag(ar):

Reference Asset **Referens-tillgång**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag Medelvärdesberäkningsdag**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	**[•]**	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	**[•]**	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(ii) Coupon Barrier Level(s): [•]

(ii) Kuponbarriärnivå(er): [•]

(iii) Interest Payment Date(s): [•] in each year

(iii) Räntebetalningsdag(ar): [•] varje år

(iv) Flat Coupon: [Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]

(iv) Flat Kupong: [Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]

(v) Memory Coupon: [Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]

(v) Memory Kupong: [Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]

(vi) Plus Flat Coupon: [Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]

(vi) Plus Flat Kupong: [Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•]

		inte uppnås]]
(vii)	Plus Memory Coupon:	[Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(vii)	Plus Memory Kupong:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(viii)	Coupon Rate(s):	[[•] if Coupon Barrier [•] is reached/Not Applicable]
(viii)	Kupongnivå(er):	[[•] om Kupongbarriär [•] uppnås/Inte Tillämpligt]
(ix)	Basket Rate:	[Applicable/Not Applicable]
(ix)	Korgnivå:	[Tillämpligt/Inte Tillämpligt]
(x)	Best of/Worst of Rate:	[Applicable/Not Applicable]
(x)	Best of/Worst of Kurs:	[Tillämpligt/Inte Tillämpligt]
(xi)	N:	[[•]/Not Applicable]
(xi)	N:	[[•]/Inte Tillämpligt]
27.	**CLN Interest Provisions**	[Applicable/Not Applicable]
	Bestämmelser för CLN Ränta	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]
(i)	Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt 21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]
(ii)	Determination Date Exposure:	[Applicable/Not Applicable]
•	[Number of Business Days:	[[•]/The Observation Date shall be the relevant Interest Payment Date]]
•	[Antal Bankdagar:	[[•]/Observationsdagen ska vara den relevanta Räntebetalningsdagen]]
(ii)	Bestämningsdag Exponering:	[Tillämpligt/Inte Tillämpligt]
(iii)	Weighted Average Exposure:	[Applicable/Not Applicable]
(iii)	Viktad Genomsnittlig Exponering:	[Tillämpligt/Inte Tillämpligt]
(iv)	Tranche Attachment Point	[[•]/Not Applicable]
(iv)	Fästpunkt Tranche:	[[•]/Inte Tillämpligt]
(v)	Tranche Detachment Point:	[[•]/Not Applicable]
(v)	Avskiljningspunkt Tranche:	[[•]/Inte Tillämpligt]

(vi)	Fixed Recovery Value:	[[•]/Not Applicable]
(vi)	Fast Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
(vii)	Market Recovery Value:	[Applicable/Not Applicable]
(vii)	Marknadsåtervinningsvärde:	[Tillämpligt/Inte Tillämpligt]
(viii)	N:	[[•]/Not Applicable]
(viii)	N:	[[•]/Inte Tillämpligt]
(ix)	Observation Date(s):	[[•]/Not Applicable/the day falling [•] Business Days prior to each Interest Payment Date]
(ix)	Observationsdag(ar):	[[•]/Inte Tillämpligt/dagen som infaller [•] Bankdagar före varje Räntebetalningsdag]
(x)	Credit Event Ranked Basket Participation (Interest):	[Applicable/Not Applicable]
(x)	Kredithändelserankad Korgandel (Ränta):	[Tillämpligt/Inte Tillämpligt]

- Credit Event Ranked Weight:
- Kredithändelserankad vikt:

Credit Event (*in order of occurrence*) **Kredithändelse** (*i kronologisk ordning*)	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

(xi)	Possible Repudiation Moratorium Amount:	[Applicable/Not Applicable]
(xi)	Belopp för Potentiellt Avstående Moratorium:	[Tillämpligt/Inte Tillämpligt]
(xii)	Restructuring Amount:	[Applicable/Not Applicable]
(xii)	Belopp för Omläggning av Skulder:	[Tillämpligt/Inte Tillämpligt]
(xiii)	Replacement Reference Entity:	[Applicable/Not Applicable]
(xiii)	Belopp för Ersättande Referenstillgång:	[Tillämpligt/Inte Tillämpligt]
(xiv)	Obligation Acceleration Amount:	[Applicable/Not Applicable]
(xiv)	Belopp för Uppsägning av Åtagande:	[Tillämpligt/Inte Tillämpligt]
(xv)	Failure to Pay Amount:	[Applicable/Not Applicable]

(xv)	Belopp för Utebliven Betalning:	[Tillämpligt/Inte Tillämpligt]
(xvi)	Credit Events:	[[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration]/ Not Applicable]
(xvi)	Kredithändelser:	[[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförarande Myndighetsingripande/ Avstående/ Moratorium/ Uppsägning av Åtagande]/ Inte Tillämpligt]
(xvii)	Default Requirement:	[[•]/Not Applicable]
(xvii)	Defaultkrav:	[[•]/Inte Tillämpligt]
28.	**Digital Interest Provisions**	[Applicable/Not Applicable]
	Bestämmelser om Digital Ränta	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Determination Date:	[[•]/Not Applicable]
(i)	Räntebestämningsdag:	[[•]/Inte Tillämpligt]
(ii)	Interest Payment Date(s):	[[•]/Not Applicable]
(ii)	Räntebalningsdag(ar):	[[•]/Inte Tillämpligt]
(iii)	Strike Level:	[[•]/Not Applicable]
(iii)	Lösenprisnivå:	[[•]/Inte Tillämpligt]
(iv)	Coupon:	[•]
(iv)	Kupong:	[•]
(v)	Coupon 2:	[[•]/Not Applicable]
(v)	Kupong 2:	[[•]/Inte Tillämpligt]
(vi)	N:	[[•]/Not Applicable]
(vi)	N:	[[•]/Inte Tillämpligt]
(vii)	Barrier Level:	[[•]/Not Applicable]
(vii)	Barriärnivå:	[[•]/Inte Tillämpligt]
(viii)	Basket Strike Level:	[[•]/Not Applicable]
(viii)	Korglösennivå:	[[•]/Inte Tillämpligt]
(ix)	Observation Date(s):	[[•]/Each Scheduled Trading Day up to and including the Interest Determination Date/Not Applicable]
(ix)	Observationsdag(ar):	[[•]/Varje Planerad Handelsdag fram till och med Räntebestämningsdagen/Inte Tillämpligt]
(x)	Valuation Time:	[[•]/Not Applicable]
(x)	Värderingstidpunkt:	[[•]/Inte Tillämpligt]

Reference Asset (Interest) Referenstillgång (Ränta)	Valuation Time Värderingstidpunkt
[•]	**[•]**
[•]	**[•]**
[•]	**[•]**

29.	**Additional Interest Provisions**		[Applicable/Not Applicable]
	Ytterligare Räntebestämmelser		[Tillämpligt/Inte Tillämpligt]
	(i)	Interest Determination Date:	[[•]/Not Applicable]
		Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(ii)	Interest Payment Date(s):	[[•]/Not Applicable]
		Räntebalningsdag(ar):	[[•]/Inte Tillämpligt]
	(iii)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
		Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
	(iv)	Reference Rate:	[[•]/Not Applicable]
		Referensränta:	[[•]/Inte Tillämpligt]
	(v)	(Reference Rate 2:	[[•]/Not Applicable]
		Referensränta 2:	[[•]/Inte Tillämpligt]
	(vi)	Spread:	[[•]/Not Applicable]
		Spread:	[[•]/Inte Tillämpligt]
	(vii)	Cap Strike:	[[•]/Not Applicable]
		Lösenpristak:	[[•]/Inte Tillämpligt]
	(viii)	Floor Strike:	[[•]/Not Applicable]
		Lösenprisgolv:	[[•]/Inte Tillämpligt]
	(ix)	Cap Value:	[1/-1/0/Not Applicable]
		Takvärde:	[1/-1/0/Inte Tillämpligt]
	(x)	Floor Value:	[1/-1/0/Not Applicable]
		Golvvärde Value:	[1/-1/0/Inte Tillämpligt]
	(xi)	Leverage (Cap):	[[•]/Not Applicable]
		Hävstång (Tak):	[[•]/Inte Tillämpligt]
	(xii)	Leverage (Floor):	[[•]/Not Applicable]

	Hävstång (Golv):	[[•]/Inte Tillämpligt]
(xiii)	Cap Strike Upper:	[[•]/Not Applicable]
	Lösenpristak Högre:	[[•]/Inte Tillämpligt]
(xiv)	Cap Strike Lower:	[[•]/Not Applicable]
	Lösenpristak Lägre:	[[•]/Inte Tillämpligt]
(xv)	Floor Strike Upper:	[[•]/Not Applicable]
	Lösenprisgolv Högre:	[[•]/Inte Tillämpligt]
(xvi)	Floor Strike Lower:	[[•]/Not Applicable]
	Lösenprisgolv Lägre:	[[•]/Inte Tillämpligt]
(xvii)	Strike Upper:	[[•]/Not Applicable]
	Lösenpris Högre:	[[•]/Inte Tillämpligt]
(xviii)	Strike 2	[[•]/Not Applicable]
	Lösenpris 2	[[•]/Inte Tillämpligt]
(xix)	Strike Lower:	[[•]/Not Applicable]
	Lösenpris Lägre:	[[•]/Inte Tillämpligt]
(xx)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xxi)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xxii)	W:	[[•]/Not Applicable]
	W:	[[•]/Inte Tillämpligt]
(xxiii)	X:	[[•]/Not Applicable]
	X:	[[•]/Inte Tillämpligt]
(xxiv)	Y:	[[•]/Not Applicable]
	Y:	[[•]/Inte Tillämpligt]
(xxv)	Z:	[[•]/Not Applicable]
	Z:	[[•]/Inte Tillämpligt]
(xxvi)	Maximum Interest Rate:	[[•]/Not Applicable]
	Högsta Räntesats:	[[•]/Inte Tillämpligt]
(xxvii)	Gearing:	[[•]/Not Applicable]
	Gearing:	[[•]/Inte Tillämpligt]
(xxviii)	Coupon:	[[•]/Not Applicable]

	Kupong:	[[•]/Inte Tillämpligt]
(xxix)	Coupon Barrier Level(s):	[[•]/Not Applicable] [The Autocall Condition will be satisfied if the Reference Rate [exceeds/equals/is below] the Coupon Barrier Level]
	Kupongbarriärnivå(er):	[[•]/Inte Tillämpligt] [Autocall-Villkoret uppfylls om Referenskursen [överstiger/är lika med/understiger] Kupongbarriärnivån]
(xxx)	Minimum Basket Return:	[[•]/Not Applicable]
	Minsta Korgavkastning:	[[•]/Inte Tillämpligt]
(xxxi)	Gearing Payer:	[[•]/Not Applicable]
	Gearing Payer:	[[•]/Inte Tillämpligt]
(xxxii)	Gearing Receiver:	[[•]/Not Applicable]
	Gearing Receiver:	[[•]/Inte Tillämpligt]
(xxxiii)	Payer Strike:	[[•]/Not Applicable]
	Payer Strike:	[[•]/Inte Tillämpligt]
(xxxiv)	Receiver Strike:	[[•]/Not Applicable]
	Receiver Strike:	[[•]/Inte Tillämpligt]
(xxxv)	Power Factor:	[[•]/Not Applicable]
	Powerfaktor	[[•]/Inte Tillämpligt]
(xxxvi)	Fixed Rate:	[[•]/Not Applicable]
	Fast ränta:	[[•]/Inte Tillämpligt]
(xxxvii)	Flag:	[[•]/Not Applicable]
	Flagga:	[[•]/Inte Tillämpligt]
(xxxviii)	Tenor:	[[•]/Not Applicable]
	Löptid:	[[•]/Inte Tillämpligt]
(xxxix)	Gearing Cap:	[[•]/Not Applicable]
	Gearing Tak:	[[•]/Inte Tillämpligt]
(xl)	Gearing Floor:	[[•]/Not Applicable]
	Gearing Golv:	[[•]/Inte Tillämpligt]
(xli)	Inflation Index:	[[•]/Not Applicable]
	Inflationsindex:	[[•]/Inte Tillämpligt]
(xlii)	Valuation Date(s):	[[•]/Not Applicable]
	Värderingsdag(ar):	[[•]/Inte Tillämpligt]

Reference Asset (Interest) Referenstillgång (Ränta)	Valuation Date(s) Värderingsdag(ar)	Valuation Date Averaging Värderingsdag(ar) Medelvärdes-beräkning	Averaging Dates relevant to applicable Valuation Date Medelvärdesberäknings dagar som är relevanta för tillämplig Värderingsdag
[•]	**[•]**	[Applicable/ Not Applicable] [Tillämpligt/ Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	**[•]**	[Applicable/ Not Applicable] [Tillämpligt/ Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(xliii) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset (Interest) Referenstillgång (Ränta)	Valuation Time Värderingstidpunkt
[•]	**[•]**
[•]	**[•]**
[•]	**[•]**

30. **Provisions relating to FX Components (Interest)**

Bestämmelser för Valutakomponenter (Ränta)

FX Component (Interest): [Applicable/Not Applicable/Applicable to the Interest Amounts determined in accordance with the [•] Interest Basis on the following Interest Payment Dates: [•]]

Valutakomponent (Ränta): [Tillämpligt/Inte Tillämpligt/Tillämpligt på Räntebelopp som bestämts i enlighet med [•] Basränta på följande Räntebetalningsdagar: [•]]

- FX Rate (Interest): [[•]/Not Applicable]
- Valutakurs (Ränta): [[•]/Inte Tillämpligt]

- Initial FX Valuation Date(s) (Interest): [[•]/Not Applicable]
- Startdag Valuta (Ränta): [[•]/Inte Tillämpligt]

Reference Asset Referenstillgång	Initial FX Valuation Date(s) (Interest) Startdag Valuta (Ränta)
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Date(s) (Interest): [[•]/Not Applicable
- Värderingsdag Valuta (Ränta): [[•]/Inte Tillämpligt]

Reference Asset Referenstillgång	FX Valuation Date(s) (Interest) Värderingsdag Valuta (Ränta)
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time (Interest): [[•]/Not Applicable]
- Värderingstidpunkt Valuta (Ränta): [[•]/Inte Tillämpligt]
- FX Factor (Interest) Long/Short: [FX Factor (Interest) Long/FX Factor (Interest) Short/Not Applicable]
- Valutafaktor Long/Short: [Valutafaktor (Ränta) – Long/Valutafaktor (Ränta) – Short/Inte Tillämpligt]
- Initial FX Rate (Interest): [[•]/As set out in the Base Prospectus]
- Valutastartkurs (Ränta): [[•]/Såsom framgår av Grundprospektet]
- Final FX Rate (Interest): [[•]/As set out in the Base Prospectus]
- Valutaslutkurs (Ränta): [[•]/Såsom framgår av Grundprospektet]

III.	**ADDITIONAL PROVISIONS RELATING TO REDEMPTION**	**[APPLICABLE/NOT APPLICABLE]** [Items 31 to 39 have been intentionally omitted][42]
	YTTERLIGARE BESTÄMMELSER FÖR ÅTERBETALNING	**[TILLÄMPLIGT/INTE TILLÄMPLIGT]** [Punkterna 31 till 39 har medvetet utelämnats][43]
31.	Applicable performance structures: Tillämpliga strukturer för värdeutveckling:	["Basket Long" structure] ["Basket Long" struktur] ["Basket Short" structure] ["Basket Short" struktur] ["Barrier outperformance" structure] ["Barriär outperformance" struktur] ["Barrier underperformance" structure] ["Barriär underperformance" struktur] ["Best of/Worst of Barrier Outperformance" structure] ["Best of/Worst of Barriär Outperformance" struktur] ["Best of/Worst of Barrier Underperformance" structure] ["Best of/Worst of Barriär Underperformance" struktur] ["Autocallable Structure Long"] ["Autocallstruktur Long"] ["Autocallable Structure Short"] ["Autocallstruktur Short"] ["Replacement Basket" structure] ["Ersättningskorg" struktur] ["Locally Capped Basket" structure] ["Lokalt Begränsad Korg" struktur] ["Rainbow Basket" structure] ["Rainbow" struktur] ["Booster Short" structure] ["Booster Kort" struktur]

[42] Insert where additional redemption provisions are marked as Not Applicable.

[43] Att inkluderas då ytterligare bestämmelser för återbetalning angivits som Inte Tillämpligt.

["Booster Long" structure]

["Booster Long" struktur]

["Booster Risk Barrier Short" structure]

["Booster Risk Barriär Short" struktur]

["Booster Risk Barrier Long" structure]

["Booster Risk Barriär Long" struktur]

["Twin Win" structure]

["Twin Win" struktur]

["Bonus Booster Short" structure]

["Bonus Booster Short" struktur]

["Bonus Booster Long" structure]

["Bonus Booster Long" struktur]

["Cliquet" structure]

["Cliquet" struktur]

["Reverse Cliquet" structure]

["Omvänd Periodsumme" struktur]

["Replacement Cliquet" structure]

["Ersättning Periodsumme" struktur]

["Reverse Replacement Cliquet" structure]

["Omvänd Ersättande Periodsumme" struktur]

["Rainbow Replacement Cliquet" structure]

["Regnbåge Ersättande Periodsumme" struktur]

["Reverse Convertible" structure]

["Omvänd Konvertibel" struktur]

["Reverse Convertible Risk Barrier" structure]

["Omvänd Konvertibel Riskbarriär" struktur]

["Best of/Worst of Reverse Convertible" structure]

["Best of/Worst of Omvänd Konvertibel" struktur]

[Worst of Digital Memory Coupon 1]

[Worst of Digital Memory Kupong 1]

[Worst of Call Option]

[Worst of Call Option]

[Outperformance Option [Long Against Short/Long Against Long]]

[Outperformance Option [Long Against Short/Long Against Long]]

["Non-Tranched CLN" structure]

["Non-Tranched CLN" struktur]

["Tranched CLN" structure]

["Tranched CLN" struktur]

["Nth to Default CLN" structure]

["Nth to Default CLN" struktur]

["Nth and Nth + 1 Default CLN" structure]

["Nth and Nth + 1 Default CLN" struktur]

["Option CLN" structure]

["Option CLN"-struktur]

["Digital Long" structure]

["Digital Long" struktur]

["Digital Short" structure]

["Digital Kort" struktur]

["Worst of Digital Long" structure]

["Worst of Digital Long" struktur]

["Worst of Digital Short" structure]

["Worst of Digital Short" struktur]

["Series of Digitals" structure]

["Serier av Digitala"-struktur]

["Delta 1" structure]

["Delta 1" struktur]

[Inflation Linker 2]

[Inflationslänkad 2]

["Barrier Outperformance" Structure 2]

["Barrier Outperformance" Struktur 2]

["Barrier Underperformance" Structure 2]

["Barrier Underperformance" Struktur 2]

["Target Volatility" Structure]

		["Eftersträvad Volatilitet" Struktur] ["Booster Risk Barrier 2" structure] ["Booster Risk Barrier 2"-struktur] ["Autocallable Rate" structure] ["Autocallable-nivå-struktur] ["In Option – Basket Long" structure] ["In Option – Basket Long"-struktur] ["In Option – Basket Short" structure] ["In Option – Basket Short"-struktur] ["Out Option – Basket Long" structure] ["Out Option – Basket Long"-struktur] ["Out Option – Basket Short" structure] ["Out Option – Basket Short"-struktur]
32.	Method of calculating Basket Return for the purposes of applicable Performance Structure: Metod för att beräkna Korgavkastningen för tillämplig Värdeutvecklingsstruktur:	[Basket Long Structure/Basket Short Structure/ Not Applicable] Basket A: Basket Long/Short Structure] [Basket B: Basket Long/Short Structure] [Basket Long Struktur/Basket Short Strutur/ Inte Tillämpligt] [Korg A: Basket Long/Short Struktur] [Korg B: Basket Long/Short Struktur]
33.	Combination of structures: Kombinationer av strukturer:	[Addition/Alternative Calculation] [Sammanslagning/Alternativ Uträkning]
	(i) Method of Combination: Kombinationsmetod:	[Addition/Subtraction/Alternative Calculation] [Sammanslagning/Subtraktion/Alternativ Uträkning]
	(ii) Additional Amount Basket A: Tilläggsbelopp Korg A:	[Not Applicable/the [•] structure] [Inte Tillämpligt/[•] strukturen]
	(iii) Additional Amount Basket B: Tilläggsbelopp Korg B:	[Not Applicable/the [•] structure] [Inte Tillämpligt/[•] strukturen]
	(iv) (Relevant Condition(s) for determination of Redemption Amount:	[Condition [•] will be applicable if Barrier Level 1 is not exceeded on [any/the final] Valuation Date, Condition [•] will be applicable if Barrier Level 1 is exceeded on [any/the final] Valuation Date but Barrier Level 2 is not exceeded, Condition [•] will be applicable if Barrier Level 2 is exceeded on [any/the final] Valuation Date but Barrier Level [•] has not been exceeded… Condition [•] will be applicable if Barrier Level [•] is exceeded on [any/the final] Valuation Date/Condition(s) [•] and [•] are applicable and the following Performance Percentages shall apply:

Relevanta Villkor för bestämmande av Återbetalningsbeloppet: [Villkor [•] ska vara tillämpligt om Barriärnivå 1 inte överskrids på [en/slutlig] Värderingsdag, Villkor [•] ska vara tillämpligt om Barriärnivå 1 överskrids på [en/slutlig] Värderingsdag men Barriärnivå 2 inte överskrids, Villkor [•], ska vara tillämpligt om Barriärnivå 2 överskrids på [en/slutlig] Värderingsdag men Barriärnivå [•] inte överskrids… Villkor [•] ska vara tillämpligt om Barriärnivå [•] överskrids på [en/slutlig] Värderingsdag/Villkor [•] och [•] är tillämpliga och följade Värdeutvecklingsprocentsats ska tillämpas:

Basket **Korg**	**Performance Structure** **Värdeutecklingsstruktur**	**Performance Percentage** **Värdeutvecklin g Procent**
[Basket A/Single Basket] [Korg A/Enskild Korg]	[•]	[•]
[Basket B] [Korg B]	[•]	[•]
[Basket [•]] [Korg [•]]	[•]	[•]

34. **Performance structure-related items:** [Applicable/Not Applicable]

Värdeutvecklingsstruktur-relaterade punkter: [Tillämpligt/Inte Tillämpligt]

Dates and Times

Datum och tid

(i) Initial Valuation Date(s): [[•]Not Applicable]

Startdag: [[•]Inte Tillämpligt]

Reference Asset **Referens-tillgång**	**Initial Valuation Date(s)** **Startdag**	**Initial Valuation Date Averaging** **Startdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	**[•]**	[Applicable /Not	[[•]/Not Applicable]

		Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Inte Tillämpligt]
[•]	**[•]**	[Applicable /Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(ii) Valuation Date(s): [[•]/Not Applicable]

Värderingdag(ar): [[•]/Inte Tillämpligt]

[The relevant Valuation Date(s) for comparing the Baset Return to the [Initial Basket Level/Barrier Level 1/Barrier Level 2] are:]

[Relevant(a) Värderingsdag(ar) för att jämföra Korgavkastningen med [Korgs Startvärde/Barriärnivå 1/Barriärnivå 2] är:]

Reference Asset **Referenstillgång**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	[•]	[Applicable /Not Applicable/ Applicable to Synthetic Index Return calculation only] [Tillämplig t/Inte Tillämpligt /Tillämplig t endast i förhållande till beräkning av Syntetisk Index-avkastning]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

		[•]	[•]	[Applicable /Not Applicable/ Applicable to Synthetic Index Return calculation only] [Tillämplig t/Inte Tillämpligt /Tillämplig t endast i förhållande till beräkning av Syntetisk Index-avkastning]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(iii) Twin-Win Valuation Date(s): [•] if the Initial Basket Level is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 1 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 2 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level N is reached or exceeded on the relevant Valuation Date(s).

Twin-Win Värderingsdag(ar): [•] om Korgs Startvärde nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå 1 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå 2 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå N nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•].

(iv) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**Valuation Time** **Värderingstidpunkt**
[•]	[•]
[•]	[•]
[•]	[•]

(v) Rebalancing Date: [[•]/Not Applicable]

Ombalanseringsdag: [[•]/Inte Tillämpligt]

(vi) Scheduled Redemption Date: [[•]/Not Applicable]

Planerad Återbetalningsdag: [[•]/Inte Tillämpligt]

(vii) Back Stop Date: [[•]/Not Applicable]

Back Stop-Datum: [[•]/Inte Tillämpligt]

(viii) Observation Date(s): [[•]/Not Applicable]

Observationsdag(ar): [[•]/Inte Tillämpligt]

(ix) Observating Date Averaging: [[•]/Not Applicable]

Observationsdag Medelvärdesberäkning: [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**Observation Date(s)** **Observationsdag(ar)**	**Observation Date Averaging** **Observationsdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Observation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Observationsdag**
[•]	[•]	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	[•]	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(x) Risk Barrier Observation Date(s):

Riskbarriärobservationsdag(ar):

Reference Asset **Referenstillgång**	**Risk Barrier Observation Date(s)** **Riskbarriärobservationsdag(ar)**	**Risk Barrier Observation Date Averaging** **Riskbarriärobservationsdag Medelvärdesberäkning**	**Averaging Dates relevant to Risk Barrier Observation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Riskbarriärobservationsdag**

[•]	[•]	[Applicable /Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	[•]	[Applicable /Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

Amounts and Values

Belopp och Värden

(xi)	Participation Ratio:	[[•]/Not Applicable]
	Deltagandegrad:	[[•]/Inte Tillämpligt]
(xii)	Participation Ratio 2:	[[•]/Not Applicable]
	Deltagandegrad 2:	[[•]/Inte Tillämpligt]
(xiii)	Participation Ratio 3:	[[•]/Not Applicable]
	Deltagandegrad 3:	[[•]/Inte Tillämpligt]
(xiv)	Initial Price:	[[•]/as set out in the Conditions]
	Startkurs:	[[•]/såsom framgår av Villkoren]
(xv)	Final Price:	[[•]/as set out in the Conditions]
	Slutkurs:	[[•]/såsom framgår av Villkoren]
(xvi)	Initial Basket Level:	[[•]/Not Applicable]/[•] in respect of Basket A and [•] in respect of Basket B
	Korg Startvärde:	[[•]/Inte Tillämpligt]/[•] för Korg A och [•] för Korg B
(xvii)	Basket Strike Level:	[[•]/Not Applicable]
	Korglösennivå:	[[•]/Inte Tillämpligt]
(xviii)	Basket Floor:	[Applicable/Not Applicable]
	Korggolv:	[Tillämpligt/Inte Tillämpligt]
(xix)	Minimum Basket Return:	[[•]/Not Applicable]
	Lägsta Korgavkastning:	[[•]/Inte Tillämpligt]
(xx)	Basket Cap:	[[•]/Not Applicable]
	Korgtak:	[[•]/Inte Tillämpligt]

(xxi) Maximum Basket Return: [[•]/Not Applicable]

Maximal Korgavkastning: [[•]/Inte Tillämpligt]

(xxii) Reference Asset Floor: [Applicable/Not Applicable]

Referenstillgång Golv: [Tillämpligt/Inte Tillämpligt]

(xxiii) Minimum Reference Asset Return: [Not Applicable/

Lägsta Referenstillgångsavkastning:

Reference Asset Referenstillgång	Minimum Reference Asset Return Lägsta Referenstillgångsavkastning
[•]	[•]
[•]	[•]
[•]	[•]

]

(xxiv) Reference Asset Cap: [Applicable/Not Applicable]

Referenstillgång Tak: [Tillämpligt/Inte Tillämpligt]

(xxv) Maximum Reference Asset Return: [Not Applicable/

Högsta Referenstillgångsavkastning:

Reference Asset Referenstillgång	Maximum Reference Asset Return Högsta Referenstillgångsavkastning
[•]	[•]
[•]	[•]
[•]	[•]

]

(xxvi) Barrier Level(s): [[•]/Not Applicable]

Barriärnivå(er): [[•]/Inte Tillämpligt]

(xxvii) Replacement Factor: [[•]/Not Applicable]

Ersättningsfaktor: [[•]/Inte Tillämpligt]

(xxviii) Maximum Performance: [[•]/Not Applicable]

Maximal Avkastning: [[•]/Inte Tillämpligt]

(xxix) Minimum Performance: [[•]/Not Applicable]

Minsta Avkastning: [[•]/Inte Tillämpligt]

(xxx)	Lock-in Level(s):	[[•]/Not Applicable]
	Lock-in Nivå/er:	[[•]/Inte Tillämpligt]
	• Locked-in Return(s)	[Applicable/Not Applicable]
	• Locked-in Avkastning(ar)	[Tillämpligt/Inte Tillämpligt]
	• Lock-in Level [1/2/3 … n]	[•]
	• Lock-in Nivå [1/2/3 … n]	[•]
(xxxi)	Global Cap:	[[•]/Not Applicable]
	Globalt Tak:	[[•]/Inte Tillämpligt]
(xxxii)	Global Floor:	[[•]/Not Applicable]
	Globalt Golv:	[[•]/Inte Tillämpligt]
(xxxiii)	Initial Coupon:	[[•]/Not Applicable]
	Initial Kupong:	[[•]/Inte Tillämpligt]
(xxxiv)	Local Cap:	[[•]/Not Applicable]
	Lokalt Tak:	[[•]/Inte Tillämpligt]
(xxxv)	Local Floor:	[[•]/Not Applicable]
	Lokalt Golv:	[[•]/Inte Tillämpligt]
(xxxvi)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xxxvii)	Outperformance Option:	[Applicable/Not Applicable]
	Outperformance Option:	[Tillämpligt/Inte Tillämpligt]
(xxxviii)	Fixed Periodic Basket Return(s):	[[•]/Not Applicable]
	Fast Periodiserad Korgavkastning:	[[•]/Inte Tillämpligt]
(xxxix)	Fixed Reference Asset Return(s):	[[•]/Not Applicable]
	Fast Referenstillgångsavkastning:	[[•]/Inte Tillämpligt]
(xl)	Coupon Barrier Level(s):	[[•]/Not Applicable]
	Kupong Barriärnivå(er):	[[•]/Inte Tillämpligt]
(xli)	Coupon:	[[•]/Not Applicable]
	Kupong:	[[•]/Inte Tillämpligt]
(xlii)	K:	[[•]/Not Applicable]

	K:	[[•]/Inte Tillämpligt]
(xliii)	I:	[[•]/Not Applicable]
	I:	[[•]/Inte Tillämpligt]
(xliv)	Inflation-Protected Principal:	[Applicable/Not Applicable]
	Inflationsskyddat Kapitalbelopp:	[Tillämplig/Inte Tillämpligt]
(xlv)	Fee Amount:	[[•]/Not Applicable]
	Avgifter:	[[•]/Inte Tillämpligt]
(xlvi)	Rebate:	[[•]/Not Applicable]
	Rabatt:	[[•]/Inte Tillämpligt]
(xlvii)	Target Volatility:	[[•]/Not Applicable]
	Eftersträvad Volatilitet:	[[•]/Inte Tillämpligt]
	• Minimum Adjustment Threshold	[[•]/Not Applicable]
	• Lägsta Justeringströskel:	[[•]/Inte Tillämpligt]
	• Minimum Exposure:	[[•]/Not Applicable]
	Minsta Exponering:	[[•]/Inte Tillämpligt]
	• Maximum Exposure:	[[•]/Not Applicable]
	Högsta Exponering:	[[•]/Inte Tillämpligt]
	• Annualising Factor:	[[•]/Not Applicable]
	Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
	• Second Annualising Factor:	[[•]/Not Applicable]
	• Andra Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
	• Initial Synthetic Index Value	[[•]/Not Applicable]
	• Startvärde för Syntetiskt Index	[[•]/Inte Tillämpligt]
	• Synthetic Index Strike Level	[[•]/Not Applicable]
	• Syntetiska Index-strikenivån	[[•]/Inte Tillämpligt]
	• Minimum Synthetic Index Return:	[[•]/Not Applicable]
	• Lägsta Syntetiska	[[•]/Inte Tillämpligt]

Index-avkastningen	
• Cash Rate	[[•]/Not Applicable]
• Kontanträntа	[[•]/Inte Tillämpligt]
• Cash Return Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
• Kontant Återbetalning Dagberäkningsmetod	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xlviii) In Option – Basket Long:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
In Option – Basket Long:	[Tillämpligt/Inte Tillämpligt]
• Options-typ	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
(xlvix) In Option – Basket Short:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
In Option – Basket Short:	[Tillämpligt/Inte Tillämpligt]
• Options-typ	[Bought Up and In/ Sold Up and In/ Bought Down and In/ Sold Down and In]
(xlx) Out Option – Basket Long:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
Out Option – Basket Long:	[Tillämpligt/Inte Tillämpligt]
• Options-typ	[Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
(xlxi) Out Option – Basket Short:	[Applicable/Not Applicable]
• Option Type:	[Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
Out Option – Basket Short:	[Tillämpligt/Inte Tillämpligt]
• Options-typ	[Bought Up and Out/ Sold Up and Out/ Bought Down and Out/ Sold Down and Out]
35. **Strategy-related items**	[Applicable/Not Applicable]
Strategirelaterade punkter	[Tillämplig/Inte Tillämpligt]
(i) Best of/Worst of Modifier	[Applicable/Not Applicable/Applicable for the purposes of Condition [•] only]
Best of/Worst of Modifierare	[Tillämplig/Inte Tillämpligt/Tillämpligt endast för Villkor [•]]

- N: [[•]/Not Applicable]
- N: [[•]/Inte Tillämpligt]

(ii) TOM Cumulative Strategy: [Applicable/Not Applicable]

TOM Ackumulerande struktur: [Tillämplig/Inte Tillämpligt]

- Reference Rate: [[•]/Not Applicable]
- Referensränta: [[•]/Inte Tillämpligt]
- TOM Participation Ratio: [[•]/Not Applicable]
- TOM Deltagandegrad: [[•]/Inte Tillämpligt]
- Day Count Fraction: [[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
- Dagberäkningsmetod: [[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
- TOM Commencement Date: [•]
- Startdatum för TOM: [•]
- TOM End Date: [•]
- Slutdatum för TOM: [•]
- TOM Calculation Start Date: [•] Scheduled Trading Days preceding the first Scheduled Trading Day in each calendar month
- TOM Inledande Beräkningsdag: [•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation Start Date Averaging **TOM Inledande Beräkningsdag Medelvärdes-beräkning**	**Averaging Dates relevant to applicable TOM Calculation Start Date** **Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Inledande Beräkningsdag**
[Applicable/Not Applicable] [Tillämplig/Inte Tillämpligt]	[[•] Scheduled Trading Days prior to the first Scheduled Trading Day in each calendar month /Not Applicable] [[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad/Inte

Tillämpligt]

- TOM Calculation End Date: [•] Scheduled Trading Days following the first Scheduled Trading Day in each calendar month

- TOM Slutlig Beräkningsdag: [•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation End Date Averaging **TOM Slutlig Beräkningsdag Medelvärdes-beräkning**	**Averaging Dates relevant to applicable TOM Calculation End Date** **Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Slutlig Beräkningsdag**
[Applicable/Not Applicable]	[[•] Scheduled Trading Days prior to the first Scheduled Trading Day in each calendar month /Not Applicable]
[Tillämplig/Inte Tillämpligt]	[[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad/ Inte Tillämpligt]

- TOM Final Value Averaging: [Applicable/Not Applicable]

- TOM Slutvärde Medelvärdesberäkning: [Tillämplig/Inte Tillämpligt]

- TOM Final Value Averaging Dates: [The TOM Valuation Dates falling on [•] and [•]/Not Applicable]

- TOM Slutvärde Medelvärdesberäknings -dagar: [De TOM-Värderingsdagar som infaller den [•] och [•]/Inte Tillämpligt]

- Final TOM Period Performance Averaging: [Applicable/Not Applicable]

- Slutlig TOM-Period-Värdeutveckling Medelvärdesberäkning: [Tillämplig/Inte Tillämpligt]

- N: [[●]/Not Applicable]

- N: [Tillämplig/Inte Tillämpligt]

(iii) Lookback Initial Price Modifier: [Applicable/Not Applicable]

Lookback Startkurs Modifierare [Tillämplig/Inte Tillämpligt]

(iv) Lookback Final Price Modifier: [Applicable/Not Applicable]

	Lookback Slutkurs Modifierare	[Tillämplig/Inte Tillämpligt]
(v)	Lookback Return:	Basket Return/Reference Asset return/Not Applicable
	Lookback-Avkastning:	Korgavkastning/Referenstillgångsavkastning/Inte Tillämpligt
(vi)	Lookback Factor:	[Minimum/Maximum/Not Applicable]
	Lookback-Faktor:	[Minsta/Högsta/Inte Tillämpligt]
(vii)	Lock-in Modifier:	[Applicable. The relevant Lock-in Levels are specified in paragraph 34 above/Not Applicable]
	Lock-in Modifier:	[Tillämpligt. De relevanta Lock-in-Nivåerna är specificerade i punkten 34 ovan/Inte Tillämpligt]
(viii)	Lock-in Basket Floor:	[Applicable/Not Applicable]
	Lock-in Korggolv:	[Tillämplig/Inte Tillämpligt]

36. **Provisions relating to FX Components**

Bestämmelser för Valutakomponenter

(i)	FX Component - Reference Asset:	[Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]
	Valutakomponent - Referenstillgång:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om den Korgavkastningen är positiv/Tillämpligt om summan av Korgavkastningen är negativ]
	• FX Rate:	[[•]/Not Applicable]
	• Valutakurs:	[[•]/Inte Tillämpligt]
	• Initial FX Valuation Date:	**[Reference Asset**
	• Startdag Valuta:	**Referenstillgång**
		[•]
		[•]
		[•]
	• FX Valuation Date(s):	**Reference Asset**
	• Värderingsdag Valuta:	**Referenstillgång**
		[•]
		[•]
		[•]
	• FX Valuation Time:	[[•]/Not Applicable]
	• Värderingstidpunkt Valuta:	[[•]/Inte Tillämpligt]

- FX Factor Long/Short: [FX Factor – Long/FX Factor – Short/Not Applicable]
- Valutafaktor Long/Short: [Valutafaktor – Long/Valutafaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Valutastartkurs: [[•]/Såsom framgår av Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Valutaslutkurs: [[•]/Såsom framgår av Grundprospektet]

(i) FX Component – Additional Amount: [Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]

Valutakomponent – Tilläggsbelopp: [Tillämpligt/Inte Tillämpligt/Tillämpligt om Korgavkastningen är positiv/Tillämpligt om Korgavkastningen är negativ]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]
- Initial FX Valuation Date:

[Additional Amount	**Initial FX Valuation Date(s)**
[•]	[•]
[•]	[•]
[•]	[•]

- Initial Valutakursvärderingsdag:

[Tilläggsbelopp	**Initial(a) Valutakursvärderingsdag(ar)**
[•]	[•]
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time: [[•]/Not Applicable]
- Valutakursvärderingstidpunkt: [[•]/Inte Tillämpligt]
- FX Factor Long/Short: [FX Factor – Long/FX Factor – Short/Not Applicable]
- Valutakursfaktor Long/Short: [Valutakursfaktor – Long/Valutakursfaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Valutastartkurs: [[•]/Såsom anges i Grundprospektet]

- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Valutaslutkurs: [[•]/Såsom anges i Grundprospektet]

(iii) FX Component – Base Redemption Amount: [Applicable/Not Applicable]

Valutakomponent – Basåterbetalningsbelopp [Tillämpligt/Inte Tillämpligt]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]
- Initial FX Valuation Date:

Initial FX Valuation Date(s)	FX Valuation Date(s)
[•]	[•]
[•]	[•]
[•]	[•]

Initial Valutakursvärderingsdag:

Initial Valutakursvärderingsdag	Valutakursvärderingsdag(ar)
[•]	[•]
[•]	[•]
[•]	[•]

- FX Valuation Time: [[•]/Not Applicable]
- Valutakursvärderingstidpunkt: [[•]/Inte Tillämpligt]
- FX Factor Long/Short: [FX Factor – Long/FX Factor – Short/Not Applicable]
- Valutakursfaktor Long/Short: [Valutakursfaktor – Long/Valutakursfaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Valutastartkurs: [[•]/Såsom anges i Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Valutaslutkurs: [[•]/Såsom anges i Grundprospektet]

(iv) FX Component - Composite: [Applicable/Not Applicable]

Valutakurskomponent – Sammansatt: [Tillämpligt/Inte Tillämpligt]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]

- Initial FX Valuation Date:

[Reference Asset	Initial FX Valuation Date(s)]
[•]	[•]
[•]	[•]
[•]	[•]

- Initial Valutakursvärderingsdag:

[Referenstillgång	Initial(a) Valutakursvärderingsdag(ar)]
[•]	[•]
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time: [[•]/Not Applicable]
- Valutakursvärderingstidpunkt: [[•]/Inte Tillämpligt]
- FX Factor Long/Short: [FX Factor – Long/FX Factor – Short/Not Applicable]
- Valutakursfaktor Long/Short: [Valutakursfaktor – Long/Valutakursfaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Valutastartkurs: [[•]/Såsom framgår av Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Valutaslutkurs: [[•]/Såsom framgår av Grundprospektet]

37. **Provisions relating to Inflation-Linked Notes:** [Applicable/Not Applicable]

Bestämmelser för Inflationslänkade Lån [Tillämpligt/Inte Tillämpligt]

(i) Inflation-Protected Principal: [[•]/Not Applicable]

Inflationsskyddat Kapital: [[•]/Inte Tillämpligt]

(ii) Inflation Rate: [[•]/Not Applicable]

Inflationstakt: [[•]/Inte Tillämpligt]

(iii) Final CPI: [[•]/Not Applicable]

Slutlig KPI: [[•]/Inte Tillämpligt]

38.	**Provisions relating to Credit Linked Notes:**	[Applicable/Not Applicable]
	Bestämmelser för Kreditlänkade Lån	[Tillämpligt/Inte Tillämpligt]
(i)	Observation Start Date:	[[•]/Not Applicable]
	Observationsstartdatum:	[[•]/Inte Tillämpligt]
(ii)	Observation End Date:	[[•]/Not Applicable]
	Observationsslutdatum:	[[•]/Inte Tillämpligt]
(iii)	Portfolio Exposure:	[[•] [in respect of Basket A/B]/Not Applicable]
	Portföljexponering:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(iv)	Fixed Recovery Value:	[[•] [in respect of Basket A/B]/Not Applicable]
	Fast Återbetalningsbelopp:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(v)	Market Recovery Value:	[Applicable [in respect of Basket A/B]/Not Applicable]
	Marknadsåterbetalningsbelopp:	[Tillämpligt [i förhållande till Korg A/B]/Inte Tillämpligt]
(vi)	Tranche Attachment Point:	[[•] [in respect of Basket A/B]/Not Applicable]
	Fästpunkt Tranch:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(vii)	Tranche Detachment Point:	[[•] [in respect of Basket A/B]/Not Applicable]
	Avskiljningspunkt Tranch:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(viii)	Restructuring Amount:	[[•]/Not Applicable]
	Omläggning av Skulder – Belopp:	[[•]/Inte Tillämpligt]
(ix)	Replacement Reference Entity:	[Applicable/Not Applicable]
	Ersättande Referensenhet:	[Tillämpligt/Inte Tillämpligt]
(x)	Obligation Acceleration Amount:	[[•]/Not Applicable]
	Uppsägning av Åtagande – Belopp:	[[•]/Inte Tillämpligt]
(xi)	Failure to Pay Amount:	[[•]/Not Applicable]
	Utebliven Betalning – Belopp:	[[•]/Inte Tillämpligt]
(xii)	Default Requirement:	[[•]/Not Applicable]
	Defaultkrav:	[[•]/Inte Tillämpligt]
(xiii)	Credit Events:	[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration]/Not Applicable]
	Kredithändelser:	[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförfarande/ Myndighetsingripande/ Avstående/Moratorium/ Uppsägning av

		Åtagande]/ Inte Tillämpligt]
(xiv)	Target Redemption Amount:	[[•] [in respect of Basket A/B]/Not Applicable]
	Eftersträvat Återbetalningsbelopp:	[[•] [i förhållande till Korg A/B]/Inte Tillämpligt]
(xv)	Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
(xvi)	Credit Event Ranked Basket Participation:	[Applicable/Not Applicable]
	Kredithändelserankad Korgandel:	[Tillämpligt/Inte Tillämpligt]

	Credit Event (*in order of occurrence*)	**Weighting**
• Credit Event Ranked Weight:	**Kredithändelse** (*i kronologisk ordning*)	**Viktning**
• Kredithändelserankad vikt:	1	[•]%
	2	[•]%
	3	[•]%
	N	[•]%

(xvii)	Scheduled Redemption Date:	[[•]/Not Applicable]
	Planerad Återbetalningsdag:	[[•]/Inte Tillämpligt]
(xviii)	Back Stop Date:	[[•]/Not Applicable]
	Back Stop-Datum:	[[•]/Inte Tillämpligt]
(xix)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xx)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xxi)	Factor 1:	[[•]/Not Applicable]
	Faktor 1:	[[•]/Inte Tillämpligt]
(xxii)	Factor 2:	[[•]/Not Applicable]
	Faktor 2:	[[•]/Inte Tillämpligt]
(xxiii)	Factor 3:	[[•]/Not Applicable]
	Faktor 3:	[[•]/Inte Tillämpligt]
(xxiv)	Factor 4:	[[•]/Not Applicable]
	Faktor 4:	[[•]/Inte Tillämpligt]
(xxv)	Strike 1:	[[•]/Not Applicable]

	Strike 1:	[[•]/Inte Tillämpligt]
(xxvi)	Strike 2:	[[•]/Not Applicable]
	Strike 2:	[[•]/Inte Tillämpligt]
(xxvii)	Strike 3:	[[•]/Not Applicable]
	Strike 3:	[[•]/Inte Tillämpligt]
(xxviii)	Strike 4:	[[•]/Not Applicable]
	Strike 4:	[[•]/Inte Tillämpligt]
(xxix)	Indicator 1:	[[•]/Not Applicable]
	Indikator 1:	[[•]/Inte Tillämpligt]
(xxx)	Indicator 2:	[[•]/Not Applicable]
	Indikator 2:	[[•]/Inte Tillämpligt]
(xxxi)	Indicator 3:	[[•]/Not Applicable]
	Indikator 3:	[[•]/Inte Tillämpligt]
(xxxii)	Indicator 4:	[[•]/Not Applicable]
	Indikator 4:	[[•]/Inte Tillämpligt]
(xxxiii)	Trigger Percentage:	[[•]/Not Applicable]
	Triggerandel:	[[•]/Inte Tillämpligt]
39.	**Provisions relating to Fund Linked Notes**:	[Applicable/Not Applicable]
	Bestämmelser för Fondlänkade Lån	[Tillämpligt/Inte Tillämpligt]
(i)	Fund:	[[•]/Not Applicable]
	Fond:	[[•]/Inte Tillämpligt]
(ii)	Fund Manager:	[[•]/Not Applicable]
	Fondförvaltare:	[[•]/Inte Tillämpligt]
(iii)	Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
IV.	**INSTALMENT AND EARLY REDEMPTION**	**[APPLICABLE/NOT APPLICABLE]**
	AVBETALNING OCH FÖRTIDA INLÖSEN	**[TILLÄMPLIGT/INTE TILLÄMPLIGT]**

[Items 40-46 have been intentionally omitted][44]

[Punkterna 40-46 har medvetet utelämnats][45]

[44] Include where instalment and early redemption provisions are marked as "Not Applicable"

[45] Att inkluderas då bestämmelser om avbetalning och förtida inlösen angivits som "Inte Tillämpligt"

40.	Instalment Redemption	[Applicable/Not Applicable]
	Avbetalning:	[Tillämpligt/Inte Tillämpligt]
	(i) Instalment Amount:	[[•] per Calculation Amount/Not Applicable]
	(i) Avbetalningsbelopp:	[[•] per Beräkningsbelopp/Inte Tillämpligt]
	(ii) Instalment Date(s):	[[•]/Not Applicable]
	(ii) Avbetalningsdatum:	[[•]/Inte Tillämpligt]
41.	Optional Early Redemption (Call)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Call)	[Tillämpligt/Inte Tillämpligt]
	(i) Early Redemption Date(s):	[•]
	(i) Förtida Återbetalningsdatum:	[•]
	(ii) Early Redemption Amount(s) of each Note:	[•] per Calculation Amount
	(ii) Förtida Återbetalningsbelopp per Lån:	[•] per Beräkningsbelopp
42.	Optional Early Redemption (Put)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Put)	[Tillämpligt/Inte Tillämpligt]
	(i) Early Redemption Date(s):	[•]
	(i) Förtida Återbetalningsdatum:	[•]
	(ii) Early Redemption Amount(s) of each Note:	[•] per Calculation Amount
	(ii) Förtida Återbetalningsdatum:	[•]
43.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:	[•] per Calculation Amount
	Förtida Återbetalningsbelopp per Beräkningsbelopp att betalas vid återbetalning av skatteskäl	[•] per Calculation Amount
44.	Substantial Repurchase Event	[Applicable/Not Applicable]
	Väsentlig Återköpshändelse	[Tillämpligt/Inte Tillämpligt]
45.	Early Redemption Date(s) of Notes with "Autocallable" or "Autocallable Rate" performance structure:	[[•]/Not Applicable]
	Förtida Återbetalningsdatum för Lån med "Autocallable" eller "Autocallable-nivå" värdeutecklingsstruktur	[[•]/Inte Tillämpligt]
	• Call Barrier Level:	[[•]/Not Applicable]
	• Inlösenbarriärnivå:	[[•]/Inte Tillämpligt]

46.	Payment of Unwind Amount on Early Redemption:	[Applicable/Not Applicable]
	Betalning av Korrigeringsbelopp vid Förtida Återbetalning:	[Tillämpligt/Inte Tillämpligt]

V. PROVISIONS APPLICABLE TO DISRUPTION, ADJUSTMENTS AND OTHER EXTRAORDINARY EVENTS

BESTÄMMELSER TILLÄMPLIGA FÖR AVBROTT, JUSTERINGAR OCH ANDRA EXTRAORDINÄRA HÄNDELSER

47.	Change in Law:	[As set out in the Conditions/Not Applicable]
	Ändring av Lag:	[Såsom framgår av Villkoren/Inte Tillämpligt]
48.	Increased Costs of Hedging:	[As set out in the Conditions/Not Applicable]
	Ökade Riskhanteringskostnader:	[Såsom framgår av Villkoren/Inte Tillämpligt]
49.	Hedging Disruption:	[As set out in the Conditions/Not Applicable]
	Störning av Riskhantering:	[Såsom framgår av Villkoren/Inte Tillämpligt]
50.	Market Disruption:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott:	[Såsom framgår av Villkoren/Inte Tillämpligt]
51.	Market Disruption Commodity:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
52.	Disruption Currency:	[As set out in the Conditions/Not Applicable]
	Valutastörning:	[Såsom framgår av Villkoren/Inte Tillämpligt]
53.	Calculation Adjustment:	[As set out in the Conditions/Not Applicable]
	Beräkningsjustering:	[Såsom framgår av Villkoren/Inte Tillämpligt]
54.	Corrections:	[As set out in the Conditions/Not Applicable]
	Korrigeringar:	[Såsom framgår av Villkoren/Inte Tillämpligt]
	[Number of Exchange Business Days:	[•]/As set out in the Conditions]
	[Antal Valutahandelsdagar:	[•]/Såsom framgår av Villkoren]
55.	Correction Commodity:	[As set out in the Conditions/Not Applicable]
	Korrigering Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
56.	Correction Currency:	[As set out in the Conditions/Not Applicable]
	Korrigeringar Valuta:	[Såsom framgår av Villkoren/Inte Tillämpligt]
57.	Extraordinary Events:	[As set out in the Conditions/Not Applicable]
	Extraordinära Händelser	[Såsom framgår av Villkoren/Inte Tillämpligt]
58.	Rate Option Fallback:	[As set out in the Conditions/Not Applicable]
	Ränteoption Fallback	[Såsom framgår av Villkoren/Inte Tillämpligt]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

GENERELLA BESTÄMMELSER FÖR LÅNEN

59.	Form of Notes:	[Bearer Notes:]
	Typ av Lån:	[Fysiska Lån:]
		[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot ett Permanent Globalt Lån vilket är utbytbart mot Definitiva Lån vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Temporary Global Note exchangeable for Definitive Notes]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån]
		[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Swiss Franc Notes]
		[Lån i Schweiziska Franc]
		[Registered Notes:]
		[Registrerade Lån:]
		Global Registered Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is held under the New Safekeeping Structure)]
		Globalt Registrerat Lån registrerat i förvaltares namn för [en "common depositary" för Euroclear och Clearstream, Luxembourg/en "common safekeeper" för Euroclear och Clearstream, Luxembourg (som hålls under den Nya Förvaringsstrukturen)]
		[VP Notes]
		[VP Lån]
		[The Notes are VP Notes in uncertificated and dematerialised book entry form]
		[Lånen är VP Lån i dematerialiserad och kontoförd

		form]
		[VPS Notes]:
		[VSP Lån]:
		[The Notes are VPS Notes in uncertificated and dematerialised book entry form]
		[Lånen är VPS Lån i dematerialiserad och kontoförd form]
		[Swedish Notes]
		[Svenska Lån]
		[The Notes are Swedish Notes in uncertificated and dematerialised book entry form]
		[Lånen är Svenska Lån i dematerialiserad och kontoförd form]
		[Finnish Notes]
		[Finska Lån]
		[The Notes are Finnish Notes in uncertificated and dematerialised book entry form]
		[Lånen är Finska Lån i dematerialiserad och kontoför form]
60.	New Global Note:	[Yes] [No]
	Nytt Globalt Lån:	[Ja] [Nej]
61.	Additional Financial Centre(s) or other special provisions relating to payment dates:	[[•]/Not Applicable]
	Ytterligare Finansiella Center eller andra särskilda bestämmelser relaterade till betalningsdatum:	[[•]/Inte Tillämpligt]
62.	Calculation Agent:	[[•]/Not Applicable]
	Beräkningsagent:	[[•]/Inte Tillämpligt]
63.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No.]
	Talonger för framtida Kuponger eller Kvitton som ska fästas vid Definitiva Lån (och datum då sådana Talonger förfaller):	[Ja/Nej.]
64.	Governing Law:	[English Law/ Finnish Law/ Swedish Law/ Norwegian Law/ Danish Law]

Gällande Lag:	[Engelsk Lag/ Finsk Lag/ Svensk Lag/ Norsk Lag/ Dansk Lag]

[PURPOSE OF FINAL TERMS

[SYFTE MED SLUTLIGA VILLKOR

These Final Terms comprise the final terms required for the issue [and admission to trading on the regulated market of the Irish Stock Exchange] of the Notes described herein pursuant to the €15,000,000,000 Structured Note Programme of Nordea Bank AB (publ) and Nordea Bank Finland Plc.

Dessa Slutliga Villkor omfattar de slutliga villkor som erfordras för utgivandet [och upptagande till handel på den reglerade marknaden vid Irish Stock Exchange av Lånen som beskrivs häri enligt det €15 000 000 000 Strukturerade Lån Programmet med Nordea Bank AB (publ) och Nordea Bank Finland Plc. som emittent]

RESPONSIBILITY

ANSVAR

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Emittenten åtar sig ansvar för den informationen som innefattas i dessa Slutliga Villkor. [*Relevant information från tredje man*] har hämtats från [*specificera källa*]. Emittenten bekräftar att sådan information har återgivits korrekt och att, såvitt Emittenten känner till, och har möjlighet att bekräfta genom information som publicerats av [*specificera källa*], inga fakta har utelämnats som skulle innebära att den återgivna informationen är felaktig eller misvisande.

Signed on behalf of [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

Undertecknas för [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

By: .....

Duly authorised

Av: .....

Behörigen utsedd

PART B – OTHER INFORMATION

DEL B – ÖVRIG INFORMATION

1.	**LISTING AND ADMISSION TO TRADING**	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application will be made for the Notes to be listed on the SIX Swiss Exchange. Application has been made for the Notes to be admitted to trading on [SIX Structured Products (formerly Scoach Switzerland)] [in the case of derivatives]/[the SIX Swiss Exchange] [in the case of bonds] with effect from [•]/other.] The last trading day is expected to be on [•].] [Not Applicable.]
	LISTNING OCH UPPTAGANDE TILL HANDEL	[Ansökan har gjorts av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] samt handlas från och med [•].] [Ansökan förväntas ges in av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] samt handlas från och med [•].] [Ansökan ska göras för att Lånen ska listas på SIX Swiss Exchange. Ansökan har gjorts för att Lånen ska tas upp till handel på [SIX Structured Products (före detta Scoach Schweiz)] [såvitt avser derivat]/[SIX Swiss Exchange] [såvitt avser obligationer] samt handlas från och med [•]/annat]. Sista handelsdag beräknas vara [•].] [Inte Tillämpligt].
2.	**RATINGS**	The Notes to be issued have not been rated:
	BETYG	Lånen som ska emitteras har inte givits något kreditbetyg.

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

INTRESSEN FRÅN FYSISKA OCH JURIDISKA PERSONER SOM ÄR INVOLVERADE I EMISSIONEN/ERBJUDANDET

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."] (*Amend as appropriate if there are other interests)*

[(When adding any other description, consideration should be given as to whether such matters

described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

Inkludera beskrivning av alla intressen, inklusive intressekonflikter, vilka är av materiell betydelse för emissionen/erbjudandet, som beskriver de personer som är involverade och vilken typ av intresse det rör sig om.

"Utöver beskrivningen i ["Teckning och Försäljning"], har, såvitt Emittenten känner till, ingen person som är involverad i erbjudandet av Lånen något väsentligt intresse i erbjudandet."] (*Ändras om det finns andra intressen*)

[(När någon annan beskrivning läggs till, ska det övervägas om sådana beskrivningar utgör sådana "nya omständigheter" som aktualiserar behovet av ett tillägg till Prospektet under Artikel 16 i Prospektdirektivet.)]

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

SKÄL FÖR ERBJUDANDET, BERÄKNADE NETTOLIKVID OCH TOTALA KOSTNADER

[(i)	Reasons for the offer	[•]
[(i)	Skäl för erbjudandet:	[•]
[(ii)]	Estimated net proceeds:	[•]
[(ii)]	Beräknad nettolikvid:	[•]
[(iii)]	Estimated total expenses in relation to admission to trading::	[•]
[(iii)]	Beräknade totala kostnader i anslutning till upptagande till handel:	[•]

5. **[*Fixed Rate Notes only* – YIELD**

[*Lån med Fast Ränta enbart* - AVKASTNING

Indication of yield:	Indicatively [•], but in no event lower than [•]
Indikation om avkastning:	Indikativt [•], men inte lägre än [•]

6. **[*Floating Rate Notes only* - HISTORIC INTEREST RATES**

[*Lån med Rörlig Ränta enbart* - HISTORISKA RÄNTENIVÅER

Details of historic [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR/CDOR] rates can be obtained from [Reuters].]

Uppgifter om historiska nivåer avseende [LIBOR/EURIBOR/STIBOR/NIBOR/ CIBOR/CDOR] kan erhållas från [Reuters].]

7. ***[Index-linked or other variable-linked notes only* – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

***[Indexlänkade eller andra variabellänkade lån endast* – VÄRDEUTVECKLING FÖR INDEX/FORMULA/ANDRA VARIABLER, FÖRKLARING AV EFFEKTEN PÅ VÄRDET AV INVESTERINGEN OCH ASSOCIERADE RISKER OCH ANNAN INFORMATION OM DET UNDERLIGGANDE**

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.[46]*]*

Uppgifter om när tidigare och framtida värdeutveckling och volatilitet av index/formula/andra variabler kan erhållas.[47]*]*

Basket **Korg**	**Reference Asset(s)** **Referenstillgång(ar)**	**Basket Participation** **Korgandel**	**Stock Exchange and Options or Futures Exchange** **Aktiebörs och Options- eller Terminsbörs**	**Initial Price** **Startkurs**	**Strike Level** **Lösenprisnivå**	**Source for past and future performance data** **Källa för historisk och framtida prestationsdata**
[Basket A] [/Single Basket] [Korg A] [/Enskild Korg]	[●]	[●]	[●]	[●]/ [As determined in accordance with the Conditions set out in the Base Prospectus] [●]/ [Bestämd i enlighet med villkoren i Grundprospektet]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]	[●]

Basket **Korg**	**Reference Entity(ies) (Interest)/ Reference Entity(ies)/Reference Entity(ies) (Interest)** **Referens-enhet(er) (Ränta)/ Referens-enhet(er)/Referensenhet(er) (Ränta)**	**Basket Participation (Interest)/ Basket Participation** **Korgandel (Ränta)/Korgandel**	**Observation Start Date** **Startdatum för Observation**	**Observation End Date** **Slutdatum för Observation**	**Source for past and future performance data** **Källa för historiska och framtida prestationsdata**
[Basket A] [Korg A]	[●]	[●]	[●]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]

[46] Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

[47] Erfordras för derivatvärdepapper till vilka Annex XII i Prospektdirektivsförordningen är tillämpligt.

[CDS Maturity: [•]]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information][48].

[Option] **[Val]**	**CDS**	**CDS Maturity and Convention Spread** **CDS- förfallodag och CDS-konventionsspread**	**CDS Factor** **CDS-faktor**	**Reference Entities/Index** **Referensenheter/ Index**	**Source for past and future performance data** **Källa för historiska och framtida prestationsdata**
[Option1] [Val 1]	[●]	[●]	[●]	[●]	[●]
[Option 2] [Val 2]	[●]	[●]	[●]	[●]	[●]
[Option 3] [Val 3]	[●]	[●]	[●]	[●]	[●]
[Option 4] Val 4]	[●]	[●]	[●]	[●]	[●]

Emittenten [avser att tillhandahålla information efter emissionen [*specificera vilket information som kommer rapporteras och var den går att ta del av*]] [avser inte att tillhandahålla någon information efter emissionen.][49].

8. **FURTHER DETAILS OF BASKET PARTICIPATION**

YTTERLIGARE UPPGIFTER FÖR KORGANDEL

Basket Participation (Interest):

Korgandel (Ränta)

- Fixed Basket Participation (Interest): [Applicable/Not Applicable]
- Fast Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** *(Bäst värdeutveckling först)*	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket [Applicable/Not Applicable]

[48] Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

[49] Erfordras för derivatvärdepapper till vilka Annex XII till Prospektdirektivsförordningen är tillämpligt.

Participation (Interest):

- Ersättande Periodsumme Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation (Interest): [Applicable/Not Applicable]
- Korgandel Momentum (Ränta): [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

Basket Participation:

Korgandel:

- Fixed Basket Participation: [Applicable/Not Applicable]
- Fast Korgandel: [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation: [Applicable/Not Applicable]
- Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** *(Bäst värdeutveckling först)*	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket Participation: [Applicable/Not Applicable]
- Ersättande Periodsumme Korgandel: [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation: [Applicable/Not Applicable]
- Korgandel Momentum: [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation: [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

9. **OPERATIONAL INFORMATION**

OPERATIONELL INFORMATION

ISIN Code:	[•]
ISIN Kod:	[•]
Common Code:	[•]
[Swiss Security Number:	[•]]
[Schweiziskt Säkerhetsnummer:	[•]]
[Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No]
[Avsedd att hållas på ett sätt som skulle möjliggöra Eurosystem-tillgängligthet]	[Ja] [Nej]

[Note that the designation "yes" means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][50] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

[Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common Safekeeper]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][51]

[Notera att valet "ja" innebär att Lånen är avsedda att från utgivandet förvaras vid någon ICSD som "common safekeeper" [och förvaltarregistreradevid den ICSD som är "common safekeeper",] [52] och innebär inte nödvändigtvis att Lånen kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags

[50] Insert this text for registered notes.

[51] Include this text if "yes" is selected, in which case bearer Notes must be issued in NGN form.

[52] Inkludera denna text för registrerade lån.

	kredithantering av Eurosystem, varken vid utgivandet eller vid var annan tid under deras livstid. Sådant erkännande kommer vara avhängigt uppfyllandet av Eurosystems användbarhetskriterier.] [Även om valet "nej" har gjorts vid datumet för dessa Slutliga Villkor, kan Lånen förvaras hos en ICSD som "common safekeeper" [och förvaltarregistreras av den ICSD som är "common safekeeper"], om Eurosystems kriterier för tillgänglighet ändrats framöver på ett sådant sätt att Lånen uppfyller dem. Notera att detta inte nödvändigtvis innebär att Lånen då kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags kredithantering av Eurosystem vid någon tid under deras livstid. Sådant erkännande kommer vara avhängigt att ECB är tillfredsställda med Eurosystems användbarhetskriterier.] [53]
Clearing system(s) [and identification number, if applicable]:	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Clearingsystem [och identifikationsnummer, om tilläpligt]	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Name(s) and address(es) of additional [Paying Agent(s) / VP Issuing Agent(s) / VPS Paying Agent(s) / Swedish Issuing Agent(s) / Swiss Paying Agent(s)] (if any):	Not applicable / *Give name and address*
Namn och adress till ytterligare [Betalningsagent / VP-Administrerande Institut / VPS-Betalningsagent / Svenskt Administrerande Institut / Schweizisk Betalningsagent] (om någon)	Inte tillämpligt / Ange namn och adress

10. **DISTRIBUTION**

DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(i)	Distributionsmetod:	[Syndikerat/Icke-Syndikerat]
(ii)	If syndicated:	[Not Applicable]
(ii)	Om syndikerat:	[Inte Tillämpligt]
(a)	Names and addresses of Managers and underwriting commitments:	[•]
(a)	Namn och adresser till Managers och åtaganden avseende	[•]

[53] Inkludera denna text om "ja" anges, i vilket fall Innehavarlån måste vara emitterade i NGN-form.

	underwriting:	
(b)	Date of subscription agreement:	[•]
(b)	Datum för teckningsavtal:	[•]
(c)	Stabilising Manager(s) (if any):	[Not Applicable/[•]]
(c)	Stabiliserande Manager(s) (om några):	[Inte Tillämpligt/[•]]
(iii)	If non-syndicated, name and address of Dealer:	[Not Applicable]
(iii)	Om icke-syndikerat, namn och adress till Försäljare:	[Not Applicable]
(a)	Name and address of Dealer:	[•]
(a)	Namn och adress till Försäljare:	[•]
(b)	Date of subscription agreement:	[•]
(b)	Datum för avtal om tecknande:	[•]
(iv)	U.S. Selling Restrictions:	[TEFRA C/TEFRA D/Not Applicable]
(iv)	Försäljningsrestriktioner USA:	[TEFRA C/TEFRA D/Inte Tillämpligt]
		[(In the case of Swiss Franc Notes) – TEFRA D in accordance with usual Swiss practice]
		[(För Lån i Schweiziska Franc) – TEFRA D i enlighet med Schweizisk sedvanlig praxis]

11. **TERMS AND CONDITIONS**

VILLKOR

Offer Price:	[•]
Pris för Erbjudandet:	[•]
Conditions to which the offer is subject:	[Not Applicable/[•]]
	[The Issuer reserves its rights to cancel the offer under the following circumstances;
	(a) if the aggregate principal amount of Notes subscribed on or before [*insert date*] is less than [*insert amount*];

(b) if the [*insert relevant variable*] cannot be set at [*relevant value corresponding to the indicated minimum value];* or

(c) if any event of an economic, financial or political nature occurs and which may jeopardise a successful offer, as determined by the Issuer].

[The Issuer may also replace any Reference Asset listed in the table(s) above at any time on or prior to [*insert date*] with a comparable type of underlying Reference Asset].

Villkor för erbjudandet:	[Inte Tillämpligt/[•]] [Emittenten förbehåller sig rätten att dra tillbaka erbjudandet under följande omständigheter; (a) om det sammanlagda beloppet av Lån som tecknats på eller före [*ange datum*] är lägre än [*ange belopp*]; (b) om [*ange relevant variabel*] inte kan anges till [*relevant värde som korresponderar till det indikerade lägsta värdet*]; eller (c) om någon händelse av ekonomisk, finansiell eller politisk natur inträffar och som kan äventyra ett framgångsrikt erbjudande, enligt Emittentens bedömning]. [Emittenten kan också ersätta varje Referenstillgång som listas i tabellerna ovan vid var tid på eller före [*ange datum*] med en jämförbar typ av underliggande Referenstillgång.
Description of the application process:	[Not Applicable/[•]]
Beskrivning av ansökningsprocessen:	[Inte Tillämpligt/[•]]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/[•]]
Beskrivning av möjligheten att reducera antalet teckningar och metod för att återbetala överstigande belopp som har betalats av kandidater.	[Inte Tillämpligt/[•]]
Details of the minimum and/or maximum amount of application:	[Not Applicable/[•]]
Uppgifter om det minsta och/eller högsta antalet ansökningar:	[Inte Tillämpligt/[•]]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/[•]]
Uppgifter om metoden och tidsbegränsningar för att betala och	[Inte Tillämpligt/[•]]

leverera Lånen:

Manner in and date on which results of the offer are to be made public:	[Not Applicable/[•]]
Metod för och datum när resultat av erbjudandet kommer offentliggöras till allmänheten:	[Inte Tillämpligt/[•]]
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	[Not Applicable/[•]]
Kategorier av potentiella investerare till vilka Lånen erbjuds och huruvida trancher har reserverats för särskilda länder:	[Inte Tillämpligt/[•]]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/[•]]
Process för att underrätta kandidater om det tilldelade belopp och om handel kan komma att påbörjas före det att underrättelse har skett:	[Inte Tillämpligt/[•]]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/[•]] [Address: [[•]]
Namn och adress(er), i den utsträckning som Emittenten känner till, till placerare i de olika länder där erbjudanden tar plats.	[Inget/[•]] [Adress: [[•]]

12. [***Swiss Franc Notes only*** **- DOCUMENTS AVAILABLE**

[***Lån i Schweiziska Franc enbart*** **- DOKUMENT TILLGÄNGLIGA**

Copies of the Final Terms and the Base Prospectus are available [at UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Switzerland (tel: +41 44 239 47 03, fax: +41 44 239 21 11 or email: swiss-prospectus@ubs.com) / from the offices of Credit Suisse AG at Uetlibergstrasse 231, 8070 Zürich, Switzerland].]

Kopior av de Slutliga Villkoren och Grundprospektet finns tillgängligt [vid UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Schweiz (tel: +41 44 239 47 03, fax: +41 44 239 21 11 eller epost: swiss-prospectus@ubs.com) / från Credit Suisse AG kontor vid Uetlibergstrasse 231, 8070 Zürich, Schweiz].]

13. [***Swiss Franc Notes only*** **- REPRESENTATIVE**

[*Lån i Schweiziska Franc enbart* - REPRESENTANT

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, [•] has been appointed by the Issuer as representative to lodge the listing application with the Admission Board of the SIX Swiss Exchange.]

I enlighet med Artikel 43 i Reglerna för Listning från SIX Swiss Exchange, har [•] utsetts av Emittenten som representant att genomföra ansökningen om notering hos SIX Swiss Exchanges Admission Board.]

14. [***Swiss Franc Notes only*** **- NO MATERIAL ADVERSE CHANGE / MATERIAL CHANGES SINCE THE MOST RECENT ANNUAL FINANCIAL STATEMENTS**

[*Lån i Schweiziska Franc enbart* - INGEN VÄSENTLIG NEGATIV FÖRÄNDRING / VÄSENTLIGA FÖRÄNDRINGAR SEDAN DEN SENASTE ÅRSREDOVISNINGEN

Except as disclosed in the Base Prospectus, there has been no material adverse change in the financial condition or operations of the Issuer since [31 December 2013], which would materially affect its ability to carry out its obligations under the Notes.]

Förutom såsom redogjorts för i Grundprospektet, har det inte skett någon väsentlig negativ förändring i Emittentens ekonomiska situation eller verksamhet sedan [31 December 2013], som väsentligen kan påverka dess möjligheter att uppfylla sina förpliktelser under Lånen.]

15. [***Swiss Franc Notes only*** **- LISTING/TRADING INFORMATION**

[*Lån i Schweiziska Franc enbart* - LISTNING/HANDELSINFORMATION

(a) Trading Size and Ratio: [minimum and maximum trading size and the standard exercise ratio]

(a) Handelsstorlek och Förhållande: [minsta och högsta handelsstorlek och standard för utövandeförhållande]

(b) First Trading Day: [first trading day]

(b) Första Handelsdag: [första handelsdag]

(c) Last Trading Day and Time: [last trading day as well as (in the case of derivatives) the time of day at which trading shall cease]

(c) Sista Handelsdag och -tidpunkt: [sista handelsdagen såväl som (om derivat) tidpunkten på den dag handel ska upphöra]

(d) [(In the case of derivatives) Capital Protection: [Capital protection [specify] / no capital protection]]

(d) [(Om derivat) Kapitalskydd: [Kapitalskydd [specificera] / inget kapitalskydd]]

(e) [(In the case of derivatives) Type of quoting: [the Notes are traded or quoted including accrued interest (dirty trading)] [accrued interest is shown separately (clean trading)]]

(e) [(Om derivat) Typ av återgivning: [Lånen handlas och återges inklusive upplupen ränta (dirty trading)] [upplupen ränta visas separat (clean trading)]]

16. [***Swiss Franc Notes only*** **– INFORMATION RELATING TO UNDERLYINGS**

[***Lån i Schweiziska Franc enbart*** **– INFORMATION AVSEENDE UNDERLIGGANDE**

[insert the information on the underlying instruments required by section 4 of scheme F (for derivatives) and the tax information in relation to a purchase of underlying instruments required by section 3.2.12 of scheme F (for derivatives) of the SIX Swiss Exchange (for derivatives) in respect of Notes to be listed on the SIX Swiss Exchange, to the extent such information is not already included elsewhere in the Final Terms.]

[för in den information om de underliggade instrumenten som krävs enligt avsnitt 2 i investeringsplan F och den skatteinformation för ett köp av underliggande instrument som

krävs enligt avsnitt 3.2.12 i investeringsplan F (för derivat) för SIX Swiss Exchange (för derivat) beträffande Lån som ska listas på SIX Swiss Exchange, såvida sådan information inte redan inkluderats på annan plats i Slutliga Villkor.

17. [***Swiss Franc Notes only*** **– ADDITIONAL INFORMATION**

[***Lån i Schweiziska Franc enbart*** **– YTTERLIGARE INFORMATION**

Fees charged by the Issuer to the Noteholders post issuance: [none] [give details]

Avifter som tas ut av Emittenten från Innehavare efter emission: [inga] [infoga detaljer]

THE NORDEA GROUP

Overview

The Nordea Group (NBAB and its subsidiaries, the "**Nordea Group**" or the "**Group**") is a large financial services group in the Nordic markets (Denmark, Finland, Norway and Sweden) measured by total income, with additional operations in Russia, Estonia, Latvia, Lithuania and Luxembourg, as well as branches in a number of other international locations.

The Nordea Group's parent company, NBAB, is a public Swedish limited liability company incorporated under Swedish law. NBAB's shares are listed and traded on the NASDAQ stock exchanges in Stockholm, Copenhagen and Helsinki. The Nordea Group's head office is located in Stockholm at Smålandsgatan 17, SE-105 71 Stockholm, Sweden.

As at 30 September 2015, the Nordea Group's assets totalled EUR 679.9 billion and tier 1 capital EUR 26.7 billion. As of the same date, the Nordea Group had approximately 11 million customers across the markets in which it operates, of which approximately 10 million are household customers in customer programmes and 0.5 million are corporate and institutional customers.

As of 30 September 2015, the Nordea Group had approximately 650 branch office locations. In addition, the Group has a very large number of telephone and Internet customers.

In addition, the Nordea Group acts as an asset manager within the Nordic region with EUR 273.3 billion in assets under management as per 30 September 2015. The Nordea Group also provides life insurance products.

The Formation of the Nordea Group

The Nordea Group was created through international mergers among four large Nordic financial institutions which gradually resulted in the creation of a single unit. Nordea's predecessors were Nordea Bank Sverige AB (publ) (formerly Nordbanken AB (publ)) in Sweden ("**Nordea Bank Sverige**"), which, on 1 March 2004, merged with the Group's parent company and underwent a change of name to Nordea Bank AB (publ); Nordea Bank Danmark A/S (formerly Unibank A/S) in Denmark ("**Nordea Bank Danmark**"); NBF (formerly Merita Bank Abp) in Finland; and Nordea Bank Norge ASA (formerly Christiania Bank og Kreditkasse ASA) in Norway ("**Nordea Bank Norge**").

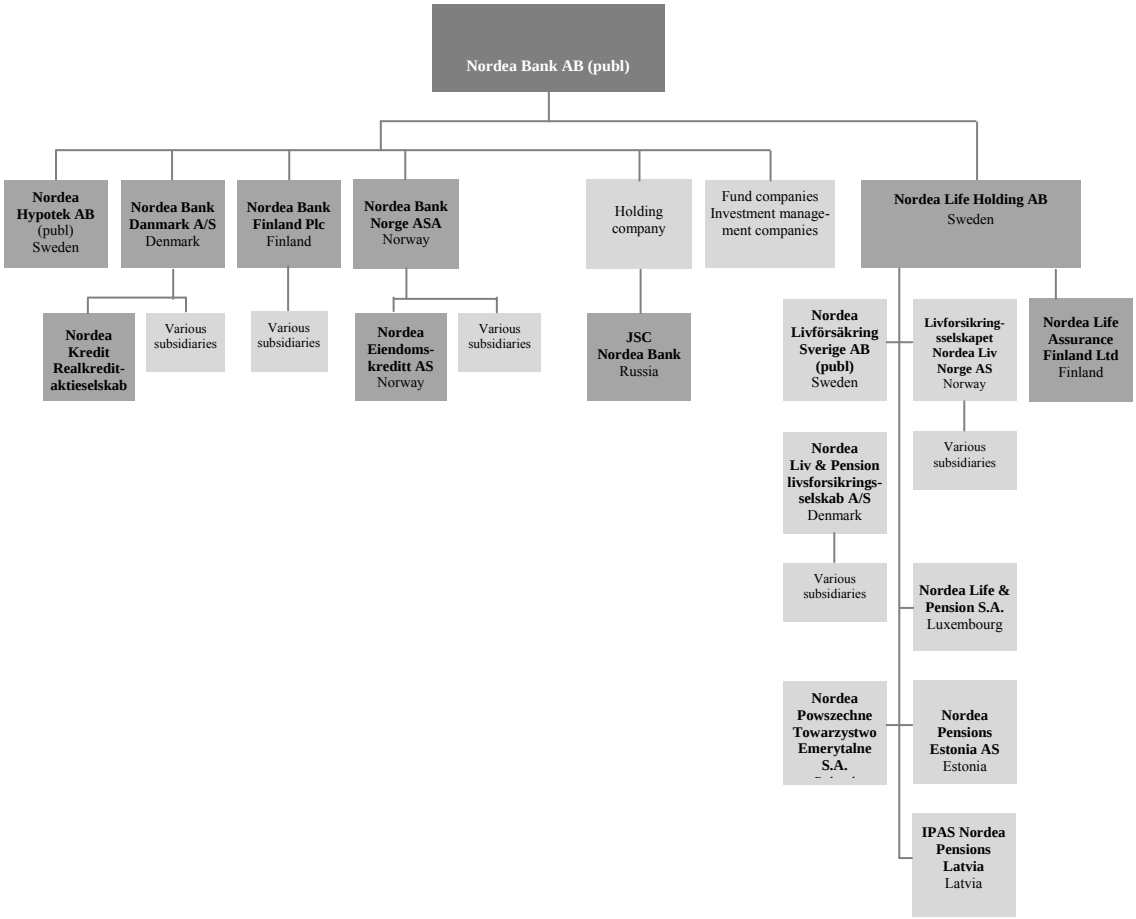
After the Group's parent company had adopted the name Nordea AB (publ) at the end of 2000, the name "Nordea" was gradually introduced within the Group and, by December 2001, the banks and branch offices within the Group had adopted the name Nordea.

Legal Structure

To improve operating capacity, reduce risk exposure and enhance capital efficiency, Nordea's Board of Directors initiated a change in the Group's legal structure in June 2003. The internal restructuring commenced in 2003 when NBAB, the parent company of the Nordea Group, acquired Nordea Bank Sverige, Nordea Bank Danmark and Nordea Bank Norge from NBF. At the same time, Nordea AB (publ) also acquired Nordea North America, Inc. from NBF. Following these transactions, NBAB was established as a bank and its name was changed to Nordea Bank AB (publ). Thereafter, Nordea Bank Sverige merged with Nordea Bank. The merger was registered with the Swedish Patent and Registration Office (currently the Swedish Companies Registration Office) on 1 March 2004.

NBAB has initiated preparatory work and dialogue with authorities in the Nordic countries regarding the simplification of its legal structure by changing the Norwegian, Danish and Finnish subsidiary banks into branches. Discussions with the relevant authorities have been initiated. The changes in NBAB's group legal structure depend on approvals and a satisfactory outcome of the discussions with the relevant authorities in each country. A decision about the future legal structure is also subject to approval by NBAB's shareholders at a general meeting.

The following chart sets forth the general legal structure of the Nordea Group as at the date of this Base Prospectus.



NBAB (the parent of the Nordea Group) has foreign branches in Norway, Finland, Denmark, the Baltic countries, Poland, China, Germany and the United Kingdom.

The Nordea Group's Organisation

Overview

The Nordea Group's organisational structure, which was originally implemented in June 2011 and amended in February and July 2013, is built around three main business areas: Retail Banking, Wholesale Banking and Wealth Management. In addition to the business areas, the Nordea Group's organisation includes the following three Group functions: Group Corporate Centre, Group Risk Management and Group Compliance. As of 1 November 2015, the setup of a Chief Operations Officer (COO) organisation has been implemented, led by the Group COO and with a structure of COOs in each business area and group function.

In the Nordea Group's organisation, all parts of the value chains, namely customer responsibility, support, products, staff and IT development, have been incorporated into the three main business areas with the objective to improve efficiency, increase return on equity and deepen customer relationships. By organising the business areas around value chains, NBAB believes that the responsibilities for creating efficiencies will be clearer and that the Nordea Group will be able to respond to new regulatory and investor demands in a more agile manner. The purpose of the organisational structure is also to enable all people within the Nordea Group to work even closer to customers, including understanding and delivering on their needs and preferences. Segmentation of customers and differentiating both the value proposition and resource allocation according to customer needs are at the core of the Nordea Group's customer strategy.

Of the Nordea Group's business areas, Retail Banking is responsible for customer relations with household customers as well as large, medium-sized and small corporate customers in the Nordic and Baltic countries. Retail Banking is responsible for segmentation (customer groups) as well as value propositions (customer programmes), cross-border customer strategies and sales processes. To enable

more focused household and corporate value propositions and to provide Retail Banking's customers with the best digital customer experience, the Retail Banking organisation was changed in August 2014. The Retail Banking business is operated through Banking Denmark, Banking Finland & Baltics, Banking Norway, Banking Sweden and Nordea Finance.

The Wholesale Banking business area further builds on the Nordea Group's customer-centric relationship banking approach and aims to ensure that all service and product competences of the Nordea Group reach its large corporate and institutional customers. Wholesale Banking launched a simplified organisation structure in September 2014. The Wholesale Banking business area includes the business units Corporate & Institutions, which includes the local CIB units, Shipping, Offshore & Oil Services and International units, FICC, Investment Banking, Equities (the Markets units) and Nordea Bank Russia.

Wealth Management includes the business units Private Banking (Nordic and International), Asset Management and Life & Pensions. The Private Banking business is operated through an integrated model with Retail Banking.

Group Corporate Centre is a Group function providing financial and operational frameworks and processes as well as professional services and advice within their area of expertise. Group Corporate Centre includes Group Finance & Business Control, Group Treasury & ALM, Investor Relations, Group IT, Group Simplification and Business Transformation.

Group Risk Management is a Group function that manages and monitors all aspects of risks, be it credit, market or operational risk. Group Risk Management includes Group Credit Risk, Group Market and Counterparty Credit Risk, Group Operational Risk, Group Credit & Financial Reporting Control and Group Recovery & Resolution Planning.

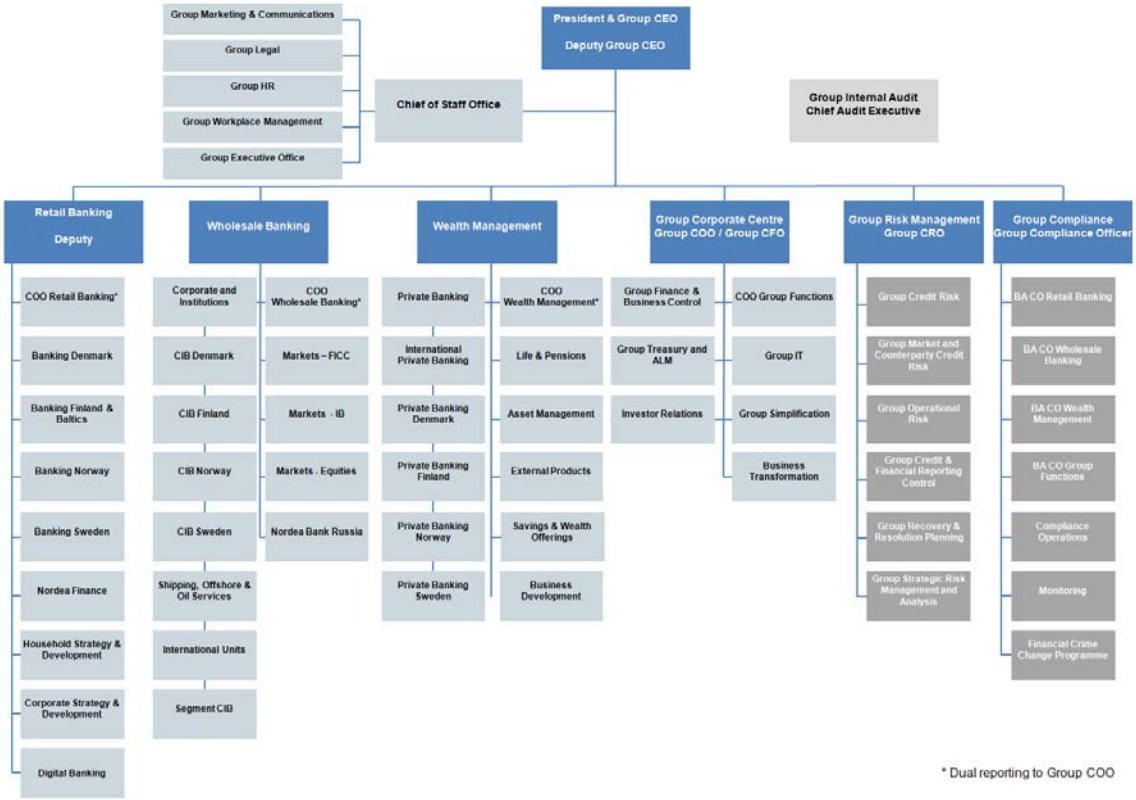
Group Compliance is a Group function that comprises the compliance functions in business areas and group functions. It includes the units led by the Compliance Officers in each of the business areas Retail Banking, Wholesale Banking and Wealth Management and Group Corporate Centre as well as the Compliance Operations, Compliance Monitoring, Compliance Development and Support and the Financial Crime Change Programme.

Business Areas

At the core of the Nordea Group's strategy is segmentation of customers and differentiating both value proposition and resource allocation according to customer needs. The Nordea Group's customer activities are organised around two major customer groups: household customers and corporate customers. With both its household customers and corporate customers, the Nordea Group seeks to build long-term banking relationships and to become a lifetime financial partner by gaining an understanding of the customers' specific product and service needs and by offering products and advice tailored to meet those requirements.

To serve its household customers and corporate customers, the Nordea Group has divided its operations into three main business areas: Retail Banking, Wholesale Banking and Wealth Management. The business areas each comprise a number of business units which operate as separate profit units.

The following chart sets forth the Nordea Group's organisation as at 1 November 2015.



Retail Banking

Retail Banking is the largest of the business areas within the Nordea Group. Retail Banking is responsible for customer relations with household customers as well as large, medium-sized and small corporate customers in the Nordic and Baltic countries. Retail Banking is responsible for segmentation (customer groups) as well as value propositions (customer programmes), cross-border customer strategies and sales processes. The Retail Banking business is operated through Banking Denmark, Banking Finland & Baltics, Banking Norway, Banking Sweden, Nordea Finance and Digital Banking.

Within Retail Banking, the Nordea Group operates through a multitude of channels in the household customer segment to ensure that household customers can access the bank when and how it suits them. To cater for the changing customer needs and preferences, the Nordea Group is continuously strengthening its online offerings. The Nordea Group's goal is to build broad and deep relationships with its customers online. The ambition is to create online solutions for those personal and corporate customers who want a full-service solution. In addition, the Nordea Group is working to simplify and digitise the key processes and products. Through the Nordea Group's common customer relationship system, the multitude of channels is integrated so that customer interaction in one channel is simultaneously recorded in all other channels. The Nordea Group divides household customers in each of the Nordic markets into four segments, based on their business with the Nordea Group. The four segments are: Bronze, Silver, Gold and Premium and Private Banking. The core philosophy of this strategy is to provide the best service, advice and product solutions to customers – thus ensuring loyalty, brand value and increasing business and income.

In the Nordic markets, Retail Banking divides its corporate customers further into three segments, based on their business potential and the complexity of their banking needs. The three segments are Business Banking Direct, Business Banking, and Commercial Banking. For each segment, Nordea have developed a distinct value proposition – including contact policy, service level and product solutions – to provide comprehensive offerings and ensure "house bank" relationships.

Wholesale Banking

Wholesale Banking provides financial solutions to large Nordic and international corporate and institutional customers. The offering includes a diverse range of financing, investment banking, and capital markets products and securities services. The mission of the Wholesale Banking business area is to provide strong relationship and offerings to the largest Nordic corporate and institutional customers. In addition, Nordea Bank Russia is part of Wholesale Banking. The Wholesale Banking business area aims to ensure integration of the value chain from customer units through product, support and IT units.

NBAB believes that its strategy for the largest corporate customers has proven robust during the ongoing transformation of the banking industry. NBAB further believes that the Nordea Group's local sales organisations combined with a global production platform enable it to capitalise on the benefits of relationship banking and economies of scale. The relationship strategy provides the Nordea Group with a deep knowledge of its customers and their industries, which allows Wholesale Banking to strengthen its customer offerings.

Currently, the Wholesale Banking business area includes the units Corporate & Institutions, which covers the local CIB units, Shipping, Offshore & Oil Services and International units, Equities, FICC and Investment Banking (the Markets units), Nordea Bank Russia and an operating unit supporting the business area infrastructure.

Corporate & Institutions

Corporate & Institutions is a customer responsible organisation serving the largest corporate and institutional customers. Corporate & Institutions consist of four individual divisions, covering each of the Nordic countries (CIB Denmark, CIB Finland, CIB Norway and CIB Sweden), Segment CIB, Shipping, Offshore & Oil Services and International Units (five branches located in New York, London, Frankfurt, Shanghai and Singapore and two representative offices located in Sao Paolo and Beijing). The CIB divisions serve corporate and institutional customers with a strong customer centric focus via the Wholesale Banking Customer Service Model.

In the Wholesale Banking Customer Service Model, the customer units and product units have joint ownership and responsibility for maintaining and developing profitable customer relationships. The customer responsible unit has the overall responsibility for the customer relationship, including customer profitability and credit risk. Product units are responsible for the sales, delivery, profitability and inherent (operational) risks of their products. Corporate & Institutions customers are offered tailored solutions and the full range of financial services by the Nordea Group, such as loans, deposits, cash management services, project finance, export and trade finance, corporate finance and capital markets products. In addition to Nordic corporate and institutional customers, Corporate & Institutions is also responsible for the corporate part of the Nordea Group's international business.

Shipping, Offshore & Oil Services

Shipping, Offshore & Oil Services is the customer unit responsible for serving customers in the shipping, offshore and cruise and ferries industries worldwide. NBAB believes that the Nordea Group is a leading bank to the global shipping and offshore sector with strong brand recognition and a world-leading loan syndication franchise.

Shipping, Offshore & Oil Services has the following business sub-units: Shipping Europe, Asia and Middle East, Shipping Nordic, Global Offshore & Oil Services and Global Syndication. Employees within the sub-units are located in Nordea Bank Norway, Nordea Bank Denmark, NBAB (including the branch of NBAB in London) and NBF (including the branches of NBF in New York and Singapore). The competence centre for Shipping, Offshore & Oil Services is in Oslo, Norway as part of Nordea Bank Norway.

Nordea Bank Russia

Nordea Bank Russia offers a full range of bank services to corporate and private customers. Corporate customers of Nordea Bank Russia include leading Russian, Nordic and international companies operating in Russia. Nordea Bank Russia offers account and cash services, cash management, lending, trade and project finance, leasing and factoring, deposit taking and bank card services The primary business focus is

on large global companies and core Nordic customers. A dominant portion of the business is conducted from the offices in Moscow and St. Petersburg, where the majority of the employees are located.

Markets – Equities, FICC and Investment Banking

The Nordea Group runs what it believes is the leading capital markets and investment banking operation in the Nordic region. Capital Markets is responsible for handling trading, research and sales within areas such as foreign exchange, fixed income, equities, structured products, debt capital markets and corporate finance, offering its products to all Nordea customer segments.

Capital Markets is a customer-driven franchise where the trading activities are driven by the management of the risk inherent in customer transactions, with no proprietary trading. Capital Markets consist of three main divisions: Fixed Income, Currency & Commodities ("**FICC**"), Investment Banking and Equity located primarily in the Nordic capitals. Markets FICC offers risk management products but also intermediation of credit and capital through, among other things, repose and securities lending. Debt Capital Markets within Markets Investment Banking offers advisory services in relation to intermediation of credit and capital but does not have an independent access to allocation of capital.

Wealth Management

Wealth Management provides investment, savings and risk management products, manages the Nordea Group's customers' assets and advises affluent and high-net-worth individuals as well as institutional investors on their financial situation. The vision of Wealth Management is to become the leading wealth manager in the Nordic region, with global reach and global capabilities. Wealth Management strives to form strong client relationships, based on high quality of advice and solutions, delivered cost and capital-efficiently through an integrated value chain. The business area consists of three primary areas, Asset Management, Life & Pensions and Private Banking.

Asset Management is responsible for investment management and investment funds within the Nordea Group and also for serving institutional clients and third-party distributors with investment products. The products are delivered to both household customers and corporate customers, including institutional clients. The product range comprises investment funds and discretionary mandates within all asset classes with the majority within actively managed equity, fixed income and balanced products.

Life & Pensions provides life insurance, pension products and services in eight countries in Europe. Life & Pensions serve both the individual and corporate segments with traditional as well as unit-linked products. The operations are conducted in legal entities wholly owned by Nordea Life Holding AB while the customers are served through banking branches, Life & Pensions' own sales force or via tied agents, brokers and to a small extent other financial institutions.

Private Banking advises wealthier customers of Nordea Group on all aspects of their financial situation. The Nordea Group operates its Private Banking business through an integrated model with Retail Banking. In addition to its Nordic Private Banking operations, the Nordea Group engages in international Private Banking operations that are targeted to both customers of a Nordic origin domiciled outside the Nordic region and international customers of non-Nordic origin.

Wealth Management additionally consists of the units Savings & Wealth Offering, responsible for the savings product offering to Nordea's Retail and Private Banking customer; External Products, responsible for externally managed products; Operations, responsible for operational processes incl. IT and processing for regulatory requirements; Business Development, responsible for Project Management, Communication, HR and Planning & Control.

Group Risk Management, Group Corporate Centre and Group Compliance

Within the Nordea Group, three units, Group Risk Management, Group Corporate Centre and Group Compliance, are responsible for risk, capital, liquidity and balance sheet management.

Group Corporate Centre

Group Corporate Centre is responsible for delivering selected fundamental building blocks required for the banking activities within each of the Nordea Group's business areas. Group Corporate Centre aims to ensure that NBAB operates with an adequate strategy and portfolio composition. Group Corporate Centre

is also responsible for the measurement and analysis relating to performance as well as capital and liquidity management of the Nordea Group. Group Corporate Centre directly contributes to the Nordea Group's results by providing capital and funding, proprietary trading and tax optimisation. In addition, Group Corporate Centre is responsible for securing adequate processes relating to financial reporting.

Group Risk Management

Group Risk Management manages and monitors all aspects of risk, be it credit, market or operational risk. Group Risk Management develops risk models, credit policies, credit processes and IT tools that support business areas and other business units within the Nordea Group together with efficient processes and prudent risk management.

Group Compliance

Group Compliance comprises the compliance functions in business areas and group functions. It includes the units led by the Compliance Officers in each of the business areas Retail Banking, Wholesale Banking and Wealth Management and Group Corporate Centre as well as the Compliance Operations, Compliance Monitoring, Compliance Development and Support and the Financial Crime Change Programme.

Strategy

The Nordea Group is a universal banking group with a relationship strategy centered on its customers and advisory capabilities. The Nordea Group's strategic direction is primarily driven by, and reflective of, the needs of its customers and the challenging macroeconomic and regulatory environment in which the Nordea Group and its customers operate. The Nordea Group strives to provide excellent customer experiences and holistic financial solutions in a low-risk, efficient and diversified manner. In operational terms, during the past years, the Nordea Group has had a clear focus on constantly improving its cost and capital efficiency in order to maintain a sustainable operating model, secure competitive offerings and remain a solid banking institution. By serving the customers and fine-tuning its business, NBAB believes that the Nordea Group can further develop its low-risk and stable franchise, providing access to funding at competitive price levels and delivering on its target to have a return on equity above its Nordic peer weighted average. Nordea Group will continue to evolve into "One Nordea" and deliver the future relationship bank model through strengthened culture and relentless execution focusing on the following four areas:

- ***Clear customer vision***, meeting customer needs with a constant focus as being considered "easy to deal with, relevant and competent, anywhere and anytime and where the personal and digital relationship makes Nordea my safe and trusted partner."

- ***Common way of working***, the Nordea Group's three main business areas' value chains are designed to support the focused relationship strategy and NBAB believes that having one operating model and business area ownership of the end-to-end value chain ensures a comprehensive view, accountability and congruity, and it also safeguards operational efficiency by improving the quality of customer relationships, increasing the time spent with customers and reducing the time required to bring new products and services to market.

- ***Simplification and Common systems***, to deliver excellent customer experiences in the face of digitisation, changing customer behaviour and increased operational regulations, NBAB believes that the Nordea Group will need to become more agile and realise the full potential of scale while ensuring continued resilience; to do so, the Nordea Group will continue to adopt and develop best practices and strive for transparency and reduced complexity in products and processes; to achieve these goals the Nordea Group has launched a programme and investments to make the transition to a new core banking platform, a new payment platform, and a Group common data warehouse.

- ***Common values***, clear values and principles are reflected in the objectives and incentives that are set within the Nordea Group, and how managers lead, develop and support people; values and leadership are the strongest drivers of performance and corporate culture.

NBAB believes that the Nordea Pan-Nordic platform with scalability, superior Nordic distribution power with global capabilities and actively managed business portfolio with low volatility will continue to create significant value for all stakeholders.

Main Strategic Priorities

Trust and responsibility

Nordea will continue and further strengthen its focus on compliance, and emphasis on implementing new rules and regulation quickly, and thereby making it possible to capture the benefits of the compliance-related investments, also in the form of a deeper understanding of the Nordea Group's customers and risks.

Cost and capital efficiency

Nordea is delivering on its 2015 cost target by delivering a 5% reduction in cost from 2013-2015. This has been achieved by streamlining the physical distribution, re-directing standardised banking transactions to online/mobile channels and optimising the advisory offering in the branches. Further, initiatives to increase operational efficiency through centralisation of support functions, automation of processes and transformation of premises have been included in the efficiency plan.

NBAB believes that the new low-growth environment has accelerated the need for strict cost discipline in order for the Nordea Group to remain competitive in serving its customers. The Nordea Group is therefore targeting a 1 per cent. compound annual growth rate in cost from 2015-2018. This will be achieved by continued branch optimisation with removal of manual cash handling, simplify & automate services, processes and products. Furthermore, IT and consultancy tasks will to a greater extent be insourced.

Digital Strategy

Digitisation is one of the main drivers for change in banking as well as in many other industries. Customer preferences and expectation on accessibility, easiness and personalisation are key reasons behind this development. The Nordea Group has seen and continues to see a rapid increase in customer demand for mobile solutions. For example, transactions that were traditionally handled through branches are now available to customers 24/7 through mobiles. Furthermore, more and more advisory meetings are now also being conducted online.

Simplification

NBAB believes that the rapid change in customer preferences towards using online and mobile solutions, as well as the increasing operational regulation, is transforming the banking industry. To enable development of even more personalised and convenient services to the customers in the future, the Nordea Group is currently simplifying parts of its operations. In line with this strategy, the Nordea Group will build new core banking and payment platforms and a Group common data warehouse, with the aim of significantly increasing agility, scale benefit, resilience and reducing complexity.

Vendors have been selected and developments are underway in all of the above mentioned areas with first operational deliveries expected in the first half of 2016. The simplification programme will be implemented gradually with ongoing deliveries over the next four to five years.

Relationship Strategy

The Nordea Group's relationship strategies are divided into a household relationship strategy and a corporate relationship strategy, both focusing on constantly acquiring new relationship customers and identifying cross-selling opportunities with the goal of providing additional services to customers and increasing ancillary income.

Household Relationship Strategy

Household customers are divided into four segments based on their business with the Nordea Group. For each segment, the Nordea Group has developed a value proposition, including contact policy, service level, pricing and product solutions. The core philosophy of this strategy is to provide the best service, advice and product solutions to customers and thereby to ensure loyalty, brand value and increase

business and income. The Nordea Group's household pricing is transparent and generally non-negotiable. NBAB believes that the Nordea Group has a broad and competitive product range and strong distribution power. Product development is geared at reducing complexity and developing products that are capital efficient in order to meet both the demands of customers and regulatory requirements. The Nordea Group's savings product offering is designed to take account of customers' wealth, their level of involvement, stage of life and risk appetite.

The Nordea Group pursues a multichannel distribution strategy, aiming to improve customer satisfaction while reducing the cost of serving. Proactive contact with customers is conducted by local branches and contact centres, and through online services and the mobile bank. The Nordea Group aims at having recurring advisory meetings with all existing and potential relationship customers, taking their entire finances, risk/return profiles and long-term objectives into account in order to provide a comprehensive financial solution.

Corporate Relationship Strategy

Corporate customers comprise four segments based on their business potential and the complexity of their banking needs. For each segment, the Nordea Group has developed a value proposition including contact policy, service level and product solutions to provide comprehensive financial solutions and ensure "house bank" relationships. Relationship managers take a holistic view of the customer's situation and targets and organise the relationship accordingly. NBAB believes that the Nordea Group's strength and size as a banking group enable it to offer highly competitive solutions to the benefit of corporate customers. NBAB believes that its strategy for the largest corporate customers has proven robust during the ongoing transformation of the banking industry. The Nordea Group is committed to its goal of becoming the leading bank in the wholesale segment in all its Nordic markets.

Capital Adequacy

The Nordea Group uses a variety of capital measurements and capital ratios to manage its capital. The Nordea Group calculates its regulatory capital requirements under the CRD IV framework.

The Nordea Group is approved by the financial supervisory authorities to use the IRB approach when calculating the capital requirements for the main part of its credit portfolio. The Nordea Group uses the Advanced IRB approach for the corporate exposure classes, the Foundational IRB approach for institutional customers and the Retail IRB approach for the retail exposure classes in the main banks and the mortgage companies in Denmark, Finland, Norway and Sweden. Furthermore, the Nordea Group is approved to use the Foundational IRB approach for the corporate and institutions exposure classes in the finance companies in Denmark, Finland, Norway and Sweden, as well as in Nordea Bank Russia, the Baltic branches in Estonia, Latvia and Lithuania and the International Units. In addition, the Nordea Group is approved to use the Retail IRB approach for retail exposure classes in Finland. Other legal entities and exposure classes are reported according to the standardised approach. Acquisitions of new portfolios are treated under the standardised approach until they are approved for the IRB approach by the relevant financial supervisory authority.

Nordea aims to continue the roll-out of the IRB approaches. The main focus is the expansion of the Advanced IRB approval to additional portfolios. Furthermore, a roll-out project of sovereign exposures to FIRB is currently on-going. The Nordea Group is also approved to use its own internal VaR models to calculate capital requirements for the major parts of the market risk in the trading books. For operational risk, the standardised approach is applied.

The Nordea Group's current capital policy states that the targets for the Nordea Group's common equity tier 1 (CET1) capital ratio, tier 1 ratio and total capital ratio should be above the capital requirements received from the Swedish FSA. In addition, Nordea will maintain a management buffer of 0.5-1.5 per cent. above the regulatory CET1 requirement.

The Capital Policy is related to the International Capital Adequacy Assesment Process ("**ICAAP**"), which according to the CRD IV, should, for each bank, review the management, mitigation and measurement of material risks to assess the adequacy of internal capital and determine an internal capital requirement reflecting the risk appetite of the institution.

As of 31 December 2014, the Nordea Group's tier 1 capital and own funds exceeded the regulatory minimum requirements outlined in the CRD IV. Considering results of capital adequacy stress testing, capital forecasting and growth expectations, the Nordea Group assesses that the buffers held for current regulatory capital purposes are sufficient.

In addition to the Nordea Group's internal capital requirements, ongoing dialogues with third parties affect the Nordea Group's capital requirements, in particular, views of the external rating agencies.

The Nordea Group uses a "pillar 1 plus pillar 2" approach in order to assess the internal capital requirement. This methodology uses the pillar 1 capital requirement for credit risk, market risk and operational risk as outlined in the CRD IV as the starting point for its risk assessment. For these risks, the risk is measured using only models and processes approved by the financial supervisory authorities for use in the calculation of legal capital requirements. Following this, pillar 2 risks, that is, risks not included in pillar 1, are considered. Pillar 2 risks include interest rate risk in the banking book, risk in the Nordea Group's internal defined benefit plans, real estate risk and concentration risk. The Nordea Group uses its capital models to define the internal capital requirement for each of these risks.

The Nordea Group uses its Economic Capital framework to identify and assess pillar 2 risks, and as its primary tool for internal capital allocation considering all risk types. Another important component of assessing capital adequacy is stress testing. The Nordea Group stress tests both pillar 1 and pillar 2 risks and considers the results of such tests when determining the Nordea Group's internal capital requirements. The Nordea Group uses its existing internal capital measurements as the basis for any additional capital buffers, subject to the judgment of the aforementioned third parties.

NORDEA BANK AB (PUBL)

Operational Overview

Nordea Bank AB (publ) or, as the case may be, a predecessor to NBAB, has operated as a part of the Nordea Group since 1998, which was formed as a result of the merger between Merita and Nordbanken. The merger between Merita and Nordbanken has been addressed in detail above; see "*The Nordea Group—Formation of the Nordea Group*".

NBAB conducts banking operations in Sweden within the scope of the Nordea Group's business organisation. NBAB develops and markets financial products and services to household customers, corporate customers and the public sector.

Legal Structure and Subsidiaries

Nordea Bank Sverige AB (publ) was a wholly owned subsidiary of NBAB (formerly Nordea AB (publ)) until 1 March 2004, when Nordea Bank Sverige merged with NBAB (see above "*The Nordea Group—Legal Structure*" for further information). NBAB was incorporated on 8 October 1997 in accordance with Swedish law. NBAB's registered office is located in Stockholm, Sweden. NBAB is subject to the Swedish Companies Act (2005:551) and is licensed to conduct banking operations in accordance with the Swedish Banking and Finance Business Act (2004:297), and further to pursue financing operations and operations related thereto including, among other things, carrying out securities business. NBAB is subject to substantial regulation in all markets in which it operates. NBAB is registered at the Swedish Companies Registration Office under the name Nordea Bank AB. NBAB is a public (publ) limited liability company with registration no. 516406-0120. The head office is located in Stockholm at the following address: Smålandsgatan 17, SE-105 71 Stockholm, Sweden (telephone no. +468-614-7000). NBAB has a number of directly and indirectly owned subsidiaries. NBAB shares are listed on the NASDAQ stock exchanges in Stockholm, Helsinki and Copenhagen.

The Main Subsidiaries

The three main subsidiaries of NBAB are Nordea Bank Danmark, NBF and Nordea Bank Norge.

NBF is a public limited liability company which has been granted a licence from the Finnish Financial Supervisory Authority to conduct banking business in Finland. NBF also holds a licence to engage in mortgage credit bank operations as defined in the Finnish Act on Mortgage Credit Bank Operations and offers investment services in accordance with the Finnish Act on Investment Services. Banking and financing business in Finland is regulated by the Finnish Act on Credit Institutions and by the Finnish Act on Commercial Banks and Other Credit Institutions in the form of a Limited Company.

Nordea Bank Danmark is a Danish public limited liability company (*Da. Aktieselskab*) which has been granted a license from the Danish Financial Supervisory Authority (*Da. Finanstilsynet*) to conduct banking business in Denmark. Banking business in Denmark is regulated by the Danish Financial Business Act and the Danish Securities Trading Act.

Nordea Bank Norge is regulated under the Norwegian Act on Commercial Banks and the Act on Financial Institutions and in relevant parts, the Norwegian Act on Public Limited Companies. In addition, Nordea Bank Norge holds a licence as an investment firm and is therefore also regulated by the Norwegian Securities Trading Act.

Share Capital and Shareholders

According to NBAB's Articles of Association, the share capital of NBAB shall not be less than EUR 2,700,000,000 and not more than EUR 10,800,000,000. Shares may be issued in two classes, Ordinary shares and C-shares. As of the date of this Base Prospectus, all existing shares of NBAB are ordinary shares. In voting at a general meeting, each of the Ordinary shares confers one vote and each of the C-shares, one tenth of one vote. C-shares do not entitle holders to any dividend. The Articles of Association set forth reciprocal rights and obligations between each owner and each class in the case of any issuance of new shares in NBAB.

As of the date of this Base Prospectus, NBAB's share capital is EUR 4,049,951,919, consisting of 4,049,951,919 ordinary shares with a quota value (*kvotvärde*) of EUR 1.00. Each share entitles the holder to one vote. NBAB is not entitled to vote with any shares it holds in itself.

The following table sets forth information relating to NBAB's five largest shareholders as of 30 September 2015:

Shareholder	Number of shares (million)	Percent of share capital and votes
Sampo plc	860.4	21.4%
Nordea-fonden	158.2	3.9%
Swedbank Robur Funds	101.0	2.5%
Alecta	87.4	2.2%
AMF Insurance & Funds	77.8	1.9%

Board of Directors

According to the Articles of Association, NBAB's Board of Directors shall consist of at least six and no more than fifteen members elected by the shareholders at the shareholders' meeting. As of the date of this Base Prospectus, the Board of Directors consists of nine members elected by the shareholders at the shareholders' meeting for the period until and including the annual general meeting in 2015. In addition, three members and one deputy member are appointed by the employees. Employees have a right, according to Swedish legislation, to be represented on the Board. The CEO of Nordea is not a member of the Board of Directors.

The following table sets forth, for each member of the Board of Directors, his or her year of birth and the year of his or her initial appointment to the Board of Directors:

Name	Year of birth	Board member since	Position
Björn Wahlroos	1952	2008	Chairman
Marie Ehrling	1955	2007	Vice Chairman
Tom Knutzen	1962	2007	Member
Robin Lawther	1961	2014	Member
Lars G. Nordström	1943	2003	Member
Sarah Russell	1962	2010	Member
Silvija Seres	1970	2015	Member
Kari Stadigh	1955	2010	Member
Birger Steen	1966	2015	Member

In addition, the Board of Directors includes the following employee representatives (one of whom at any time is a deputy member) appointed by the trade unions:

Name	Year of birth	Board member since	Position
Toni H. Madsen	1959	2013	Employee Representative
Lars Oddestad	1950	2009	Deputy Employee Representative
Hans Christian Riise	1961	2013	Employee Representative
Kari Ahola	1960	2006	Employee Representative

The members of the Board of Directors and Group Executive Management have the following office address: c/o Nordea Bank AB (publ), Smålandsgatan 17, SE-105 71 Stockholm, Sweden.

With the exception of the employee representatives, all members of the Board of Directors work outside the Nordea Group. No potential conflicts of interest exist between any duties to NBAB of a member of the Board of Directors and the private interests or other duties of such person.

Björn Wahlroos has been a member of the Board of Directors since 2008 and has served as its Chairman since 2011. As of the date of this Base Prospectus, Mr. Wahlroos also serves as the Chairman of the Board of Directors of Sampo plc and UPM-Kymmene Corporation. In addition, he is Board Chairman of Hanken School of Economics and a member of the Board of Directors of several charities, including the Finnish Business and Policy Forum EVA/ETLA and the Mannerheim Foundation.

Marie Ehrling has been a member of the Board of Directors since 2007 and has served as its Vice Chairman since 2011. As of the date of this Base Prospectus, Ms. Ehrling is the Chairman of the Board of Directors of TeliaSonera AB (publ). She is also a member of the Board of Directors of Securitas AB, Axel Johnson AB as well as a Board member of Centre for Advanced Studies of Leadership at the Stockholm School of Economics, a member of the Advisory Board of the Stockholm School of Economics and a member of the Royal Swedish Academy of Engineering Sciences (IVA).

Tom Knutzen has been a member of the Board of Directors since 2007. As of the date of this Base Prospectus, Mr. Knutzen is the CEO of Jungbunzlauer Suisse AG and Board Chairman of a group company. He is also a member of the Board of Directors of FLSmidth & Co A/S.

Robin Lawther has been a member of the Board of Directors since 2014. As of the date of this Base Prospectus, Ms. Lawther is a member of the Board of Directors of the Shareholder Executive that manages the U.K. government's shareholder relationships with businesses owned or part-owned by the U.K. government.

Lars G. Nordström has been a member of the Board of Directors since 2003. As of the date of this Base Prospectus, Mr. Nordström is the Chairman of the Board of Directors of Vattenfall AB and a member of the Board of Directors of Viking Line Abp. He is the Board Chairman of the Finnish-Swedish Chamber of Commerce and a member of the Board of Directors of the Swedish-American Chamber of Commerce. He is also a member of the Royal Swedish Academy of Engineering Sciences (IVA) and an Honorary Consul of Finland in Sweden.

Sarah Russell has been a member of the Board of Directors since 2010. As of the date of this Base Prospectus, Ms. Russell is the CEO of AEGON Asset Management Holdings NV and member of the Board of Directors of group companies. She is also member of the Board of Directors of La Banque Postale Asset Management SA.

Silvija Seres has been a member of the Board of Directors since 2015. As of the date of this Base Prospectus, Ms. Seres is member of the Board of Directors of Enoro Holding AS, Academedia AB and Syncros AB. She is also a Board Member of Oslo Business Region AS, Simula Research Laboratory AS and Transparency International Norge. She is also a member of the Corporate Assembly and the Nomination Committee of Telenor ASA.

Kari Stadigh has been a member of the Board of Directors since 2010. As of the date of this Base Prospectus, Mr Stadigh is the Group CEO and President of Sampo plc. Mr Stadigh also serves as the Chairman of the Board of Directors of If P&C Insurance Holding Ltd and Mandatum Life Insurance Company Limited and is a member of the Board of Directors of Nokia Corporation and Waypoint Group Holding Ltd. He is also Vice Chairman of the Federation of Finnish Financial Services and Board member of the Niilo Helander Foundation.

Birger Steen has been a member of the Board of Directors since 2015. As of the date of this Base Prospectus, Mr Steen is member of the Board of Directors of Schibstedt ASA and a member of the Board of Trustees of the Nordic Heritage Museum in Seattle.

Group Executive Management

Group Executive Management currently consists of nine members, including the CEO. The President and CEO is appointed by the Board of Directors and is charged with the day-to-day management of the Nordea Group and the Nordea Group's group-wide affairs in accordance with applicable laws and regulations, including the Swedish Code of Corporate Governance (*Svensk kod för bolagsstyrning*) (the "**Swedish Corporate Governance Code**"), as well as the instructions provided by the Board of Directors. The instructions regulate the division of responsibilities and the interaction between the CEO and the Board of Directors. The CEO works closely with the Chairman of the Board of Directors, for example, in planning the meetings of the Board of Directors.

The following table sets forth each member of Group Executive Management, his or her year of birth, the year of his or her initial employment as a member of Group Executive Management and his or her current position.

Name	Year of birth	Group Executive Management member since	Position
Casper von Koskull	1960	2010	President and Group CEO
Torsten Hagen Jørgensen	1965	2011	Deputy Group CEO and Group Chief Operating Officer, Executive Vice President and Head of Group Corporate Centre and, until 1 January 2016, Group CFO
Erik Ekman	1969	2015	Executive Vice President and Head of Wholesale Banking
Lennart Jacobsen	1966	2013	Executive Vice President, Head of Retail Banking and Country Senior Executive in Sweden
Mads G. Jakobsen.....	1966	2014	Executive Vice President, Deputy Head of Retail Banking and Country Senior Executive in Denmark
Ari Kaperi	1960	2008	CRO, Head of Group Risk Management and Country Senior Executive in Finland
Eva-Lotta Rosenqvist	1962	2015	Group Compliance Officer and Head of Group Compliance
Snorre Storset.....	1972	2015	Executive Vice President, Deputy Head of Wealth Management, and Head of Private Banking
Gunn Wærsted	1955	2007	Executive Vice President, Head of Wealth Management and Country Senior Executive in Norway
Heikki Ilkka*	1970	2016	Head of Group Finance & Business Control and, from 1 January 2016, Executive Vice President and Group CFO

* Appointment effective from 1 January 2016.

The members of the Group Executive Management have the following office address: c/o Nordea Bank AB (publ), Smålandsgatan 17, SE-105 71 Stockholm, Sweden.

No potential conflicts of interest exist between any duties to NBAB of a member of the Group Executive Management and the private interests or other duties of such persons.

Casper von Koskull has been the President and Group CEO of Nordea since 2015 and has been a member of Group Executive Management since 2010. Mr. von Koskull joined the Nordea Group in 2010 and was Head of Corporate Merchant Banking & Capital Markets from 2010 to 2011. As of the date of this Base Prospectus, Mr. von Koskull is a board member of the European Business Leader's convention.

Torsten Hagen Jørgensen has been Deputy CEO and Group Chief Operating Officer since 2015 and has been Executive Vice President, and Head of Group Corporate Centre and Group CFO since 2013. He has been a member of Group Executive Management since 2011. Mr Jørgensen joined the Nordea Group in 2005 and has held several executive positions within the Nordea Group. Mr Jørgensen will act as Group CFO until 1 January 2016, when this position will be taken over by Mr. Heikki Ilkka.

Erik Ekman has been Executive Vice President, Head of Wholesale Banking and a member of Group Executive Management since 2015. Mr. Ekman joined the Nordea Group in 2008 and has held several executive positions within the Nordea Group.

Lennart Jacobsen has been Executive Vice President, Head of Retail Banking and Country Senior Executive in Sweden and a member of Group Executive Management since 2013. Mr. Jacobsen joined the Nordea Group in 2013 as Head of Implementation & Execution Service, Retail Banking. Prior to joining the Nordea Group, Mr. Jacobsen held various positions within GE Capital, including Country Manager of GE Money Bank in Sweden from 2003 to 2008 and CEO of GE Money Bank Nordics from 2009 to 2012.

Mads G. Jakobsen has been Executive Vice President, Deputy Head of Retail Banking and Country Senior Executive in Denmark and a member of Group Executive Management since 2014. Mr Jakobsen joined the Nordea Group in 2002 and has held several executive positions within the Nordea Group.

Ari Kaperi has been a member of Group Executive Management since 2008. He became CRO and Head of Group Risk Management as well as Country Senior Executive in Finland in 2010. Mr Kaperi joined the Nordea Group in 2001 and has held several executive positions within the Nordea Group. As of the date of this Base Prospectus, Mr Kaperi is the Vice Chairman of the Board of Directors of the Federation of Finnish Financial Services and a member of the Board of Directors of Varma Mutual Pension Insurance Company. He is also a board member of Foundation for Economic Education and Art Foundation Merita and a member of the Advisory Board of Finnish Business and Policy Forum EVA/ETLA.

Eva-Lotta Rosenqvist has been Group Compliance Officer and a member of the Group Executive Management since 2015. From 2007 to 2015 she was Chief Audit Executive. Ms. Rosenqvist joined the Nordea Group in 1998 and has held several executive positions within the Nordea Group.

Snorre Storset has been Executive Vice President, Deputy Head of Wealth Management, Head of Private Banking and a member of Group Executive Management since 2015. Mr. Storset joined the Nordea Group in 2008 and has held several executive positions within the Nordea Group.

Gunn Wærsted has been Executive Vice President, Country Senior Executive in Norway and a member of Group Executive Management since 2007. She has been Head of Wealth Management since 2011. Ms. Wærsted was Head of Shipping, Private Banking & Savings Products from 2010 to 2011. As of the date of this Base Prospectus, Ms. Wærsted is a Chairman of the Board of Directors of Petoro A/S, a member of the Board of Directors of Finance Norway (FNO) and a member of the Council of Det Norske Veritas (DnV).

Heikki Ilkka joined Nordea in April 2015 as head of Group Finance, following a long career with Ernst & Young. He has been the Head of Group Finance & Business Control unit within Group Corporate Centre and from 1 January 2016, will act as Executive Vice President and the Group CFO.

There are no potential conflicts of interest between any duties of the members of the Board of Directors or members of Group Executive Management of NBAB towards NBAB and their private interests and/or other duties.

Independence

NBAB complies with applicable rules set forth in the Swedish Corporate Governance Code regarding the independence of the Board of Directors. The Nomination Committee considers all members of the Board of Directors elected by the shareholders, apart from Björn Wahlroos and Kari Stadigh, independent in relation to the Company's major shareholders. As of the date of this Base Prospectus, Björn Wahlroos is the Chairman of the Board of Directors of Sampo plc and Kari Stadigh is the Group CEO and President of Sampo plc which owns more than 10 per cent. of all shares and votes in NBAB.

All of the members elected by the shareholders are independent of the Company and its executive management.

No member of the Board of Directors elected by the annual general meeting is employed by or working in an operative capacity in the Nordea Group. The members and the deputy members of the Board of Directors appointed by the employees are employed by the Nordea Group and therefore not independent of the Nordea Group.

The number of members of the Board of Directors who are independent in relation to the Nordea Group and its executive management as well as independent in relation to the Company's major shareholders exceeds the minimum requirement set forth in the Swedish Corporate Governance Code, which states that at least two of the Board members elected by the general meeting of shareholders who are independent of the company and the company's executive management shall also be independent of the company's major shareholders.

External Auditors

According to the Articles of Association, one or two auditors shall be elected by the general meeting for a term of one year.

The auditor appointed by the 2015 AGM for the period until the end of the next annual general meeting is Öhrlings Pricewaterhouse Coopers AB, Torsgatan 21, SE-113 97 Stockholm, Sweden. Peter Clemedtson is the auditor-in-charge. The auditor is authorised by, and a member of, FAR SRS.

Legal and Administrative Proceedings

As a result of conducting its business in the ordinary course, the Nordea Group is a party to legal and administrative proceedings, including proceedings in which it is acting as plaintiff seeking to recover unpaid debts owed by defaulting borrowers and other customers, or as respondent in other cases. The Nordea Group is involved in a variety of claims, disputes, legal proceedings and governmental

investigations in jurisdictions where it is active. These types of claims and proceedings expose the Nordea Group to monetary damages, direct or indirect costs (including legal costs), direct or indirect financial loss, civil and criminal penalties, loss of licenses or authorizations, or loss of reputation, as well as the potential for regulatory restrictions on its businesses. As of the date of this Base Prospectus, none of the governmental, legal or arbitration proceedings to which the Nordea Group is party (including any such proceedings which are pending or threatened of which the Board of Directors is aware) are considered likely to have any significant effects on the Nordea Group's financial position and there are no governmental, legal or arbitration proceedings to which the Nordea Group has been party (including any such proceedings which are pending or threatened of which the Board of Directors is aware) during the 12 months preceding the date of this Base Prospectus which may have, or have had, significant effects on the Nordea Group's financial position or profitability.

Dividends

NBAB's annual shareholder general meeting has approved, and NBAB has paid, the following dividends in the last five years:

- 2014: EUR 0.62 per share, total dividend payment of EUR 2,501 million;
- 2013: EUR 0.43 per share, total dividend payment of EUR 1,734 million;
- 2012: EUR 0.34 per share, total dividend payment of EUR 1,370 million;
- 2011: EUR 0.26 per share, total dividend payment of EUR 1,048 million; and
- 2010: EUR 0.29 per share, total dividend payment of EUR 1,168 million.

Notices

Notices to the Noteholders are given in accordance with Condition 16 (*Notices*) of the Terms and Conditions of the Notes.

Articles of Association

The objects of NBAB can be found in article 3 of its Articles of Association. The objects of NBAB are to conduct such banking business referred to in Chapter 1 section 3 of the Swedish Banking and Financing Business Act (SFS 2004:297), to conduct financing operations and operations naturally connected therewith in accordance with Chapter 7 section 1 of the Swedish Banking and Financing Business Act and, in its capacity as parent company, to attend to and be responsible for overall functions in the Nordea Group, such as management, supervision, risk management and staff functions.

The Articles of Association were last amended on 12 May 2011.

Material Agreements

NBAB is not a party to any material agreement outside of its normal course of business which may result in another Nordea Group company obtaining a right or incurring an obligation which may materially affect the NBAB's ability to perform its obligations.

Corporate Governance

Corporate governance in Nordea follows generally adopted principles of corporate governance. The external framework which regulates the corporate governance work include the Swedish Companies Act, Banking and Financing Business Act, Annual Accounts Act, the Annual Accounts Act of Credit Institutions and Securities Companies, EU regulations for the financial industry, rules issued by relevant financial supervisory authorities, NASDAQ's rules for each of the stock exchanges in Stockholm, Copenhagen and Helsinki and the rules and principles of the Swedish Code of Corporate Governance.

Results of the 2015 AGM

The Annual General Meeting of NBAB held on 19 March 2015 (the "**2015 AGM**") approved the election of new board members, the election of Öhrlings PricewaterhouseCoopers AB as auditors of NBAB, the guidelines for remuneration to executive officers and the establishment of a nomination committee.

In addition, the 2015 AGM authorised the Board of Directors, for the period until the next annual general meeting, to decide on the acquisitions of ordinary shares in NBAB on a regulated market where its ordinary shares are listed, or by means of an acquisition offer directed to all holders of ordinary shares in NBAB. However, NBAB's holding of its own shares must not exceed 10 per cent. of its total number of shares. The purpose of the acquisition of own shares is to facilitate an adjustment of NBAB's capital structure to meet capital requirements and to make it possible to use own shares as payment in connection with acquisitions of companies or businesses or in order to finance acquisitions of companies or businesses.

The 2015 AGM also authorised the Board of Directors, for the period until the next annual general meeting, to decide on conveyance of ordinary shares in NBAB to be used as payment in connection with acquisitions of companies or businesses or in order to finance acquisitions of companies or businesses and authorised NBAB to purchase its own shares in order to facilitate its securities operations, **provided that** the holding of such shares must not at any time exceed 1 per cent. of its total number of shares.

Furthermore, the 2015 AGM also authorised the Board of Directors, for the period until the next annual general meeting to decide on the issue of convertible instruments. The amount that the share capital may be increased by full exercise of the convertible instruments shall not exceed 10 per cent. of NBAB's share capital. The issue of such convertible instruments may take place with or without preferential rights for existing shareholders and will be done in line with market conditions. The purpose of the authorisation is to facilitate a flexible and efficient adjustment of NBAB's capital structure to the capital requirements.

NBAB's Recent Developlments

Divestment of Merchant Acquiring Business

On 10 December 2015, Nordea completed the divestment of its merchant acquiring business to Nets Holding A/S. Merchant acquiring was a service provided to corporate customers, enabling them to accept card payments at point-of-sale and online. The business was sold for a price of EUR 230 million on an enterprise value basis. Nordea's capital gain after tax on the transaction was approximately EUR 175 million. The capital gain after tax consists of approximately EUR 178 million recognised under Other operating income and approximately EUR 3 million accounted for under Income tax expense.

NORDEA BANK FINLAND PLC

Operational overview

NBF has, since 1998, been a part of the Nordea Group which was formed following the merger between Merita and Nordbanken which is addressed in more detail above (see "*The Nordea Group–Formation of the Nordea Group*").

NBF conducts banking operations in Finland as a part of the Nordea Group and its operations are fully integrated into the Nordea Group's operations.

Legal structure and subsidiaries

NBF is a wholly-owned subsidiary of NBAB. NBF was incorporated on 2 January 2002 in accordance with Finnish law. NBF has its registered office in Helsinki, Finland and is a company with limited liability pursuant to the Finnish Companies Act (*Osakeyhtiölaki*) and holds a licence to conduct banking operations in accordance with the Credit Institutions Act (*Laki luottolaitostoiminnasta*). NBF's business is supervised by the European Central Bank and its national competent authority is the FIN-FSA. All the operations of NBF are integrated into the operations of the Nordea Group. NBF is subject to substantial regulation in all markets in which it operates. NBF is registered in the trade register with business identity code 1680235-8. NBF has its head office in Helsinki at the following address: Aleksanterinkatu 36 B, 00100 Helsinki, Finland (telephone number +358 9 1651).

NBF holds a license from the FIN-FSA to issue covered bonds in accordance with the Finnish Act on mortgage credit bank operations (*Laki kiinnitysluottopankkitoiminnasta*).

NBF has subsidiaries in Finland and abroad. The most significant subsidiary is Nordea Finance Finland Ltd.

Share Capital

According to article 5 of its Articles of Association, the number of shares in NBF shall be not less than 500,000,000 and not more than 2,000,000,000. As of the date of this Base Prospectus, NBF's share capital is EUR 2,319,300,000 consisting of 1,030,800,000 ordinary shares with a carrying amount of EUR 2.25.

Board of Directors

At the date of this Base Prospectus, NBF's Board of Directors consists of the following members:

Torsten Hagen Jørgensen, chairman

Casper von Koskull, vice chairman

Carl-Johan Granvik

Gunn Waersted

All Board members, except for Carl-Johan Granvik, are employed by the Nordea Group:

Name	Year of birth/ Member since	Position
Casper von Koskull	1960/2010	CEO
Torsten Hagen Jørgensen	1965/2013	Executive Vice President, CFO, Head of Group Corporate Centre and COO
Carl-Johan Granvik	1949/2012	Former positions in Nordea Group: President and Country Senior Executive of Nordea Bank Finland Plc and Chief Risk Officer and Executive Vice President
Gunn Wærsted	1955/2010	Executive Vice President, CEO in Nordea Bank Norge, Head of Wealth Management and Country Senior Executive in Norway

Casper von Koskull has been the President and Group CEO of Nordea since 2015 and has been a member of Group Executive Management since 2010. Mr. von Koskull joined the Nordea Group in 2010 and was Head of Corporate Merchant Banking & Capital Markets from 2010 to 2011. As of the date of this Base Prospectus, Mr. von Koskull is a board member of the European Business Leader's convention.

Torsten Hagen Jørgensen has been Deputy CEO and Group Chief Operating Officer since 2015 and has been Executive Vice President, Head of Group Corporate Centre and Group CFO since 2013. He has been a member of Group Executive Management since 2011. Mr Jørgensen joined the Nordea Group in 2005 and has held several executive positions within the Nordea Group.

Carl-Johan Granvik is not employed by the Nordea Group. Former positions in the Nordea Group: President and Country Senior Executive of NBF and Chief Risk Officer and Executive Vice President. As of the date of this Base Prospectus Mr. Granvik is Chairman of the Board of Technopolis plc, Julius Stjernvalls Donationsfond, William Thurings Foundation and also Emilie and Rudolf Gesellius fund. Mr. Granvik is the Chairman of the Investment Committee of Sponsor fund II Ky. Mr. Granvik is a member of Kelonia Ab plc, Kelonia Placerings Ab plc and Sigrid Juselius Foundation. Mr. Granvik is a member of the Investment Committee of Forum Fastighets Kb. Mr. Granvik is a Supervisory Board member of the Foundation Svenska Handelshögskolan.

Gunn Wærsted has been Executive Vice President, Country Senior Executive in Norway and a member of Group Executive Management since 2007, and Head of Wealth Management since 2011. Ms. Wærsted was Head of Shipping, Private Banking & Savings Products from 2010 to 2011. As of the date of this Base Prospectus, Ms. Wærsted is a member of the Board of Directors of Petoro A/S, Finance Norway (FNO), a member of the Nomination Committee of Schibsted ASA and a member of the Council of Det Norske Veritas (DNV).

The address of the Board members is c/o Nordea Bank Finland Plc, Aleksanterinkatu 36 B, 00100 Helsinki, Finland.

To the best knowledge of NBF, no potential conflicts of interest exist between any duties to NBF of a member of the Board of Directors or the Nordea Group executive management and the private interests or other duties of such persons.

Auditors

NBF's auditors are elected at the annual general meeting of the shareholders for a period of one year. The auditors elected at the annual general meeting with respect to the years 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013 and 2014 were KPMG Oy Ab of Töölönlahdenkatu 3 A, FI-00100 Helsinki, Finland. Marcus Tötterman was the auditor-in-charge. The Annual General Meeting of NBF held on 9 March 2015 approved the election of PricewaterhouseCoopers Oy of Itämerentori 2, FI-00180 Helsinki, Finland as the auditors of NBF for 2015. Juha Wahlroos is the auditor-in-charge. PricewaterhouseCoopers Oy and KPMG Oy Ab are members of the Finnish Institute of Authorised Public Accountants.

Legal and arbitration proceedings

Within the framework of the normal business operations, the Nordea Group faces claims in civil lawsuits and disputes, most of which involve relatively minimal amounts. Neither NBF nor any of its subsidiaries is, or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which NBF is aware of) during the last 12 months that may have, or have had, recent significant effects on NBF's or the Nordea Group's financial position or profitability.

Dividends

NBF's annual shareholder general meeting has approved, and NBF has paid, the following dividends in the last five years:

2014: total dividend payment of EUR 750 million;

2013: total dividend payment of EUR 625 million;

2012: total dividend payment of EUR 3.5 billion;

2011: total dividend payment of EUR 700 million; and

2010: total dividend payment of EUR 600 million.

Articles of Association

The objects of NBF can be found in article 2 of its Articles of Association. The objects of NBF are to engage in such deposit banking business as defined in the Credit Institutions Act, offer such investment services as prescribed in Chapter 1, §11, of the Act on Investment Services, and to engage in mortgage credit bank operations, as defined in the Act on mortgage credit bank operations. In its capacity as Group parent company, NBF also attends to and answers for the centralised functions of the credit and financial institutions and other companies belonging to its group, such as group administration, steering, supervision and risk management.

The Articles of Association were last amended on 28 January 2013.

Material Contracts

There are no material contracts having been entered into outside the ordinary course of NBF's business and which could result in any Nordea Group member being under an obligation or entitlement that is material to NBF's ability to meet its obligation to Noteholders in respect of the Notes being issued.

Corporate governance

All the operations of NBF are integrated into the operations of the Nordea Group. The Nordea Group has established a corporate governance framework at group level and the framework is reviewed on a continuous basis.

Funding

NBF's borrowing is conducted in both the Finnish and the international fixed income and money markets. Short-term funding refers mainly to issuance of certificates of deposit and commercial papers. Long-term funding mainly takes place through issuance of structured notes under NBF's Structured Note Programme and NBF's EMTN and Covered Bond Programme. NBF issued its inaugural covered bond under the revised Finnish covered bond legislation in November 2010.

The loan portfolio

NBF operates mainly in the Finnish mortgage lending market and grants loans, primarily long-term in nature, to private individuals through its branch office network. The purpose of such lending is primarily to finance single family homes and for terraced houses or flats (which are commonly owned by housing companies) and summer cottages. Although the central emphasis is on housing financing, financing for business and commercial property is also provided. The collateral granted to NBF in relation to its lending consists mainly of mortgages on residential property and pledges over housing company shares. The average repayment period of a mortgage loan is 20 years in Finland. A majority of NBF's customers in Finland choose interest rates for interest periods of up to 12 months where the interest base is EURIBOR. NBF's share of the Finnish mortgage market amounted to 30.42 per cent. in September 2015.

NORDEAKONCERNEN

Översikt

Nordeakoncernen (Nordea Bank AB (publ) och dess dotterbolag, "**Nordeakoncernen**", "**Koncernen**" eller "**Nordea**") är en stor finanskoncern i Norden (Danmark, Finland, Norge och Sverige) med verksamhet även i Ryssland, Estland, Lettland, Litauen samt Luxemburg och på ett antal andra platser i världen.

Nordeakoncernens moderbolag, Nordea Bank AB (publ) ("**NBAB**") är ett svenskt publikt bankaktiebolag som bildats enligt svensk lag. NBAB:s aktier är börsnoterade och handlas på NASDAQ-börserna i Stockholm, Köpenhamn och Helsingfors. Nordeakoncernens huvudkontor ligger i Stockholm med adress Smålandsgatan 17, SE-105 71 Stockholm.

Per den 30 september 2015 uppgick Nordeakoncernens tillgångar till EUR 679,9 miljarder och koncernens primärkapital uppgick till EUR 26,7 miljarder. Per samma datum hade Nordeakoncernen omkring 11 miljoner kunder på de marknader där man bedriver verksamhet, varav 10 miljoner är privatkunder i fördelsprogram och 0,5 miljoner är företags- och institutionella kunder.

Antalet lokalkontor inom Nordeakoncernen uppgick den 30 september 2015 till omkring 650. Därutöver har Koncernen ett mycket stort antal telefon- och Internetkunder.

Dessutom agerar Nordeakoncernen som kapitalförvaltare inom Norden och den övriga Östersjöregionen med EUR 273,3 miljarder i förvaltade tillgångar per den 30 september 2015. Nordeakoncernen tillhandahåller även livförsäkringsprodukter.

Bildandet av Nordeakoncernen

Nordea skapades genom internationella samgåenden som gradvis resulterade i att fyra större nordiska finansiella institutioner bildade en enhet. Föregångare till Nordea var Nordbanken AB (publ) i Sverige, namnändrad till Nordea Bank Sverige AB (publ), ("**Nordea Bank Sverige**"), och därefter, den 1 mars 2004, fusionerad med Koncernens moderbolag, och namnändrad till Nordea Bank AB (publ); Unibank A/S i Danmark, namnändrad till Nordea Bank Danmark A/S ("**Nordea Bank Danmark**"); Merita Bank Abp i Finland, föregångare till NBF; och Christiania Bank og Kreditkasse ASA i Norge, namnändrad till Nordea Bank Norge ASA ("**Nordea Bank Norge**").

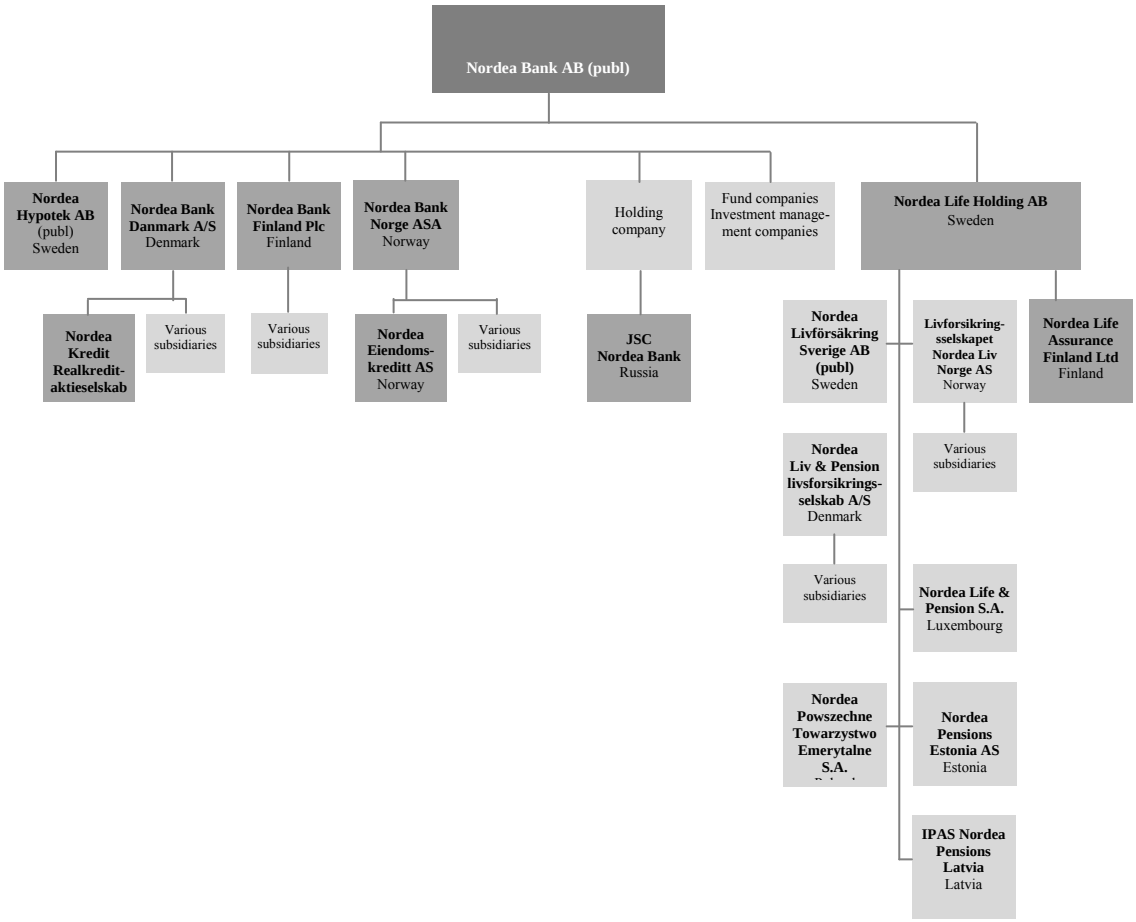
Efter det att Koncernens moderbolag i slutet av år 2000 antagit namnet Nordea AB (publ) rullades namnet Nordea successivt ut inom Koncernen och i december 2001 hade bankerna och lokalkontoren inom Koncernen antagit namnet Nordea.

Legal struktur

För att förbättra driftskapaciteten, minska riskexponeringen och förstärka kapitaleffektiviteten inledde Nordeakoncernens styrelse i juni 2003 en förändring av Koncernens legala struktur. Arbetet med den interna omstruktureringen inleddes under 2003 genom att Nordea AB (publ), moderbolaget i Nordeakoncernen, förvärvade Nordea Bank Sverige, Nordea Bank Danmark och Nordea Bank Norge från NBF. Samtidigt förvärvade Nordea AB (publ) även Nordea North America, Inc. från NBF. Efter att dessa transaktioner ägt rum ombildades Nordea AB (publ) till bank och namnet ändrades till Nordea Bank AB (publ). Därefter fusionerades Nordea Bank Sverige med Nordea Bank AB (publ). Patent- och registreringsverket (numera Bolagsverket) registrerade fusionen den 1 mars 2004.

NBAB har inlett förberedande arbete samt för en dialog med myndigheterna i de nordiska länderna avseende en förenkling av koncernens legala struktur genom att göra de norska, danska och finska dotterbolagen till filialer. Diskussioner har inletts med relevanta myndigheter. Förändringarna i NBAB-koncernens legala struktur kommer att vara beroende av att relevanta tillstånd erhålls samt utgången av de diskussioner som förs med de relevanta myndigheterna i respektive land. En sådan förändring av den legala strukturen är också beroende av godkännande av NBAB:s aktieägare.

Nedanstående tabell återger Nordeakoncernens övergripande vid datum för detta Grundprospekt.



NBAB, d.v.s. Nordeakoncernens moderbolag, har filialer i Norge, Finland, Danmark, Baltikum, Polen, Kina, Tyskland samt Storbrittanien.

Nordeas Organisationsstruktur

Överblick

Nordeakoncernens nuvarande organisationsstruktur introducerades ursprungligen i juni 2011, och utvecklades under februari och juli 2013, och bygger på de tre huvudsakliga affärsområdena Retail Banking, Wholesale Banking och Wealth Management. Utöver dessa affärsområden inkluderar organisationen följande tre gruppfunktioner: Group Corporate Centre, Group Risk Management och Group Compliance. Per 1 November 2015 har en Chief Operations Officer-organisation (COO) inrättats, som leds av grupp-COO med en COO för varje affärsområde och gruppfunktion.

Alla delar av värdekedjorna, nämligen kundansvar, stöd, produkter, personal och IT-utveckling – har införlivats i affärsområdena med målet att öka effektiviteten, höja avkastningen på eget kapital och fördjupa kundrelationerna. Genom att organisera affärsområdena kring värdekedjor, så anser NBAB, att skapandet av ansvaret för effektivitet blir tydligare och Nordea-koncernen kommer att vara beredd på att snabbare bearbeta regelverk och krav från investerare. Syftet är också att göra det möjligt för Nordeas medarbetare att arbeta ännu närmare sina kunder och kunna förstå och respondera till kundernas behov och preferenser. Segmentering av kunder och differentiering avseende såväl erbjudanden som resursallokering med hänsyn taget till kundens behov är kärnan i Nordeas strategi.

Av Nordea-koncernens affärsområden ansvarar Retail Banking för kundrelationer vad gäller hushåll samt stora-, mellanstora- och småföretag i Norden och Baltikum. Retail Banking ansvarar för kundindelning (kundgrupper) samt värdeskapande kunderbjudanden (kundprogram), gränsöverskridande kundstrategier och försäljningsprocesser. Nordea-koncernens Retail Banking-organisation förändrades i augusti 2014 i syfte att skapa mervärde för privat- och företagskunder och för att kunna ge kunder inom Retail Banking

en bättre digital upplevelse Verksamhetsområdet agerar genom Banking Denmark, Banking Finland och Baltikum, Banking Norway, Banking Sweden och Nordea Finance.

Wholesale Banking bygger vidare på Nordeas kundorienterade relationsbankstrategi och siktar på att tillförsäkra att samtliga tjänster och produkter inom Nordeakoncernen når de stora företagskunderna och institutionella kunder. Wholesale Banking påbörjade en förenkling av dess organisationsstrukturer i september 2014. Detta affärsområde inkluderar affärsenheterna Corporate & Institutions, vilken inkluderar lokala CIB-enheter, Shipping, Offshore & Oil Services and International units, FICC, Investment Banking, Equities och Nordea Bank Ryssland.

Wealth Management innefattar affärsområdena Private Banking (Nordic and International), Asset Mangement and Life & Pensions. Private Banking är verksam genom en integregerad modell med Retail Banking.

Group Corporate Centre en koncernfunktion som tillhandahåller finansiella och operationella ramverk och processer såväl som professionella tjänster och rådgivning inom deras expertområden. Group Corporate Centre inkluderar Group Finance & Business Control, Group Treasury & ALM, Invester Relations, Group IT, Group Simplification and Business Transformation.

Group Risk Management är en koncernfunktion som hanterar och övervakar alla aspekter av risk, inklusive kredit-, marknads- och operationell risk. Group Risk Management inkluderar Group Credit Risk, Group Market and Counterparty Credit Risk, Group Operational Risk, Group Credit & Financial Reporting Control and Group Recovery & Resolution Planning.

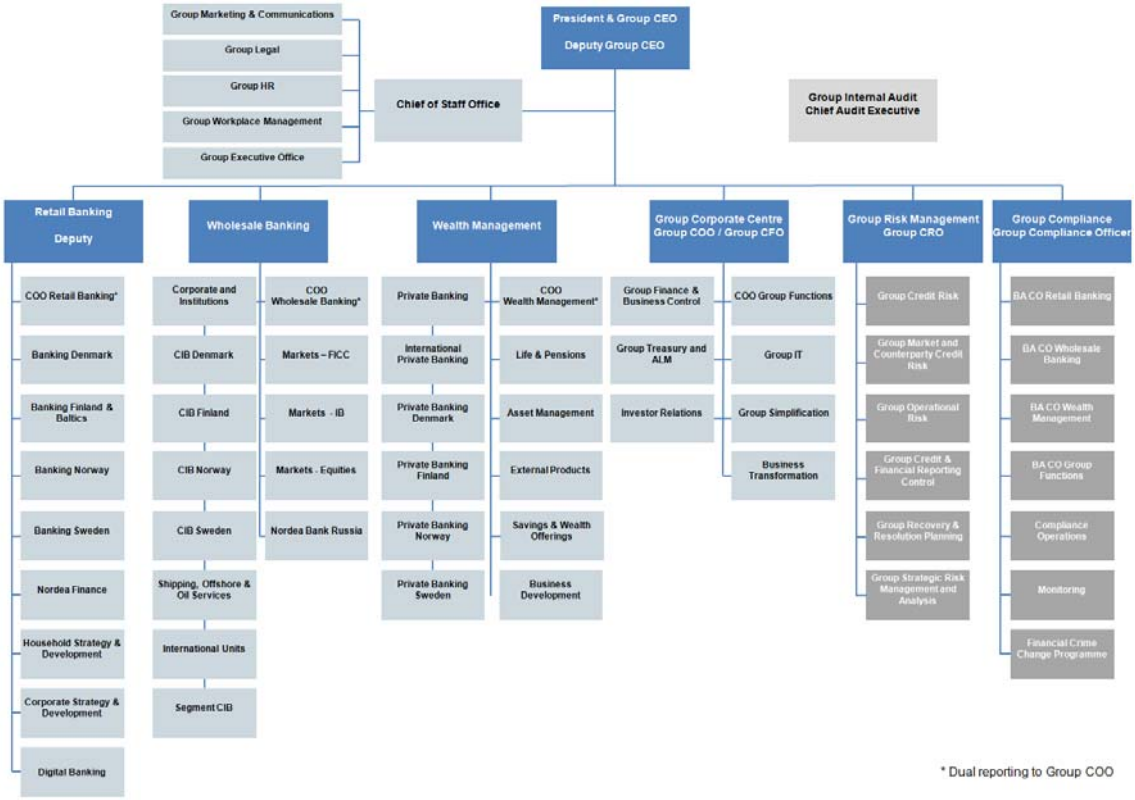
Group Compliance är en koncernfunktion som består av compliance-funktionerna i affärsområden och koncernfunktioner. Det inkluderar enheterna som leds av Compliance Officers i vart och ett av affärsområdena Retail Banking, Wholesale Banking and Wealth Management och Group Corporate Centre samt Compliance Operations, Compliance Monitoring, Compliance Development och Support och Financial Crime Change Programme.

Affärsområden

Kärnan i Nordeas strategi är segmentering av kunder och differentiering avseende såväl erbjudanden som resursallokering med hänsyn taget till kundens behov. Nordeas kunder är indelade i framförallt två större kundgrupper: privatkunder och företagskunder. Nordea arbetar för att bygga långsiktiga bankrelationer och för att bli en livslång finansiell partner till dessa kunder genom att förstå kundens specifika behov av produkter och tjänster samt genom att erbjuda produkter och rådgivning utformad för kundens specifika behov.

För privatkunder och företagskunder har Nordea delat in affärsverksamheten i tre huvud-affärsområden: Retail Banking, Wholesale Banking och Wealth Management. Varje affärsområde består av ett antal affärsenheter som fungerar som självständiga resultatenheter.

Nedanstående figur visar Nordeakoncernens organisationsstruktur.



Retail Banking

Retail Banking är Nordeas största affärsområde, och ansvarar för kundrelationer och försäljning till hushållskunder samt stora, mellanstora och små företagskunder i Norden och Baltikum. Retail Banking är ansvarig för kundindelning (kundgrupper) och även värdeskapande kunderbjudanden (kundprogram), gränsöverskridande kundstrategier samt säljprocesser. Retail Banking verkar inom Banking Denmark, Banking Finland & Baltics, Banking Norway, Banking Sweden och Nordea Finance och Digital Banking.

Inom Retail Banking använder sig Nordea av en mängd distributionskanaler för sina hushållskunder i syfte att försäkra sig om att kunderna har tillgång till bankens tjänster när kunderna vill och behöver dessa. För att kunna ta hänsyn till förändringar i kundernas behov och preferenser söker Nordea-koncernen kontinuerligt att stärka sina online-erbjudanden. Nordea-koncernens målsättning är att bygga breda och djupa relationer med sina online-kunder. Ambitionen är att skapa online-lösningar för de privat- och företagskunder som önskar en fullservicelösning. Utöver detta arbetar Nordea-koncernen med att förenkla och digitalisera nyckelprocesser och –produkter. Dessa kanaler integreras genom Nordeas kundrelationssystem som registrerar kundens uppgifter i samtliga kanaler innebärande att ett agerande från kunden i en kanal samtidigt registreras i övriga kanaler. Nordea-koncernen indelar privatkunder i vart och ett av de nordiska länderna i fyra marknadssegment baserat på deras relation med Nordea-koncernen. Dessa fyra marknadssegment är: Bronze, Silver, Gold och Premium and Private Banking. Grundfilosofin bakom denna strategi är att kunna ge den bästa servicen, de bästa råden och de bästa produktlösningarna till kunderna – och genom detta försäkra lojalitet, ett start varumärke samt ökade affärsmöjligheter och intäkter.

I Norden delas företagskunderna inom Retail Banking in i tre marknadssegment baserat på möjligheter till framtida affärer och komplexiteten av deras behov av banktjänster. Dessa tre marknadssegment är Business Banking Direct, Business Banking och Commercial Banking. Nordea har för vart och ett av dessa marknadssegment utvecklat en distinkt affärsidé – inklusive kontaktpolicy, servicenivå och produktlösningar – att leverera heltäckande erbjudanden och ge kunden en känsla av att de har att göra med en ”husbank”.

Wholesale Banking

Wholesale Banking erbjuder finansiella lösningar till större nordiska och internationella företags- och insitutionella kunder. Erbjudandet omfattar ett stort utbud av produkter inom finansiering, investment banking och capital markets samt tjänster relaterade till handel med värdepapper. Wholesale Banking ska tillhandahålla en stark relation med och erbjudanden till de största nordiska företagskunderna och institutionella kunder. Nordea Bank Ryssland utgör också en del av Wholesale Banking. Verksamhetsområdet Wholesale Banking siktar till att integrera värdekedjan genom produktenheter, supportenheter och IT-enheter.

NBAB anser att Wholesale Bankings affärsmodell visat sin styrka under branschens pågående omvandling. Lokala säljorganisationer i kombination med en global produktionsplattform gör att Nordea kan dra nytta av både kundrelationer och storskalighet. Relationsstrategin säkerställer djupgående kunskap om kunder och deras branscher, vilket stärker Wholesale Bankings erbjudanden till kunderna.

Wholesale Banking inkluderar affärsenheterna Corporate & Institutions, vilket inkluderar lokala CIB-enheter, Nordea Bank Russia, Shipping, Offshore & Oil Services och International Units, Equities, FICC and Investment Banking, Nordea Bank Ryssland och en operationell enhet som understödjer affärsinfrastrukturen.

Corporate and Institutions

Corporate and Institutions är en enhet som är ansvarig för de största företags- och institutionella kunderna. Corporate and Institutions består av fyra individuella enheter, vilka täcker vart och ett av de nordiska länderna (CIB Danmark, CIB Finland, CIB Norge och CIB Sverige), Segment CIB, Shipping, Offshore & Oil Services and International Units (fem filialer i New York, London, Frankfurt, Shanghai och Singapore samt två representationskontor i Sao Paolo och Beijing). CIB-enheterna handhar företags- och institutionella kunder och har ett starkt kundfokus genom Wholesale Banking Customer Service Model.

Inom Wholesale Banking Customer Service Model har kund- och produktenheterna ett gemensamt ägande och ansvar för att upprätthålla och utveckla lönsamma kundrelationer. Kundenheten har det övergripande ansvaret för kundrelationer, inklusive kundlönsamhet och kreditrisk. Produktenheten ansvarar för försäljning, leverans, lönsam och operationell risk kopplade till deras produkter. Corporate & Institutions kunder erbjuds skräddarsydda lösningar innefattandes alla finansiella tjänster som finns inom Nordea-koncernen, såsom tjänster inom lån, insättningar, cash management, projektfinansiering, export- och handelsfinansiering samt kapitalmarknadstjänster. Corporate & Institutions ansvarar också för företagssidan avseende Nordea-koncernens internationella verksamhet.

Shipping, Offshore & Oil Services

Shipping, Offshore & Oil Services är den affärsenhet som betjänar kunder i sektorerna shipping, offshore och samt kryssnings- och färjerederier över hela världen. NBAB anser att Nordea-koncernen är en ledande bank i den globala shipping- och offshoresektorn, med ett välkänt varumärke och en världsledande ställning inom lånesyndikering.

Shipping, Offshore & Oil Services har subenheterna Shipping Europe, Asia and Middle East, Shipping Nordic, Global Offshore & Oil Services och Global Syndication. Subenheterna har anställda inom Nordea Bank Norway, Nordea Bank Denmark, NBAB (inklusive NBAB:s filialer i London) och NBF (inklusive dess filialer i London, New York och Singapore). I Oslo finns ett ”competence centre” for Shipping, Offshore & Oil Services, som är en del av Nordea Bank Norway.

Nordea Bank Russia

Nordea Bank Russia erbjuder alla slags banktjänster till företags- och privatkunder. Företagskunder omfattar ledande ryska, nordiska och internationella företag som verksamma inom Ryssland. Nordea Bank Russia erbjuder konto- och kontanttjänster, cash management, utlåning, affärs- och projektfinansiering, leasing och factoring, insättningar och bankkortstjänster. Fokus ligger på stora globala företag och viktiga nordiska kunder. En stor del av verksamheten utförs från kontoren i Moskva och St. Petersburg, där även majoriteten av de anställda är lokaliserade.

Markets Equities, FICC och Investment Banking

Enligt Nordea-koncernens uppfattning är Nordea Capital Markets ledande i Norden inom kapitalmarknad- och investment banking-området. Capital Markets handhar handel med finansiella instrument, analys samt försäljning inom områden som exempelvis valutaväxling, räntebärande papper, aktier, strukturerade produkter, finansmarknadstjänster, finansiell rådgivning och bolagsfinansiering och erbjuder sina tjänster till alla Nordeas kunder.

Capital Markets är en kunddriven franchise där handelsaktiviteten går ut på att hantera inneboende risker i kundtransaktioner, och ingen handel med egna medel bedrivs.

Capital Markets består av tre huvudavdelningar: Fixed Income, Currency & Commodities (”**FICC**”), Investment Banking and Equity och återfinns i huvudsak i de nordiska huvudstäderna. Markets FICC erbjuder riskhanteringsprodukter men även förmedling av krediter och kapital genom bland annat repor och värdepappersbelåning. Debt Capital Markets inom Markets Investment Banking erbjuder rådgivningstjänster i förhållande till förmedling av krediter och kapital men har ingen tillgång till självständig kapitalallokering.

Wealth Management

Wealth Management erbjuder placerings-, spar- och riskhanteringsprodukter och förvaltar tillgångar för Nordea-koncernens kunder samt ger råd till förmögna privatkunder och institutionella investerare gällande deras finansiella situation. Wealth Managements ambition är att vara den ledande förmögenhetsförvaltaren inom Norden, med en global räckvidd och kapacitet. Wealth Management strävar efter att skapa starka kundrelationer genom rådgivning och lösningar som håller hög kvalité, levererat på ett kostnads- och kapitaleffektivt vis genom en integrerad värdekedja. Enheten består av tre huvudområden: Asset Management, Life & Pensions och Private Banking.

Asset Management ansvarar för investment management och investment funds inom Nordea-koncernen samt för tillhandahållandet till stora företagskunder och institutionella kunder av investeringsprodukter. Dessa investeringsprodukter levereras till såväl privata kunder som företagskunder, inklusive insitutionella kunder. Produkterna omfattar investeringsfonder och diskretionär förvaltning inom samtliga tillgångsslag, men där majoriteten befinner sig inom aktivt förvaltat equity, fixed income samt balanserade produkter.

Life & Pensions tillhandahåller livförsäkringar, pensionsprodukter och tjänster företagskunder och är verksamt i åtta europeiska länder. Life & Pensions erbjuder traditionella såväl som ”unit-linked”-produkter till både enskilda individer och företagskunder.Verksamheten bedrivs genom legala enheter som är helägda av Nordea Life Holding AB och kunderna betjänas genom filialer till bankenheterna, Life & Pensions egna säljstyrka eller genom anknutna agenter, mäklare och, till en liten del, andra finansiella institutioner.

Private Banking rådger Nordea-koncernens förmögna kunder med avseende på samtliga aspekter av deras finansiella situation.

Nordea bedriver Private Bankingverksamheten via en integrerad modell med Retail Banking. Utöver den Nordiska Private Bankingverksamheten bedriver Nordeakoncernen även Private Banking internationellt som är inriktad både på kunder av nordisk härkomst bosatta utomlands och internationella kunder som inte är av nordisk härkomst.

Wealth Management består också av enheterna Savings & Wealth Offering, ansvarig för erbjudanden om sparprodukter till Nordeas Retail- och Private Banking-kunder; External Products, ansvarig för externt förvaltade produkter; Operations, ansvarig för operationella processer, inklusive IT och hantering av regulatoriska krav; Business Development, ansvarig för Project Management, Communication, HR och Planning & Control.

Group Risk Management, Group Corporate Centre och Group Compliance

Inom Nordea-koncernen ansvarar tre enheter, Group Risk Management, Group Corporate Centre och Group Compliance, för risk-, kapital-, likviditet samt balansräkningshantering.

Group Corporate Centre

Group Corporate Centre ansvarar för att leverera utvalda fundamentala byggstenar som krävs för varje affärsområdes bankaktiviteter. Group Corporate Centre strävar efter att tillse att NBAB har lämpliga strategier och portföljfördelningar. Group Corporate Centre ansvarar också för att mäta och analysera utveckling och kapital- och likviditetshantering inom Nordea-koncernen. Group Corporate Centre bidrar direkt till Nordea-koncernens resultat genom att tillhandahålla kapital och lån, handel i egna medel och skatteoptimering. Därutöver ansvarar Group Corporate Centre för att tillse att det finns adekvata processer avseende finansiell rapportering.

Group Risk Management

Group Risk Management hanterar och följer upp alla typer av risk, inklusive lånerisker, marknadsrisker och operationella risker. Group Risk Management utvecklar riskmodeller, kreditpolicyer, kreditprocesser och IT-verktyg som understödjer olika verksamhetsområdens och/eller andra enheter inom Nordea-koncernens effektiva processer och riskhantering.

Group Compliance

Group Compliance består av compliance-funktioner för olika affärsområden och gruppfunktioner och inkluderar enheter som leds av Compliance Officers i affärsområdena Retail Banking, Wholesale Banking och Wealth Management och Group Corporate Centre samt även Compliance Operations, Compliance Monitoring, Compliance Development och Support samt Financial Crime Change Programme.

Strategi

Nordea-koncernen är en global bankkoncern med en strategi som kretsar kring kundrelationer och rådgivningsmöjligheter. Nordea-koncernens strategiska riktning drivs främst och reflekteras av kundernas behov och det utmanande makroekonomiska och regulatoriska landskap inom vilket Nordea-koncernen och dess kunder agerar. Nordea-koncernen strävar efter att erbjuda utmärkta kundupplevelser och finansiella helhetslösningar som kännetecknas av låg risk, effektivitet och diversifiering. Under de senaste åren har Nordea-koncernen haft ett klart fokus på att hela tiden förbättra sin kostnads- och kapitaleffektivitet i syfte att bibehålla en hållbar operationell modell, kunna erbjuda konkurrenskraftiga produkter och tjänster samt för att förbli en stabil bankinstitution. Genom att tjäna sina kunder och finjustera verksamheten tror NBAB att Nordea-koncernen kan utveckla sin lågrisk- och stabila franchise, vilket medför att utlåning kan erbjudas på konkurrenskraftiga prisnivåer samt att Nordea-koncernen kan leverera en avkastning på eget kapital som överstiger dess nordiska konkurrenter. Nordea-koncernen kommer att fortsätta att utvecklas till ett ”Enat Nordea” och leverera framtidens bankrelation genom en förstärkt kultur och outtröttlig handlingskraft genom att fokusera på följande fyra områden:

- *Klar kundvision.* möta kundernas behov med ett konstant fokus på att anses vara ”lätt att ha göra med, relevant och kompetent, överallt och alltid och där den personella och digitala relationen gör att Nordea är min säkra och betrodda partner.”

- *Gemensamt arbetssätt.* värdekedjorna för Nordea-koncernens tre huvudverksamhetsområden är utformade att underlätta en fokuserad kundrelationsstrategi och NBAB anser att genom att ha en operationell modell och ägande av verksamhetsområden försäkras ett heltäckande synsätt, ansvarsskyldighet och samstämmighet och det skyddar också operationell effektivitet genom att förbättra kvalitén av kundrelationerna, öka den tid som spenderas med kunder och minska den tid som behövs för att ta nya produkter och tjänster till marknaden.

- *Förenkling och gemensamma system.* NBAB anser att, för att kunna leverera utmärkta kundupplevelser i en tid av ständig digitalisering, ändrade kundbeteenden och ökade regulatoriska krav, Nordea-koncernen behöver bli mer snabbfotad och inse den fulla potentialen av skalfördelar samtidigt som en fortsatt motståndskraftighet bibehålls. För att göra detta krävs att Nordea-koncernen fortsättar att anta och utveckla ”best practices” och sträva efter transparens och minskad komplexitet i sina produkter och processer. För att uppnå dessa mål har Nordea-koncernen sjösatt program och investeringar i syfte att göra en övergång till en ny kärnbankverksamhet, en ny betalningsplattform och ett datavaruhus gemensamt för hela koncernen.

- *Gemensamma värden.* fokus på personal, tydliga principer och värderingar reflekteras i mål och initiativ som fastställts inom Nordeakoncernen och hur ledning leder, utvecklar och stödjer andra personer. Värdegrunder och ledarskap är de viktigaste aspekterna i att skapa en företagskultur och prestation;

NBAB anser att en pan-nordisk Nordea-plattform med skalbarhet, överlägsen nordisk distributionsförmåga med globala möjligheter och en aktivt förvaltat verksamhetsportfölj med låg volatilitet kommer att leda till fortsatt värdeskapande för alla intressenter.

Förtroende och ansvar

Nordea kommer att fortsätta att ytterligare styrka sitt fokus på compliance med tonvikt på att skyndsamt införa nya regler och bestämmelser och därigenom dra nytta av investeringar inom compliance-området, även i form av djupare kunskaper om våra kunder och risker.

Kostnads- och kapitaleffektivitet

Nordea kommer att prestera i enlighet med sitt kostnadsmål för 2015 genom att leverera en femprocentig kostnadsreduktion från 2013-2015. Detta har åstadkommits genom att effektivisera den fysiska distributionen, förflyttning av standardtransaktioner till internet-/mobilkanalerna och optimering av rådgivningen på kontoren. Dessutom har i planen inkluderats initiativ som ska öka effektiviteten i verksamheten genom att centralisera stödfunktioner, automatisera processer och omvandla Nordeakoncernens lokaler.

NBAB anser att det nya klimatet med låg tillväxt har ökat behovet av en strikt kostnadsdisciplin för att Nordea ska kunna behålla sin konkurrenskraft vid sina erbjudanden till kunder. Nordea-koncernen har därför satt som mål att uppnå en kostnadsökning om 1 procent årligen mellan 2015–2018. Detta kommer att uppnås genom en fortsatt optimering bland verksamhetsgrenarna genom borttagande av kontanthantering, förenkling och automatisering av tjänster, processer och produkter. Vidare ska IT- och konsultuppgifter i större utsträckning hanteras in-house.

Digital strategi

Digitalisering är en av huvudorsakerna till förändringar inom bankverksamheten såväl som inom många andra områden. Kundernas preferenser och förväntningar vad gäller tillgänglighet, lättsamhet och personlighet är huvudorsaker bakom denna utveckling. Nordea-koncernen har sett, och fortsätter att se, en snabb ökning av efterfrågan för mobila lösningar. Till exempel har vissa transaktioner som tidigare sköttes inom vissa delar av verksamheten blivit tillgänlig för kunderna 24/7 genom mobiltelefoner. Utöver det genomförs rådgivningsmöten numera i en större utsträckning online.

Förenkling

NBAB anser att den snabba förändringen i kunders preferenser gentemot användandet av onlinelösningar och mobila lösningar, samt ökade regulatoriska krav, håller på att förändra bankindustrin. För att möjliggöra en utveckling av ännu mer personliga och lättsamma tjänster till kunderna i framtiden genomför Nordea-koncernen just nu en förenkling av delar av sin verksamhet. I enlighet med denna strategi kommer Nordea-koncernen att utveckla nya kärnbankverksamheter och betalningsplattformar samt ett koncerngemensamt datavaruhus med målet att väsentligen öka smidigheten, skalfördelarna, motståndskraften och minska komplexiteten.

Leverantörer har valts ut och det sker framsteg i vart och ett av de områden som nämns ovan och den första operationella leveransen förväntas under första halvan av 2016. Förenklingsprogrammet kommer att implementeras stegvis och är planerat att vara fullt implementerat inom fyra till fem år.

Relationsstrategi

Nordeakoncernens strategier för kundrelationer är uppdelade mellan strategi för privatkundsrelationer och strategi för företagskundrelationer, vilka båda fokuserar på att ständigt utveckla nya relationer med kunder och att identifiera möjligheter till korsförsäljning med målet att tillhandahålla ytterligare tjänster till kunder och öka sidoinkomsterna.

Strategi för privatkundsrelationer

Privatkunder är indelade i fyra segment baserat på den typ av affärer de gör med Nordea. För varje segment har Nordea utvecklat en värderingsproposition som inkluderar kontaktpolicy, servicepolicy, prissättande och produktlösningar. Kärnfilosofin i denna strategi är att erbjuda de bästa service-, rådgivnings- och produktlösningarna till kunden och därmed säkerställa lojalitet, varumärkesvärde och öka mängden affärer och intäkter. Nordeas privatkundsprissättning är genomlyst och generellt inte förhandlingsbar. NBAB anser att Nordea-koncernen har ett brett och konkurrenskraftig produktsutbud och stark distribueringskraft. Produktutveckling ska minska komplexiteten och utveckla produkter som är kapitaleffektiva för att möta krav från kunder samt regulatoriska krav. Nordeas sparprodukter som erbjuds är utvecklade for att ta höjd för kundens förmögenhet, inkomst, storleken på kundens engagemang, stadie i livet och storlek på risktagande.

Nordea strävar efter en flerkanalsdistributionsstrategi som siktar på att förbättra kundnöjdhet samtidigt som kostnader för service ska reduceras. Proaktiv kundkontakt utförs av lokala kontor och kontaktcenter, och genom "online" service och mobilbank. Nordea siktar på att ha återkommande rådgivningsmöten med samtliga- och potentiella kundrelationer. Detta för att kunna erbjuda en fullständig finansiell lösning genom att beakta kundernas hela risk/return-profil och långsiktiga finansiella mål.

Strategi för företagskundrelationer

Företagskunder består av fyra segment baserade på kundens affärspotential och komplexiteten av deras behov av banktjänster. För varje segment så har Nordea utvecklat en värderingsproposition som omfattar kontaktpolicy, servicenivå och produktlösningar för att tillhandahålla finansiella lösningar och försäkra "husbanks"-relation. Kundansvariga tar ett helhetsgrepp om respektive kunds situation och mål och utformar relationen därefter. NBAB anser att dess styrka och storlek som bankkoncern gör att Nordea-koncernen kan erbjuda unika lösningar till nytta för dess företagskunder. NBAB anser att strategin gentemot dess största företagskunder har visat sig vara kraftfull under den pågående omvandlingen i bankbranschen. Nordea är fast besluten att bli den ledande banken för de största företagen och finansinstituten på samtliga Nordeas nordiska marknader.

Kapitaltäckning

Nordeakoncernen använder sig av olika kapitalmätningstekniker och kapitalmått för att hantera sitt kapital. Nordeakoncernen använder sig av kapitaltäckningsstandarden enligt CRD IV.

Nordea-koncernen har tillstånd från relevanta finansiella tillsynsmyndigheter att använda den interna riskklassificeringsmetoden (IRB) vid beräkning av kapitalkraven för huvuddelen av sin kreditportfölj. Nordea-koncernen använder den avancerade IRB-metoden avseende exponering mot företag, den fundamentala IRB-metoden avseende exponering mot institutionella kunder och ”retail-IRB” avseende exponering mot retailkunder i huvudbankerna i Danmark, Finland, Norge och Sverige. Vidare har Nordea-koncernen tillstånd att använda den fundamentala IRB-metoden för exponering mot företag och institutionella kunder i finansföretag i Danmark, Finland, Norge och Sverige samt Nordea Bank Ryssland, filialer i Estland, Lettland och Litauen och för alla International Units. Vidare har Nordea-koncernen tillstånd att använda retail-IRB för exponering mot retail i Finland. Andra legala enheter och exponeringsklasser rapporteras i enlighet med ett standardiserat förfarande. Förvärv av nya portföljer hanteras i enlighet med detta standardiserade förfarande fram till dess att de har godkänts för IRB-metoden av relevant finansiell tillsynsmyndighet.

Nordeas mål är att fortsätta att implementera den interna riskklassificeringsmetoden. Huvudfokus är att expandera användningen av den avancerade IRB-metoden till ytterligare portföljer. Vidare håller ett projekt avseende valutaexponering mot FIRB att implementeras. Nordea har också tillstånd att använda interna VaR-modeller för att beräkna kapitalkravet för huvuddelen av marknadsrisken i handelslagret. För operationella risker används standardberäkningsmetoden.

Nordea-koncernens nuvarande kapitaltäckningspolicy anger att målet för Nordea-koncernens CET1-kapitalkvot, primärkapitalkvot och totala kapital är att dessa mått ska vara över de kapitaltäckningskrav som anges av Finansinspektionen. Utöver det vill Nordea bibehålla en ”management buffer” om 0,5–1,5 procent över det regulatoriska CET1-kravet.

Kapitaltäckningspolicyn relaterar till ”International Capital Adequacy Assessment Process” (”**ICAAP**”), vilken, enligt CRD IV, bör, för varje bank, granska hanteringen, mildrandet och mätningen av materiella risker för att bedöma tillräckligheten av det interna kapitalet och bestämma ett internt kapitaltäckningskrav som reflekterar institutionens riskaptit.

Per 31 december 2014 översteg Nordea-koncernens primärkapital och eget kapital de regulatoriska minimikraven enligt CRD IV. Med beaktande av resultaten av stresstester på kapitaltäckning, tillväxtprognoser och kapitalprognoser så bedömer Nordeakoncernen att buffertarna som finns idag för de regulatoriska kapitaltäckningskraven är tillräckliga.

Utöver Nordea-koncernens interna kapitalkrav påverkar pågående diskussioner med tredje parter, särskilt externa ratinginstitut, Nordea-koncernens kapitalkrav.

För att identifiera och bedöma interna kapitalkrav så används metoden "Pelare 1 och 2". Den här metoden använder Pillar 1:s kapitalkrav för kreditrisk, marknadsrisk och operationellrisk såsom återfinns i CRD IV som utgångspunkt för riskbedömning. För dessa risker mäts risken genom användningen av modeller och processer som har godkänts av relevanta finansiella tillsynsmyndigheter för att använda vid beräkning av legala kapitaltäckningskrav. Följaktligen så bedöms risker i Pelare 2 för det fall riskerna inte återfinns i Pelare 1. Pelare 2-risker består av räntesatsrisker i bankportföljen, risker i Nordeakoncernens internt definierade fördelsplan, fastighetsrisk och koncentrationsrisk. Nordea-koncernen använder sina kapitaltäckningsmodeller för att definiera de interna kapitaltäckningskraven för varje typ av risk.

Nordeakoncernen använder sig av "Economic Capital regelverk" för att identifiera och bedöma Pillar 2-risker och är Nordeas främsta verktyg för att allokera kapital internt med beaktande av alla risktyper. En annan viktig beståndsdel i att bedöma kapitalbehovet är stresstester. Nordea stresstestar både risker inom Pelare 1 och Pelare 2 och resultatet beaktas när Nordea definierar sitt interna kapitalbehov.

NORDEA BANK AB (publ)

Verksamhetsöversikt

Nordea Bank AB (publ), eller där det är tillämpligt, föregångaren till NBAB har sedan 1998 bedrivit sin verksamhet som en del av Nordeakoncernen, vilken bildades till följd av samgåendet mellan Merita och Nordbanken. Samgåendet mellan Merita och Nordbanken behandlas närmare ovan, se "*Nordeakoncernen – Bildandet av Nordeakoncernen*".

NBAB bedriver bankverksamhet i Sverige inom ramen för Nordeakoncernens affärsorganisation. NBAB utvecklar och marknadsför finansieringsprodukter och tjänster till privatkunder, företagskunder och den offentliga sektorn.

Legal struktur och dotterbolag

Nordea Bank Sverige AB (publ) var ett helägt dotterbolag till NBAB (tidigare Nordea AB (publ)) fram till den 1 mars 2004 då Nordea Bank Sverige fusionerades med NBAB (se ovan "*Nordea koncernen – Legal struktur*" för ytterligare information). NBAB bildades den 8 oktober 1997 i enlighet med svensk lag. NBAB har sitt säte i Stockholm, Sverige, lyder under aktiebolagslagen (2005:551) och innehar tillstånd att bedriva bankverksamhet i enlighet med lagen (2004:297) om bank- och finansieringsrörelse, och vidare bedriva finansiell verksamhet och verksamhet som har ett naturligt samband därmed, bl.a. värdepappersrörelse. NBAB är föremål för omfattande reglering på alla marknader där NBAB verkar. NBAB är registrerat hos Bolagsverket och har firma Nordea Bank AB. NBAB är ett publikt (publ) aktiebolag och har org. nr 516406-0120. NBAB har sitt huvudkontor i Stockholm med adress: Smålandsgatan 17, SE-105 71 Stockholm, Sverige (telefon nr +468-614-7000). NBAB har ett antal direkt och indirekt ägda dotterbolag. Aktierna i NBAB är registrerade på NASDAQ-börserna i Stockholm, Helsingfors och Köpenhamn.

De viktigaste dotterbolagen

NBAB:s tre huvudsakliga dotterbolag är Nordea Bank Danmark A/S ("NBD"), Nordea Bank Finland Abp ("NBF") och Nordea Bank Norge ASA ("NBN").

NBF är ett publikt aktiebolag som har beviljats tillstånd av den finska Finansinspektionen ("finska Finansinspektionen") att bedriva bankrörelse i Finland. NBF har vidare tillstånd att bedriva hypoteksbanksverksamhet enligt den finska lagen om hypoteksbanksverksamhet och tillhandahåller investeringstjänster enligt den finska lagen om investeringstjänster. Bank- och finansieringsrörelse i Finland regleras av den finska kreditinstitutslagen inklusive ändringar därav och av den finska lagen om affärsbanker och andra kreditinstitut i aktiebolagsform.

NBD är ett publikt aktiebolag (Da: Aktieselskab) som har beviljats tillstånd av den danska Finansinspektionen (Da: Finanstilsynet) ("danska Finansinspektionen") att bedriva bankrörelse i Danmark. Bankrörelse i Danmark regleras av den danska lagen om finansiell verksamhet (Da: Lov om finansiel virksomhed) och den danska värdepapperslagen.

NBN lyder under den norska lagen om kommersiella banker och lagen om finansiella institut. Därtill innehar NBN tillstånd att bedriva investeringsverksamhet och lyder därför även under den norska lagen om handel med värdepapper.

Aktiekapital och Aktieägare

Enligt NBAB:s bolagsordning ska NBAB:s aktiekapital vara lägst 2 700 000 000 euro och högst 10 800 000 000 euro. Aktier kan emitteras i två serier, stamaktier och C-aktier. Vid datumet för detta Grundprospekt är samtliga aktier stamaktier. Vid omröstning på bolagsstämma medger varje stamaktie en röst och varje C-aktie en tiondels röst. C-aktier medger inte rätt till utdelning. Av bolagsordningen framgår vilka rättigheter och skylidgheter som uppstår mellan ägare av olika typer av aktier för det fall nya aktier emitteras i NBAB.

Vid datumet för detta prospekt uppgick NBAB:s aktiekapital till 4 049 951 919 euro uppdelat på 4 049 951 919 stamaktier med ett kvotvärde om 1 euro. Varje aktie motsvarar en röst. NBAB är inte tillåten att använda rösträtt för NBAB aktier som NBAB innehar.

Av nedanstående tabell framgår uppgifter om NBAB:s fem största registrerade aktieägare per den 30 september 2015:

Ägare	Antal aktier, miljoner	Andel av kapital och röster %
Sampo Oyj	860,4	21,4
Nordea-fonden	158,2	3,9
Swedbank Robur Fonder	101,0	2,5
Alecta	87,4	2,2
AMF	77,8	1,9

Styrelse

Enligt NBAB:s bolagsordning skall styrelsen bestå av minst sex och högst 15 styrelseledamöter som väljs av aktieägarna vid bolagsstämma. Styrelsen består för närvarande av nio ledamöter valda av aktieägarna på bolagsstämman för perioden fram till och inklusive bolagsstämman 2015. Utöver dessa ledamöter väljs tre ordinarie och en suppleant utsedda av arbetstagarna. Arbetstagarna har en rätt, enligt svensk lag, att vara representerade i styrelsen. Verkställande direktören i NBAB är inte ledamot i styrelsen.

Följande tabell innehåller respektive styrelseledamots födelseår samt det år då ledamoten valdes in i styrelsen.

Namn	Födelseår	Styrelseledamot sedan	Befattning
Björn Wahlroos	1952	2008	Ordförande
Marie Ehrling	1955	2007	Vice ordförande
Tom Knutzen	1962	2007	Ledamot
Robin Lawther	1961	2014	Ledamot
Lars G Nordström	1943	2003	Ledamot
Sarah Russell	1962	2010	Ledamot
Silvija Seres	1970	2015	Ledamot
Kari Stadigh	1955	2010	Ledamot
Birger Steen	1966	2015	Ledamot

Utöver de ovan uppräknade styrelseledamöterna, består styrelsen av följande arbetstagarrepresentanter (varav en alltid är styrelsesuppleant) utnämnda av fackföreningarna.

Namn	Födelseår	Styrelseledamot sedan	Befattning
Toni H. Madsen	1959	2013	Arbetstagarrepresentant
Lars Oddestad	1961	2009	Arbetstagarrepresentant, vice
Hans Christian Riise	1961	2013	Arbetstagarrepresentant
Kari Ahola	1960	2006	Arbetstagarrepresentant

Styrelseledamöterna och medlemmarna i Group Executive Management har följande postadress: c/o Nordea Bank AB (publ), Smålandsgatan 17, SE-105 71 Stockholm, Sverige.

Alla styrelseledamöter förutom arbetstagarledamöterna är verksamma utanför Nordeakoncernen. Det föreligger inte potentiella intressekonflikter mellan någon förpliktelse som personer som ingår i styrelsen har till NBAB och dessa personers privata intressen eller övriga åtaganden.

Björn Wahlroos har varit styrelseledamot sedan 2008 och har varit styrelseordförande sedan 2011. Per datum för detta prospekt är han Styrelseordförande i Sampo Oyj, UPM-Kymmene Corporation och Handelshögskolan i Helsingfors. Han är Styrelseledamot i ett flertal stiftelser, bland annat Näringslivets Delegation EVA/ETLA och Mannerheim-stiftelsen.

Marie Ehrling har varit styrelseledamot sedan 2007 och har varit vice styrelseordförande sedan 2011. Per datum för detta Grundprospekt är hon Styrelseordförande i Telia Sonera AB (publ) Styrelseledamot i Securitas AB, Axel Johnson AB samt ledamot i Centre for Advances Studies of Leadership vid Handelshögskolan i Stockholm samt ledamot av ”advisory board" vid Handelshögskolan i Stockholm. Hon är även ledamot i Kungliga Ingenjörsvetenskapsakademin (IVA).

Tom Knutzen har varit styrelseledamot sedan 2007. Per datum för Grundprospektet Verkställande direktör i Jungbunzlauer Suisse AG, styrelseordförande för ett koncernbolag och ledamot i FLSmidth & Co A/S.

Robin Lawther har varit styrelseledamot sedan 2014. Per datum för detta Grundprospekt är hon styrelseledamot av den sammanslutning av aktieägare som hanterar brittiska statens förhållande med bolag som ägs helt eller delvis av den brittiska staten.

Lars G Nordström har varit styrelseledamot sedan 2003. Per datum för detta Grundprospekt Styrelseordförande i Vattenfall AB samt i Finsk-Svenska Handelskammaren, styrelseledamot i Viking Line Abp och Svensk-Amerikanska Handelskammaren och ledamot i Kungliga Ingenjörsvetenskapsakademien (IVA). Lars G Nordström är också honorärkonsul för Finland i Sverige.

Sarah Rusell har varit styrelseledamot sedan 2010. Per datum för detta prospekt Verkställande direktör för AEGON Asset Management Holdings NV och styrelseledamot för vissa koncernbolag. Hon är också styrelseldamot i La Banque Postale Asset Management SA.

Silvija Seres har varit styrelseledamot sedan 2015. Per datum för detta Grundprospekt är Seres styrelseledamot i Enoro Holding AS, Academedia AB och Syncros AB. Hon är också styrelseledamot för Oslo Business Region AS, Simula Research Laboratory AS och Transparency International Norge. Hon är också medlem av Corporate Assembly och valberedningen i Telenor ASA.

Kari Stadigh har varit styrelseledamot sedan 2010. Per datum för detta prospekt Verkställande direktör och koncernchef i Sampo Oyj, styrelseordförande i If P&C Insurance Holding Ltd, Waypoint Group Holding Ltd och Mandatum Life Insurance Company Limited och medlem i Nokia Corporation. Han är också vice styrelseordförande i the Confederation of Finnish Industries EK och styrelseledamot i Niilo Helander Foundation.

Birger Steen har varit styrelseledamot sedan 2015. Per datum för detta Grundprospekt är Steen styrelseledamot i Schibstedt ASA samt styrelseledamot i Nordic Heritage Museum i Seattle.

Koncernledningen

Koncernledningen består för närvarande av följande nio medlemmar, inklusive verkställande direktören. Koncernchef och verkställande direktör utses av styrelsen och ansvarar för den dagliga styrningen av NBAB:s och Nordeakoncernens verksamhet i enlighet med tillämpliga lagar och regler inklusive den Svenska koden för bolagsstyrning såväl som instruktioner från styrelsen. Instruktionerna anger uppdelningen av ansvar och interaktionen mellan verkställande direktören och styrelsen. Verkställande direktören arbetar nära styrelseordföranden med att till exempel planera styrelsemötena.

Följande tabell visar respektive medlem av koncernledningen, dennes födelseår, vilket år personen blev medlem av koncernledningen och personens nuvarande position.

Namn	Födelseår	Medlem av koncernledningen sedan	Position
Casper von Koskull	1955	2001	Koncernchef och VD
Torsten Hagen Jørgensen	1965	2011	Vice koncernchef och koncern-COO, vice VD och chef för Group Corporate Centre samt, fram till 1 januari 2016, koncern-CFO
Erik Ekman	1969	2015	Vice VD och chef för Wholesale Banking
Lennart Jacobsen	1966	2013	Executive Vice President, Head of Retail Banking och landschef för Sverige
Mads G. Jakobsen	1966	2014	Executive Vice President, Head of Retail Banking Denmark och landschef för Danmark
Ari Kaperi	1960	2008	Executive Vice President, CRO, chef för Group Risk Management och landschef för Finland
Eva-Lotta Rosenqvist	1962	2015	Group Compliance Officer och chef för Group Compliance
Snorre Storset.....	1972	2015	Vice VD, vice chef för Wealth Management och chef för Private Banking
Gunn Wærsted	1955	2007	Executive Vice President, chef för Wealth Management och landschef för Norge
Heikki Ilkka*	1970	2016	Chef för Group Finance & Business Control och, från 1 januari 2016, Executive Vice President och koncern-CFO.

*Från 1 januari 2016

Medlemmarna i Group Executive Management har följande postadress: c/o Nordea Bank AB (publ), Smålandsgatan 17, SE-105 71 Stockholm, Sverige.

Det föreligger inte potentiella intressekonflikter mellan någon förpliktelse som personer som ingår i koncernledningen har till NBAB och dessa personers privata intressen eller övriga åtaganden.

Casper von Koskull har varit koncernchef och verkställande direktör för Nordea sedan 2015 samt medlem av Group Executive Management sedan 2010. Casper von Koskull började i Nordeakoncernen 2010 och var chef för Corporate Merchant Banking & Capital Markets mellan 2010–2011. Per dagen för detta Grundprospekt är Casper von Koskull styrelseledamot i European Business Leader's Convention.

Torsten Hagen Jørgensen har varit vice koncernchef och Chief Operation Officer för koncernen sedan 2015 och har varit vice VD och chef för Group Corporate Centre och koncern-CFO sedan 2013. Han har varit medlem i Group Executive Management sedan 2011. Torsten Hagen Jørgensen anslöt till Nordea-koncernen 2005 och har innehaft ett flertal ledande position inom koncernen. Torsten Hagen Jørgensen kommer att agera som koncern-CFO fram till 1 januari 2016, då han efterträdas av Heikki Ilkka.

Erik Ekman har varit vice VD, chef för Wholesale Banking och medlem i Group Executive Management sedan 2015. Erik Ekman anslöt till Nordea-koncernen 2008 och har innehaft ett flertal ledande positioner inom koncernen.

Lennart Jacobsen har varit Executive Vice President, Head of Retail Banking, landschef för Sverige samt medlem av Group Executive Management sedan 2013. Lennart Jacobsen började i Nordeakoncernen år 2013 som Head of Implementation & Execution Service, Retail Banking. Dessförinnan har han haft olika positioner inom GE Capital, såsom landschef för GE Money Bank i Sverige från 2003 till 2008 och CEO för GE Money Bank Nordics från 2009 till 2012.

Mads G. Jakobsen har varit vice VD, Deputy Head of Retail Banking och landschef i Danmark och medlem av Group Executive Management sedan 2014. Mr. Jakobsen började i Nordea-koncernen 2002 och har haft flera chefspositioner inom Nordea-koncernen.

Ari Kaperi har varit medlem av Group Executive Management sedan 2008. Han blev CRO och chef för Group Risk Management samt landschef i Finland år 2010. Ari Kaperi började i Nordeakoncernen år 2001 och har haft ett antal chefspositioner sedan dess. Vid tidpunkten för upprättandet av detta grundprospekt är Ari Kaperi styrelseordförande i styrelsen för Finska Finansbranschens Centralförbund och styrelseledamot i Livförsäkringsbolaget Varma Mutual Pension, medlem i Foundation for Economic Education och Art Foundation Merita och medlem i Advisory Boards i handelskammaren, Finnish Business and Policy Forum Eva/ETLA.

Eva-Lotta Rosenqvist har varit Group Compliance Officer och medlem i Group Executive Management sedan 2015. Mellan 2007 och 2015 var hon Chief Aduit Executive. Eva-Lotta Rosenqvist anslöt till Nordea-koncernen 1998 och har innehaft ett flertal ledande positioner inom koncernen.

Snorre Storset har varit vice VD, vice chef för Wealth Management, chef för Private Banking och medlem av Group Executive Management sedan 2015. Snorre Storset anslöt till Nordea-koncernen 2008 och har innehaft ett flertal ledande positioner inom koncernen.

Gunn Wærsted har varit Executive Vice President, medlem av Group Executive Management och landschef i Norge sedan år 2007. Hon har varit chef för Wealth Management sedan 2011. Gunn Wærsted var chef Shipping, Private Banking & Savings Products under perioden 2010 till 2011. Vid tidpunkten för upprättandet av detta grundprospekt är Gun Wærsted styrelseordförande i Petoro A/S, styrelseledamot i Finance Norway (FNO) och medlem i Rådet i Det Norske Veritas (DnV).

Heikki Ilkka anslöt till Nordea i april 2015 som chef för Group Finance efter en lång karriär vid Ernst & Young. Han har varit chef för Group Finance & Busienss Control inom Group Corporate Centre och kommer att från 1 januari 2016 tillträda som Executive Vice President och koncern-CFO.

Det föreligger inte potentiella intressekonflikter mellan någon förpliktelse för personer som ingår i koncernledningen eller styrelsen har till NBAB och dessa personers privata intressen eller övriga åtaganden.

Oberoende

Nordea följer tillämpliga regler, vilka framgår av Gällande kod för bolagsstyrning, avseende styrelsens oberoende. Valberedningen anser att samtliga styrelseledamöter valda av aktieägarna är oberoende i förhållande till bolagets större aktieägare, med undantag för Björn Wahlroos och Kari Stadigh. Björn Wahlroos är styrelseordförande och Kari Stadigh är koncernchef i Sampo Oyj, som äger mer än tio procent av samtliga aktier och röster i Nordea Bank AB (publ).

Valberedningen konstaterar att samtliga styrelseledamöter valda av aktieägarna är oberoende i förhållande till bolaget och dess ledning.

Ingen stämmovald styrelseledamot är anställd av eller arbetar i en operativ funktion i bolaget. Styrelseledamöterna och styrelsesuppleanten som har utsetts av arbetstagarna är anställda i koncernen och därmed inte oberoende i förhållande till bolaget.

Antalet styrelseledamöter som är oberoende i förhållande till bolaget och bolagsledningen såväl som i förhållande till bolagets större aktieägare överskrider det lägsta antal som anges i Svensk kod för bolagsstyrning enligt vilken minst två styrelseledamöter som valts vid bolagsstämma ska vara oberoende i förhållande till bolaget och bolagsledningen såväl som i förhållande till bolaget större aktieägare.

Revisorer

Enligt bolagsordningen ska en eller två revisorer utses av bolagsstämman för en period om ett år.

Bolagstämman 2015 utsåg, för perioden till slutet av den nästkommande årsstämman, Öhrlings Pricewaterhouse Coopers AB, Torsgatan 21, SE-113 97 Stockholm, Sweden. Peter Clemedtson är ansvarig revisor.

Revisorn är auktoriserad av, och medlem i, FAR SRS.

Rättsliga förfaranden, skiljeförfaranden och administrativa förfaranden

Inom ramen för den normala affärsverksamheten är Nordeakoncernen föremål för ett antal krav i civilrättsliga stämningar och tvister, inklusive tvister i vilket man agerar sökande för krav på obetalda fordringar låntagare och andra kunder, och som svaranden i andra fall. Nordea-koncernen är inblandad i ett stort antal tvister, rättsliga förfaranden och liknande, samt att myndigheter gör olika granskningar av Nordea-koncernens verksamhet, i de jurisdiktioner koncernen verkar. Denna typ av tvister och krav utsätter Nordea-koncernen för monetära risker, direkta och indirekta kostnader (såsom juristkostnader), direkt och indirekta finansiella risker, straffrättsliga och civilrättsliga sanktioner, risk för att förlora tillstånd, ryktesrisker, samt risk för att verksamheten begränsas av regulatoriska skäl. Per datumet för detta Grundprospekt förväntas inga av de nuvarande tvisterna till vilka Nordea-koncernen är part kunna ha betydande effekt för Nordeakoncernens finansiella ställning och det finns inga myndighetsprocesser, legala processer eller skiljeförfaranden till vilket Nordea-gruppen är part, och inga förväntas, såvitt styrelsen känner till, som kan ha eller har haft betydande effekt på Nordea-gruppens finansiella ställning eller lönsamhet.

Utdelningar

NBAB:s årsstämma har godkänt, och NBAB har utbetalat, följande utdelningar de senaste fem åren:

- 2014: EUR 0,62 per aktie, total utdelning om EUR 2 501 miljoner;
- 2013: EUR 0,43 per aktie, total utdelning om EUR 1 734 miljoner;
- 2012: EUR 0,34 per aktie, total utdelning om EUR 1 370 miljoner;
- 2011: EUR 0,26 per aktie, total utdelning om EUR 1 048 miljoner; och
- 2010: EUR 0,29 per aktie, total utdelning om EUR 1 168 miljoner.

Meddelanden

Meddelanden till Innehavare ges i enlighet med Villkor 16 (*Meddelanden*) i Villkor för Lånen.

Bolagsordning

Föremålet för NBAB:s verksamhet finns reglerat i § 3 Bolagsordningen. Föremålet för NBAB:s verksamhet är att bedriva sådan bankrörelse som avses i 1 kap. 3 § lagen (2004:297) om bank- och finansieringsrörelse. Vidare är föremålet för NBAB:s verksamhet att bedriva finansiell verksamhet och verksamhet som har ett naturligt samband därmed enligt 7 kap. 1 § lagen om bank- och finansieringsrörelse och i egenskap av moderbolag ombesörja och vara ansvarig för övergripande funktioner i Nordeakoncernen, såsom ledning, övervakning, riskstyrning och personalfunktioner.

Bolagsordningen ändrades senast 12 maj 2011.

Väsentliga avtal

NBAB har inte ingått något avtal av större betydelse förutom i den fortlöpande affärsverksamheten och som kan leda till att ett företag inom Koncernen erhåller en rättighet eller åläggs en skyldighet som väsentligt kan påverka NBAB:s förmåga att uppfylla sina förpliktelser.

Bolagsstyrning

Corporate governance i Nordea följer allmänt vedertagna principer för bolagsstyrning. Det externa ramverket som reglerar arbetet med corporate governance innefattar aktiebolagslagen och lagen om bank- och finansieringsrörelse, årsredovisningslagen, lagen om årsredovisning i kreditinstitut och värdepappersbolag, EU-förordningar med tillämpning på den finansiella sektorn, regler som utgetts av relevanta finansiella tillsynsmyndigheter, NASDAQ:s regler för börserna i Stockholm, Köpenhamn och Helsingfors samt reglerna och principerna i Svensk kod för bolagsstyrning (Koden).

2015 års årsstämma

På årsstämman i NBAB den 19 mars 2015 ("**2015 Års Årsstämma**") valdes nya styrelseledamöter och Öhrlings PricewaterhouseCoopers AB som revisionsbolag, en ny valberedning och det antogs nya riktlinjer för ersättning till chefer.

Utöver detta gav 2015 Års Årsstämma mandat till styrelsen att, fram till och med nästkommande årsstämma, besluta om återköp av egna aktier, eller genom ett erbjudande som riktas till alla innehavare av stamaktier i NBAB. NBAB:s innehav av egna aktier får dock inte vid någon tidpunkt överstiga 10 procent av det totala antalet utestående aktier. Syftet med återköp av egna aktier är att underlätta en justering av NBAB:s kapitalstruktur för att möta gällande kapitaltäckningskrav och möjliggöra användandet av aktierna som betalning vid förvärv av företag eller verksamheter eller för att finansierna förvärv av företag eller verksamheter.

2015 Års Årsstämma bemyndigade också styrelsen att, fram till och med nästkommande årsstämma, besluta om överlåtelse av aktier i NBAB att användas som betalning vid förvärv av företag eller verksamheter eller för att finansiera förvärv av företag eller verksamheter och bemyndigade NBAB att återköpa egna aktier för att underlätta värdepappersverksamheten, under förutsättning att innehavet av egna aktier inte vid någon tidpunkt överstiger 1 procent av det totala antalet utestående aktier.

Vidare bemyndigade 2015 Års Årsstämma styrelsen att, fram till och med nästkommande årsstämma, besluta om utgivande av konvertibler. Det belopp varmed aktiekapitalet kan ökas vid full teckning av konvertiblerna får inte överstiga 10 procent av NBAB:s aktiekapital. Utgivandet av sådana konvertibler för göras med eller utan företrädesrätt för befintliga aktieägare och ska göras på marknadsmässiga villkor. Syftet med bemyndigandet är att underlätta en flexibel och effektiv justering av NBAB:s kapitalstruktur för att överenstämma med kapitaltäckningskraven.

Aktuella händelser i NBAB

Avyttring av Merchant Acquiring Business

Den 10 december 2015 fullföljde Nordea sin avyttring av Merchant Acquiring Business till Nets Holding A/S. Merchant Acquiring var en tjänst som erbjuds företagskunder och som möjliggör dessa att acceptera kortbetalningar online. Verksamhetsgrenen såldes för 230 miljoner euro. Nordeas vinst efter skatt uppgår till ungefär 175 miljoner euro. Kapitalvinsten efter skatt uppgår till ca 178 miljoner euro och är hänförligt till Annan operationell inkomst och ca 3 miljoner är bokfört som en utgift för inkomstskatt.

NORDEA BANK FINLAND Abp

Verksamhetsöversikt

Nordea Bank Finland Abp ("NBF") har sedan 1998 varit en del av Nordeakoncernen, vilken bildades till följd av samgåendet mellan Merita och Nordbanken. Samgåendet mellan Merita och Nordbanken behandlas närmare ovan, se "Nordeakoncernen – Bildandet av Nordeakoncernen".

NBF bedriver bankverksamhet i Finland som en del av Nordeakoncernen och dess verksamhet är helt integrerad i Nordeakoncernens verksamhet.

Legal struktur och dotterbolag

NBF är ett helägt dotterbolag till NBAB. NBF bildades den 2 januari 2002 i enlighet med finsk lag. NBF har sitt säte i Helsingfors, Finland, med begränsat ansvar i enlighet med den finska aktiebolagslagen och innehar tillstånd (oktroj) att bedriva bankverksamhet i enlighet med Kreditinstitutslagen och vidare att bedriva finansiell verksamhet och verksamhet som har ett naturligt samband därmed, bland annat värdepappersrörelse. NBF står under tillsyn av Europeiska centralbanken och relevant nationell tillsynsmyndighet är FIN-FSA. NBF är föremål för omfattande reglering på alla marknader där NBF verkar. NBF är registrerat i handelsregistret och har FO-nummer 1680235-8. NBF har sitt huvudkontor i Helsingfors med adress: Alexandersgatan 36 B, 00100 Helsingfors, Finland (telefon nummer: +358 9 16 51).

NBF har tillstånd att emittera säkerställda obligationer enligt finska lagen om hypoteksbanksverksamhet.

NBF har dotterbolag i Finland och utomlands. Det mest betydelsefulla dotterbolaget är Nordea Finans Finland Ab.

Aktiekapital

Enligt artikel 5 i bolagets Bolagsordning är antalet aktier i Nordea Finland inte högre än 500 000 000 och inte lägre än 2 000 000 000. Vid utfärdandet av detta Grundprospekt har Nordea Finland ett aktiekapital om EUR 2 319 300 000 bestående av 1 030 800 000 stamaktier med ett nominellt värde av EUR 2,25.

Styrelse

Vid utfärdandet av detta Grundprospekt består NBF:s styrelse av följande ledamöter:

Torsten Hagen Jørgensen, ordförande

Casper von Koskull, vice ordförande

Carl-Johan Granvik

Gun Waersted

Samtliga styrelseledamöter, förutom Carl-Johan Granvik, är anställda i Nordeakoncernen:

Namn	Födelseår/ Medlem sedan	Position
Casper von Koskull	1960/2010	CEO
Torsten Hagen Jørgensen	1965/2013	Executive Vice President, CFO, chef för Group Corporate Centre och COO
Carl-Johan Granvik.....	1949/2012	Tidigare positioner i Nordeakoncernen: VD och landschef för Nordea Bank Finland Ltd och Chief Risk Officer och Executive Vice President
Gunn Wærsted	1955/2010	Executive Vice President, CEO i Nordea Bank Norge, chef för Wealth Management och landschef för Norge

Casper von Koskull har varit VD och koncernchef i Nordea sedan 2015 och har varit medlem av Group Executive Management sedan 2010. Casper von Koskull kom till Nordea under 2010 och var chef för Corporate Merchant Banking & Capital Markets från 2010 till 2011. Vid dagen för upprättandet av detta grundprospekt är Casper von Koskull styrelseledamot i European Business Leader's Convention.

Torsten Hagen Jørgensen har varit vice VD och Group Chief Operating Officer sedan 2015 och har varit vice koncernchef, chef för Group Corporate Centre och koncern-CFO sedan 2013. Han har varit medlem i Group Executive Management sedan 2011. Torsten Hagen Jørgensen anslöt till Nordea-koncernen 2005 och har innehaft ett flertal ledande positioner inom koncernen.

Carl-Johan Granvik är inte anställd inom Nordeakoncernen. Tidigare positioner i Nordeakoncernen: VD och landschef för NBF och Chief Risk Officer och Executive Vice President. Per datum för detta grundprospekt är han ordförande i Technopolis plc, i Julius Stjernvalls Donationsfond, William Thurings Foundation och Emilie and Rudolf Gesellius fund. Han är ordförande i Investement Committe of Sponsor fund II Ky. Han är medlem i Kelonia Ab plc, Kelonia Placerings AB plc och Sigrid Juselius Foundation. Han är medlem i Investement Committe of Forum Fastighets Kb. Han är Superviory board member of the Foundation Svenska Handelshögskolan.

Gunn Wærsted har varit Executive Vice President, medlem av Group Executive Management och landschef i Norge sedan år 2007 samt chef för Wealth Management sedan 2011. Hon var chef för Shipping, Private Banking & Savings Products under perioden 2010 till 2011. Vid tidpunkten för upprättandet av detta grundprospekt är Gun Wærsted styrelseledamot i Petoro A/S, Finance Norway (FNO) och medlem i nomineringskommittén för Schibsted ASA samt medlem i nomineringskommittén och i Rådet i Det Norske Veritas (DNV).

Adressen till styrelseledamöterna är c/o Nordea Bank Finland Abp, Alexandersgatan 36 B, 00100 Helsingfors, Finland.

Såvitt NBF känner till föreligger det inga potentiella intressekonflikter mellan någon förpliktelse som personer som ingår i styrelsen eller koncernledningen, enligt ovan, har till NBF, i deras ledande befattningar och dessa personers privata intressen eller övriga åtaganden.

Revisorer

NBF:s revisorer väljs vid ordinarie bolagsstämma med aktieägarna för en period om ett år i taget. Revisorer valda för en period om ett år vid bolagsstämma avseende åren 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012 och 2013 var följande:

KPMG Oy Ab, Töölönlahdenkatu 3 A, 00100 Helsingfors, Finland, Marcus Tötterman var huvudansvarig revisor. KPMG Oy Ab är medlem i det Finska Institutet för auktoriserade revisorer.

Årsstämman i NBF den 9 mars 2015 godkände valet av PricewaterhouseCoopers Oy, Itämerentori 2, FI-00180, Helsingfors, Finland, som revisor för NBF under 2015. Juha Wahlroos är huvudansvarig revisor. Pricewaterhouse Coopers Oy är medlem i det Finska Institutet för auktoriserade revisorer.

Rättsliga förfaranden och skiljeförfaranden

Inom ramen för den normala affärsverksamheten är Nordeakoncernen föremål för ett antal krav i civilrättsliga stämningar och tvister, varav de flesta rör relativt begränsade belopp. Emittenten har inte varit part i några rättsliga förfaranden eller skiljeförfaranden (inklusive ännu icke avgjorda ärenden och ärenden som emittenten är medveten om kan uppkomma) under de senaste tolv månaderna, och som nyligen haft eller skulle kunna få betydande effekter på Emittentens eller koncernens finansiella ställning eller lönsamhet.'

Utdelning

Årsstämman i NBF har godkänt, och NBF har betalat ut, följande utdelning de senaste fem åren:

2014: total utdelningsbetalning av EUR 750 miljoner;

2013: total utdelningsutbetalning av EUR 625 miljoner;

2012: total utdelningsutbetalning av EUR 3,5 miljarder; och

2011: total utdelningsutbetalning av EUR 700 miljoner;

2010: total utdelningsutbetalning av EUR 600 miljoner.

Bolagsordning

Föremålet för NBF:s verksamhet finns reglerat i § 2 i Bolagsordningen. Föremålet för NBF:s verksamhet är att bedriva sådan depositionsbankverksamhet som avses i kreditinstitutslagen, erbjuda sådana investeringstjänster så som anges i 1 kap. 11 § lagen om värdepappersföretag, samt att bedriva hypoteksbanksverksamhet så som definierat i lag om hypoteksbanksverksamhet. I egenskap av moderbolag i koncernen hanterar och ansvarar NBF för den centrala styrningen av kredit- och finansieringsinstitutioner och andra koncernbolag, så som koncernadministration, styrning, övervakning och riskhantering.

Bolagsordningen ändrades senast 28 januari 2013.

Väsentliga avtal

Inga väsentliga avtal har ingåtts förutom i den fortlöpande affärsverksamheten och som kan leda till att ett företag inom koncernen erhåller en rättighet eller åläggs en skyldighet som väsentligt kan påverka NBF:s förmåga att uppfylla sina förpliktelser gentemot Fordringshavarna i förhållande till utgivna Lån.

Bolagsstyrning

All verksamhet i NBF utgör en integrerad del av verksamheten i Nordeakoncernen. Ramverket för Corporate Governance är etablerat på koncernnivå i Nordeakoncernen och revideras löpande vid behov.

Finansiering

NBF:s upplåning sker både inhemskt och på de internationella marknaderna. Kortfristig finansering avser främst utgivande av insättningscertifikat och reverser. Långfristig finansering sker främst genom utgivande av strukturerade lån under NBF:s svenska Program för Strukturerade Lån och NBF:s EMTN-program och Program för Säkerställda Obligationer. NBF utgav sin första säkerställda obligation under de finska regelverken om säkerställda obligationer i november 2010.

Låneportföljen

NBF verkar huvudsakligen i den finska hypoteksmarknaden och lämnar främst långfristiga lån till enskilda personer genom kontorsnätverket. Syftet med lånen är främst att finansiera enskilda hem, och för lägenheter och radhus (vanligen ägda av fastighetsbolag) och sommarhem. NBF tillhandahåller också finansiering för företag och kommersiella fastigheter. Säkerheterna består oftast av hypotekarisk säkerhet bestående av finansierade fastigheter och säkerhet över aktierna i fastighetsbolagen.Den genomsnittliga återbetalningstiden av ett bostadslån i Finland är 20 år. De flesta av NBF:s kunder väljer räntebindningstider om upp till 12 månader och räntebasen utgörs av EURIBOR. NBFs andel av den finska bostadsmarknaden uppgick i september 2015 till 30.42 procent.

SELECTED FINANCIAL INFORMATION

The tables below show certain selected summarised financial information which, without material changes, is derived from NBAB's and NBF's audited consolidated financial statements for the year ended 31 December 2014 and unaudited consolidated financial statements for the nine months ended 30 September 2015 (in the case of NBAB) or the six months ended 30 June 2015 (in case of NBF), which are set out in the Annexes to this Base Prospectus.

NBAB's and NBF's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards ("**IFRS**") and interpretations of such standards by the International Financial Reporting Interpretations Committee, as endorsed by the EU Commission. In addition, certain complementary rules in the Swedish Act on Annual Reports in Credit Institutions and Securities Companies (1995:1559) and the recommendation RFR 1 "*Supplementary Accounting Rules for Groups*", and UFR statements issued by the Swedish Financial Reporting Board as well as the accounting regulations of the SFSA's (FFFS 2008:25, with amendments in FFFS 2009:11 and 2011:54), have also been applied in the preparation of NBAB's accounts.

The tables below shall be read together with the auditor's reports and the notes thereto.

A. NBAB

Income Statement

	Group			
	Year ended 31 December		Nine-month period ended 30 September	
	2014	2013	2015	2014
	(EUR millions)			
Interest income	9,995	10,604	6,503	7,624
Interest expense	-4,513	-5,079	-2,634	-3,498
Net interest income	5,482	5,525	3,869	4,126
Fee and commission income	3,799	3,574	3,016	2,794
Fee and commission expense	-957	-932	-759	-715
Net fee and commission income	2,842	2,642	2,257	2,079
Net result from items at fair value	1,425	1,539	1,267	1,058
Profit from companies accounted for under the equity method	18	79	36	20
Other operating income	474	106	66	440
Total operating income	10,241	9,891	7,495	7,723
Operating expenses				
General administrative expenses:				
Staff costs	-3,159	-2,978	-2,307	-2,398
Other expenses	-1,656	-1,835	-1,030	-1,238
Depreciation, amortisation and impairment charges of tangible and intangible assets	-585	-227	-144	-532
Total operating expenses	-5,400	-5,040	-3,481	-4,168
Profit before loan losses	4,841	4,851	4,014	3,555
Net loan losses	-534	-735	-337	-405
Operating profit	4,307	4,116	3,677	3,150
Income tax expense	-950	-1,009	-863	-670
Net profit for the period from continuing operations	3,357	3,107	2,814	2,480
Net profit for the period from discontinued operations, after tax	-25	9	-	-25
Net profit for the period	3,332	3,116	2,814	2,455
Attributable to:				
Shareholders of Nordea Bank AB (publ)	3,332	3,116	2,814	2,455
Non-controlling interests	-	-	-	-
Total	3,332	3,116	2,814	2,455

Balance Sheet

	Group			
	31 December		30 September	
	2014	2013	2015	2014
	(EUR millions)			
Assets				
Cash and balances with central banks	31,067	33,529	43,812	26,149
Loans to central banks	6,958	11,769	15,004	8,550
Loans to credit institutions	12,217	10,743	12,112	13,533
Loans to the public	348,085	342,451	349,337	359,816
Interest-bearing securities	87,110	87,314	86,659	93,192
Financial instruments pledged as collateral	12,151	9,575	11,475	9,419
Shares	39,749	33,271	40,129	38,689
Derivatives	105,119	70,992	89,812	93,025
Fair value changes of the hedged items in portfolio hedge of interest rate risk	256	203	172	241
Investments in associated undertakings	487	630	502	498
Intangible assets	2,908	3,246	3,063	3,011
Properties and equipment	509	431	554	527
Investment properties	3,227	3,524	3,087	3,451
Deferred tax assets	130	62	86	102
Current tax assets	132	31	137	246
Retirement benefit assets	42	321	111	324
Other assets	17,581	11,064	22,136	15,745
Prepaid expenses and accrued income	1,614	2,383	1,689	2,202
Assets held for sale	-	8,895	-	-
Total assets	669,342	630,434	679,877	668,720
Liabilities				
Deposits by credit institutions	56,322	59,090	63,920	57,875
Deposits and borrowings from the public	197,254	200,743	208,264	204,684
Liabilities to policyholders	51,843	47,226	53,547	51,519
Debt securities in issue	194,274	185,602	192,003	191,212
Derivatives	97,340	65,924	87,110	84,983
Fair value changes of the hedged items in portfolio hedge of interest rate risk	3,418	1,734	3,010	3,067
Current tax liabilities	368	303	356	548
Other liabilities	26,973	24,737	29,925	31,748
Accrued expenses and prepaid income	1,943	3,677	1,916	3,761
Deferred tax liabilities	983	935	1,009	837
Provisions	305	177	237	360
Retirement benefit obligations	540	334	449	692
Subordinated liabilities	7,942	6,545	8,147	7,648
Liabilities held for sale	-	4,198	-	-
Total liabilities	639,505	601,225	649,893	638,934
Equity				
Non-controlling interests	2	2	1	2
Share capital	4,050	4,050	4,050	4,050
Share premium reserve	1,080	1,080	1,080	1,080
Other reserves	-1,201	-159	-1,383	-380
Retained earnings	25,906	24,236	26,236	25,034
Total equity	29,837	29,209	29,984	29,786
Total liabilities and equity	669,342	630,434	679,877	668,720
Assets pledged as security for own liabilities	163,041	174,418	184,153	181,127
Other assets pledged	11,265	7,467	10,404	9,087
Contingent liabilities	22,017	20,870	21,830	22,012
Credit commitments	74,291	78,332	73,977	77,938
Other commitments	1,644	1,267	1,354	1,424

Cash Flow Statement

	Group			
	Year ended 31 December		Nine-month period ended 30 September	
	2014	2013	2015	2014
	(EUR millions)			
Operating activities				
Operating profit	4,307	4,116	3,677	3,150
Profit for the period from discontinued operations, after tax	-25	9	-	-25
Adjustment for items not included in cash flow	8,140	4,492	2,090	6,463
Income taxes paid	-966	-1,010	-840	-689
Cash flow from operating activities before changes in operating assets and liabilities	11,456	7,607	4,927	8,899
Cash flow from operating activities	-10,824	6,315	11,776	-14,721
Cash flow from investing activities	3,254	572	-441	2,950
Cash flow from financing activities	-1,040	-1,927	-2,613	-1,032
Cash flow for the period	-8,610	4,960	8,722	-12,803
Cash and cash equivalents at the beginning of period	45,670	42,808	39,683	45,670
Translation differences	2,623	–2,098	1,788	1,957
Cash and cash equivalents at the end of period	39,683	45,670	50,193	34,824
Change	-8,610	4,960	8,722	-12,803

B. NBF

Income statement

	Group			
	Year ended 31 December		Six-month period ended 30 June	
	2014	2013	2015	2014
	(EUR millions)			
Interest income	1,806	1,849	781	923
Interest expense	-617	-666	-254	-328
Net interest income	1,189	1,183	527	595
Fee and commission income	794	759	382	400
Fee and commission expense	-719	-872	-355	-360
Net fee and commission income	75	-113	27	40
Net result from items at fair value	970	1,114	786	556
Profit from companies accounted for under the equity method	3	8	2	1
Other operating income	41	32	47	27
Total operating income	2,278	2,224	1,389	1,219
Operating expenses				
General administrative expenses:				
Staff costs	-559	-553	-264	-296
Other expenses	-433	-466	-202	-221
Depreciation, amortisation and impairment charges of tangible and intangible assets	-92	-40	-14	-21
Total operating expenses	-1,084	-1,059	-480	-538
Profit before loan losses	1,194	1,165	909	681
Net loan losses	-60	-53	-55	-49
Impairment of securities held as financial non-current assets	-	1	-	-
Operating profit	1,134	1,113	854	632
Income tax expense	-232	-285	-198	-126
Net profit for the year	902	828	656	506
Attributable to:				
Shareholders of Nordea Bank Finland Plc	902	828	656	506
Non-controlling interests	-	-	-	-
Total	902	828	656	506

Balance sheet

	Group			
	31 December		30 June	
	2014	2013	2015	2014
	(EUR millions)			
Assets				
Cash and balances with central banks	28,846	30,904	39,511	23,038
Loans to central banks	300	657	4,300	1,663
Loans to credit institutions	35,051	35,110	44,956	44,117
Loans to the public	113,748	113,779	116,430	110,951
Interest-bearing securities	34,643	34,246	34,300	36,817
Financial instruments pledged as collateral	11,058	9,739	9,372	9,532
Shares	1,918	680	2,088	895
Derivatives	105,254	70,234	85,894	78,467
Fair value changes of the hedged items in portfolio hedge of interest rate risk	76	58	58	77
Investments in group undertakings	-	-	-	-
Investments in associated undertakings	39	59	39	37
Intangible assets	47	100	47	95
Property and equipment	84	94	76	91
Investment property	2	113	1	2
Deferred tax assets	43	5	11	35
Current tax assets	0	1	1	0
Retirement benefit assets	25	133	86	133
Other assets	14,624	8,277	18,015	10,996
Prepaid expenses and accrued income	440	572	437	577
Total assets	346,198	304,761	355,622	317,523
Liabilities				
Deposits by credit institutions	87,368	79,426	113,979	87,323
Deposits and borrowings from the public	76,879	80,909	81,868	76,936
Debt securities in issue	48,472	47,130	37,256	44,782
Derivatives	102,876	67,109	88,120	73,287
Fair value changes of the hedged items in portfolio hedge of interest rate risk	773	369	490	672
Current tax liabilities	41	8	64	10
Other liabilities	18,577	18,855	22,549	23,771
Accrued expenses and prepaid income	804	866	631	850
Deferred tax liabilities	57	53	58	53
Provisions	85	72	74	101
Retirement benefit obligations	28	21	27	76
Subordinated liabilities	620	429	624	447
Total liabilities	336,580	295,247	345,740	308,308
Equity				
Non-controlling interests	-	1	-	1
Share capital	2,319	2,319	2,319	2,319
Share premium reserve	599	599	599	599
Other reserves	2,824	2,875	2,882	2,817
Retained earnings	3,876	3,720	4,082	3,479
Total equity	9,618	9,514	9,882	9,215
Total liabilities and equity	346,198	304,761	355,622	317,523
Assets pledged as security for own liabilities	43,426	35,061	42,134	36,368
Other assets pledged	5,017	4,393	5,772	6,721
Contingent liabilities	14,906	15,836	13,176	14,470
Credit commitments	16,021	15,882	13,679	16,269
Other commitments	769	721	437	395

Cash flow statement

	Group			
	Year ended 31 December		Six-month period ended 30 June	
	2014	2013	2015	2014
	(EUR millions)			
Operating activities				
Operating profit	1,164	1,079	854	619
Operating profit for the period from transferred operations	-30	34	-	13
Adjustments for items not included in cash flow	891	658	1,270	722
Income taxes paid	-218	-282	-158	-137
Cash flow from operating activities before changes in operating assets and liabilities	1,807	1,489	1,966	1,217
Cash flow from operating activities	-11,520	5,686	14,274	-10,857
Cash flow from investing activities	2,149	85	-18	1,603
Cash flow from financing activities	-593	-615	-306	-767
Cash flow for the period	-9,964	5,156	13,950	-10,021
Cash and cash equivalents at beginning of the period	36,324	32,859	29,714	36,324
Translation difference	-3,354	1,691	-1,910	-312
Cash and cash equivalents at end of the period	29,714	36,324	45,574	26,615
Change	-9,964	5,156	13,950	-10,021

UTVALD FINANSIELL INFORMATION

Den beskrivning av utvald finansiell information som återfinns nedan är en inofficiell översättning av den engelska texten som återfinns omedelbart före detta avsnitt och investerare rekommenderas att även läsa och ta till sig de engelska beskrivningarna då dessa kan avvika från den svenska översättningen.

Nedanstående tabeller visar viss, utvald, finansiell information i sammandrag som, utan väsentliga ändringar, hämtats från NBAB och NBF:s reviderade redovisningar för det år som slutar den 31 december 2014 och oreviderade redovisningar för de nio månaderna som slutade 30 september 2014 (vad avser NBAB) eller de sex månader som slutade 30 juni 2015 (vad avser NBF), som återfinns som Bilagor till detta Grundprospekt.

NBAB och NBF:s redovisning upprättas i enlighet med International Financial Reporting Standards (IFRS), med tillhörande tolkningar från International Financial Reporting Interpretations Committee (IFRIC), godkända av EU-kommissionen. Vidare har vissa kompletterande regler i enlighet med lag (1995:1559) om årsredovisning i kreditinstitut och värdepappersbolag (ÅRKL), rekommendation "RFR 1" Kompletterande redovisningsregler för koncerner", uttalanden från Rådet för finansiell rapportering (UFR) och Finansinspektionens föreskrifter (FFFS 2008:25 med ändringar i FFFS 2009:11 och 2011:54) tillämpats.

Nedanstående tabeller skall läsas tillsammans med revisionsberättelsen och noterna till denna.

NBAB

Resultaträkning, Koncernen

	Koncernen			
	År som slutade 31 december		**Nio månader som slutade 30 september**	
	2014	2013	2015	2014
	(EUR miljoner)			
Ränteintäkter	9 995	10 604	6 503	7 624
Räntekostnader	-4 513	–5 079	2 634	-3 498
Räntenetto	5 482	5 525	3 869	4 126
Avgifts- och provisionsintäkter	3 799	3 574	3 016	2 794
Avgifts- och provisionskostnader	-957	–932	759	-715
Avgifts- och provisionsnetto	2 842	2 642	2 257	2 079
Nettoresultat av poster till verkligt värde	1 425	1 539	1 267	1 058
Andelar i intresseföretags resultat	18	79	36	20
Övriga rörelseintäkter	474	106	66	440
Summa rörelseintäkter	10 241	9 891	7 495	7 723
Rörelsekostnader				
Allmänna administrationskostnader:				
Personalkostnader	-3 159	–2 978	-2 307	-2 398
Övriga administrationskostnader	-1 656	–1 835	-1 030	-1 238
Av- och nedskrivningar av materiella och immateriella tillgångar	-585	–227	-144	-532
Summa rörelsekostnader	-5 400	–5 040	-3 481	-4 168
Resultat före kreditförluster	4 841	4 851	4 014	3 555
Kreditförluster, netto	-534	–735	-337	-405
Rörelseresultat	4 307	4 116	3 677	3 150
Skatt	-950	–1 009	-863	-670
Nettoresultat för perioden från kvarvarande verksamhet	3 357	3 107	2 814	2 480
Nettoresultat för perioden från avvecklad verksamhet, efter skatt	-25	9	-	-25
Resultat för perioden	3 332	3 116	2 814	2 455
Hänförligt till:				
Aktieägare i Nordea Bank AB (publ)	3 332	3 116	2 814	2 455
Minoritetsintressen		-	-	-
Summa	3 332	3 116	2 814	2 455

Balansräkning, Koncernen

	Koncernen			
	År som slutade 31 december		**Nio månader som slutade 30 september**	
	2014	**2013**	**2015**	**2014**
	(EUR miljoner)			
Tillgångar				
Kassa och tillgodohavanden hos centralbanker	31 067	33 529	43 812	26 149
Utlåning till centralbanker	6 958	11 769	15 004	8 550
Utlåning till kreditinstitut	12 217	10 743	12 112	13 533
Utlåning till allmänheten	348 085	342 451	349 337	359 816
Räntebärande värdepapper	87 110	87 314	86 659	93 192
Pantsatta finansiella instrument	12 151	9 575	11 475	9 419
Aktier och andelar	39 749	33 271	40 129	38 689
Derivatinstrument	105 119	70 992	89 812	93 025
Förändringar av verkligt värde för räntesäkrade poster i säkringsportföljer	256	203	172	241
Aktier och andelar i intresseföretag	487	630	502	498
Immateriella tillgångar	2 908	3 246	3 063	3 011
Materiella tillgångar	509	431	554	527
Förvaltningsfastigheter	3 227	3 524	3 087	3 451
Uppskjutna skattefordringar	130	62	86	102
Skattefordringar	132	31	137	246
Pensionstillgångar	42	321	111	324
Övriga tillgångar	17 581	11 064	22 136	15 745
Förutbetalda kostnader och upplupna intäkter	1 614	2 383	1 689	2 202
Tillgånga för försäljning	-	8 895	-	-
Summa tillgångar	669 342	630 434	679 877	668 720
Skulder				
Skulder till kreditinstitut	56 322	59 090	63 920	57 875
In- och upplåning från allmänheten	197 254	200 743	208 264	204 684
Skulder till försäkringstagare	51 843	47 226	53 547	51 519
Emitterade värdepapper	194 274	185 602	192 003	191 212
Derivatinstrument	97 340	65 924	87 110	84 983
Förändringar av verkligt värde för räntesäkrade poster i säkringsportföljer	3 418	1 734	3 010	3 067
Skatteskulder	368	303	356	548
Övriga skulder	26 973	24 737	29 925	31 748
Upplupna kostnader och förutbetalda intäkter	1 943	3 677	1 916	3 761
Uppskjutna skatteskulder	983	935	1 009	837
Avsättningar	305	177	237	360
Pensionsförpliktelser	540	334	449	692
Efterställda skulder	7 942	6 545	8 147	7 648
Skulder för försäljning	-	4 198	-	-
Summa skulder	639 505	601 225	649 893	638 934
Eget kapital				
Minoritetsintressen	2	2	1	2
Aktiekapital	4 050	4 050	4 050	4 050
Överkursfond	1 080	1 080	1 080	1 080
Övriga reserver	-1 201	-159	-1 383	-380
Balanserade vinstmedel	25 906	24 236	26 236	25 034
Summa eget kapital	29 837	29 209	29 984	29 786
Summa skulder och eget kapital	669 342	630 434	679 877	668 720
För egna skulder ställda säkerheter	163 041	174 418	184 153	181 127
Övriga ställda säkerheter	11 265	7 467	10 404	9 087
Ansvarsförbindelser	22 017	20 870	21 830	22 012
Kreditåtaganden	74 291	78 332	73 977	77 938
Övriga åtaganden	1 644	1 267	1 354	1 424

Kassaflödesanalys, Koncernen

	Koncernen			
	År som slutade 31 december		**Nio månader som slutade 30 september**	
	2014	**2013**	**2015**	**2014**
	(EUR miljoner)			
Den löpande verksamheten				
Rörelseresultat	4 307	4 116	3 677	3 150
Resultat från perioden från avvecklad verksamhet, efter skatt	-25	9	-	-25
Justering för poster som inte ingår i kassaflödet	8 140	4 492	2 090	6 463
Betalda inkomstskatter	-966	-1 010	-840	-689
Kassaflöde från den löpande verksamheten före förändring av den löpande verksamhetens tillgångar och skulder	11 456	7 607	4 927	8 899
Kassaflöde från den löpande verksamheten	-10 824	6 315	11 776	-14 721
Kassaflöde från investeringsverksamheten	3 254	572	-441	2 950
Kassaflöde från finansieringsverksamheten	-1 040	-1 927	-2 613	-1 032
Periodens kassaflöde	-8 610	4 960	8 722	-12 803
Likvida medel vid periodens början				
Omräkningsdifferens	45 670	42 808	39 683	45 670
Likvida medel vid periodens slut	2 623	–2 098	1 788	1 957
Förändring	39 683	45 670	50 193	34 824

NBF

Resultaträkning, Koncernen

	Koncernen			
	År som slutade 31 december		**Sex månader som slutade 30 juni**	
	2014	**2013**	**2015**	**2014**
	(EUR miljoner)			
Rörelseintäkter				
Ränteintäkter	1 806	1 849	781	923
Räntekostnader	-617	-666	-254	-328
Räntenetto	1 189	1 183	527	595
Avgifts- och provisionsintäkter	794	759	382	400
Avgifts- och provisionskostnader	-719	-872	-355	-360
Avgifts- och provisionsnetto	75	-113	27	40
Nettoresultat av poster till verkligt värde	970	1 114	786	556
Andelar i intresseföretags resultat	3	8	2	1
Övriga rörelseintäkter	41	32	47	27
Summa rörelseintäkter	2 278	2 224	1 389	1 219
Rörelsekostnader				
Allmänna administrationskostnader:				
Personalkostnader	-559	-553	-264	-296
Övriga administrationskostnader	-433	-466	-202	-221
Av- och nedskrivningar av materiella och immateriella tillgångar	-92	-40	-14	-21
Summa rörelsekostnader	-1 084	-1 059	-480	-538
Resultat före kreditförluster	1 194	1 165	909	681
Kreditförluster, netto	-60	-53	-55	-49
Nedskrivning av värdepapper som innehas som finansiella anläggningstillgångar	-	1	-	-
Rörelseresultat	1 134	1 113	854	632
Skatt	-232	-285	-198	-126
Resultat för perioden	902	828	656	506
Hänförligt till:				
Aktieägare i Nordea Bank AB (publ)	902	828	656	506
Minoritetsintressen	-	-	-	-
Summa	902	828	656	506

Balansräkning, Koncernen

	Koncernen			
	År som slutade 31 december		**Sex månader som slutade 30 juni**	
	2014	**2013**	**2015**	**2014**
	(EUR miljoner)			
Tillgångar				
Kassa och tillgodohavanden hos centralbanker	28 846	30 904	39 511	23 038
Utlåning till centralbanker	300	657	4 300	1 663
Utlåning till kreditinstitut	35 051	35 110	44 956	44 117
Utlåning till allmänheten	113 748	113 779	116 430	110 951
Räntebärande värdepapper	34 643	34 246	34 300	36 817
Pantsatta finansiella instrument	11 058	9 739	9 372	9 532
Aktier och andelar	1 918	680	2 088	895
Derivatinstrument	105 254	70 234	85 894	78 467
Förändringar av verkligt värde för räntesäkrade poster i säkringsportföljer	76	58	58	77
Aktier och andelar i koncernföretag	-	-	-	-
Aktier och andelar i intresseföretag	39	59	39	37
Immateriella tillgångar	47	100	47	95
Materiella tillgångar	84	94	76	91
Förvaltningsfastigheter	2	113	1	2
Uppskjutna skattefordringar	43	5	11	35
Skattefordringar	0	1	1	0
Pensionstillgångar	25	133	86	133
Övriga tillgångar	14 624	8 277	18 015	10 996
Förutbetalda kostnader och upplupna intäkter	440	572	437	577
Summa tillgångar	346 198	304 761	355 622	317 523
Skulder				
Skulder till kreditinstitut	87 368	79 426	113 979	87 323
In- och upplåning från allmänheten	76 879	80 909	81 868	76 936
Emitterade värdepapper	48 472	47 130	37 256	44 782
Derivatinstrument	102 876	67 109	88 120	73 287
Förändringar av verkligt värde för räntesäkrade poster i säkringsportföljer	773	369	490	672
Skatteskulder	41	8	64	10
Övriga skulder	18 577	18 855	22 549	23 771
Upplupna kostnader och förutbetalda intäkter	804	866	631	850
Uppskjutna skatteskulder	57	53	58	53
Avsättningar	85	72	74	101
Pensionsförpliktelser	28	21	27	76
Efterställda skulder	620	429	624	447
Summa skulder	336 580	295 247	345 740	308 308
Eget kapital				
Minoritetsintressen	-	1	-	1
Aktiekapital	2 319	2 319	2 319	2 319
Överkursfond	599	599	599	599
Övriga reserver	2 824	2 875	2 882	2 817
Balanserade vinstmedel	3 876	3 720	4 082	3 479
Summa eget kapital	9 618	9 514	9 882	9 215
Summa skulder och eget kapital	346 198	304 761	355 622	317 523
För egna skulder ställda säkerheter	43 426	35 061	42 134	36 368
Övriga ställda säkerheter	5 017	4 393	5 772	6 721
Ansvarsförbindelser	14 906	15 836	13 176	14 470
Kreditåtaganden	16 021	15 882	13 679	16 269
Övriga åtaganden	769	721	437	395

Kassaflödesanalys, Koncernen

	Koncernen			
	År som slutade 31 december		**Sex månader som slutar 30 juni**	
	2014	**2013**	**2015**	**2014**
	(EUR miljoner)			
Löpande verksamheten				
Rörelseresultat	1 073	1 079	854	619
Justering för poster som inte ingår i kassaflödet	61	34	-	13
Betalda inkomstskatter	891	658	1 270	722
Kassaflöde från den löpande verksamheten före förändring av den löpande verksamhetens tillgångar och skulder	-218	-282	-158	-137
Ändring i verksamhetens tillgångar och skulder	1 807	1 489	1 966	1 217
Kassaflöde från den löpande verksamheten	-11 520	5 686	14 274	-10 857
	2 149	85	-18	1 603
Investeringsverksamhet	-593	-615	-306	-767
Förvärv och avyttring av verksamheter	-9 964	5 156	13 950	-10 021
Egendom och utrustning	36 324	32 859	29 714	36 324
Immateriella tillgångar	-3 354	1 691	-1,910	-312
Nettoinvesteringar i värdepapper (innehav till förfallodag)	29 714	36 324	45 574	26 615
Andra finansiella anläggningstillgångar	-9 964	5 156	13 950	-10 021
Kassaflöde från investeringsverksamheten	1 073	1 079	854	619
Finansieringsaktiviteter	61	34	-	13
Utgivna/amorterade efterställda skulder	891	658	1 270	722
Genomförda utdelningar	-218	-282	-158	-137
Andra förändringar	1 807	1 489	1 966	1 217
Kassaflöde från finansieringsverksamheten	-11 520	5 686	14 274	-10 857
Periodens kassaflöde	2 149	85	-18	1 603
	-593	-615	-306	-767
	-9 964	5 156	13 950	-10 021
	36 324	32 859	29 714	36 324
Likvida medel vid periodens början	-3 354	1 691	-1 910	-312
Omräkningsdifferens	29 714	36 324	45 574	26 615
Likvida medel vid periodens slut	-9 964	5 156	13 950	-10 021
Förändring	1 073	1 079	854	619

USE OF PROCEEDS

The net proceeds of the issue of each Series of Notes will be used for the general banking and other corporate purposes of the Nordea Group. If, in respect of any particular issue, there is a particular identified use of proceeds this will be stated in the applicable Final Terms.

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. It should also be noted that there are differences in the tax treatment of different Notes. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Swedish Taxation

Under Swedish tax law, payments in respect of the Notes, the Coupons and the Receipts are generally not subject to Swedish taxation, **provided that** the holder is neither resident in Sweden nor engaged in a trade or business in Sweden to which the holding is attributable. An investor in the Notes should not be subject to taxation in Sweden solely by his holding of such Notes, the Coupons or the Receipts or of income therefrom.

Sweden does not levy withholding tax on interest payments to an investor not resident in Sweden. Nor does Sweden levy stamp duty.

An investor who is a limited liability company tax resident in Sweden is generally taxed on interest income and capital gains at the standard corporate income tax rate (currently 22 per cent.). Special tax rules may apply for certain investors, e.g. insurance companies, pension funds and investment funds.

An investor who is an individual (or an estate of a deceased individual) tax resident in Sweden is generally taxed on interest income and capital gains at a rate of 30 per cent. For individuals (and estates of deceased individuals) a 30 per cent. preliminary tax (Sw. *preliminärskatt*) is normally withheld from interest payments.

For investors subject to taxation in Sweden, the calculation of capital gains/losses and the possibility to deduct losses against other income is dependent on the further classification of the Notes (e.g. listing, currency and reference assets).

The above description is intended as general information only and each investor should consult his own tax advisor for information on specific tax consequences that may arise as a result of acquiring, holding and disposing of the Notes.

Beskattning

Det följande utgör en generell beskrivning av vissa skattemässiga bedömningar med avseende på Lånen. Avsikten är inte att detta ska utgöra en uttömmande analys av samtliga skattemässiga bedömningar med avseende på Lånen, vad avser de angivna länderna eller annanstans. Potentiella investerare i Lånen bör rådfråga en skatterådgivare om vilka länders lagstiftning som kan bli relevant att beakta vid förvärv, innehav och avyttring av Lånen och de skattekonsekvenser som kan uppkomma i samband med detta och betalningar som erhålls på Lånen. Det bör även noteras att olika Lån kan behandlas olika i skattemässigt hänseende. Sammanfattningen är baserad på det regelverk som är gällande på dagen för offentliggörandet av Grundprospektet och kan påverkas av förändringar i gällande regelverk som träder i kraft efter dagen för offentliggörandet av Grundprospektet.

Beskattning i Sverige

Enligt svensk rätt är betalningar på Lånen och Kupongerna normalt inte föremål för svensk skatt **under förutsättning** att innehavaren inte har hemvist i Sverige eller bedriver verksamhet från ett fast driftställe i Sverige till vilket innehavet är hänförligt. En investerare i Lånen bör inte bli skattskyldig i Sverige enbart till följd av innehavet av Lånen eller Kupongerna eller till följd av att denne uppbär inkomst på dessa instrument.

Sverige påför ingen kupongskatt på räntebetalningar till investerare som inte är skattskyldiga i Sverige. Sverige påför inte heller någon stämpelskatt.

För investerare som är aktiebolag med hemvist i Sverige beskattas normalt ränteinkomster och kapitalvinster enligt gällande bolagsskattesats (för närvarande 22 procent). Särskilda skatteregler gäller för vissa typer av investerare, exempelvis försäkringsföretag, pensionsfonder och värdepappersfonder eller specialfonder.

För investerare som är fysiska personer (eller dödsbon) med hemvist i Sverige beskattas normalt ränteinkomster och kapitalvinster med 30 procent. För fysiska personer och dödsbon innehålls normalt preliminärskatt med 30 procent på ränteinkomster.

För investerare som är skattskyldiga i Sverige är beräkningen av kapitalvinster och kapitalförluster samt möjligheten att göra avdrag för förluster beroende av hur instrumentet klassificeras (exempelvis om det är noterat, vilken valuta det givits ut i samt vad dess underliggande tillgångar utgörs av).

Ovanstående beskrivning syftar enbart till att ge en generell beskrivning och varje investerare uppmanas att rådfråga sin egen skatterådgivare för specifik information om vilka skattekonsekvenser som kan uppstå av att köpa, inneha och/eller avyttra ett Lån.

Danish Taxation

The following is an overview of the Danish withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. It is based on current law and the practice, which may be subject to change, sometimes with retrospective effect. The comments do not deal with other Danish tax aspects of acquiring, holding or disposing of Notes.

Provided that the Issuer of the Notes is not a tax resident of Denmark for Danish tax purposes and does not have a permanent establishment in Denmark, payments on the Notes may be paid by the Issuer without withholding or deduction for or on account of Danish withholding tax

Finnish Taxation

Payments of interest in accordance with the Terms and Conditions are not subject to withholding tax in Finland **provided that** the recipient is not resident in Finland for tax purposes, unless the Notes relate to business carried on in Finland (through a permanent establishment in Finland). Investors that are not resident in Finland for tax purposes are, furthermore, not subject to Finnish tax on capital gains arising from the transfer of Notes, unless the transfer relates to business carried on in Finland through a permanent establishment.

For physical persons that are resident in Finland for tax purposes and for Finnish estates of deceased persons, interest on Notes issued by NBF to the public in Finland constitutes income pursuant to the act on withholding tax for interest income (28.12.1990/1341, *Fi. Laki korkotulon lähdeverosta*). The withholding tax on interest income is at present 30 per cent. According to the act on withholding tax for interest income, index-linked yield is generally treated as interest income.

Interest on Notes issued by NBAB to physical persons that are resident in Finland for tax purposes and Finnish estates of deceased persons constitutes capital income. The tax rate applicable to capital income is at present 30 per cent. The tax rate for the part of capital income which exceeds 430,000 euros per year is 33 per cent. If Notes issued by NBF are offered in circumstances where there is no obligation to publish a prospectus, the interest on such Notes may constitute capital income for physical persons that are resident in Finland for tax purposes and Finnish estates of deceased and be taxed at the tax rate applicable to capital income. Furthermore, it should be noted that there are current plans to increase the higher tax rate for capital income to 34 per cent. as of 2016.

Where Notes are sold by a Finnish physical person or Finnish estate of deceased person prior to the due date, any capital gains and payment of accrued interest (Fi. *jälkimarkkinahyvitys*) is taxed in at the tax rate applicable to capital income (see above). Correspondingly, the subscriber is generally entitled to deduct the paid accrued interest from the taxable income of the year of subscription. Capital gains arising from a sale of assets are, however, exempted from tax if the total amount of the sales prices of the assets sold by the note holder does not exceed EUR 1,000 in a tax year (it should be noted that there are plans currently to allow, with certain limitations, capital losses to be deducted also from other capital income than capital gains as of 2016). Capital losses arising from the transfer of notes are deductible only from capital gains arising from the sale of assets in the same year or during the following five years. The capital losses will

not, however, be tax deductible if the total amount of the acquisition prices of the assets sold by the note holder does not exceed EUR 1,000 in a tax year.

If the recipient of the interest paid on the Notes is a corporation further defined in Income Tax Act (30.12.1992/1535, *Fi. Tuloverolaki*, as amended) residing in Finland for tax purposes, such interest is subject to taxation either as income from business activities (business income source) or from passive assets (other income source) of the recipient corporation. Taxable income of a Finnish corporation is determined separately for business activities and other activities, both of which are taxed at a flat rate of 20 per cent.

Where Notes are sold by a Finnish resident corporation, any sales price is included either in the income from business activities or income from passive assets of the Finnish resident corporation. The acquisition cost of the Notes sold is deductible either from business or other income depending on which assets the Notes belonged to at the time the Notes were sold. In general, a capital loss arising from the transfer of Notes attributable to business activities is deductible from business income. A loss of business activities can be carried forward for ten tax years. Capital losses attributable to other income can only be offset against capital gains arising from the transfer of passive assets and can be carried forward only for five tax years.

The Note holders are advised to consult their own tax advisers concerning their tax reporting obligations and the overall tax consequences of their ownership of the Notes.

Republic of Austria

This summary is based on Austrian tax laws as currently in force and as applied on the date of this Base Prospectus. The following discussion reflects the Issuers' understanding of material aspects of Austrian tax laws in connection with the acquisition, ownership and disposition of the Notes. The discussion is of general nature and included herein solely for information purposes. It is not intended to be, nor should it be con-strued to be, legal or tax advice. Prospective investors should consult their professional legal and tax ad-visors with respect to their particular circumstances.

General Remarks

Individuals resident in Austria are subject to Austrian income tax (*Einkommensteuer*) on their worldwide income (unlimited income tax liability). Individuals qualify as residents if they have either their permanent domicile and/or their habitual abode in Austria. Otherwise they are non-resident individuals subject to income tax only on income from certain Austrian sources (limited income tax liability).

Companies resident in Austria are subject to Austrian corporate income tax (*Körperschaftssteuer*) on their worldwide income (unlimited corporate income tax liability). Companies qualify as residents if they have their place of effective management and/or their legal seat in Austria. Otherwise they are non-residents subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability).

Under Austrian tax law, individuals are subject to income tax pursuant to the Austrian Income Tax Act 1988 (*Einkommensteuergesetz 1988*, Federal Law Gazette 1988/400 – "**ITA**") generally at progressive tax rates between 0 per cent. and 55 per cent. Corporate entities are subject to a corporate income tax at a rate of 25 per cent. pursuant to the Austrian Corporate Income Tax Act (Körperschaftsteuergesetz 1988, Federal Law Gazette 1988/401 – "**CITA**").

In case of unlimited and limited (corporate) income tax liability, Austria's right to levy taxes may be restricted by double taxation treaties.

Fiscal Reform Act 2015/2016

Due to the latest fiscal reform enacted by Federal Law Gazette I 2015/118, certain tax rates have been changed with effect as of 1 January 2016. Inter alia, the highest progressive income tax rate has been raised to 55 per cent. for yearly taxable income exceeding EUR 1.000.000 (limited in time for the years 2016 to 2020). Furthermore, the special tax rate applicable to investment income and capital gains derived from debt instruments such as the Notes has been raised to 27.5 per cent.

Austrian Resident Individuals

Income derived from debt instruments such as the Notes qualifies as investment income (*Einkünfte aus Kapitalvermögen*). Such income comprises not only current income, i.e. interest payments and similar earnings, but also "realised" capital gains (*Einkünfte aus realisierten Wertsteigerungen von Kapitalvermögen*) stemming from the sale or redemption of debt instruments, irrespective of whether they have been held as business or non-business assets and irrespective of whether the profits have been realised within a particular holding period (formerly, in case of individuals, only such profits stemming from securities which were held only for a period not exceeding one year were taxed). According to the relevant provisions of the ITA, "realised" capital gains principally consist in the difference (surplus) between the proceeds from the sale or redemption of the debt instruments, i.e. their selling or redemption price, and their purchase price.

Such profits, i.e. current income and "realised" capital gains, are in principle subject to a special tax rate of 27.5 per cent. and will be deducted by the custodian bank or the paying office (Kapitalertragsteuer, Capital Proceeds Tax – "**CPT**"). However, as regards profits from debt instruments such as the Notes, the special tax rate will only apply in cases where the instruments have in the primary offering been offered to an undetermined number of people ("public offer"). This tax is in principle "final", which means that no further taxation will be allowed on such capital gains and that they do not have to be declared in other tax declarations of the taxpayer (in particular, a personal tax rate exceeding 27.5 per cent. will not apply). In case the taxpayer applies for regular taxation (Regelbesteuerungsoption – which he might do in case his personal tax rate is below 27.5 per cent.) or for the offsetting of losses (*Verlustausgleichsoption*), taxation is not final. The option for regular taxation may be exercised independently from the option for the offsetting of losses by filing a respective request to the tax office. It leads to an assessment for income tax and to the application of the regular, progressive income tax rate (currently amounting to a maximum of 55 per cent. for yearly taxable income exceeding EUR 1.000.000) on all taxable capital gains.

Further, pursuant to the relevant provisions of the ITA also the withdrawal or transfer of debt instruments such as the Notes from their current investor's securities account shall, as a general rule, equally trigger CPT, unless one of the exemptions contained in the ITA applies. These exemptions are all based on the idea that no CPT shall be deducted, in cases where the taxation of potential future profits stemming from the sale or redemption of the transferred debt instruments remains in fact possible. In addition, since 1 April 2012 amended exit tax rules (*Wegzugsbesteuerung*) apply, which are not discussed herein.

In its international dimension, the capital gains tax applies and CPT will only be deducted, if either the custodian bank (*depotführende Stelle*) or – under certain conditions – the paying office (*auszahlende Stelle*) is located in Austria. A paying office may be any organisational entity of a bank which is capable to credit amounts of money to cash accounts of clients or to pay in cash. In most cases the paying office will be the bank with which the investor maintains his securities account. The term "custodian bank" refers to banks (its branches and offices) providing the securities account to the investor and not to any other bank up in the holding chain. The custodian bank or, if applicable, the paying office will be responsible for the deduction of the capital gains tax (CPT) and its transfer to the respective Austrian tax office.

To the extent that no CPT is deducted due to the lack of a custodian bank or a paying office located in Austria, the income derived from debt instruments such as the Notes must be included into the respective taxpayer's tax declaration, if such profits are received by an Austrian resident individual subject to unlimited income tax liability. In this case, the special tax rate of 27.5 per cent. applies equally.

Austrian Resident Corporate Investors

Resident corporate investors deriving business income from the Notes may avoid the deduction of CPT by filing a statement of exemption with the securities account keeping bank (or the paying office) and with the competent Austrian tax office to the fact that the payment received is due to a commercial enterprise subject to taxation in Austria (*Befreiungserklärung*). Income derived from the Notes by corporate investors (including any capital gains) is subject to corporate income tax at the general corporate income tax rate of 25 per cent. A special tax regime applies for private foundations (*Privatstiftungen*).

Non-Resident Individuals of an EU Member State

Non-resident investors who are resident individuals of an EU Member State have to consider EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Tax Directive**") regarding particular withholding tax rules. In Austria, provisions for implementing the EU Savings Tax Directive have been enacted by the EU Withholding Tax Act (*EU-Quellensteuergesetz*, Federal Law Gazette I 2004/33 – "**EU-QuStG**"). Section 1 of the EU-QuStG provides that interest paid out or credited by a paying office located in Austria to a beneficial owner who is an individual resident in another EU Member State (or certain dependent or associated territories) is subject to a withholding tax if no exemption from such withholding applies. Pursuant to the EU-QuStG, tax from interest payments must be deducted on a time scaled basis. For the first three years after the EU-QuStG came into force (i.e. from 1 July 2005 onwards) 15 per cent. on paid interest has been deducted, for the subsequent three years (i.e. from 1 July 2008 onwards) a tax of 20 per cent. applied. Since 1 July 2011 the tax to be deducted amounts to 35 per cent. This tax is not deducted in case the beneficial owner of the interest provides a certificate of the competent tax authority of the EU Member State where he is resident. The certificate must include the beneficial owner's name, address, tax number or other identification number or if such number is not available, the date of birth and the paying bank's registered office. In addition, the name and address of the paying bank, as well as the account number of the beneficial owner or, if an account number is unavailable, the security identification number must be included.

Other Non-Resident Individuals and Non-Resident Corporate Investors

Pursuant to the Federal Tax Amendment Act 2014 (*Abgabenänderungsgesetz 2014*, Federal Law Gazette I 2014/13) and the Second Federal Tax Amendment Act 2014 (2. *Abgabenänderungsgesetz 2014*, Federal Law Gazette I 2014/105) the ITA has been amended. Amongst other amendments, since 1 January 2015, interest income within the meaning of the EU Savings Directive and the EU-QuStG falls within the limited income tax liability applicable to non-resident individuals (within the meaning of the ITA), provided that CPT has to be deducted. This is the case if either the custodian bank (*depotführende Stelle*) or – under certain conditions – the paying office (*auszahlende Stelle*) is located in Austria. Accordingly, since 1 January 2015, income of non-resident individuals derived from debt instruments such as the Notes (investment income, realised capital gains) is subject to Austrian income tax at a rate of 27.5 per cent., unless one of the exemptions contained in amended section 98 para 1 no. 5 of the ITA applies, e.g. inter alia in case interest income is paid out or credited to an individual resident in an EU Member State in which case the EU-QuStG applies (see also above under "Non-Resident Individuals of an EU Member State"). Another exemption applies in case the debtor's domicile, legal seat and/or place of effective management is not located in Austria.

For non-resident corporate entities deriving business income from Notes an exemption applies as pursuant to section 98 para 1 no. 5 of the ITA interest payments which are not received by natural persons are exempt from the limited income tax liability. In addition, non-resident corporate investors deriving business income from Notes may avoid the deduction of CPT by filing a declaration of exemption (Befreiungs-erklärung) with the Austrian paying office, as section 94 no. 5 of the ITA has not been changed or amended.

Applicable double taxation treaties may provide for a reduction of or relief from CPT.

In case non-residents receive income from Notes through an Austrian permanent establishment, they are to a large extent subject to the same tax treatment as resident investors.

Investors should consult their professional advisers to clarify their position.

Other Taxes

Currently, Austria does not levy inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) anymore. However, pursuant to section 121a of the Federal Fiscal Code (*Bundesabgabenordnung*, Federal Law Gazette 1961/194 as amended), gifts exceeding certain amounts must be notified to the Austrian tax authorities within a three-month notification period. In addition, it should be mentioned that certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Federal Foundation Transfer Act (*Stiftungseingangssteuergesetz*, Federal Law Gazette I 2008/85). This tax is triggered, if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal

seat or their place of effective management in Austria. The tax is based on the market value of the transferred assets less any debt economically linked to these assets. In general, the applicable tax rate amounts to 2.5 per cent. However, in certain cases a higher tax rate of 25 per cent. applies.

There is no transfer tax, registration tax or similar tax payable in Austria by the holders of Notes as a conse-quence of the acquisition, ownership, disposition or redemption of Notes (when issued in bearer form only). The sale and purchase of Notes is not subject to Austrian stamp duty provided that no other transaction po-tentially taxable under the Federal Stamp Duty Act (*Gebührengesetz* 1957, Federal Law Gazette 1957/267 as amended) such as an assignment is entered into for which a document (*Urkunde*) within the meaning of the Stamp Duty Act is executed.

French Taxation

The following is a general description of certain French tax withholding tax considerations relating to the Notes to the extent that the Notes would qualify as debt instruments for French tax purposes. It is not a description of general French tax considerations relating to the Notes.

Payments of interest and principal by the relevant Issuer (acting out of its head offices or one of its non-French branch) under the Notes will not be subject to withholding tax in France, in accordance with the applicable French law.

However, pursuant to Articles 125 A and 125 D of the French Code *général des impôts*, and subject to certain limited exceptions, interest and other similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 24 per cent. withholding tax. This withholding tax is an advance payment made in respect of the personal income tax of the individual receiving the interest or revenue, which is deductible from their personal income tax liability in respect of the year in which the withholding has been made. Social contributions (the *contribution sociale généralisée* (CSG) of 8.2 per cent., the *prélèvement social* of 4.5 per cent., its *contribution additionnelle au prélèvement social* of 0.3 per cent., the *prélèvement de solidarité sur les revenus du patrimoine et produits de placement de* 2 per cent. and the *contribution au remboursement de la dette sociale* (CRDS) of 0.5 per cent.) are also levied by way of withholding tax at an aggregate rate of 15.5 per cent. on interest and other similar revenues paid to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France. Practical steps to be taken for purposes of levying this withholding tax and social contributions will depend on the place where the paying agent is located.

Prospective purchasers of Notes who are fiscally domiciled (*domiciliés fiscalement*) or have their seat in France for tax purposes or who would hold such Notes through a permanent establishment or fixed base in France should be aware that transactions involving the Notes, including any purchase or disposal of, or other dealings in, the Notes, may have French tax consequences. The tax consequences regarding interest, premium on redemption and capital gains in particular may depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals). Prospective purchasers of Notes should consult their own advisers about the tax implications of holding Notes and of any transactions involving Notes.

German Taxation

German withholding tax

In principle, only persons (individuals and incorporated entities) who are tax resident in Germany (in particular, persons having a residence, habitual abode, seat or place of management in Germany) are subject to German withholding tax with respect to payments under debt instruments. Non-resident persons generally do not suffer German withholding tax. If, however, the income from the Notes is subject to German tax, i.e. if (i) the Notes are held as business assets (*Betriebsvermögen*) of a German permanent establishment (including a permanent representative) which is maintained by the relevant investor or (ii) the income from the Notes qualifies for other reasons as taxable German source income, German withholding tax is applied, as a rule, as in the case of a German tax resident investor.

German withholding tax will be levied at a flat withholding tax rate of 26.375 per cent. (including solidarity surcharge (*Solidaritätszuschlag*)) on interest and on proceeds from the sale of the Notes if the Notes are held in a custodial account which the relevant investor maintains with a German branch of a German or non-German credit or financial services institution or with a German securities trading

business or a German securities trading bank (a "**German Disbursing Agent**"). If the Notes are redeemed, repaid, assigned or contributed into a corporation by way of a hidden contribution (*verdeckte Einlage*), such transaction is treated like a sale.

If the Notes are not held in a custodial account maintained with a Disbursing Agent, German withholding tax will nevertheless be levied if the Notes are issued as Definitive Notes and the savings earnings (*Kapitalerträge*) are paid by a German Disbursing Agent against presentation of the Notes or Coupons (so-called over-the-counter transaction – *Tafelgeschäft*).

If an investor sells or redeems the Notes, the tax base is, in principle, the difference between the acquisition costs and the proceeds from the sale or redemption of the Notes reduced by expenses directly and factually related to the sale or redemption. Where the Notes are acquired and/or sold in a currency other than Euro, the sales/redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale or redemption date and the acquisition date respectively. If the Notes have not been held in the custodial account maintained with the German Disbursing Agent since their acquisition and the acquisition costs of the Notes are not proven to the German Disbursing Agent in the form required by law (e.g. in the case of over-the-counter transactions or if the Notes had been transferred from a non-EU custodial account prior to the sale), withholding tax is applied to 30 per cent. of the proceeds from the sale or redemption of the Notes.

When computing the tax base for withholding tax purposes, the German Disbursing Agent has to deduct any negative savings income (*negative Kapitalerträge*) or paid accrued interest (*Stückzinsen*) in the same calendar year or unused negative savings income of previous calendar years.

For individuals who are subject to church tax, church tax will be collected by the German Disbursing Agent by way of withholding unless the investor has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*). In the latter case, the investor has to include the savings income in the tax return and will then be assessed to church tax.

With regard to individuals holding the Notes as private assets, any withholding tax levied shall, in principle, become definitive and replace the income taxation of the relevant investor. If no withholding tax has been levied other than by virtue of a withholding tax exemption certificate (*Freistellungsauftrag*) and in certain other cases, the relevant investor is nevertheless obliged to file a tax return, and the savings income will then be taxed within the tax assessment procedure. However, the separate tax rate for savings income applies in most cases also within the assessment procedure. In certain cases, the investor may apply to be assessed on the basis of its personal tax rate if such rate is lower than the above tax rate. Such application can only be filed consistently for all savings income within the assessment period. In case of jointly assessed husband and wife or registered life partners the application can only be filed for savings income of both spouses/ life partners.

With regard to other investors, German withholding tax is a prepayment of (corporate) income tax and will be credited or refunded within the tax assessment procedure.

No German withholding tax will be levied if an individual holding the Notes as private assets has filed a withholding tax exemption certificate (*Freistellungsauftrag*) with the German Disbursing Agent, but only to the extent the savings income does not exceed the exemption amount shown on the withholding tax exemption certificate. Currently, the maximum exemption amount is EUR 801 (EUR 1,602 in the case of jointly assessed husband and wife or registered life partners). Similarly, no withholding tax will be levied if the relevant investor has submitted a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office to the German Disbursing Agent. Further, with regard to investors holding the Notes as business assets, no withholding tax will be levied on capital gains from the redemption, sale or assignment of the Notes if (a) the Notes are held by a corporation or (b) the proceeds from the Notes qualify as income of a domestic business and the investor notifies this to the German Disbursing Agent by use of the officially required form.

The Issuers are, in general, not obliged to levy German withholding tax in respect of payments on the Notes.

Irish Taxation

The following is a summary of the principal Irish withholding tax consequences of ownership of the Notes for individuals who are resident and ordinarily resident in Ireland for tax purposes and for companies that are resident in Ireland for tax purposes. It is based on the laws and practice of the Revenue Commissioners currently in force in Ireland as at the start of the Offer Period and may be subject to change. The statements in this summary are based on the understanding that the Notes will be treated as debt for Irish tax purposes. It deals with Noteholders who beneficially own their Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, including dealers in Notes and trusts. The summary does not constitute tax or legal advice and the comments below are of a general nature only and it does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of payments thereon under any laws applicable to them.

Taxation of Noteholders

Withholding Tax

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. The relevant Issuer will not be obliged to withhold Irish income tax from payments of interest on the Notes so long as such payments do not constitute Irish source income. Interest paid on the Notes should not be treated as having an Irish source unless:

(i) the relevant Issuer is resident in Ireland for tax purposes; or

(ii) the relevant Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on the Notes; or

(iii) the relevant Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or (if the Notes are in bearer form) the Notes are physically held in Ireland.

It is anticipated that, (i) the Issuers are not and will not be resident in Ireland for tax purposes; (ii) the Issuers will not have a branch or permanent establishment in Ireland; (iii) that bearer Notes will not be physically located in Ireland; and (iv) the Issuers will not maintain a register of any registered Notes in Ireland.

United Kingdom Taxation

*The following is an overview of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Notes. It is based on current law and the practice of Her Majesty's Revenue and Customs ("**HMRC**"), which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Holders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of Notes.*

UK Withholding Tax on Interest Payments by the Issuer

Provided that the interest on the Notes does not have a United Kingdom source, interest on the Notes may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax. The location of the source of a payment is a complex matter. It is necessary to have regard to case law and HMRC practice. Case law has established that in determining the source of interest, all relevant factors must be taken into account. HMRC has indicated that the most important factors in determining the source of a payment are those which influence where a creditor would sue for payment, and has stated that the place where the relevant Issuer does business, and the place where its assets are located, are the most important factors in this regard; however HMRC has also indicated that, depending on the circumstances, other relevant factors may include the place where the interest and principal are payable, the method of payment, the governing law of the Notes and the competent jurisdiction for any legal action, the location of any security for the relevant Issuer's obligations under the Notes, and similar factors relating to any guarantee.

Interest which has a United Kingdom source ("**UK interest**") may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax if the Notes in respect of which the UK interest is paid are issued for a term of less than one year (and are not issued under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more).

UK interest on Notes issued for a term of one year or more (or under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the relevant Issuer without withholding or deduction for or on account of United Kingdom income tax if the Notes in respect of which the UK interest is paid constitute "quoted Eurobonds". Notes which carry a right to interest will constitute quoted Eurobonds provided they are and continue to be listed on a recognised stock exchange. Securities will be "listed on a recognised stock exchange" for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000 ("**FSMA**") or they are officially listed, in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange.

The Irish Stock Exchange and SIX Swiss Exchange are recognised stock exchanges. The Issuers' understanding of current HMRC practice is that securities which are officially listed and (to the extent relevant) admitted to trading on the Main Market of the Irish Stock Exchange and the Main Standard or Domestic Standard of the SIX Swiss Exchange may be regarded as "*listed on a recognised stock exchange*" for these purposes.

In all other cases, UK interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

Payments under Deed of Covenant

Any payments made by the relevant Issuer under the Deed of Covenant may not qualify for the exemptions from UK withholding tax described above.

Other Rules Relating to United Kingdom Withholding Tax

Any discount element on Notes issued at an issue price of less than 100 per cent. of their principal amount will not generally be subject to any United Kingdom withholding tax, but may be subject to reporting requirements as outlined above.

Where Notes are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax and reporting requirements as outlined above.

The references to "interest" in "*UK Withholding Tax on Interest Payments by the Issuer*" above mean "interest" as understood in United Kingdom tax law. The statements in these paragraphs above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, and the payment has a United Kingdom source, it would potentially be subject to United Kingdom withholding tax if, for example, it constitutes (or is treated as) an annual payment for United Kingdom tax purposes (which will be determined by, amongst other things, the terms and conditions specified by the Final Terms of the Note). In such a case, the payment may fall to be made under deduction of United Kingdom tax (the rate of withholding depending on the nature of the payment), subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an issuer and does not consider the tax consequences of any such substitution.

Luxembourg Taxation

Withholding tax

All payments of interest (including accrued but unpaid) and principal by the relevant Issuer in the context of the holding, disposal, redemption or repurchase of the Notes, which are not profit sharing, can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to, regarding resident individual holders of Notes, the application of the Luxembourg law of 23 December 2005, as amended, which has introduced a 10 per cent. withholding tax on savings income (i.e., with certain exemptions, savings income within the meaning of the Luxembourg laws of 21 June 2005 implementing the EU Savings Directive).

Pursuant to the law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals who are the beneficial owners of savings income paid by a paying agent within the meaning of the EU Savings Directive established outside Luxembourg, in a Member State of either the European Union or the European Economic Area, or in a jurisdiction having concluded an agreement with Luxembourg in connection with the EU Savings Directive, can opt to self declare and pay a 10 per cent. tax (the "**Levy**") on these savings income.

The 10 per cent. withholding tax as described above or the Levy is final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg law of 23 December 2005 would be assumed by the Luxembourg paying agent (if any) within the meaning of this law and not by the Issuer.

Lithuanian Taxation

The following is a summary of certain Lithuanian tax consequences of the ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all the tax consequences that may be relevant for making a decision to purchase, own or dispose of the Notes. The summary is based on the current requirements of the Lithuanian Profit Tax Law and Lithuanian Personal Income Tax Law (which may be subject to change, possibly with retroactive effect) as well as on amendments to the Lithuanian Personal Income Tax Law that come into force as of 1 January 2014. A change to such laws may invalidate the contents of this summary. The following summary is not intended to be a complete analysis of the tax consequences under Lithuanian law as a result of the acquisition, ownership and sale of the Notes by investors. Potential investors should, therefore, consult their own tax advisers on the tax consequences of such acquisition, ownership and sale, including specifically the tax consequences under Lithuanian law, the law of their jurisdiction of residence and any tax treaty applicable.

Non-resident holders of Notes

Since the Issuers are non-resident entities for Lithuanian taxation purposes, the income of the non-resident individual and a non-resident entity from the Notes (i.e. interest income and income from the transfer of the Notes) will not be subject to tax in Lithuania. For residency criteria please see below.

In case interest on the Notes is paid through a Lithuanian intermediary to non-resident individual, such interest shall be subject to 15 per cent withholding tax rate. Withholding tax can be reduced in accordance with the provisions of the respective tax treaty. However, no withholding tax shall be applied if interest income is non-taxable according to the provisions of the Lithuanian Personal Income Tax Law (please see below for details).

In case interest on the Notes is paid through an intermediary in Lithuania to non-resident entity, such interest is subject to 10 per cent withholding tax. However, if the Note holder is established in an EEA member country or a country with which Lithuania has concluded tax treaty, no withholding tax shall be applied.

Resident holders of Notes

Private Individuals

Tax residents of Lithuania are subject to taxation on their worldwide income (if such income is not exempt from the income tax). An individual will be considered as a resident of Lithuania during the calendar year for taxation purposes if he/she meets at least one of the criteria laid out in paragraph 1 of Article 4 of the Lithuanian Personal Income Tax Law, i.e.:

- if the individual's permanent place of residence is in Lithuania during the calendar year;
- if the individual's place of personal, social or economic interests is in Lithuania rather than in a foreign country during the calendar year;
- if the individual is present in Lithuania for a period or periods in the aggregate of 183 days or more during the calendar year;
- if the individual is present in Lithuania for a period or periods in the aggregate of 280 days or more during successive calendar years and who stayed in Lithuania for a period or periods in the aggregate of 90 days or more in any of such periods (in such case a person is deemed to be a resident of Lithuania for both years of presence in Lithuania).

Interest on the Notes made through a Lithuanian intermediary and received by Lithuanian residents after 1 January 2014 for Notes issued or acquired before 31 December 2013 is exempt from personal income tax provided that redemption of the Notes commences not earlier than 366 days after the date of the issue or acquisition of the Notes (in other cases interest on the Notes is subject to 15 per cent personal income tax). Personal income tax shall be paid by the Lithuanian residents.

Interest on the Notes made through a Lithuanian intermediary and received by Lithuanian residents after 1 January 2014 for Notes issued or acquired after 1 January 2014 is exempt from personal income tax only if it does not exceed EUR 3,000 per one fiscal year. The amount of interest exceeding EUR 3,000 per one fiscal year is subject to 15 per cent personal income tax. Personal income tax shall be paid by the Lithuanian residents.

It should be noted that the Draft Law amending the above-mentioned provision on 10 December 2015 was approved by the Parliament of the Republic of Lithuania. According to the Draft Law, the threshold of tax exempt interest income, including interest on the Notes, will be reduced to EUR 500 per one fiscal year. The amendments should also be reviewed and accepted by the President of Lithuania, however, it is very likely that the President will approve the amendment and it will take effect on 1 January 2016.

However, if the interest is paid outside Lithuania without the intervention of a Lithuanian intermediary, the individual is liable for the declaration and payment of the respective taxes.

Legal entities

An entity will be considered as a resident of Lithuania for tax purposes if it is established and registered in the Republic of Lithuania. Permanent establishments of foreign entities in Lithuania shall be treated as Lithuanian taxpayers as well.

Interest on the Notes made through a Lithuanian intermediary shall not be subject to Lithuanian withholding tax. Interest income shall be taxed with 15 per cent corporate income tax (5 per cent corporate income tax rate may be applicable to small corporations) in the hands of the recipient (legal entity or permanent establishment). The same applies to interest paid outside Lithuania without the intervention of a Lithuanian intermediary.

In case of legal entities as well as individuals, withholding tax levied on interest in a foreign country may be credited in Lithuania (the amounts of tax paid may be deducted against the Lithuanian income tax payable), **provided that** documents may be presented demonstrating the origin of the income and amounts of equivalent income taxes paid in respect of such income in the foreign jurisdiction. According to the provisions of the Law on Corporate Income Tax permanent establishments are not eligible to tax credit.

Latvian Taxation

The following is a summary of certain Latvian tax consequences of ownership and disposition of Notes to individuals or entities that hold such Notes based on the laws of the Republic of Latvia as in effect of the date of this Base Prospectus and is intended to provide general information only. For the purposes of this summary, a "resident individual" means an individual who is considered a Latvian resident for personal income tax purposes under Latvian tax law and any applicable double taxation treaty. As a general rule, an individual is considered a resident of Latvia for personal income tax purposes if the individual (i) has a permanent place of residence in Latvia, (ii) has been present in Latvia for 183 days or longer during any twelve-month period beginning or ending in a taxable year, or (iii) is a Latvian citizen employed by the government of Latvia abroad, unless the individual is treated as a resident of another country in accordance with the double taxation treaty entered into between Latvia and that country.

A "**resident company**" means a person, other than an individual or partnership, which is established and registered or which was required to be established and registered in Latvia in accordance with the laws of Latvia and which, according to the Corporate Income Tax Act, is subject to taxation of its income in Latvia on a net income basis.

Withholding Tax

Individuals resident in Latvia

Payments of interest on the Notes made through a paying agent in Latvia will in principle be subject to a 10 per cent withholding tax in Latvia. If the interest income is not paid through a paying agent in Latvia, no Latvian withholding tax is due.

Non-resident individuals

The interest income on the Notes paid through a professional intermediary in Latvia will, in principle, be subject to a 10 per cent withholding tax. If the interest income is not paid through a financial institution or other intermediary established in Latvia, no Latvian withholding tax is due.

Provided that the Notes will be listed, capital gains from the disposal of the Notes for non-resident individuals will not be subject to taxation in Latvia. If the Notes will not be listed, a 2 per cent withholding tax will be applied if the payment will be made by a legal entity or individual registered as economic operator located in Latvia. The Latvian payer is required to withhold such tax from the gross payment.

Payments made to non-resident individuals registered or located in low-tax or no-tax jurisdictions are subject to a withholding tax of 15 per cent (if the payer is Latvian resident company) or 24 per cent (if the payer is Latvian individual resident). As of 1 January 2014 interest income paid by a credit institution registered in Latvia to non-residents located or registered in low-tax or no-tax jurisdictions will be subject to 5 per cent withholding tax, but purchase price paid by a Latvian resident company to non-residents located or registered in low-tax or no-tax jurisdiction for listed Notes will not be subject to withholding tax **provided that** the purchase price corresponds to the market price of the Notes.

Non-resident individuals being residents of countries with which Latvia has concluded a double taxation agreement might benefit from a more favourable regime **provided that** a proper tax residence certificate is obtained and filed.

Latvian resident companies

Interest payments on the Notes and proceeds from the disposal of the Notes received by Latvian resident companies will not be subject to withholding tax in Latvia.

Non-resident companies

The interest income on the Notes paid to non-resident companies will not be subject to taxation in Latvia. As of 1 January 2014 witholding tax on interest income will not be applied at all with the exception of payments to non-residents located or registered in low-tax or no-tax jurisdictions.

The disposal of Notes by a non-resident company will not be subject to taxation in Latvia.

Payments made to non-resident companies located, registered or incorporated in low-tax or no-tax jurisdictions are subject to a withholding tax of 15 per cent (if the payer is Latvian resident company) or 24 per cent (if the payer is Latvian individual resident). As of 1 January 2014 interest income paid by a credit institution registered in Latvia to non-residents located or registered in low-tax or no-tax jurisdictions will be subject to 5 per cent withholding tax, but purchase price paid by a Latvian resident company to non-residents located or registered in low-tax or no-tax jurisdiction for listed Notes will not be subject to withholding tax **provided that** the purchase price corresponds to the market price of the Notes.

Norwegian Taxation

Norwegian withholding tax

Payments of interest on the Notes are not subject to any withholding tax in Norway, **provided that** the relevant Issuer is not resident in Norway for tax purposes or issues the Notes in connection with business activities carried out in Norway.

Estonian Taxation

Taxation of interest

Provided that the interest on the Notes does not have Estonian source, interest on the Notes may be paid by the relevant Issuer without withholding or deduction for or on account of Estonian income tax.

Taxation of capital gains

Capital gains from the sale of Notes may be paid to a resident Noteholder without withholding or deduction for or on account of Estonian income tax.

Spanish Taxation

On the basis that the Issuers are not resident in Spain for tax purposes and do not have a permanent establishment in Spain from which the payments derived, payments under the Notes would be made free of withholding or deduction of any Spanish taxes as they would not constitute Spanish source income.

In the case where the Notes were deposited or managed by a Spanish resident entity acting as depositary or custodian, a withholding obligation may exist for such entity under certain conditions.

Swiss Taxation

The following discussion is a summary of Swiss withholding tax considerations relating to (i) Notes issued by the relevant Issuer where the Holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Notes where the Paying Agent, custodian or securities dealer is located in Switzerland. The discussion bases on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Notes. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Notes (or options embedded therein) in light of their particular circumstances.

Swiss Federal Withholding Tax

Payments by the Issuer, of interest on, and repayment of principal of, the Notes, will not be subject to Swiss federal withholding tax, **provided that** the relevant Issuer is at all times resident and managed outside Switzerland for Swiss tax purposes.

On 4 November 2015 the Swiss Federal Council announced a mandate to the Swiss Federal Finance Department to institute a group of experts tasked with the preparation of a new proposal for a reform of the Swiss withholding tax system. The new proposal is expected to include in respect of interest payments the replacement of the existing debtor-based regime by a paying agent-based regime for Swiss withholding tax similar to the one published on 17 December 2014 by the Swiss Federal Council and repealed on 24 June 2015 following the negative outcome of the legislative consultation with Swiss

official and private bodies. Under such a new paying agent-based regime, if enacted, a paying agent in Switzerland may be required to deduct Swiss withholding tax on any payments or any securing of payments of interest in respect of a Note for the benefit of the beneficial owner of the payment unless certain procedures are complied with to establish that the owner of the Note is not an individual resident in Switzerland.

European Directive on the Taxation of Savings Income

On 26 October 2004, the European Community and Switzerland entered into an agreement on the taxation of savings income following which Switzerland adopted measures equivalent to those of the European Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments. In accordance therewith, Swiss paying agents are required to withhold tax at a rate of 35 per cent. in respect of a beneficial owner who is an individual and resident of an EU Member State on payments of interest income on Notes, with the option of the individual to have the paying agent and Switzerland provide to the tax authorities of the EU Member State the details of the interest payments in lieu of the withholding.

On 10 November 2015, the Council of the European Union adopted EU Council Directive 2015/2060 repealing the EU Savings Tax Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the EU Savings Tax Directive and a new automatic exchange of information regime to be implemented under EU Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by EU Council Directive 2014/107/EU).

Final Foreign Withholding Taxes

On 1 January 2013 treaties on final withholding taxes between the Switzerland and the United Kingdom and between Switzerland and Austria entered into force. The treaties, *inter alia*, require a Swiss paying agent to levy final withholding tax at specified rates in respect of an individual resident in the United Kingdom or resident in Austria, as applicable, on interest or capital gain paid, or credited to an account, relating to the Notes. The final withholding tax substitutes the United Kingdom or Austrian income tax, as applicable, on such income of interest or capital gain. Such a person may, however, in lieu of the final withholding tax opt for voluntary disclosure of the interest or capital income to the tax authority of his or her country of residency.

The Netherlands Taxation

Withholding Tax

All payments made by the Issuers under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

The proposed financial transactions tax ("FTT")

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

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

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

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

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

Singapore Taxation

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Monetary Authority of Singapore ("**MAS**") in force at the date of this Base Prospectus and are subject to any changes in such laws, guidelines or circulars, or the interpretation of such laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Base Prospectus are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling, or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. The statements below are also only with respect to Notes issued by each of the Issuers. Prospective holders of the Notes are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuers and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.*

General

Under the Income Tax Act, Cap 134 of Singapore, (the "**SITA**") an individual is a tax resident in Singapore in a year of assessment if in the preceding year he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more or if he resides in Singapore.

A Singapore tax resident individual is taxed at the current progressive rates ranging from 0% to 20%, which is to be increased to 22% with effect from the year of assessment 2017. Non-resident individuals, subject to certain exceptions, are subject to Singapore income tax on income accruing in or derived from Singapore at the current rate of 20%, which is likewise to be increased to 22% with effect from the year of assessment 2017.

A company is a tax resident in Singapore if the control and management of its business is exercised in Singapore.

The corporate tax rate in Singapore is currently 17%. In addition, three-quarters of up to the first S$10,000, and one-half of up to the next S$290,000, of a company's chargeable income otherwise subject to normal taxation is exempt from corporate tax. New companies will also, subject to certain conditions and exceptions, be eligible for full tax exemption on the first S$100,000 and 50% tax exemption on the next S$200,000 of normal chargeable income a year for each of the company's first three consecutive years of assessment.

Qualifying Debt Securities Scheme

With respect to any tranche of the Notes issued as debt securities under the Programme (the "**Relevant Notes**") during the period from the date of this Base Prospectus to 31 December 2018 where more than half of the issue of such Relevant Notes is distributed by Financial Sector Incentive (Capital Market), Financial Sector Incentive (Standard Tier) or Financial Sector Incentive (Bond Market) companies (as defined in the SITA), such tranche of Relevant Notes may be, pursuant to the SITA and the MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt

Market" (the "**MAS Circular**") issued by the MAS on 28 June 2013, qualifying debt securities ("**QDS**") under the SITA.

If the Relevant Notes are QDS, subject to certain conditions having been fulfilled (including the furnishing of a return on debt securities for the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Notes as the relevant authorities may require to the MAS and such other relevant authorities as may be prescribed), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Qualifying Income**") from the Relevant Notes paid by the Issuer and derived by any company or a body of persons (as defined in the SITA) in Singapore is subject to tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates).

Notwithstanding the foregoing:

(i) if, during the primary launch of any tranche of Relevant Notes, such Relevant Notes are issued to fewer than four persons and 50% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and

(ii) even though a particular tranche of Relevant Notes are QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50% or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from that tranche of Relevant Notes held by:

(A) any related party of the Issuer; or

(B) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the concessionary rate of tax described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**break cost**", "**prepayment fee**" and "**redemption premium**" are defined in the SITA as follows:

"**break cost**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

"**prepayment fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

"**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "**break cost**", "**prepayment fee**" and "**redemption premium**" in this Singapore tax disclosure have the same meaning as defined in the SITA.

All foreign-sourced income received in Singapore on or after 1 January 2004 by Singapore tax-resident individuals will be exempt from income tax, provided that such foreign-sourced income is not received through a partnership in Singapore.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from the Relevant Notes by any person who is not resident in Singapore and who

carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the SITA shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose Qualifying Income derived from the Relevant Notes is not exempt from tax (including for the reasons described above) is required under the SITA to include such income in a return of income made under the SITA.

Under the Qualifying Debt Securities Plus Scheme ("**QDS Plus Scheme**"), subject to certain conditions having been fulfilled (including the furnishing of a return on debt securities in respect of the QDS in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the QDS as the relevant authorities may require to the MAS and such other relevant authorities as may be prescribed), income tax exemption is granted on Qualifying Income derived by any investor from QDS (excluding Singapore Government Securities) which:

(a) are issued during the period from 16 February 2008 to 31 December 2018;

(b) have an original maturity of not less than 10 years;

(c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and

(d) cannot be reopened with a resulting tenure of less than 10 years to the original maturity date.

However, even though a particular tranche of Relevant Notes are QDS which qualify under the QDS Plus Scheme, if, at any time during the tenure of such tranche of Relevant Notes, 50% or more of such Relevant Notes which are outstanding at any time during the life of the issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income from such Relevant Notes derived by:

(a) any related party of the Issuer; or

(b) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

The MAS Circular states that, with effect from 28 June 2013, the QDS Plus Scheme will be refined to allow QDS with certain standard early termination clauses (as prescribed in the MAS Circular) to qualify for the QDS Plus Scheme at the point of issuance of such debt securities. The MAS has also clarified that if such debt securities are subsequently redeemed prematurely pursuant to such standard early termination clauses before the 10th year from the date of issuance of such debt securities, the tax exemption granted under the QDS Plus Scheme to Qualifying Income accrued prior to such redemption will not be clawed back. Under such circumstances, the QDS Plus status of such debt securities will be revoked prospectively for such outstanding debt securities (if any), and holders thereof may still enjoy the tax benefits under the QDS scheme if the QDS conditions continue to be met.

The MAS has stated that, notwithstanding the above, QDS with embedded options with economic value (such as call, put, conversion or exchange options which can be triggered at specified prices or dates and are built into the pricing of such debt securities at the onset) which can be exercised within ten years from the date of issuance of such debt securities will continue to be excluded from the QDS Plus Scheme from such date of issuance.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement ("**FRS 39**") may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the

Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on "Income Tax Implications Arising from the Adoption of FRS 39".

Income Tax Implications Arising from the Adoption of FRS 39

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 — Financial Instruments: Recognition and Measurement" (the "**FRS 39 Circular**"). The SITA has since been amended to give effect to the FRS 39 Circular.

The FRS 39 Circular generally applies, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by each of the Issuers to any one or more of Nordea Bank AB (publ), Nordea Bank Danmark A/S, Nordea Bank Finland Plc, and Nordea Bank Norge ASA (the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by an Issuer to, and purchased by, Dealers are set out in a dealership agreement dated 18 December 2015 (as amended and/or restated from time to time the "**Dealership Agreement**") and made between the Issuers and the Dealers. Any such agreement will *inter alia* make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the relevant Issuer in respect of such purchase. The Dealership Agreement makes provision for the resignation or renewal of existing Dealers and the appointment of additional or other Dealers.

The United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed or will agree and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Dealership Agreement, it has not offered, sold or delivered, and will not offer, sell or deliver, Notes of any Tranche (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the date of issue of the relevant Tranche of Notes and the completion of the distribution of such Tranche as certified to the Fiscal Agent or the relevant Issuer by the relevant Dealer(s) within the United States or to, or for the account or of benefit of, U.S. persons, and that it will have sent to each Dealer to which it sells Notes of such Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account of benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any Tranche of Notes an offer or sale of Notes of such Tranche within the United States by a Dealer (whether or not participating in the offering of such Notes) may violate the registration requirements of the Securities Act.

In addition, certain Series of Notes in respect of which any payment is determined by reference to an index or formula, or to changes in prices of securities or commodities, or certain other Notes will be subject to such additional U.S. selling restrictions as the relevant Issuer and the relevant Dealers may agree. Each Dealer has agreed that it will offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Public Offer Selling Restriction Under the Prospectus Directive

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

(a) *Approved prospectus*: if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that

Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, **provided that** any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or

(d) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

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

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

Selling Restrictions Addressing Additional United Kingdom Securities Laws

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

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not, or, in the case of the relevant Issuer would not, if it was not an authorised person, apply to the relevant Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Denmark

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any of the Notes directly or indirectly in the Kingdom of Denmark by way of public offering, unless in compliance with the Danish Securities Trading etc. Act as amended from time to time and Executive Orders issued thereunder.

Finland

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it will not publicly offer the Notes or bring the Notes into general circulation in Finland other than in compliance with all applicable provisions of the laws of Finland and especially in compliance with the Finnish Securities Market Act (746/2012, *Arvopaperimarkkinalaki*) and any regulation or rule made thereunder, as supplemented and amended from time to time.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "**Japanese Person**" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Norway

Notes denominated in NOK may not be offered or sold within Norway or to or for the account or benefit of persons domiciled in Norway, unless the regulation relating to the offer of VPS Notes and the registration in the VPS has been complied with.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that it will comply with all laws, regulations and guidelines applicable to the offering of Notes in Norway.

The Netherlands

For selling restrictions in respect of The Netherlands, see "*Public Offer Selling Restriction Under the Prospectus Directive*" above and in addition:

(c) *Specific Dutch selling restriction for exempt offers*: Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not make an offer of Notes which are the subject of an offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive unless:

(i) such offer is made exclusively to persons or legal entities which are qualified investors (as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**FSA**") and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands; or

(ii) standard exemption logo and wording are disclosed as required by article 5:20(5) of the FSA; or

(iii) such offer is otherwise made in circumstances in which article 5:20(5) of the FSA is not applicable,

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

For the purposes of this provision, the expressions (i) an "offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them above in the paragraph headed "*Public Offer Selling Restriction Under the Prospectus Directive*".

(d) *Regulatory capacity to offer Notes in The Netherlands:* Each Dealer, and each further Dealer appointed under the Programme, which did and does not have the requisite Dutch regulatory capacity to make offers or sales of financial instruments in The Netherlands has represented and agreed and, respectively, will be required to represent and agree with the Issuers that it has not offered or sold and will not offer or sell any of the Notes of any Issuer in The Netherlands, other than through one or more investment firms acting as principals and having the Dutch regulatory capacity to make such offers or sales.

(e) *Compliance with Dutch Savings Certificates Act*: Zero Coupon Notes (as defined below) in definitive form of the relevant Issuer may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the relevant Issuer or a member firm of Euronext Amsterdam N.V. admitted on one or more of the markets or systems operated by Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with. As used herein "**Zero Coupon Notes**" are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Sweden

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that no Notes will be offered to the public in Sweden nor admitted to trading on a regulated market in Sweden unless and until (A) a prospectus in relation to those Notes has been approved by the competent authority in Sweden or, where appropriate, approved in another Relevant Member State and such competent authority has notified the competent authority in Sweden, all in accordance with the Prospectus Directive and the Swedish Financial Instruments Trading Act; or (B) an exemption from the requirement to prepare a prospectus is available under the Swedish Financial Instruments Trading Act.

Ireland

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

(i) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;

(ii) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Acts 2014, the Central Bank Acts 1942 to 2014 and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and

(iii) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 1370 of the Companies Act 2014.

France

(iv) *Private placement in France*

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such

offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, all as defined in, and in accordance with, articles L.411–1, L.411–2 and D.411–1 of the French *Code monétaire et financier*.

(v) *Offer to the public in France*

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the approval of this Base Prospectus by the Central Bank has been notified to the *Autorité des marches financiers* (AMF) in accordance with Article 18 of the Prospectus Directive, as implemented in France, and all the other procedures and formalities required by French laws and regulations to permit the offering and sale of Notes in France have been carried out, it has not and will not make an offer of Notes to the public in France.

Estonia

Notes which qualify as "derivative instruments" within the meaning of Section 2 of the SMA, Directive 2004/39/EC (MiFID Directive) and Commission Regulation No. EC/1287/2006 (MiFID Implementation Regulation), all as amended from time to time, may only be offered in Estonia after assessment of the suitability and appropriateness of the relevant structured instrument to the investor in accordance with applicable Estonian and European Union law.

Lithuania

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes have not been offered and will not be offered in Lithuania by way of a public offering, unless in compliance with all applicable provisions of the laws of Lithuania and in particular in compliance with the Law on Securities of the Republic of Lithuania of 18 January 2007 No. X-1023 and any regulation or rule made thereunder, as supplemented and amended from time to time.

Latvia

The Notes have not been registered under the Financial Instruments Market Law of Latvia and may not be publicly offered or sold in Latvia. Neither the relevant Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in Latvia other than in accordance with the laws of the Republic of Latvia.

Spain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has only made and will only make an offer of Notes to the public (oferta pública) in Spain in the period beginning on the date of notification of the approval of this Base Prospectus in relation to the Notes by the Central Bank of Ireland to the Comisión Nacional del Mercado de Valores (CNMV) in Spain, in accordance with the Recast Text of the Securities Market Law (Texto Refundido de la Ley del Mercado de Valores) approved by Royal Decree Legislative 4/2015, of 23 October ("**TRLMV**"), Royal Decree 1310/2005, of 4 November, developing partially the Securities Market Law as regards admission to listing on official secondary markets, public offers and the prospectus required thereto and the regulations made thereunder, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus.

The Notes may not be offered or sold in Spain other than by institutions authorised under the TRLMV and Royal Decree 217/2008, of 15 February, on the legal regime applicable to investment services companies, to provide investment services in Spain, and in compliance with the provisions of the TRLMV and any other applicable legislation.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus (including the relevant Final Terms) has not been registered as a prospectus with the MAS under the SFA. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus (including the relevant Final Terms) or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

This Base Prospectus (including the relevant Final Terms) has not been registered as a prospectus with the MAS under the SFA. Accordingly, this Base Prospectus (including the relevant Final Terms) and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

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

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

No Notes linked to collective investment schemes (as defined under the SFA) may be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore.

General

With the exception of the approval by the Central Bank of this Base Prospectus as a base prospectus issued in compliance with the Prospectus Directive, no action has been or will be taken in any country or jurisdiction by any of the Issuers or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where

action for that purpose is required. Persons into whose hands this Base Prospectus or any Final Terms comes are required by each of the Issuers and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

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

GENERAL INFORMATION

1. The establishment of the Programme and the most recent update were authorised by (i) a duly convened meeting of the Board of Directors of NBAB on 13 December 2012 and (ii) a duly convened meeting of the Board of Directors of NBF on 4 March 2013.

2. None of the Issuers nor any of their respective subsidiaries is, or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuers are aware) during the 12 months before the date of this Base Prospectus which may have, or have had in the recent past significant effects on the financial position or profitability of either of the Issuers or the Nordea Group.

3. Since 31 December 2014, the date to which the latest audited financial statements of each Issuer were prepared, there has been no material adverse change in the prospects of NBAB, NBF or the Nordea Group.

4. Since 30 September 2015 (in the case of NBAB) and 30 June 2015 (in the case of NBF) the date to which the latest financial statements of each Issuer were prepared, there has been no significant change in the financial or trading position of NBAB, NBF or the Nordea Group.

5. The consolidated financial statements of each Issuer have been audited without qualification for the years ended 31 December 2014 and 2013 by the public accountants KPMG AB. As of 19 March 2015, NBAB changed its auditors to Öhrlings PricewaterhouseCoopers AB and at its Annual General Meeting on 9 March 2015, NBF approved the election of PricewaterhouseCoopers Oy as the auditors of NBF for 2015. The auditors have no material interest in NBAB or NBF.

6. For the twelve months following the date of this Base Prospectus, physical copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the specified office of the Fiscal Agent in London and the registered office of the relevant Issuer:

   (a) the certificate of Registration and Articles of Association of each Issuer;

   (b) the Fiscal Agency Agreement (as amended from time to time) (which contains the forms of the Notes);

   (c) the Deed of Covenant (as supplemented from time to time);

   (d) the Dealership Agreement (as amended from time to time);

   (e) the audited consolidated and unconsolidated financial statements of each Issuer for the years ended 31 December 2014 and 31 December 2013 including the audit reports relating thereto;

   (f) the unaudited consolidated interim financial statements of NBAB for the nine month period ended 30 September 2015 and NBF for the six month period ended 30 June 2015;

   (g) this Base Prospectus, together with any supplements thereto;

   (h) the Final Terms for issues listed on any stock exchange and issued pursuant to this Base Prospectus; and

   (i) the Issuer-ICSDs Agreement.

7. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg or, in the case of VP Notes, the VP or, in the case of VPS Notes, the VPS or, in the case of Finnish Notes, Euroclear Finland or, in the case of Swedish Notes, Euroclear Sweden, or in the case of Swiss Franc Notes, the SIS. The appropriate common code and International Securities Identification Number for each issue allocated by Euroclear and Clearstream, Luxembourg and details of any other agreed clearance system(s) will be contained in the Final Terms relating thereto.

8. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

9. The address of VP is VP Securities A/S, Weidekampsgade 14, P.O. Box 4040, DK-2300 Copenhagen 5.

10. The address of VPS is Norwegian Central Securities Depository, VPS ASA, P.O. 4, 0051 Oslo.

11. The address of Euroclear Finland Ltd is Euroclear Finland Ltd, PB 1110, 00101 Helsinki, Finland.

12. The address of Euroclear Sweden AB is Swedish Central Securities Depository, Euroclear Sweden, Box 7822, SE 103 97 Stockholm, Sweden.

13. It is expected that each Series of Notes which is to be admitted to the Official List of the Irish Stock Exchange will be admitted separately as and when issued, subject only to the issue of a Global Note initially representing the Notes of such Series or, as the case may be, a Global Registered Note and the approval of the Programme in respect of such Note(s) will be granted on or about 18 December 2015.

14. It is expected that this Base Prospectus will be submitted to the SIX Swiss Exchange Ltd (the "**SIX Swiss Exchange**") for registration as an "issuance programme" for the listing of derivatives and an "issuance programme" for the listing of bonds, both in accordance with the listing rules of the SIX Swiss Exchange (the "**SIX Listing Rules**"). If approved, in respect of any Tranche (as defined herein) of Notes to be listed on the SIX Swiss Exchange during the 12 months from the date of this Base Prospectus, this Base Prospectus, together with the relevant Final Terms, will constitute the listing prospectus for purposes of the SIX Listing Rules.

15. Settlement arrangements will be agreed between the relevant Issuer, the relevant Dealer and the Fiscal Agent or, as the case may be, the Registrar in relation to each Series.

16. There are no material contracts that have been entered into outside the ordinary course of either of the Issuer's business and which could result in any Group member being under an obligation or entitlement that is material to the relevant Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.

17. Neither of the Issuers intends to provide post-issuance information under paragraph 7.5 of Annex XII of Regulation (EC) No 809/2004.

18. The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

19. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to each of the Issuers and its respective affiliates in the ordinary course of business.

20. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for each of the Issuers in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

ANNEX 1
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF NBAB FOR THE YEAR ENDED 31 DECEMBER 2014, INCLUDING THE AUDITOR'S REPORT AND NOTES RELATING THERETO

Income statement, Group

EURm	Note	2014	2013
Operating income			
Interest income		9,995	10,604
Interest expense		–4,513	–5,079
Net interest income	G3	**5,482**	**5,525**
Fee and commission income		3,799	3,574
Fee and commission expense		–957	–932
Net fee and commission income	G4	**2,842**	**2,642**
Net result from items at fair value	G5	1,425	1,539
Profit from associated undertakings accounted for under the equity method	G19	18	79
Other operating income	G6	457	106
Total operating income		**10,224**	**9,891**
Operating expenses			
General administrative expenses:			
Staff costs	G7	–3,149	–2,978
Other expenses	G8	–1,635	–1,835
Depreciation, amortisation and impairment charges of tangible and intangible assets	G9	–582	–227
Total operating expenses		**–5,366**	**–5,040**
Profit before loan losses		**4,858**	**4,851**
Net loan losses	G10	–534	–735
Operating profit		**4,324**	**4,116**
Income tax expense	G11	–953	–1,009
Net profit for the year from continuing operations		**3,371**	**3,107**
Net profit for the year from discontinued operations, after tax	G42	–39	9
Net profit for the year		**3,332**	**3,116**
Attributable to:			
Shareholders of Nordea Bank AB (publ)		3,332	3,116
Non-controlling interests		—	—
Total		**3,332**	**3,116**
Basic earnings per share, EUR – Total operations	G12	0.83	0.77
Diluted earnings per share, EUR – Total operations	G12	0.83	0.77
Basic earnings per share, EUR – Continuing operations	G12	0.84	0.77
Diluted earnings per share, EUR – Continuing operations	G12	0.84	0.77

Statement of comprehensive income, Group

EURm	2014	2013
Net profit for the year	**3,332**	**3,116**
Items that may be reclassified subsequently to the income statement		
Currency translation differences during the year	–1,039	–999
Hedging of net investments in foreign operations:		
Valuation gains/losses during the year	435	464
Tax on valuation gains/losses during the year	–96	–102
Available for sale investments[1]:		
Valuation gains/losses during the year	41	25
Tax on valuation gains/losses during the year	–8	–5
Transferred to the income statement during the year	–1	6
Tax on transfers to the income statement during the year	0	–1
Cash flow hedges:		
Valuation gains/losses during the year	480	497
Tax on valuation gains/losses during the year	–105	–111
Transferred to the income statement during the year	–449	–499
Tax on transfers to the income statement during the year	98	110
Items that may not be reclassified subsequently to the income statement		
Defined benefit plans:		
Remeasurement of defined benefit plans during the year	–518	155
Tax on remeasurement of defined benefit plans during the year	120	–39
Other comprehensive income, net of tax[2]	**–1,042**	**–499**
Total comprehensive income	**2,290**	**2,617**
Attributable to:		
Shareholders of Nordea Bank AB (publ)	2,290	2,617
Non-controlling interests	—	—
Total	**2,290**	**2,617**

1) Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.
2) Of which EUR –12m (EUR –22m) related to discontinued operations.

Balance sheet, Group

EURm	Note	31 Dec 2014	31 Dec 2013	1 Jan 2013
Assets				
Cash and balances with central banks		31,067	33,529	36,060
Loans to central banks	G13	6,958	11,769	8,005
Loans to credit institutions	G13	12,217	10,743	10,569
Loans to the public	G13	348,085	342,451	346,251
Interest-bearing securities	G14	87,110	87,314	86,626
Financial instruments pledged as collateral	G15	12,151	9,575	7,970
Shares	G16	39,749	33,271	28,128
Derivatives	G17	105,119	70,992	118,789
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	256	203	–711
Investments in associated undertakings	G19	487	630	585
Intangible assets	G20	2,908	3,246	3,425
Properties and equipment		509	431	474
Investment properties	G22	3,227	3,524	3,408
Deferred tax assets	G11	130	62	266
Current tax assets		132	31	78
Retirement benefit assets	G32	42	321	142
Other assets	G23	17,581	11,064	15,554
Prepaid expenses and accrued income	G24	1,614	2,383	2,559
Assets held for sale	G42	—	8,895	—
Total assets		**669,342**	**630,434**	**668,178**
Liabilities				
Deposits by credit institutions	G25	56,322	59,090	55,426
Deposits and borrowings from the public	G26	197,254	200,743	200,678
Liabilities to policyholders	G27	51,843	47,226	45,320
Debt securities in issue	G28	194,274	185,602	183,908
Derivatives	G17	97,340	65,924	114,203
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	3,418	1,734	1,940
Current tax liabilities		368	303	391
Other liabilities	G29	26,973	24,737	24,773
Accrued expenses and prepaid income	G30	1,943	3,677	3,903
Deferred tax liabilities	G11	983	935	976
Provisions	G31	305	177	389
Retirement benefit liabilities	G32	540	334	469
Subordinated liabilities	G33	7,942	6,545	7,797
Liabilities held for sale	G42	—	4,198	—
Total liabilities		**639,505**	**601,225**	**640,173**
Equity				
Non-controlling interests		2	2	5
Share capital		4,050	4,050	4,050
Share premium reserve		1,080	1,080	1,080
Other reserves		–1,201	–159	340
Retained earnings		25,906	24,236	22,530
Total equity		**29,837**	**29,209**	**28,005**
Total liabilities and equity		**669,342**	**630,434**	**668,178**
Assets pledged as security for own liabilities	G34	163,041	174,418	159,924
Other assets pledged	G35	11,265	7,467	10,344
Contingent liabilities	G36	22,017	20,870	21,157
Credit commitments	G37	74,291	78,332	84,914
Other commitments	G37	1,644	1,267	1,294

Statement of changes in equity, Group

	Attributable to shareholders of Nordea Bank AB (publ)[2]									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 Jan 2014	**4,050**	**1,080**	**–613**	**–18**	**81**	**391**	**24,236**	**29,207**	**2**	**29,209**
Net profit for the year	—	—	—	—	—	—	3,332	3,332	—	3,332
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	—	—	–1,039	—	—	—	—	–1,039	—	–1,039
Hedging of net investments in foreign operations:										
Valuation gains/losses during the year	—	—	435	—	—	—	—	435	—	435
Tax on valuation gains/losses during the year	—	—	–96	—	—	—	—	–96	—	–96
Available for sale investments:										
Valuation gains/losses during the year	—	—	—	—	41	—	—	41	—	41
Tax on valuation gains/losses during the year	—	—	—	—	–8	—	—	–8	—	–8
Transferred to the income statement during the year	—	—	—	—	–1	—	—	–1	—	–1
Tax on transfers to the income statement during the year	—	—	—	—	0	—	—	0	—	0
Cash flow hedges:										
Valuation gains/losses during the year	—	—	—	480	—	—	—	480	—	480
Tax on valuation gains/losses during the year	—	—	—	–105	—	—	—	–105	—	–105
Transferred to the income statement during the year	—	—	—	–449	—	—	—	–449	—	–449
Tax on transfers to the income statement during the year	—	—	—	98	—	—	—	98	—	98
Items that may not be reclassified subsequently to the income statement										
Defind benefit plans:										
Remeasurement of defined benefit plans during the year	—	—	—	—	—	–518	—	–518	—	–518
Tax on remeasurement of defined benefit plans during the year	—	—	—	—	—	120	—	120	—	120
Other comprehensive income, net of tax	—	—	–700	24	32	–398	—	–1,042	—	–1,042
Total comprehensive income	—	—	–700	24	32	–398	3,332	2,290	—	2,290
Share-based payments	—	—	—	—	—	—	16	16	—	16
Dividend for 2013	—	—	—	—	—	—	–1,734	–1,734	—	–1,734
Disposal of own shares[3]	—	—	—	—	—	—	56	56	—	56
Balance at 31 Dec 2014	**4,050**	**1,080**	**–1,313**	**6**	**113**	**–7**	**25,906**	**29,835**	**2**	**29,837**

1) Total shares registered were 4,050 million.
2) Restricted capital was EUR 4,050m, unrestricted capital was EUR 25,785m.
3) Refers to the change in the holding of own shares related to the Long Term Incentive Programme, trading portfolio and Nordea's shares within portfolio schemes in Denmark. The number of own shares were 23.0 million. The total holdings of own shares related to LTIP is 15.9 million.

	Attributable to shareholders of Nordea Bank AB (publ)[2]									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 Jan 2013	**4,050**	**1,080**	**24**	**–15**	**56**	**275**	**22,530**	**28,000**	**5**	**28,005**
Net profit for the year	—	—	—	—	—	—	3,116	3,116	—	3,116
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	—	—	–999	—	—	—	—	–999	—	–999
Hedging of net investments in foreign operations:										
Valuation gains/losses during the year	—	—	464	—	—	—	—	464	—	464
Tax on valuation gains/losses during the year	—	—	–102	—	—	—	—	–102	—	–102
Available for sale investments:										
Valuation gains/losses during the year	—	—	—	—	25	—	—	25	—	25
Tax on valuation gains/losses during the year	—	—	—	—	–5	—	—	–5	—	–5
Transferred to the income statement during the year	—	—	—	—	6	—	—	6	—	6
Tax on transfers to the income statement during the year	—	—	—	—	–1	—	—	–1	—	–1
Cash flow hedges:										
Valuation gains/losses during the year	—	—	—	497	—	—	—	497	—	497
Tax on valuation gains/losses during the year	—	—	—	–111	—	—	—	–111	—	–111
Transferred to the income statement during the year	—	—	—	–499	—	—	—	–499	—	–499
Tax on transfers to the income statement during the year	—	—	—	110	—	—	—	110	—	110
Items that may not be reclassified subsequently to the income statement										
Defind benefit plans:										
Remeasurement of defined benefit plans during the year	—	—	—	—	—	155	—	155	—	155
Tax on remeasurement of defined benefit plans during the year	—	—	—	—	—	–39	—	–39	—	–39
Other comprehensive income, net of tax	—	—	–637	–3	25	116	—	–499	—	–499
Total comprehensive income	—	—	–637	–3	25	116	3,116	2,617	—	2,617
Share-based payments	—	—	—	—	—	—	17	17	—	17
Dividend for 2012	—	—	—	—	—	—	–1,370	–1,370	—	–1,370
Purchases of own shares[3]	—	—	—	—	—	—	–57	–57	—	–57
Other changes	—	—	—	—	—	—	—	—	–3	–3
Balance at 31 Dec 2013	**4,050**	**1,080**	**–613**	**–18**	**81**	**391**	**24,236**	**29,207**	**2**	**29,209**

1) Total shares registered were 4,050 million.
2) Restricted capital was EUR 4,050m, unrestricted capital was EUR 25,157m.
3) Refers to the change in the holding of own shares related to the Long Term Incentive Programme, trading portfolio and Nordea's shares within portfolio schemes in Denmark. The number of own shares were 31.8 million. The total holdings of own shares related to LTIP is 18.3 million.

Dividends per share

See Statement of changes in equity for the parent company, page 167.

Cash flow statement, Group – Total operations

EURm	2014	2013
Operating activities		
Operating profit	4,324	4,116
Profit for the year from discontinued operations, after tax	–39	9
Adjustment for items not included in cash flow	8,137	4,492
Income taxes paid	–966	–1,010
Cash flow from operating activities before changes in operating assets and liabilities	**11,456**	**7,607**
Changes in operating assets		
Change in loans to central banks	1,853	–530
Change in loans to credit institutions	–1,050	289
Change in loans to the public	–17,359	–14,511
Change in interest-bearing securities	–3,785	–5,045
Change in financial assets pledged as collateral	–2,609	–1,648
Change in shares	–7,196	–5,918
Change in derivatives, net	155	–2,234
Change in investment properties	169	–78
Change in other assets	–6,843	4,351
Changes in operating liabilities		
Change in deposits by credit institutions	–4,398	6,564
Change in deposits and borrowings from the public	568	9,205
Change in liabilities to policyholders	–765	–57
Change in debt securities in issue	13,040	6,585
Change in other liabilities	5,940	1,735
Cash flow from operating activities	**–10,824**	**6,315**
Investing activities		
Sale of business operations	481	—
Acquisition of associated undertakings	–8	–8
Sale of associated undertakings	480	4
Acquisition of property and equipment	–197	–153
Sale of property and equipment	14	33
Acquisition of intangible assets	–343	–229
Sale of intangible assets	—	1
Net divestments in debt securities, held to maturity	2,822	930
Purchase/sale of other financial fixed assets	5	–6
Cash flow from investing activities	**3,254**	**572**
Financing activities		
Issued subordinated liabilities	1,106	—
Amortised subordinated liabilities	–468	–500
Divestment/repurchase of own shares including change in trading portfolio	56	–57
Dividend paid	–1,734	–1,370
Cash flow from financing activities	**–1,040**	**–1,927**
Cash flow for the year	**–8,610**	**4,960**
Cash and cash equivalents at the beginning of year	45,670	42,808
Translation difference	2,623	–2,098
Cash and cash equivalents at the end of year	39,683	45,670
Change	**–8,610**	**4,960**

Comments on the cash flow statement

The cash flow statement has been prepared in accordance with IAS 7. The cash flow statement shows inflows and outflows of cash and cash equivalents during the year for total operations. Nordea's cash flow has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flows are classified by operating, investing and financing activities.

Operating activities

Operating activities are the principal revenue-producing activities and cash flows are mainly derived from the operating profit for the year with adjustment for items not included in cash flow and income taxes paid. Adjustment for items not included in cash flow includes:

EURm	2014	2013
Depreciation	237	220
Impairment charges	350	17
Loan losses	620	837
Unrealised gains/losses	–457	2,180
Capital gains/losses (net)	–391	–18
Change in accruals and provisions	–788	55
Translation differences	1,070	407
Change in bonus potential to policyholders, Life	918	1,046
Change in technical reserves, Life	3,839	1,543
Change in fair value of hedged items, assets/liabilities (net)	1,749	–1,608
Income tax expense, discontinued operations	2	4
Other	988	–191
Total	**8,137**	**4,492**

Changes in operating assets and liabilities consist of assets and liabilities that are part of normal business activities, such as loans, deposits and debt securities in issue. Changes in derivatives are reported net.

Cash flow from operating activities includes interest payments received and interest expenses paid with the following amounts:

EURm	2014	2013
Interest payments received	10,319	11,031
Interest expenses paid	4,698	5,360

Investing activities

Investing activities include acquisitions and disposals of non-current assets, like property and equipment, intangible and financial assets.

Financing activities

Financing activities are activities that result in changes in equity and subordinated liabilities, such as new issues of shares, dividends and issued/amortised subordinated liabilities.

Cash and cash equivalents

The following items are included in Cash and cash equivalents:

EURm	31 Dec 2014	31 Dec 2013
Cash and balances with central banks	31,067	33,529
Loans to central banks, payable on demand	6,454	9,313
Loans to credit institutions, payable on demand	2,162	2,290
Assets held for sale	—	538
Total	**39,683**	**45,670**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled;

- the central bank or the postal giro system is domiciled in the country where the institution is established
- the balance on the account is readily available at any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities. Loans to central banks, payable on demand includes instruments where Nordea has the right to resell immediately.

Discontinued operations

The cash flow statements include cash flow attributable to total operations i.e. both continuing and discontinued operations. The discontinued operations consist of Nordea´s Polish operations, for more information see Note G1 and Note G42. The cash flows related to the discontinued operations, excluding the cash flows at the closing of the transaction, consist of net cash flows from operating activities of EUR –379m (EUR –15m), net cash flow from investing activities of EUR –14m (EUR –11m) and net cash flows from financing activities of EUR 1m (EUR 0m).

Quarterly development, Group

EURm	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	2014	2013
Net interest income	1,356	1,396	1,368	1,362	1,390	1,386	1,391	1,358	5,482	5,525
Net fee and commission income	763	667	708	704	703	652	664	623	2,842	2,642
Net result from items at fair value	367	291	356	411	333	346	416	444	1,425	1,539
Profit from associated undertakings accounted for under the equity method	–1	7	3	9	21	14	9	35	18	79
Other operating income	28	393	21	15	22	28	10	46	457	106
Total operating income	**2,513**	**2,754**	**2,456**	**2,501**	**2,469**	**2,426**	**2,490**	**2,506**	**10,224**	**9,891**
General administrative expenses:										
Staff costs	–758	–728	–907	–756	–739	–732	–753	–754	–3,149	–2,978
Other expenses	–416	–378	–415	–426	–480	–441	–453	–461	–1,635	–1,835
Depreciation, amortisation and impairment charges of tangible and intangible assets	–53	–410	–64	–55	–64	–61	–50	–52	–582	–227
Total operating expenses	**–1,227**	**–1,516**	**–1,386**	**–1,237**	**–1,283**	**–1,234**	**–1,256**	**–1,267**	**–5,366**	**–5,040**
Profit before loan losses	**1,286**	**1,238**	**1,070**	**1,264**	**1,186**	**1,192**	**1,234**	**1,239**	**4,858**	**4,851**
Net loan losses	–129	–112	–135	–158	–180	–171	–186	–198	–534	–735
Operating profit	**1,157**	**1,126**	**935**	**1,106**	**1,006**	**1,021**	**1,048**	**1,041**	**4,324**	**4,116**
Income tax expense	–280	–188	–219	–266	–246	–257	–248	–258	–953	–1,009
Net profit for the period from continuing operations	**877**	**938**	**716**	**840**	**760**	**764**	**800**	**783**	**3,371**	**3,107**
Net profit for the period from discontinued operations, after tax	0	0	–30	–9	13	12	–29	13	–39	9
Net profit for the year	**877**	**938**	**686**	**831**	**773**	**776**	**771**	**796**	**3,332**	**3,116**
Diluted earnings per share (DEPS), EUR – Total operations	0.22	0.23	0.17	0.21	0.19	0.19	0.19	0.20	0.83	0.77
DEPS, rolling 12 months up to period end, EUR – Total operations	0.83	0.80	0.76	0.78	0.77	0.79	0.77	0.79	0.83	0.77

5 year overview, Group

Income statement[1]

EURm	2014	2013	2012	2011	2010
Net interest income	5,482	5,525	5,563	5,456	5,159
Net fee and commission income	2,842	2,642	2,468	2,395	2,156
Net result from items at fair value	1,425	1,539	1,774	1,517	1,837
Profit from associated undertakings accounted for under the equity method	18	79	93	42	66
Other operating income	457	106	100	91	116
Total operating income	**10,224**	**9,891**	**9,998**	**9,501**	**9,334**
General administrative expenses:					
Staff costs	–3,149	–2,978	–2,989	–3,113	–2,784
Other expenses	–1,635	–1,835	–1,808	–1,914	–1,862
Depreciation, amortisation and impairment charges of tangible and intangible assets	–582	–227	–267	–192	–170
Total operating expenses	**–5,366**	**–5,040**	**–5,064**	**–5,219**	**–4,816**
Profit before loan losses	**4,858**	**4,851**	**4,934**	**4,282**	**4,518**
Net loan losses	–534	–735	–895	–735	–879
Operating profit	**4,324**	**4,116**	**4,039**	**3,547**	**3,639**
Income tax expense	–953	–1,009	–970	–913	–976
Net profit for the year from continuing operations	**3,371**	**3,107**	**3,069**	**2,634**	**2,663**
Net profit for the year from discontinued operations, after tax	–39	9	57	—	—
Net profit for the year	**3,332**	**3,116**	**3,126**	**2,634**	**2,663**

Balance sheet[2]

EURm	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2010
Cash and balances with central banks	31,067	33,529	36,060	3,765	10,023
Loans to central banks and credit institutions	19,175	22,512	18,574	51,865	15,788
Loans to the public	348,085	342,451	346,251	337,203	314,211
Interest-bearing securities and pledged instruments	99,261	96,889	94,596	92,923	91,743
Derivatives	105,119	70,992	118,789	171,943	96,825
Other assets	66,635	55,166	53,908	43,432	52,249
Assets held for sale	—	8,895	—	—	—
Total assets	**669,342**	**630,434**	**668,178**	**701,131**	**580,839**
Deposits by credit institutions	56,322	59,090	55,426	55,316	40,736
Deposits and borrowings from the public	197,254	200,743	200,678	190,092	176,390
Liabilities to policyholders	51,843	47,226	45,320	40,715	38,766
Debt securities in issue	194,274	185,602	183,908	178,028	151,578
Derivatives	97,340	65,924	114,203	167,390	95,887
Subordinated liabilities	7,942	6,545	7,797	6,503	7,761
Other liabilities	34,530	31,897	32,841	37,442	45,183
Liabilities held for sale	—	4,198	—	—	—
Equity	29,837	29,209	28,005	25,645	24,538
Total liabilities and equity	**669,342**	**630,434**	**668,178**	**701,131**	**580,839**

1) The comparative figures for 2010–2011 have not been restated in relation to discontinued operations (Nordea´s Polish operations), see Note G42 for more information.
2) The comparative figures for 2010 have not been restated in relation to the amendment to IAS 19 and forward starting bonds, see Note G1 in the Annual report 2013 for more information.

Ratios and key figures, Group

	2014	2013	2012[2,3]	2011[2,3]	2010[2,3]
Basic earnings per share, EUR – Total operations	0.83	0.77	0.78	0.65	0.66
Diluted earnings per share, EUR – Total operations	0.83	0.77	0.78	0.65	0.66
Share price[1], EUR	9.68	9.78	7.24	5.98	8.16
Total shareholders' return, %	9.2	44.6	21.0	–24.4	3.7
Proposed/actual dividend per share, EUR	0.62	0.43	0.34	0.26	0.29
Equity per share[1], EUR	7.40	7.27	6.96	6.47	6.07
Potential shares outstanding[1], million	4,050	4,050	4,050	4,047	4,043
Weighted average number of diluted shares, million	4,031	4,020	4,026	4,028	4,022
Return on equity, % – Continuing operations	11.5	11.0	11.6	10.6	11.5
Return on assets, % – Total operations	0.50	0.49	0.47	0.38	0.46
Assets under management[1], EURbn	262.2	232.1	218.3	187.4	191.0
Cost/income ratio[7], % – Continuing operations	49	51	51	55	52
Loan loss ratio, basis points	15	21	26	23	31
Common Equity Tier 1 capital ratio excluding Basel I floor[1,4,5] ,%	15.7	14.9	13.1	11.2	10.3
Tier 1 capital ratio, excluding Basel I floor[1,4,5], %	17.6	15.7	14.3	12.2	11.4
Total capital ratio, excluding Basel I floor[1,4,5], %	20.7	18.1	16.2	13.4	13.4
Core tier 1 capital[1,4,5], EURm	22,821	23,112	21,961	20,677	19,103
Tier 1 capital[1,4,5], EURm	25,558	24,444	23,953	22,641	21,049
Risk exposure amount, excluding Basel I floor[1,6], EURbn	145	155	168	185	185
Number of employees (full-time equivalents)[1] – Continuing operations	29,397	29,429	29,491	33,068	33,809
Risk-adjusted profit[6], EURm – Continuing operations	3,489	3,352	3,313	2,714	2,622
Economic profit[6], EURm – Continuing operations	1,071	912	889	1,145	936
Economic capital[1,6], EURbn – Total operations	23.9	24.4	23.8	17.7	17.5
Economic capital[1,6], EURbn – Continuing operations	23.9	23.5	22.8	—	—
RAROCAR[6], % – Continuing operations	14.4	13.7	13.9	15.5	15.0
MCEV, EURm	4,758	4,700	3,762	2,714	3,655

1) End of the year.
2) The comparative figures for 2010–2011 have not been restated due to discontinued operations (Nordea´s Polish operations), see Note G42 for more information.
3) The comparative figures for 2010 have not been restated due to the amendment to IAS 19 and forward starting bonds, see Note G1 in the Annual report 2013 for more information.
4) Including result of the year.
5) 2013 ratios are reported under the Basel II regulation framework and 2014 ratios are reported using the Basel III (CRR/CRDIV) framework.
6) Capital deductions and physical assest (PAS) are included in 2013 and 2014 ratios.
7) Excluding non-recurring items in 2014.

Business definitions

Allowances in relation to impaired loans Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

Basic earnings per share Net profit for the year divided by the weighted average number of outstanding shares, non-controlling interests excluded.

Cost of equity (%) Required return by investors on the Nordea share, measured as the long risk free euro rate plus required average risk premium to invest in equities multiplied by Beta, which reflects the Nordea share's volatility and correlation with market volatility.

Cost of equity in EUR is defined as Cost of equity (%) times Economic capital. The Cost of equity is set by management once a year as a parameter to manage risk appetite and investment level.

Cost/income ratio Total operating expenses divided by total operating income.

Diluted earnings per share Net profit for the year divided by the weighted average number of outstanding shares after full dilution, non-controlling interests excluded.

Economic capital (EC) Internal estimate of required capital and measures the capital required to cover unexpected losses in the course of its business with a certain probability. EC uses advanced internal models to provide a consistent measurement for Credit Risk, Market Risk, Operational Risk, Business Risk and Life Insurance Risk arising from activities in Nordea's various business areas.

The aggregation of risks across the group gives rise to diversification effects resulting from the differences in risk drivers and the improbability that unexpected losses occur simultaneously.

Economic profit Deducting Cost of equity from Risk-adjusted profit.

Equity per share Equity as shown on the balance sheet after full dilution and non-controlling interests excluded divided by the number of shares after full dilution.

Expected losses Normalised loss level of the individual loan exposure over a business cycle as well as various portfolios.

Impairment rate, gross Individually assessed impaired loans before allowances divided by total loans before allowances.

Impairment rate, net Individually assessed impaired loans after allowances divided by total loans before allowances.

Loan loss ratio Net loan losses (annualised) divided by closing balance of loans to the public (lending).

MCEV (Market Consistent Embedded Value) Estimate of the value a shareholder would put on a portfolio of in-force life and pension business based on objective market return. No franchise value or other additional value is included in MCEV.

Non-performing, not impaired Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Own funds Own funds include the sum of the Tier 1 capital and the supplementary capital consisting of subordinated loans, after deduction of the carrying amount of the shares in wholly owned insurance companies and the potential deduction for expected shortfall.

Price to Book Nordea's stock market value relative to its book value of total equity.

RAROCAR, % (Risk-adjusted return on capital at risk), Risk-adjusted profit relative to Economic capital.

Return on equity Net profit for the year excluding non-controlling interests as a percentage of average equity for the year. Average equity including net profit for the year and dividend until paid, non-controlling interests excluded.

Return on assets Net profit for the year as a percentage of total assets at end of the year.

Risk-adjusted profit Total income minus total operating expenses, minus Expected losses and standard tax (24 % 2014). In addition, Risk-adjusted profit excludes major non-recurring items.

Risk exposure amount Total assets and off-balance-sheet items valued on the basis of the credit and market risks, as well as operational risks of the Group's undertakings, in accordance with regulations governing capital adequacy, excluding assets in insurance companies, carrying amount of shares which have been deducted from the capital base and intangible assets.

Tier 1 capital Proportion of the capital base, which includes consolidated shareholders' equity excluding investments in insurance companies, proposed dividend, deferred tax assets, intangible assets in the banking operations. Shortfall is deducted with 100% in CET1 in 2014, but 50% in 2013, – the negative difference between expected losses and provisions. Subsequent to the approval of the supervisory authorities, Tier 1 capital also includes qualified forms of subordinated loans (Tier 1 capital contributions and hybrid capital loans).

The Common equity Tier 1 capital constitutes the Tier 1 capital excluding hybrid capital loans.

Tier 1 capital ratio Tier 1 capital as a percentage of risk exposure amount. The Common equity Tier 1 capital ratio is calculated as Common equity Tier 1 capital as a percentage of risk exposure amount.

Total allowance rate Total allowances divided by total loans before allowances.

Total allowances in relation to impaired loans (provisioning ratio) Total allowances divided by impaired loans before allowances.

Total capital ratio Own funds as a percentage of risk exposure amount.

Total shareholders return (TSR) Total shareholders return measured as growth in the value of a shareholding during the year, assuming the dividends are reinvested at the time of the payment to purchase additional shares.

G1 Accounting policies

Content for Note G1

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1. Basis for presentation

Nordea's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU Commission. In addition, certain complementary rules in the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the accounting regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25, with amendments in FFFS 2009:11, 2011:54, 2013:2, 2013:24 and 2014:18) have also been applied.

The disclosures, required in the standards, recommendations and legislation above, have been included in the notes, the Risk, Liquidity and Capital management section or in other parts of the "Financial statements".

On 5 February 2015 the Board of Directors approved the financial statements, subject to final approval of the Annual General Meeting on 19 March 2015.

2. Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2013 Annual Report. The new accounting requirements implemented during 2014 and their effects on Nordea's financial statements are described below.

IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", IFRS 12 "Disclosures of Interests in Other Entities", and IAS 28 "Investments in Associates and Joint Ventures"

The new standards IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosures of Interests in Other Entities" as well as amendments to IAS 28 "Investments in Associates and Joint Ventures" were implemented 1 January 2014 but has not had any significant impact on the financial statements of Nordea.

IFRS 10 clarifies which entities should be included in the consolidated accounts and how to perform the consolidation. IFRS 10 did not change the scope of consolidation for Nordea in 2014. IFRS 11 describes the accounting for investments in entities in which two or more investors have joint control, typically a 50/50 holding. Nordea has currently no such interests and IFRS 11 has not had any impact on the financial statements in 2014. IFRS 12 has added disclosures, mainly regarding unconsolidated structured entities. These disclosures can be found in note G48 "Interests in structured entities". The standard also includes guidance on disclosures for subsidiaries and associates, but these disclosure requirements are similar to the previous disclosure requirements in IAS 27 and IAS 28.

The accounting requirements in IAS 28 are unchanged apart from that the disclosure requirements have been moved to IFRS 12.

FFFS 2008:25

The Swedish Financial Supervisory Authority has amended the accounting regulation FFFS 2008:25 by issuing FFFS 2013:24 and FFFS 2014:18. Those amendments were implemented by Nordea 1 January 2014 except for the amendments in FFFS 2014:18 that were implemented in the third quarter 2014. The amendments require additional disclosures related to capital adequacy and specific country by country information which are presented in Note G38 "Capital adequacy" and Note G49 "Country by country reporting" respectively. Other amendments in FFFS 2013:24 and FFFS 2014:18 have not had any significant impact on Nordea's financial statements.

Discontinued operations and disposal groups held for sale

On 1 April 2014 Nordea completed its sale of the Polish bank, life and finance businesses, including Nordea Bank Polska S.A., Nordea Finance Polska S.A. and Nordea Polska Towarzystwo Ubezpieczen na Zycie S.A., to PKO Bank Polski. These operations are reported as discontinued operations for the period until deconsolidation on 1 April. Discontinued operations also include the IT operations in Poland that continue to serve the sold business. Details of discontinued operations are found in Note G42 "Discontinued operations and disposal groups held for sale".

3. Changes in IFRSs not yet applied by Nordea

IFRS 9 "Financial instruments"

IASB has during 2014 completed the new standard for financial instruments, IFRS 9 "Financial instruments". IFRS 9 covers classification and measurement, impairment and general hedging and replaces the current requirements for these areas in IAS 39. IFRS 9 is effective as from annual periods beginning on or after 1 January 2018. Earlier application is permitted. The EU commission has not yet endorsed IFRS 9 but is expected to do so during 2015. Nordea does not currently intend to early adopt the standard.

The changes in classification and measurement are not expected to have a significant impact on Nordea's income

G1 Accounting policies

statement or balance sheet as the mixed measurement model will be maintained. Significant reclassifications between fair value and amortised cost or impact on the capital adequacy and large exposures are not expected in the period of initial application, but this is naturally dependent on the financial instruments on Nordea's balance sheet at transition. Nordea has not yet finalised the impact assessment.

The impairment requirements in IFRS 9 are based on an expected loss model as opposed to the current incurred loss model in IAS 39. In general, it is expected that the new requirements will increase loan loss provisions, decrease equity and have a negative impact on capital adequacy, but no impact on large exposures, in the period of initial application. Nordea has not yet finalised the impact assessment.

The main change to the general hedging requirements is that the standard aligns hedge accounting more closely with the risk management activities. As Nordea generally uses macro (portfolio) hedge accounting Nordea's assessment is that the new requirements will not have any significant impact on Nordea's financial statements, capital adequacy, or large exposures in the period of initial application. Nordea has not yet finalised the impact assessment.

IFRS 15 "Revenue from Contracts with Customers"
The IASB has published the new standard, IFRS 15 "Revenue from Contracts with Customers". The new standard outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition standards and interpretations within IFRS, such as IAS 18 "Revenue". The new standard is effective for annual periods beginning on or after 1 January 2017, with earlier application permitted. The EU-commission is expected to endorse the standard during the second quarter 2015. Nordea does not currently intend to early adopt the standard. The standard does not apply to financial instruments, insurance contracts or lease contracts. Nordea has not finalised the investigation of the impact on the financial statements but the current assessment is that the new standard will not have any significant impact on Nordea's financial statements, capital adequacy, or large exposures in the period of initial application.

Amendments to IFRS 11 "Accounting for Acquisition of Interest in Joint Operations"
The IASB has issued amendments to IFRS 11 "Joint Arrangements", which add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments are effective for annual periods beginning on or after I January 2016. Earlier application is permitted. The EU commission is expected to endorse the amendment during the first quarter 2015. Nordea does not currently intend to early adopt the amendments. As Nordea does not have any joint venture the assessment is that the amendments will not have any effects on Nordea's financial statements, capital adequacy or large exposures in the period of initial application.

Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
The IASB has amended the requirements in IFRS 10 and IAS 28 regarding sales and contribution of assets between an investor and its associate or joint venture due to inconsistent treatment of gains and losses of such transactions in those standards. The amendments should be applied prospectively to transactions that occur in annual periods beginning on or after 1 January 2016. Earlier application is permitted. The EU commission is expected to endorse the amendments during the fourth quarter 2015. Nordea does not currently intend to early adopt the amendments. The new requirements are not expected to have any effect on Nordea's financial statements, capital adequacy, or large exposures in the period of initial application as the new requirements are in line with Nordea's current accounting policies.

IFRIC 21 "Levies"
The IASB has published IFRIC 21 "Levies". The interpretation is effective for annual periods beginning on or after 1 January 2014. The EU commission endorsed this interpretation during 2014. In contrast to IFRS, the EU commission requires the standard to be applied for annual periods beginning on or after 17 June 2014. Nordea will apply the interpretation as from 1 January 2015. IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IFRIC 21 clarifies that if a levy is triggered by operating as a bank at the end the reporting period, the liability for the levy is not recognised prior to that date. Nordea's assessment is that the new interpretation will not have any significant impact on Nordea's financial statements, capital adequacy, or large exposures in the period of initial application.

Other changes in IFRS
The IASB has published the following new or amended standards that are assessed to have no impact on Nordea's financial statement, capital adequacy or large exposures in the period of initial application:

- IFRS 14 "Regulatory Deferral Accounts"
- Amendments to IAS 16 and IAS 38: "Clarification of Acceptable
- Methods of Depreciation and Amortisation"
- Amendments to IAS 19: "Defined Benefit Plans: Employee Contributions"
- "Annual Improvements to IFRSs, 2010–2012 Cycle"
- "Annual Improvements to IFRSs, 2011–2013 Cycle"
- "Annual Improvements to IFRSs, 2012–2014 Cycle"

4. Critical judgements and estimation uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires, in some cases, the use of judgements and estimates by management. Actual outcome can later, to some extent, differ from the estimates and the assumptions made. In this section a description is made of:

- the sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, and

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- the judgements made when applying accounting policies (apart from those involving estimations) that have the most significant effect on the amounts recognised in the financial statements.

Critical judgements and estimates are in particular associated with:
- the fair value measurement of certain financial instruments
- the impairment testing of:
  – goodwill and
  – loans to the public/credit institutions
- the effectiveness testing of cash flow hedges
- the actuarial calculations of pension liabilities and plan assets related to employees
- the actuarial calculations of insurance contracts
- the valuation of investment properties
- the classification of leases
- the classification of additional tier 1 instruments
- assessing control for consolidation purposes
- the translations of assets and liabilities denominated in foreign currencies
- the valuation of deferred tax assets
- claims in civil lawsuits.

Fair value measurement of certain financial instruments
Nordea's accounting policy for determining the fair value of financial instruments is described in section 11 "Determination of fair value of financial instruments" and Note G40 "Assets and liabilities at fair value". Critical judgements that have a significant impact on the recognised amounts for financial instruments is exercised when determining fair value of OTC derivatives and other financial instruments that lack quoted prices or recently observed market prices. Those judgements relate to the following areas:
- The choice of valuation techniques.
- The determination of when quoted prices fail to represent fair value (including the judgement of whether markets are active).
- The construction of fair value adjustments in order to incorporate relevant risk factors such as credit risk, model risk and liquidity risk.
- The judgement of which market parameters that are observable.

When determining fair value of financial instruments that lack quoted prices or recently observed market prices there is also a high degree of estimation uncertainty. That estimation uncertainty is mainly a result of the judgement management exercises when:
- selecting an appropriate discount rate for the instrument, and
- determining expected timing of future cash flows from the instruments.

In all of these instances, decisions are based upon professional judgement in accordance with Nordea's accounting and valuation policies. In order to ensure proper governance, Nordea has a Group Valuation Committee that on an on-going basis reviews critical judgements that are deemed to have a significant impact on fair value measurements.

The fair value of financial assets and liabilities measured at fair value using a valuation technique, level 2 and 3 in the fair value hierarchy, was EUR 271,194m (EUR 217,626m) and EUR 194,243m (EUR 153,315m) respectively at the end of the year.

Sensitivity analysis disclosures covering fair values of financial instruments with significant unobservable inputs can be found in Note G40 "Assets and liabilities at fair value".

Estimation uncertainty also arises at initial recognition of financial instruments that are part of larger structural transactions. Although subsequently not necessarily held at fair value such instruments are initially recognised at fair value and as there is normally no separate transaction price or active market for such individual instruments the fair value has to be estimated.

Impairment testing of goodwill
Nordea's accounting policy for goodwill is described in section 16 "Intangible assets" and Note G20 "Intangible assets" lists the cash generating units to which goodwill has been allocated. Nordea's total goodwill amounted to EUR 2,234m (EUR 2,421m) at the end of the year.

The estimation of future cash flows and the calculation of the rate used to discount those cash flows are subject to estimation uncertainty. The forecast of future cash flows is sensitive to the cash flow projections for the near future (generally 3–5 years) and to the estimated sector growth rate for the period beyond 3–5 years. The growth rates are based on historical data, updated to reflect the current situation, which implies estimation uncertainty.

The rates used to discount future expected cash flows are based on the long-term risk free interest rate plus a risk premium (post tax). The risk premium is based on external information of overall risk premiums in relevant countries.

For information on the sensitivity to changes in relevant parameters, see Note G20 "Intangible assets".

Impairment testing of loans to the public/credit institutions
Nordea's accounting policy for impairment testing of loans is described in section 14 "Loans to the public/credit institutions".

Management is required to exercise critical judgements and estimates when calculating loan impairment allowances on both individually assessed and collectively assessed loans. Nordea's total lending before impairment allowances was EUR 370,009m (EUR 367,782m) at the end of the year. For more information, see Note G13 "Loans and impairment".

The most judgemental area is the calculation of collective impairment allowances. When testing a group of loans collectively for impairment, judgement has to be exercised when identifying the events and/or the observable data that indicate that losses have been incurred in the group of loans. Nordea monitors its portfolio through rating migrations and a loss event is an event resulting in a negative rating migration. Assessing the net present value of the cash flows generated by the customers in the group of loans also includes estimation uncertainty. This includes the use of historical data on probability of default and loss given default supplemented by acquired experience when adjusting the assumptions based on historical data to reflect the current situation.

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Effectiveness testing of cash flow hedges
Nordea's accounting policies for cash flow hedges are described in section 10 "Hedge accounting".

One important judgement in connection to cash flow hedge accounting is the choice of method used for effectiveness testing.

Where Nordea applies cash flow hedge accounting the hedging instruments used are predominantly cross currency interest rate swaps, which are always held at fair value. The currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk. The hypothetical derivative method is used when measuring the effectiveness of these cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows on the hedged transaction (the currency component). Critical judgement has to be exercised when defining the characteristics of the perfect hypothetical swap.

Actuarial calculations of pension liabilities and plan assets related to employees
Nordea's accounting policy for post-employment benefits is described in section 22 "Employee benefits".

The defined benefit obligation for major pension plans is calculated by external actuaries using demographic assumptions based on the current population. As a basis for these calculations a number of actuarial and financial parameters are used.

The estimation of the discount rate is subject to uncertainty around whether corporate bond markets are deep enough, of high quality and also in connection to the extrapolation of yield curves to relevant maturities. In Sweden, Norway and Denmark the discount rate is determined with reference to covered bonds and in Finland with reference to corporate bonds. Other parameters, like assumptions about salary increases and inflation, are based on the expected long-term development of these parameters and also subject to estimation uncertainty. The main parameters used at year-end are disclosed in Note G32 "Retirement benefit obligations" together with a description of the sensitivity to changes in assumptions. The defined benefit obligation was EUR 3,727m (EUR 3,130m) at the end of the year.

Actuarial calculations of insurance contracts
Nordea's accounting policy for insurance contracts is described in section 19 "Liabilities to policyholders".

A valuation of insurance liabilities includes estimations and assumptions, both financial and actuarial. One of the important financial assumptions is the interest rate used for discounting future cash flows. Important actuarial assumptions are those on mortality and disability, which affect the size and timing of the future cash flows. The financial and actuarial assumptions are, to a large extent, stipulated in local legislation and therefore not under Nordea's discretion. Also assumptions about future administrative and tax expenses have an impact on the calculation of policyholder liabilities.

The insurance liability was EUR 35,103m (EUR 33,489m) at the end of the year. The carrying amount's sensitivity to different assumptions is disclosed in Note G27 "Liabilities to policyholders".

Valuation of investment properties
Nordea's accounting policies for investment properties are described in section 18 "Investment properties".

Investment properties are measured at fair value. As there normally are no active markets for investment properties, the fair values are estimated based on discounted cash flow models. These models are based on assumptions on future rents, vacancy levels, operating and maintenance costs, yield requirements and interest rates.

The carrying amounts of investment properties were EUR 3,227m (EUR 3,524m) at the end of the year. See Note G22 "Investment properties" for more information on amounts and parameters used in these models.

Classification of leases
Nordea's accounting policies for leases are described in section 15 "Leasing".

Critical judgement has to be exercised when classifying lease contracts. A lease is classified as a finance lease if it transfers substantially all the risks and rewards related to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards related to ownership.

The central district properties in Finland, Norway and Sweden that Nordea has divested are leased back. The duration of the lease agreements was initially 3–25 years with renewal options. The lease agreements include no transfers of ownerships of the assets by the end of the lease term, nor any economic benefit from appreciation in value of the leased properties. In addition, the lease term is not for the major part of the assets' economic life. As a result, Nordea has classified these leases as operating leases. This judgement is a critical judgement that has a significant impact on the carrying amounts in the financial statement. The carrying amount of these properties at the time of disposal was EUR 1.5bn.

More information on lease contracts can be found in Note G21 "Leasing".

Classification of additional tier 1 instruments
Nordea has issued perpetual subordinated instruments where the interest payments to the holders are at the discretion of Nordea and non-accumulating. These instruments also include a requirement for Nordea to pay interest if the instruments are no longer allowed to be included in tier 1 capital. If there is a requirement to pay interest based on the occurrence or non-occurrence of an uncertain future event that is beyond the control of both the issuer and the holder of the instrument, the instrument shall be classified as a financial liability. The inclusion of the subordinated loan in tier 1 capital is decided by the regulators and is thus beyond the control of Nordea and the holders of the instrument. Nordea classifies the instrument as financial liabilities.

Assessing control for consolidation purposes
One decisive variable when assessing if Nordea controls another entity is whether Nordea is exposed to variability in returns from the investment. For structured entities where voting rights are not the dominant factor when determining control, critical judgement has to be exercised when defining when Nordea is exposed to significant variability in returns. Nordea's critical judgement is that Nordea is normally

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exposed to variability in returns when Nordea receives more than 30% of the return produced by the structured entity. This is only relevant for structured entities where Nordea also is the investment manager and thus have influence over the return produced by the structured entity.
Another judgement relating to control is whether Nordea acts as an agent or as a principal. For unit linked and other contracts where the policyholder/depositor decides both the amount and which assets to invest in, Nordea is considered to act as an agent and thus does not have control.

Translation of assets and liabilities denominated in foreign currencies
Nordea's accounting policies covering the translation of assets and liabilities denominated in foreign currencies is described in section 9 "Translation of assets and liabilities denominated in foreign currencies".

When reporting consolidated financial statements, the parent company Nordea Bank AB (publ) has been assessed to have two functional currencies, SEK and EUR, based on the different activities. The functional currency of the normal banking operations is SEK and the functional currency of the entity holding equity, shares in group undertakings and the funding of those shares is EUR. It is Nordea's assessment that one legal entity can consist of different entities with different functional currencies.

Valuation of deferred tax assets
Nordea's accounting policy for the recognition of deferred tax assets is described in section 20 "Taxes" and Note G11 "Taxes".

The valuation of deferred tax assets is influenced by management's assessment of Nordea's future profitability and sufficiency of future taxable profits and future reversals of existing taxable temporary differences. These assessments are updated and reviewed at each balance sheet date, and are, if necessary, revised to reflect the current situation.

The carrying amount of deferred tax assets was EUR 130m (EUR 62m) at the end of the year.

Claims in civil lawsuits
Within the framework of the normal business operations, Nordea faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on Nordea or its financial position. See also Note G31 "Provisions" and Note G36 "Contingent liabilities".

5. Principles of consolidation

Consolidated entities
The consolidated financial statements include the accounts of the parent company Nordea Bank AB (publ), and those entities that the parent company controls. Control exists when Nordea is exposed to variability in returns from its investments in another entity and has the ability to affect those returns through its power over the other entity. Control is generally achieved when the parent company owns, directly or indirectly through group undertakings, more than 50 per cent of the voting rights. For entities where voting rights does not decide control, see section "Structured entities" below.

All group undertakings are consolidated using the acquisition method, except for the forming of Nordea in 1997–98 when the holding in Nordea Bank Finland Plc was consolidated using the pooling method. Under the acquisition method, the acquisition is regarded as a transaction whereby the parent company indirectly acquires the group undertaking's assets and assumes its liabilities and contingent liabilities. The group's acquisition cost is established in a purchase price allocation analysis. In such analysis, the cost of the business combination is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for the identifiable net assets acquired. Costs directly attributable to the business combination are expensed.

As at the acquisition date Nordea recognises the identifiable assets acquired and the liabilities assumed at their acquisition date fair values.

For each business combination Nordea measures the non-controlling interest in the acquired business either at fair value or at their proportionate share of the acquired identifiable net assets.

When the aggregate of the consideration transferred in a business combination and the amount recognised for non-controlling interest exceeds the net fair value of the identifiable assets, liabilities and contingent liabilities, the excess is reported as goodwill. If the difference is negative, such difference is recognised immediately in the income statement.

Equity and net income attributable to non-controlling interests are separately disclosed on the balance sheet, income statement and statement of comprehensive income.

Intra-group transactions and balances between the consolidated group undertakings are eliminated.

The group undertakings are included in the consolidated accounts as from the date on which control is transferred to Nordea and are no longer consolidated as from the date on which control ceases.

In the consolidation process the reporting from the group undertakings is adjusted to ensure consistency with the IFRS principles applied by Nordea.

Note P21 "Investments in group undertakings" lists the major group undertakings in the Nordea Group.

Investments in associated undertakings
The equity method of accounting is used for associated undertakings where the share of voting rights is between 20 and 50 per cent and/or where Nordea has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control over those policies. Investments within Nordea's investment activities, which are classified as a venture capital organisation within Nordea, are measured at fair value in accordance with the rules set out in IAS 28 and IAS 39. Further information on the equity method is disclosed in section 6 "Recognition of operating income and impairment".

Profits from companies accounted for under the equity method are reported post-taxes in the income statement. Consequently, the tax expense related to these profits is not included in the income tax expense for Nordea.

Nordea does generally not have any sales or contribution of assets to or from associated undertakings. Other transactions between Nordea and its associates are not eliminated.

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Note G19 "Investments in associated undertakings" lists the major associated undertakings in the Nordea Group.

Structured entities
A structured entity is an entity created to accomplish a narrow and well defined objective where voting rights are not the dominant factor in determining control. Often legal arrangements impose strict limits on the decision making powers of the management over the on-going activities of a structured entity. The same consolidation requirements apply to these entities, but as voting rights do not decide whether control exists, other factors are used to determine control.

Power can exist due to agreements or other types of influence over a structured entity. Nordea normally has power over entities sponsored or established by Nordea. Nordea has created a number of structured entities to allow clients to invest in assets invested in by the structured entity. Some structured entities invest in tradable financial instruments, such as shares and bonds (mutual funds). Structured entities can also invest in structured credit products or acquire assets from customers of Nordea, although only one such structured entity currently exists. Nordea is generally the investment manager and has sole discretion about investments and other administrative decisions and thus has power over these entities.

Typically, Nordea will receive service and commission fees in connection with the creation of the structured entity, or because it acts as investment manager, custodian or in some other function. Such income is normally not significant enough to expose Nordea to variability in returns and will thus not trigger consolidation. In some structured entities Nordea has also supplied substantial parts of the funding in the form of fund units, loans or credit commitments. In these structured entities Nordea is exposed to variability in returns and as the power over these entities affects the return, these structured entities are consolidated. Nordea normally considers a share of more than 30% of the return produced by a structured entity to give rise to variability and thus give control. Variability is measured as the sum of fees received and revaluation of assets held. For unit linked and other contracts where the policyholder/depositor decide both the amount and which assets to invest in, Nordea is considered to act as an agent and does thus not have control.

Further information about consolidated and unconsolidated structured entities is disclosed in note G48 "Interests in structured entities".

Currency translation of foreign entities
The consolidated financial statements are prepared in euro (EUR), the presentation currency of the parent company Nordea Bank AB (publ). The current method is used when translating the financial statements of foreign entities into EUR from their functional currency. The assets and liabilities of foreign entities have been translated at the closing rates, while items in the income statement and statement of comprehensive income are translated at the average exchange rate for the year. Translation differences are accounted for in other comprehensive income and are accumulated in the translation reserve in equity.

Goodwill and fair value adjustments arising from the acquisition of group undertakings are treated as items in the same functional currency as the cash generating unit to which they belong and are also translated at the closing rate.

Information on the most important exchange rates is disclosed in the separate section 27 "Exchange rates".

6. Recognition of operating income and impairment

Net interest income
Interest income and expense are calculated and recognised based on the effective interest rate method or, if considered appropriate, based on a method that results in an interest income or interest expense that is a reasonable approximation of using the effective interest rate method as basis for the calculation. The effective interest includes fees considered to be an integral part of the effective interest rate of a financial instrument (generally fees received as compensation for risk). The effective interest rate equals the rate that discounts the contractual future cash flows to the carrying amount of the financial asset or financial liability.

Interest income and expenses from financial instruments are, with the exceptions described below, classified as "Net interest income".

Interest income and interest expense related to all balance sheet items held at fair value in Markets and Nordea Life & Pensions are classified as "Net result from items at fair value" in the income statement. Also the interest on the net funding of the operations in Markets is recognised on this line.

The interest component in FX swaps, and the interest paid and received in interest rate swaps plus changes in accrued interest, is classified as "Net result from items at fair value", apart for derivatives used for hedging, including economical hedges of Nordea's funding, where such components are classified as "Net interest income".

Net fee and commission income
Nordea earns commission income from different services provided to its customers. The recognition of commission income depends on the purpose for which the fees are received. Fees are either recognised as revenue when services are provided or in connection to the execution of a significant act. Fees received in connection to performed services are recognised as income in the period these services are provided. A loan syndication fee received as payment for arranging a loan, as well as other fees received as payments for certain acts, are recognised as revenue when the act has been completed, i.e. when the syndication has been finalised.

Commission expenses are normally transaction based and recognised in the period when the services are received.

Income from issued financial guarantees and expenses from bought financial guarantees, including fees paid to state guarantees, are amortised over the duration of the instruments and classified as "Fee and commission income" and "Fee and commission expense" respectively.

Net result from items at fair value
Realised and unrealised gains and losses on financial instruments measured at fair value through profit or loss are recognised in the item "Net result from items at fair value". Realised and unrealised gains and losses derive from:

- Shares/participations and other share-related instruments

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- Interest-bearing securities and other interest-related instruments
- Other financial instruments, including credit derivatives as well as commodity instruments/derivatives
- Foreign exchange gains/losses
- Investment properties, which include realised and unrealised income, for instance revaluation gains and losses. This line also includes realised results from disposals as well as the running property yield stemming from the holding of investment properties.

Interest income and interest expense related to all balance sheet items held at fair value in Markets and Nordea Life & Pensions are classified as "Net result from items at fair value" in the income statement. Also the interest on the net funding of the operations in Markets is recognised on this line.

Also the ineffective portion of cash flow hedges and net investment hedges as well as recycled gains and losses on financial instruments classified into the category Available for sale are recognised in "Net result from items at fair value".

This item also includes realised gains and losses from financial instruments measured at amortised cost, such as interest compensation received and realised gains/losses on buy-backs of issued own debt.

"Net result from items at fair value" includes also losses from counterparty risk on instruments classified into the category Financial assets at fair value through profit or loss as well as impairment on instruments classified into the category Available for sale. However, the fair value adjustments of credit risk on loans granted in accordance with the Danish mortgage finance law (see section 13 "Financial instruments" and Note G40 "Assets and liabilities at fair value") are reported under "Net loan losses". Impairment losses from instruments within other categories are recognised in the items "Net loan losses" or "Impairment of securities held as financial non-current assets" (see also the sub-sections "Net loan losses" and "Impairment of securities held as financial non-current assets" below).

Dividends received are recognised in the income statement as "Net result from items at fair value" and classified as "Shares/participations and other share-related instruments" in the note. Income is recognised in the period in which the right to receive payment is established.

The income recognition and descriptions of the lines relating to life insurance are described in section 7 "Income recognition life insurance" below.

Profit from companies accounted for under the equity method

The profit from companies accounted for under the equity method is defined as the post-acquisition change in Nordea's share of net assets in the associated undertakings. Nordea's share of items accounted for in other comprehensive income in the associated undertakings is accounted for in other comprehensive income in Nordea. Profits from companies accounted for under the equity method are, as stated in section 5 "Principles of consolidation", reported in the income statement post-taxes. Consequently the tax expense related to these profits is excluded from the income tax expense for Nordea.

Fair values are, at acquisition, allocated to the associated undertaking's identifiable assets, liabilities and contingent liabilities. Any difference between Nordea's share of the fair values of the acquired identifiable net assets and the purchase price is goodwill or negative goodwill. Goodwill is included in the carrying amount of the associated undertaking. Subsequently the investment in the associated undertaking increases/decreases with Nordea's share of the post-acquisition change in net assets in the associated undertaking and decreases through received dividends and impairment. An impairment charge can be reversed in a subsequent period.

The change in Nordea's share of the net assets is generally based on monthly reporting from the associated undertakings. For some associated undertakings not individually significant the change in Nordea's share of the net assets is based on the external reporting of the associated undertakings and affects the financial statements of Nordea in the period in which the information is available. The reporting from the associated undertakings is, if applicable, adjusted to comply with Nordea's accounting policies.

Other operating income

Net gains from divestments of shares in group undertakings and associated undertakings and net gains on sale of tangible assets as well as other operating income, not related to any other income line, are generally recognised when it is probable that the benefits associated with the transaction will flow to Nordea and if the significant risks and rewards have been transferred to the buyer (generally when the transactions are finalised).

Net loan losses

Impairment losses from financial assets classified into the category Loans and receivables (see section 13 "Financial instruments"), in the items "Loans to central banks", "Loans to credit institutions" and "Loans to the public" on the balance sheet, are reported as "Net loan losses" together with losses from financial guarantees (including state guarantees in Denmark). Also the fair value adjustments of credit risk on loans granted in accordance with the Danish mortgage finance law (see section 13 "Financial instruments" and Note G40 "Assets and liabilities at fair value") are reported under "Net loan losses". Losses are reported net of any collateral and other credit enhancements. Nordea's accounting policies for the calculation of impairment losses on loans can be found in section 14 "Loans to the public/credit institutions".

Counterparty losses on instruments classified into the category Financial assets at fair value through profit or loss, including credit derivatives but excluding loans held at fair value as described above, as well as impairment on financial assets classified into the category Available for sale are reported under "Net result from items at fair value".

Impairment of securities held as financial non-current assets

Impairment on investments in interest-bearings securities, classified into the categories Loans and receivables or Held to maturity, and on investments in associated undertakings are classified as "Impairment of securities held as financial non-current assets" in the income statement. The policies covering impairment of financial assets classified into the

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categories Loans and receivables and Held to maturity are disclosed in section 13 "Financial instruments" and section 14 "Loans to the public/credit institutions".

If observable indicators (loss events) indicate that an associated undertaking is impaired, an impairment test is performed to assess whether there is objective evidence of impairment. The carrying amount of the investment in the associate is compared with the recoverable amount (higher of value in use and fair value less cost to sell) and the carrying amount is written down to the recoverable amount if required.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

7. Income recognition life insurance

Premiums received, and repayments to policyholders, related to the saving part of the life insurance contracts are reported as increases or decreases of liabilities to policyholders. See further information in section 19 "Liabilities to policyholders".

The total income from life insurance mainly consists of the following components:

- Cost result
- Insurance risk result
- Risk and performance margin
- Investment return on additional capital in life insurance

The result from these components is, except for the cost result and the risk and performance margin relating to Unit Linked and Investment contracts, included in "Net result from items at fair value".

The cost result is the result of expense loading from policyholders and is included in the item "Fee and commission income", together with the risk and performance margin relating to Unit Linked and Investment contracts. The related expenses are included in the items "Fee and commission expense" and "Operating expenses". The policyholder's part of a positive or negative cost result (profit sharing) is included in the note line "Change in technical provisions, Life insurance" within Note G5 "Net result from items at fair value".

The insurance risk result consists of income from individual risk products and from unbundled life insurance contracts as well as Health and personal accident insurance. The risk premiums are amortised over the coverage period as the provisions are reduced when insurance risk is released. A large part of the unbundled risk result from traditional life insurance is subject to profit sharing, which means that the policyholders receive a part of a net income or a net deficit. The risk income and the risk expenses are presented gross on the lines "Insurance risk income, Life insurance" and "Insurance risk expense, Life insurance" in Note G5 "Net result from items at fair value". The policyholder's part of the result is included in the line "Change in technical provisions, Life insurance" in the note.

Gains and losses derived from investments in Nordea Life & Pensions are split on the relevant lines in Note G5 "Net result from items at fair value" as for any other investment in Nordea. The lines include investment return on assets held to cover liabilities to policyholders and return on the additional capital allocated to Nordea Life & Pensions (Shareholders capital in the Nordea Life & Pensions group).

The note line "Change in technical provisions, Life insurance" in Note G5 "Net result from items at fair value" includes:

- Investment returns on assets held to cover liabilities to policyholders (including liabilities from traditional life insurance, unit linked insurance and investment contracts), individually transferred to policyholders' accounts according to the contracts.
- Additional bonus (discretionary participation feature) to policyholders concerning traditional life insurance contracts or any other transfers to the policyholders to cover a periodical deficit between the investment result and any agreed minimum benefit to the policyholders.
- Risk and performance margin regarding traditional life insurance products according to local allocation rules in each Nordea Life & Pensions unit and according to contracts with policyholders. The recognition of a risk and performance margin in the income statement is mainly conditional on a positive result for traditional life insurance contracts. Risk and performance margins not possible to recognise in the current period due to poor investment results can, in some countries, partly or wholly be deferred to years with higher returns.
- The policyholders' part of the cost- and risk result regarding traditional life insurance contracts or unit linked contracts.

The note line "Change in collective bonus potential, Life insurance" in Note G5 "Net result from items at fair value" relates only to traditional life insurance contracts. The line includes policyholders' share of investment returns not yet individualised. The line includes also additional bonus (discretionary participation feature) and amounts needed to cover a periodical deficit between the investment result and any minimum benefits to the policyholders.

8. Recognition and derecognition of financial instruments on the balance sheet

Derivative instruments, quoted securities and foreign exchange spot transactions are recognised on and derecognised (reclassified to the items "Other assets" or "Other liabilities" on the balance sheet between trade date and settlement date) from the balance sheet on the trade date. Other financial instruments are recognised on the balance sheet on settlement date.

Financial assets, other than those for which trade date accounting is applied, are derecognised from the balance sheet when the contractual rights to the cash flows from the financial asset expire or are transferred to another party. The rights to the cash flows normally expire or are transferred when the counterpart has performed by e.g. repaying a loan to Nordea, i.e. on settlement date.

In some cases, Nordea enters into transactions where it transfers assets that are recognised on the balance sheet, but

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retains either all or a portion of risks and rewards from the transferred assets. If all or substantially all risks and rewards are retained, the transferred assets are not derecognised from the balance sheet. If Nordea's counterpart can sell or repledge the transferred assets, the assets are reclassified to the item "Financial instruments pledged as collateral" on the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include e.g. securities lending agreements and repurchase agreements.

Financial liabilities are derecognised from the balance sheet when the liability is extinguished. Normally this occurs when Nordea performs, for example when Nordea repays a deposit to the counterpart, i.e. on settlement date. Financial liabilities under trade date accounting are generally reclassified to "Other liabilities" on the balance sheet on trade date.

For further information, see sections "Securities borrowing and lending agreements" and "Repurchase and reverse repurchase agreements" within section 13 "Financial instruments", as well as Note G43 "Transferred assets and obtained collaterals".

9. Translation of assets and liabilities denominated in foreign currencies

The functional currency of each entity is decided based upon the primary economic environment in which the entity operates. The parent company Nordea Bank AB (publ) uses two functional currencies, SEK and EUR for reporting in consolidated accounts, based on the different activities in the underlying business.

Foreign currency is defined as any currency other than the functional currency of the entity. Foreign currency transactions are recorded at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date.

Exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, and unrealised translation differences on unsettled foreign currency monetary assets and liabilities, are recognised in the income statement in the item "Net result from items at fair value".

Translation differences on financial instruments that are designated hedging instruments in a hedge of a net investment in a group undertaking are recognised in other comprehensive income, to the extent the hedge is effective. This is performed in order to offset the translation differences affecting other comprehensive income when consolidating the group undertaking into Nordea. Any ineffectiveness is recognised in the income statement in the item "Net result from items at fair value".

10. Hedge accounting

Nordea applies the EU carve out version of IAS 39 for portfolio hedges of both assets and liabilities. The EU carve out macro hedging enables a group of derivatives (or proportions thereof) to be viewed in combination and be designated as the hedging instrument. It also removes some of the limitations in fair value hedge accounting relating to hedging core deposits and under-hedging strategies.

Nordea uses hedge accounting in order to have a symmetrical accounting treatment of the changes in fair value of the hedged item and changes in fair value of the hedging instruments as well as to hedge the exposure to variability in future cash flows and the exposure to net investments in foreign operations.

There are three forms of hedge accounting:

- Fair value hedge accounting
- Cash flow hedge accounting
- Hedges of net investments

Fair value hedge accounting

Fair value hedge accounting is used when derivatives are hedging changes in fair value of a recognised asset or liability attributable to a specific risk. The risk of changes in fair value of assets and liabilities in Nordea's financial statements originates mainly from loans, securities and deposits with a fixed interest rate, causing interest rate risk. Changes in fair value from derivatives as well as changes in fair value of the hedged item attributable to the risks being hedged are recognised separately in the income statement in the item "Net result from items at fair value". Given an effective hedge, the two changes in fair value will more or less balance, meaning the net result is close to zero. The changes in fair value of the hedged item attributable to the risks hedged with the derivative instrument are reflected in an adjustment to the carrying amount of the hedged item, which is also recognised in the income statement. The fair value change of the hedged items held at amortised cost in a portfolio hedge of interest rate risks is reported separately from the portfolio in the item "Fair value changes of the hedged items in portfolio hedge of interest rate risk" on the balance sheet.

Fair value hedge accounting in Nordea is performed mainly on a portfolio basis. Any ineffectiveness is recognised in the income statement under the item "Net result from items at fair value".

Hedged items

A hedged item in a fair value hedge can be a recognised single asset or liability, an unrecognised firm commitment, or a portion thereof. The hedged item can also be a group of assets, liabilities or firm commitments with similar risk characteristics. Hedged items in Nordea consist of both individual assets or liabilities and portfolios of assets and/or liabilities.

Hedging instruments

The hedging instruments used in Nordea are predominantly interest rate swaps and cross currency interest rate swaps, which are always held at fair value. Cash instruments are only used as hedging instruments when hedging currency risk.

Cash flow hedge accounting

Cash flow hedge accounting can be used for the hedging of exposure to variations in future interest payments on instruments with variable interest rates and for the hedging of currency exposures. The portion of the gain or loss on the hedging instrument, that is determined to be an effective hedge, is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The ineffective portion of the gain or loss on the hedging instrument is recycled to the item "Net result

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from items at fair value" in the income statement.

Gains or losses on hedging instruments recognised in the cash flow hedge reserve in equity through other comprehensive income are recycled and recognised in the income statement in the same period as the hedged item affects profit or loss, normally in the period that interest income or interest expense is recognised.

Hedged items
A hedged item in a cash flow hedge can be highly probable floating interest rate cash flows from recognised assets or liabilities or from future assets or liabilities. Nordea uses cash flow hedges when hedging currency risk in future payments of interest and principal in foreign currency.

Hedging instruments
The hedging instruments used in Nordea are predominantly cross currency interest rate swaps, which are always held at fair value, where the currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk.

Hedges of net investments
See separate section 9 "Translation of assets and liabilities denominated in foreign currencies".

Hedge effectiveness
The application of hedge accounting requires the hedge to be highly effective. A hedge is regarded as highly effective if at inception and throughout its life it can be expected that changes in fair value of the hedged item as regards the hedged risk can be essentially offset by changes in fair value of the hedging instrument. The result should be within a range of 80–125 per cent. When assessing hedge effectiveness retrospectively Nordea measures the fair value of the hedging instruments and compares the change in fair value of the hedging instrument to the change in fair value of the hedged item. The effectiveness measurement is made on a cumulative basis. The hypothetical derivative method is used when measuring the effectiveness of cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows from the hedged transaction (the currency component).

If the hedge relationship does not fulfil the requirements, hedge accounting is terminated. For fair value hedges the hedging instrument is reclassified to a trading derivative and the change in the fair value of the hedged item, up to the point when the hedge relationship is terminated, is amortised to the income statement on a straight-line basis over the remaining maturity of the hedged item.

In cash flow hedges, changes in the unrealised value of the hedging instrument will prospectively from the last time it was proven effective be accounted for in the income statement. The cumulative gain or loss on the hedging instrument that has been recognised in the cash flow hedge reserve in equity through other comprehensive income from the period when the hedge was effective is reclassified from equity to "Net result from items at fair value" in the income statement if the expected transaction no longer is expected to occur. If the expected transaction no longer is highly probable, but is still expected to occur, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective remains in other comprehensive income until the transaction occurs or is no longer expected to occur.

11. Determination of fair value of financial instruments
Financial assets and liabilities classified into the categories Financial assets/liabilities at fair value through profit or loss (including derivative instruments) are recorded at fair value on the balance sheet with changes in fair value recognised in the income statement in the item "Net result from items at fair value".

Fair value is defined as the price that at the measurement date would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants under current market conditions in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The existence of published price quotations in an active market is the best evidence of fair value and when they exist they are used to measure financial assets and financial liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. The absolute level for liquidity and volume required for a market to be considered active vary with the instrument classes. For some classes low price volatility is seen, also for those instruments within the class where the trade frequency is high. For instruments in such a class the liquidity requirements are lower and, correspondingly, the age limit for the prices used for establishing fair value is higher.

If markets are active or non-active is assessed regularly. The trade frequency and volume are monitored daily.

Nordea is predominantly using published price quotations to establish fair value for items disclosed under the following balance sheet items:

- Interest-bearing securities
- Shares (listed)
- Derivatives (listed)
- Debt securities in issue (issued mortgage bonds in Nordea Kredit Realkreditaktieselskab)

If quoted prices for a financial instrument fail to represent actual and regularly occurring market transactions or if quoted prices are not available, fair value is established by using an appropriate valuation technique. The adequacy of the valuation technique, including an assessment of whether to use quoted prices or theoretical prices, is monitored on a regular basis.

Valuation techniques can range from simple discounted cash flow analysis to complex option pricing models. Valuation models are designed to apply observable market prices and rates as input whenever possible, but can also make use of unobservable model parameters. The adequacy of the valuation model is assessed by measuring its capability to hit market prices. This is done by comparison of calculated prices to relevant benchmark data, e.g. quoted prices from exchanges, the counterparty´s valuations, price data from consensus services etc.

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Nordea is predominantly using valuation techniques to establish fair value for items disclosed under the following balance sheet items:

- Loans to the public (mortgage loans in Nordea Kredit Realkreditaktieselskab)
- Interest-bearing securities (when quoted prices in an active market are not available)
- Shares (when quoted prices in an active market are not available)
- Derivatives (OTC-derivatives)

For financial instruments, where fair value is estimated by a valuation technique, it is investigated whether the variables used in the valuation model are predominantly based on data from observable markets. By data from observable markets, Nordea considers data that can be collected from generally available external sources and where this data is judged to represent realistic market prices. If non-observable data has a significant impact on the valuation, the instrument cannot be recognised initially at the fair value estimated by the valuation technique and any upfront gains are thereby deferred and amortised through the income statement over the contractual life of the instrument. The deferred upfront gains are subsequently released to income if the non-observable data becomes observable.

Note G40 "Assets and liabilities at fair value" provides a breakdown of fair values of financial instruments measured on the basis of:

- quoted prices in active markets for the same instrument (level 1),
- valuation technique using observable data (level 2), and
- valuation technique using non-observable data (level 3).

The valuation models applied by Nordea are consistent with accepted economic methodologies for pricing financial instruments and incorporate the factors that market participants consider when setting a price.

New valuation models are subject to approval by a Model Risk Management Committee and all models are reviewed on a regular basis.

For further information, see Note G40 "Assets and liabilities at fair value".

12. Cash and balances with central banks

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled:

- The central bank or the postal giro system is domiciled in the country where the institutions is established
- The balance is readily available at any time

13. Financial instruments

Classification of financial instruments

Each financial instrument has been classified into one of the following categories:

Financial assets:

- Financial assets at fair value through profit or loss:
  – Held for trading
  – Designated at fair value through profit or loss (fair value option)
- Loans and receivables
- Held to maturity
- Available for sale

Financial liabilities:

- Financial liabilities at fair value through profit or loss:
  – Held for trading
  – Designated at fair value through profit or loss (fair value option)
- Other financial liabilities

All financial assets and liabilities are initially measured at fair value. The classification of financial instruments into different categories forms the basis for how each instrument is subsequently measured on the balance sheet and how changes in its value are recognised. In Note G39 "Classification of financial instruments" the classification of the financial instruments on Nordea's balance sheet into different categories is presented.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. All changes in fair values are recognised directly in the income statement in the item "Net result from items at fair value".

The category consists of two sub-categories; Held for trading and Designated at fair value through profit or loss (fair value option).

The sub-category Held for trading mainly contains derivative instruments that are held for trading purposes, interest-bearing securities and shares within Markets and Treasury. It also contains trading liabilities such as short-selling positions and lending in reverse repurchase agreements.

The major parts of the financial assets/liabilities classified into the category Designated at fair value through profit or loss are mortgage loans and related issued bonds in the Danish subsidiary Nordea Kredit Realkreditaktieselskab and interest-bearing securities, shares and investment contracts in Nordea Life & Pensions.

Assets and liabilities in Nordea Kredit Realkreditaktieselskab are classified into the category Designated at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch. When Nordea grants mortgage loans to customers in accordance with the Danish mortgage finance law Nordea at the same time issues bonds with matching terms, so called "match funding". The customers can repay the loans either through repayments of the principal or by purchasing the issued bonds and return them to Nordea as a settlement of the loan. The bonds play an important part in the Danish money market and Nordea consequently buys and sells own bonds in the market. If the loans and bonds were measured at amortised cost such buy-backs of bonds would give rise to an accounting mismatch as any gains or losses would have to be recognised immediately in the income statement. If such bonds are subsequently sold in the market any premium or discount would be amortised over the expected

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maturity, which would also create an accounting mismatch. To avoid such an accounting mismatch Nordea measures both the loans and bonds at fair value through profit or loss.

Interest-bearing securities, shares and investment contracts (defined in section 19 "Liabilities to policyholders") in Nordea Life & Pensions are generally also classified into the category Designated at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch. The investment contracts (unit-linked) classified as "Liabilities to policyholders" on the balance sheet are managed at fair value and consequently classified into the category Designated at fair value through profit or loss. This applies also to assets held under insurance contracts (defined in section 19 "Liabilities to policyholders"), which are classified into the category Designated at fair value through profit or loss to reduce an accounting mismatch with the liabilities to policyholders that are generally measured at current value.

Also assets held under so called "pooled schemes", which is a product similar to unit-linked insurance, are classified into the category Designated at fair value through profit or loss to avoid an accounting mismatch with the related deposits that are managed at fair value and consequently also classified into the category Designated at fair value through profit or loss.

Nordea also applies the fair value option on certain financial assets and financial liabilities related to Markets. The classification stems from that Markets is managing and measuring its financial assets and liabilities at fair value. Consequently, the majority of financial assets and financial liabilities in Markets are classified into the categories Financial assets/Financial liabilities at fair value through profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets, with fixed or determinable payments, that are not quoted in an active market. These assets and their impairment are further described in the separate section 14 "Loans to the public/credit institutions".

Held to maturity

Financial assets that Nordea has chosen to classify into the category Held to maturity are non-derivative financial assets with fixed or determinable payments and fixed maturity that Nordea has the positive intent and ability to hold to maturity. Financial assets classified into the category Held to maturity are initially recognised on the balance sheet at the acquisition price, including transaction costs. Subsequent to initial recognition, the instruments within this category are measured at amortised cost. In an amortised cost measurement, the difference between acquisition cost and redemption value is amortised in the income statement over the remaining term using the effective interest rate method.

If more than an insignificant amount of the Held to maturity portfolio is sold or transferred the Held to maturity category is tainted, except for if the sale or transfer either occur close to maturity, after substantially all of the original principal is already collected, or due to an isolated non-recurring event beyond the control of Nordea.

Nordea assesses at each reporting date whether there is any objective evidence that the asset is impaired. If there is such evidence, an impairment loss is recorded. The loss is calculated as the difference between the carrying amount and the present value of estimated future cash flows and is recognised as "Impairment of securities held as financial non-current assets" in the income statement. See section 14 "Loans to the public/credit institutions" for more information on the identification and measurement of objective evidence of impairment, which is applicable also for interest-bearings securities classified into the category Held to maturity.

Available for sale

Financial instruments classified into the category Available for sale are measured at fair value. Changes in fair values, except for interest, foreign exchange effects and impairment losses, are recognised in the fair value reserve in equity through other comprehensive income. Interest is recognised in the item "Interest income" and foreign exchange effects and impairment losses in the item "Net result from items at fair value" in the income statement.

When an instrument classified into the category Available for sale is disposed of, the fair value changes that previously have been accumulated in the fair value reserve (related to Available for sale investments) in other comprehensive income are removed from equity and recognised in the income statement in the item "Net result from items at fair value".

Financial assets classified into the category Available for sale are assessed in order to determine any need for impairment losses. If there is objective evidence of impairment, the accumulated loss that has been recognised in other comprehensive income is removed from equity and recognised as "Net result from items at fair value" in the income statement. The amount of the accumulated loss that is recycled from equity is the difference between the asset's acquisition cost and current fair value. For equity investments a prolonged or significant decline in the fair value, compared to the acquisition cost, is considered to be objective evidence of impairment. Objective evidence of impairment for a debt instrument is rather connected to a loss event, such as an issuer's financial difficulty.

Other financial liabilities

Financial liabilities, other than those classified into the category Financial liabilities at fair value through profit or loss, are measured at amortised cost. Interest on Other financial liabilities is recognised in the item "Interest expense" in the income statement.

Hybrid (combined) financial instruments

Hybrid (combined) financial instruments are contracts containing a host contract and an embedded derivative instrument. Such combinations arise predominantly from the issuance of structured debt instruments, such as issued index-linked bonds.

Index-linked bonds issued by Group Treasury are considered to be part of the funding activities. The zero coupon bond, is measured at amortised cost. The embedded

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derivatives in those instruments are separated from the host contract and accounted for as stand-alone derivatives at fair value, if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, and the embedded derivative meets the definition of a derivative instrument. Changes in fair values, of the embedded derivatives, are recognised in the income statement in the item "Net result from items at fair value".

Index-linked bonds issued by Markets as part of the trading portfolio are classified into the category Held for trading, and the entire combined instrument, host contract together with the embedded derivative, is measured at fair value through profit or loss. Changes in fair values are recognised in the income statement in the item "Net result from items at fair value".

Securities borrowing and lending agreements
Generally, securities borrowing and securities lending transactions are entered into on a collateralised basis. Unless the risks and rewards of ownership are transferred, the securities are not recognised on or derecognised from the balance sheet. In the cases where the counterpart is entitled to resell or repledge the securities, the securities are reclassified to the balance sheet item "Financial instruments pledged as collateral".

Securities in securities lending transactions are also disclosed in the item "Assets pledged as security for own liabilities".

Cash collateral advanced (securities borrowing) to the counterparts is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public". Cash collateral received (securities lending) from the counterparts is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public".

Repurchase and reverse repurchase agreements
Securities delivered under repurchase agreements and securities received under reverse repurchase agreements are not derecognised from or recognised on the balance sheet. In the cases where the counterpart has the right to resell or repledge the securities, the securities are reclassified to the balance sheet line "Financial instruments pledged as collateral".

Securities delivered under repurchase agreements are also disclosed in the item "Assets pledged as security for own liabilities".

Cash received under repurchase agreements is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public". Cash delivered under reverse repurchase agreements is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public".

Additionally, the sale of securities received in reverse repurchase agreements trigger the recognition of a trading liability (short sale).

Derivatives
All derivatives are recognised on the balance sheet and measured at fair value. Derivatives with total positive fair values, including any accrued interest, are recognised as assets in the item "Derivatives" on the asset side. Derivatives with total negative fair values, including any accrued interest, are recognised as liabilities in the item "Derivatives" on the liability side.

Realised and unrealised gains and losses from derivatives are recognised in the income statement in the item "Net result from items at fair value".

Offsetting of financial assets and liabilities
Nordea offsets financial assets and liabilities on the balance sheet if there is a legal right to offset, in the ordinary course of business and in case of bankruptcy, and if the intent is to settle the items net or realise the asset and settle the liability simultaneously. This is generally achieved through the central counterparty clearing houses that Nordea has agreements with.

Exchanged traded derivatives are generally accounted for as settled on a daily basis when cash is paid or received and the instrument is reset to market terms. Derivative assets and liabilities against central counterparty clearing houses are, as mentioned above, generally set off on the balance sheet, but net cash collateral received or paid is generally accounted for separately as cash collateral paid (asset) or received (liability), which is also the case for cash collateral paid or received in bilateral OTC derivative transactions. Cash collateral paid or received in bilateral OTC derivative transactions are consequently not offset against the fair value of the derivatives.

Issued debt and equity instruments
A financial instrument issued by Nordea is either classified as a financial liability or equity. Issued financial instruments are classified as a financial liability if the contractual arrangement results in Nordea having a present obligation to either deliver cash or another financial asset, or a variable number of equity instruments to the holder of the instrument. If this is not the case, the instrument is generally an equity instrument and classified as equity, net of transaction costs. Where issued financial instruments contain both liability and equity components, these are accounted for separately.

14. Loans to the public/credit institutions
Financial instruments classified as "Loans to the public/credit institutions" (including loans to central banks) on the balance sheet and into the category Loans and receivables are measured at amortised cost (see also the separate section 8 "Recognition and derecognition of financial instruments on the balance sheet" as well as Note G39 "Classification of financial instruments").

Nordea monitors loans as described in the separate section on Risk, Liquidity and Capital management. Loans attached to individual customers or groups of customers are identified as impaired if the impairment tests indicate an objective evidence of impairment.

Also interest-bearings securities classified into the categories Loans and receivables and Held to maturity are held at amortised cost and the description below is valid also for the identification and measurement of impairment on these assets. Possible impairment losses on interest-bearing securities classified into the categories Loans and

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receivables and Held to maturity are recognised as "Impairment of securities held as non-current financial assets" in the income statement.

Impairment test of individually assessed loans
Nordea tests all loans for impairment on an individual basis. The purpose of the impairment tests is to find out if the loans have become impaired. As a first step in the identification process for impaired loans, Nordea monitors whether there are indicators of impairment (loss event) and whether these loss events represent objective evidence of impairment. More information on the identification of loss events can be found in the Risk, Liquidity and Capital management section.

Loans that are not individually impaired will be transferred to a group of loans with similar risk characteristics for a collective impairment test.

Impairment test of collectively assessed loans
Loans not impaired on an individual basis are collectively tested for impairment.

These loans are grouped on the basis of similar credit risk characteristics that are indicative of the debtors´ ability to pay all amounts due according to the contractual terms. Nordea monitors its portfolio through rating migrations, the credit decision and annual review process supplemented by quarterly risk reviews. Through these processes Nordea identifies loss events indicating incurred losses in a group. A loss event is an event resulting in a deterioration of the expected future cash flows. Only loss events incurred up to the reporting date are included when performing the assessment of the group.

The objective for the group assessment process is to evaluate if there is a need to make a provision due to the fact that a loss event has occurred, which has not yet been identified on an individual basis. This period between the date when the loss event occurred and the date when it is identified on an individual basis is called "Emergence period". The impairment remains related to the group of loans until the losses have been identified on an individual basis. The identification of the loss is made through a default of the engagement or by other indicators.

For corporate customers and bank counterparts, Nordea uses the existing rating system as a basis when assessing the credit risk. Nordea uses historical data on probability of default to estimate the risk for a default in a rating class. These loans are rated and grouped mostly based on type of industry and/or sensitivity to certain macro parameters, e.g. dependency to oil prices etc.

Personal customers and small corporate customers are monitored through scoring models. These are based mostly on historical data, as default rates and loss rates given a default, and experienced judgement performed by management. Rating and scoring models are described in more detail in the separate section on Risk, Liquidity and Capital management.

The collective assessment is performed through a netting principle, i.e. when rated engagements are up-rated due to estimated increases in cash flows, this improvement will be netted against losses on loans that are downrated due to estimated decreases in cash-flows. Netting is only performed within groups with similar risk characteristics where Nordea assesses that the customers' future cash flows are insufficient to serve the loans in full.

Impairment loss
If the carrying amount of the loans is higher than the sum of the net present value of estimated cash flows (discounted with the original effective interest rate), including the fair value of the collaterals and other credit enhancements, the difference is the impairment loss.

For significant loans that have been individually identified as impaired the measurement of the impairment loss is made on an individual basis.

For insignificant loans that have been individually identified as impaired and for loans not identified as impaired on an individual basis the measurement of the impairment loss is measured using a portfolio based expectation of the future cash flows.

If the impairment loss is not regarded as final, the impairment loss is accounted for on an allowance account representing the accumulated impairment losses. Changes in the credit risk and accumulated impairment losses are accounted for as changes in the allowance account and as "Net loan losses" in the income statement (see also section 6 "Recognition of operating income and impairment").

If the impairment loss is regarded as final, it is reported as a realised loss and the value of the loan and the related allowance for impairment loss are derecognised. An impairment loss is regarded as final when the obligor is filed for bankruptcy and the administrator has declared the economic outcome of the bankruptcy procedure, or when Nordea forgives its claims either through a legal based or voluntary reconstruction or when Nordea, for other reasons, deem it unlikely that the claim will be recovered.

Discount rate
The discount rate used to measure impairment is the original effective interest rate for loans attached to an individual customer or, if applicable, to a group of loans. If considered appropriate, the discount rate can be based on a method that results in an impairment that is a reasonable approximation of using the effective interest rate method as basis for the calculation.

Restructured loans
In this context a restructured loan is defined as a loan where Nordea has granted concessions to the obligor due to its deteriorated financial situation and where this concession has resulted in an impairment loss for Nordea. After a reconstruction the loan is normally regarded as not impaired if it performs according to the new conditions. Concessions made in reconstructions are regarded as loan losses unless Nordea retains the possibility to regain the loan losses incurred. In the event of a recovery the payment is reported as a recovery of loan losses.

Assets taken over for protection of claims
In a financial reconstruction the creditor may concede loans to the obligor and in exchange for this concession acquire an asset pledged for the conceded loans, shares issued by the obligor or other assets. Assets taken over for protection of claims are reported on the same balance sheet line as similar assets already held by Nordea. For

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example a property taken over, not held for Nordea's own use, is reported together with other investment properties.

At initial recognition, all assets taken over for protection of claims are recognised at fair value and the possible difference between the carrying amount of the loan and the fair value of the assets taken over is recognised as "Net loan losses". The fair value of the asset on the date of recognition becomes its cost or amortised cost value, as applicable. In subsequent periods, assets taken over for protection of claims are valued in accordance with the valuation principles for the appropriate type of asset. Investment properties are then measured at fair value. Financial assets that are foreclosed are generally classified into the categories Available for sale or Designated at fair value through profit or loss (fair value option) (see section 13 "Financial instruments") and measured at fair value. Changes in fair values are recognised in other comprehensive income for assets classified into the category Available for sale. For assets classified into the category Designated at fair value through profit or loss, changes in fair value are recognised in the income statement under the line "Net result from items at fair value".

Any change in value, after the initial recognition of the asset taken over, is presented in the income statement in line with the Group's presentation policies for the appropriate asset. "Net loan losses" in the income statement is, after the initial recognition of the asset taken over, consequently not affected by any subsequent remeasurement of the asset.

15. Leasing

Nordea as lessor

Finance leases

Nordea's leasing operations mainly comprise finance leases. A finance lease is reported as a receivable from the lessee in the balance sheet item "Loans to the public" at an amount equal to the net investment in the lease. The lease payment, excluding cost of services, is recorded as repayment of principal and interest income. The income allocation is based on a pattern reflecting a constant periodic return on the net investment outstanding in respect of the finance lease.

Operating leases

Assets subject to operating leases on the balance sheet are reported in accordance with the nature of the assets, in general as properties and equipment. Leasing income is recognised as income on a straight-line basis over the lease term and classified as "Net interest income". The depreciation of the leased assets is calculated on the basis of Nordea's depreciation policy for similar assets and reported as "Depreciation, amortisation and impairment charges of tangible and intangible assets" in the income statement.

Nordea as lessee

Finance leases

Finance leases are recognised as assets and liabilities on the balance sheet at the amount equal to the fair value, or if lower, the present value of the minimum lease payments of the leased assets at the inception of the lease. The assets are reported in accordance with the nature of the assets. Lease payments are apportioned between finance charge and reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. A finance lease also gives rise to a depreciation expense for the leased asset. The depreciation policy is consistent with that of the assets in own use. Impairment testing of leased assets is performed following the same principles as for similar owned assets.

Operating leases

Operating leases are not recognised on Nordea's balance sheet. For operating leases the lease payments are recognised as expenses in the income statement on a straight-line basis over the lease term unless another systematic way better reflects the time pattern of Nordea's benefit. The original lease terms normally range between 3 to 25 years.

Operating leasing is mainly related to office premises contracts and office equipment contracts normal to the business.

The central district properties in Finland, Norway and Sweden that Nordea has divested are leased back. The duration of the lease agreements was initially 3–25 years with renewal options. The lease agreements include no transfers of ownerships of the asset by the end of the lease term, nor any economic benefits from appreciation in value of the leased properties. In addition, the lease term is not for the major part of the assets' economic life. These leases are thus classified as operating leases. The rental expense for these premises is recognised on the basis of the time-pattern of Nordea's economic benefit which differs from the straight-line basis and better resembles an ordinary rental arrangement.

Embedded leases

Agreements can contain a right to use an asset in return for a payment, or a series of payments, although the agreement is not in the legal form of a leasing contract. If applicable, these assets are separated from the contract and accounted for as leased assets.

16. Intangible assets

Intangible assets are identifiable, non-monetary assets without physical substance. The assets are under Nordea's control, which means that Nordea has the power and rights to obtain the future economic benefits flowing from the underlying resource. The intangible assets in Nordea mainly consist of goodwill, IT-development/computer software and customer related intangible assets.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of Nordea's share of net identifiable assets of the acquired group undertaking/associated undertaking at the date of acquisition. Goodwill on acquisition of group undertakings is included in "Intangible assets". Goodwill on acquisitions of associates is not recognised as a separate asset, but included in "Investments in associated undertakings". Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Impairment losses on goodwill cannot be reversed in subsequent periods. Goodwill related to associated undertakings is not tested for impairment separately, but included in the total carrying amount of the associated undertak-

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ings. The policies covering impairment testing of associated undertakings is disclosed in section 6 "Recognition of operating income and impairment".

IT-development/Computer software
Costs associated with maintaining computer software programs are expensed as incurred. Costs directly associated with major software development investments, with the ability to generate future economic benefits, are recognised as intangible assets. These costs include software development staff costs and overhead expenditures directly attributable to preparing the asset for use. Computer software includes also acquired software licenses not related to the function of a tangible asset.

Amortisation is calculated on a straight-line basis over the useful life of the software, generally a period of 3 to 10 years.

Customer related intangible assets
In business combinations a portion of the purchase price is normally allocated to a customer related intangible asset, if the asset is identifiable and under Nordea's control. An intangible asset is identifiable if it arises from contractual or legal rights, or could be separated from the entity and sold, transferred, licenced, rented or exchanged. The asset is amortised over its useful life, generally over 10 years.

Impairment
Goodwill is not amortised but tested for impairment annually irrespective of any indications of impairment. Impairment testing is also performed more frequently if required due to any indication of impairment. The impairment charge is calculated as the difference between the carrying amount and the recoverable amount.

At each balance sheet date, all intangible assets with definite useful lives are reviewed for indications of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the intangible asset is fully recoverable.

The recoverable amount is the higher of fair value less costs to sell and the value in use of the asset or the cash-generating unit, which is defined as the smallest identifiable group of assets that generates largely independent cash flows in relation to other assets. For goodwill, the cash generating units are defined as the operating segments. The value in use is the present value of the cash flows expected to be realised from the asset or the cash-generating unit. The cash flows are assessed based on the asset or cash-generating unit in its current condition and discounted at a rate based on the long-term risk free interest rate plus a risk premium (post tax). If the recoverable amount is less than the carrying amount, an impairment loss is recognised. See Note G20 "Intangible assets" for more information on the impairment testing.

17. Properties and equipment
Properties and equipment includes own-used properties, leasehold improvements, IT equipment, furniture and other equipment. Items of properties and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of properties and equipment comprise its purchase price, as well as any directly attributable costs of bringing the asset to the working condition for its intended use. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items.

Properties and equipment is depreciated on a straight-line basis over the estimated useful life of the assets. The estimates of the useful life of different assets are reassessed on a yearly basis. Below follows the current estimates:

Buildings	30–75 years
Equipment	3–5 years
Leasehold improvements	Changes within buildings the shorter of 10 years and the remaining leasing term. New construction the shorter of the principles used for owned buildings and the remaining leasing term. Fixtures installed in leased properties are depreciated over the shorter of 10–20 years and the remaining leasing term.

At each balance sheet date, Nordea assesses whether there is any indication that an item of property and equipment may be impaired. If any such indication exists, the recoverable amount of the asset is estimated and any impairment loss is recognised.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

18. Investment properties
Investment properties are primarily properties held to earn rent and/or capital appreciation. The majority of the properties in Nordea are attributable to Nordea Life & Pensions. Nordea applies the fair value model for subsequent measurement of investment properties. The best evidence of a fair value is normally given by quoted prices in an active market for similar properties in the same location and condition. As these prices are rarely available discounted cash flow projection models based on reliable estimates of future cash flows are also used.

Net rental income, gains and losses as well as fair value adjustments are recognised directly in the income statement as "Net result from items at fair value".

19. Liabilities to policyholders
Liabilities to policyholders include obligations according to insurance contracts and investment contracts with policyholders.

An insurance contract is defined as "a contract under which one party (the insurer) accepts significant insurance risks from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder".

Investment contracts are contracts with policyholders that have the legal form of insurance contracts but where

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the insurance risk transfer has been assessed to be insignificant.

The insurance risk is generally calculated as the risk sum payable as a percentage of the reserve behind the contract at the beginning of the contract period. It is Nordea's assessment that a risk percentage of five or higher is a significant insurance risk.

The contracts can be divided into the following classes:

- Insurance contracts:
  – Traditional life insurance contracts with and without discretionary participation feature
  – Unit-Linked contracts with significant insurance risk
  – Health and personal accident
- Investment contracts:
  – Investment contracts with discretionary participation feature
  – Investment contracts without discretionary participation feature

Insurance contracts

The measurement principles under local GAAP have been maintained consequently resulting in a non-uniform accounting policies method on consolidation.

Traditional life insurance provisions represent consolidated provisions for all the companies in Nordea Life & Pensions, including companies in Sweden, Norway, Finland, Denmark, Poland, Luxembourg, Isle of Man, Estonia and Lithuania.

In Denmark, Sweden and Finland the measurements are prepared by calculating the present value of future benefits, to which the policyholders are entitled. The calculation includes assumptions about market consistent discounting rates as well as expenses and life risk. The discount rate is based on the liabilities' current term. In Denmark, the provision, in addition, includes bonus potential on paid policies and on future premiums.

In Norway the provisions are mainly calculated on the basis of a prospective method. The discount rate used is equal to the original tariff rates adjusted for assumptions about expenses and risk.

The accounting policy for each company is based on the local structure of the business and is closely related to solvency rules and national regulation concerning profit sharing and other requirements about collective bonus potential.

Unit-Linked contracts represent life insurance provisions relating to Unit-Linked policies written either with or without an investment guarantee. Unit-Linked contracts classified as insurance contracts include the same insurance risk elements as traditional insurance contracts. These contracts are mainly recognised and measured at fair value on the basis of:

- the fair value of the assets linked to the Unit-Linked contracts, and
- the estimated present value of the insurance risk which is calculated in the same way as traditional insurance contracts considering the impact on every risk element included in the cash flows.

Health and personal accident provisions include premium reserves and claims outstanding. This item is recognised and measured on deferred basis in the same way as general insurance contracts.

Investment contracts

Investment contracts are contracts with policyholders, which do not transfer sufficient insurance risk to be classified as insurance contracts.

However, investment contracts with discretionary participation features are, in line with IFRS 4, accounted for as insurance contracts using local accounting principles. Nordea Life & Pension has only a small number of these contracts.

Investment contracts without discretionary participation features are recognised and measured at fair value in accordance with IAS 39 "Financial Instruments: Recognition and Measurement", equal to fair value of the assets linked to these contracts. These assets are classified into the category Designated at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch.

Discretionary participating features (DPF)

Some traditional life insurance contracts and investment contracts include a contractual right for the policyholder to receive significant benefits in addition to guaranteed benefits. Nordea has discretion to pay these additional benefits as bonus on risk result, expense result and interest rate. These DPF-contracts (Collective bonus potential) are classified as liabilities on the balance sheet.

Collective bonus potential includes amounts allocated but not attributed to the policyholders. In Finland, collective bonus potential includes the policyholder's part of the total unrealised investment gains and bonus potential on paid policies and future premiums (the difference between retrospective and market consistent prospective measurement principles of the insurance contracts). In Norway, collective bonus potential includes the policyholder's part of both the total unrealised investment gains and additional reserves. In Sweden and Denmark, the main valuation principle is fair value (insurance contracts). The policyholder's part of both realised and unrealised investment gains is therefore included on the balance sheet representing either "Change in technical provisions, Life" and/or "Change in collective bonus potentials, Life", depending on whether the investment result is allocated or not. Both the mentioned lines are included on the balance sheet line "Liabilities to policyholders".

Liability adequacy test

The adequacy of insurance provisions is assessed at each reporting date to ensure that the carrying amount of the liabilities is higher than the best estimate of future cash flows discounted with current interest rates. If needed, additional provisions are accounted for and recognised in the income statement.

20. Taxes

The item "Income tax expense" in the income statement comprises current- and deferred income tax. The income tax expense is recognised in the income statement, except to the extent the tax effect relates to items recognised in other comprehensive income or directly in equity, in which case the tax effect is recognised in other comprehensive income or in equity respectively.

Current tax is the expected tax expense on the taxable income for the year, using tax rates enacted or substan-

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tively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits. Deferred tax is not recognised for temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, nor for differences relating to investments in group undertakings and associated undertakings to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, tax losses carry forward and unused tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when the legal right to offset exists and Nordea intends to either settle the tax asset and the tax liability net or to recover the asset and settle the liability simultaneously. Deferred tax assets and deferred tax liabilities are generally offset if there is a legally enforceable right to offset current tax assets and current tax liabilities.

21. Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to shareholders of Nordea Bank AB (publ) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, consisting of rights to performance shares in the long term incentive programmes.

The potential ordinary shares are only considered to be dilutive, on the balance sheet date, if all performance conditions are fulfilled and if a conversion to ordinary shares would decrease earnings per share. The rights are furthermore considered dilutive only when the exercise price, with the addition of future services, is lower than the period's average share price.

22. Employee benefits

All forms of consideration given by Nordea to its employees as compensation for services performed are employee benefits. Short-term benefits are to be settled within twelve months after the reporting period when the services have been performed. Post-employment benefits are benefits payable after the termination of the employment. Post-employment benefits in Nordea consist only of pensions. Termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy.

Short-term benefits

Short term benefits consist mainly of fixed and variable salary. Both fixed and variable salaries are expensed in the period when the employees have performed services to Nordea. Nordea has also issued share-based payment programmes, which are further described in section 25 "Share-based payment".

More information can be found in Note G7 "Staff costs".

Post-employment benefits

Pension plans

The companies within Nordea have various pension plans, consisting of both defined benefit pension plans and defined contribution pension plans, reflecting national practices and conditions in the countries where Nordea operates. Defined benefit pension plans are predominantly sponsored in Sweden, Norway and Finland. The major defined benefit pension plans are funded schemes covered by assets in pension funds/foundations. If the fair value of plan assets, associated with a specific pension plan, is lower than the gross present value of the defined benefit obligation determined using the projected unit credit method, the net amount is recognised as a liability ("Retirement benefit liabilities"). If not, the net amount is recognised as an asset ("Retirement benefit assets"). Non-funded pension plans are recognised as "Retirement benefit liabilities ".

Most pensions in Denmark, but also plans in other countries, are based on defined contribution arrangements that hold no pension liability for Nordea. All defined benefit pension plans are closed for new employees. Nordea also contributes to public pension systems.

Pension costs

Obligations for defined contribution pension plans are recognised as an expense as the employee renders services to the entity and the contribution payable in exchange for that service becomes due. Nordea's net obligation for defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned for their service in the current and prior periods. That benefit is discounted to determine its present value. Actuarial calculations including the projected unit credit method are applied to assess the present value of defined benefit obligations and related costs, based on several actuarial and financial assumptions (as disclosed in Note G32 "Retirement benefit obligations").

When establishing the present value of the obligation and the fair value of any plan assets, remeasurement effects may arise as a result of changes in actuarial assumptions and experience effects (actual outcome compared to assumptions). The remeasurement effects are recognised immediately in equity through other comprehensive income.

When the calculation results in a benefit the recognised asset is limited to the present value of any future refunds

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from the plan or reductions in future contributions to the plan.

Social security contribution is calculated and accounted for based on the net recognised surplus or deficit by plan and is included on the balance sheet as "Retirement benefit liabilities" or "Retirement benefit assets".

Discount rate in defined benefit pension plans

The discount rate is determined by reference to high quality corporate bonds, where a deep enough market for such bonds exists. Covered bonds are in this context considered to be corporate bonds. In countries where no such market exists the discount rate is determined by reference to government bond yields. In Sweden, Norway and Denmark the discount rate is determined with reference to covered bonds and in Finland with reference to corporate bonds.

Termination benefits

As mentioned above termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy. Termination benefits do not arise if the employees have to continue performing services and the termination benefits can be considered to be normal compensation for those services.

Termination benefits are expensed when Nordea has an obligation to make the payment. An obligation arises when there is a formal plan committed to on the appropriate organisational level and when Nordea is without realistic possibility of withdrawal, which normally occurs when the plan has been communicated to the group affected or to their representatives.

Termination benefits can include both short-term benefits, for instance a number of months' salary, and post-employment benefits, normally in the form of early retirement. Short-term benefits are classified as "Salaries and remuneration" and post-employment benefits as "Pension costs" in Note G7 "Staff costs".

23. Equity

Non-controlling interests

Non-controlling interests comprise the portion of net assets of group undertakings not owned directly or indirectly by Nordea Bank AB (publ).

For each business combination, Nordea measures the non-controlling interests in the acquiree either at fair value or at their proportionate share of the acquiree's identifiable net assets.

Share premium reserve

The share premium reserve consists of the difference between the subscription price and the quota value of the shares in Nordea's rights issue. Transaction costs in connection to the rights issue have been deducted.

Other reserves

Other reserves comprise income and expenses, net after tax effects, which are reported in equity through other comprehensive income. These reserves include fair value reserves for cash flow hedges, financial assets classified into the category Available for sale and accumulated remeasurements of defined benefit pension plans, as well as a reserve for translation differences.

Retained earnings

Apart from undistributed profits from previous years, retained earnings include the equity portion of untaxed reserves. Untaxed reserves according to national rules are accounted for as equity net of deferred tax at prevailing tax rates in the respective country.

In addition, Nordea's share of the earnings in associated undertakings, after the acquisition date, that have not been distributed is included in retained earnings.

Treasury shares

Treasury shares are not accounted for as assets. Acquisitions of treasury shares are classified as deductions of "Retained earnings" on the balance sheet. Also own shares in trading portfolios are classified as treasury shares. Divested treasury shares are recognised as an increase of "Retained earnings".

Contracts on Nordea shares that can be settled net in cash are either financial assets or financial liabilities.

24. Financial guarantee contracts and credit commitments

Upon initial recognition, premiums received in issued financial guarantee contracts and credit commitments are recognised as prepaid income on the balance sheet. The guarantees and irrevocable credit commitments are subsequently measured, and recognised as a provision on the balance sheet, at the higher of either the received fee less amortisation, or an amount calculated as the discounted best estimate of the expenditure required to settle the present obligation. Changes in provisions are recognised in the income statement in the item "Net loan losses".

Premiums received for financial guarantees are, as stated in section 6 "Recognition of operating income and impairment", amortised over the guarantee period and recognised as "Fee and commission income" in the income statement. Premiums received on credit commitments are generally amortised over the loan commitment period. The contractual amounts are recognised off-balance sheet, financial guarantees in the item "Contingent liabilities" and irrevocable credit commitments in the item "Credit commitments".

25. Share-based payment

Equity-settled programmes

Nordea has annually issued Long Term Incentive Programmes from 2007 through 2012. Employees participating in these programmes are granted share-based equity-settled rights, i.e. rights to receive shares for free or to acquire shares in Nordea at a significant discount compared to the share price at grant date. The value of such rights is expensed. The expense is based on the estimated fair value of each right at grant date. The total fair value of these rights is determined based on the group's estimate of the number of rights that will eventually vest, which is reassessed at each reporting date. The fair value is expensed on a straight-line basis over the vesting period. The vesting period is the period that the employees have to remain in service in Nordea in order for their rights to vest. Market performance conditions in Performance Share II are reflected as a probability adjustment to the initial estimate of fair value at grant date. There is no adjustment (true-up) for differences between estimated

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and actual vesting due to market conditions.

Social security costs are also allocated over the vesting period, in accordance with statement UFR 7 issued by the Swedish Financial Reporting Board: "IFRS 2 and social security contributions for listed enterprises". The provision for social security costs is reassessed on each reporting date to ensure that the provision is based on the rights' fair value at the reporting date.

For more information see Note G7 "Staff costs".

Cash-settled programmes

Nordea has to defer payment of variable salaries under Nordic FSA's regulations and general guidelines, as is also the case with the Executive Incentive Programme (EIP). The deferred amounts are to some extent indexed using Nordea's TSR (Total Shareholders' Return) and these "programmes" are cash-settled share-based programmes. These programmes are fully vested when the payments of variable salaries are initially deferred and the fair value of the obligation is remeasured on a continuous basis. The remeasurements are, together with the related social charges, recognised in the income statement in the item "Net result from items at fair value".

For more information see Note G7 "Staff costs".

26. Related party transactions

Nordea defines related parties as:

- Shareholders with significant influence
- Group undertakings
- Associated undertakings
- Key management personnel
- Other related parties

All transactions with related parties are made on an arm's length basis.

Shareholders with significant influence

Shareholders with significant influence are shareholders that have the power to participate in the financial and operating decisions of Nordea but do not control those policies.

Group undertakings

For the definition of group undertakings see section 5 "Principles of consolidation". Further information on the undertakings included in the Nordea Group is found in Note P21 "Investments in group undertakings".

Group internal transactions between legal entities are performed according to arm's length principles in conformity with OECD requirements on transfer pricing. These transactions are eliminated in the consolidated accounts.

Associated undertakings

For the definition of Associated undertakings see section 5 "Principles of consolidation".

Further information on the associated undertakings included in the Nordea Group is found in Note G19 "Investments in associated undertakings".

Key management personnel

Key management personnel includes the following positions:

- The Board of Directors
- The Chief Executive Officer (CEO)
- The Group Executive Management (GEM)

For information about compensation, pensions and other transactions with key management personnel, see Note G7 "Staff costs".

Other related parties

Other related parties comprise close family members to individuals in key management personnel. Other related parties also include companies significantly influenced by key management personnel in Nordea Group as well as companies significantly influenced by close family members to these key management personnel. Other related parties also include Nordea's pension foundations.

Information concerning transactions between Nordea and other related parties is found in Note G46 "Related-party transactions".

27. Exchange rates

EUR 1 = SEK	Jan–Dec 2014	Jan–Dec 2013
Income statement (average)	9.1012	8.6524
Balance sheet (at end of period)	9.3930	8.8591
EUR 1 = DKK		
Income statement (average)	7.4548	7.4579
Balance sheet (at end of period)	7.4453	7.4593
EUR 1 = NOK		
Income statement (average)	8.3597	7.8091
Balance sheet (at end of period)	9.0420	8.3630
EUR 1 = PLN		
Income statement (average)	4.1859	4.1969
Balance sheet (at end of period)	4.2732	4.1543
EUR 1 = RUB		
Income statement (average)	50.9996	42.3269
Balance sheet (at end of period)	72.3370	45.3246

G2 Segment reporting

Operating segments

Measurement of Operating segments' performance
The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision Maker (CODM), as required by IFRS 8. In Nordea the CODM has been defined as Group Executive Management. The main differences compared to the section "Business area results" in this report are that the information for CODM is prepared using plan exchange rates and to that different allocation principles between operating segments have been applied.

Basis of segmentation
Financial results are presented for the three main business areas Retail Banking, Wholesale Banking and Wealth Management, with further breakdown on operating segments, and for the operating segment Group Corporate Centre. Other operating segments below the quantitative thresholds in IFRS 8 are included in Other operating segments. Group functions and eliminations as well as the result that is not fully allocated to any of the operating segments, are shown separately as reconciling items.

There have not been any changes to the basis of segmentation compared with the Annual Report 2013.

Reportable Operating segments
Retail Banking conducts a full service banking operation and offers a wide range of products. It is Nordea's largest customer area and serves household customers and corporate customers in the Nordic markets (Retail Banking Nordic) as well as the Baltic countries (Retail Banking Baltic). Wholesale Banking provides banking and other financial solutions to large Nordic and international corporate, institutional and public companies. The division Corporate & Institutional Banking is a customer oriented organisation serving the largest globally operating corporates. This division is also responsible for Nordea's customers within the financial sector, and offers single products such as funds and equity products as well as consulting services within asset allocation and fund sales. The division Shipping, Offshore & Oil Services is responsible for Nordea's customers within the shipping, offshore and oil services industries and provides tailor made solutions and syndicated loan transactions. Nordea Bank Russia offers a full range of bank services to corporate and private customers in Russia. Capital Markets unallocated includes the result in Capital Markets which is not allocated to the main business areas. Wealth management provides high quality investment, savings and risk management products. It also manages customers' assets and gives financial advice to affluent and high net worth individuals as well as to institutional investors. The division Private Banking provides wealth planning, full-scale investment advice, credit, and estate planning services to wealthy individuals, businesses and their owners, trusts and foundations. The division Asset Management is responsible for all actively managed investment products including internally managed investment funds and mandates as well as selected externally managed funds, and for serving the institutional asset management customers. Life & Pensions serves Nordea's Retail Private Banking and corporate customers with a full range of pension, endowment and risk products as well as tailor-made advice for bank distribution. Life & Pensions unallocated includes the result in Life & Pensions which is not allocated to the main business areas. Group Corporate Centre's main objective is to manage the Group's funding and to support the management and control of the Nordea Group. The main income in Group Corporate Centre originates from Group Treasury.

Income statement 2014, EURm	Retail Banking	Wholesale Banking	Wealth Management	Group Corporate Centre	Other Operating segments	Total operating segments	Reconciliation	Total Group
Net interest income	3,839	1,153	142	279	–15	5,398	84	5,482
Net fee and commission income	1,580	632	1,170	–13	–1	3,368	–526	2,842
Net result from items at fair value	385	695	369	91	6	1,546	–121	1,425
Profit from associated undertakings accounted for under the equity method	10	—	—	0	0	10	8	18
Other income	26	4	15	12	0	57	400	457
Total operating income	**5,840**	**2,484**	**1,696**	**369**	**–10**	**10,379**	**–155**	**10,224**
– of which internal transactions[1]	–1,547	–221	16	1,694	58	0	—	—
Staff costs	–1,355	–780	–494	–276	–7	–2,912	–237	–3,149
Other expenses	–1,569	–51	–286	46	–2	–1,862	227	–1,635
Depreciation, amortisation and impairment charges of tangible and intangible assets	–100	–30	–11	–49	—	–190	–392	–582
Total operating expenses	**–3,024**	**–861**	**–791**	**–279**	**–9**	**–4,964**	**–402**	**–5,366**
Profit before loan losses	**2,816**	**1,623**	**905**	**90**	**–19**	**5,415**	**–557**	**4,858**
Net loan losses	–433	–100	–3	0	0	–536	2	–534
Operating profit	**2,383**	**1,523**	**902**	**90**	**–19**	**4,879**	**–555**	**4,324**
Income tax expense	–606	–365	–199	–19	–17	–1,206	253	–953
Net profit for the year from continuing operations	**1,777**	**1,158**	**703**	**71**	**–36**	**3,673**	**–302**	**3,371**
Balance sheet 31 Dec 2014, EURbn								
Loans to the public[2]	224	57	9	—	—	290	58	348
Deposits and borrowings from the public[2]	110	41	11	—	—	162	35	197

G2 Segment reporting, cont.

Income statement, 2013 EURm	Retail Banking	Wholesale Banking	Wealth Management	Group Corporate Centre	Other Operating segments	Total operating segments	Reconciliation	Total Group
Net interest income	3,733	1,078	121	319	40	5,291	234	5,525
Net fee and commission income	1,439	551	1,077	–9	–1	3,057	–415	2,642
Net result from items at fair value	371	918	294	82	–6	1,659	–120	1,539
Profit from associated undertakings accounted for under the equity method	12	—	—	0	0	12	67	79
Other income	63	3	22	8	–1	95	11	106
Total operating income	**5,618**	**2,550**	**1,514**	**400**	**32**	**10,114**	**–223**	**9,891**
– of which internal transactions[1]	–1,622	–283	22	1,816	67	0	—	—
Staff costs	–1,336	–765	–474	–231	–7	–2,813	–165	–2,978
Other expenses	–1,620	–76	–290	10	–2	–1,978	143	–1,835
Depreciation, amortisation and impairment charges of tangible and intangible assets	–101	–35	–19	–41	0	–196	–31	–227
Total operating expenses	**–3,057**	**–876**	**–783**	**–262**	**–9**	**–4,987**	**–53**	**–5,040**
Profit before loan losses	**2,561**	**1,674**	**731**	**138**	**23**	**5,127**	**–276**	**4,851**
Net loan losses	–493	–242	–3	0	0	–738	3	–735
Operating profit	**2,068**	**1,432**	**728**	**138**	**23**	**4,389**	**–273**	**4,116**
Income tax expense	–544	–374	–160	–31	–13	–1,122	113	–1,009
Net profit for the year from continuing operations	**1,524**	**1,058**	**568**	**107**	**10**	**3,267**	**–160**	**3,107**
Balance sheet 31 Dec 2013, EURbn								
Loans to the public[2]	217	57	9	—	—	283	59	342
Deposits and borrowings from the public[2]	107	41	11	—	—	159	42	201

1) IFRS 8 requires information on revenues from transactions between operating segments. Nordea has defined inter-segment revenues as internal interest income and expense related to the funding of the operating segments by the internal bank in Group Corporate Centre.
2) The volumes are only disclosed separate for operating segments if separately reported to the Chief Operating Decision Maker.

Break-down of Retail Banking

	Retail Banking Nordic[1]		Retail Banking Baltic[2]		Retail Banking Other[3]		Total Retail Banking	
Income statement, EURm	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	3,789	3,693	143	128	–93	–88	3,839	3,733
Net fee and commission income	1,581	1,419	39	40	–40	–20	1,580	1,439
Net result from items at fair value	398	378	–10	–3	–3	–4	385	371
Profit from associated undertakings accounted for under the equity method	6	9	0	0	4	3	10	12
Other income	1	33	3	1	22	29	26	63
Total operating income	**5,775**	**5,532**	**175**	**166**	**–110**	**–80**	**5,840**	**5,618**
– of which internal transactions	–1,335	–1,448	–41	–46	–171	–128	–1,547	–1,622
Staff costs	–961	–956	–23	–24	–371	–356	–1,355	–1,336
Other expenses	–1,885	–1,922	–62	–61	378	363	–1,569	–1,620
Depreciation, amortisation and impairment charges of tangible and intangible assets	–45	–45	–1	–1	–54	–55	–100	–101
Total operating expenses	**–2,891**	**–2,923**	**–86**	**–86**	**–47**	**–48**	**–3,024**	**–3,057**
Profit before loan losses	**2,884**	**2,609**	**89**	**80**	**–157**	**–128**	**2,816**	**2,561**
Net loan losses	–358	–443	–63	–40	–12	–10	–433	–493
Operating profit	**2,526**	**2,166**	**26**	**40**	**–169**	**–138**	**2,383**	**2,068**
Income tax expense	–626	–561	–17	–14	37	31	–606	–544
Net profit for the year from continuing operations	**1,900**	**1,605**	**9**	**26**	**–132**	**–107**	**1,777**	**1,524**
Balance sheet, EURbn								
Loans to the public	216	209	8	8	—	—	224	217
Deposits and borrowings from the public	106	104	4	3	—	—	110	107

1) Retail Banking Nordic includes banking operations in Denmark, Finland, Norway and Sweden.
2) Retail Banking Baltic includes banking operations in Estonia, Latvia and Lithuania.
3) Retail Banking Other includes the support areas Development & Projects, Distribution, Segments, Products and IT.

G2 Segment reporting, cont.

Break-down of Wholesale Banking

	Corporate & Institutional Banking		Shipping, Offshore & Oil Services		Nordea Bank Russia		Capital Markets unallocated		Wholesale Banking Other[1]		Total Wholesale Banking	
Income statement, EURm	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	688	673	263	257	280	221	–1	4	–77	–77	1,153	1,078
Net fee and commission income	572	524	68	51	13	12	–72	–88	51	52	632	551
Net result from items at fair value	265	302	34	31	9	11	350	524	37	50	695	918
Other income	0	0	0	0	1	0	3	2	0	1	4	3
Total operating income	**1,525**	**1,499**	**365**	**339**	**303**	**244**	**280**	**442**	**11**	**26**	**2,484**	**2,550**
– of which internal transactions	–146	–215	–62	–77	–32	–42	100	134	–81	–83	–221	–283
Staff costs	–46	–37	–20	–24	–68	–64	–452	–452	–194	–188	–780	–765
Other expenses	–370	–379	–42	–38	–32	–29	264	257	129	113	–51	–76
Depreciation, amortisation and impairment charges of tangible and intangible assets	0	0	0	0	–8	–6	–15	–18	–7	–11	–30	–35
Total operating expenses	**–416**	**–416**	**–62**	**–62**	**–108**	**–99**	**–203**	**–213**	**–72**	**–86**	**–861**	**–876**
Profit before loan losses	**1,109**	**1,083**	**303**	**277**	**195**	**145**	**77**	**229**	**–61**	**–60**	**1,623**	**1,674**
Net loan losses	–122	–165	37	–92	–16	7	0	0	1	8	–100	–242
Operating profit	**987**	**918**	**340**	**185**	**179**	**152**	**77**	**229**	**–60**	**–52**	**1,523**	**1,432**
Income tax expense	–249	–242	–67	–59	–46	–33	–18	–55	15	15	–365	–374
Net profit for the year from continuing operations	**738**	**676**	**273**	**126**	**133**	**119**	**59**	**174**	**–45**	**–37**	**1,158**	**1,058**
Balance sheet, EURbn												
Loans to the public	39	39	11	12	7	6	—	—	—	—	57	57
Deposits and borrowings from the public	36	36	4	4	1	1	—	—	—	—	41	41

1) Wholesale Banking Other includes the area International Units and the support areas Transaction Products, Segment CIB and IT.

Break-down of Wealth Management

	Private Banking		Asset Management		Life & Pensions unallocated		Wealth Management Other[1]		Total Wealth Management	
Income statement, EURm	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	141	120	1	1	0	0	0	0	142	121
Net fee and commission income	575	524	591	494	275	262	–271	–203	1,170	1,077
Net result from items at fair value	93	80	5	0	271	215	0	–1	369	294
Other income	5	2	2	8	8	9	0	3	15	22
Total operating income	**814**	**726**	**599**	**503**	**554**	**486**	**–271**	**–201**	**1,696**	**1,514**
– of which internal transactions	12	15	0	0	0	1	4	6	16	22
Staff costs	–173	–168	–121	–113	–124	–126	–76	–67	–494	–474
Other expenses	–231	–233	–104	–107	–78	–73	127	123	–286	–290
Depreciation, amortisation and impairment	–4	–6	–1	0	–4	–10	–2	–3	–11	–19
Total operating expenses	**–408**	**–407**	**–226**	**–220**	**–206**	**–209**	**49**	**53**	**–791**	**–783**
Profit before loan losses	**406**	**319**	**373**	**283**	**348**	**277**	**–222**	**–148**	**905**	**731**
Net loan losses	–3	–3	0	0	0	0	0	0	–3	–3
Operating profit	**403**	**316**	**373**	**283**	**348**	**277**	**–222**	**–148**	**902**	**728**
Income tax expense	–89	–70	–82	–62	–77	–61	49	33	–199	–160
Net profit for the year from continuing operations	**314**	**246**	**291**	**221**	**271**	**216**	**–173**	**–115**	**703**	**568**
Balance sheet, EURbn										
Loans to the public	9	9	—	—	—	—	—	—	9	9
Deposits and borrowings from the public	11	11	—	—	—	—	—	—	11	11

1) Wealth Management Other includes the area Savings and support areas, such as IT.

G2 Segment reporting, cont.

Reconciliation between total operating segments and financial statements

	Total operating income, EURm		Operating profit, EURm		Loans to the public, EURbn		Deposits and borrowings from the public, EURbn	
	2014	2013	2014	2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Total Operating segments	10,379	10,114	4,879	4,389	290	283	162	159
Group functions[1]	–2	3	–129	–116	—	—	—	—
Unallocated items[2]	443	224	–81	47	69	53	39	39
Eliminations	–31	–186	—	—	—	—	—	—
Differences in accounting policies[3]	–565	–264	–345	–204	–11	6	–4	3
Total	**10,224**	**9,891**	**4,324**	**4,116**	**348**	**342**	**197**	**201**

1) Consists of Group Risk Management, Group Internal Audit, Group Identity & Communications, Group Human Resources, Board of Directors and Group Executive Management.
2) Including non-recurring items 2014. Total operating income EUR 378m and Operating profit EUR –157m.
3) Impact from plan rates used in the segment reporting and from that comparative figures for lending/deposits in Banking Poland are restated in operating segments but not in financial statements.

Total operating income split on product groups, EURm	2014	2013
Banking products	6,188	6,131
Capital Markets products	1,968	2,193
Savings products & Asset management	1,038	875
Life & Pensions	553	476
Other	477	216
Total	**10,224**	**9,891**

Banking products consists of three different product types. Account products includes account based products such as lending, deposits, cards and Netbank services. Transaction products consist of cash management as well as trade and project finance services. Financing products includes asset based financing through leasing, hire purchase and factoring as well as sales to finance partners such as dealers, vendors and retailers.

Capital Markets products contains financial instruments, or arrangements for financial instruments, that are available in the financial marketplace, including currencies, commodities, stocks and bonds.

Savings products & Asset management includes Investment funds, Discretionary Management, Portfolio Advice, Equity Trading and Pension Accounts. Investment Funds is a bundled product where the fund company invest in stocks, bonds, derivatives or other standardised products on behalf of the fund's shareholders. Discretionary Management is a service providing the management of an investment portfolio on behalf of the customer and Portfolio Advise is a service provided to support the customers' investment decisions.

Life & Pensions includes life insurance and pension products and services.

Geographical information

	Total operating income, EURm		Assets, EURbn	
	2014	2013	31 Dec 2014	31 Dec 2013
Sweden	2,421	2,125	162	147
Finland	1,831	1,604	83	72
Norway	1,772	1,993	85	82
Denmark	3,183	3,218	277	242
Baltic countries	203	178	22	10
Russia	203	193	6	5
Other	611	580	34	72
Total	**10,224**	**9,891**	**669**	**630**

Nordea's main geographical markets comprise the Nordic countries, the Baltic countries and Russia. Revenues and assets are distributed to geographical areas based on the location of the customers' operations. Goodwill is allocated to different countries based on the location of the business activities of the acquired entities.

G3 Net interest income

EURm	2014	2013
Interest income		
Loans to credit institutions	52	60
Loans to the public	8,555	9,102
Interest-bearing securities	728	751
Other interest income	660	691
Interest income[1]	**9,995**	**10,604**

1) Of which contingent leasing income amounts to EUR 116m (EUR 114m). Contingent leasing income in Nordea consists of variable interest rates, excluding the fixed margin. If the contingent leasing income decreases there will be an offsetting impact from lower funding expenses.

G3 Net interest income, cont.

EURm	2014	2013
Interest expense		
Deposits by credit institutions	–103	–122
Deposits and borrowings from the public	–1,145	–1,439
Debt securities in issue	–3,545	–3,705
Subordinated liabilities	–331	–340
Other interest expenses[1]	611	527
Interest expense	**–4,513**	**–5,079**
Net interest income	**5,482**	**5,525**

1) The net interest income from derivatives, measured at fair value, related to Nordea´s funding. This can have both a positive and negative impact on other interest expense, for further information see Note G1.

Interest income from financial instruments not measured at fair value through profit or loss amounts to EUR 7,725m (EUR 8,347m). Interest expenses from financial instruments not measured at fair value through profit or loss amounts to EUR –3,925m (EUR –4,376m).

Interest on impaired loans amounted to an insignificant portion of interest income.

G4 Net fee and commission income

EURm	2014	2013
Asset management commissions	1,189	1,000
Life insurance	367	350
Brokerage, securities issues and corporate finance	281	296
Custody and issuers services	128	124
Deposits	39	50
Total savings and investments	**2,004**	**1,820**
Payments	406	417
Cards	529	508
Total payments and cards	**935**	**925**
Lending	541	510
Guarantees and documentary payment	181	187
Total lending related commissions	**722**	**697**
Other commission income	138	132
Fee and commission income	**3,799**	**3,574**
Savings and investments	–363	–322
Payments	–85	–90
Cards	–253	–259
State guarantee fees	–132	–132
Other commission expenses	–124	–129
Fee and commission expense	**–957**	**–932**
Net fee and commission income	**2,842**	**2,642**

Fee income, not included in determining the effective interest rate, from financial assets and liabilities not measured at fair value through profit or loss amounts to EUR 557m (EUR 543m).

Fee income, not included in determining the effective interest rate, from fiduciary activities that result in the holding or investing of assets on behalf of customers amounts to EUR 1,837m (EUR 1,646m). The corresponding amounts for fee expenses is EUR –96m (EUR –72m).

G5 Net result from items at fair value

EURm	2014	2013
Shares/participations and other share-related instruments	2,829	2,630
Interest-bearing securities and other interest-related instruments	3,119	238
Other financial instruments	409	90
Foreign exchange gains/losses	–564	876
Investment properties	246	145
Change in technical provisions, Life insurance[1]	–3,835	–1,519
Change in collective bonus potential, Life insurance	–871	–978
Insurance risk income, Life insurance	212	202
Insurance risk expense, Life insurance	–120	–145
Total	**1,425**	**1,539**

Net result from categories of financial instruments[2]

EURm	2014	2013
Available for sale assets, realised	1	–6
Financial instruments designated at fair value through profit or loss	184	40
Financial instruments held for trading[3]	1,522	318
Financial instruments under fair value hedge accounting	33	73
– of which net gains/losses on hedging instruments	1,248	–1,404
– of which net gains/losses on hedged items	–1,215	1,477
Financial assets measured at amortised cost[4]	49	13
Financial liabilities measured at amortised cost	–28	–26
Foreign exchange gains/losses excluding currency hedges	–588	914
Other	–20	–5
Financial risk income, net Life insurance[1]	180	161
Insurance risk income, net Life insurance	92	57
Total	**1,425**	**1,539**

1) Premium income amounts to EUR 2,270m (EUR 2,278m).
2) The figures disclosed for Life (financial risk income and insurance risk income) are disclosed on gross basis, i.e. before eliminations of intra-group transactions.
3) Of which amortised deferred day one profits amounts to EUR 11m (EUR 12m).
4) Of which EUR 49m (EUR 13m) related to instruments classified into the category "Loans and receivables" and EUR 0m (EUR 0m) related to instruments classified into the category "Held to maturity".

G6 Other operating income

EURm	2014	2013
Divestment of shares[1]	378	1
Income from real estate	9	5
Sale of tangible assets	12	18
Other	58	82
Total	**457**	**106**

1) Gain from divestment of Nets Holding A/S amounts to EUR 378m.

G7 Staff costs

EURm	2014	2013
Salaries and remuneration (specification below)[1]	–2,366	–2,287
Pension costs (specification below)	–289	–222
Social security contributions	–427	–387
Other staff costs	–67	–82
Total[2]	**–3,149**	**–2,978**
Salaries and remuneration		
To executives[3]		
– Fixed compensation and benefits	–16	–18
– Performance-related compensation	–12	–12
– Allocation to profit-sharing	0	0
Total	**–28**	**–30**
To other employees	–2,338	–2,257
Total	**–2,366**	**–2,287**

1) Of which allocation to profit-sharing 2014 EUR 80m (EUR 45m) consisting of a new allocation of EUR 76m (EUR 46m) and an adjustment related to prior years of EUR 4m (EUR –1m).
2) Of which EUR 103m in salaries and EUR 44m in pension costs, including social security contributions, regards termination benefits in connection to the cost efficiency programme launched in the second quarter.
3) Executives include the Board of Directors (including deputies), CEO, deputy CEO, executive vice presidents and Group Executive Management in the parent company as well as the Board of Directors (including deputies), managing directors and executive vice presidents in operating group undertakings. Former board members (including deputies), CEOs, deputy CEOs, managing directors and executive vice presidents, in the parent company and operating group undertakings, are included. Executives amount to 182 (181) individuals.

EURm	2014	2013
Pension costs[1]		
Defined benefits plans (Note G32)[2]	–80	–50
Defined contribution plans	–209	–172
Total	**–289**	**–222**

1) Pension cost for executives as defined in footnote 3 above, amounts to EUR 5m (EUR 5m) and pension obligations to EUR 39m (EUR 45m).
2) Excluding social security contributions. Including social security contributions EUR 99m (EUR 61m).

Additional disclosures on remuneration under Nordic FSAs' regulations and general guidelines

The qualitative disclosures under these regulations can be found in the separate section on remuneration in the Board of Directors' Report, while the quantitative disclosures will be published in a separate report on Nordea's homepage (www.nordea.com) no later than one week before the Annual General Meeting on 19 March 2015.

Remuneration to the Board of Directors, CEO and Group Executive Management

Board remuneration

The Annual General Meeting (AGM) 2014 decided to increase the remuneration to the Board of Directors (the Board) by 3% for all members, apart from the remuneration to the vice chairman which was raised by 14%. The remuneration was EUR 259,550 for the chairman, EUR 123,250 for the vice chairman and EUR 80,250 for other members. The annual remuneration for committee work was EUR 21,350 for the chairman of the committee and EUR 15,150 for other members. Board members employed by Nordea do not receive separate remuneration for their Board membership. There are no commitments for severance pay, pension or other remuneration to the members of the Board, except for pension commitments to one Board member previously employed by Nordea.

Remuneration to the Board of Directors [1]

EUR	2014	2013
Chairman of the Board:		
Björn Wahlroos	273,160	267,264
Vice Chairman of the Board:		
Marie Ehrling	140,996	125,765
Other Board members[2]:		
Stine Bosse[3]	—	21,655
Peter F Braunwalder[4]	22,435	91,945
Elisabeth Grieg	94,862	70,291
Svein Jacobsen[5]	57,767	97,445
Tom Knutzen	97,502	91,945
Robin Lawther[6]	72,426	—
Lars G Nordström	94,862	91,945
Sarah Russell	94,862	91,945
Kari Stadigh	101,035	97,445
Total	**1,049,907**	**1,047,645**

1) The Board remuneration consists of a fixed annual fee and a fixed annual fee for committee work. These are paid out on a quarterly basis in SEK and translated into EUR based on the average exchange rate each year for accounting purposes. Exhange rate effects have had a decreasing impact on the remuneration to the Board.
2) Employee representatives excluded.
3) Resigned as member of the Board as from the AGM 2013.
4) Resigned as member of the Board as from the AGM 2014.
5) Resigned as member of the Board as from 31 July 2014.
6) New member of the Board as from the AGM 2014.

Salary and benefits

Chief Executive Officer (CEO)

For 2014 the remuneration to the CEO consists of three components: Fixed salary, GEM Executive Incentive Program (GEM EIP) and benefits.

The fixed salary amounted to SEK 11,252,193 (EUR 1,236,337), an increase with 2.0% compared to 2013 as announced at the AGM 2014.

GEM EIP 2014 is based on agreed, specific targets and can amount to a maximum of 100% of the fixed salary. For 2014 the outcome of the GEM EIP amounted to EUR 1,084,267, and the outcome in 2013 was EUR 831,280. The reason behind the increase in 2014 is a higher outcome on the targets on Group level.

In accordance with remuneration regulations from the Swedish FSA 40% of GEM EIP 2014 will be paid out in 2015, 30% will be deferred to 2018 and 30% to 2020.

The benefits for 2014 amounted to EUR 78,342 and include primarily car and housing. For 2013 the benefits amounted to EUR 81,645.

The total earned remuneration for 2014 based on the three components amounted to EUR 2,398,946 and in 2013 to EUR 2,187,895.

The CEO took part in the previous share-based Long Term Incentive Programmes (LTIP) that was terminated in 2012. The expense from the LTIP programmes is accounted for over three years starting in the year in which they were part of the total remuneration (the year of issuance). The expense 2014 thus includes expense from LTIP 2011 and LTIP 2012 and the expense for 2013 includes expense from LTIP 2010, LTIP 2011 and LTIP 2012.

For 2014 the expense for the CEO related to the LTIP programmes amounted to EUR 398,081, and for 2013 the expense amounted to EUR 349,817.

For more information on the LTIP programmes see the separate section on remuneration in the Board of Directors' report and below.

G7 Staff costs, cont.

Remuneration to the Chief Executive Officer and Group Executive Management [1]

	Fixed salary		GEM Executive Incentive Programme[2]		Benefits		**Total remuneration**	
EUR	2014	2013	2014	2013	2014	2013	**2014**	**2013**
Chief Executive Officer (CEO):								
Christian Clausen[3]	1,236,337	1,274,970	1,084,267	831,280	78,342	81,645	**2,398,946**	**2,187,895**
Group Executive Management (GEM):								
6 (6) individuals excluding CEO[4]	4,359,064	4,450,178	3,912,561	2,748,761	267,992	290,739	**8,539,617**	**7,489,678**
Total	**5,595,401**	**5,725,148**	**4,996,828**	**3,580,041**	**346,334**	**372,384**	**10,938,563**	**9,677,573**

1) The CEO and members of GEM were until 2012 offered a Variable Salary Part (VSP) and a share-based Long Term Incentive Programme (LTIP). Instead of these two programmes the Board in 2013 decided, in order to reduce complexity, to offer a GEM Executive Incentive Programme (GEM EIP).
2) The outcome from GEM Executive Incentive Programme (GEM EIP) 2014 has been expensed in full in 2014 but will be paid out over a five year deferral period with forfeiture clauses in order to comply with the remuneration regulations from the Swedish FSA. The reason behind the increase in 2014 is a higher outcome on the targets on Group level. The GEM EIP is indexed with Nordea's total shareholder return (TSR) during the deferral period. The GEM EIP is further described in the separate section on remuneration in the Board of Directors' report and below.
3) The CEO's salary is paid in SEK and converted to EUR based on the average exchange rate each year. The fixed salary increased with 2% to SEK 11,252,193 (EUR 1,236,337) as communicated at the AGM 2014. The decrease in fixed salary 2014 expressed in EUR is due to exchange rates effects. Benefits are included at taxable values.
4) GEM members are included for the period they have been appointed. Benefits are included at taxable values. One new GEM member was appointed in June 2014 and one member resigned in June 2014. The reasons behind the increase in GEM EIP 2014 are a higher outcome on the targets on Group level and that GEM only had five members part of 2013. Termination benefits amounted to EUR 1.6m (EUR 1.5m) and are excluded from the table above.

Long Term Incentive Programmes (LTIP) 2010–2012

	Expense[1] (EUR)		Number of outstanding shares[2]			
	2014	2013	LTIP 2012[3]	LTIP 2011[4]	LTIP 2010[4]	**Total**
Chief Executive Officer (CEO):						
Christian Clausen	398,081	349,817	150,025	45,311	13,536	**208,872**
Group Executive Management (GEM):						
6 (6) Individuals excluding CEO	1,062,253	1,021,443	371,185	118,392	38,774	**528,351**
Total	**1,460,334**	**1,371,260**	**521,210**	**163,703**	**52,310**	**737,223**

1) The expense from the LTIP programmes is recognised as the vesting requirements are fulfilled over the three years vesting period starting the year of issuance. The expense 2013 includes expense from LTIP 2010, LTIP 2011 and LTIP 2012. The expense 2014 includes expense from LTIP 2011 and LTIP 2012. LTIP 2012 will be fully expensed in May 2015. The main reason behind the increase 2014 is that the expectation on the outcome from the vesting requirements in LTIP 2012 has changed. GEM members are included for the period they have been appointed and the expense is calculated in accordance with IFRS 2 "Share-based Payment".
2) 60% of the vested shares are deferred with forfeiture clauses due to remuneration regulations from the Swedish FSA and allotted over a five year period, for LTIP 2010 starting May 2013, for LTIP 2011 starting May 2014 and for LTIP 2012 starting May 2015. See also the separate Remuneration section on page 55 and below for more details.
3) The CEO and members of GEM have a conditional right to a maximum 104,242 matching shares, 312,726 performance shares I and 104,242 performance shares II in LTIP 2012, in total 521,210 shares. The value of the outcome from LTIP 2012 on the day of allotment in May 2015 cannot exceed the annual fixed salary year end 2011.
4) Shares in LTIP 2010 and LTIP 2011 are fully vested and consequently not conditional.

The total expense related to the remuneration of the CEO in 2014, including the three components of the remuneration earned in 2014 and the LTIP programmes that were part of the remuneration for previous years, amounted to EUR 2,797,027. For 2013 the total expense was EUR 2,537,712.

In accordance with the remuneration regulation from the Swedish FSA, the variable salary components and outcome from LTIPs are deferred and paid out over a period of five years. The below table specifies the paid fixed and variable salary (GEM EIP and VSP), benefits given and shares allotted in the Long Term Incentive Programmes (LTIP) to the CEO in 2014 and 2013.

Paid salary, benefits given and shares allotted to the CEO

EUR	2014	2013
Fixed salary	1,236,337	1,274,970
Benefits	78,342	81,645
VSP/GEM EIP (earned previous years)[1]	444,116	215,744
LTIP (earned previous years)[2]	325,548	91,008
Total	**2,084,343**	**1,663,367**

1) Payment in 2014 relate to 40% of outcome from GEM EIP 2013 and deferrals from VSP 2012 and VSP 2011. Payment in 2013 relates to 40% of outcome from VSP 2012 and deferral from VSP 2011.
2) Taxable benefit in 2014 relates to allotment of 33,592 shares from LTIP 2011 and LTIP 2010. Taxable benefit in 2013 relates to allotment of 11,280 shares from LTIP 2010.

The fixed salary, GEM Executive Incentive Programme and contract terms for the CEO are proposed by the Board Remuneration Committee (BRC) and approved by the Board in accordance with Nordea's remuneration guidelines approved by AGM 2014.

Group Executive Management (GEM)
The BRC prepares alterations in salary levels and outcome of GEM EIP as well as other changes in the remuneration package for members of GEM, for resolution by the Board. GEM EIP 2014, which is based on agreed, specific targets, can be a maximum of 100% of the fixed salary.

Benefits include primarily car and/or housing. As for the CEO, GEM members took part of the previous LTIPs.

Pension
Chief Executive Officer (CEO)
The CEO is covered by a defined benefit plan up to the age of 60. The pension amounts to 50% of the pensionable income, defined as the fixed salary, for life. The maximum pensionable income is 200 Swedish Income Base Amounts. The pension obligation is funded by plan assets. At age 60 the pension risk is transferred to the CEO. Pension payments are to be made in accordance with local legislations and pension insurance conditions and start no earlier than at retirement. From age 60 the CEO will have a defined contribution plan. The pension contribution is 30% of the fixed salary.

G7 Staff costs, cont.

Group Executive Management (GEM)
The pension agreements vary due to local country practices. GEM members are entitled to retire with pension at the age of 62, 65 or 70. Pension agreements are defined benefit plans, defined contribution plans or a combination of such plans.

Two members have defined benefit plans not based on collective agreements. One of these defined benefit plans provides retirement pension amounting to 50% of pensionable income for life from age 62, including national pension benefits. The second defined benefit plan not based on a collective agreement provides a retirement pension, including both national pension benefits and previously earned pension. The retirement pension benefit in this plan decreased from 70% to 66% of pensionable income for future earnings as from 1 January 2011. The second defined benefit plan will be closed by end of March 2015 and substituted by a defined contribution plan. Two members have pensions in accordance with the Swedish collective agreement, one in BTP1 (defined contribution plan) and one in BTP2 (defined benefit plan), with complementing defined contribution plans on top of the collective agreement. Finally two members have defined contribution plans. Fixed salary is pensionable income for all GEM-members. Part of GEM EIP is included in the pensionable income for one member.

Pension expense and pension obligation

	2014		2013	
EUR	Pension expense[1]	Pension obligation[2]	Pension expense[1]	Pension obligation[2]
Board members[3]:				
Lars G Nordström	—	367,851	—	363,280
Chief executive officer (CEO):				
Christian Clausen[4]	760,804	15,341,148	807,988	12,440,440
Group Executive Management (GEM):				
6 (6) individuals excluding CEO[5]	2,122,898	8,585,591	1,799,215	5,502,372
Former Chairman of the Board and CEOs:				
Vesa Vainio and Thorleif Krarup[6]	–339,377	5,773,806	—	16,916,203
Total	**2,544,325**	**30,068,396**	**2,607,203**	**35,222,295**

1) The pension expense is related to pension premiums paid in defined contribution agreements and pension rights earned during the year in defined benefit agreements (Current service cost and Past service cost and settlements as defined in IAS 19). Of the total pension expense EUR 945,583 (EUR 853,782) relates to defined contribution agreements.
2) The pension obligation is calculated in accordance with IAS 19. The obligation is dependent on changes in actuarial assumptions and inter annual variations can therefore be significant. IAS 19 includes an assumption about future increases in salary, which leads to that the pension obligations disclosed are the earned pension rights calculated using the expected salary levels at retirement. The pension plans are funded, meaning that these obligations are backed with plan assets with fair value generally on a similar level as the obligations.
3) Employee representatives excluded. The pension obligation is in accordance with the collective pension agreement BTP2 and earned during the employment period.
4) The CEO's pension agreement is unchanged. The main reasons behind the increase in pension obligation are changes in discount rates and new pension rights earned in 2014. Exchange rate effects have had a decreasing impact on both the pension expense and the pension obligation.
5) Members of GEM included for the period they are appointed. The pension obligation is the obligation towards the members of GEM as of 31 December. The main reasons behind the increase in pension obligation are changes in discount rates and new pension rights earned in 2014. The main reasons behind the increase in pension expense are that six members have been included for the whole year and changes in accumulated paid up policies. Exchange rate effects have had a decreasing impact on both the pension expense and the pension obligation. Termination benefits amounted to EUR 0.2m (EUR 0.4m) and are excluded from the table above.
6) The pension obligation for Vesa Vainio and Thorleif Krarup is mainly due to pension rights earned in, and funded by, banks forming Nordea. The decrease in the pension obligation is mainly due to that the pension obligation/pension risk was transferred to Thorleif Krarup end of August 2014 and the pension obligation for Thorleif Krarup is hence accounted for as settled. The settlement led to a gain of EUR 339,377.

Notice period and severance pay
In accordance with their employment contracts CEO and four GEM members have a notice period of 12 months and a severance pay equal to 12 months' salary to be reduced by the salary the executive receives as a result of any other employment during these 12 months. The CEO is not entitled to severance pay if leaving Nordea after the age of 60.

Two GEM members are entitled to 6 months' salary during the notice period, and with regard to severance pay 18 months' salary to be reduced by the salary they receive as a result of any other employment during these 18 months.

Loans to key management personnel
Loans to key management personnel, as defined in Note G1 section 26, amount to EUR 3m (EUR 3m). Interest income on these loans amounts to EUR 0m (EUR 0m).

For key management personnel who are employed by Nordea the same credit terms apply as for other employees, except for key management personnel in Denmark whose loans are granted on terms based on market conditions. In Norway the employee interest rate for loans is variable and was at 31 December 2014 2.8% for loans up to NOK 5m and 3.15% for loans above NOK 5m. In Finland the employee interest rate for loans corresponds to Nordea's funding cost with a margin of 40 basis points up to EUR 0.4m, and 60 basis points on the part that exceeds EUR 0.4m. In Sweden the employee interest rate on fixed- and variable interest rate loans is 215 basis points lower than the corresponding interest rate for external customers (with a lower limit of 50 basis points, a decrease from 150 basis points as from 1 December 2014). There is currently a cap of 57 Swedish price base amounts both on fixed- and variable interest rate loans. Interest on loans above the defined caps is set on market terms. Loans to family members of key management personnel are granted on normal market terms, as well as loans to key management personnel who are not employed by Nordea.

G7 Staff costs, cont.

Long Term Incentive Programmes

	2014			2013		
Conditional rights LTIP 2012	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of the year	1,260,752	3,164,297	1,260,752	1,264,437	3,176,540	1,264,437
Granted[1]	54,976	137,708	54,976	46,646	117,074	46,646
Forfeited	–61,428	–160,112	–61,428	–50,331	–129,317	–50,331
Outstanding at end of year	**1,254,300**	**3,141,893**	**1,254,300**	**1,260,752**	**3,164,297**	**1,260,752**
– of which currently exercisable	—	—	—	—	—	—
Rights LTIP 2011						
Outstanding at the beginning of year	974,746	1,949,493	974,746	971,195	1,942,391	971,195
Granted[1]	42,030	84,060	42,030	36,064	72,128	36,064
Forfeited	–24,245	–375,231	–570,137	–32,513	–65,026	–32,513
Alloted	–722,860	–1,207,754	–325,287	—	—	—
Outstanding at end of year	**269,671**	**450,568**	**121,352**	**974,746**	**1,949,493**	**974,746**
– of which currently exercisable	—	—	—	—	—	—
Rights LTIP 2010						
Outstanding at the beginning of year	179,929	190,096	80,971	871,028	1,742,056	871,028
Forfeited	—	—	—	–18,373	–841,222	–487,322
Allotted	–47,345	–50,018	–21,307	–672,726	–710,738	–302,735
Outstanding at end of year	**132,584**	**140,078**	**59,664**	**179,929**	**190,096**	**80,971**
– of which currently exercisable	—	—	—	—	—	—

1) Granted rights are compensation for dividend on the underlying Nordea share during the year.

Participation in the Long Term Incentive Programmes (LTIPs) requires that the participants take direct ownership by investing in Nordea shares.

	LTIP 2012			LTIP 2011		
	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Ordinary share per right	1.00	1.00	1.00	1.00	1.00	1.00
Exercise price	—	—	—	—	—	—
Grant date	13 May 2012	13 May 2012	13 May 2012	13 May 2011	13 May 2011	13 May 2011
Vesting period	36 months	36 months	36 months	36 months	36 months	36 months
Contractual life	36 months	36 months	36 months	36 months	36 months	36 months
Allotment	April/May 2015	April/May 2015	April/May 2015	April/May 2014	April/May 2014	April/May 2014
Fair value at grant date	EUR 6.06[1]	EUR 6.06[1]	EUR 2.19[1]	EUR 7.33[1]	EUR 7.33[1]	EUR 2.65[1]

1) The fair value has been recalculated due to dividend during the vesting period which the participants are compensated for through additional Matching and Performance Shares.

	LTIP 2010		
	Matching Share	Performance Share I	Performance Share II
Ordinary share per right	1.00	1.00	1.00
Exercise price	—	—	—
Grant date	13 May 2010	13 May 2010	13 May 2010
Vesting period	36 months	36 months	36 months
Contractual life	36 months	36 months	36 months
Allotment	April/May 2013	April/May 2013	April/May 2013
Fair value at grant date	EUR 6.75	EUR 6.75	EUR 2.45

G7 Staff costs, cont.

Conditions and requirements

For each ordinary share the participants lock in to the LTIPs, they are granted a conditional Matching Share to receive ordinary shares based on continued employment, with certain exemptions, and the conditional Performance Share I and II to receive additional ordinary shares also based on fulfillment of certain performance conditions. The performance conditions for Performance Share I comprise a target growth in risk adjusted profit per share (RAPPS) or a target in risk-adjusted return on capital at risk (RAROCAR). Should the reported earnings per share (EPS) be lower then a predetermined level the participants are not entitled to exercise any Performance Share I. The performance conditions for Performance Share II are market related and comprise growth in total shareholder return (TSR) in comparison with a peer group's TSR or a target in RAROCAR and in P/B-ranking compared to a peer group. Furthermore the profit for each right is capped.

When the performance conditions are not fulfilled in full, the rights that are no longer exercisable are shown as forfeited in the previous tables, together with shares forfeited due to participants leaving the Nordea Group.

LTIP 2011/2010 are not alloted in full due to deferral and retention requirements by Nordic FSAs.

	LTIP 2012	LTIP 2011	LTIP 2010
Service condition, Matching Share/ Performance Share I and II	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.
Performance condition, Performance Share I	Average RAROCAR during the period 2012 up to and including 2014. Full allotment will be obtained if the RAROCAR amounts to 17%.	Compound Annual Growth Rate in RAPPS from year 2010 (base year) to and including year 2013. Full allotment will be obtained if the Compound Annual Growth Rate amounts to or exceeds 10%.	Compound Annual Growth Rate in RAPPS from year 2009 (base year) to and including year 2012. Full allotment was obtained if the Compound Annual Growth Rate amounted to or exceeded 9%.
EPS knock out, Performance Share I	—	Average reported EPS for 2011–2013 lower than EUR 0.26.	Average reported EPS for 2010–2012 lower than EUR 0.26.
Performance condition, Performance Share II	RAROCAR during the period 2012 up to and including 2014 and P/B-ranking year-end 2014 compared to a peer group. Full allotment will be obtained if the RAROCAR amounts to 14% and if Nordea's P/B-ranking is 1–5.	TSR during 2011–2013 in comparison with a peer group. Full allotment will be obtained if Nordea is ranked number 1–5.	TSR during 2010–2012 in comparison with a peer group. Full allotment was obtained if Nordea was ranked number 1–5.
Cap	The market value of the allotted shares is capped to the participants' annual salary for year-end 2011.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2010.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2009.
Dividend compensation	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	—

G7 Staff costs, cont.

Fair value calculations

The fair value is measured through the use of generally accepted valuation models with the following input factors:

	LTIP 2012	LTIP 2011	LTIP 2010
Weighted average share price	EUR 6.70	EUR 8.39	EUR 6.88
Right life	3.0 years	3.0 years	3.0 years
Deduction of expected dividends	No	No	No
Risk free rate	Not applicable	Not applicable	Not applicable
Expected volatility	Not applicable	Not applicable	Not applicable

As the exercise price (zero for LTIP 2012, LTIP 2011 and LITP 2010) is significantly below the share price at grant date, the value has a limited sensitivity to expected volatility and risk-free interest.

The value of the Performance Share II are based on market related conditions and fulfilment of the TSR, RAROCAR and P/B targets have been taken into consideration when calculating the rights' fair value at grant date. When calculating the impact from the market conditions it has been assumed that all possible outcomes have equal possibilities. Also the caps in each programme have been taken into consideration when calculating the rights' fair value at grant. The adjustment to fair value is approximately 2–3% of the weighted average share price.

Expenses for equity-settled share-based payment programmes[1]

EURm	LTIP 2012	LTIP 2011	LTIP 2010
Expected expense for the whole programme	–29	–21	–14
Maximum expense for the whole programme	–29	–21	–14
Total expense during 2014	–14	–2	—
Total expense during 2013	–6	–7	–3

1) All amounts excluding social security contribution.

When calculating the expected expense an expected annual employee turnover of 5% has been used. The expected expense is recognised over the vesting period of 36 months.

Cash-settled share-based payment transactions

Nordea operates share-linked deferrals on parts of variable compensation for certain employee categories, indexed with Nordea Total Shareholder Returns (TSR) and either transferred after three years or transferred in equal instalments over a three to five year period. Since 2011 Nordea also operates TSR-linked retention on part of variable compensation for certain employee categories. Due to that the allocation of variable compensation is not finally decided during the current year, the deferred amount during the year in the table below relates to variable compensation earned the previous year.

In addition Nordea in 2013 introduced the Executive Incentive Programme ("EIP") which aims to strengthen Nordea's capability to retain and recruit the best talents. The aim is further to stimulate the managers and key employees whose efforts have direct impact on Nordea's result, profitability and long term value growth. EIP reward performance meeting agreed predetermined targets on Group, business unit and individual level. The effect on the long term result is to be considered when determining the targets. The EIP shall not exceed the fixed salary. EIP shall be paid in the form of cash and be subject to TSR-indexation, deferral, forfeiture clauses and retention as per relevant remuneration regulations. The main part of EIP 2014 is paid no earlier than autumn 2018. Participation in the programme is offered to up to 400 managers and key employees, except GEM who are instead offered a GEM EIP (further information about the GEM EIP can be found in the Remuneration section in the Board of Director's Report), within the Nordea Group. EIP is offered instead of Nordea's LTIP and VSP for the invited employees. The allocation of the EIP 2014 is decided during spring 2015, and a reservation of EUR 43m excl. social costs is made 2014. 80% of the allocated amount will be subject to TSR-indexation.

The below table only includes deferred amounts indexed with Nordea TSR. EIP has been included as from 2014, when deferred. Further information regarding all deferred amounts can be found in the separate report on remuneration published on Nordea's homepage (www.nordea.com).

	Share linked deferrals	
EURm	2014	2013
Opening balance	28	21
Deferred/earned during the year	17	15
TSR indexation during the year	4	9
Payments during the year[1]	–17	–15
Translation differences	0	–2
Closing balance	**32**	**28**

1) There have been no adjustments due to forfeitures in 2014.

G7 Staff costs, cont.

Average number of employees – Continuing operations

	Total		Men		Women	
	2014	2013	2014	2013	2014	2013
Full-time equivalents						
Denmark	8,255	8,251	4,328	4,512	3,927	3,739
Finland	6,971	7,116	1,990	1,863	4,981	5,253
Sweden	6,963	6,881	3,212	3,083	3,751	3,798
Norway	3,238	3,280	1,748	1,767	1,490	1,513
Russia	1,418	1,454	454	469	964	985
Poland	692	503	242	114	450	389
Estonia	486	468	104	102	382	366
Latvia	431	443	132	132	299	311
Luxembourg	373	376	245	240	128	136
Lithuania	351	340	110	101	241	239
United States	118	113	61	56	57	57
United Kingdom	75	69	46	45	29	24
Singapore	85	77	29	23	56	54
Germany	57	55	31	23	26	32
Switzerland	30	29	13	12	17	17
China	28	24	12	9	16	15
Brazil	4	4	3	2	1	2
Total average	**29,575**	**29,483**	**12,760**	**12,553**	**16,815**	**16,930**
Total number of employees (FTEs), end of period	**29,397**	**29,429**				

Gender distribution

In the parent company´s Board of Directors 50% (67%) were men and 50% (33%) were women. In the Board of Directors of the Nordea Group companies, 75% (78%) were men and 25% (22%) were women. The corresponding numbers for Other executives were 65% (69%) men and 35% (31%) women. Internal Boards consist mainly of management in Nordea.

G8 Other expenses

EURm	2014	2013
Information technology	–558	–671
Marketing and representation	–103	–116
Postage, transportation, telephone and office expenses	–177	–192
Rents, premises and real estate	–387	–373
Other	–410	–483
Total	**–1,635**	**–1,835**

Auditors' fees – Total operations

EURm	2014	2013
KPMG		
Auditing assignments	–5	–7
Audit-related services	–1	–1
Tax advisory services	0	0
Other assignments	–1	–5
Total	**–7**	**–13**
Ernst & Young		
Auditing assignments	–1	—
Audit-related services	0	—
Tax advisory services	0	—
Other assignments	0	—
Total	**–1**	**—**
Total Auditors' fees	**–8**	**–13**

G9 Depreciation, amortisation and impairment charges of tangible and intangible assets

EURm	2014	2013
Depreciation/amortisation		
Properties and equipment	–122	–91
Intangible assets	–110	–119
Total	**–232**	**–210**
Impairment charges/reversed impairment charges		
Intangible assets	–350	–17
Total	**–350**	**–17**
Total	**–582**	**–227**

G10 Net loan losses

EURm	2014	2013
Loan losses divided by class		
Realised loan losses	–2	0
Allowances to cover realised loan losses	2	—
Reversals of previous provisions	23	1
Loans to credit institutions[1]	**23**	**1**
Realised loan losses	–633	–709
Allowances to cover realised loan losses	450	508
Recoveries on previous realised loan losses	81	76
Provisions	–998	–1,131
Reversals of previous provisions	557	508
Loans to the public[1]	**–543**	**–748**
Realised loan losses	–3	0
Allowances to cover realised loan losses	3	—
Recoveries on previous realised loan losses	—	0
Provisions	–107	–25
Reversals of previous provisions	93	37
Off-balance sheet items[2]	**–14**	**12**
Net loan losses	**–534**	**–735**

1) See Note G13 "Loans and impairment".
2) Included in Note G31 "Provisons" as "Transfer risk, off-balance" and "Individually assessed guarantees and other commitments".

G11 Taxes

Income tax expense

EURm	2014	2013
Current tax	–887	–927
Deferred tax	–6	–31
Bank tax in Finland[1]	–60	–51
Total	**–953**	**–1,009**

1) The Finnish bank tax was introduced in 2013 and is based on risk exposure amount rather than income.

For current and deferred tax recognised in Other comprehensive income, see Statement of comprehensive income.

The tax on the Group's operating profit differs from the theoretical amount that would arise using the tax rate in Sweden (excluding bank tax in Finland) as follows:

EURm	2014	2013
Profit before tax	4,324	4,116
Tax calculated at a tax rate of 22.0%	–951	–906
Effect of different tax rates in other countries	–55	–123
Income from associated undertakings	2	17
Tax-exempt income	131	38
Non-deductible expenses	–25	–32
Adjustments relating to prior years	9	35
Utilization of non-capitalized tax losses carry-forwards from previous periods	1	2
Change of tax rate	3	33
Not creditable foreign taxes	–8	–22
Tax charge	**–893**	**–958**
Average effective tax rate	21%	23%

Deferred tax

	Deferred tax assets		Deferred tax liabilities	
EURm	2014	2013	2014	2013
Deferred tax related to:				
Tax losses carry-forward	283	50	—	—
Loans to the public	20	19	410	430
Derivatives	10	10	459	155
Intangible assets	0	0	44	72
Investment properties	0	0	150	155
Retirement benefit assets/obligations	156	25	60	52
Hedge of net investments in foreign operations	—	3	94	—
Liabilities/provisions	54	52	127	169
Other	7	7	39	6
Netting between deferred tax assets and liabilities	–400	–104	–400	–104
Total	**130**	**62**	**983**	**935**

EURm	2014	2013
Unrecognised deferred tax assets		
Unused tax losses carry-forward with no expire date	44	45
Total	**44**	**45**

G12 Earnings per share

	Total operations		Continuing operations		Discontinued operations	
	2014	2013	2014	2013	2014	2013
Earnings:						
Profit attributable to shareholders of Nordea Bank AB (publ) (EURm)	3,332	3,116	3,371	3,107	–39	9
Number of shares (in millions):						
Number of shares outstanding at beginning of year	4,050	4,050	4,050	4,050	4,050	4,050
Average number of own shares	–26	–31	–26	–31	–26	–31
Weighted average number of basic shares outstanding	**4,024**	**4,019**	**4,024**	**4,019**	**4,024**	**4,019**
Adjustment for diluted weighted average number of additional ordinary shares outstanding[1]	7	1	7	1	7	1
Weighted average number of diluted shares outstanding	**4,031**	**4,020**	**4,031**	**4,020**	**4,031**	**4,020**
Basic earnings per share, EUR–Total operations	0.83	0.77	0.84	0.77	–0.01	0.00
Diluted earnings per share, EUR–Total operations	0.83	0.77	0.84	0.77	–0.01	0.00

1) Relates to the Long Term Incentive Programmes (LTIP). For further information on these programmes, see Note G1 section 21.

G13 Loans and impairment

	Central banks and credit institutions		The public[1]		Total	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Loans, not impaired	19,177	22,515	344,407	338,703	363,584	361,218
Impaired loans	—	24	6,425	6,540	6,425	6,564
– Performing	—	—	4,115	3,909	4,115	3,909
– Non-performing	—	24	2,310	2,631	2,310	2,655
Loans before allowances	**19,177**	**22,539**	**350,832**	**345,243**	**370,009**	**367,782**
Allowances for individually assessed impaired loans	—	–24	–2,329	–2,373	–2,329	–2,397
– Performing	—	—	–1,432	–1,372	–1,432	–1,372
– Non-performing	—	–24	–897	–1,001	–897	–1,025
Allowances for collectively assessed impaired loans	–2	–3	–418	–419	–420	–422
Allowances	**–2**	**–27**	**–2,747**	**–2,792**	**–2,749**	**–2,819**
Loans, carrying amount	**19,175**	**22,512**	**348,085**	**342,451**	**367,260**	**364,963**

1) Finance leases, where Nordea Group is a lessor, are included in Loans to the public, see Note G21 Leasing.

G13 Loans and impairment, cont.

Movements of allowance accounts for impaired loans

EURm	Central banks and credit institutions			The public			Total		
	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2014	**–24**	**–3**	**–27**	**–2,373**	**–419**	**–2,792**	**–2,397**	**–422**	**–2,819**
Provisions	1	0	1	–877	–121	–998	–876	–121	–997
Reversals of previous provisions	22	0	22	442	115	557	464	115	579
Changes through the income statement	**23**	**0**	**23**	**–435**	**–6**	**–441**	**–412**	**–6**	**–418**
Allowances used to cover realised loan losses	2	—	2	450	—	450	452	—	452
Translation differences	–1	1	—	29	7	36	28	8	36
Closing balance at 31 Dec 2014	**0**	**–2**	**–2**	**–2,329**	**–418**	**–2,747**	**–2,329**	**–420**	**–2,749**
Opening balance at 1 Jan 2013	**–24**	**–4**	**–28**	**–2,376**	**–444**	**–2,820**	**–2,400**	**–448**	**–2,848**
Provisions	0	0	0	–957	–174	–1,131	–957	–174	–1,131
Reversals of previous provisions	0	1	1	383	125	508	383	126	509
Changes through the income statement	**0**	**1**	**1**	**–574**	**–49**	**–623**	**–574**	**–48**	**–622**
Reclassified to assets held for sale	—	—	—	60	14	74	60	14	74
Allowances used to cover realised loan losses	—	—	—	508	—	508	508	—	508
Reclassification	—	—	—	–42	42	0	–42	42	0
Translation differences	0	0	0	51	18	69	51	18	69
Closing balance at 31 Dec 2013	**–24**	**–3**	**–27**	**–2,373**	**–419**	**–2,792**	**–2,397**	**–422**	**–2,819**

Allowances and provisions[1]

EURm	Central banks and credit institutions		The public		Total	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Allowances for items on the balance sheet	–2	–27	–2,747	–2,792	–2,749	–2,819
Provisions for off balance sheet items	–9	–10	–63	–51	–72	–61
Total allowances and provisions	**–11**	**–37**	**–2,810**	**–2,843**	**–2,821**	**–2,880**

1) Included in Note G31 "Provisions" as "Transfer risk, off-balance" and "individually assessed guarantees and other commitments".

Key ratios[1]

	31 Dec 2014	31 Dec 2013
Impairment rate, gross, basis points	174	178
Impairment rate, net, basis points	111	113
Total allowance rate, basis points	74	77
Allowances in relation to impaired loans, %	36	37
Total allowances in relation to impaired loans, %	43	43
Non-performing loans, not impaired, EURm	289	418

1) For definitions, see "Business definitions" on page 71.

G14 Interest-bearing securities

EURm	31 Dec 2014	31 Dec 2013
State and sovereigns	26,107	21,422
Municipalities and other public bodies	2,385	2,490
Mortgage institutions	28,742	32,481
Other credit institutions	23,730	23,931
Corporates	5,175	6,095
Corporates sub-investment grade	758	445
Other	213	450
Total	**87,110**	**87,314**

G15 Financial instruments pledged as collateral

Financial instruments pledged as collateral

In repurchase transactions and in securities lending transactions, non-cash assets are transferred as collateral. When the counterpart receiving the collateral has the right to sell or repledge the assets, the assets are reclassified on the balance sheet to the item Financial instruments pledged as collateral.

EURm	31 Dec 2014	31 Dec 2013
Interest-bearing securities	12,121	9,544
Shares	30	31
Total	**12,151**	**9,575**

For information on transferred assets and reverse repos, see Note G43.

G16 Shares

EURm	31 Dec 2014	31 Dec 2013
Shares	15,505	12,164
Fund units, equity related	16,529	11,329
Fund units, interest related	7,745	9,809
Total	**39,779**	**33,302**
– of which Financial instruments pledged as collateral (Note G15)	30	31
Total	**39,749**	**33,271**

G17 Derivatives and Hedge accounting

31 Dec 2014, EURm	Fair value Positive	Fair value Negative	Total nom amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	62,562	56,949	4,187,058
FRAs	55	62	61,419
Futures and forwards	360	392	1,294,054
Options	15,447	12,815	456,865
Total	**78,424**	**70,218**	**5,999,396**
Equity derivatives			
Equity swaps	105	275	7,372
Futures and forwards	13	22	981
Options	549	780	20,132
Total	**667**	**1,077**	**28,485**
Foreign exchange derivatives			
Currency and interest rate swaps	17,526	19,612	723,861
Currency forwards	2,224	994	84,666
Options	467	329	29,654
Other	1	1	99
Total	**20,218**	**20,936**	**838,280**
Credit derivatives			
Credit Default Swaps (CDS)	2,864	2,853	91,827
Total	**2,864**	**2,853**	**91,827**
Commodity derivatives	71	19	787
Other derivatives	35	15	2,359
Total derivatives held for trading	**102,279**	**95,118**	**6,961,134**
Derivatives used for hedge accounting			
Interest rate derivatives	2,044	1,064	95,925
Equity derivatives	—	4	55
Foreign exchange derivatives	796	1,154	28,094
Total derivatives used for hedge accounting	**2,840**	**2,222**	**124,074**
– of which cash flow hedges	816	850	36,091[1]
– of which fair value hedges	1,672	1,370	100,598[1]
– of which net investment hedges	352	2	12,674
Total derivatives	**105,119**	**97,340**	**7,085,208**

1) Some cross currency interest rate swaps and interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are then reported on both lines.

Periods when hedged cashflows are expected to occur and when they are expected to affect the income statement

31 Dec 2014, EURm	<1 year	1–3 years	3–5 years	5–10 years	10 years
Cash inflows (assets)	—	—	—	—	—
Cash outflows (liabilities)	3,626	10,022	3,989	3,628	1,191
Net cash outflows	**3,626**	**10,022**	**3,989**	**3,628**	**1,191**

G17 Derivatives and Hedge accounting, cont.

31 Dec 2013, EURm	Fair value Positive	Fair value Negative	Total nom amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	48,038	43,270	3,943,615
FRAs	16	18	50,590
Futures and forwards	206	210	1,155,477
Options	8,397	7,904	567,809
Total	**56,657**	**51,402**	**5,717,491**
Equity derivatives			
Equity swaps	86	151	5,381
Futures and forwards	3	5	733
Options	618	645	16,189
Total	**707**	**801**	**22,303**
Foreign exchange derivatives			
Currency and interest rate swaps	9,467	10,203	749,352
Currency forwards	472	510	84,848
Options	185	149	21,116
Total	**10,124**	**10,862**	**855,316**
Credit derivatives			
Credit Default Swaps (CDS)	1,337	1,361	60,888
Total	**1,337**	**1,361**	**60,888**
Commodity derivatives	144	113	3,925
Other derivatives	34	27	2,378
Total derivatives held for trading	**69,003**	**64,566**	**6,662,301**
Derivatives used for hedge accounting			
Interest rate derivatives	1,573	588	97,594
Foreign exchange derivatives	416	770	18,563
Total derivatives used for hedge accounting	**1,989**	**1,358**	**116,157**
– of which cash flow hedges	530	843	21,899[1]
– of which fair value hedges	1,417	493	105,502[1]
– of which net investment hedges	42	22	9,455
Total derivatives	**70,992**	**65,924**	**6,778,458**

1) Some cross currency interest rate swaps and interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are reported on both lines.

Periods when hedged cashflows are expected to occur and when they are expected to affect the income statement

31 Dec 2013, EURm	<1 year	1–3 years	3–5 years	5–10 years	10 years
Cash inflows (assets)	67	—	—	—	65
Cash outflows (liabilities)	6,013	9,399	14,943	10,736	1,623
Net cash outflows	**5,946**	**9,399**	**14,943**	**10,736**	**1,558**

G18 Fair value changes of the hedged items in portfolio hedge of interest rate risk

EURm	31 Dec 2014	31 Dec 2013
Assets		
Carrying amount at beginning of year	203	–711
Changes during the year		
Revaluation of hedged items	63	926
Translation differences	–10	–12
Carrying amount at end of year	**256**	**203**
Liabilities		
Carrying amount at beginning of year	1,734	1,940
Changes during the year		
Revaluation of hedged items	1,812	–169
Translation differences	–128	–37
Carrying amount at end of year	**3,418**	**1,734**

The carrying amount at end of year represents accumulated changes in the fair value for those repricing time periods in which the hedged item is an asset respectively a liability. When the hedged item is an asset, the change in the fair value of the hedged item is presented within assets and when the hedged item is a liability, the change is presented as a liability.

G19 Investments in associated undertakings

EURm	31 Dec 2014	31 Dec 2013
Acquisition value at beginning of year	641	596
Acquisitions during the year	8	8
Sales during the year	–102	–4
Share in earnings[1]	22	86
Dividend received	–55	–62
Reclassification	–8	—
Translation differences	–18	17
Acquisition value at end of year	**488**	**641**
Accumulated impairment charges at beginning of year	–11	–11
Reversed impairment charges during the year	1	1
Reclassifications	8	–1
Translation differences	1	0
Accumulated impairment charges at end of year	**–1**	**–11**
Total	**487**	**630**

1) Share in earnings

EURm	2014	2013
Profit from companies accounted for under the equity method	18	79
Portfolio hedge, Eksportfinans ASA	–10	–7
Associated undertakings in Life insurance, reported as Net result from items at fair value	14	14
Share in earnings	**22**	**86**

Nordea's share of the associated undertakings' aggregated balance sheets and income statements can be summarised as follows:

EURm	31 Dec 2014	31 Dec 2013
Total assets	4,068	5,069
Net profit or loss from continuing operations	–141	41
Other comprehensive income	—	—
Total comprehensive income	–141	41

Nordea has issued contingent liabilities of EUR 358m (EUR 1,052m) on behalf of associated undertakings.

G19 Investments in associated undertakings, cont.

31 Dec 2014	Registration number	Domicile	Carrying amount 2014, EURm	Carrying amount 2013, EURm	Voting power of holding %
Eksportfinans ASA	816521432	Oslo	164	184	23
Ejendomspartnerskabet af 1/7 2003	27134971	Ballerup	194	197	49
Suomen Luotto-osuuskunta	0201646–0	Helsinki	3	25	27
LR Realkredit A/S	26045304	Copenhagen	10	10	39
Realia Holding Oy	2106796-8	Helsinki	20	20	25
Samajet Nymøllevej 59–91	24247961	Ballerup	21	21	25
E-nettet Holding A/S	28308019	Copenhagen	2	2	20
Hovedbanens Forretningscenter K/S	16301671	Ballerup	16	15	50
Ejendomsselskabet Axelborg I/S	79334413	Copenhagen	9	9	33
Automatia Pankkiautomaatit Oy	0974651–1	Helsinki	8	8	33
SWIPP Holding APS	36439696	Copenhagen	3	—	30
Bankernas Kontantservice A/S	33077599	Copenhagen	5	1	20
Bluegarden A/S	27226027	Ballerup	3	3	29
Samejet Lautruphøj I/S	50857859	Ballerup	6	6	50
Nets Holding A/S[1]	27225993	Ballerup	—	108	21
NF Techfleet AB	556967–5423	Ballerup	1	—	20
NF Fleet Oy	2006935–5	Espoo	5	3	20
Upplysningscentralen UC AB	556137–5113	Stockholm	2	3	26
Bankomat AB	556817–9716	Stockholm	5	5	20
Other			10	10	
Total			**487**	**630**	

1) Sold in July 2014.

G20 Intangible assets

EURm	31 Dec 2014	31 Dec 2013
Goodwill allocated to cash generating units[1]		
Retail Banking Norway	787	847
Retail Banking Denmark	591	590
Retail Banking Sweden	221	231
Life & Pensions	296	309
Banking Russia	154	247
Shipping, Offshore & Oil services	185	197
Total goodwill	**2,234**	**2,421**
Computer software	580	757
Other intangible assets	94	68
Total intangible assets	**2,908**	**3,246**

1) Excluding goodwill in associated undertakings.

Movements in goodwill		
Acquisition value at beginning of year	2,422	2,657
Reclassification to assets held for sale	—	–65
Translation differences	–187	–170
Acquisition value at end of year	**2,235**	**2,422**
Accumulated impairment charges at beginning of year	–1	–1
Accumulated impairment charges at end of year	**–1**	**–1**
Total	**2,234**	**2,421**

G20 Intangible assets, cont.

EURm	31 Dec 2014	31 Dec 2013
Movements in computer software		
Acquisition value at beginning of year	1,184	1,041
Acquisitions during the year	279	191
Disposals during the year	–10	–4
Reclassifications	4	–12
Translation differences	–42	–32
Acquisition value at end of year	**1,415**	**1,184**
Accumulated amortisation at beginning of year	–380	–305
Amortisation according to plan for the year	–85	–89
Accumulated amortisation on disposals during the year	10	3
Reclassifications	—	2
Translation differences	7	9
Accumulated amortisation at end of year	**–448**	**–380**
Accumulated impairment charges at beginning of year	–47	–42
Impairment charges during the year	–350	–17
Reclassifications	—	9
Translation differences	10	3
Accumulated impairment charges at end of year	**–387**	**–47**
Total	**580**	**757**

Impairment testing of goodwill

A cash generating unit, defined as the operating segment, is the basis for the goodwill impairment test.

The impairment test is performed for each cash generating unit by comparing the carrying amount of the net assets, including goodwill, with the recoverable amount. The recoverable amount is the value in use and is estimated based on discounted cash flows. Due to the long-term nature of the investments, cash flows are expected to continue indefinitely.

Cash flows in the near future (generally between 3–5 years) are based on financial forecasts, derived from forecasted margins, volumes and cost development. These input variables are based on historical data adjusted to reflect Nordea's assumptions about the future. Cash flows for the period beyond the forecasting period are based on estimated sector growth rates. For impairment testing, a growth rate of 2.0% (2.5%) has been used for all Nordic cash generating units. For cash generating units in Poland and Russia, 2.5% (4.0%) and 2.5% (4.5%) have been used. Growth rates are based on historical data, updated to reflect the current situation.

Cash flows include normalised loan losses.

The derived cash flows are discounted at a rate based on the market's long-term risk-free rate of interest and yield requirements. The post-tax discount rate used for the impairment test 2014 is 7.5% (8.5%), which equals a pre-tax rate of 9.9% (11.3%). For operations in Poland, an additional risk premium of 130 (170) basis points has been applied and for Russia an additional risk premium of 580 (250) basis points has been applied.

The impairment tests conducted in 2014 did not indicate any need for goodwill impairment. See Note G1 section 4 for more information.

An increase in the discount rate of 1 percentage point or a reduction in the future growth rate of 1 percentage points are considered to be reasonably possible changes in key assumptions. Such a change would not result in an impairment in any of the cash generating units, except for the Life business in Poland. An increase in the discount rate by 1 percentage point would result in an impairment loss of EUR 8m and a decrease in the growth rate by 1 percentage point would result in an impairment loss of EUR 6m in Life Poland. The goodwill allocated to Poland amounts to EUR 40m.

The impairment test for Russia did not indicate any impairment loss based on the estimated cash flows and abovementioned assumptions. Reasonable possible changes to the discount rate and the growth rate do not trigger any impairment loss, but the current turmoil in Russia does however create uncertainty also around estimated cash flows. It is however Nordea's assessment that even a significant decrease in future cash flows would, all other assumptions unchanged, not lead to an impairment loss.

Impairment testing of IT development projects

The main driver behind the impairment is the decision to build new core banking and payment platforms, but to some extent also current decisions following reassessments of useful lives of other systems. Reassessments of useful lives follow the recently observed increase in the pace at which the regulatory and technological development is moving. The impairment has been included in "Group Functions, Other and Eliminations" in the business area reporting and as a reconciling item in Note G2 "Segment reporting". The recoverable amount of relevant systems is estimated based on their value in use. The impairment of capitalised IT development amounting to EUR 350m is recognised on the line "Depreciation, amortisation and impairment charges of tangible and intangible assets".

G21 Leasing

Nordea as a lessor

Finance leases

Nordea owns assets leased to customers under finance lease agreements. Finance lease agreements are reported as receivables from the lessee included in "Loans to the public" (see Note G13) at an amount equal to the net investment in the lease. The leased assets mainly comprise vehicles, machinery and other equipment.

Reconciliation of gross investments and present value of future minimum lease payments:

EURm	31 Dec 2014	31 Dec 2013
Gross investments	7,480	7,751
Less unearned finance income	–356	–343
Net investments in finance leases	**7,124**	**7,408**
Less unguaranteed residual values accruing to the benefit of the lessor	–22	–73
Present value of future minimum lease payments receivable	**7,102**	**7,335**
Accumulated allowance for uncollectible minimum lease payments receivable	8	10

As of 31 December 2014 the gross investment and the net investment by remaining maturity was distributed as follows:

	31 Dec 2014	
EURm	Gross Investment	Net Investment
2015	2,085	1,965
2016	1,651	1,568
2017	1,559	1,509
2018	778	746
2019	709	681
Later years	698	655
Total	**7,480**	**7,124**

Operating leases

Assets subject to operating leases mainly comprise real estate, vehicles, aeroplanes and other equipment. On the balance sheet they are reported as tangible assets.

Under non-cancellable operating leases, the future minimum lease payments receivable are distributed as follows:

EURm	31 Dec 2014
2015	10
2016	8
2017	12
2018	4
2019	4
Later years	1
Total	**39**

Nordea as a lessee

Finance leases

Nordea has only to a minor extent entered into finance lease agreements.

Operating leases

Nordea has entered into operating lease agreements for premises and office equipment.

Leasing expenses during the year, EURm	31 Dec 2014	31 Dec 2013
Leasing expenses during the year	–236	–250
– of which minimum lease payments	–233	–227
– of which contingent rents	–3	–23
Leasing income during the year regarding sublease payments	6	8

Future minimum lease payments under non-cancellable operating leases amounted to and are distributed as follows:

EURm	31 Dec 2014
2015	175
2016	140
2017	110
2018	92
2019	64
Later years	272
Total	**853**

Total sublease payments expected to be received under non-cancellable subleases amounts to EUR 15m.

G22 Investment properties

EURm	31 Dec 2014	31 Dec 2013
Carrying amount at beginning of year	3,524	3,408
Acquisitions during the year	172	504
Sales during the year	–423	–219
Fair value adjustments	50	–40
Transfers/reclassifications during the year	–35	–5
Translation differences	–61	–124
Carrying amount at end of year	**3,227**	**3,524**

Amounts recognised in the income statement[1]

EURm	2014	2013
Fair value adjustments	50	–40
Rental income	220	236
Direct operating expenses that generate rental income	–43	–45
Direct operating expenses that did not generate rental income	–9	–8
Total	**218**	**143**

1) Included in Net result from items at fair value.

The method applied when calculating fair value is a rate of return calculation, based on internal models. As a supplement to these values, appraisals were obtained from independent external valuers for parts of the investment properties.

Approximately 75% of the investment properties are valued using internal models based on a rate of return calculation. For the remaining 25% of the investment properties, appraisals were obtained from independent external valuers.

For further information regarding investment properties, see note G40.

G23 Other assets

EURm	31 Dec 2014	31 Dec 2013
Claims on securities settlement proceeds	3,339	2,977
Cash/margin receivables	11,176	6,122
Other	3,066	1,965
Total	**17,581**	**11,064**

G24 Prepaid expenses and accrued income

EURm	31 Dec 2014	31 Dec 2013
Accrued interest income	404	1,123
Other accrued income	487	477
Prepaid expenses	723	783
Total	**1,614**	**2,383**

G25 Deposits by credit institutions

EURm	31 Dec 2014	31 Dec 2013
Central banks	13,601	12,632
Banks	28,940	30,699
Other credit institutions	13,781	15,759
Total	**56,322**	**59,090**

G26 Deposits and borrowings from the public

EURm	31 Dec 2014	31 Dec 2013
Deposits[1]	168,682	168,029
Contracts where the return is based on separate assets	4,287	4,302
Repurchase agreements	24,285	28,412
Total	**197,254**	**200,743**

1) Deposits related to individual pension savings (IPS) are also included.

G27 Liabilities to policyholders

EURm	31 Dec 2014	31 Dec 2013
Traditional life insurance provisions	19,705	20,613
– of which guaranteed provisions	19,612	20,520
– of which non-guaranteed provisions	93	93
Collective bonus potential	3,732	2,897
Unit-linked insurance provisions	11,026	9,321
– of which guaranteed provisions	0	290
– of which non-guaranteed provisions	11,026	9,031
Insurance claims provision	387	420
Provisions, Health & personal accident	253	238
Total insurance contracts	**35,103**	**33,489**
Investment contracts	16,740	13,737
– of which guaranteed provisions	3,666	3,431
– of which non-guaranteed provisions	13,074	10,306
Total	**51,843**	**47,226**

Liabilities to policyholders are obligations related to insurance contracts. These contracts are divided into contracts containing insurance risk and contracts without insurance risk. The latter are pure investments contracts.

Insurance contracts consists of Life insurance provisions and other insurance related items.

Life insurance contracts are measured and recognised in accordance with IFRS 4, i.e. the measurement and recognition principle under previous GAAP has been maintained consequently resulting in non-uniform accounting policies method on consolidation. Each market represented by Nordic and European entities measures and recognises insurance contracts using local accounting policies.

31 Dec 2014, EURm	Traditional life insurance provisions	Collective bonus potentials	Unit–linked insurance provisions	Insurance claims provisions	Provisions, Health & personal accident	Investment contracts provisions	Total
Provisions/bonus potentials, beginning of year	**20,613**	**2,897**	**9,321**	**420**	**238**	**13,737**	**47,226**
Gross premiums written	878	—	1,797	—	—	4,473	7,148
Transfers	–822	—	152	—	—	–749	–1,419
Addition of interest/ investment return	454	—	468	—	—	1,345	2,267
Claims and benefits	–2,004	—	–990	–29	5	–1,539	–4,557
Expense loading including addition of expense bonus	–110	—	–79	—	—	–89	–278
Change in provisions/ bonus potential	0	915	0	—	13	—	928
Other	1,042	0	373	—	—	18	1,433
Translation differences	–346	–80	–16	–4	–3	–456	–905
Provisions/bonus potentials, end of year	**19,705**	**3,732**	**11,026**	**387**	**253**	**16,740**	**51,843**
Provision relating to bonus schemes/ discretionary participation feature:	95%					17%	

31 Dec 2013, EURm	Traditional life insurance provisions	Collective bonus potentials	Unit–linked insurance provisions	Insurance claims provisions	Provisions, Health & personal accident	Investment contracts provisions	Total
Provisions/bonus potentials, beginning of year	**23,399**	**1,924**	**7,169**	**463**	**259**	**12,106**	**45,320**
Gross premiums written	1,090	—	1,571	—	—	3,615	6,276
Reclassification to liabilities held for sale	–6	—	–188	–13	–4	–305	–516
Transfers	–729	—	748	—	—	–484	–466
Addition of interest/investment return	523	—	413	—	—	1,119	2,055
Claims and benefits	–2,377	—	–641	–24	–4	–1,866	–4,912
Expense loading including addition of expense bonus	–113	—	–64	—	—	–83	–260
Change in provisions/bonus potential	0	1,027	0	—	–9	—	1,018
Other	–501	–12	352	—	—	7	–153
Translation differences	–673	–42	–39	–6	–4	–372	–1,136
Provisions/bonus potentials, end of year	**20,613**	**2,897**	**9,321**	**420**	**238**	**13,737**	**47,226**
Provision relating to bonus schemes/ discretionary participation feature:	94%					20%	

G27 Liabilities to policyholders, cont.

Insurance risks

Insurance risk is described in the "Risk, Liquidity and Capital management" section of the Board of Directors' Report. Additional quantitative information is found below.

Life insurance risk and market risks in the Life insurance operations

	31 Dec 2014		31 Dec 2013[3]	
Sensitivites EURm	Effect on policyholders liabilities[1]	Effect on Nordeas Equity[2]	Effect on policyholders liabilities[1]	Effect on Nordeas Equity[2]
Mortality – increased living with 1 year	68.3	–52.6	74.6	–57.4
Mortality – decreased living with 1 year	–1.3	0.9	–6.6	5.1
Disability – 10% increase	27.7	–21.3	28.1	–21.6
Disability – 10% decrease	–16.1	12.4	–13.8	10.6
50 bp increase in interest rates	–915.0	–7.6	–794.2	–20.4
50 bp decrease in interest rates	1,001.7	4.7	851.6	13.3
12% decrease in all share prices	–1,684.3	–1.8	–1,587.1	–1.5
8% decrease in property value	–240.3	–0.7	–275.2	–0.6
8% loss on counterparts	–31.7	0.0	–7.1	0.0

1) + (plus) indicates that policyholders liabilities increase.
2) + (minus) indicates that equity decrease.
3) The methodology for calculating the sensitivites and the effects has been changed. The figures for 2013 have been restated.

Liabilities to policyholders divided in guarantee levels (technical interest rate)

31 Dec 2014, EURm	Non	0 pct.	0 to 2 pct.	2 to 3 pct.	3 to 4pct.	Over 4 pct.	Total liabilities
Technical provision	24,194	2,236	7,854	5,391	3,966	3,830	47,471
31 Dec 2013, EURm	Non	0 pct.	0 to 2 pct.	2 to 3pct.	3 to 4pct	Over 5 pct.	Total liabilities
Technical provision	19,429	3,885	6,896	5,339	4,015	4,107	43,671

Risk profiles on insurance

Product	Risk types	Material effect
Traditional	– Mortality	Yes
	– Disability	Yes
	– Return guaranties	Yes
Unit-Link	– Mortality	Yes
	– Disability	Yes
	– Return guaranties	No
Health and personal accident	– Mortality	No
	– Disability	Yes
	– Return guaranties	No
Financial contract	– Mortality	No
	– Disability	No
	– Return guaranties	No

For investments where the customer is bearing the risk, see Note G44.

G28 Debt securities in issue

EURm	31 Dec 2014	31 Dec 2013
Certificates of deposit	22,926	16,329
Commercial papers	30,133	35,975
Covered bonds	98,986	92,188
Other bonds	42,155	41,020
Other	74	90
Total	**194,274**	**185,602**

G29 Other liabilities

EURm	31 Dec 2014	31 Dec 2013
Liabilities on securities settlement proceeds	3,085	2,458
Sold, not held, securities	6,903	10,995
Accounts payable	174	186
Cash/margin payables	10,061	5,867
Other	6,750	5,231
Total	**26,973**	**24,737**

G30 Accrued expenses and prepaid income

EURm	31 Dec 2014	31 Dec 2013
Accrued interest	45	1,999
Other accrued expenses	1,589	1,331
Prepaid income	309	347
Total	**1,943**	**3,677**

G31 Provisions

EURm	31 Dec 2014	31 Dec 2013
Reserve for restructuring costs	167	89
Transfer risk, off-balance	10	12
Individually assessed guarantees and other commitments	62	49
Tax	1	2
Other	65	25
Total	**305**	**177**

EURm	Restructuring	Transfer risk	Guarantees/ commitments	Tax	Other	Total
At beginning of year	89	12	49	2	25	177
New provisions made	183	4	103	1	17	308
Provisions utilised	–51	—	–5	–1	–4	–61
Reversals	–34	–6	–87	–1	–4	–132
Reclassifications	–17	—	0	—	31	14
Translation differences	–3	0	2	0	0	–1
At end of year	**167**	**10**	**62**	**1**	**65**	**305**

Provisions for restructuring costs amounts to EUR 167m and covers termination benefit (EUR 144m) and other provisions mainly related to redundant premises (EUR 23m). The restructuring activities have mainly been launched to reach the anticipated cost efficiency and profitability, and as a part of this Nordea plans to reduce the number of employees, partly through close down of branches. The majority of the provision is expected to be used during 2015–2016. As with any other provision there is an uncertainty around timing and amount, which is expected to decrease as the plan is being executed.

Provision for Transfer risk of EUR 10m is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note G13. Provision for transfer risk is depending on the volume of business with different countries.

Loan loss provisions for individually assessed guarantees and other commitments amounted to EUR 62m.

Provision for legal disputes amounts to EUR 4m (EUR 4m expected to be settled 2015) and other provisions to EUR 61m (EUR 59m expected to be settled 2015).

G32 Retirement benefit obligations

EURm	31 Dec 2014	31 Dec 2013
Defined benefit plans, net	498	13
Total	**498**	**13**

Nordea sponsors both defined contribution plans (DCP) and defined benefit plans (DBP). IAS 19 secures that the pension obligations net of plan assets backing these obligations are reflected on the Group's balance sheet. The major plans in each country are funded schemes covered by assets in pension funds/foundations.

The plans are structured in accordance with local regulations and legislations, local practice and, where applicable, collective agreements. Nordea's main DBPs in Sweden, Norway and Finland are all employer financed final salary and service based pension plans providing pension benefits on top of the statutory systems. All DBPs are closed for new entrants, new employees are offered DCPs. DBPs in Sweden are mainly offered in accordance with collective agreements and follows the regulations in the Pension Obligations Vesting Act (Tryggandelagen). Plan assets are held in a separate pension foundation. In Norway the DBPs are in accordance with the Nordea Norway occupational pension plan and follows the Occupational Pension Act (Foretakspensjonloven). In Norway plan assets are also held by a separate pension fund. In Finland Nordea is providing additional pension benefits on top of the statutory system in accordance with the Nordea Finland occupational pension plan and follows the regulations in the Employees' Pension Act (TyEL). Plan assets are generally held in a separate pension foundation. Minimum funding requirements differ between plans but where such requirements are based on collective agreements or internal policies the funding requirement is generally that the pension obligations measured using local requirements shall be covered in full or with a predefined surplus. Some pension plans are not covered by funding requirements and are generally unfunded. Quarterly assessments are made to secure the level of future contributions.

Defined benefit plans may impact Nordea via changes in the net present value of obligations and/or changes in the market value of plan assets. Changes in the obligation are most importantly driven by changes in assumptions on discount rates (interest rates and credit spreads), salary increases, turnover and mortality as well as relevant experience adjustments where the actual outcome differs from the assumption. Assets are invested in diversified portfolios as further disclosed below, with bond exposures mitigating the interest rate risk in the obligations and a fair amount of real assets (inflation protected) to reduce the long term inflationary risk in liabilities.

No significant plan amendments, curtailments and settlements have been made during the year.

IAS 19 pension calculations and assumptions

Calculations on major plans are performed by external liability calculators and are based on different actuarial assumptions.

Assumptions[1]	Swe	Nor	Fin	Den
2014				
Discount rate[2]	2.50%	2.50%	2.00%	2.25%
Salary increase	2.50%	3.00%	2.00%	2.50%
Inflation	1.50%	1.75%	1.50%	1.50%
Mortality	DUS06	GAP07/173	Gompertz	FSA
2013				
Discount rate[2]	3.75%	4.00%	3.50%	3.50%
Salary increase	2.50%	3.00%	2.50%	2.50%
Inflation	1.50%	2.00%	1.50%	2.00%
Mortality	DUS06	GAP07/173	Gompertz	FSA

1) The assumptions disclosed for 2014 have an impact on the liability calculation by year-end 2014, while the assumptions disclosed for 2013 are used for calculating the pension expense in 2014.

2) More information on the discount rate can be found in Note G1, section 22. The sensitivities to changes in the discount rate can be found below.

Sensitivities – Impact on Defined Benefit Obligation (DBO) %	Swe	Nor	Fin	Den
Discount rate – Increase 50bps	–8.0%	–7.2%	–7.2%	–5.2%
Discount rate – Decrease 50bps	9.2%	8.1%	8.1%	5.7%
Salary increase – Increase 50bps	2.8%	2.7%	0.4%	5.6%
Salary increase – Decrease 50bps	–1.8%	–2.5%	–0.4%	–5.2%
Inflation – Increase 50bps	8.1%	6.6%	4.7%	—
Inflation – Decrease 50bps	–7.0%	–6.0%	–4.3%	—
Mortality – Increase 1 year	3.5%	3.3%	2.9%	5.1%
Mortality – Decrease 1 year	–3.5%	–3.2%	–2.8%	–4.9%

The sensitivity analyses are prepared by changing one actuarial assumption while keeping the other assumptions unchanged. This is a simplified approach since the actuarial assumptions usually are correlated. However, it enables the reader to isolate one effect from another. The method used for calculating the impact on the obligation is the same as when calculating the obligation accounted for in the financial statements. Compared with the 2013 Annual Report there have been no changes in the methods used when preparing the sensitivity analyses.

As all pensions in Denmark are salary indexed, the inflation has no impact on the DBO in Denmark.

G32 Retirement benefit obligations, cont.

Net retirement benefit liabilities/assets

EURm	Swe 2014	Nor 2014	Fin 2014	Den 2014	Total 2014	Total 2013
Obligations	1,663	968	985	111	3,727	3,130
Plan assets	1,497	636	972	124	3,229	3,117
Net liability(–)/asset(+)	**–166**	**–332**	**–13**	**13**	**–498**	**–13**
– of which retirement benefit liabilities	166	332	33	9	540	334
– of which retirement benefit assets	—	—	20	22	42	321

Movements in the obligation

EURm	Swe 2014	Nor 2014	Fin 2014	Den 2014	Total 2014	Total 2013
Opening balance	1,368	829	818	115	3,130	3,452
Current service cost	23	17	3	0	43	49
Interest cost	50	31	29	4	114	118
Pensions paid	–68	–32	–43	–9	–152	–162
Past service cost and settlements	22	25	0	–15	32	–6
Remeasurement from changes in demographic assumptions	—	—	—	1	1	4
Remeasurement from changes in financial assumptions	300	165	181	14	660	–102
Remeasurement from experience adjustments	15	–9	–10	1	–3	–26
Translation differences	–91	–81	7	0	–165	–162
Change in provision for SWT/SSC[1]	44	23	—	—	67	–35
Closing balance	**1,663**	**968**	**985**	**111**	**3,727**	**3,130**
– of which relates to the active population	34%	47%	10%	—	30%	

1) Change in provision for special wage tax (SWT) and social security contribution (SSC) in Sweden and Norway.

The average duration of the obligation is 16 years in Sweden, 15 years in Norway, 14 years in Finland and 10 years in Denmark based on discounted cash flows. The fact that all DBPs are closed for new entrants and that there are no active members in Denmark, and to some extent also in Finland, leads to lower duration.

Movements in the fair value of plan assets

EURm	Swe 2014	Nor 2014	Fin 2014	Den 2014	Total 2014	Total 2013
Opening balance	1,412	650	927	128	3,117	3,125
Interest income (calculated using the discount rate)	52	26	32	5	115	111
Pensions paid	—	–17	–43	–7	–67	–69
Settlements	—	8	—	–13	–5	0
Contributions by employer	0	5	7	2	14	67
Refund to employer	—	—	–21	—	–21	—
Remeasurement (actual return less interest income)	118	18	62	9	207	16
Translation differences	–85	–54	8	0	–131	–133
Closing balance	**1,497**	**636**	**972**	**124**	**3,229**	**3,117**

Asset composition

The combined return on assets in 2014 was 10.3% (4.1%). The assets return was driven particularly by strong return on long dated sovereign bonds. Other assets including equity investments, real estate and credit investments also contributed positively. At the end of the year the equity exposure in pension funds/foundations represented 26% (25%) of total assets.

G32 Retirement benefit obligations, cont.

Asset composition in funded schemes	Swe 2014	Nor 2014	Fin 2014	Den 2014	Total 2014	Total 2013
Bonds	72%	55%	60%	82%	66%	65%
– sovereign	35%	44%	42%	48%	39%	38%
– covered bonds	26%	11%	4%	34%	18%	17%
– corporate bonds	11%	0%	14%	0%	9%	10%
– issued by Nordea entities	—	—	—	—	—	3%
– with quoted market price in an active market	72%	55%	60%	82%	66%	65%
Equity	26%	28%	27%	14%	26%	25%
– domestic	8%	7%	9%	14%	8%	8%
– european	7%	9%	7%	—	7%	7%
– US	7%	8%	7%	—	7%	6%
– emerging	4%	4%	4%	—	4%	4%
– Nordea share	1%	—	—	—	0%	—
– with quoted market price in an active market	26%	28%	27%	14%	26%	25%
Real estate[1]	—	12%	10%	—	5%	7%
– occupied by Nordea	—	—	3%	—	1%	1%
Cash and cash equivalents	2%	5%	3%	4%	3%	3%

1) The geographical location of the real estate follows the geographical location of the relevant pension plan.

The Group expects to contribute EUR 34m to its defined benefit plans in 2015.

Defined benefit pension cost

The total net pension cost related to defined benefit plans recognised in the Group's income statement (as staff costs) for the year is EUR 99m (EUR 61m). Total pension costs comprise defined benefit pension costs as well as costs related to defined contribution plans (see specification in Note G7).

Recognised in the income statement, EURm	Swe 2014	Nor 2014	Fin 2014	Den 2014	Total 2014	Total 2013
Current service cost	23	17	3	0	43	49
Net interest	–2	5	–3	–1	–1	7
Past service cost and settlements[1]	22	18	0	–2	38	–6
SWT/SSC[2]	13	6	—	—	19	11
Pension cost on defined benefit plans (expense+/income–)	**56**	**46**	**0**	**–3**	**99**	**61**

1) The past service cost 2014 mainly regards termination benefits in connection to the cost efficiency programme launched in the second quarter.
2) Cost related to special wage tax (SWT) in Sweden and social security contribution (SSC) in Norway.

Compared with the pension cost 2013, excluding past service cost and related SWT and SSC, the pension cost has decreased in 2014. Mainly as a consequence of the change of actuarial assumptions at the end of 2013.

Recognised in other comprehensive income, EURm	Swe 2014	Nor 2014	Fin 2014	Den 2014	Total 2014	Total 2013
Remeasurement from changes in demographic assumptions	—	—	—	1	1	4
Remeasurement from changes in financial assumptions	300	165	181	14	660	–102
Remeasurement from experience adjustments	15	–9	–10	1	–3	–26
Remeasurement of plan assets (actual return less interest income)	–118	–18	–62	–9	–207	–16
SWT/SSC[1]	48	19	0	0	67	–15
Pension cost on defined benefit plans (expense+/income–)	**245**	**157**	**109**	**7**	**518**	**–155**

1) Cost related to special wage tax (SWT) in Sweden and social security contribution (SSC) in Norway.

G32 Retirement benefit obligations, cont.

Multiemployer plans

In 2010 the Norwegian Parliament decided to change the AFP (Avtalefestet Pensjon) plan in Norway as from 2011. The change gave rise to a new multiemployer defined benefit plan that cannot be calculated as such, as information on Nordea's share of the liabilities and pension costs in the plan is not available from Fellesordningen (the administrator). Consequently the new AFP plan has to be accounted for as a defined contribution plan in accordance with IAS 19. Information on the funded status in the plan is not available.

The new AFP plan gives the entitled employees a lifelong addition to regular pensions from the age of 62. Further, the new scheme allows the employees to continue working while receiving AFP without this affecting the pension rights. The plan is founded on the basis of a three party cooperation between employer organisations, employee organisations and the Norwegian government. The government covers one third of the pension expense to the AFP plan while the member companies collectively cover the remaining two thirds of the pension expense. The premium the member firms are paying to the plan is determined to be sufficient to cover on-going pension expenses as well as provide a basis for building up a pension fund. The purpose of the pension fund is to ensure sufficient ability to cover expected future pension obligations.

The premium rate for 2014 is 2.2% of the employees' wages between 1 and 7.1 times the average base amount according to the Norwegian National Insurance Act. The premium is calculated based on the average wages and base amounts from the previous year, excluding employees over the age of 61. Total premiums paid in 2014 amount to EUR 3m. Payments to the plan during 2014 covered 2,975 employees. The premium rate for 2015 will be 2.4% of the employees' wages between 1 and 7.1 times the average base amount according to the Norwegian National Insurance Act. The expected premium in 2015 amounts to EUR 3m.

The employees that meet the requirements for AFP are guaranteed AFP payments regardless of the solvency of their employers. As a result the employer members have joint responsibility for two thirds of the payable pensions to the employees that at any given time meet the requirements for AFP. Any deficit or surplus on windup of the plan or entities' withdrawal from the plan will not have any impact on Nordea.

Key management personnel

The Group's total pension obligations regarding key management personnel amounted to EUR 30m (EUR 35m) at the end of the year. These obligations are to a high degree covered by plan assets. Defined benefit pension costs (Current service cost as well as Past service cost and settlements as defined in IAS 19) related to key management personnel in 2014 were EUR 2m (EUR 2m). Complete information concerning key management personnel is disclosed in Note G7.

G33 Subordinated liabilities

EURm	31 Dec 2014	31 Dec 2013
Dated subordinated debenture loans	4,434	4,107
Undated subordinated debenture loans	1,557	574
Hybrid capital loans	1,951	1,864
Total	**7,942**	**6,545**

These debenture loans are subordinated to other liabilities. Dated debenture loans entitle the lender to payment before undated subordinated loans and hybrid capital loans. Within each respective category, the loans entitle lenders to equal payment rights.

G34 Assets pledged as security for own liabilities

EURm	31 Dec 2014	31 Dec 2013
Assets pledged for own liabilities		
Securities etc[1]	19,571	19,944
Loans to the public	130,539	128,766
Other assets pledged	12,931	25,708
Total	**163,041**	**174,418**
The above pledges pertain to the following liabilities		
Deposits by credit institutions	8,620	9,892
Deposits and borrowings from the public	8,618	11,681
Derivatives	10,667	5,990
Debt securities in issue	98,547	92,176
Other liabilities and commitments	19,971	20,203
Total	**146,423**	**139,942**

1) Relates only to securities recognised on the balance sheet. Securities borrowed or bought under reverse repurchase agreements are not recognised on the balance sheet and thus not included in the amount. Such transactions are disclosed in Note G43, Transferred assets and obtained collaterals.

Assets pledged for own liabilities contain securities pledged as security in repurchase agreement and in securities lending. The transactions are conducted under standard agreements employed by financial markets participants. Counterparts in those transactions are credit institutions and the public. The transactions are typically short term with maturity within three months.

Securities in the Life operations are also pledged as security for the corresponding insurance liabilities.

Loans to the public have been registered as collateral for issued covered bonds and mortgage bonds in line with local legislation. In the event of the company´s insolvency, the holders of these bonds have priority to the assets registered as collateral.

Other assets pledged relates to certificate of deposits pledged by Nordea to comply with authority requirements.

G35 Other assets pledged

Other assets pledged are mainly related to securities which includes interest-bearing securities pledged as securities for payment settlements within the central banks and clearing institutions (EUR 11,247m (EUR 7,412m)). The terms and conditions require day to day securities and relate to liquidity intraday/over night. Collateral pledged on behalf of other items other than the company´s own liabilities, e.g. on behalf of a third party or on behalf of the company´s own contingent liabilities are also accounted for under this item.

G36 Contingent liabilities

EURm	31 Dec 2014	31 Dec 2013
Guarantees		
– Loan guarantees	4,811	3,560
– Other guarantees	15,027	15,409
Documentary credits	2,102	1,831
Other contingent liabilities	77	70
Total	**22,017**	**20,870**

In the normal business Nordea issues various forms of guarantees in favour of the bank's customers. Loan guarantees are given for customers to guarantee obligations in other credit- and pension institutions. Other guarantees consist mainly of commercial guarantees such as bid guarantees, advance payment guarantees, warranty guarantees and export related guarantees. Contingent liabilities also include unutilised irrevocable import documentary credits and confirmed export documentary credits. These transactions are part of the bank services and support the bank's customers. Guarantees and documentary credits are off-balance sheet items, unless there is a need for a provision to cover a probable loan loss that arises from the judgement that reimbursement will not be received.

Nordea Bank AB (publ) has undertaken, in relation to certain individuals and on certain conditions, to be responsible for the potential payment liability against them in their capacity as managing directors or board member in group undertakings to Nordea Bank AB (publ).

A limited number of employees are entitled to severance pay if they are dismissed before reaching their normal retirement age. For further disclosures, see Note G7.

Legal proceedings

Within the framework of the normal business operations, Nordea faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on the Group or its financial position.

G37 Commitments

EURm	31 Dec 2014	31 Dec 2013
Unutilised overdraft facilities	38,234	44,053
Loan commitments	36,057	34,279
Future payment obligations	722	422
Other commitments	922	845
Total	**75,935**	**79,599**

Reverse repurchase agreements are recognised on and derecognised from the balance sheet on settlement date. Nordea has as per 31 December 2014 signed reverse repurchase agreements that have not yet been settled and consequently are not recognised on the balance sheet. On settlement date these reverse repurchase agreements will, to the utmost extent, replace existing reverse repurchase agreements not yet derecognised as per 31 December 2014. The net impact on the balance sheet is minor. These instruments have not been disclosed as commitments.

For information about credit commitments, see Note G1, section 24, about derivatives, see Note G17 and about reverse repos, see Note G43.

G38 Capital adequacy

Capital adequacy is a measure of the financial strength of a bank, usually expressed as a ratio of capital to assets. There is a worldwide capital adequacy standard (Basel III) drawn up by the Basel Committee on Banking Supervision. Within the EU, the capital adequacy requirements are outlined in the Capital Requirements Directive IV (CRD IV) and Capital Requirements Regulation (CRR).

CRD IV/CRR require higher capitalisation levels and better quality of capital, better risk coverage, the introduction of a leverage ratio as a backstop to the risk based requirement, measures to promote the build-up of capital that can be drawn in periods of stress and the introduction of liquidity standards. CRD IV was implemented through national law within all EU countries during 2014, while the CRR entered into force in all EU countries on the first of January 2014.

The Basel III framework is built on three Pillars:

- Pillar I – requirements for the calculation of REA and Capital
- Pillar II – rules for the Supervisory Review Evaluation Process (SREP) including the Internal Capital Adequacy Assessment Process (ICAAP)
- Pillar III – rules for the disclosure on risk and capital management, including capital adequacy

Nordea performs an ICAAP with the purpose to review the management, mitigation and measurement of material risks within the business environment in order to assess the adequacy of capitalisation and to determine an internal capital requirements reflecting the risks of the institution.

The ICAAP is a continuous process which increases awareness of capital requirements and exposure to material risks throughout the organisation, both in the business area and legal entity dimensions. Stress tests are important drivers of risk awareness, looking at capital and risk from a firm-wide perspective on a regular basis and on an ad-hoc basis for specific areas or segments. The process includes a regular dialogue with supervisory authorities, rating agencies and other external stakeholders with respect to capital management, measurement and mitigation techniques used.

Nordea's capital levels continue to be adequate to support the risks taken, both from an internal perspective as well as from the perspective of supervisors. Heading into 2015, Nordea will continue to closely follow the development of the new capital requirement regime as well as maintain its open dialogue with the supervisory authorities.

The disclosures in this note cover the Nordea Group as defined on page 133.

Own funds

Own funds is the sum of Tier 1 and Tier 2 capital. Tier 1 capital consists of both common equity Tier 1 (CET1) and additional Tier 1 capital.

Tier 1 capital

Tier 1 capital is the sum of common equity tier 1 capital and additional Tier 1 capital. CET1 capital is considered to be capital of the highest quality with ultimate loss-absorbing characteristics and consists predominately of paid in capital and retained earnings. Profit may only be included after permission from the financial supervisory authority and after deduction of proposed dividend. Due to the implementation of CRR, deduction that according to previous rules were made 50 % from Tier 1 and 50 % from tier 2 are now fully deducted from common equity tier 1. Furthermore, CRR also changes the treatment of investments in financial sector entities and deferred tax assets that rely on future profitability and arise from temporary differences, which are now risk weighted instead of deducted from Tier 1 and Tier 2.

Additional Tier 1 capital items consist of additional Tier 1 instruments and the related share premium.

Additional Tier 1 instruments

Additional Tier 1 instruments are subordinated capital instruments that rank senior only to share capital. CRR specifies the necessary characteristics required for inclusion in additional Tier 1 capital. The instruments are loss-absorbing from a going concern perspective as coupons can be cancelled at any time at the full discretion of the issuer and the principal will be written down if the Common Equity Tier 1 capital ratio would fall below a pre-defined trigger level. The instruments may only be repaid with the permission from the Swedish FSA and not earlier than five years after original issuance of the instrument. Additional Tier 1 instruments that fulfil the CRR requirements are fully included whereas remaining instruments are phased out according to transitional rules.

Tier 2 capital

Tier 2 capital must be subordinated to depositors and general creditors of the bank. It cannot be secured or covered by a guarantee of the issuer or related entity or include any other arrangement that legally or economically enhances the seniority of the claim vis-a`-vis depositors and other bank creditors.

Tier 2 instruments

Tier 2 instruments are subordinated instruments. The basic principle for subordinated instruments in own funds is the order of priority in case of a default or bankruptcy situation. Under such conditions, the holder of the subordinated instrument would be repaid after other creditors, but before shareholders. Tier 2 instruments can be dated or undated instruments. According to the regulation, Tier 2 instruments that fulfil the CRD IV requirements are fully included whereas remaining instruments are phased out according to transitional rules.

The inclusion of outstanding Tier 2 instruments in the Tier 2 capital is reduced if the remaining maturity is less than five years. During 2014, Nordea redeemed one Tier 2 instrument of EUR 468m. As of year-end, Nordea held EUR 4.3bn in dated subordinated instruments and EUR 3.5bn in undated subordinated instruments.

The tables below shows the main features of outstanding Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments.

G38 Capital adequacy, cont.

Table A2 Transitional own funds

	Common Equity Tier 1 capital: instruments and reserves	(A) amount at disclosure date, EURm	(C) amounts subject to pre- regulation (eu) no 575/2013 treatment or prescribed residual amount of regulation (eu) no 575/2013
1	Capital instruments and the related share premium accounts	5,130	—
	of which: Share capital	4,050	—
2	Retained earnings	21,198	—
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	–318	—
5	Minority interests (amount allowed in consolidated CET1)	0	0
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	558	—
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**26,567**	**—**
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	–272	—
8	Intangible assets (net of related tax liability) (negative amount)	–2,584	—
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where conditions in Article 38 (3) are met) (negative amount)	0	—
11	Fair value reserves related to gains or losses on cash flow hedges	–5	—
12	Negative amounts resulting from the calculation of expected loss amounts	–344	0
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	–49	—
15	Defined-benefit pension fund assets (negative amount)	–33	0
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	–6	—
25	of which: deferred tax assets arising from temporary differences	0	—
25b	Foreseeable tax charges relating to CET1 items (negative amount)	0	—
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	–453	5
	Of which: … filter for unrealised loss 1	0	—
	Of which: … filter for unrealised gain 1	–453	—
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	**–3,747**	**—**
29	**Common Equity Tier 1 (CET1) capital**	**22,821**	**—**
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	1,224	—
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	1,576	447
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**2,800**	**—**
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)	–32	—
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	0	0
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**–32**	**—**
44	**Additional Tier 1 (AT1) capital**	**2,768**	**—**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**25,588**	**—**
	Tier 2 (T2) capital: instruments and provisions		
46	Capital instruments and the related share premium accounts	4,496	—
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	516	0
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by sub-sidiaries and held by third parties	0	0
49	of which: instruments issued by subsidiaries subject to phase out	0	—
51	**Tier 2 (T2) capital before regulatory adjustments**	**5,012**	**—**

G38 Capital adequacy, cont.

Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	–46	—
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	–505	—
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	0	—
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**–551**	**—**
58	**Tier 2 (T2) capital**	**4,461**	**—**
59	**Total capital (TC = T1 + T2)**	**30,049**	**—**
60	**Total risk weighted assets**	**145,475**	**—**
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	15.7%	—
62	Tier 1 (as a percentage of risk exposure amount)	17.6%	—
63	Total capital (as a percentage of risk exposure amount)	20.7%	—
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G–SII or O–SII buffer), expressed as a percentage of risk exposure amount)	2.5%	—
65	of which: capital conservation buffer requirement	2.5%	—
66	of which: countercyclical buffer requirement	0.0%	—
67	of which: systemic risk buffer requirement	0.0%	—
67a	of which: Global Systemically Important Institution (G–SII) or Other Systemically Important Institution (O–SII) buffer	0.0%	—
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	11.2%	—
Amounts below the threshold for deduction (before risk weighting)			
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	233	—
73	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	926	—
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	0	—
Applicable caps to the inclusion of provisions in Tier 2			
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	105,637	—
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	634	—
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
82	Current cap on AT1 instruments subject to phase out arrangements	1,576	—
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–447	—
84	Current cap on T2 instruments subject to phase out arrangements	764	—
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0	—

G38 Capital adequacy, cont.

Minimum capital requirement and REA

EURm	31 Dec 2014 Minimum Capital requirement	31 Dec 2014 REA	31 Dec 2013 Minimum Capital requirement	31 Dec 2013 REA
Credit risk	**9,522**	**119,029**	**10,376**	**129,705**
– of which counterparty credit risk	843	10,535	505	6,312
IRB	8,451	105,637	8,965	112,061
– of which corporate	5,743	71,792	6,787	84,844
– of which advanced	4,048	50,600	—	—
– of which foundation	1,695	21,192	6,787	84,844
– of which institutions	766	9,572	468	5,848
– of which retail	1,755	21,940	1,588	19,848
– of which secured by immovable property collateral	878	10,982	862	10,772
– of which other retail	792	9,897	622	7,778
– of which SME	85	1,061	104	1,298
– of which other	187	2,333	122	1,521
Standardised	1,071	13,392	1,411	17,644
– of which central governments or central banks	57	717	20	258
– of which regional governments or local authorities	17	211	14	170
– of which public sector entities	2	20	3	32
– of which multilateral development banks	—	—	—	—
– of which international organisations	—	—	—	—
– of which institutions	27	338	49	611
– of which corporate	154	1,921	301	3,768
– of which retail	255	3,181	476	5,949
– of which secured by mortgages on immovable properties	222	2,777	386	4,826
– of which in default	12	155	35	449
– of which associated with particularly high risk	53	666	—	—
– of which covered bonds	—	—	—	—
– of which institutions and corporates with a short-term credit assessment	—	—	—	—
– of which collective investments undertakings (CIU)	—	—	2	21
– of which equity	195	2,442	—	—
– of which other items	77	964	125	1,560
Credit Value Adjustment Risk	**185**	**2,308**	**—**	**—**
Market risk	**584**	**7,296**	**700**	**8,753**
– of which trading book, Internal Approach	312	3,898	410	5,131
– of which trading book, Standardised Approach	112	1,402	186	2,321
– of which banking book, Standardised Approach	160	1,996	104	1,301
Operational risk	**1,347**	**16,842**	**1,344**	**16,796**
Standardised	1,347	16,842	1,344	16,796
Sub total	**11,638**	**145,475**	**12,420**	**155,254**
Adjustment for Basel I floor				
Additional capital requirement according to Basel I floor	5,995	74,938	4,318	53,969
Total	**17,633**	**220,413**	**16,738**	**209,223**

Leverage ratio[1]	31 Dec 2014
Tier 1 capital, transitional definition, EURm[2]	25,382
Leverage ratio exposure, EURm	590,759
Leverage ratio, percentage	4.3

1) Leverage ratio and volumnes presented is based on three month average according to local FSA reporting process.
2) Including profit of the period.

G38 Capital adequacy, cont.

Capital requirements for market risk

	Trading book, IM		Trading book, SA		Banking book, SA		Total	
EURm	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement
Interest rate risk & other[1]	958	77	1,114	89	—	—	2,072	166
Equity risk	285	23	277	22	—	—	562	45
Foreign exchange risk	333	27	—	—	1,996	160	2,329	187
Commodity risk	—	—	12	1	—	—	12	1
Settlement risk	—	—	0	0	0	0	0	0
Diversification effect	–633	–51	—	—	—	—	–633	–51
Stressed Value-at-Risk	1,850	148	—	—	—	—	1,850	148
Incremental Risk Measure	636	51	—	—	—	—	636	51
Comprehensive Risk Measure	468	37	—	—	—	—	468	37
Total	**3,897**	**312**	**1,403**	**112**	**1,996**	**160**	**7,296**	**584**

1) Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

The Nordea Group may transfer capital within its legal entities without material restrictions. International transfers of capital between legal entities are normally possible after approval by the local regulator and are of importance in governing the capital position of the Group. The guarantee schemes introduced within the EU in 2008 limit the transferability of capital under certain circumstances, which serves to impact cross-border financial groups. No such restrictions were however directly affecting Nordea as per end of 2014. More Capital Adequacy information for the Group can be found in the Capital management section page 63 and in the Pillar III report.

Table A3–A5 include disclosure of capital instruments' main features in accordance with §6.4 in FFFS 2014:18 and using the template in Annex II in article 3 in Commission implementing regulation (EU) No 1423/2013. Template items are excluded if not applicable.

Table A3 – Capital main features template – CET1

Common equity Tier 1 capital		
1	Issuer	Nordea Bank AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement	SE0000427361
3	Governing law(s) of the instrument	Swedish
	Regulatory treatment	
4	Transitional CRR rules	Common Equity Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1
6	Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share capital as published in Regulation (EU) No 575/2013 article 28
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 4,050m
9	Nominal amount of instrument	EUR 4,049,951,919
10	Accounting classification	Shareholders' equity
12	Perpeptual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
	Coupons / dividends	
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1
36	Non-compliant transitioned features	No

G38 Capital adequacy, cont.

Table A4 – Capital main features template – AT1

	Additional Tier 1 instrument							
1	Issuer	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS0200688256	W5795#AA7	US65557AAB35/ USW5816FCM42	W5795#AB5	XS0453319039	US65557CAM55/ US65557DAM39	US65557CAN39/ US65557DAL55
3	Governing law(s) of the instrument	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by the laws of the State of New York, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law
Regulatory treatment								
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	Tier 2	Ineligible	Ineligible	Ineligible	Ineligible	Additional Tier 1	Additional Tier 1
6	Eligible at solo/ (sub-) consolidated/ solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 as published in Regulation (EU) No 575/2013 article 484.4
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 500m	EUR 138m	EUR 494m	EUR 69m	EUR 823m	EUR 816m	EUR 408m
9	Nominal amount of instrument	EUR 500m	JPY 20,000m	USD 600m	JPY 10,000m	USD 1,000m	USD 1,000m	USD 500m
9a	Issue price	100 per cent	100 per cent	100 per cent	100 per cent	100 per cent	100 per cent	100 per cent
9b	Redemption price	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	17–Sep–04	4–Mar–05	20–Apr–05	12–Oct–05	25–Sep–09	23–Sep–14	23–Sep–14
12	Perpeptual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes

G38 Capital adequacy, cont.

15	Optional call date, contingent call dates, and redemption amount	17-Sep-09 In addition tax/ regulatory call 100 per cent of nominal amount	4-Mar-35 In addition tax/ regulatory call 100 per cent of nominal amount	20-Apr-15 In addition tax/ regulatory call 100 per cent of nominal amount	12-Oct-35 In addition tax/ regulatory call 100 per cent of nominal amount	25-Mar-15 In addition tax/ regulatory call 100 per cent of nominal amount	23-Sep-19 In addition tax/ regulatory call 100 per cent of nominal amount	23-Sep-24 In addition tax/ regulatory call 100 per cent of nominal amount
16	Subsequent call dates, if applicable	17-Mar and 17-Sep each year after first call date	4-Mar and 4-Sep each year after first call date	20-Jan, 20-Apr, 20-Jul and 20-Oct each year after first call date	12-Apr and 12-Oct each year after first call date	25-Mar and 25-Sep each year after first call date	23-Mar and 23-Sep each year after first call date	23-Mar and 23-Sep each year after first call date
Coupons/dividends								
17	Fixed or floating dividend/ coupon	Floating	Fixed to floating	Fixed to floating	Fixed to floating	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Floating 10-year CMS +0.05 per cent per annum subject to 8 per cent cap	Fixed USD 3.75 per cent per annum, until first call date, thereafter floating 6-month JPY deposit +1.22 per cent per annum	Fixed 5.424 per cent per annum, until first call date, thereafter floating 3-month LIBOR +1.5875 per cent per annum	Fixed USD 3.84 per cent per annum, until first call date, thereafter floating 6-month JPY deposit +1.40 per cent per annum	Fixed 8.375 per cent per annum until first call date, thereafter 5-year US Treasury +5.985 per cent per annum, until 25 March 2020, thereafter 5-year US Treasury +8.9775 per cent per annum	Fixed 5.50 per cent per annum, until first call date, thereafter fixed 5-year mid swap +3.563 per cent per annum	Fixed 6.125 per cent per annum, until first call date, thereafter fixed 5-year mid swap +3.388 per cent per annum
19	Existence of a dividend stopper	Yes	Yes	Yes	Yes	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary Dividend stopper	Partially discretionary Dividend stopper	Partially discretionary Dividend stopper	Partially discretionary Dividend stopper	Partially discretionary Dividend pusher	Fully discretionary	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	Yes	Yes	Yes	Yes	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
30	Write-down features	Yes	Yes	Yes	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger (s)	To avoid liquidation	To avoid liquidation	To avoid liquidation	To avoid liquidation	To avoid or remedy any breach of Applicable Banking Regulations, shareholders resolution	Group CET1 ratio <8 per cent Issuer CET1 ratio <5.125 per cent	Group CET1 ratio <8 per cent Issuer CET1 ratio <5.125 per cent
32	If write-down, full or partial	Full or Partially	Full or Partially	Full or Partially	Full or Partially	Full or Partially	Full or Partially	Full or Partially
33	If write-down, permanent or temporary	Temporary	Temporary	Temporary	Temporary	Temporary	Temporary	Temporary
34	If temporary write-down, description of write-up mechanism	Shareholders resolution regarding reconversion and reinstatement made out of available distribution funds	Shareholders resolution regarding reconversion and reinstatement, made out of available distribution funds	Shareholders resolution regarding Reconversion and Reinstatement made out of available distribution funds	Shareholders resolution regarding reconversion and reinstatement, made out of available distribution funds	Shareholders resolution regarding reconversion and reinstatement, made out of available distribution funds	Fully discretionary, if a positive net profit of both Issuer and Group	Fully discretionary, if a positive net profit of both Issuer and Group

G38 Capital adequacy, cont.

35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
36	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes	No	No
37	If yes, specifiy non-compliant features	No specified trigger level, dividend stopper	No specified trigger level, step-up, dividend stopper	No specified trigger level, step-up, dividend stopper	No specified trigger level, step-up dividend stopper	No specified trigger level, step-up dividend pusher	N/A	N/A

Table A5 – Capital main features template – T2

Tier 2 instruments

1	Issuer	Nordea Bank Norge ASA	Nordea Bank Finland PLC	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	GB0001961928	N/A	XS0497179035	XS0544654162	US65557FAA49/ US65557HAA05	XS0743689993	US65557FAD87/ US65557HAD44
3	Governing law(s) of the instrument	Governed by English law, except for the subordination provisions which are governed by Norwegian law	Governed by English law, except for the subordination provisions which are governed by Finnish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by the laws of the State of New York, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by the laws of the State of New York, except for the subordination provisions which are governed by Swedish law
Regulatory treatment								
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Ineligible	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
6	Eligible at solo/ (sub-) consolidated/ solo & (sub-)consolidated	Solo, sub-consolidated & consolidated	Solo, sub-consolidated & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 (grandfathered) as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 165m	EUR 69m	EUR 997m	EUR 747m	EUR 1,023m	EUR 748m	EUR 816m
9	Nominal amount of instrument	USD 200m	JPY 10,000m	EUR 1,000m	EUR 750m	USD 1,250m	EUR 750m	USD 1,000m
9a	Issue price	100 per cent	100 per cent	99.810 per cent	99.699 per cent	99.508 per cent	99.803 per cent	99.364 per cent
9b	Redemption price	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount

G38 Capital adequacy, cont.

10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	04-Nov-86	22-Aug-01	26-Mar-10	29-Sep-10	13-May-11	15-Feb-12	21-Sep-12
12	Perpeptual or dated	Perpetual	Perpetual	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	No maturity	No maturity	26-Mar-20	29-Mar-21	13-May-21	15-Feb-22	21-Sep-22
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates, and redemption amount	18-Nov-91 In addition tax call 100 per cent of nominal amount	26-Feb-29 In addition tax call 100 per cent of nominal amount	Tax/regulatory call 100 per cent of nominal amount	Tax call 100 per cent of nominal amount	Tax call 100 per cent of nominal amount	15-Feb-17 In addition tax call 100 per cent of nominal amount	Tax call/regulatory call, 100 per cent of nominal amount
16	Subsequent call dates, if applicable	18-May and 18-Nov each year after first call date	26-Feb and 26-Aug each year after first call date	N/A	N/A	N/A	N/A	N/A
Coupons/dividends								
17	Fixed or floating dividend/coupon	Floating	Fixed to floating	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Floating 6-month USD +0.1875 per cent per annum	Fixed USD 4.51 per cent per annum to call date, thereafter floating rate equivalent to 6-month JPY Deposit +2.00 per cent per annum	4.50%	4.00%	4.875%	Fixed 4.625 per cent per annum (equivalent to Euro Swap Rate +3.15 per cent per annum) to call date, thereafter reset fixed rate to Euro Swap Rate +3.15 per cent per annum	4.25%
19	Existence of a dividend stopper	No	No	No	No	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary Dividend pusher	Partially discretionary Dividend pusher	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Partially discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	Yes	No	No	No	No	No
22	Noncumulative or cumulative	Cumulative	Cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
30	Write-down features	No	No	No	No	No	No	No

G38 Capital adequacy, cont.

35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Senior debt	Senior debt	Senior debt	Senior debt	Senior debt	Senior debt	Senior debt
36	Non-compliant transitioned features	No	Yes	No	No	No	No	No
37	If yes, specifiy non-compliant features	N/A	Step-up	N/A	N/A	N/A	N/A	N/A

Specification of group undertakings 31 December 2014

Owner	Company name	Voting power of holding, %	Domicile	Consolidation method
Nordea Bank AB (publ)	**Nordea Bank Finland Plc**	**100**	**Finland**	**Purchase method**
Nordea Bank Finland Plc	Nordea Finance Finland Ltd	100	Finland	Purchase method
	Realia Holding Oy	25	Finland	Equity method
Nordea Finance Finland Ltd	Tukirahoitus Oy	100	Finland	Purchase method
	Nordea Finance Estonia Ltd	100	Estonia	Purchase method
	Nordea Finance Latvia Ltd	100	Latvia	Purchase method
	Nordea Finance Lithuania Ltd	100	Lithuania	Purchase method
	NF Fleet Oy	20	Finland	Equity method
Nordea Finance Estonia Ltd	ALD Automotive Eesti AS	25	Estonia	Equity method
Nordea Finance Latvia Ltd	ALD Automotive SIA	25	Latvia	Equity method
Nordea Finance Lithuania Ltd	UAB ALD Automotive	25	Lithuania	Equity method
Nordea Bank Finland Plc	*Ancillary service undertakings*			
Nordea Bank AB (publ)	**Nordea Bank Norge ASA**	**100**	**Norway**	**Purchase method**
Nordea Bank Norge ASA	Nordea Eiendomskreditt AS	100	Norway	Purchase method
	Nordea Finans Norge AS	100	Norway	Purchase method
	Eksportfinans ASA	23	Norway	Purchase method
Nordea Finans Norge AS	NF Fleet AS	20	Norway	Equity method
Nordea Bank Norge ASA	*Ancillary service undertakings*			
Nordea Bank AB (publ)	**Nordea Bank Danmark A/S**	**100**	**Denmark**	**Purchase method**
Nordea Bank Danmark A/S	LR-Realkredit A/S	39	Denmark	Equity method
	Nordea Finans Danmark A/S	100	Denmark	Purchase method
	Nordea Kredit Realkreditaktieselskab	100	Denmark	Purchase method
	NJK1 ApS	100	Denmark	Purchase method
	Swipp Holding ApS	30	Denmark	Equity method
	Bankernas Kontantservice A/S	20	Denmark	Equity method
	Fiona Asset Company A/S	100	Denmark	Purchase method
Nordea Finans Danmark A/S	Fleggaard Busleasing	39	Germany	Equity method
	NF Fleet A/S	20	Denmark	Equity method
	K/S UL 676	100	Denmark	Purchase method
	K/S UL 677	100	Denmark	Purchase method
	K/S UL 678	100	Denmark	Purchase method
	UL Transfer Aps	100	Denmark	Purchase method

G38 Capital adequacy, cont.

Specification over group undertakings 31 December 2014, cont.

Owner	Company name	Voting power of holding, %	Domicile	Consolidation method
Nordea Finans Danmark A/S	UL International ApS	100	Denmark	Purchase method
	DT Finance K/S	100	Denmark	Purchase method
	BH Finance K/S	100	Denmark	Purchase method
	NAMIT 10 K/S	100	Denmark	Purchase method
	City 10 K/S	100	Denmark	Purchase method
	Tide Leasing 2012 K/S	100	Denmark	Purchase method
	LB12 K/S	100	Denmark	Purchase method
	BAAS 2012 K/S	100	Denmark	Purchase method
Nordea Bank Danmark A/S	*Ancillary service undertakings*			
Nordea Bank AB (publ)	**OOO Promyshlennaya Companiya Vestkon**	**100**	**Russia**	**Purchase method**
OOO Promyshlennaya Companiya Vestkon / Nordea Bank AB (publ)	Join Stock Company Nordea Bank	100	Russia	Purchase method
Join Stock Company Nordea Bank	Nordea Leasing LLC	100	Russia	Purchase method
Join Stock Company Nordea Bank	*Ancillary service undertakings*			
Nordea Bank AB (publ)	Nordea Hypotek AB (publ)	100	Sweden	Purchase method
	Nordea Finans Sverige AB (publ)	100	Sweden	Purchase method
	Nordea Investment Management AB	100	Sweden	Purchase method
	Bankomatcentralen AB	48	Sweden	Equity method
	Svenska e-fakturabolaget AB	50	Sweden	Equity method
	BDB Bankernas Depå AB	20	Sweden	Equity method
	BAB Bankernas Automatbolag AB	20	Sweden	Equity method
	Getswish AB (former Goldcup 8289)	20	Sweden	Equity method
	PK Properties Int'l Corp	100	USA	Purchase method
	Nordea Funds Ltd	100	Finland	Purchase method
Nordea Finans Sverige AB (publ)	NF Fleet AB	20	Sweden	Purchase method
Nordea Investment Management AB	Nordea Investment Management North America Inc	100	USA	Purchase method
	Nordea Investment Management AG	100	Germany	Purchase method
	Nordea Private Equity Holding A/S	100	Denmark	Purchase method
Nordea Private Equity Holding A/S	Nordea Private Equity I A/S	100	Denmark	Purchase method
	Nordea Private Equity II - Global A/S	100	Denmark	Purchase method
	Nordea Private Equity III - GLOBAL A/S	100	Denmark	Purchase method
	Nordea Private Equity II - EU Mezz A/S	100	Denmark	Purchase method
	Nordea Private Equity II - EU MM Buyout A/S	100	Denmark	Purchase method
	PWM Global PE III ApS	100	Denmark	Purchase method
Nordea Finans Sweden, Finland, Norway and Denmark	NF Techfleet AB	20	Sweden	Equity method
Nordea Bank AB (publ)	*Ancillary service undertakings*			
Nordea Bank AB (publ) / Nordea Investment Management AB	**Nordea Bank S.A.**	100	**Luxembourg**	**Purchase method**
Nordea Bank S.A.	Nordea Investment Funds S.A.	100	Luxembourg	Purchase method

G39 Classification of financial instruments

31 Dec 2014, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets and associates	Total
Assets								
Cash and balances with central banks	31,067	—	—	—	—	—	—	31,067
Loans to central banks	6,676	—	282	—	—	—	—	6,958
Loans to credit institutions	7,657	—	4,547	13	—	—	—	12,217
Loans to the public	246,862	—	49,517	51,706	—	—	—	348,085
Interest-bearing securities	—	2,630	34,418	18,541	—	31,521	—	87,110
Financial instruments pledged as collateral	—	—	12,151	—	—	—	—	12,151
Shares	—	—	8,445	31,300	—	4	—	39,749
Derivatives	—	—	102,279	—	2,840	—	—	105,119
Fair value changes of the hedged items in portfolio hedge of interest rate risk	256	—	—	—	—	—	—	256
Investments in associated undertakings	—	—	—	—	—	—	487	487
Intangible assets	—	—	—	—	—	—	2,908	2,908
Properties and equipment	—	—	—	—	—	—	509	509
Investment properties	—	—	—	—	—	—	3,227	3,227
Deferred tax assets	—	—	—	—	—	—	130	130
Current tax assets	—	—	—	—	—	—	132	132
Retirement benefit assets	—	—	—	—	—	—	42	42
Other assets	4,590	—	—	11,176	—	—	1,815	17,581
Prepaid expenses and accrued income	1,123	—	4	—	—	—	487	1,614
Total	**298,231**	**2,630**	**211,643**	**112,736**	**2,840**	**31,525**	**9,737**	**669,342**

31 Dec 2014, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	23,806	3,220	—	29,296	—	56,322
Deposits and borrowings from the public	24,577	8,343	—	164,334	—	197,254
Liabilities to policyholders	—	16,741	—	—	35,102	51,843
Debt securities in issue	8,001	42,619	—	143,654	—	194,274
Derivatives	95,118	—	2,222	—	—	97,340
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	3,418	—	3,418
Current tax liabilities	—	—	—	—	368	368
Other liabilities	6,903	10,061	—	6,377	3,632	26,973
Accrued expenses and prepaid income	9	—	—	345	1,589	1,943
Deferred tax liabilities	—	—	—	—	983	983
Provisions	—	—	—	—	305	305
Retirement benefit liabilities	—	—	—	—	540	540
Subordinated liabilities	—	—	—	7,942	—	7,942
Total	**158,414**	**80,984**	**2,222**	**355,366**	**42,519**	**639,505**

G39 Classification of financial instruments, cont.

31 Dec 2013, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets and associates	Assets held for sale	Total
Assets									
Cash and balances with central banks	33,529	—	—	—	—	—	—	—	33,529
Loans to central banks	11,014	—	755	—	—	—	—	—	11,769
Loans to credit institutions	4,281	—	5,851	611	—	—	—	—	10,743
Loans to the public	250,026	—	39,159	53,266	—	—	—	—	342,451
Interest-bearing securities	—	5,359	33,985	19,968	—	28,002	—	—	87,314
Financial instruments pledged as collateral	—	—	9,575	—	—	—	—	—	9,575
Shares	—	—	7,683	25,584	—	4	—	—	33,271
Derivatives	—	—	69,003	—	1,989	—	—	—	70,992
Fair value changes of the hedged items in portfolio hedge of interest rate risk	203	—	—	—	—	—	—	—	203
Investments in associated undertakings	—	—	—	—	—	—	630	—	630
Intangible assets	—	—	—	—	—	—	3,246	—	3,246
Properties and equipment	—	—	—	—	—	—	431	—	431
Investment properties	—	—	—	—	—	—	3,524	—	3,524
Deferred tax assets	—	—	—	—	—	—	62	—	62
Current tax assets	—	—	—	—	—	—	31	—	31
Retirement benefit assets	—	—	—	—	—	—	321	—	321
Other assets	4,057	—	—	6,122	—	—	885	—	11,064
Prepaid expenses and accrued income	1,886	—	20	—	—	—	477	—	2,383
Assets held for sale	—	—	—	—	—	—	—	8,895	8,895
Total	**304,996**	**5,359**	**166,031**	**105,551**	**1,989**	**28,006**	**9,607**	**8,895**	**630,434**

31 Dec 2013, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Liabilities held for sale	Total
Liabilities							
Deposits by credit institutions	23,064	2,743	—	33,283	—	—	59,090
Deposits and borrowings from the public	26,743	10,106	—	163,894	—	—	200,743
Liabilities to policyholders	—	13,737	—	—	33,489	—	47,226
Debt securities in issue	6,955	35,121	—	143,526	—	—	185,602
Derivatives	64,566	—	1,358	—	—	—	65,924
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	1,734	—	—	1,734
Current tax liabilities	—	—	—	—	303	—	303
Other liabilities	10,996	5,867	—	5,747	2,127	—	24,737
Accrued expenses and prepaid income	29	427	—	1,890	1,331	—	3,677
Deferred tax liabilities	—	—	—	—	935	—	935
Provisions	—	—	—	—	177	—	177
Retirement benefit liabilities	—	—	—	—	334	—	334
Subordinated liabilities	—	—	—	6,545	—	—	6,545
Liabilities held for sale	—	—	—	—	—	4,198	4,198
Total	**132,353**	**68,001**	**1,358**	**356,619**	**38,696**	**4,198**	**601,225**

G39 Classification of financial instruments, cont.

Loans designated at fair value through profit or loss

EURm	31 Dec 2014	31 Dec 2013
Carrying amount	51,719	53,877
Maximum exposure to credit risk	51,719	53,877
Carrying amount of credit derivatives used to mitigate the credit risk	—	—

Financial assets and liabilities designated at fair value through profit or loss

Changes in fair values of financial liabilities attributable to changes in credit risk

The financial liabilities designated at fair value through profit or loss exposed to changes in credit risk are issued bonds in the Danish group undertaking Nordea Kredit Realkreditaktieselskab, EUR 42,619m (EUR 35,121m), the funding of the Markets operation, EUR 17,337m (EUR 14,841m) deposits linked to the investment return of separate assets, EUR 4,287m (EUR 4,302m) and investment contracts in Life, EUR 16,741m (EUR 13,737m). The funding of Markets is generally of such a short term nature that the effect of changes in own credit risk is not significant. The value of the investment contracts in Life and assetslinked deposits is directly linked to the assets in the contracts and there is consequently no effect from changes in own credit risk in these contracts.

The fair value of bonds issued by Nordea Kredit Realkreditaktieselskab decreased by EUR 6m (increased EUR 16m) in 2014 due to changes in own credit risk. The cumulative change since designation is a decrease of EUR 592m (decrease EUR 596m). The method used to estimate the amount of changes in fair value attributable to changes in market conditions is based on relevant benchmark interest rates, which are the average yields on Danish and German (EUR) government bonds.

For the issued mortgage bonds a change in the liability's credit risk and price will have a corresponding effect on the value of the loans. The reason is that a change in the price of the bonds will be offset by the opposite change in the value of the prepayment option of the loan.

Changes in fair values of financial assets attributable to changes in credit risk

Lending designated at fair value through profit or loss exposed to changes in credit risk consist of lending in the Danish group undertaking Nordea Kredit Realkreditaktieselskab, EUR 51,244m (EUR 48,829m) and lending in the Markets operation, EUR 475m (EUR 5,048m). The fair value of lending in Nordea Kredit Realkreditaktieselskab decreased by EUR 7m (increased EUR 9m) in 2014 due to changes in credit risk. The cumulative change since designation is a decrease of EUR 153m (decrease EUR 160m). The method used to estimate the amount of change in the fair value attributable to changes in credit risk is similar to the incurred loss impairment model for amortised cost assets under IAS 39. The lending in Markets is generally of such a short term nature (mainly overnight deposits) that the effect of changes in credit risk is not significant. Also instruments classified as "Other assets" and "Prepaid expenses and accrued income" are of such a short-term nature that the impact from changes in credit risk is not significant.

Comparison of carrying amount and contractual amount to be paid at maturity

2014, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	80,984	79,198

2013, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	68,001	67,339

Liabilities to policyholders have no fixed maturities and there is no fixed amount to be paid. The amount disclosed to be paid at maturity has been set to the carrying amount.

G40 Assets and liabilities at fair value

Fair value of financial assets and liabilities

	31 Dec 2014		31 Dec 2013	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	31,067	31,067	33,529	33,529
Loans	367,516	368,872	365,166	365,166
Interest-bearing securities	87,110	87,421	87,314	87,439
Financial instruments pledged as collateral	12,151	12,151	9,575	9,575
Shares	39,749	39,749	33,271	33,271
Derivatives	105,119	105,119	70,992	70,992
Other assets	15,766	15,766	10,179	10,179
Prepaid expenses and accrued income	1,127	1,127	1,906	1,906
Total	**659,605**	**661,272**	**611,932**	**612,057**
Financial liabilities				
Deposits and debt instruments	459,210	460,653	453,714	455,368
Liabilities to policyholders	16,741	16,741	13,737	13,737
Derivatives	97,340	97,340	65,924	65,924
Other liabilities	23,341	23,341	22,610	22,610
Accrued expenses and prepaid income	354	354	2,346	2,346
Total	**596,986**	**598,429**	**558,331**	**559,985**

For information about valuation of items measured at fair value on the balance sheet, see Note G1 and the section "Determination of fair values for items measured at fair value on the balance sheet" below. For information about valuation of items not measured at fair value on the balance sheet, see the section "Financial assets and liabilities not held at fair value on the balance sheet" below.

G40 Assets and liabilities at fair value, cont.

Financial assets and liabilities held at fair value on the balance sheet

Categorisation into the fair value hierarchy

31 Dec 2014, EURm	Quoted prices in active markets for the same instrument (Level 1)	– of which Life	Valuation technique using observable data (Level 2)	– of which Life	Valuation technique using non-observable data (Level 3)	– of which Life	Total
Assets at fair value on the balance sheet[1]							
Loans to central banks	—	—	282	—	—	—	282
Loans to credit institutions	—	—	4,560	7	—	—	4,560
Loans to the public	—	—	101,223	—	—	—	101,223
Interest-bearing securities[2]	54,724	12,805	41,598	6,936	279	53	96,601
Shares[3]	32,724	22,739	1,597	1,596	5,458	4,486	39,779
Derivatives	102	—	103,551	119	1,466	—	105,119
Investment properties	—	—	—	—	3,227	3,127	3,227
Other assets	—	—	11,176	—	—	—	11,176
Prepaid expenses and accrued income	—	—	4	—	—	—	4
Total	**87,550**	**35,544**	**263,991**	**8,658**	**10,430**	**7,666**	**361,971**
Liabilities at fair value on the balance sheet[1]							
Deposits by credit institutions	—	—	27,026	1,541	—	—	27,026
Deposits and borrowings from the public	—	—	32,920	—	—	—	32,920
Liabilities to policyholders	—	—	16,741	16,741	—	—	16,741
Debt securities in issue	42,619	—	8,001	—	—	—	50,620
Derivatives	91	—	95,623	56	1,626	—	97,340
Other liabilities	4,667	—	12,297	—	—	—	16,964
Accrued expenses and prepaid income	—	—	9	—	—	—	9
Total	**47,377**	**—**	**192,617**	**18,338**	**1,626**	**—**	**241,620**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 12,121m relates to the balance sheet item Financial instruments pledged as collateral.
3 Of which EUR 30m relates to the balance sheet item Financial instruments pledged as collateral.

31 Dec 2013, EURm	Quoted prices in active markets for the same instrument (Level 1)	– of which Life	Valuation technique using observable data (Level 2)	– of which Life	Valuation technique using non-observable data (Level 3)	– of which Life	Total
Assets at fair value on the balance sheet[1]							
Loans to central banks	—	—	755	—	—	—	755
Loans to credit institutions	—	—	6,462	—	—	—	6,462
Loans to the public	—	—	92,425	—	—	—	92,425
Interest-bearing securities[2]	59,276	11,641	31,745	6,882	478	104	91,499
Shares[3]	28,004	18,995	1,457	1,454	3,841	2,842	33,302
Derivatives	195	128	69,361	26	1,436	—	70,992
Investment properties	—	—	—	—	3,524	3,367	3,524
Other assets	—	—	6,122	—	—	—	6,122
Prepaid expenses and accrued income	—	—	20	—	—	—	20
Total	**87,475**	**30,764**	**208,347**	**8,362**	**9,279**	**6,313**	**305,101**
Liabilities at fair value on the balance sheet[1]							
Deposits by credit institutions	—	—	25,807	1,168	—	—	25,807
Deposits and borrowings from the public	—	—	32,547	—	—	—	32,547
Liabilities to policyholders	—	—	13,737	13,737	—	—	13,737
Debt securities in issue	35,121	—	6,955	—	—	—	42,076
Derivatives	35	—	64,490	—	1,399	—	65,924
Other liabilities	8,939	—	7,923	—	1	—	16,863
Accrued expenses and prepaid income	—	—	456	—	—	—	456
Total	**44,095**	**—**	**151,915**	**14,905**	**1,400**	**—**	**197,410**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 9,544m relates to the balance sheet item Financial instruments pledged as collateral.
3) Of which EUR 31m relates to the balance sheet item Financial instruments pledged as collateral.

G40 Assets and liabilities at fair value, cont.

Determination of fair value for items measured at fair value on the balance sheet

Fair value measurements of assets and liabilities carried at fair value have been categorised under the three levels of the IFRS fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The categorisation of these instruments is based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 in the fair value hierarchy consists of assets and liabilities valued using unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. This category includes listed derivatives, listed equities, government bonds in developed countries, and most liquid mortgage bonds and corporate bonds where direct tradable price quotes exist.

Level 2 in the fair value hierarchy consists of assets and liabilities that do not have directly quoted market prices available from active markets. The fair values are estimated using valuation techniques or valuation models based on market prices or rates prevailing at the balance sheet date and any unobservable inputs have had an insignificant impact on the fair values. This is the case for the majority of Nordea's OTC derivatives, securities purchased/sold under resale/repurchase agreements, securities borrowed/lent and other instruments where active markets supply the input to the valuation techniques or models.

Level 3 in the fair value hierarchy consists of those types of assets and liabilities which fair values cannot be obtained directly from quoted market prices or indirectly using valuation techniques or models supported by observable market prices or rates. This is generally the case for investments in unlisted securities, private equity funds, hedge funds and investment properties. This is generally also the case for more complex OTC derivatives, including OTC derivatives where less active markets supply input to the valuation techniques or models, certain complex or structured financial instruments such as CLNs and CDOs, and illiquid interest bearing securities. Complex valuation models are generally characterised by the use of unobservable and model specific parameters.

All valuation models, both complex and simple models, make use of market parameters. These parameters comprise interest rates, volatilities, correlations etc. Some of these parameters are observable while others are not. For non-exotic currencies the interest rates are all observable, and the volatilities and the correlations of the interest rates and FX rates are observable up to a certain maturity. Volatilities and correlations are also observable for the most liquid equity instruments in the short end. For less liquid equity instruments the option market is fairly illiquid, and hence the volatilities and correlations are unobservable. For each instrument the sensitivity towards unobservable parameters is measured. If the impact from unobservable parameters on the valuation is significant the instrument is categorised as Level 3 in the fair value hierarchy.

For interest-bearing securities the categorisation into the three levels are based on the internal pricing methodology. These instruments can either be directly quoted in active markets (Level 1) or measured using a methodology giving a quote based on observable inputs (Level 2). Level 3 bonds are characterised by illiquidity.

For OTC derivatives valuation models are used for establishing fair value. For collateralised contracts OIS interest rates are used for discounting. These rates are observable in the market. The valuation is in addition based on several other market parameters, depending on the nature of the contract. Complex valuation models are used for more exotic OTC derivatives. The models are usually in-house developed, and based on assumptions about the behaviour of the underlying asset and statistical scenario analysis. As mentioned above OTC derivatives are generally categorised as Level 2 in the fair value hierarchy and all significant model parameters are thus observable in active markets. For vanilla derivatives standard models like e.g. Black-Scholes are used for valuation.

Valuations of Private Equity Funds (PEF) and unlisted equity instruments are by nature more uncertain than valuations of more actively traded equity instruments. Emphasis is put on using a consistent approach across all assets and over time. The methods used are consistent with the guideline "International Private Equity and Venture Capital Valuation Guidelines" issued by EVCA (European Venture Capital Association). The EVCA guidelines are considered as best practice in the PEF industry. For US based funds, similar methods are applied.

Nordea furthermore holds loans and issued debt securities in the subsidiary Nordea Kredit Realkreditaktieselskab at fair value. When Nordea grants mortgage loans to borrowers, in accordance with the Danish mortgage finance law, Nordea at the same time issues debt securities with matching terms, so called "match funding". Fair value of the issued debt securities is based on quoted prices and thus categorised as Level 1 in the fair value hierarchy. As the borrowers have the right to purchase debt securities issued by Nordea in the market and return these as repayment for their loans, the fair value of the loans is the same as the fair value of the issued bonds (due to the revaluation of the repayment option embedded in the loan) adjusted for changes in the credit risk of the borrower. The credit risk adjustment is calculated based on an incurred loss model.

Fair value of financial assets and liabilities are generally calculated as the theoretical net present value of the individual instruments, based on independently sourced market parameters as described above, and assuming no risks and uncertainties. This calculation is supplemented by a portfolio adjustment.

An important part of the portfolio adjustment relates to counterparty risk in OTC-derivaives. The adjustment is based on the current exposure towards each counterpart, the estimated potential future exposure as well as an estimate of the cost of hedging the counterparty risk. This cost of hedging is either based directly on market prices (where available) or on a theoretical calculation based on the internal credit rating of the counterpart. Nordea also takes into account Nordea´s credit spread in the valuation of derivatives (DVA).

Another important part of the portfolio adjustment serves to adjust the net open market risk exposures from mid-prices to ask or bid prices (depending on the net position). For different risk categories, exposures are aggregated and netted according to internal guidelines and aggregated market price information on bid-ask spreads are applied in the calculation. Spreads are updated on a regular basis.

The fair value measurement of the investment properties takes into account a market participant´s ability to generate economic benefits by using the investment properties in its highest and best use, i.e. taking into account the use of the

G40 Assets and liabilities at fair value, cont.

investment properties that is physically possible, legally permissible and financially feasible. The current use of the investment properties in Nordea is in accordance with the highest and best use. The valuation of the investment properties is carried out taking into account the purpose and the nature of the property by using the most appropriate valuation methods. The primary valuation approach is a discounted cash flow model using current cash flows, market interest rates and the current yield requirements.

Transfers between Level 1 and 2

During the year, Nordea transferred interest-bearing securities (including such financial instruments pledged as collateral) of EUR 149m (EUR 2,893m) from Level 1 to Level 2 and EUR 1,290m (EUR 1,092m) from Level 2 to Level 1 of the fair value hierarchy. Nordea also transfered other liabilities of EUR 55m from Level 2 to Level 1. During 2013 Nordea transfered shares of EUR 966m and other liabilities of EUR 1,054m from Level 1 to Level 2. The reason for the transfers from Level 1 to Level 2 was that the instruments ceased to be actively traded during the year and fair values have now been obtained using valuation techniques with observable market inputs. The reason for the transfer from Level 2 to Level 1 was that the instruments have been actively traded during the year and reliable qouted prices are obtained in the market. Transfers between levels are considered to have occurred at the end of the year.

Movements in Level 3

		Fair value gains/losses recognised in the income statement during the year								
2014, EURm	1 Jan 2014	Realised	Unrealised	Recognised in OCI	Purchases/ Issues	Sales	Settlements	Transfers out of level 3	Translation differences	31 Dec 2014
Interest-bearing securities	478	8	10	–2	163	–373	–3	—	–2	279
– of which Life	104	5	5	—	19	–78	—	—	–2	53
Shares	3,841	388	313	—	2,417	–1,441	–22	–22	–16	5,458
– of which Life	2,842	324	238	—	2,332	–1,196	–15	–22	–17	4,486
Derivatives (net)	37	–488	–197	—	—	—	488	—	—	–160
Investment properties	3,524	–1	–3	—	267	–462	—	–33	–65	3,227
– of which Life	3,367	7	–3	—	241	–390	—	–33	–62	3,127
Other liabilities	1	—	—	—	—	–1	—	—	—	—

Unrealised gains and losses relate to those assets and liabilities held at the end of the year. During the year Nordea transferred shares of EUR 22m from Level 3 to Level 2. The reason for the transfer from Level 3 to Level 2 was that observable market data became available. Transfers between levels are considered to have occurred at the end of the year. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note G5). Assets and liabilities related to derivatives are presented net.

G40 Assets and liabilities at fair value, cont.

Movements in Level 3, cont.

2013, EURm	1 Jan 2013	Reclas-sifica-tion	Fair value gains/losses recognised in the income statement during the year: Realised	Unrealised	Purchases/ Issues	Sales	Settle-ments	Transfers into level 3	Transfers out of level 3	Translation differences	31 Dec 2013
Interest-bearing securities	1,118	–498	–10	65	105	–277	–12	—	—	–13	478
– of which Life	719	–498	–14	–2	10	–97	–1	—	—	–13	104
Shares	3,374	498	299	62	967	–1,125	–72	2	–137	–27	3,841
– of which Life	2,210	498	251	52	808	–752	–69	2	–137	–21	2,842
Derivatives (net)	332	—	287	–300	—	—	–287	5	—	0	37
Investment properties	3,408	—	1	–41	502	–223	—	—	—	–123	3,524
– of which Life	3,261	—	1	–41	445	–179	—	—	—	–120	3,367
Other liabilities	—	—	–20	0	608	—	–608	21	—	—	1

Unrealised gains and losses relate to those assets and liabilities held at the end of the year. During the year Nordea transferred shares of EUR 137m from Level 3 to Level 2 and EUR 2m from Level 2 to Level 3. Nordea also transferred other liabilities of EUR 21m from Level 2 to Level 3. The reason for the transfer from Level 3 to Level 2 was that observable market data became available. The reason for the transfer from Level 2 to Level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the year. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note G5). Assets and liabilities related to derivatives are presented net.

The valuation processes for fair value measurements in Level 3

Financial instruments

Valuation principles in Nordea are determined in and approved by the Group Valuation Committee (GVC). GVC issues guiding policies to the business units on how to establish a robust valuation process and minimise the valuation uncertainty. The GVC also serves as escalation point.

The valuation process in Nordea consists of several steps. The first step is the initial end of day (EOD) marking of mid-prices. The mid-prices are either fixed by front office or received from external sources. The second step is the control part, which is performed by independent control units. The cornerstone in the control is the independent price verification (IPV). The IPV test comprises verification of the correctness of prices and other parameters used in the net present value (NPV) calculation, the adequacy of the valuation models, including an assessment of whether to use quoted prices or valuation models, and the reliability of the assumptions and parameters used in the valuation adjustments at portfolio level covering mainly liquidity (bid/offer spread) and credit risk adjustments.

The verification of the correctness of prices and other parameters is carried out daily. Third-party information, such as broker quotes and pricing services, is used as benchmark data in the verification. The quality of the benchmark data is assessed on a regular basis. This quality assessment is used in the measurement of the valuation uncertainty.

Valuation adjustment at portfolio level and the deferrals of day 1 P/L on Level 3 trades are calculated and reported on a monthly basis. The actual assessment of instruments in the fair value hierarchy is performed on a continuous basis.

Investment properties

The main part of the investment properties in Nordea is held by Nordea Life and Pension (NLP). The valuation of the investment properties in NLP is performed quarterly by the real estate departments in each entity within NLP with full or partial assistance from external valuers. For the departments that use their own methodologies the changes in price levels of the properties are compared with valuations of similar properties assessed by external valuers. The result of the valuation is presented to, and approved by, the local management in each entity. The CFO in each enitity within NLP is responsible for the approval of the concepts and for the values used. The principles used in all entities are in accordance with regulations provided by the local Financial Supervisory Authorities (FSA) which are in accordance with international valuation principles and in accordance with IFRS.

In addition there is an Investment Operation Committee (IOC) which is a joint forum focusing on valuation and accounting of investment operations issues within NLP. The entities within NLP report regularly to IOC and IOC report quarterly to the Nordea Group Valuation Committee.

Investment properties in NLP are backing the liabilities to policyholders in life insurance contracts, unit-linked contracts and investment contracts, which means that the impact on Nordea's income statement and on shareholders' equity depends on the financial buffers and the profit sharing agreements in the actual unit that owns the property.

G40 Assets and liabilities at fair value, cont.

Valuation techniques and inputs used in the fair value measurements in Level 3

31 Dec 2014, EURm	Fair value	Of which Life[1]	Valuation techniques	Unobservable input	Range of fair value
Interest-bearing securities					
Mortgage and other credit institutions[2]	235	9	Discounted cash flows	Credit spread	–8/8
Corporates	44	44	Discounted cash flows	Credit spread	–3/3
Total	**279**	**53**			**–11/11**
Shares					
Private equity funds	2,328	1,820	Net asset value[3]		
Hedge funds	443	181	Net asset value[3]		
Credit Funds	487	377	Net asset value/market consensus[3]		
Other funds	1,970	1,950	Net asset value/Fund prices[3]		
Other	230	158	—		
Total	**5,458**	**4,486**			**–542/575**
Derivatives					
Interest rate derivatives	191	—	Option model	Correlations Volatilities	–13/9
Equity derivatives	–220	—	Option model	Correlations Volatilities Dividend	–18/12
Foreign exchange derivatives	–31	—	Option model	Correlations Volatilities	+/–0
Credit derivatives	–129	—	Credit derivat model	Correlations Recovery rates	–10/9
Other	29	—	Option model	Correlations Volatilities	+/–0
Total	**–160**	**—**			**–41/30**

1) Investment in financial instruments is a major part of the life insurance business, aquired to fulfill the obligations behind the insurance- and investment contracts. The gains or losses on these instruments are almost exclusively allocated to policyholders and do consequently not affect Nordea's equity.
2) Of which EUR 155m is priced at a credit spread (the difference between the discount rate and LIBOR) of 1.45% and a resonable change of this credit spread would not affect the fair value due to callability features.
3) The fair values are based on prices and net assets values delivered by external suppliers/custodians. The prices are fixed by the suppliers/custodians on the basis of the development in assets behind the investments. For private equity funds the dominant measurement methodology used by the suppliers/custodians, is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by the EVCA (European Venture Capital Association). Less than 15% of the private equity fund investment are internally adjusted/valued based the IPEV guidelines. These carrying amounts are in a range of 0% to 95% compared to the values received from suppliers/custodians.

The table above shows, for each class of assets and liabilities categorised in Level 3, the fair value, the valuation techniques used to estimate the fair value, significant unobservable inputs used in the valuation techniques and for financial assets and liabilities the fair value sensitivity to changes in key assumptions.

The column "range of fair value" in the tables above shows the sensitivity of the fair values of Level 3 financial instruments to changes in key assumptions. Where the exposure to an unobservable parameter is offset across different instruments then only the net impact is disclosed in the table. The ranges disclosed are likely to be greater than the true uncertainty in fair value of these instruments, as it is unlikely in practice that all unobservable parameters would be simultaneously at the extremes of their ranges of reasonably possible alternatives. The disclosure is neither predictive nor indicative of future movements in fair value.

In order to calculate the sensitivity (range) in fair value of derivatives a range of different modelling approaches are applied to determine an uncertainty interval around the reported fair value. The different approaches applied target various aspects of derivatives pricing. Two common components of derivative valuation models are volatility of underlying risk factors and correlation between the relevant risk factors. Each of these is addressed by applying different assumptions to input and/or the choice of modelling approach. Besides these common factors a number of asset class specific factors are addressed. These include equity dividend expectations, recovery assumptions for credit derivatives and inflation expectations. The fair values of derivatives are presented as the net of assets and liabilities.

In order to calculate the sensitivity (range) in fair value of shares and interest-bearing securities the fair value was increased and decreased within a total range of 2–10 percentage units depending of the valuation uncertainty and underlying assumptions. Higher ranges are applied to instruments with more uncertain valuations relative to actively traded instruments and underlying uncertainties in individual assumptions.

G40 Assets and liabilities at fair value, cont.

Valuation techniques and inputs used in the fair value measurements in Level 3

31 Dec 2013, EURm	Fair value	Of which Life[1]	Valuation techniques	Unobservable input	Range of fair value
Interest-bearing securities					
Municipalities and other public bodies	29	29	Discounted cash flows	Credit spread	+/–0
Mortgage and other credit institutions[2]	359	8	Discounted cash flows	Credit spread	–20/20
Corporates	82	67	Discounted cash flows	Credit spread	–4/4
Other	8	—	—	—	–1/1
Total	**478**	**104**			**–25/25**
Shares					
Private equity funds	2,298	1,770	Net asset value[3]		
Hedge funds	458	178	Net asset value[3]		
Credit Funds	460	362	Net asset value/market consensus[3]		
Other funds	431	403	Net asset value/Fund prices[3]		
Other	194	129	—		
Total	**3,841**	**2,842**			**–381/381**
Derivatives					
Interest rate derivatives	141	—	Option model	Correlations Volatilities	–7/5
Equity derivatives	–93	—	Option model	Correlations Volatilities Dividend	–17/11
Foreign exchange derivatives	103	—	Option model	Correlations Volatilities	+/–0
Credit derivatives	–129	—	Credit derivat model	Correlations Recovery rates	–7/9
Other	15	—	Option model	Correlations Volatilities	+/–0
Total	**37**	**—**			**–31/25**

1) Investment in financial instruments is a major part of the life insurance business, aquired to fulfill the obligations behind the insurance- and investment contracts. The gains or losses on these instruments are almost exclusively allocated to policyholders and do consequently not affect Nordea's equity.
2) Of which EUR 155m is priced at a credit spread (the difference between the discount rate and LIBOR) of 1.45% and a reasonable change of this credit spread would not affect the fair value due to callability features.
3) The fair values are based on prices and net assets values delivered by external suppliers/custodians. The prices are fixed by the suppliers/custodians on the basis of the development in assets behind the investments. For private equity funds the dominant measurement methodology used by the suppliers/custodians, is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by the EVCA (European Venture Capital Association). Less than 15% of the private equity fund investment are internally adjusted/valued based the IPEV guidelines. These carrying amounts are in a range of 0% to 100% compared to the values received from suppliers/custodians.

G40 Assets and liabilities at fair value, cont.

31 Dec 2014, EURm	Fair value[1]	Of which Life	Valuation techniques	Unobservable input	Range of unobservable input	Weighted average of unobservable input
Investment properties						
Denmark	1,656	1,645	Discounted cash flows	Market rent	26–377 EUR/m²/year	110 EUR/m²/year
				Yield requirement		
				Commercial	6.1%–9.0%	7.5%
				Office	4.6%–9.5%	6.0%
				Apartment	3.5%–6.0%	5.0%
Norway	774	767	Discounted cash flows	Market rent	25–1,166 EUR/m²/year	216 EUR/m²/year
				Yield requirement		
				Commercial	5.3%–8.5%	5.9%
				Office	5.0%–8.8%	6.3%
				Apartment	5.5%–5.5%	5.5%
				Other	7.3%–8.5%	7.8%
Finland	642	640	Discounted cash flows[2]	Market rent	89–327 EUR/m²/year	170 EUR/m²/year
				Yield requirement		
				Commercial	5.0%–7.0%	6.0%
				Office	5.0%–8.0%	6.5%
				Apartment	4.5%–6.0%	5.3%
				Other	6.5%–9.0%	7.8%
Sweden	75	75	Discounted cash flows[2]	Market rent	64–191 EUR/m²/year	126 EUR/m²/year
				Yield requirement		
				Commercial	6.3%–7.0%	6.7%
				Apartment	4.0%–4.5%	4.1%
				Other	7.0%–7.0%	7.0%
Other	80	—	Discounted cash flows	—	—	—
Total	**3,227**	**3,127**				

1) Split based on the valuation methodologies used in different countries.
2) The fair value is calculated by external valuers.

G40 Assets and liabilities at fair value, cont.

31 Dec 2013, EURm	Fair value[1]	Of which Life	Valuation techniques	Unobservable input	Range of unobservable input	Weighted average of unobservable input
Investment properties						
Denmark	1,752	1,735	Discounted cash flows	Market rent	54–350 EUR/m²/year	107 EUR/m²/year
				Yield requirement		
				Commercial	6.0%–9.0%	7.6%
				Office	4.6%–9.5%	6.1%
				Apartment	3.5%–6.3%	5.8%
Norway	899	875	Discounted cash flows	Market rent	85–850 EUR/m²/year	203 EUR/m²/year
				Yield requirement		
				Commercial	5.3%–8.5%	6.4%
				Office	5.7%–8.5%	6.5%
				Apartment	5.8%–6.5%	6.1%
				Other	6.0%–8.0%	7.3%
Finland	793	681	Discounted cash flows[2]	Market rent	88–324 EUR/m²/year	148 EUR/m²/year
				Yield requirement		
				Commercial	5.0%–7.0%	6.0%
				Office	5.0%–8.0%	6.5%
				Apartment	4.5%–6.0%	5.3%
				Other	6.5%–9.0%	7.8%
Sweden	76	76	Discounted cash flows[2]	Market rent	—	—
				Yield requirement		
				Commercial	6.8%–7.0%	6.8%
				Apartment	4.3%–4.3%	4.3%
				Other	5.0%–8.3%	6.5%
Other	4	—	Discounted cash flows	—	—	—
Total	**3,524**	**3,367**				

1) Split based on the valuation methodologies used in different countries.
2) The fair value is calculated by external valuers.

Movements in deferred Day 1 profit

The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (Level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (Day 1 profit) is deferred. For more information see, Note G1 "Accounting policies". The table below shows the aggregate difference yet to be recognised in the income statement at the beginning and end of the period and a reconciliation of how this aggregated difference has changed during the year (movements in deferred Day 1 profit).

Deferred day 1 profit – derivatives EURm	31 Dec 2014	31 Dec 2013
Amount at beginning of year	38	24
Deferred profit/loss on new transactions	9	26
Recognised in the income statement during the year	–11	–12
Amount at end of year	**36**	**38**

G40 Assets and liabilities at fair value, cont.

Financial assets and liabilities not held at fair value on the balance sheet

EURm	31 Dec 2014 Carrying amount	31 Dec 2014 Fair value	31 Dec 2013 Carrying amount	31 Dec 2013 Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet					
Cash and balances with central banks	31,067	31,067	33,529	33,529	3
Loans	261,451	259,547	265,524	265,524	3
Interest-bearing securities	2,630	2,941	5,359	5,484	1, 2
Other assets	4,590	4,590	4,057	4,057	3
Prepaid expenses and accrued income	1,123	1,123	1,886	1,886	3
Total	**300,861**	**299,268**	**310,355**	**310,480**	
Liabilities not held at fair value on the balance sheet					
Deposits and debt instruments	348,644	350,087	353,284	354,938	3
Other liabilities	6,377	6,377	5,747	5,747	3
Accrued expenses and prepaid income	345	345	1,890	1,890	3
Total	**355,366**	**356,809**	**360,921**	**362,575**	

Cash and balances with central banks
The fair value of "Cash and balances with central banks" is, due to its short term nature, assumed to equal the carrying amount and is thus categorised into Level 3 in the fair value hierarchy.

Loans
The fair value of "Loans to central banks", "Loans to credit institutions" and "Loans to the public" have been estimated by discounting the expected future cash flows with an assumed customer interest rate that would have been used on the market if the loans had been issued at the time of the measurement. The assumed customer interest rate is calculated as the benchmark interest rate plus the average margin on new lending in Retail Banking and Wholesale Banking respectively.

The fair value adjustment on amortised cost loans calculated for disclosure purposes is negative by EUR 1,904m. The fair value adjustment calculated for disclosure purposes on all loans on the balance sheet (see page 137), including loans held at fair value mainly in the Danish group undertaking Nordea Kredit Realkreditaktieselskab (designated at fair value through profit or loss), is positive by EUR 1,356m. The disclosed fair value on loans designated at fair value through profit or loss differs from the carrying amount as the fair value disclosure disregards prepayment options in the lending in Nordea Kredit Realkreditaktieselskab. The correct carrying amount on the balance sheet includes also the fair value adjustment of the prepayment options embedded in the loans.

For the comparative figures 2013 the fair value has been calculated as the carrying amount adjusted for fair value changes in interest rate risk. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rates in the portfolios. No adjustment has been made for changes in fair value of credit risk in the comparative figures.

The fair value measurement is categorised into Level 3 in the fair value hierarchy.

Interest bearing-securities
The fair value is EUR 2,941m (EUR 5,484m), of which EUR 27m (EUR 234m) is categorised in Level 1 and EUR 2,914m (EUR 5,250m) in Level 2. The measurement principles follow those for similar instruments that are held at fair value on the balance sheet.

Other assets and prepaid expenses and accrued income
The balance sheet items "Other assets" and "Prepaid expenses and accrued income" consist of short receivables, mainly accrued interest receivables. The fair value is therefore considered to equal the carrying amount and is categorised into Level 3 in the fair value hierarchy.

Deposits and debt instruments
The fair value of "Deposits by credit institutions", "Deposits and borrowings from the public", "Debt securities in issue" and "Subordinated liabilities" has been calculated as the carrying amount adjusted for fair value changes in interest rate risk and in own credit risk. The fair value is categorised into Level 3 in the fair value hierarchy. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rate in the portfolios. The fair value changes in the credit risk is calculated as the difference between the credit spread in the nominal interest rate compared with the current spread that is observed in the market. This calculation is performed on an aggregated level for all long term issuances recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities". As the contractual maturity is short for "Deposits by credit institutions" and "Deposits and borrowing from the public" the changes in Nordea´s own credit risk related to these items is assumed not to be significant. This is also the case for short term issuances recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities".

Other liabilities and accrued expenses and prepaid income
The balance sheet items "Other liabilities" and "Accrued expenses and prepaid income" consist of short-term liabilities, mainly liabilities on securities settlement. The fair value is therefore considered to be equal to the carrying amount and is categorised into Level 3 in the fair value hierarchy.

G41 Financial instruments set off on balance or subject to netting agreements

31 Dec 2014, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	245,959	–141,572	104,387	–79,016	—	–11,994	13,377
Reverse repurchase agreements	49,352	—	49,352	–19,299	–29,605	—	448
Securities borrowing agreements	5,272	—	5,272	—	–5,272	—	0
Total	**300,583**	**–141,572**	**159,011**	**–98,315**	**–34,877**	**–11,994**	**13,825**

31 Dec 2014, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	237,562	–141,572	95,990	–79,016	—	–10,360	6,614
Repurchase agreements	44,488	—	44,488	–19,299	–23,559	—	1,630
Securities lending agreements	2,778	—	2,778	—	–2,778	—	0
Total	**284,828**	**–141,572**	**143,256**	**–98,315**	**–26,337**	**–10,360**	**8,244**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

31 Dec 2013, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	128,855	–58,132	70,723	–56,104	–1	–5,739	8,879
Reverse repurchase agreements	45,704	—	45,704	–24,267	–21,053	—	384
Securities borrowing agreements	4,397	—	4,397	—	–4,397	—	0
Total	**178,956**	**–58,132**	**120,824**	**–80,371**	**–25,451**	**–5,739**	**9,263**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	122,388	–58,132	64,256	–56,104	—	–4,586	3,566
Repurchase agreements	49,744	—	49,744	–24,267	–21,821	—	3,656
Securities lending agreements	3,063	—	3,063	—	–3,063	—	0
Total	**175,195**	**–58,132**	**117,063**	**–80,371**	**–24,884**	**–4,586**	**7,222**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Enforceable master netting arrangements and similar agreements

The fact that financial instruments are being accounted for on a gross basis on the balance sheet, would not imply that the financial instruments are not subject to master netting agreements or similar arrangements. Generally financial instruments (derivatives, repos and securities lending transactions), would be subject to master netting agreements, and as a consequence Nordea would be allowed to benefit from netting in the case of default by its counter parties, in any calculations involving counterparty credit risk.

For a description of counterparty risk see section Risk, Liquidity and Capital management, in the Board of Directors' report.

G42 Discontinued operations and disposal groups held for sale

EURm	2014	2013
Net interest income	28	154
Net fee and commission income	0	38
Other operating income	21	7
Total operating income	**49**	**199**
Total operating expenses	–53	–118
Net loan losses	–5	–26
Operating profit	**–9**	**55**
Income tax expense	–1	–13
Net profit for the period from discontinued operations	**–10**	**42**
Net result for the period recognised on the measurement at fair value	–19	1
Transaction and transition cost (including cost to sell)[1]	–10	–34
Net profit for the period from discontinued operations after measurement at fair value less cost to sell	**–39**	**9**

1) 2013: Income tax of EUR 9m deducted.

Balance sheet – Condensed[1]

EURm	31 Dec 2014	31 Dec 2013
Assets		
Loans to the public	—	6,144
Interest-bearing securities	—	1,534
Shares	—	385
Total other assets	—	832
Total assets held for sale	**—**	**8,895**
Liabilities		
Deposits by credit institutions	—	78
Deposits and borrowings from the public	—	3,384
Liabilities to policyholders	—	625
Total other liabilities	—	111
Total liabilities held for sale	**—**	**4,198**

1) Includes the external assets and liabilities held for sale. The external funding of the Polish operations that will remain subsequent to the transaction is not included.

The impact from discontinued operations on other comprehensive income and cash flows can be found in the statement of comprehensive income and the cash flow statement for the Group. The EPS for discontinued operations can be found in Note G12.

Discontinued operations and assets/liabilities held for sale relate to Nordea's divestment of its Polish banking, financing and life insurance operations, including Nordea Bank Polska S.A., Nordea Finance Polska S.A. and Nordea Polska Towarzystwo Ubezpieczen na Zycie S.A., to PKO Bank Polski. All regulatory approvals were received and the transaction closed during 2014. The operations have consequently been derecognised. The disposal group is excluded from Note 2 "Segment reporting" as this is not part of the reporting to the Chief Operating Decision Maker (CODM). The majority of the business was previously reported in the Retail Banking Poland segment. The impact from discontinued operations on other comprehensive income can be found in the statement of comprehensive income.

G43 Transferred assets and obtained collaterals

Transferred assets that are not derecognised in their entirety and associated liabilities

All assets transferred continue to be recognised on the balance sheet if Nordea is still exposed to changes in the fair value of the assets. This is the case for repurchase agreements and securities lending transactions.

Repurchase agreements are a form of collateralised borrowing where Nordea sells securities with an agreemement to repurchase them at a later date at a fixed price. The cash received is recognised as a deposit (liability). Securities delivered under repurchase agreements are not derecognised from the balance sheet.

Securities lending transactions are transactions where Nordea lends securities it holds to a counterpart and receives a fee.

As both repurchase agreements and securities lending transactions result in that securities are returned to Nordea, all risks and rewards of the instruments transferred are retained by Nordea, although they are not available for Nordea during the period during which they are transferred. The counterparts in the transactions hold the securities as collateral, but have no recourse to other assets in Nordea.

The securities still reported on the balance sheet and the corresponding liabilities are measured at fair value.

EURm	31 Dec 2014	31 Dec 2013
Repurchase agreements		
Interest-bearing securities	12,121	9,544
Securities lending agreements		
Shares	30	31
Total	**12,151**	**9,575**

Liabilities associated with the assets

EURm	31 Dec 2014	31 Dec 2013
Repurchase agreements		
Deposits by credit institutions	7,291	3,154
Deposits and borrowings from the public	4,659	6,654
Securities lending agreements		
Deposits by credit institutions	31	84
Total	**11,981**	**9,892**
Net	**170**	**–317**

Obtained collaterals which are permitted to be sold or repledged

Nordea obtains collaterals under reverse repurchase and securities borrowing agreements which, under the terms of the agreements, can be sold or repledged. The transactions are conducted under standard agreements employed by financial markets participants. Generally, the agreements require additional collateral to be provided if the value of the securities falls below a predetermined level. Under standard terms for most repurchase transactions, the recipient of collateral has an unrestricted right to sell or repledge it, subject to returning equivalent securities on settlement of the transactions. The fair value of the securities obtained as collateral under reverse repurchase and securities borrowing agreements are disclosed below.

EURm	31 Dec 2014	31 Dec 2013
Reverse repurchase agreements		
Received collaterals which can be repledged or sold	47,165	44,908
– of which repledged or sold	36,676	38,503
Securities borrowing agreements		
Received collaterals which can be repledged or sold	5,469	3,341
– of which repledged or sold	2,969	3,341
Total	**52,634**	**48,249**

G44 Investments, customer bearing the risk

The Life Group and Nordea Bank Danmark A/S have assets and liabilities included on their balance sheet where customers are bearing the risk. Since the assets and liabilities legally belong to the entities, these assets and liabilities are included on the Group's balance sheet.

EURm	31 Dec 2014	31 Dec 2013
Assets		
Interest-bearing securities	9,971	3,417
Shares	18,294	19,994
Other assets	860	1,501
Total assets	**29,125**	**24,912**
Liabilities		
Deposits and borrowings from the public	4,287	4,302
Insurance contracts	11,025	9,508
Investment contracts	13,813	11,102
Total liabilities	**29,125**	**24,912**

G45 Maturity analysis for assets and liabilities

Expected maturity

		31 Dec 2014			31 Dec 2013		
		Expected to be recovered or settled:			Expected to be recovered or settled:		
EURm	Note	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and balances with central banks		31,067	—	31,067	33,529	—	33,529
Loans to central banks	G13	6,958	—	6,958	11,769	—	11,769
Loans to credit institutions	G13	10,608	1,609	12,217	9,782	961	10,743
Loans to the public	G13	119,462	228,623	348,085	147,611	194,840	342,451
Interest-bearing securities	G14	20,095	67,015	87,110	18,736	68,578	87,314
Financial instruments pledged as collateral	G15	3,603	8,548	12,151	6,905	2,670	9,575
Shares	G16	10,823	28,926	39,749	10,162	23,109	33,271
Derivatives	G17	14,966	90,153	105,119	7,854	63,138	70,992
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	13	243	256	17	186	203
Investments in associated undertakings	G19	2	485	487	—	630	630
Intangible assets	G20	78	2,830	2,908	—	3,246	3,246
Properties and equipment		13	496	509	11	420	431
Investment properties	G22	12	3,215	3,227	74	3,450	3,524
Deferred tax assets	G11	57	73	130	35	27	62
Current tax assets		132	—	132	31	—	31
Retirement benefit assets	G32	0	42	42	1	320	321
Other assets	G23	17,553	28	17,581	11,046	18	11,064
Prepaid expenses and accrued income	G24	1,198	416	1,614	1,862	521	2,383
Assets held for sale	G42	—	—	—	8,895	—	8,895
Total assets		**236,640**	**432,702**	**669,342**	**268,320**	**362,114**	**630,434**
Deposits by credit institutions	G25	53,226	3,096	56,322	57,023	2,067	59,090
Deposits and borrowings from the public	G26	190,044	7,210	197,254	192,107	8,636	200,743
Liabilities to policyholders	G27	4,073	47,770	51,843	4,032	43,194	47,226
Debt securities in issue	G28	77,152	117,122	194,274	77,165	108,437	185,602
Derivatives	G17	13,557	83,783	97,340	8,457	57,467	65,924
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	351	3,067	3,418	117	1,617	1,734
Current tax liabilities		341	27	368	276	27	303
Other liabilities	G29	26,828	145	26,973	24,697	40	24,737
Accrued expenses and prepaid income	G30	1,909	34	1,943	3,616	61	3,677
Deferred tax liabilities	G11	145	838	983	134	801	935
Provisions	G31	215	90	305	60	117	177
Retirement benefit liabilities	G32	11	529	540	6	328	334
Subordinated liabilities	G33	—	7,942	7,942	360	6,185	6,545
Liabilities held for sale	G42	—	—	—	4,198	—	4,198
Total liabilities		**367,852**	**271,653**	**639,505**	**372,248**	**228,977**	**601,225**

G45 Maturity analysis for assets and liabilities, cont.

Contractual undiscounted cash flows

31 Dec 2014, EURm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Interest-bearing financial assets	21,618	117,658	52,743	154,129	245,499	591,647
Non interest-bearing financial assets	—	—	—	—	162,746	162,746
Non-financial assets	—	—	—	—	9,737	9,737
Total assets	**21,618**	**117,658**	**52,743**	**154,129**	**417,982**	**764,130**
Interest-bearing financial liabilities	128,160	139,785	63,412	98,666	49,086	479,109
Non interest-bearing financial liabilities	—	—	—	—	141,184	141,184
Non-financial liabilities and equity	—	—	—	—	72,356	72,356
Total liabilities and equity	**128,160**	**139,785**	**63,412**	**98,666**	**262,626**	**692,649**
Derivatives, cash inflow	—	416,856	127,842	228,299	75,117	848,114
Derivatives, cash outflow	—	435,736	126,093	217,485	75,285	854,599
Net exposure	**—**	**–18,880**	**1,749**	**10,814**	**–168**	**–6,485**
Exposure	**–106,542**	**–41,007**	**–8,920**	**66,277**	**155,188**	**64,996**
Cumulative exposure	**–106,542**	**–147,549**	**–156,469**	**–90,192**	**64,996**	**—**

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Interest-bearing financial assets	25,973	119,862	44,907	163,641	277,298	631,681
Non interest-bearing financial assets	—	—	—	—	117,167	117,167
Non-financial assets	—	—	—	—	9,607	9,607
Total assets	**25,973**	**119,862**	**44,907**	**163,641**	**404,072**	**758,455**
Interest-bearing financial liabilities	127,522	156,843	54,318	99,313	42,088	480,084
Non interest-bearing financial liabilities	—	—	—	—	107,086	107,086
Non-financial liabilities and equity	—	—	—	—	67,905	67,905
Total liabilities and equity	**127,522**	**156,843**	**54,318**	**99,313**	**217,079**	**655,075**
Derivatives, cash inflow	—	429,194	124,755	220,495	73,590	848,034
Derivatives, cash outflow	—	429,971	124,404	218,650	74,574	847,599
Net exposure	**—**	**–777**	**351**	**1,845**	**–984**	**435**
Exposure	**–101,549**	**–37,758**	**–9,060**	**66,173**	**186,009**	**103,815**
Cumulative exposure	**–101,549**	**–139,307**	**–148,367**	**–82,194**	**103,815**	**—**

The table is based on contractual maturities for the balance sheet items. For derivatives, the expected cash inflows and outflows are disclosed for both derivative assets and derivative liabilities, as derivatives are managed on a net basis. In addition to the instruments on the balance sheet items, Nordea has credit commitments amounting to EUR 74,291m (EUR 78,332m), which could be drawn on at any time. Nordea has also issued guarantees of EUR 19,838m (EUR 18,969m) which may lead to future cash outflows if certain events occur.

For further information about remaining maturity, see also the section "Risk, Liquidity and Capital management".

G46 Related-party transactions

The information below is presented from a Nordea perspective, meaning that the information shows the effect from related party transactions on the Nordea figures.

EURm	Associated undertakings 31 Dec 2014	Associated undertakings 31 Dec 2013	Other related parties[1] 31 Dec 2014	Other related parties[1] 31 Dec 2013
Assets				
Loans	594	464	—	0
Interest-bearing securities	59	120	—	—
Derivatives	224	147	—	—
Investments in associated undertakings	487	630	—	—
Total assets	**1,364**	**1,361**	**—**	**0**
Liabilities				
Deposits	215	142	36	109
Debt securities in issue	0	11	—	—
Derivatives	154	34	—	—
Total liabilities	**369**	**187**	**36**	**109**
Off balance[2]	**6,212**	**8,086**	**—**	**—**

EURm	Associated undertakings 2014	Associated undertakings 2013	Other related parties[1] 2014	Other related parties[1] 2013
Net interest income	9	9	—	0
Net fee and commission income	5	6	1	1
Net result from items at fair value	–90	18	—	—
Other operating income	—	0	—	—
Total operating expenses	—	0	—	—
Profit before loan losses	**–76**	**33**	**1**	**1**

1) Shareholders with significant influence and close family members to key management personell in Nordea Group as well as companies significantly influenced by key management personnel or by close family members to key management personnel in Nordea Group are considered to be related parties to Nordea. Included in this group of related parties are Sampo Oyj and Aegon Asset Management. If transactions with related companies are made in Nordea's and the related companies' ordinary course of business and on the same criteria and terms as those for comparable transactions with companies of similar standing, and if they did not involve more than normal risktaking, the transactions are not included in the table.
2) Including nominal values on derivatives.

Compensation and loans to key management personnel

Compensation and loans to key management personnel are specified in Note G7.

Other related-party transactions

Starting in March 2008 Nordea takes part in a guarantee consortium to support Norwegian Eksportfinans ASA in relation to its securities portfolio. Nordea owns 23% of the company with other owners being the Norwegian state and other Nordic banks. Nordea's share of the negative fair value of the contract as of the balance sheet date amounts to approx. EUR 22m. The agreement's expiring date corresponds with the maturity dates of the bonds included in the guarantee. The latest maturity is on 31 December 2023.

In 2009 Nordea entered into one transaction with a company under significant influence by a member of key management personnel, which is disclosed separately in this note due to the transaction's significance for the related company. The related company has a credit limit of EUR 17m, of which EUR 4m was utilised as of 31 December 2014. The latest maturity is 31 December 2015, with the possibility of yearly prolongation after a new credit review. The transaction is made on the same criteria and terms as those for comparable transactions with companies of similar standing.

In addition, Nordea has issued an equity guarantee limited to SEK 610m in favor of a related party. The equity guarantee is time limited up to the sooner of the Annual General Meeting of the related party for calendar year 2015, and Nordea no longer holding an equity interest in the party.

G47 Credit risk disclosures

Credit risk management and credit risk analysis is described in the Risk, Liquidity and Capital management section of the Board of Directors´ Report. Additional information on credit risk is also disclosed in the Capital and Risk management Report (Pillar III) 2014, which is available on www.nordea.com. Much of the information in this note is collected from the Pillar III report in order to fulfil the disclosure requirement regarding credit risk in the Annual report.

The Pillar III report contains the disclosures required by the Capital Requirements Regulation (CRR). The Pillar III disclosure is aligned to how Nordea manages credit risk and is believed to be the best way to explain the credit risk exposures in Nordea. Credit risk exposures occur in different forms and are divided into the following types:

Exposure types, EURm	31 Dec 2014	31 Dec 2013
On-balance sheet items	404,720	412,850
Off-balance sheet items	47,191	46,351
Securities financing	4,667	2,196
Derivatives	30,992	18,158
Exposure At Default (EAD)	**487,570**	**479,555**

Tables presented in this note, containing exposure, are presented as Exposure At Default (EAD). EAD is the exposure after applying credit conversion factors (CCF).

Link between credit risk exposure and the balance sheet

This section discloses the link between the loan portfolio as defined by accounting standards and exposure as defined in CRR. The main differences are outlined in this section to illustrate the link between the different reporting methods. Original exposure is the exposure before taking into account substitution effects stemming from credit risk mitigation, credit conversion factors (CCFs) for off-balance sheet exposure and allowances within the standardised approach. In this note, however, exposure is defined as exposure at default (EAD) for IRB exposure and exposure value for standardised exposure, unless otherwise stated. In accordance with the CRR, credit risk exposure presented in this note is divided between exposure classes where each exposure class is divided into exposure types as follows:

- On-balance sheet items
- Off-balance sheet items (e.g. guarantees and unutilised amounts of credit facilities).
- Securities financing (e.g. reversed repurchase agreements and securities lending).
- Derivatives

Items presented in other parts of the Annual Report, are divided as follows (in accordance with the accounting standards):

- On-balance sheet items (e.g. loans to central banks and credit institutions, loans to the public, reversed repurchase agreements, positive fair value for derivatives and interest-bearing securities).
- Off-balance sheet items (e.g. guarantees and unutilised lines of credit).

The table below shows the link between the CRR credit risk exposure and items presented in the Annual Report.

On-balance sheet items

The following items have been excluded from the balance sheet, when calculating on-balance exposure in accordance with the CRD:

- Market risk related items in the trading book, such as certain interest-bearing securities and pledged instruments.
- Repos, derivatives and securities lending. These transactions are either included in the calculation of market risk in the trading book or reported as separate exposure types (derivatives or securities financing).
- Life insurance operations, (due to solvency regulation).
- Other, mainly allowances and intangible assets.

Off-balance sheet items

The following off-balance sheet items specified in the Annual Report are excluded when off-balance exposure is calculated in accordance with the CRR:

- Life insurance operations (due to solvency regulation).
- "Assets pledged as security for own liabilities" and "Other assets pledged" (apart from leasing). These transactions are reported as securities financing (i.e. a separate exposure type).
- Derivatives

Derivatives and securities financing

The fair values of derivatives are recognised on the balance sheet, while nominal amounts on derivatives are reported off-balance in accordance with accounting standards. However, in the CRR, the derivatives and securities financing are reported as separate exposure types. Also, repurchase agreements and securities lending/borrowing transactions are on the balance sheet calculated based on nominal value. In the CRR calculations these exposure types are determined net of the collateral.

G47 Credit risk disclosures

On-balance sheet items

31 Dec 2014, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Life insurance operations	Other	Balance sheet
Cash and balances with central banks	31,067	—	—	—	—	31,067
Loans to credit institutions and central banks	14,030	—	4,822	326	–3	19,175
Loans to the public	300,926	—	49,515	—	–2,356	348,085
Interest-bearing securities and pledged instruments	53,432	24,181	—	21,648	—	99,261
Derivatives[1]	—	—	104,999	120	—	105,119
Intangible assets	—	—	—	324	2,584	2,908
Other assets and prepaid expenses	6,301	25,144	91	32,896	–705	63,727
Total assets	**405,756**	**49,325**	**159,427**	**55,314**	**–480**	**669,342**
Exposure at default[2]	**404,720**					

1) Derivatives are included in banking and trading books, but not at book values. Counterparty risk in trading derivatives are included in the credit risk.
2) The on-balance exposure have a CCF of 100% but can still have a lower EAD due to provisions in the standardised approach, that are deducted from the original exposure when calculating EAD.

31 Dec 2013, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Life insurance operations	Other	Balance sheet restate-ment[3]	Balance sheet
Cash and balances with central banks	34,082	—	—	1	—	–554	33,529
Loans to credit institutions and central banks	15,421	—	6,605	546	17	–77	22,512
Loans to the public	307,207	4,388	39,159	—	–2,159	–6,144	342,451
Interest-bearing securities and pledged instruments	52,042	25,523	—	20,858	—	–1,534	96,889
Derivatives[1]	—	—	70,840	154	—	–2	70,992
Intangible assets	—	—	—	324	2,987	–65	3,246
Other assets and prepaid expenses	5,347	18,632	65	28,009	386	8,376	60,815
Total assets	**414,099**	**48,543**	**116,669**	**49,892**	**1,231**	**0**	**630,434**
Exposure at default[2]	**412,850**						

1) Derivatives are included in banking and trading books, but not at book values. Counterparty risk in trading derivatives are included in the credit risk.
2) The on-balance exposure have a CCF of 100% but can still have a lower EAD due to provisions in the standardised approach, that are deducted from the original exposure when calculating EAD.
3) Assets held for sale are disclosed separately in the balance sheet but are included line by line in original exposure.

Off-balance sheet items

31 Dec 2014, EURm	Credit risk in Basel II calculation	Life insurance operations	Included in derivatives and securities financing	Off-balance sheet
Contingent liabilities	21,985	32	—	22,017
Commitments	75,032	875	28	75,935
Total	**97,017**	**907**	**28**	**97,952**

31 Dec 2014, EURm	Credit risk in Basel II calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities	50,777	437	51,214	48%	24,626
Checking accounts	18,161	3,960	22,121	50%	11,065
Loan commitments	6,091	7,246	13,337	36%	4,858
Guarantees	20,760	1	20,761	31%	6,335
Other	1,228	32	1,260	24%	307
Total	**97,017**	**11,676**	**108,693**		**47,191**

G47 Credit risk disclosures

31 Dec 2013, EURm	Credit risk in Basel II calculation	Life insurance operations	Included in derivatives and securities financing	Off-balance sheet
Contingent liabilities	20,824	46	—	20,870
Commitments	79,012	547	40	79,599
Total	**99,836**	**593**	**40**	**100,469**

31 Dec 2013, EURm	Credit risk in Basel II calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities	51,607	68	51,675	47%	24,146
Checking accounts	18,975	4,400	23,375	23%	5,346
Loan commitments	8,294	7,129	15,423	31%	4,843
Guarantees	19,681	2	19,683	59%	11,669
Other	1,279	34	1,313	26%	347
Total	**99,836**	**11,633**	**111,469**		**46,351**

Exposure classes split by exposure type

As of year-end 2014, 80% of the total credit risk exposure was calculated using the IRB approach. The main part of the exposure is within the IRB corporate and IRB retail portfolios.

During 2014, total exposures increased primarily due to higher exposures in the retail and institutions portfolios. Derivative exposures, especially within the corporate portfolio, significantly increased during the year due to market movements.

31 Dec 2014, EURm	On-balance sheet items	Off-balance sheet items	Securities financing	Derivatives	Total exposure
Government, local authorities and central banks	67,781	1,502	932	5,338	75,553
Institutions	37,940	968	2,751	9,994	51,653
Corporate	126,683	31,251	751	15,078	173,763
Retail	163,051	13,263	—	141	176,455
Other	9,265	207	233	441	10,146
Total exposure	**404,720**	**47,191**	**4,667**	**30,992**	**487,570**

31 Dec 2013, EURm	On-balance sheet items	Off-balance sheet items	Securities financing	Derivatives	Total exposure
Government, local authorities and central banks	78,719	1,951	147	3,232	84,049
Institutions	34,694	1,255	1,218	5,667	42,834
Corporate	127,638	34,044	739	8,234	170,655
Retail	158,228	9,077	1	96	167,402
Other	13,571	24	91	929	14,615
Total exposure	**412,850**	**46,351**	**2,196**	**18,158**	**479,555**

Exposure split by geography and exposure classes

Nordea is geographically well diversified and as of end 2014, no market accounts for more than 26% of the total exposure. The exposure in Sweden and Finland represents 23% and 17% of the total exposure in the Group respectively, while Denmark accounts for 26% and Norway 14%. Exposures in the US constitute 7% of the total portfolio, whereas Russia's impact remains at 1% of the total exposures.

G47 Credit risk disclosures

31 Dec 2014, EURm	Nordic countries	– of which Denmark	– of which Finland	– of which Norway	– of which Sweden	Baltic countries	Russia	US	Other	Total
Government, local authorities and central banks	36,204	11,294	13,261	3,222	8,427	1,254	498	28,514	9,083	75,553
Institutions	33,668	16,557	2,853	4,693	9,565	179	404	1,406	15,996	51,653
Corporate	140,586	44,457	26,265	30,940	38,924	5,501	4,505	1,970	21,201	173,763
Retail	170,596	53,023	38,982	27,986	50,605	3,237	343	4	2,275	176,455
Other[1]	6,283	1,059	1,402	979	2,843	252	111	145	3,355	10,146
Total exposure	**387,337**	**126,390**	**82,763**	**67,820**	**110,364**	**10,423**	**5,861**	**32,039**	**51,910**	**487,570**

31 Dec 2013, EURm	Nordic countries	– of which Denmark	– of which Finland	– of which Norway	– of which Sweden	Baltic countries	Poland	Russia	Other	Total
Government, local authorities and central banks	55,891	15,252	19,862	6,161	14,616	729	1,118	207	26,104	84,049
Institutions	38,759	6,306	14,862	5,957	11,634	148	971	299	2,657	42,834
Corporate	148,606	37,447	37,839	33,619	39,701	5,568	1,903	4,324	10,254	170,655
Retail	166,080	52,002	36,040	28,719	49,319	963	211	64	84	167,402
Other[1]	7,272	1,438	2,830	765	2,239	2,384	4,005	464	490	14,615
Total exposure	**416,608**	**112,445**	**111,433**	**75,221**	**117,509**	**9,792**	**8,208**	**5,358**	**39,589**	**479,555**

1) Including exposures secured by real estate.

Exposure split by industry group

In the table below, the total exposure is split by industry. The industry breakdown mainly follows the Global Industries Classification Standard (GICS) and is based on NACE codes (i.e. statistical classification codes of economic activities in the European community).

The Other, public and organisations is the largest industry which together with Other financial institutions and Real estate management and investment industries are the only ones that account for more than 3% of the total exposure of EUR 488bn. During the year, exposures to Other, public and organisations decreased the most in nominal terms, while Telecommunication equipment saw the largest relative decrease. The largest nominal and relative increase occurred in Other financial institutions industry.

EURm	31 Dec 2014	31 Dec 2013
Construction and engineering	5,179	5,805
Consumer durables (cars, appliances etc)	4,713	4,803
Consumer staples (food, agriculture etc)	14,447	13,735
Energy (oil, gas etc)	4,745	4,879
Health care and pharmaceuticals	2,141	2,070
Industrial capital goods	4,250	5,242
Industrial commercial services	14,413	15,389
IT software, hardware and services	2,226	1,881
Media and leisure	2,861	3,188
Metals and mining materials	1,098	1,038
Other financial institutions	68,383	54,964
Other materials (chemical, building materials etc)	8,180	8,491
Other, public and organisations	264,218	268,296
Paper and forest material	2,718	3,056
Real estate management and investment	47,149	44,526
Retail trade	13,378	12,657
Shipping and offshore	12,160	12,790
Telecommunication equipment	261	468
Telecommunication operators	1,742	2,019
Transportation	4,566	5,121
Utilities distribution and production	8,742	9,137
Total exposure	**487,570**	**479,555**

G47 Credit risk disclosures

Exposure secured by collaterals, guarantees and credit derivatives

The guarantees used as credit risk mitigation are to a large extent issued by central and regional governments in the Nordic countries. Banks and insurance companies are also important guarantors of credit risk. Only eligible providers of guarantees and credit derivatives can be recognised in the standardised and IRB approach for credit risk. All central governments, regional governments and institutions are eligible as well as some multinational development banks and international organisations. Corporate guarantees that have a credit assessment by an ECAI or in the case of institutions calculating risk wighted exposure amounts and expected loss amount under the IRB approach and are internally rated by the institutions are also eligible.

Central governments and municipalities guarantee approximately 53% of the total guaranteed exposure. Exposure guarantee by these guarantors has an average risk weight of 0%. 2% of the total guaranteed exposure is guaranteed by IRB institutions. The remainder is guaranteed by IRB corporate guarantors. Credit derivatives are only used as credit risk protection to a very limited extent since the credit portfolio is considered to be well diversified.

31 Dec 2014, EURm	Original exposure	EAD	– of which secured by guarantees and credit derivatives	– of which secured by collateral
Government, local authorities and central banks	73,966	75,553	501	—
Institutions	54,139	51,653	524	543
Corporate	224,415	173,763	12,050	63,637
Retail	187,169	176,455	1,706	136,550
Other[1]	10,640	10,146	16	42
Total exposure	**550,329**	**487,570**	**14,797**	**200,772**

31 Dec 2013, EURm	Original exposure	EAD	– of which secured by guarantees and credit derivatives	– of which secured by collateral
Government, local authorities and central banks	81,444	84,049	477	1
Institutions	45,067	42,834	703	350
Corporate	225,782	170,655	8,482	65,176
Retail	178,595	167,402	2,786	132,753
Other[1]	15,247	14,615	4	7,360
Total exposure	**546,135**	**479,555**	**12,452**	**205,640**

1) Including exposures secured by real estate.

Collateral distribution

The table below presents the distribution of collateral used in the capital adequacy calculation process. The table shows real estate to constitute a major share of eligible collateral items in relative terms; real estate is commonly used as collateral for credit risk mitigation purposes. The relative share of other physical collateral increased during the year while real estate collaterals decreased in relative terms. There is no certain concentration of real estate collateral to any particular region within the Nordic and Baltic countries. Other physical collateral consist mainly of ships.

	31 Dec 2014	31 Dec 2013
Financial Collateral	1.4%	1.4%
Receivables	0.9%	1.1%
Residential Real Estate	71.9%	72.6%
Commercial Real Estate	17.5%	18.5%
Other Physical Collateral	8.3%	6.4%
Total	**100.0%**	**100.0%**

G47 Credit risk disclosures

Loan-to-value distribution

A common way to analyse the value of the collateral is to measure the loan to value (LTV) ratio, i.e. the credit extended divided by the market value of the collateral pledged. In the table below, the retail mortgage exposures are distributed by LTV range up to the top LTV bucket based on the LTV ratio. In 2014, the retail mortgage exposure decreased in the LTV buckets, with relative share of each LTV bucket remaining stable.

	31 Dec 2014		31 Dec 2013	
Retail mortgage exposure	EURbn	%	EURbn	%
<50%	98.2	77	99.2	77
50–70%	20.8	16	20.9	16
70–80%	5.4	4	5.5	4
80–90%	2.1	2	2.1	2
>90%	1.1	1	1.2	1
Total	**127.6**	**100**	**128.9**	**100**

Collateralised Debt Obligations (CDO) – Exposure[1]

Nordea acts as an intermediary in the credit derivatives market, especially in Nordic names. Nordea also uses credit derivatives to hedge positions in corporate bonds and synthetic CDOs. When Nordea sells protection in a CDO transaction, it carries the risk of losses in the reference portfolio if a credit event occurs. When Nordea buys protection in a CDO transaction, any losses in the reference portfolio triggered by a credit event are carried by the seller of protection.

Credit derivatives transactions create counterparty credit risk in similar manner to other derivative transactions. Counterparties in these transactions are typically subject to a financial collateral agreement, where the exposure is covered daily by collateral placements. CDO valuations are subject to fair value adjustments for model risk. These fair value adjustments are recognised in the income statement.

	31 Dec 2014		31 Dec 2013	
Nominal, EURm	Bought protection	Sold protection	Bought protection	Sold protection
CDOs, gross	1,204	2,155	1,266	1,985
Hedged exposures	1,005	1,005	965	966
CDOs, net[2]	**199[3]**	**1,150[4]**	**301[3]**	**1,019[4]**
– of which Equity	20	355	57	328
– of which Mezzanine	98	512	108	440
– of which Senior	81	283	136	251

1) First-to-Default swaps are not classified as CDOs and are therefore not included in the table. Net bought protection amounts to EUR 47m (EUR 47m) and net sold protection to EUR 46m (EUR 18m). Both bought and sold protection are, to the predominant part, investment grade.
2) Net exposure disregards exposure where tranches are completely identical in terms of reference pool attachment, detachment, maturity and currency.
3) Of which investment grade EUR 54m (EUR 150m) and sub investment grade EUR 145m (EUR 151m).
4) Of which investment grade EUR 457m (EUR 401m) and sub investment grade EUR 600m (EUR 302m) and not rated EUR 93m (EUR 316m).

Assets taken over for protection of claims[1]

EURm	31 Dec 2014	31 Dec 2013
Current assets, carrying amount:		
Land and buildings	90	123
Shares and other participations	26	25
Other assets	2	3
Total	**118**	**151**

1) In accordance with Nordea's policy for taking over assets for protection of claims, which is in compliance with the local Banking Business Acts, wherever Nordea is located. Assets, used as collateral for the loan, are generally taken over when the customer is not able to fulfil its obligations to Nordea. The assets taken over are at the latest, disposed when full recovery is reached.

G47 Credit risk disclosures

Past due loans, excluding impaired loans

The table below shows loans past due 6 days or more that are not considered impaired split by corporate and household customers. Past due loans to corporate customers that are not considered impaired were at end of 2014 EUR 628m down from EUR 1,209m one year ago, while past due loans for household customers decreased to EUR 1,258m (EUR 1,470m).

	31 Dec 2014		31 Dec 2013	
EURm	Corporate customers	Household customers	Corporate customers	Household customers
6–30 days	375	838	675	922
31–60 days	125	222	317	305
61–90 days	70	99	66	123
>90 days	58	99	150	119
Total	**628**	**1,258**	**1,209**	**1,470**
Past due not impaired loans divided by loans to the public after allowances, %	0.33	0.82	0.66	0.96

Loans to corporate customers, by size of loan

The distribution of loans to corporate by size of loans, seen in the table below, shows a high degree of diversification where approximately 73% (71%) of the corporate volume represents loans up to EUR 50m per customer.

	31 Dec 2014		31 Dec 2013	
Size in EURm	Loans EURbn	%	Loans EURbn	%
0–10	89.5	48	83.2	45
10–50	47.7	25	46.6	25
50–100	19.2	10	18.2	10
100–250	20.7	11	23.0	13
250–500	7.1	4	9.8	5
500–	4.1	2	2.9	2
Total	**188.3**	**100**	**183.6**	**100**

Interest-bearing securities

For more information about credit risk related to interest-bearing securities, see Note G14 where the carrying amount of interest-bearing securities is split on different types of counterparties.

G48 Interests in structured entities

Structured entities are entities designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. It normally has restricted activities with a narrow and well defined objective. If Nordea controls such an entity, it is consolidated.

Consolidated structured entities

The Viking ABCP Conduit (Viking) has been established with the purpose of supporting trade receivable or accounts payable securitisations to core Nordic customers. The SPEs purchase trade receivables from the approved sellers and fund the purchases either by issuing Commercial Papers (CP) via the established Asset Backed Commercial Papers programme or by drawing funds on the liquidity facilities available. Nordea has provided liquidity facilities of maximum EUR 1,430m (EUR 1,646m) and at year-end EUR 1,103m (EUR 1,369) where utilised. Total assets in the conduit were EUR 1,177m (EUR 1,428m) as per year-end. The SPE is consolidated as it is closely linked to the activities within Nordea. Also, Nordea is exposed to credit risk through the liquidity facility. There are no significant restrictions on repayment of loans from Viking apart from that the payments are dependent on the pace in which Viking realises its assets.

Kalmar Structured Finance A/S was established to allow customers to invest instructured products in the global credit markets. The SPE enters into Credit Default Swaps (CDS) and hereby acquires a credit risk on an underlying portfolio of names (like corporate names) and at the same time the SPE issues Credit Linked Notes (CLN) with a similar credit risk that reflects the terms in the CDSs. Nordea is the counterpart in the derivative transactions. The total notional of outstanding CLNs in this category was EUR 1m (EUR 1m) at year-end. Nordea holds CLNs issued by the SPE as part of offering a secondary market for the notes. The investment amounted to EUR 1m (EUR 1m) at year-end.

Nordea has during 2014 established a new structured entity, AR Finance. The entity invests in notes backed by trade receivables. Nordea has provided liquidity facilities of maximum EUR 90m and at year-end 2014 EUR 75m were utilised. The entity holds assets of EUR 80m as per year-end.

Unconsolidated structured entities

For structured entities in which Nordea has an interest but do not control it, disclosures are provided. To be considered to have an interest in such an entity, Nordea must be exposed to variability in returns on the investment in the structured entity. Investment funds are the only interest in unconsolidated structured entities Nordea currently holds. Variability in returns is assessed based on both fees received and revaluation of holdings in the funds.

There are several different products where Nordea invests in investment funds:

a) on behalf of policyholders in Nordea Life & Pensions
b) on behalf of depositors where the return is based the investment
c) to hedge exposures in structured products issued to customers.
d) illiquid investments in private equity and credit funds

As Nordea is exposed to variability in returns on a gross basis, information about these funds are disclosed although the net exposure is considerably less. Any change in value on investment funds acquired on behalf of policyholders and depositors where the policyholder/depositor stands the investment risk are reflected in the value of the related liability and the maximum net exposure to losses are zero. The change in value on investment funds held on behalf of other policyholders are to a large extent passed on to the policyholders, but as Nordea has issued guarantees in some of these products, Nordea is exposed to the changes in value.

Investment funds acquired to hedge exposures in structured products reduce the exposures and to the extent hedges are effective, Nordea is not exposed to changes in value. The maximum loss on these funds is estimated to EUR 6m, net of hedges.

Investments in illiquid private equity and credit funds are an integrated part of managing balance sheet risks in Nordea. The maximum loss on these funds is estimated to EUR 84m, equal to the investment in the funds.

Nordea's interests in unconsolidated structured entities and any related liability are disclosed in the table below.

EURm	31 Dec 2014
Assets, carrying amount:	
Shares	27,740
Total assets	**27,740**
Liabilities, carrying amount:	
Deposits and borrowings from the public	1,386
Liabilities to policy holders	25,287
Derivatives	105
Total liabilities	**26,778**
Off balance, nominal amount:	
Loan commitments	29

Nordea holds approximately 2,500 different funds which are classified as unconsolidated structured entities, of which approximately 400 are managed by Nordea. These have different investment mandates and risk appetites, ranging from low risk government bond funds to high risk leveraged equity funds. Total assets in funds managed by Nordea amount to EUR 114bn. All funds are financed by deposits from the holders of fund units. The total assets investment funds not managed by Nordea are not considered meaningful for the purpose of understanding the related risks and is thus not disclosed.

Nordea has not sponsored any unconsolidated structured entity in which Nordea do not currently have an interest.

G49 Country by country reporting

In accordance with the requirements under FFFS 2008:25, the table below presents for each country where Nordea is established, i.e. where Nordea has a physical presence, information about the businesses, the geografical area, averages number of employees, total operating income, operating profit and income tax expense. Nordea is considered to have physical presence in a country if Nordea has a subsidiary, associated undertaking or branch in that country. The amounts presented in the table below relate to continuing operations, for discontinuing operations see Note G42. Nordea has not received any significant government subsidies.

			2014				2013			
Country	Business[1]	Geographical area	Average number of employees[4]	Total operating income[2], EURm	Operating profit, EURm	Income tax expense, EURm	Average number of employees[4]	Total operating income[2], EURm	Operating profit, EURm	Income tax expense, EURm
Denmark	RB, WB, AM, LP	Denmark	8,255	2,974	1,130	–161	8,251	2,621	742	–165
Finland	RB, WB, AM, LP	Finland	6,971	2,197	1,136	–222	7,116	2,011	1,048	–277
Sweden	RB, WB, AM, LP	Sweden	6,963	2,963	706	–205	6,881	3,099	924	–210
Norway	RB, WB, AM, LP	Norway	3,238	1,732	900	–238	3,280	1,781	924	–251
Russia	WB	Russia	1,418	203	92	–20	1,454	193	92	–19
Poland	Other	Poland	692	–2	–23	4	503	32	13	–3
Estonia	RB, WB, LP	Estonia	486	61	27	–3	468	48	24	–7
Latvia	RB, WB	Latvia	431	64	–49	–3	443	68	14	–1
Luxembourg	AM, LP	Luxembourg	373	252	143	–42	376	228	122	–33
Lithuania	RB, WB, LP	Lithuania	351	52	21	–4	340	42	12	–2
United States	RB, WB, AM, LP	New York	118	134	94	–45	113	129	90	–32
United Kingdom	RB, WB, AM, LP	London	75	103	71	0	69	84	67	0
Singapore	WB	Singapore	85	51	50	–8	77	53	19	–1
Germany	WB, AM	Frankfurt	57	37	23	–5	55	35	21	–7
Switzerland	AM	Zürich	30	13	2	0	29	14	1	0
China	WB	Shanghai	28	6	1	–1	24	6	3	–1
Brazil	WB	Sao Paolo	4	1	0	0	4	1	0	0
Eliminations[3]			—	–617	—	—	—	–554	—	—
Total			**29,575**	**10,224**	**4,324**	**–953**	**29,483**	**9,891**	**4,116**	**–1,009**

1) RB=Retail banking, WB=Wholesale banking, AM=Asset management, LP= Life and pension.
2) Total operating income presented in this table is split on countries based on where Nordea has a physical presence, i.e. where Nordea has a subsidiary, associated undertaking or branch, while total operating profit presented in Note G2 is split on countries based on the location of the customers´ operations.
3) Eliminations of transactions consist mainly of intra-group IT-services.
4) The average number of employees in discontinued operations is 644 (1,951).

G49 Country by country reporting, cont.

In accordance with the requirements under FFFS 2008:25 Nordea also discloses the names of the subsidiaries, associated undertakings and branches for each country where Nordea is established. These disclosures are presented in the table below, in the table "Specification of group undertakings 31 December 2014" in Note G38 and in the last table in Note G19.

Denmark
Nordea Liv & Pension, Livforsikringsselskab A/S

Finland
Nordea Life Assurance Finland Ltd

Sweden
Nordea Life Holding AB
Nordea Livförsäkring Sverige AB (publ)

Norway
Nordea Liv Holding Norge AS
Livforsikringsselskapet Nordea Liv Norge AS

Estonia
Nordea Bank AB Eesti filiaal

Latvia
Nordea Bank AB Latvijas filiale

Lithuania
Nordea Bank AB Lietuvos skyrius

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Income statement, Parent company

EURm	Note	2014	2013
Operating income			
Interest income		1,942	2,140
Interest expense		–1,293	–1,499
Net interest income	P3	**649**	**641**
Fee and commission income		1,093	1,259
Fee and commission expense		–273	–250
Net fee and commission income	P4	**820**	**1,009**
Net result from items at fair value	P5	186	131
Dividends	P6	2,333	1,827
Other operating income	P7	975	674
Total operating income		**4,963**	**4,282**
Operating expenses			
General administrative expenses:			
Staff costs	P8	–1,070	–982
Other expenses	P9	–904	–1,018
Depreciation, amortisation and impairment charges of tangible and intangible assets	P10, P23, P24	–261	–109
Total operating expenses		**–2,235**	**–2,109**
Profit before loan losses		**2,728**	**2,173**
Net loan losses	P11	–98	–124
Impairment of securities held as financial non-current assets	P21	–15	–4
Operating profit		**2,615**	**2,045**
Appropriations	P12	–1	102
Income tax expense	P13	–189	–192
Net profit for the year		**2,425**	**1,955**

Statement of comprehensive income

EURm	2014	2013
Net profit for the year	**2,425**	**1,955**
Items that may be reclassified subsequently to the income statement		
Available for sale investments:[1]		
Valuation gains/losses during the year	6	4
Tax on valuation gains/losses during the year	–1	–1
Transferred to the income statement during the year	0	2
Tax on transfers to the income statement during the year	0	0
Cash flow hedges:		
Valuation gains/losses during the year	140	562
Tax on valuation gains/losses during the year	–31	–124
Transferred to the income statement during the year	–139	–586
Tax on transfers to the income statement during the year	31	129
Items that may be not reclassified subsequently to the income statement		
Defined benefit plans:		
Remeasurement of benefit plans during the year	-11	—
Tax on remeasurement of benefit plans during the year	2	—
Other comprehensive income, net of tax	**-3**	**–14**
Total comprehensive income	**2,422**	**1,941**

1) Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

Balance sheet, Parent company

EURm	Note	31 Dec 2014	31 Dec 2013
Assets			
Cash and balances with central banks		931	45
Treasury bills	P14	5,035	4,952
Loans to credit institutions	P15	86,704	80,918
Loans to the public	P15	39,809	34,155
Interest-bearing securities	P16	11,321	11,128
Financial instruments pledged as collateral	P17	43	737
Shares	P18	6,061	5,351
Derivatives	P19	5,981	4,219
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	1	–11
Investments in group undertakings	P21	16,986	17,723
Investments in associated undertakings	P22	7	7
Intangible assets	P23	758	729
Properties and equipment	P24	119	118
Deferred tax assets	P13	14	28
Current tax assets		50	0
Other assets	P25	3,727	2,533
Prepaid expenses and accrued income	P26	884	1,291
Total assets		**178,431**	**163,923**
Liabilities			
Deposits by credit institutions	P27	27,452	17,500
Deposits and borrowings from the public	P28	49,367	47,531
Debt securities in issue	P29	63,280	62,961
Derivatives	P19	4,653	3,627
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	1,368	715
Current tax liabilities		4	11
Other liabilities	P30	2,895	4,173
Accrued expenses and prepaid income	P31	642	1,150
Deferred tax liabilities	P13	0	10
Provisions	P32	206	184
Retirement benefit liabilities	P33	171	166
Subordinated liabilities	P34	7,728	5,971
Total liabilities		**157,766**	**143,999**
Untaxed reserves	P35	**4**	**3**
Equity			
Share capital		4,050	4,050
Share premium reserve		1,080	1,080
Other reserves		–5	–2
Retained earnings		15,536	14,793
Total equity		**20,661**	**19,921**
Total liabilities and equity		**178,431**	**163,923**
Assets pledged as security for own liabilities	P36	3,946	2,454
Other assets pledged	P37	9,238	7,033
Contingent liabilities	P38	71,103	70,385
Commitments	P39	23,824	26,713

Statement of changes in equity, Parent company

EURm	Restricted equity	Unrestricted equity[1]					
			Other reserves:				
	Share capital	Share premium reserve	Cash flow hedges	Available for sale invest-ments	Defined benefit plans	Retained earnings	Total equity
Balance at 1 Jan 2014	**4,050**	**1,080**	**–38**	**36**	**—**	**14,793**	**19,921**
Net profit for the year	—	—	—	—	—	2,425	2,425
Items that may be reclassified subsequently to the income statement							
Available for sale investments:							
Valuation gains/losses during the year	—	—	—	6	—	—	6
Tax on valuation gains/losses during the year	—	—	—	–1	—	—	–1
Transferred to the income statement during the year	—	—	—	0	—	—	0
Tax on transfers to the income statement during the year	—	—	—	0	—	—	0
Cash flow hedges:							
Valuation gains/losses during the year	—	—	140	—	—	—	140
Tax on valuation gains/losses during the year	—	—	–31	—	—	—	–31
Transferred to the income statement during the year	—	—	–139	—	—	—	–139
Tax on transfers to the income statement during the year	—	—	31	—	—	—	31
Items that may be not reclassified subsequently to the income statement							
Defined benefit plans							
Remeasurement of benefit plans during thee year	—	—	—	—	–11	—	–11
Tax on remeasurement of benefit plans during the year	—	—	—	—	2	—	2
Other comprehensive income, net of tax	—	—	1	5	–9	—	–3
Total comprehensive income	—	—	1	5	–9	2,425	2,422
Share-based payments	—	—	—	—	—	15	15
Dividend for 2013	—	—	—	—	—	–1,733	–1,733
Divestment of own shares[2]	—	—	—	—	—	34	34
Other changes in equity	—	—	—	—	—	2	2
Balance at 31 Dec 2014	**4,050**	**1,080**	**–37**	**41**	**–9**	**15,536**	**20,661**

1) Apart from retained earnings, unrestricted equity consists of a free fund to the amount of EUR 2,762m.
2) Refers to the change in the holding of own shares related to Long tem Incentive Programme and trading portfolio. The number of own shares were 17.6 million.

EURm	Restricted equity	Unrestricted equity[1]					
			Other reserves:				
	Share capital	Share premium reserve	Cash flow hedges	Available for sale invest-ments	Defined benefit plans	Retained earnings	Total equity
Balance at 1 Jan 2013	**4,050**	**1,080**	**–19**	**31**	**—**	**14,233**	**19,375**
Net profit for the year	—	—	—	—	—	1,955	1,955
Items that may be reclassified subsequently to the income statement							
Available for sale investments:							
Valuation gains/losses during the year	—	—	—	4	—	—	4
Tax on valuation gains/losses during the year	—	—	—	–1	—	—	–1
Transferred to the income statement during the year	—	—	—	2	—	—	2
Tax on transfers to the income statement during the year	—	—	—	0	—	—	0
Cash flow hedges:							
Valuation gains/losses during the year	—	—	562	—	—	—	562
Tax on valuation gains/losses during the year	—	—	–124	—	—	—	–124
Transferred to the income statement during the year	—	—	–586	—	—	—	–586
Tax on transfers to the income statement during the year	—	—	129	—	—	—	129
Items that may be not reclassified subsequently to the income statement							
Defined benefit plans:							
Remeasurement of benefit plans during the year	—	—	—	—	—	—	—
Tax on remeasurement of benifit plans during the year	—	—	—	—	—	—	—
Other comprehensive income, net of tax	—	—	–19	5	—	—	–14
Total comprehensive income	—	—	–19	5	—	1,955	1,941
Share-based payments	—	—	—	—	—	15	15
Dividend for 2012	—	—	—	—	—	–1,370	–1,370
Repurchases of own shares[2]	—	—	—	—	—	–40	–40
Balance at 31 Dec 2013	**4,050**	**1,080**	**–38**	**36**	**—**	**14,793**	**19,921**

1) Apart from retained earnings, unrestricted equity consists of a free fund to the amount of EUR 2,762m.
2) Refers to the change in the holding of own shares related to Long tem Incentive Programme and trading portfolio. The number of own shares were 23.8 million.

Description of items in equity is included in Note G1 "Accounting policies".

Share capital

	Quota value per share, EUR	Total number of shares	Share capital, EUR
Balance at 31 Dec 2013	**1.0**	**4,049,951,919**	**4,049,951,919**
Balance at 31 Dec 2014	**1.0**	**4,049,951,919**	**4,049,951,919**

Dividends per share

Final dividends are not accounted for until they have been ratified at the Annual General Meeting (AGM). At the AGM on 19 March 2015, a dividend in respect of 2014 of EUR 0.62 per share (2013 actual dividend EUR 0.43 per share) amounting to a total of EUR 2,501,100,294 (2013 actual: EUR 1,733,603,282) is to be proposed. The financial statements for the year ended 31 December 2014 do not reflect this resolution, which will be accounted for in equity as an appropriation of retained earnings in the year ending 31 December 2015.

Cash flow statement, Parent company

EURm	2014	2013
Operating activities		
Operating profit	2,615	2,045
Adjustment for items not included in cash flow	–655	–1,771
Income taxes paid	–232	–142
Cash flow from operating activities before changes in operating assets and liabilities	**1,728**	**132**
Changes in operating assets		
Change in treasury bills	–58	9
Change in loans to credit institutions	–239	–19,476
Change in loans to the public	–5,809	1,915
Change in interest-bearing securities	–217	–78
Change in financial assets pledged as collateral	694	–634
Change in shares	–704	–610
Change in derivatives, net	–63	297
Change in other assets	561	–820
Changes in operating liabilities		
Change in deposits by credit institutions	9,941	–1,842
Change in deposits and borrowings from the public	1,817	–2,732
Change in debt securities in issue	–10	14,676
Change in other liabilities	–1,279	4,025
Cash flow from operating activities	**6,362**	**–5,138**
Investing activities		
Shareholder's contributions to group undertakings	—	–47
Sale of business operations	626	17
Sale of associated undertakings	—	1
Acquisition of properties and equipment	–30	–28
Sale of property and equipment	1	3
Acquisition of intangible assets	–258	–143
Net divestments in debt securities, held to maturity	209	544
Cash flow from investing activities	**548**	**347**
Financing activities		
Issued subordinated liabilities	1,224	—
Amortised subordinated liabilities	—	–500
Repurchase/divestment of own shares incl change in trading portfolio	34	–40
Dividend paid	–1,734	–1,370
Cash flow from financing activities	**–476**	**–1,910**
Cash flow for the year	**6,434**	**–6,701**
Cash and cash equivalents at the beginning of year	1,599	8,300
Cash and cash equivalents at the end of year	8,033	1,599
Change	**6,434**	**–6,701**

Comments on the cash flow statement

The cash flow statement shows inflows and outflows of cash and cash equivalents during the year. Nordea's cash flow has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flows are classified by operating, investing and financing activities.

Operating activities

Operating activities are the principal revenue-producing activities and cash flows are mainly derived from the operating profit for the year with adjustment for items not included in cash flow and income taxes paid. Adjustment for items not included in cash flow includes:

EURm	2014	2013
Depreciation	118	100
Impairment charges	158	9
Loan losses	122	144
Unrealised gains/losses	–281	914
Capital gains/losses (net)	–280	–16
Change in accruals and provisions	236	–307
Anticipated dividends	–645	–1,042
Group contributions	–1,109	–459
Translation differences	386	–173
Change in fair value of the hedged items, assets/liabilities (net)	641	–932
Other	–1	–9
Total	**–655**	**–1,771**

Changes in operating assets and liabilities consists of assets and liabilities that are part of normal business activities, such as loans, deposits and debt securities in issue. Changes in derivatives are reported net.

Cash flow from operating activities includes interest payments received and interest expenses paid with the following amounts:

EURm	2014	2013
Interest payments received	2,039	2,202
Interest expenses paid	1,315	1,517

Investing activities

Investing activities include acquisitions and disposals of non-current assets, like property and equipment, intangible and financial assets.

Financing activities

Financing activities are activities that result in changes in equity and subordinated liabilities, such as new issues of shares, dividends and issued/amortised subordinated liabilities.

Cash and cash equivalents

The following items are included in Cash and cash equivalents:

EURm	31 Dec 2014	31 Dec 2013
Cash and balances with central banks	931	45
Loans to credit institutions, payable on demand	7,102	1,554
Total	**8,033**	**1,599**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consists of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled;

– the central bank or the postal giro system is domiciled in the country where the institution is established
– the balance on the account is readily available any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

5 year overview, Parent company

Income statement

EURm	2014	2013	2012	2011	2010
Net interest income	649	641	724	680	584
Net fee and commission income	820	1,009	623	560	571
Net result from items at fair value	186	131	189	234	157
Dividends	2,333	1,827	3,554	1,534	2,203
Other income	975	674	501	122	123
Total operating income	**4,963**	**4,282**	**5,591**	**3,130**	**3,638**
General administrative expenses:					
Staff costs	–1,070	–982	–938	–823	–745
Other expenses	–904	–1,018	–842	–561	–526
Depreciation, amortisation and impairment charges of tangible and intangible assets	–261	–109	–105	–112	–112
Total operating expenses	**–2,235**	**–2,109**	**–1,885**	**–1,496**	**–1,383**
Profit before loan losses	**2,728**	**2,173**	**3,706**	**1,634**	**2,255**
Net loan losses	–98	–124	–19	–20	–33
Impairment of securities held as financial non-current assets	–15	–4	–15	–9	–105
Operating profit	**2,615**	**2,045**	**3,672**	**1,605**	**2,117**
Appropriations	–1	102	–103	1	0
Income tax expense	–189	–192	–95	–114	–115
Net profit for the year	**2,425**	**1,955**	**3,474**	**1,492**	**2,002**

Balance sheet

EURm	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2010
Treasury bills and interest-bearing securities	16,356	16,080	16,686	18,314	20,706
Loans to credit institutions	86,704	80,918	68,006	59,379	48,151
Loans to the public	39,809	34,155	36,214	36,421	33,800
Investments in group undertakings	16,986	17,723	17,659	16,713	16,690
Other assets	18,576	15,047	13,565	10,554	14,458
Total assets	**178,431**	**163,923**	**152,130**	**141,381**	**133,805**
Deposits by credit institutions	27,452	17,500	19,342	22,441	28,644
Deposits and borrowings from the public	49,367	47,531	50,263	44,389	39,620
Debt securities in issue	63,280	62,961	48,285	45,367	33,424
Subordinated liabilities	7,728	5,971	7,131	6,154	7,135
Other liabilities/untaxed reserves	9,943	10,039	7,734	6,109	8,402
Equity	20,661	19,921	19,375	16,921	16,580
Total liabilities and equity	**178,431**	**163,923**	**152,130**	**141,381**	**133,805**

Ratios and key figures, Parent company

	2014	2013	2012	2011	2010
Return on equity, %	12.6	10.5	20.5	9.4	13.4
Return on assets, %	1.4	1.2	2.3	1.1	1.5
Cost/income ratio, %	45.0	49.3	33.9	47.8	38.0
Loan loss ratio, basis points	25	36	5	5	10
Common Equity Tier 1 capital ratio excluding transition rules[1,2], %	21.8	20.8	17.6	24.9	23.8
Tier 1 capital ratio, excluding transition rules[1], %	25.3	23.1	19.6	28.1	27.0
Total capital ratio, excluding transition rules[1], %	30.6	28.0	24.4	33.3	34.5
Tier 1 capital[1,2,3] EURm	19,932	19,300	19,244	17,134	16,578
Risk-exposure amount, including transition rules[1] EURbn	79	83	98	61	61

1) End of the year.
2) Including result of the year.
3) The 2013 ratios are reported under the Basel II regulation framework and the 2014 ratios are reported using the Basel III (CRR/CRDIV) framework.

P1 Accounting policies

Basis for presentation

The financial statements for the parent company, Nordea Bank AB (publ), are prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the accounting regulations of the Swedish Financial Supervisory Authority, FFFS 2008:25, with amendments in FFFS 2009:11, 2011:54, 2013:2, 2013:24 and 2014:18. This means that the parent company applies International Financial Reporting Standards (IFRS) as endorsed by the EU Commission to the extent possible within the framework of Swedish accounting legislation and considering the close tie between financial reporting and taxation.

The Group's accounting policies described in Note G1 "Accounting policies" are applicable also for the parent company, considering also the information provided below.

Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2013 Annual Report.

The new standard IFRS 12 "Disclosure of Interests in Other Entities" was implemented 1 January 2014 but has not had any significant impact on the financial statements of the parent company.

The Swedish Financial Supervisory Authority has amended the accounting regulation FFFS 2008:25 by issuing FFFS 2013:24 and FFFS 2014:18. FFFS 2013:24 was implemented by the parent company on 1 January 2014, except for the new requirements to disclose maturity information which were early adopted as from 1 January 2013. FFFS 2014:18 was implemented during the third quarter 2014. The amendments require additional disclosures related to capital adequacy which are presented in Note P40 "Capital adequacy". Other amendments in FFFS 2013:24 and FFFS 2014:18 have not had any significant impact on the parent company´s financial statements.

The Swedish Financial Reporting Board has amended the accounting recommendation for legal entities RFR 2 by issuing "RFR 2 Accounting for Legal Entities - January 2014". Those amendments were implemented by the parent company 1 January 2014, as a consequence of applying FFFS 2008:25, but have not had any significant impact on the parent company's financial statement.

Forthcoming changes in IFRSs not yet implemented by the parent company can be found in section 3 "Changes in IFRSs not yet applied by Nordea" in Note G1 "Accounting policies". The conclusions within this section are also, where applicable, relevant for the parent company.

Accounting policies applicable for the parent company only

Investments in group undertakings and associated undertakings

The parent company's investments in group undertakings and associated undertakings are recognised under the cost model. Impairment tests are performed according to IAS 36 "Impairment of Assets". At each balance sheet date, all shares in group undertakings and associated undertakings are reviewed for indications of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of each holding of shares is fully recoverable. The recoverable amount is the higher of fair value less costs to sell and the value in use. Any impairment charge is calculated as the difference between the carrying amount and the recoverable amount and is classified as "Impairment of securities held as financial non-current assets" in the income statement.

The parent company applies fair value hedge accounting for the foreign exchange risk in investments in subsidiaries. The shares in subsidiaries are remeasured with regards to the hedged risk with a corresponding entry in "Net result from items at fair value". The change in fair value of the hedging instruments is also recognised in the income statement in "Net result from items at fair value".

Dividends

Dividends paid to the shareholders of Nordea Bank AB (publ) are recorded as a liability following the approval of the Annual General Meeting.

Dividends paid by group undertakings to the parent company are anticipated if the parent alone can decide on the size of the dividend and if the formal decision has been made before the financial report is published. Dividends from group- and associated undertakings are recognised on the separate income line "Dividends".

Amortisation of goodwill

Under IAS 38, goodwill and other intangible assets with indefinite useful lives are not amortised in the consolidated financial statements. In the parent company financial statements goodwill is amortised as any other intangible asset in accordance with the rules set out in the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), i.e. normally over a period of five years unless, under exceptional circumstances, a longer amortisation period is justified.

Functional currency

The functional and presentation currency of the parent company is EUR. All transactions in other currencies are converted to EUR in accordance with the policies disclosed in section 9 "Translation of assets and liabilities denominated in foreign currencies" in Note G1 "Accounting policies".

Pensions

The accounting principle for defined benefit obligations follows the Swedish rules ("Tryggandelagen") and the regulations of the Swedish Financial Supervisory Authority as this is the condition for tax deductibility. The significant differences compared with IAS 19 consists of how the discount rate is determined, that the calculation of the defined benefit obligation is based on current salary level without assumptions about future salary increases.

In Sweden, actuarial pension commitments are guaranteed by a pension foundation or recognised as a liability. No net defined benefit assets are recognised. The pension cost in the parent company, classified as "Staff cost" in the income statement, consists of changes in recognised pension provisions (including special wage tax) for active employees, pension benefits paid, contributions made to or received from the pension foundation and related special wage tax.

The pension obligations in the foreign branches are calculated in accordance with local accounting requirements.

P1 Accounting policies, cont.

Group contributions
Group contributions paid to group undertakings are recognised as an increase in the value of investments in group undertakings, net of tax. Group contributions received from group undertakings are recognised as dividends. The possible tax effects on group contributions received are classified as "Income tax expense" in the income statement.

Untaxed reserves
The parent company reports untaxed reserves, related to accelerated depreciation and tax allocation reserve under tax regulations. In the consolidated financial statements, untaxed reserves are split on the items "Retained earnings" and "Deferred tax liabilities" on the balance sheet.

P2 Segment reporting

Geographical information

	Sweden		Finland		Norway		Denmark		Others		Total	
EURm	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Net interest income	649	641	—	—	—	—	—	—	—	—	649	641
Net fee and commission income	820	1,009	—	—	—	—	—	—	—	—	820	1,009
Net result from items at fair value	186	131	—	—	—	—	—	—	—	—	186	131
Dividends[1]	949	838	604	700	—	—	750	244	30	45	2,333	1,827
Other operating income	327	106	214	195	94	88	340	285	—	—	975	674
Total operating income	**2,931**	**2,725**	**818**	**895**	**94**	**88**	**1,090**	**529**	**30**	**45**	**4,963**	**4,282**

1) Regards dividends from group undertakings.

P3 Net interest income

EURm	2014	2013
Interest income		
Loans to credit institutions	651	713
Loans to the public	928	973
Interest-bearing securities	295	366
Other interest income	68	88
Interest income	**1,942**	**2,140**
Interest expense		
Deposits by credit institutions	–127	–148
Deposits and borrowings from the public	–193	–333
Debt securities in issue	–958	–935
Subordinated liabilities	–313	–314
Other interest expenses[1]	298	231
Interest expense	**–1,293**	**–1,499**
Net interest income	**649**	**641**

1) The net interest income from derivatives, measured at fair value and related to Nordea´s funding. This can have both a positive and negative impact on other interest expense, for further information see Note G1 "Accounting policies".

Interest income from financial instruments not measured at fair value through profit and loss amounts to EUR 1,655m (EUR 1,804m). Interest expenses from financial instruments not measured at fair value through profit and loss amounts to EUR –1,617m (EUR –1,756m). Interest on impaired loans amounted to an insignificant portion of interest income.

P4 Net fee and commission income

EURm	2014	2013
Asset management commissions	129	115
Life insurance	1	2
Brokerage, securities issues and corporate finance	168	165
Custody and issuers services	24	22
Deposits	23	26
Total savings related commissions	**345**	**330**
Payments	105	109
Cards	238	219
Total payment commissions	**343**	**328**
Lending	157	164
Guarantees and documentary payment	215	402
Total lending related commissions	**372**	**566**
Other commission income	33	35
Fee and commission income	**1,093**	**1,259**
Savings and investments	–30	–28
Payments	–22	–26
Cards	–136	–126
State guarantee fees	–55	–50
Other commission expenses	–30	–20
Fee and commission expense	**–273**	**–250**
Net fee and commission income	**820**	**1,009**

Fee income, not included in determining the effective interest rate, from financial assets and liabilities not measured at fair value through profit or loss amounts to EUR 180m (EUR 191m).

Fee income, not included in determining the effective interest rate, from fiduciary activities that result in the holding or investing of assets on behalf of customers amount to EUR 298m (EUR 282m). The corresponding amount for fee expenses is EUR –30m (EUR –28m).

P5 Net result from items at fair value

EURm	2014	2013
Shares/participations and other share-related instruments	47	35
Interest-bearing securities and other interest-related instruments	–95	165
Other financial instruments	14	8
Foreign exchange gains/losses	220	–77
Total[1]	**186**	**131**

1) Of which EUR 41m (EUR 53m) is dividends from shares.

P5 Net result from items at fair value, cont.

Net result from categories of financial instruments

EURm	2014	2013
Available for sale assets, realised	0	–2
Financial instruments designated at fair value through profit or loss	21	19
Financial instruments held for trading	53	80
Financial instruments under fair value hedge accounting	6	–6
– of which net losses on hedging instruments	–487	–929
– of which net gains on hedged items	493	923
Financial assets measured at amortised cost	27	0
Foreign exchange gains/losses excluding currency hedges	83	40
Other	–4	0
Total	**186**	**131**

P6 Dividends

EURm	2014	2013
Dividends from group undertakings		
Nordea Bank Finland Plc	550	700
Nordea Bank Denmark A/S	739	235
Nordea Life Holding AB	220	310
Nordea Investment Management AB	75	68
Nordea Bank S.A.	30	45
Nordea Funds Ltd	54	—
Nordea Ejendomsinvestering A/S	11	9
Barkman Elektronik AB in liquidation	8	—
Dividends from associated undertakings		
Upplysningscentralen (UC) AB	1	1
Group Contributions		
Nordea Hypotek AB	494	245
Nordea Nordic Baltic 1 AB	8	28
Nordea Investment Management AB	14	—
Nordea Finans AB	129	186
Total	**2,333**	**1,827**

P7 Other operating income

EURm	2014	2013
Divestment of shares	278	17
Remuneration from group undertakings	691	644
Other	6	13
Total	**975**	**674**

P8 Staff costs

EURm	2014	2013
Salaries and remuneration (specification below)[1]	–716	–650
Pension costs (specification below)	–134	–126
Social security contributions	–213	–200
Other staff costs	–7	–6
Total[2]	**–1,070**	**–982**
Salaries and remuneration		
To executives[3]		
– Fixed compensation and benefits	–6	–6
– Performance-related compensation	–6	–5
– Allocation to profitsharing	0	0
Total	**–12**	**–11**
To other employees	–704	–639
Total	**–716**	**–650**

1) Allocation to profit-sharing foundation 2014 EUR 25m (EUR 13m) consists of a new allocation of EUR 24m (EUR 13m) and an allocation related to prior year of EUR 1m (EUR 0m).
2) Of which EUR 48m regards termination benefits in connection to the cost efficiency programme launched in the second quarter.
3) Executives include the Board of Directors (including deputies), CEO, deputy CEO, executive vice presidents and Group Executive Management in the parent company. Former board members (including deputies), CEOs, deputy CEOs, managing directors and executive vice presidents, are included. Executives amounts to 15 (16) positions.

EURm	2014	2013
Pension costs[1]		
Defined benefit plans	–73	–67
Defined contribution plans	–61	–59
Total	**–134**	**–126**

1) Pension costs for executives, see Note G7 "Staff costs".

Additional disclosures on remuneration under Swedish FSA regulations and general guidelines

The qualitative disclosures under these regulations can be found in the separate section on remuneration in the Board of Directors' Report, while the quantitative disclosures will be published in a separate report on Nordea's homepage (www.nordea.com) no later than one week before the Annual General Meeting on 19 March 2015.

Compensation to key management personnel

Salaries and renumeration to the Board of Directors, CEO and Group Executive Management, see Note G7 "Staff costs".

Loans to key management personnel

Loans to key management personnel amounts to EUR 0m (EUR 0m). Interest income on these loans amounts to EUR 0m (EUR 0m). For information about loan conditions, see Note G7 "Staff costs".

Long Term Incentive Programmes

Participation in the Long Term Incentive Programmes (LTIPs) requires that the participants take direct ownership by investing in Nordea shares. For more information about conditions and requirements, see Note G7 "Staff costs".

For information on number of outstanding conditional rights in the LTIPs, see Note G7 "Staff costs". All rights in the LTIPs, both to employees in the parent company as well as to employees in group undertakings, are issued by Nordea Bank AB (publ).

The expenses in below table regards only employees in Nordea Bank AB (publ).

Expenses for equity-settled share-based payment programmes[1]

EURm	LTIP 2012	LTIP 2011	LTIP 2010
Expected expense for the whole programme	–12	–8	–5
Maximum expense for the whole programme	–12	–8	–5
Total expense during 2014	–5	–1	—
Total expense during 2013	–2	–3	–1

1) All amounts excluding social security contribution.

When calculating the expected expense an expected annual employee turnover of 5% has been used. The expected expense is recognised over the vesting period of 36 months.

Cash-settled share-based payment transactions

Nordea operates share-linked deferrals on parts of variable compensation for certain employee categories, indexed with Nordea Total Shareholder Returns (TSR) and either transferred after three years or in equal instalments over a three to five year period. Since 2011 Nordea also operates TSR-linked retention on part of variable compensation for certain employee categories. Due to that the allocation of variable compensation is not finally decided during the current year, the deferred amount during the year in the table below relates to variable compensation earned the previous year.

In addition Nordea in 2013 introduced the Executive Incentive Programme (EIP) which aims to strengthen Nordea's capability to retain and recruit the best talents. The aim is further to stimulate the managers and key employees whose efforts have direct impact on Nordea's result, profitability and long term value growth. EIP reward performance meeting agreed predetermined targets on Group, business unit and individual level. The effect on the long term result is to be considered when determining the targets. The EIP shall not exceed the fixed salary. EIP shall be paid in the form of cash and be subject to TSR-indexation, deferral, forfeiture clauses and retention as per relevant remuneration regulations. The main part of EIP 2014 is paid no earlier than autumn 2018. Participation in the programme is offered to up to 400 managers and key employees, except GEM who are instead offered a GEM EIP (further information about the GEM EIP can be found in the Remuneration section in the Board of Director's Report), within the Nordea Group. EIP is offered instead of Nordea's LTIP and VSP for the invited employees. The allocation of the EIP 2014 is decided during spring 2015, and a reservation of EUR 16m excl. social costs is made 2014. 80% of the allocated amount will be subject to TSR-indexation.

The below table only includes deferred amounts indexed with Nordea TSR. EIP has been included as from 2014, when deferred. Further information regarding all deferred amounts can be found in the separate report on remuneration published on Nordea's homepage (www.nordea.com).

P8 Staff costs, cont.

EURm	Share linked deferrals 2014	2013
Opening balance	3	2
Deferred/earned during the year	5	1
TSR indexation during the year	1	1
Payments during the year[1]	–1	–1
Translation differences	–1	0
Closing balance	**7**	**3**

1) There have been no adjustments due to forfeitures in 2014.

Average number of employees

	Total		Men		Women	
	2014	2013	2014	2013	2014	2013
Full-time equivalents						
Sweden	6,485	6,395	2,983	2,852	3,502	3,543
Other countries	3,613	1,842	1,854	1,156	1,759	686
Total average	**10,098**	**8,237**	**4,837**	**4,008**	**5,261**	**4,229**

Gender distribution, executives

Per cent	31 Dec 2014	31 Dec 2013
Nordea Bank AB (publ)		
Board of Directors – Men	50	67
Board of Directors – Women	50	33
Other executives – Men	86	86
Other executives – Women	14	14

P9 Other expenses

EURm	2014	2013
Information technology	–538	–622
Marketing and representation	–34	–35
Postage, transportation, telephone and office expenses	–55	–61
Rents, premises and real estate	–133	–125
Other[1]	–144	–175
Total	**–904**	**–1,018**

1) Including fees and remuneration to auditors distributed as follows.

Auditors' fee

EURm	2014	2013
KPMG		
Auditing assignments	–2	–2
Audit-related services	0	–1
Tax advisory services	0	0
Other assignments	–1	–3
Total	**–3**	**–6**

P10 Depreciation, amortisation and impairment charges of tangible and intangible assets

EURm	2014	2013
Depreciation/amortisation		
Property and equipment (Note P24)		
Equipment	–27	–24
Intangible assets (Note P23)		
Goodwill	–49	–49
Computer software	–31	–23
Other intangible assets	–11	–4
Total	**–118**	**–100**

Impairment charges

Intangible assets (Note P23)		
Computer software	–142	–9
Other intangible assets	–1	—
Total	**–143**	**–9**
Total	**–261**	**–109**

P11 Net loan losses

EURm	2014	2013
Divided by class		
Loans to credit institutions[1]	0	1
– of which reversals	0	1
Loans to the public[1]	–34	–45
– of which provisions	–77	–57
– of which write-offs	–68	–72
– of which allowances used for covering write-offs	24	34
– of which reversals	64	29
– of which recoveries	23	21
Off-balance sheet items[2]	–64	–80
– of which provisions	–77	–70
– of which reversals	50	38
– of which directly recognised in income statement	–37	–48
Total	**–98**	**–124**

1) Included in Note P15 "Loans and impairment".
2) Included in Note P32 "Provisions" as "Transfer risk, off-balance" and "Guarantees".

Key ratios

	2014	2013
Loan loss ratio, basis points	25	36
– of which individual	9	15
– of which collective	16	21

P12 Appropriations

EURm	2014	2013
Change in tax allocation reserve	—	100
Change in depreciation in excess of plan, equipment	–1	2
Total	**–1**	**102**

P13 Taxes

Income tax expense

EURm	2014	2013
Current tax	–176	–194
Deferred tax	–13	2
Total	**–189**	**–192**

The tax on the operating profit differs from the theoretical amount that would arise using the tax rate in Sweden as follows:

EURm	2014	2013
Profit before tax	2,614	2,147
Tax calculated at a tax rate of 22.0%	–575	–472
Tax-exempt income	431	307
Non-deductible expenses	–16	–20
Adjustments relating to prior years	–29	–7
Tax charge	**–189**	**–192**
Average effective tax rate	7%	9%

Deferred tax

	Deferred tax assets		Deferred tax liabilities	
EURm	2014	2013	2014	2013
Deferred tax related to:				
Derivatives	10	11	—	10
Properties and equipment	—	—	9	—
Retirement benefit obligations	3	9	—	—
Liabilities/provisions	10	8	0	—
Netting between deferred tax assets and liabilities	–9	—	–9	—
Total	**14**	**28**	**0**	**10**

P14 Treasury bills

EURm	31 Dec 2014	31 Dec 2013
State and sovereigns[1]	4,328	5,235
Municipalities and other public bodies	750	454
Total	**5,078**	**5,689**
– of which Financial instruments pledged as collateral (Note P17)	43	737
Total	**5,035**	**4,952**

1) Of which EUR 0m (EUR 17m) held at amortised cost with a nominal amount of EUR 0m (EUR 17m).

P15 Loans and impairment

	Credit institutions		The public		Total	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Loans, not impaired	86,706	80,920	39,501	34,015	126,207	114,935
Impaired loans	—	—	636	312	636	312
– Performing	—	—	312	180	312	180
– Non-performing	—	—	324	132	324	132
Loans before allowances	**86,706**	**80,920**	**40,137**	**34,327**	**126,843**	**115,247**
Allowances for individually assessed impaired loans	—	—	–254	–118	–254	–118
– Performing	—	—	–127	–79	–127	–79
– Non-performing	—	—	–127	–39	–127	–39
Allowances for collectively assessed impaired loans	–2	–2	–74	–54	–76	–56
Allowances	**–2**	**–2**	**–328**	**–172**	**–330**	**–174**
Loans, carrying amount	**86,704**	**80,918**	**39,809**	**34,155**	**126,513**	**115,073**

Movements in allowance accounts for impaired loans

	Credit institutions			The public			Total		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2014	**0**	**–2**	**–2**	**–118**	**–54**	**–172**	**–118**	**–56**	**–174**
Provisions	—	0	0	–75	–2	–77	–75	–2	–77
Reversals of previous provisions	—	0	0	58	6	64	58	6	64
Changes through the income statement	**—**	**0**	**0**	**–17**	**4**	**–13**	**–17**	**4**	**–13**
Allowances in acquired loan portfolios	—	—	—	–150	–26	–176	–150	–26	–176
Allowances used to cover write-offs	—	—	—	24	—	24	24	—	24
Translation differences	—	0	0	7	2	9	7	2	9
Closing balance at 31 Dec 2014	**—**	**–2**	**–2**	**–254**	**–74**	**–328**	**–254**	**–76**	**–330**
Opening balance at 1 Jan 2013	**–1**	**–4**	**–5**	**–132**	**–61**	**–193**	**–133**	**–65**	**–198**
Provisions	—	1	1	–55	–3	–58	–55	–2	–57
Reversals of previous provisions	—	1	1	22	6	28	22	7	29
Changes through the income statement	**—**	**2**	**2**	**–33**	**3**	**–30**	**–33**	**5**	**–28**
Allowances used to cover write-offs	—	—	—	34	—	34	34	—	34
Translation differences	1	—	1	13	4	17	14	4	18
Closing balance at 31 Dec 2013	**0**	**–2**	**–2**	**–118**	**–54**	**–172**	**–118**	**–56**	**–174**

P15 Loans and impairment, cont.

Allowances and provisions[1]

EURm	Credit institutions 31 Dec 2014	Credit institutions 31 Dec 2013	The public 31 Dec 2014	The public 31 Dec 2013	Total 31 Dec 2014	Total 31 Dec 2013
Allowances for items on the balance sheet	–2	–2	–328	–172	–330	–174
Provisions for off balance sheet items	–162	–138	–1	–3	–163	–141
Total allowances and provisions	**–164**	**–140**	**–329**	**–175**	**–493**	**–315**

1) Included in Note P32 "Provisions" as "Transferrisk, off-balance" and "Individually assessed guarantees and other commitments".

Key ratios

	31 Dec 2014	31 Dec 2013
Impairment rate, gross, basis points	50	27
Impairment rate, net, basis points	30	17
Total allowance rate, basis points	26	15
Allowances in relation to impaired loans, %	40	38
Total allowances in relation to impaired loans, %	52	56

P16 Interest-bearing securities

EURm	31 Dec 2014	31 Dec 2013
Issued by public bodies	43	—
Issued by other borrowers[1]	11,278	11,128
Total	**11,321**	**11,128**
Listed securities	11,166	10,969
Unlisted securities	155	159
Total	**11,321**	**11,128**

1) Of which EUR 111m (EUR 321m) held at amortised cost with a nominal amount of EUR 112m (EUR 322m).

P17 Financial instruments pledged as collateral

Financial instruments pledged as collateral

In repurchase transactions and in securities lending transactions, non-cash assets are transferred as collateral. When the counterpart receiving the collateral has the right to sell or repledge the assets, the assets are reclassified on the balance sheet to the item Financial instruments pledged as collateral.

EURm	31 Dec 2014	31 Dec 2013
Treasury bills	43	737
Total	**43**	**737**

For more information on transferred assets, see Note P45 "Transferred assets and obtained collaterals".

P18 Shares

EURm	31 Dec 2014	31 Dec 2013
Shares	6,060	5,350
Shares taken over for protection of claims	1	1
Total	**6,061**	**5,351**
Listed shares	6,029	5,322
Unlisted shares	32	29
Total	**6,061**	**5,351**

P19 Derivatives and hedge accounting

31 Dec 2014, EURm	Fair value Positive	Fair value Negative	Total nom. amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	2,315	2,423	138,982
FRAs	57	66	63,168
Futures and forwards	0	0	1,866
Options	—	5	11,097
Other	5	0	4,258
Total	**2,377**	**2,494**	**219,371**
Equity derivatives			
Equity swaps	57	215	272
Futures and forwards	0	5	97
Options	277	230	2,648
Total	**334**	**450**	**3,017**
Foreign exchange derivatives			
Currency and interest rate swaps	534	477	17,745
Currency forwards	424	22	17,581
Total	**958**	**499**	**35,326**
Credit derivatives	8	—	256
Other derivatives	5	—	1,772
Total derivatives held for trading	**3,682**	**3,443**	**259,742**
Derivatives used for hedge accounting			
Interest rate derivatives	1,764	404	42,020
Equity derivatives	—	5	55
Foreign exchange derivatives	535	801	9,872
Total derivatives used for hedge accounting	**2,299**	**1,210**	**51,947**
– of which fair value hedges[1]	1,747	360	46,635
– of which cash flow hedges[1]	552	850	32,130
Total derivatives	**5,981**	**4,653**	**311,689**

1) Some cross currency interest rate swaps and interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are then reported on both lines.

P19 Derivatives and Hedge accounting, cont.

31 Dec 2013, EURm	Fair value Positive	Fair value Negative	Total nom. amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	1,656	1,735	140,226
FRAs	14	18	50,444
Futures and forwards	1	0	2,586
Options	6	6	4,282
Other	1	0	1,129
Total	**1,678**	**1,759**	**198,667**
Equity derivatives			
Equity swaps	82	142	224
Futures and forwards	2	1	14
Options	151	123	2,796
Total	**235**	**266**	**3,034**
Foreign exchange derivatives			
Currency and interest rate swaps	530	549	12,617
Currency forwards	82	40	15,064
Total	**612**	**589**	**27,681**
Credit derivatives	0	—	1
Other derivatives	6	0	1,916
Total derivatives held for trading	**2,531**	**2,614**	**231,299**
Derivatives used for hedge accounting			
Interest rate derivatives	1,311	319	39,161
Foreign exchange derivatives	377	694	17,880
Total derivatives used for hedge accounting	**1,688**	**1,013**	**57,041**
– of which fair value hedges[1]	1,288	291	47,587
– of which cash flow hedges[1]	358	700	24,316
– of which net investment hedges	42	22	9,455
Total derivatives	**4,219**	**3,627**	**288,340**

1) Some cross currency interest rate swaps and interst rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are then reported on both lines.

P20 Fair value changes of the hedged items in portfolio hedge of interest rate risk

The carrying amount at end of year represents accumulated changes in the fair value for those repricing time periods in which the hedged item is an asset respectively a liability. When the hedged item is an asset, the change in the fair value of the hedged item is presented within assets and when the hedged item is a liability, the change is presented as a liability.

P21 Investments in group undertakings

EURm	31 Dec 2014	31 Dec 2013
Acquisition value at beginning of year	18,347	18,279
Acquisitions/capital contributions during the year	56	58
Revaluations under hedge accounting	–425	—
IFRS 2 expenses[1]	9	10
Sales during the year	–376	—
Acquisition value at end of year	**17,611**	**18,347**
Accumulated impairment charges at beginning of year	–624	–620
Accumulated impairment charges on group undertakings sold during the year	14	—
Impairment charges during the year	–15	–4
Accumulated impairment charges at end of year	**–625**	**–624**
Total	**16,986**	**17,723**
– of which listed shares	—	—

1) Allocation of IFRS 2 expenses for LTIP 2011 and 2012 related to the group undertakings.

P21 Investments in group undertakings, cont.

Specification

This specification includes all directly owned group undertakings and major group undertakings to the directly owned companies.

31 Dec 2014	Number of shares	Carrying amount 2014, EURm	Carrying amount 2013, EURm	Voting power of holding %	Domicile	Registration number
Nordea Bank Finland Plc	1,030,800,000	5,962	5,959	100.0	Helsinki	1680235–8
Nordea Finance Finland Ltd				100.0	Helsinki	0112305–3
Nordea Bank Danmark A/S	50,000,000	4,024	4,010	100.0	Copenhagen	13522197
Nordea Finans Danmark A/S				100.0	Høje Taastrup	89805910
Nordea Kredit Realkreditaktieselskab				100.0	Copenhagen	15134275
Fionia Asset Company A/S				100.0	Copenhagen	31934745
Nordea Bank Norge ASA	551,358,576	2,428	2,733	100.0	Oslo	911044110
Nordea Eiendomskreditt AS				100.0	Oslo	971227222
Nordea Finans Norge AS				100.0	Oslo	924507500
Privatmegleren AS				100.0	Oslo	986386661
Nordea Bank Polska S.A[1]	55,061,403	—	343	99.2	Gdynia	KRS0000021828
OOO Promyshlennaya Companiya Vestkon	4,601,942,680[2]	659	659	100.0	Moscow	1027700034185
JSC Nordea Bank				100.0[3]	Moscow	1027739436955
Nordea Life Holding AB	1,000	719	719	100.0	Stockholm	556742–3305
Nordea Liv & Pension, Livforsikringsselskab A/S				100.0	Ballerup	24260577
Nordea Liv Holding Norge AS				100.0	Bergen	984739303
Livforsikringsselskapet Nordea Liv Norge AS				100.0	Bergen	959922659
Nordea Livförsäkring Sverige AB (publ)				100.0	Stockholm	516401–8508
Nordea Life Assurance Finland Ltd				100.0	Helsinki	0927072–8

P21 Investments in group undertakings, cont.

31 Dec 2014	Number of shares	Carrying amount 2014, EURm	Carrying amount 2013, EURm	Voting power of holding %	Domicile	Registration number
Nordea Funds Ltd	3,350	174	174	100.0	Helsinki	1737785–9
Nordea Bank S.A.	999,999	455	455	100.0	Luxembourg	B–14157
Nordea Hypotek AB (publ)[4]	100,000	1,874	1,998	100.0	Stockholm	556091–5448
Nordea Nordic Baltic 1 AB	15,000	242	242	100.0	Stockholm	556020–4694
Nordea Finans Sverige AB (publ)[4]	1,000,000	104	124	100.0	Stockholm	556021–1475
Nordea Investment Management AB	12,600	231	237	100.0	Stockholm	556060–2301
Nordea Ejendomsinvestering A/S	1,000	29	29	100.0	Glostrup	26640172
Nordea IT Polska S.p. z.o.o.	100	30	40	100.0	Warsaw	0000429783
PK Properties Int'l Corp	100,000	0	0	100.0	Atlanta, USA	601624718
Nordea Hästen Fastighetsförvaltning AB	1,000	0	0	100.0	Stockholm	556653–6800
Nordea Putten Fastighetsförvaltning AB	1,000	0	0	100.0	Stockholm	556653–5257
Nordea do Brasil Representações Ltda	1,162,149	0	0	100.0	Sao Paulo, Brasil	51.696.268/0001–40
Nordic Baltic Holding (NBH) AB[5]	1,000	0	0	100.0	Stockholm	556592–7950
Nordea Fastigheter AB[5]	3,380,000	1	1	100.0	Stockholm	556021–4917
Promano Est OÜ	1	10	—	100.0	Tallinn, Estonia	11681888
Uus-Sadama 11 OÜ	1	0	—	100.0	Tallinn, Estonia	11954914
SIA Promano Lat	21,096	14	—	100.0	Riga, Latvia	40103235197
SIA Realm	7,034	7	—	100.0	Riga, Latvia	50103278681
SIA Lidosta RE	765	1	—	100.0	Riga, Latvia	40103424424
SIA Trioleta	2,786	4	—	99.9	Riga, Latvia	40103565264
Promano Lit UAB	34,528	11	—	100.0	Vilnius, Lithuania	302423219
UAB Recurso	15,000	5	—	100.0	Vilnius, Lithuania	302784511
UAB Inrec	6,900	2	—	100.0	Vilnius, Lithuania	302996806
Total		**16,986**	**17,723**			

1) Sold in April 2014.
2) Nominal value expressed in RUB, representing Nordea's participation in Vestkon.
3) Combined ownership, Nordea Bank AB (publ) directly 7.2% and indirectly 92.8% through OOO Promyshlennaya Companiya Vestkon.
4) Credit institutions as defined in the Swedish Annual Account Act for Credit Instituions and Securities Companies (1995:1559).
5) Dormant.

P22 Investments in associated undertakings

EURm	31 Dec 2014	31 Dec 2013
Acquisition value at beginning of year	7	8
Acquisitions during the year	—	0
Sales during the year	—	–1
Acquisition value at end of year	**7**	**7**
– of which listed shares	—	—

P23 Intangible assets

EURm	31 Dec 2014	31 Dec 2013
Goodwill allocated to cash generating units		
Retail Banking	305	354
Goodwill, total	**305**	**354**
Computer software	416	367
Other intangible assets	37	8
Other intangible assets, total	**453**	**375**
Intangible assets, total	**758**	**729**
Movements in goodwill		
Acquisition value at beginning of year	1,059	1,059
Acquisition value at end of year	**1,059**	**1,059**
Accumulated amortisation at beginning of year	–705	–656
Amortisation according to plan for the year	–49	–49
Accumulated amortisation at end of year	**–754**	**–705**
Total	**305**	**354**
Movements in computer software		
Acquisition value at beginning of year	465	340
Acquisitions during the year	217	135
Disposals during the year	—	–2
Reclassifications	—	–8
Acquisition value at end of year	**682**	**465**
Accumulated amortisation at beginning of year	–89	–68
Amortisation according to plan for the year	–31	–23
Accumulated amortisation on disposals	—	2
Accumulated amortisation at end of year	**–120**	**–89**
Accumulated impairment charges at beginning of year	–9	–8
Impairment charges during the year	–142	–9
Reclassifications	5	8
Accumulated impairment charges at end of year	**–146**	**–9**
Total	**416**	**367**
Movements in other intangible assets		
Acquisition value at beginning of year	48	42
Acquisitions during the year	41	8
Disposals during the year	—	–2
Acquisition value at end of year	**89**	**48**
Accumulated amortisation at beginning of year	–40	–39
Amortisation according to plan for the year	–11	–4
Accumulated amortisation on disposals during the year	—	2
Translation differences	—	1
Accumulated amortisation at end of year	**–51**	**–40**
Impairment charges during the year	–1	—
Accumulated impairment charges at end of year	**–1**	**—**
Total	**37**	**8**

Impairment test

A cash generating unit, defined as the operating segment, is the basis for the goodwill impairment test. See Note G20 "Intangible assets" and Note G1 "Accounting policies" section 4 for more information. See also Note G20 "Intangible assets" for more information on the impairment of computer software.

P24 Properties and equipment

EURm	31 Dec 2014	31 Dec 2013
Properties and equipment	119	118
– of which buildings for own use	0	0
Total	**119**	**118**
Movements in equipment		
Acquisition value at beginning of year	268	270
Acquisitions during the year	30	28
Sales/disposals during the year	–32	–30
Acquisition value at end of year	**266**	**268**
Accumulated depreciation at beginning of year	–150	–149
Accumulated depreciation on sales/disposals during the year	30	23
Depreciations according to plan for the year	–27	–24
Accumulated depreciation at end of year	**–147**	**–150**
Total	**119**	**118**

Operating leases
Nordea has entered into operating lease agreements for premises and office equipment. See also Note G1 "Accounting policies", section 15.

Leasing expenses during the year, EURm	31 Dec 2014	31 Dec 2013
Leasing expenses during the year	–117	–113
– of which minimum lease payments	–117	–113
Leasing income during the year regarding sublease payments	35	39

Future minimum lease payments under non-cancellable operating leases amounted to and are distributed as follows:

EURm	31 Dec 2014
2015	74
2016	62
2017	48
2018	38
2019	30
Later years	253
Total	**505**

Total sublease payments expected to be received under non-cancellable subleases amounts to EUR 252m. EUR 237m of the subleases are towards group undertakings.

P25 Other assets

EURm	31 Dec 2014	31 Dec 2013
Claims on securities settlement proceeds	276	484
Anticipated dividends from group undertakings	1,109	742
Group contributions	644	459
Other	1,698	848
Total	**3,727**	**2,533**

P26 Prepaid expenses and accrued income

EURm	31 Dec 2014	31 Dec 2013
Accrued interest income	115	396
Other accrued income	81	170
Prepaid expenses	688	725
Total	**884**	**1,291**

P27 Deposits by credit institutions

EURm	31 Dec 2014	31 Dec 2013
Central banks	2,418	3,707
Banks	24,258	13,095
Other credit institutions	776	698
Total	**27,452**	**17,500**

P28 Deposits and borrowings from the public

EURm	31 Dec 2014	31 Dec 2013
Deposits	48,176	46,150
Borrowings	1,191	1,381
Total	**49,367**	**47,531**

Deposits are defined as funds in deposit accounts covered by the government deposit guarantee but also including amounts in excess of the individual amount limits. Individual pension savings (IPS) are also included.

P29 Debt securities in issue

EURm	31 Dec 2014	31 Dec 2013
Certificates of deposit	55	—
Commercial papers	29,246	28,853
Bond loans	33,908	34,029
Other	71	79
Total	**63,280**	**62,961**

P30 Other liabilities

EURm	31 Dec 2014	31 Dec 2013
Liabilities on securities settlement proceeds	215	202
Sold, not held, securities	285	244
Accounts payable	22	29
Other	2,373	3,698
Total	**2,895**	**4,173**

P31 Accrued expenses and prepaid income

EURm	31 Dec 2014	31 Dec 2013
Accrued interest	13	544
Other accrued expenses	443	391
Prepaid income	186	215
Total	**642**	**1,150**

P32 Provisions

EURm	31 Dec 2014	31 Dec 2013
Provision for restructuring costs	42	36
Transfer risk, off-balance	1	2
Guarantees	162	139
Other	1	7
Total	**206**	**184**

	Restructuring	Transfer risk	Guarantees	Other	Total
At beginning of year	36	2	139	7	184
New provisions made	60	—	77	—	137
Provisions utilised	–18	–1	–4	–6	–29
Reversals	–18	—	–50	—	–68
Reclassifications	–16	—	—	—	–16
Translation differences	–2	0	0	0	–2
At end of year	**42**	**1**	**162**	**1**	**206**

Provision for restructuring costs amounts to EUR 42m and covers termination benefits (EUR 34m) and other provisions mainly related to redundant premises (EUR 8m). Provision for transfer risk is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note P15 "Loans and impairment". Provision for transfer risk is depending on the volume of business with different countries. Loan loss provisions for guarantees amounts to EUR 162m, of which EUR 161m covers the guarantee in favour of Nordea Bank Finland Plc.

P33 Retirement benefit obligations

Pension provisions

The pension liabilities of Nordea Bank AB (publ) are mainly covered by allocations to its pension foundation.

The provisions on the balance sheet pertain to former employees of Postgirot Bank and pension obligations in foreign branches. EUR 124m (EUR 133m) of the provisions are covered by "Tryggandelagen".

A small percentage of the pension obligations are covered by insurance policies.

The following figures are mainly based on calculations in accordance with Swedish rules ("Tryggandelagen").

The pension obligations in the foreign branches are calculated in accordance with local accounting requirements.

Specification of amounts recognised on the balance sheet

EURm	31 Dec 2014	31 Dec 2013
Present value of commitments relating to in whole or in part funded pension plans	–1,155	–1,202
Fair value at the end of the period relating to specifically separated assets	1,384	1,303
Surplus in the pension foundation	**229**	**101**
Present value of commitments relating to unfunded pension plans	–171	–166
Unrecognised surplus in the pension foundation	–229	–101
Reported liability net on the balance sheet	**–171**	**–166**

Movements in the liability recognised on balance sheet as pension

EURm	31 Dec 2014	31 Dec 2013
Balance at 1 Jan recognised as pension commitments	166	182
Pensions paid related to former employees of Postgirot Bank	–7	–7
Actuarial pension calculations	12	0
Effect of exchange rate changes	0	–9
Balance at 31 Dec	**171**	**166**

Specification of cost and income in respect of pensions

EURm	2014	2013
Pensions paid related to former employees of Postgirot Bank	–7	–7
Pensions paid covered by the pension foundation	–61	–67
Actuarial pension calculation	–5	7
Defined benefit plans	**–73**	**–67**
Defined contribution plans	–61	–59
Pension costs[1]	**–134**	**–126**
Return on specifically separated assets, %	12.4	3.0

1) See Note P8 "Staff costs".

Actual value of holdings in pension foundations

EURm	31 Dec 2014	31 Dec 2013
Shares	353	326
Interest-bearing securities	1,004	955
Other assets	27	22
Total	**1,384**	**1,303**

P33 Retirement benefit obligations, cont.

Main assumptions for defined benefit obligations

	2014	2013
Discount rate	2.2%	2.2%
The calculation is based on pay and pension levels on the accounting date	Yes	Yes

Next year's expected payment regarding defined benefit plans amounts to EUR 66m.

P34 Subordinated liabilities

EURm	31 Dec 2014	31 Dec 2013
Dated subordinated debenture loans	4,435	4,107
Hybrid capital loans	3,293	1,864
Total	**7,728**	**5,971**

These debenture loans are subordinated to other liabilities. Dated debenture loans entitle the lender to payment before undated subordinated loans and hybrid capital loans. Within each respective category, the loans entitle lenders to equal payment rights.

At 31 December 2014 five loans – with terms specified below – exceeded 10% of the total outstanding volume dated subordinated loans.

EURm	Nominal value	Carrying amount	Interest rate (coupon)
Dated loan[1]	1,000	997	Fixed
Dated loan[2]	750	747	Fixed
Dated loan[3]	750	748	Fixed
Dated loan[4]	1,030	1,023	Fixed
Dated loan[5]	824	816	Fixed

1) Maturity date 26 March 2020.
2) Maturity date 29 March 2021.
3) Call date 15 February 2017, maturity date 15 February 2022.
4) Maturity date 13 May 2021.
5) Maturity date 21 September 2022.

P35 Untaxed reserves

EURm	31 Dec 2014	31 Dec 2013
Accumulated excess depreciation, equipment	4	3

P36 Assets pledged as security for own liabilities

EURm	31 Dec 2014	31 Dec 2013
Assets pledged for own liabilities		
Securities etc[1]	3,946	2,454
Total	**3,946**	**2,454**
The above pledges pertain to the following liabilities		
Deposits by credit institutions	2,508	1,788
Deposits and borrowings from the public	268	2,380
Total	**2,776**	**4,168**

1) Relates only to securities recognised on the balance sheet. Securities borrowed or bought under reverse repurchase agreements are not recognised on the balance sheet and thus not included in the amount. Such transactions are disclosed in Note P45 "Transferred assets and obtained collaterals" which are permitted to be sold or repledged.

Assets pledged for own liabilities contain securities pledged as security in repurchase agreement and in securities lending. The transactions are conducted under standard agreements employed by financial markets participants. Counterparts in those transactions are credit institutions and the public. The transactions are typically short term with maturity within three months.

P37 Other assets pledged

Other assets pledged are mainly related to securities which included interest-bearing securities pledged as securities for payment settlements within the central banks and clearing institutions EUR 9,238m (EUR 7,033m). The terms and conditions require day to day securities and relate to liquidity intraday/overnight. Collateral pledged on behalf of other items other than the company´s own liabilities, e.g. on behalf of a third party or on behalf of the company´s own contingent liabilities are also accounted for under this item.

P38 Contingent liabilities

EURm	31 Dec 2014	31 Dec 2013
Guarantees		
– Loan guarantees	70,024	69,815
– Other guarantees	918	570
Other contingent liabilities	161	0
Total	**71,103**	**70,385**

In the normal business Nordea issues various forms of guarantees in favour of the bank's customers. Loan guarantees are given for customers to guarantee obligations in other credit- and pension institutions. Other guarantees consist mainly of commercial guarantees such as bid guarantees, advance payment guarantees, warranty guarantees and export related guarantees.

Nordea Bank AB (publ) has issued a guarantee in favour of its Russian subsidery JSC Nordea Bank where Nordea Bank AB (publ) guarantees specified exposures in JSC Nordea Bank. At 31 December 2014 the guarantees cover exposures amounting to EUR 4bn. The guarantees are priced at arm's length. All internal transactions under the guarantees are eliminated in the consolidated accounts.

Nordea Bank AB (publ) has issued a guarantee of maximum EUR 60bn in favour of Nordea Bank Finland Plc where Nordea Bank AB (publ) guarantees the majority of the exposures in the exposure class IRB corporate in Nordea Bank Finland Plc. The guarantee covers EUR 11bn of corporate loans, guarantees, documentary credits and loan commitments. In addition, EUR 6bn of derivatives are covered by the guarantee as of 31 December 2014. The maximum amount of derivatives guaranteed is EUR 10bn. The guarantee increased the REA by EUR 11bn. The guarantee will generate commission income, while the losses recognised on the guaranteed exposures will be transferred to Nordea Bank AB (publ). The guarantee is priced at arm's length, including expected credit losses and the cost of capital required by the guarantee. All internal transactions in the guarantee are eliminated in the consolidated accounts.

Nordea Bank AB (publ) has undertaken, in relation to certain individuals and on certain conditions, to be responsible for the potential payment liability against them in their capacity as managing directors or board member in group undertakings to Nordea Bank AB (publ).

A limited number of employees are entitled to severance pay if they are dismissed before reaching their normal retirement age.

Legal proceedings

Within the framework of the normal business operations, the company faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on the company or its financial position.

P39 Commitments

EURm	31 Dec 2014	31 Dec 2013
Credit commitments	9,710	13,868
Unutilised portion of approved overdraft facilities	14,114	12,845
Total	**23,824**	**26,713**

For information about derivatives see Note P19 "Derivatives and hedge accounting".

P40 Capital adequacy

Table A2 Transitional own funds

For information of the capital adequacy regulations see Note G38 "Capital adequacy".

	Common Equity Tier 1 capital: instruments and reserves	(A) amount at disclosure date, EURm	(C) amounts subject to pre- regulation (eu) no 575/2013 treatment or prescribed residual amount of regulation (eu) no 575/2013
1	Capital instruments and the related share premium accounts	5,130	—
	of which: Share capital	4,050	—
2	Retained earnings	13,111	—
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	–5	—
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	–76	—
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**18,160**	**—**
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	–7	—
8	Intangible assets (net of related tax liability) (negative amount)	–758	—
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	0	—
11	Fair value reserves related to gains or losses on cash flow hedges	36	—
12	Negative amounts resulting from the calculation of expected loss amounts	0	—
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	–58	—
15	Defined-benefit pension fund assets (negative amount)	0	—
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	–1	—
25	of which: deferred tax assets arising from temporary differences	0	—
25b	Foreseeable tax charges relating to CET1 items (negative amount)	0	—
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	–208	—
	Of which: …filter for unrealised loss 1	0	3
	Of which: …filter for unrealised gain 1	–208	0
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	**–996**	**—**
29	**Common Equity Tier 1 (CET1) capital**	**17,164**	**—**
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	1,224	—
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	1,576	447
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**2,800**	**—**
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)	–32	—
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**–32**	**—**
44	**Additional Tier 1 (AT1) capital**	**2,768**	**—**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**19,932**	**—**
	Tier 2 (T2) capital: instruments and provisions		
46	Capital instruments and the related share premium accounts	4,331	—
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	400	–400
50	Credit risk adjustments	55	—
51	**Tier 2 (T2) capital before regulatory adjustments**	**4,785**	**0**
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	–43	—
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	–505	—

P40 Capital adequacy, cont.

57	**Total regulatory adjustments to Tier 2 (T2) capital**	**–549**	**—**
58	**Tier 2 (T2) capital**	**4,236**	**—**
59	**Total capital (TC = T1 + T2)**	**24,168**	**—**
60	**Total risk weighted assets**	**78,910**	**—**
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	21.8%	—
62	Tier 1 (as a percentage of risk exposure amount)	25.3%	—
63	Total capital (as a percentage of risk exposure amount)	30.6%	—
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	2.5%	—
65	of which: capital conservation buffer requirement	2.5%	—
66	of which: countercyclical buffer requirement	0.0%	—
67	of which: systemic risk buffer requirement	0.0%	—
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.0%	—
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	17.3%	—
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	41	—
73	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	742	—
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	64	—
Applicable caps on the inclusion of provisions in Tier 2			
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	33,429	—
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	201	—
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	0	—
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0	—
82	Current cap on AT1 instruments subject to phase out arrangements	1,576	—
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	–447	—
84	Current cap on T2 instruments subject to phase out arrangements	400	—
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	–47	—

P40 Capital adequacy, cont.

Minimum capital requirement and REA

EURm	31 Dec 2014 Minimum capital requirement	31 Dec 2014 REA	31 Dec 2013 Minimum capital requirement	31 Dec 2013 REA
Credit risk	**5,759**	**71,986**	**6,296**	**78,700**
– of which counterparty credit risk	100	1,249	65	809
IRB	2,674	33,429	3,428	42,854
– of which corporate	2,130	26,622	3,100	38,749
– of which advanced	1,461	18,257	—	—
– of which foundation	669	8,365	3,100	38,749
– of which institutions	302	3,777	105	1,318
– of which retail	148	1,854	180	2,254
– of which secured by immovable property collateral	6	78	11	140
– of which other retail	132	1,647	156	1,953
– of which SME	10	129	13	161
– of which other	94	1,176	43	533
Standardised	3,085	38,557	2,868	35,846
– of which central governments or central banks	14	174	2	26
– of which regional governments or local authorities	1	8	—	—
– of which public sector entities	—	—	—	—
– of which multilateral development banks	—	—	—	—
– of which international organisations	—	—	—	—
– of which institutions	1,319	16,481	1,291	16,126
– of which corporate	57	718	53	664
– of which retail	28	345	0	1
– of which secured by mortgages on immovable property	202	2,530	101	1,258
– of which in default	5	60	0	1
– of which associated with particularly high risk	—	—	—	—
– of which covered bonds	0	0	0	6
– of which institutions and corporates with a short-term credit assessment	—	—	—	—
– of which collective investments undertakings (CIU)	—	—	—	—
– of which equity	1,451	18,139	—	—
– of which other items	8	102	1,421	17,764
Credit Value Adjustment Risk	**14**	**172**	**—**	**—**
Market risk	**218**	**2,724**	**128**	**1,596**
– of which trading book, Internal Approach	42	524	34	429
– of which trading book, Standardised Approach	2	26	5	59
– of which banking book, Standardised Approach	174	2,174	89	1,108
Operational risk	**322**	**4,028**	**250**	**3,121**
Standardised	322	4,028	250	3,121
Sub total	**6,313**	**78,910**	**6,674**	**83,417**
Adjustment for Basel I floor				
Additional capital requirement according to Basel I floor	0	0	0	0
Total	**6,313**	**78,910**	**6,674**	**83,417**

Leverage ratio[1]	31 Dec 2014
Tier 1 capital, transitional definition, EURm[2]	20,047
Leverage ratio exposure, EURm	225,148
Leverage ratio, percentage	8.9

1) Leverage ratio and volumnes presented is based on three month average according to local FSA reporting process.
2) Including profit of the period.

More Capital Adequacy information can be found in the section "Risk, Liquidity and Capital Management".

P40 Capital adequacy, cont.

Capital requirements for market risk, 31 December 2014

	Trading book, IM		Trading book, SA		Banking book, SA		Total	
EURm	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement
Interest rate risk & other[1]	2	0	—	—	—	—	2	0
Equity risk	130	10	26	2	—	—	156	12
Foreign exchange risk	25	2	—	—	2,174	174	2,199	176
Commodity risk	—	—	—	—	—	—	—	—
Settlement risk	—	—	0	0	—	—	0	0
Diversification effect	–2	0	—	—	—	—	–2	0
Stressed Value-at-Risk	369	30	—	—	—	—	369	30
Incremental Risk Measure	0	0	—	—	—	—	0	0
Comprehensive Risk Measure	—	—	—	—	—	—	—	—
Total	**524**	**42**	**26**	**2**	**2,174**	**174**	**2,724**	**218**

1) Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

Table A3-A5 include disclosure of capital instruments' main features in accordance with §6.4 in FFFS 2014:18 and using the template in Annex II in article 3 in Commission implementing regulation (EU) No 1423/2013. Template items are excluded if not applicable.

Table A3 - Capital main features template – CET 1

Common equity Tier 1 capital		
1	Issuer	Nordea Bank AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	SE0000427361
3	Governing law(s) of the instrument	Swedish
	Regulatory treatment	
4	Transitional CRR rules	Common Equity Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1
6	Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Share capital as published in Regulation (EU) No 575/2013 article 28
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 4,050m
9	Nominal amount of instrument	EUR 4,049,951,919
10	Accounting classification	Shareholders' equity
12	Perpeptual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
	Coupons / dividends	
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1
36	Non-compliant transitioned features	No

P40 Capital adequacy, cont.

Table A4 - Capital instruments' main features – AT1

Additional Tier 1 instrument								
1	Issuer	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS0200688256	W5795#AA7	US65557AAB35/ USW5816FCM42	W5795#AB5	XS0453319039	US65557CAM55/ US65557DAM39	US65557CAN39/ US65557DAL55
3	Governing law(s) of the instrument	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by laws of the State of New York, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law
Regulatory treatment								
4	Transitional CRR rules	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	Tier 2	Ineligible	Ineligible	Ineligible	Ineligible	Additional Tier 1	Additional Tier 1
6	Eligible at solo/(sub-) consolidated/solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 (grandfathered) as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 as published in Regulation (EU) No 575/2013 article 484.4	Additional Tier 1 as published in Regulation (EU) No 575/2013 article 484.4
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 500m	EUR 138m	EUR 494m	EUR 69m	EUR 823m	EUR 816m	EUR 408m
9	Nominal amount of instrument	EUR 500m	JPY 20,000m	USD 600m	JPY 10,000m	USD 1,000m	USD 1,000m	USD 500m
9a	Issue price	100 per cent	100 per cent	100 per cent	100 per cent	100 per cent	100 per cent	100 per cent
9b	Redemption price	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	17-Sep-04	4-Mar-05	20-Apr-05	12-Oct-05	25-Sep-09	23-Sep-14	23-Sep-14
12	Perpeptual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes

P40 Capital adequacy, cont.

15	Optional call date, contingent call dates, and redemption amount	17-Sep-09 In addition tax/ regulatory call 100 per cent of nominal amount	4-Mar-35 In addition tax/ regulatory call 100 per cent of nominal amount	20-Apr-15 In addition tax/ regulatory call 100 per cent of nominal amount	12-Oct-35 In addition tax/ regulatory call 100 per cent of nominal amount	25-Mar-15 In addition tax/ regulatory call 100 per cent of nominal amount	23-Sep-19 In addition tax/ regulatory call 100 per cent of nominal amount	23-Sep-24 In addition tax/ regulatory call 100 per cent of nominal amount
16	Subsequent call dates, if applicable	17-Mar and 17-Sep each year after first call date	4-Mar and 4-Sep each year after first call date	20-Jan, 20-Apr, 20-Jul and 20-Oct each year after first call date	12-Apr and 12-Oct each year after first call date	25-Mar and 25-Sep each year after first call date	23-Mar and 23-Sep each year after first call date	23-Mar and 23-Sep each year after first call date
Coupons / dividends								
17	Fixed or floating dividend/coupon	Floating	Fixed to floating	Fixed to floating	Fixed to floating	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Floating 10-year CMS +0.05 per cent per annum subject to 8 per cent cap	Fixed USD 3.75 per cent per annum, until first call date, thereafter floating 6-month JPY deposit +1.22 per cent per annum	Fixed 5.424 per cent per annum, until first call date, thereafter floating 3-month LIBOR +1.5875 per cent per annum	Fixed USD 3.84 per cent per annum, until first call date, thereafter floating 6-month JPY deposit +1.40 per cent per annum	Fixed 8.375 per cent per annum until first call date, thereafter 5-year US Treasury +5.985 per cent per annum, until 25 March 2020, thereafter 5-year US Treasury +8.9775 per cent per annum	Fixed 5.50 per cent per annum, until first call date, thereafter fixed 5-year mid swap +3.563 per cent per annum	Fixed 6.125 per cent per annum, until first call date, thereafter fixed 5-year mid swap +3.388 per cent per annum
19	Existence of a dividend stopper	Yes	Yes	Yes	Yes	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Partially discretionary Dividend stopper	Partially discretionary Dividend stopper	Partially discretionary Dividend stopper	Partially discretionary Dividend stopper	Partially discretionary Dividend stopper	Fully discretionary	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Partially discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	Yes	Yes	Yes	Yes	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
30	Write-down features	Yes	Yes	Yes	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger (s)	To avoid liquidation	To avoid liquidation	To avoid liquidation	To avoid liquidation	To avoid or remedy any breach of Applicable Banking Regulations, shareholders resolution	Group CET1 ratio <8 per cent Issuer CET1 ratio <5.125 per cent	Group CET1 ratio <8 per cent Issuer CET1 ratio <5.125 per cent
32	If write-down, full or partial	Full or Partially	Full or Partially	Full or Partially	Full or Partially	Full or Partially	Full or Partially	Full or Partially
33	If write-down, permanent or temporary	Temporary	Temporary	Temporary	Temporary	Temporary	Temporary	Temporary

P40 Capital adequacy, cont.

34	If temporary write-down, description of write-up mechanism	Shareholders resolution regarding reconversion and reinstatement made out of available distributable funds	Shareholders resolution regarding reconversion and reinstatement, made out of available distribution funds	Shareholders resolution regarding reconversion and reinstatement made out of available distributable funds	Shareholders resolution regarding reconversion and reinstatement, made out of available distribution funds	Shareholders resolution regarding reconversion and reinstatement, made out of available distribution funds	Fully discretionary, if a positive net profit of both Issuer and Group	Fully discretionary, if a positive net profit of both Issuer and Group
35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
36	Non-compliant transitioned features	Yes	Yes	Yes	Yes	Yes	No	No
37	If yes, specifiy non-compliant features	No specified trigger level, dividend stopper	No specified trigger level, step-up, dividend stopper	No specified trigger level, step-up, dividend stopper	No specified trigger level, step-up, dividend stopper	No specified trigger level, step-up, dividend pusher	N/A	N/A

Table A5- Capital instruments' main features - T2

	Tier 2 instrument					
1	Issuer	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)	Nordea Bank AB (publ)
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS0497179035	XS0544654162	US65557FAA49/ US65557HAA05	XS0743689993	US65557FAD87/ US65557HAD44
3	Governing law(s) of the instrument	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by the laws of the State of New York, except for the subordination provisions which are governed by Swedish law	Governed by English law, except for the subordination provisions which are governed by Swedish law	Governed by the laws of the State of New York, except for the subordination provisions which are governed by Swedish law
Regulatory treatment						
4	Transitional CRR rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
6	Eligible at solo/ (sub-)consolidated/solo & (sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63	Tier 2 as published in Regulation (EU) No 575/2013 article 63
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 997m	EUR 747m	EUR 1,023m	EUR 748m	EUR 816m
9	Nominal amount of instrument	EUR 1,000m	EUR 750m	USD 1,250m	EUR 750m	USD 1,000m
9a	Issue price	99.810 per cent	99.699 per cent	99.508 per cent	99.803 per cent	99.364 per cent
9b	Redemption price	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount	100 per cent of Nominal amount
10	Accounting classification	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	26-Mar-10	29-Sep-10	13-May-11	15-Feb-12	21-Sep-12

P40 Capital adequacy, cont.

12	Perpeptual or dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	26-Mar-20	29-Mar-21	13-May-21	15-Feb-22	21-Sep-22
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates, and redemption amount	Tax/regulatory call 100 per cent of nominal amount	Tax call 100 per cent of nominal amount	Tax call 100 per cent of nominal amount	15-Feb-17 In addition tax call 100 per cent of nominal amount	Tax call/regulatory call, 100 per cent of nominal amount
Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	4.50 %	4.00 %	4.875 %	Fixed 4.625 per cent per annum (equivalent to Euro Swap Rate +3.15 per cent per annum) to call date, thereafter reset fixed rate to Euro Swap Rate +3.15 per cent per annum	4.25 %
19	Existence of a dividend stopper	No	No	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
35	Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Senior debt	Senior debt	Senior debt	Senior debt	Senior debt
36	Non-compliant transitioned features	No	No	No	No	No

P41 Classification of financial instruments

31 Dec 2014, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Other financial assets	Non-financial assets	Total
Assets									
Cash and balances with central banks	931	—	—	—	—	—	—	—	931
Treasury bills	—	—	2,427	—	—	2,608	—	—	5,035
Loans to credit institutions	86,259	—	445	0	—	—	—	—	86,704
Loans to the public	34,804	—	5,005	—	—	—	—	—	39,809
Interest-bearing securities	10	112	3,687	—	—	7,512	—	—	11,321
Financial instruments pledged as collateral	—	—	43	—	—	—	—	—	43
Shares	—	—	6,028	33	—	—	—	—	6,061
Derivatives	—	—	3,682	—	2,299	—	—	—	5,981
Fair value changes of the hedged items in portfolio hedge of interest rate risk	1	—	—	—	—	—	—	—	1
Investments in group undertakings	—	—	—	—	—	—	16,986	—	16,986
Investments in associated undertakings	—	—	—	—	—	—	7	—	7
Intangible assets	—	—	—	—	—	—	—	758	758
Property and equipment	—	—	—	—	—	—	—	119	119
Deferred tax assets	—	—	—	—	—	—	—	14	14
Current tax assets	—	—	—	—	—	—	—	50	50
Other assets	786	—	—	10	—	—	—	2,931	3,727
Prepaid expenses and accrued income	803	—	—	—	—	—	—	81	884
Total	**123,594**	**112**	**21,317**	**43**	**2,299**	**10,120**	**16,993**	**3,953**	**178,431**

31 Dec 2014, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	2,508	2,026	—	22,918	—	27,452
Deposits and borrowings from the public	268	466	—	48,633	—	49,367
Debt securities in issue	—	—	—	63,280	—	63,280
Derivatives	3,443	—	1,210	—	—	4,653
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	1,368	—	1,368
Current tax liabilities	—	—	—	—	4	4
Other liabilities	285	—	—	443	2,167	2,895
Accrued expenses and prepaid income	—	—	—	198	444	642
Deferred tax liabilities	—	—	—	—	0	0
Provisions	—	—	—	—	206	206
Retirement benefit liabilities	—	—	—	—	171	171
Subordinated liabilities	—	—	—	7,728	—	7,728
Total	**6,504**	**2,492**	**1,210**	**144,568**	**2,992**	**157,766**

P41 Classification of financial instruments, cont.

31 Dec 2013, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Other financial assets	Non-financial assets	Total
Assets									
Cash and balances with central banks	45	—	—	—	—	—	—	—	45
Treasury bills	—	17	4,935	—	—	—	—	—	4,952
Loans to credit institutions	80,104	—	271	543	—	—		—	80,918
Loans to the public	30,337	—	—	3,818	—	—	—	—	34,155
Interest-bearing securities	—	321	1,981	—	—	8,826	—	—	11,128
Financial instruments pledged as collateral	—	—	737	—	—	—	—	—	737
Shares	—	—	5,321	30	—	—	—	—	5,351
Derivatives	—	—	2,531	—	1,688	—	—	—	4,219
Fair value changes of the hedged items in portfolio hedge of interest rate risk	–11	—	—	—	—	—	—	—	–11
Investments in group undertakings	—	—	—	—	—	—	17,723	—	17,723
Investments in associated undertakings	—	—	—	—	—	—	7	—	7
Intangible assets	—	—	—	—	—	—	—	729	729
Property and equipment	—	—	—	—	—	—	—	118	118
Deferred tax assets	—	—	—	—	—	—	—	28	28
Current tax assets	—	—	—	—	—	—	—	0	0
Other assets	780	—	—	—	—	—	—	1,753	2,533
Prepaid expenses and accrued income	1,121	—	—	—	—	—	—	170	1,291
Total	**112,376**	**338**	**15,776**	**4,391**	**1,688**	**8,826**	**17,730**	**2,798**	**163,923**

31 Dec 2013, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	753	2,071	—	14,676	—	17,500
Deposits and borrowings from the public	—	908	—	46,623	—	47,531
Debt securities in issue	0	0	—	62,961	—	62,961
Derivatives	2,614	—	1,013	—	—	3,627
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	715	—	715
Current tax liabilities	—	—	—	—	11	11
Other liabilities	244	0	—	2,925	1,004	4,173
Accrued expenses and prepaid income	—	—	—	759	391	1,150
Deferred tax liabilities	—	—	—	—	10	10
Provisions	—	—	—	—	184	184
Retirement benefit liabilities	—	—	—	—	166	166
Subordinated liabilities	—	—	—	5,971	—	5,971
Total	**3,611**	**2,979**	**1,013**	**134,630**	**1,766**	**143,999**

P41 Classification of financial instruments, cont.

Loans designated at fair value through profit or loss

EURm	31 Dec 2014	31 Dec 2013
Carrying amount	0	4,361
Maximum exposure to credit risk	0	4,361

Financial assets and liabilities designated at fair value through profit or loss

Changes in fair values of financial liabilities attributable to changes in credit risk

The funding of Markets operations is measured at fair value and classified into the category "Fair value through profit or loss". The funding of Markets is generally of such a short term nature that the effect of changes in own credit risk is not significant.

Comparison of carrying amount and contractual amount to be paid at maturity

2014, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	2,492	2,492

2013, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	2,979	2,979

P42 Assets and liabilities at fair value

Fair value of financial assets and liabilities

	31 Dec 2014		31 Dec 2013	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	931	931	45	45
Treasury bills	5,035	5,035	4,952	4,952
Loans	126,514	126,518	115,062	115,062
Interest-bearing securities	11,321	11,322	11,128	11,135
Financial instruments pledged as collateral	43	43	737	737
Shares	6,061	6,061	5,351	5,351
Derivatives	5,981	5,981	4,219	4,219
Other assets	796	796	780	780
Prepaid expenses and accrued income	803	803	1,121	1,121
Total financial assets	**157,485**	**157,490**	**143,395**	**143,402**
Financial liabilities				
Deposits and debt instruments	149,195	149,792	134,678	135,333
Derivatives	4,653	4,653	3,627	3,627
Other liabilities	728	728	3,169	3,169
Accrued expenses and prepaid income	198	198	759	759
Total financial liabilities	**154,774**	**155,371**	**142,233**	**142,888**

For information about valutation of items measured at fair value on the balance sheet, see Note G1 "Accounting policies" and the section "Determination of fair value for items measured at fair value on the balance sheet" in Note G40 "Assets and liabilities at fair value". For information about valuation of items not measured at fair value on the balance sheet, see the section "Financial assets and liabilities not held at fair value on balance sheet", in Note G40.

P42 Assets and liabilities at fair value, cont.

Assets and liabilities held at fair value on the balance sheet
Categorisation into the fair value hierarchy

31 Dec 2014, EURm	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Treasury bills	2,814	2,221	—	5,035
Loans to credit institutions	—	445	—	445
Loans to the public	—	5,005	—	5,005
Interest-bearing securities[2]	7,229	3,858	155	11,242
Shares	6,032	—	29	6,061
Derivatives	50	5,911	20	5,981
Other assets	—	10	—	10
Total	**16,125**	**17,450**	**204**	**33,779**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	—	4,534	—	4,534
Deposits and borrowings from the public	—	734	—	734
Derivatives	51	4,590	12	4,653
Other liabilities	185	100	—	285
Total	**236**	**9,958**	**12**	**10,206**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 43m relates to the balance sheet item Financial instruments pledged as collateral.

31 Dec 2013, EURm	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Treasury bills	542	4,393	—	4,935
Loans to credit institutions	—	814	—	814
Loans to the public	—	3,818	—	3,818
Interest-bearing securities[2]	11,055	330	159	11,544
Shares	5,326	—	25	5,351
Derivatives	14	4,183	22	4,219
Total	**16,937**	**13,538**	**206**	**30,681**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	—	2,824	—	2,824
Deposits and borrowings from the public	—	908	—	908
Derivatives	17	3,606	4	3,627
Other liabilities	95	149	—	244
Total	**112**	**7,487**	**4**	**7,603**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 737m relates to the balance sheet item Financial instruments pledged as collateral.

For determination of fair values for items measured at fair value on the balance sheet, see Note G40 "Assets and liabilities at fair value".

Transfers between level 1 and 2

During the year, the parent company transferred interest-bearing securities (including such financial instruments pledged as collateral) of EUR 570m (EUR 223m) from Level 2 to Level 1 of the fair value hierarchy. During 2013 Nordea transferred interest-bearing securities (including such financial instruments pledged as collateral) of EUR 253m from Level 1 to Level 2. The reason for the transfers from Level 2 to Level 1 was that the instruments have again been actively traded during the year and reliable quoted prices are obtained in the markets. The reason for the transfers from Level 1 to Level 2 was that the instruments ceased to be actively traded during the year and fair values have now been obtained using valuation techniques with observable market inputs. Transfers between levels are considered to have occurred at the end of the year.

P42 Assets and liabilities at fair value, cont.

Movements in Level 3

2014, EURm	1 Jan 2014	Fair value gains/losses recognised in the income statement during the year: Reclassification	Realised	Unrealised	Sales	31 Dec 2014
Interest-bearing securities	159	—	—	—	–4	155
Shares	25	—	4	—	—	29
Derivatives (net)	18	–3	—	–7	—	8

Unrealised gains and losses relates to those assets and liabilities held at the end of the year. No transfers have been made into or out of level 3. Assets and liabilities related to derivatives are presented net.

2013, EURm	1 Jan 2013	Unrealised	Settlements	Net transfers into/ out of level 3	Translation differences	31 Dec 2013
Interest-bearing securities	163	—	–4	—	—	159
Shares	30	—	—	—	–5	25
Derivatives (net)	0	–4	—	22	—	18

Unrealised gains and losses relates to those assets and liabilities held at the end of the year. The parent company has transferred derivatives of EUR 22m from Level 2 into Level 3 during the year. The reason for the transfer from Level 2 to Level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the year. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note P5). Assets and liabilities related to derivatives are presented net.

The valuation processes for fair value measurements in Level 3

Financial instruments

For information about the valuation processes, see Note G40 "Assets and liabilities at fair value".

Valuation techniques and inputs used in the fair value measurements in Level 3

31 Dec 2014, EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value
Interest-bearing securities				
Credit institutions[1]	155	Discounted cash flows	Credit spread	+/–0
Total	**155**			+/–0
Shares				
Unlisted shares	29	Net asset value		+/–2
Total	**29**			+/–2
Derivatives				
Interest rate derivatives	8	Option model	Corrections volatilies	+/–0
Total	**8**			+/–0

1) Of which EUR 155m is priced at a credit spread (the difference between the discount rate and LIBOR) of 1.45% and a reasonable change of this credit spread would not affect the fair value due to callability features.

P42 Assets and liabilities at fair value, cont.

Valuation techniques and inputs used in the fair value measurements in Level 3

31 Dec 2013, EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value
Interest-bearing securities				
Credit institutions[1]	159	Discounted cash flows	Credit spread	+/–0
Total	**159**			+/–0
Shares				
Unlisted shares	25	Net asset value		+/–2
Total	**25**			+/–2
Derivatives				
Interest rate derivatives	18	Option model	Correlations Volatilies	+/–0
Total	**18**			+/–0

1) Of which EUR 155m is priced at a credit spread (the difference between the discount rate and LIBOR) of 1.45% and a reasonable change of this credit spread would not affect the fair value due to callability features.

The tables above shows, for each class of assets and liabilities categorised in Level 3, the fair value, the valuation techniques used to estimate the fair value, significant unobservable inputs used in the valuation techniques and for financial assets and liabilites the fair value sensitivity to changes in key assumptions.

The column "range of fair value" in the tables above shows the sensitivity of the fair values of Level 3 financial instruments to changes in key assumptions. Where the exposure to an unobservable parameter is offset across different instruments then only the net impact is disclosed in the table. The range disclosed are likely to be greater than the true uncertainty in fair value of these instruments, as it is unlikely in practice that all unobservable parameters would be simultaneously at the extremes of their ranges of reasonably possible alternatives. The disclosure is neither predictive nor indicative of future movements in fair value.

In order to calculate the sensitivity (range) in fair value of derivatives a range of different modelling approaches are applied to determine an uncertainty interval around the reported fair value. The different approaches applied target various aspects of derivatives pricing. Two common components of derivative valuation models are volatility of underlying risk factors and correlation between the relevant risk factors. Each of these is addressed by applying different assumptions to input and/or the choice of modelling approach. Besides these common factors a number of asset class specific factors are addressed. These include equity dividend expectations, recovery assumptions for credit derivatives and inflation expectations. The fair values of derivatives are presented as the net of assets and liabilities.

In order to calculate the sensitivity (range) in fair value of shares and interest-bearing securities the fair value was increased and decreased within a range of 10 percentage units which are assessed to be reasonable changes in market movements.

P42 Assets and liabilities at fair value, cont.

Financial assets and liabilities not held at fair value on the balance sheet

	31 Dec 2014		31 Dec 2013		
31 Dec 2014, EURm	Carrying amount	Fair value	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet					
Cash and balances with central banks	931	931	45	45	3
Treasury bills[1,2]	0	0	17	17	2
Loans	121,063	121,068	110,430	110,430	3
Interest-bearing securities[2]	122	123	321	328	1,2
Other assets	786	786	780	780	3
Prepaid expenses and accrued income	803	803	1,121	1,121	3
Total	**123,705**	**123,711**	**112,714**	**112,721**	
Liabilities not held at fair value on the balance sheet					
Deposits and debt instruments	143,927	144,524	130,946	131,601	3
Other liabilities	443	443	2,925	2,925	3
Accrued expenses and prepaid income	198	198	759	759	3
Total	**144,568**	**145,165**	**134,630**	**135,285**	

1) The measurement principles follow those for similar instruments that are held at fair value on the balance sheet.
2) The fair value of Treasury bills and Interest-bearing securities is EUR 123m (345m), of which EUR 54m (207m) is categorised in Level 1 and EUR 69m (138m) in Level 2 of the fair value hierarchy.

For more information about measurement of the fair values in the table above, see section "Financial assets and liabilities not held at fair value on the balance sheet" in Note G40 "Assets and liabilities at fair value".

P43 Financial instruments set off on balance or subject to netting agreements

31 Dec 2014, EURm	Gross recognised financial liabilities[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	5,558	–70	5,488	–1,286	—	–2,157	2,045
Reverse repurchase agreements	218	—	218	—	—	—	218
Securities borrowing agreements	5,232	—	5,232	—	–5,232	—	0
Total	**11,008**	**–70**	**10,938**	**–1,286**	**–5,232**	**–2,157**	**2,263**

31 Dec 2014, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	4,189	–70	4,119	–1,286	—	–363	2,470
Repurchase agreements	43	—	43	—	—	—	43
Securities lending agreements	2,732	—	2,732	—	–2,732	—	0
Total	**6,964**	**–70**	**6,894**	**–1,286**	**–2,732**	**–363**	**2,513**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as "Loans to credit institutions" or "Loans to the public". Repurchase agreements and Securities lending agreements are on the balance sheet classified as "Deposits by credit institution" or as "Deposits and borrowings from the public".

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	3,693	–102	3,591	–1,886	–1	–1,228	476
Reverse repurchase agreements	211	—	211	–211	—	—	0
Securities borrowing agreements	4,354	—	4,354	—	–4,354	—	0
Total	**8,258**	**–102**	**8,156**	**–2,097**	**–4,355**	**–1,228**	**476**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	3,074	–102	2,972	–1,886	—	–123	963
Repurchase agreements	693	—	693	–211	–482	—	0
Securities lending agreements	2,979	—	2,979	—	–2,979	—	0
Total	**6,746**	**–102**	**6,644**	**–2,097**	**–3,461**	**–123**	**963**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as "Loans to credit institutions" or "Loans to the public". Repurchase agreements and Securities lending agreements are on the balance sheet classified as "Deposits by credit institution" or as "Deposits and borrowings from the public".

For more information about the master netting arrangements and similar agreements see section "Enforcable master netting arrangements and similar agreements" in Note G41 "Financial instruments set off on balance or subject to netting agreements".

P44 Assets and liabilities in foreign currencies

31 Dec 2014, EURbn	EUR	SEK	DKK	NOK	USD	Other	Total
Total assets	57.2	57.5	2.4	4.5	35.8	21.0	178.4
Total liabilities	36.2	57.9	2.4	4.5	35.8	21.0	157.8

31 Dec 2013, EURbn	EUR	SEK	DKK	NOK	USD	Other	Total
Total assets	47.2	58.1	4.6	4.7	34.6	14.7	163.9
Total liabilities	27.1	58.3	4.6	4.7	34.6	14.7	144.0

P45 Transferred assets and obtained collaterals

Transferred assets that are still recognised on the balance sheet and associated liabilities

All assets transferred and the liabilities associated with these transactions are specified in the following tables. The assets continue to be recognised on the balance sheet since Nordea is still exposed to changes in the fair value of the assets. Therefore, these assets and its associated liabilities are included in the tables below.

EURm	31 Dec 2014	31 Dec 2013
Repurchase agreements		
Treasury bills	43	737
Total	**43**	**737**

Liabilities associated with the assets

EURm	31 Dec 2014	31 Dec 2013
Repurchase agreements		
Deposits by credit institutions	43	753
Total	**43**	**753**

Obtained collaterals which are permitted to be sold or repledged

Nordea obtains collaterals under reverse repurchase and securities borrowing agreements which, under the terms of the agreements, can be sold or repledged. The transactions are conducted under standard agreements employed by financial markets participants. Generally, the agreements require additional collateral to be provided if the value of the securities falls below a predetermined level. Under standard terms for most repurchase transactions, the recipient of collateral has an unrestricted right to sell or repledge it, subject to returning equivalent securities on settlement of the transactions. The fair value of the securities obtained as collateral under reverse repurchase and securities borrowing agreements are disclosed below.

EURm	31 Dec 2014	31 Dec 2013
Reverse repurchase agreements		
Received collaterals which can be repledged or sold	214	268
– of which repledged or sold	—	268
Securities borrowing agreements		
Received collaterals which can be repledged or sold	5,232	2,077
– of which repledged or sold	5,232	2,077
Total	**5,446**	**2,345**

P46 Maturity analysis for assets and liabilities

Expected maturity

		31 Dec 2014, EURm			31 Dec 2013, EURm		
		Expected to be recovered or settled:			Expected to be recovered or settled:		
	Note	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and balances with central banks		931	—	931	45	—	45
Treasury bills	P14	—	5,035	5,035	—	4,952	4,952
Loans to credit institutions	P15	62,067	24,637	86,704	64,337	16,581	80,918
Loans to the public	P15	34,829	4,980	39,809	30,308	3,847	34,155
Interest-bearing securities	P16	3,849	7,472	11,321	2,237	8,891	11,128
Financial instruments pledged as collateral	P17	43	—	43	737	—	737
Shares	P18	6,028	33	6,061	5,321	30	5,351
Derivatives	P19	1,520	4,461	5,981	744	3,475	4,219
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	—	1	1	–2	–9	–11
Investments in group undertakings	P21	30	16,956	16,986	—	17,723	17,723
Investments in associated undertakings	P22	—	7	7	—	7	7
Intangible assets	P23	—	758	758	—	729	729
Property and equipment	P24	0	119	119	—	118	118
Deferred tax assets	P13	11	3	14	19	9	28
Current tax assets		50	—	50	0	—	0
Other assets	P25	3,727	—	3,727	2,533	—	2,533
Prepaid expenses and accrued income	P26	496	388	884	850	441	1,291
Total assets		**113,581**	**64,850**	**178,431**	**107,129**	**56,794**	**163,923**
Deposits by credit institutions	P27	15,595	11,857	27,452	13,356	4,144	17,500
Deposits and borrowings from the public	P28	48,948	419	49,367	47,412	119	47,531
Debt securities in issue	P29	33,755	29,525	63,280	35,606	27,355	62,961
Derivatives	P19	1,023	3,630	4,653	763	2,864	3,627
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	178	1,190	1,368	52	663	715
Current tax liabilities		4	—	4	11	—	11
Other liabilities	P30	2,895	—	2,895	4,173	—	4,173
Accrued expenses and prepaid income	P31	642	—	642	1,150	—	1,150
Deferred tax liabilities	P13	0	—	0	10	—	10
Provisions	P32	43	163	206	42	142	184
Retirement benefit liabilities	P33	—	171	171	—	166	166
Subordinated liabilities	P34	—	7,728	7,728	—	5,971	5,971
Total liabilities		**103,083**	**54,683**	**157,766**	**102,575**	**41,424**	**143,999**

P46 Maturity analysis for assets and liabilities, cont.

Contractual undiscounted cash flows

31 Dec 2014, EURm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Treasury bills	—	78	681	4,020	639	5,418
Loans to credit institutions	8,033	38,555	18,687	16,661	8,881	90,817
Loans to the public	727	13,870	6,802	15,941	6,437	43,777
Interest bearing securities	—	1,095	1,926	8,333	797	12,151
Other	—	13,606	—	—	—	13,606
Total financial assets	**8,760**	**67,204**	**28,096**	**44,955**	**16,754**	**165,769**
Deposits by credit institutions	3,344	15,023	1,698	7,484	293	27,842
Deposits and borrowings from the public	38,699	7,658	2,410	432	—	49,199
– of which Deposits	38,699	7,658	2,410	432	—	49,199
Debt securities in issue	—	19,491	19,093	23,767	16,989	79,340
– of which Debt securities in issue	—	18,574	17,884	22,723	10,129	69,310
– of which Other	—	917	1,209	1,044	6,860	10,030
Other	—	6,939	—	—	—	6,939
Total financial liabilities	**42,043**	**49,111**	**23,201**	**31,683**	**17,282**	**163,320**
Derivatives, cash inflow	—	28,770	5,394	17,159	5,759	57,082
Derivatives, cash outflow	—	27,963	5,282	16,281	5,152	54,678
Net exposure	**—**	**807**	**112**	**878**	**607**	**2,404**
Exposure	**–33,283**	**18,900**	**5,007**	**14,150**	**79**	**4,853**
Cumulative exposure	**–33,283**	**–14,383**	**–9,376**	**4,774**	**4,853**	**—**

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Treasury bills	—	202	482	4,687	814	6,185
Loans to credit institutions	35	47,340	16,639	13,358	6,021	83,393
Loans to the public	—	11,085	4,586	16,991	4,304	36,966
Interest bearing securities	—	327	2,845	7,450	1,965	12,587
Other	—	—	—	—	11,519	11,519
Total financial assets	**35**	**58,954**	**24,552**	**42,486**	**24,623**	**150,650**
Deposits by credit institutions	1,855	10,808	1,468	3,515	184	17,830
Deposits and borrowings from the public	36,191	8,361	1,634	1,171	294	47,651
– of which Deposits	36,191	8,361	1,634	1,171	294	47,651
Debt securities in issue	—	23,414	13,230	25,119	12,631	74,394
– of which Debt securities in issue	—	23,253	13,110	22,377	7,630	66,370
– of which Other	—	161	120	2,742	5,001	8,024
Other	—	—	—	—	28,209	28,209
Total financial liabilities	**38,046**	**42,583**	**16,332**	**29,805**	**41,318**	**168,084**
Derivatives, cash inflow	—	22,486	21,415	32,842	6,480	83,223
Derivatives, cash outflow	—	22,123	20,049	33,955	5,809	81,936
Net exposure	**—**	**363**	**1,366**	**–1,113**	**671**	**1,287**
Exposure	**–38,011**	**16,734**	**9,586**	**11,568**	**–16,024**	**–16,147**
Cumulative exposure	**–38,011**	**–21,277**	**–11,691**	**–123**	**–16,147**	**—**

The table is based on contractual maturities for on balance sheet financial instruments. For derivatives, the expected cash inflows and outflows are disclosed for both derivative assets and derivative liabilities, as derivatives are managed on a net basis. In addition to the instruments on the balance sheet and derivative instruments, Nordea has credit commitments amounting to EUR 23,824m (EUR 26,713m), which could be drawn on at any time. Nordea has also issued guarantees of EUR 71,103m (EUR 70,385m) which may lead to future cash outflows if certain events occur.

For further information about remaining maturity, see also the section "Risk, Liquidity and Capital management".

P47 Related-party transactions

The information below is presented from a Nordea perspective, meaning that the information shows the effect from related party transactions on the Nordea figures. For more information on definitions, see Note G1 "Accounting policies", section 26 and Note G46 "Related-party transactions".

	Group undertakings		Associated undertakings		Other related parties	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Assets						
Loans and receivables	82,711	80,672	369	141	—	—
Interest-bearing securities	64	117	—	—	—	—
Derivatives	2,495	1,766	5	6	—	—
Investments in associated undertakings	—	—	7	7	—	—
Investments in group undertakings	16,986	17,723	—	—	—	—
Other assets	857	847	—	—	—	—
Prepaid expenses and accrued income	638	768	—	—	—	—
Total assets	**103,751**	**101,893**	**381**	**154**	**—**	**—**

	Group undertakings		Associated undertakings		Other related parties	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Liabilities						
Deposits	15,240	6,688	2	2	20	21
Debt securities in issue	260	340		—	—	—
Derivatives	3,246	2,252	—	—	—	—
Other liabilities	4	267	—	—	—	—
Accrued expenses and deferred income	240	172	—	—	—	—
Subordinated liabilities	20	—	—	—	—	—
Total liabilities	**19,010**	**9,719**	**2**	**2**	**20**	**21**
Off balance[1]	**72,836**	**77,684**	**1,809**	**1,931**	**—**	**—**

1) Including guarantees to Nordea Bank Finland Plc and Nordea Bank Polska S.A., see Note P38 "Contingent liabilities" as well as nominal values on derivatives in associated undertakings.

	Group undertakings		Associated undertakings		Other related parties	
EURm	2014	2013	2014	2013	2014	2013
Net interest income and expenses	108	209	3	1	0	0
Net fee and commission income	406	612	0	—	—	—
Net result from items at fair value	–309	525	12	9	—	—
Other operating income	687	637	—	—	—	—
Total operating expenses	–137	–133	0	—	—	—
Profit before loan losses	**755**	**1,850**	**15**	**10**	**0**	**0**

Compensation and loans to key management personnel

Compensation and loans to key management personnel are specified in Note G7 "Staff costs".

Other related-party transactions

Nordea Bank AB (publ) takes part in a guarantee consortium to support Norwegian Eksportfinans ASA. For further information, see Note G46 "Related-party transactions".

Signing of the Annual Report

The Board of Directors and the President and CEO certify that the annual report has been prepared in accordance with generally accepted accounting principles in Sweden and the consolidated financial statements have been prepared in accordance with the International Reporting Standards (IFRS/IAS) referred to in the European parliament and councils' regulation (EC) 1606/2002, from 19 July 2002, on application of International Accounting Standards. They give a true and fair view of the Group's and the Company's financial position and result. The Board of Directors' Report for the Group and the Company gives a true and fair overview of the development of the operations, financial position and result of the Group and the Company and describes the material risks and uncertainties that the Company and the Group companies are facing.

5 February 2015

Björn Wahlroos
Chairman

Marie Ehrling
Vice Chairman

Elisabeth Grieg
Board member

Tom Knutzen
Board member

Robin Lawther
Board member

Toni H. Madsen
Board member[1]

Lars G Nordström
Board member

Lars Oddestad
Board member[1]

Hans Christian Riise
Board member[1]

Sarah Russell
Board member

Kari Stadigh
Board member

Christian Clausen
President and CEO

Our audit report was submitted on 6 February 2015

KPMG AB

Hans Åkervall
Authorised Public Accountant

1) Employee representative.

Auditor's report

To the annual meeting of the shareholders of Nordea Bank AB (publ)
Corporate identity number 516406-0120

Report on the annual accounts and the consolidated accounts

We have audited the annual accounts and the consolidated accounts of Nordea Bank AB (publ) for the year 2014. The annual accounts and the consolidated accounts of the company are included in the printed version of this document on pages 28–209.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and the consolidated accounts
The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the annual accounts in accordance with the Annual Accounts Act of Credit Institutions and Security Companies and for the fair presentation of the consolidated accounts in accordance with the International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act of Credit Institutions and Securities Companies, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and the consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and the consolidated accounts are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and the consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and the consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and the consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and the consolidated accounts.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act of Credit Institutions and Securities Companies, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2014 and of its financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act of Credit Institutions and Securities Companies. The consolidated accounts have been prepared in accordance with the Annual Accounts Act of Credit Institutions and Securities Companies, and present fairly, in all material respects, the financial position of the group as of 31 December 2014 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act of Credit Institutions and Securities Companies. A Corporate Governance Report has been prepared. The Board of Director's report and the Corporate Governance Report are consistent with the other parts of the annual accounts and the consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet of the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and the consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Nordea Bank AB (publ) for the year 2014.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act and the Banking and Financing Business Act.

Auditor's responsibility
Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and the consolidated accounts, we examined significant

decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act of Credit Institutions and Securities Companies, or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions
We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the Board of Director's report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

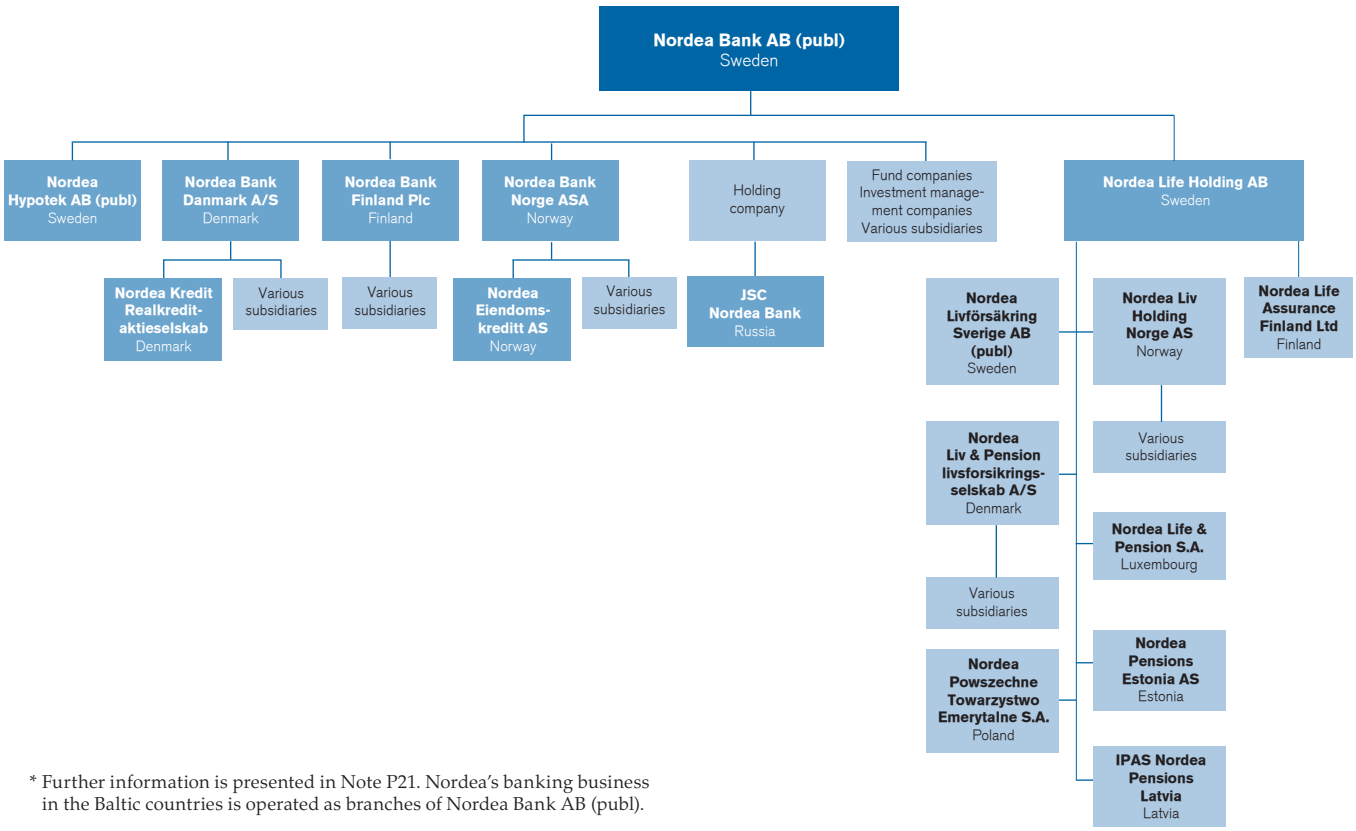
Stockholm, 6 February 2015

KPMG AB

Hans Åkervall
Authorised Public Accountant

Legal structure

Main legal structure*, as of 31 December 2014



* Further information is presented in Note P21. Nordea's banking business in the Baltic countries is operated as branches of Nordea Bank AB (publ).

ANNEX 2
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF NBF FOR THE YEAR ENDED 31 DECEMBER 2014, INCLUDING THE AUDITOR'S REPORT AND NOTES RELATING THERETO

Nordea Bank Finland Group and Nordea Bank Finland Plc

Income statement

EURm	Note	Group 2014	Group 2013	Parent company 2014	Parent company 2013
Operating income					
Interest income	3	1,806	1,849	1,551	1,613
Interest expense	3	-617	-666	-615	-665
Net interest income	3	**1,189**	**1,183**	**936**	**948**
Fee and commission income	4	794	759	757	715
Fee and commission expense	4	-719	-872	-712	-866
Net fee and commission income	4	**75**	**-113**	**45**	**-151**
Net result from items at fair value	5	970	1,114	975	1,110
Profit from companies accounted for under the equity method	20	3	8	-	-
Dividends	6	-	-	117	128
Other operating income	7	41	32	29	26
Total operating income		**2,278**	**2,224**	**2,102**	**2,061**
Operating expenses					
General administrative expenses:					
Staff costs	8	-559	-553	-525	-516
Other expenses	9	-433	-466	-410	-447
Depreciation, amortisation and impairment charges of tangible and intangible assets	10, 21	-92	-40	-88	-33
Total operating expenses		**-1,084**	**-1,059**	**-1,023**	**-996**
Profit before loan losses		**1,194**	**1,165**	**1,079**	**1,065**
Net loan losses	11	-60	-53	-54	-43
Impairment of securities held as financial non-current assets		-	1	-16	1
Operating profit		**1,134**	**1,113**	**1,009**	**1,023**
Income tax expense	12	-232	-285	-188	-243
Net profit for the year		**902**	**828**	**821**	**780**
Attributable to:					
Shareholders of Nordea Bank Finland Plc		902	828	821	780
Non-controlling interests		-	-	-	-
Total		**902**	**828**	**821**	**780**
Net profit for the period from transferred Baltic operations	49	**-29**	**26**	**-36**	**28**
Net profit for the period from international operations to be transferred	49	**86**	**80**	**86**	**80**

Statement of comprehensive income

	Group		Parent company	
EURm	2014	2013	2014	2013
Net profit for the year	**902**	**828**	**821**	**780**
Items that may be reclassified subsequently to the income statement				
Currency translation differences during the year	0	-3	-	-
Available-for-sale investments[1]:				
- Valuation gains/losses during the year	33	3	33	3
- Tax on valuation gains/losses during the year	-7	1	-6	1
Cash flow hedges:				
- Valuation gains/losses during the year	29	36	29	36
- Tax on valuation gains/losses during the year	-6	-9	-6	-9
- Transferred to the income statement during the year	-21	-	-21	-
- Tax on transfers to the income statement during the year	4	-	4	-
Items that may be reclassified subsequently to the income statement				
Defined benefit plans:				
- Remeasurement of defined benefit plans during the year	-104	73	-101	68
- Tax on remeasurement of defined benefit plans during the year	21	-17	20	-16
Other comprehensive income, net of tax	**-51**	**84**	**-48**	**83**
Total comprehensive income	**851**	**912**	**773**	**863**
Attributable to:				
Shareholders of Nordea Bank Finland Plc	851	912	773	863
Non-controlling interests	-	-	-	-
Total	**851**	**912**	**773**	**863**

[1] Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

Balance sheet

EURm	Note	Group 31 Dec 2014	Group 31 Dec 2013	Parent company 31 Dec 2014	Parent company 31 Dec 2013
Assets					
Cash and balances with central banks		28,846	30,904	28,846	30,904
Loans to central banks	13	300	657	300	657
Loans to credit institutions	13	35,051	35,110	40,791	40,563
Loans to the public	13	113,748	113,779	106,639	107,268
Interest-bearing securities	14	34,643	34,246	34,643	34,246
Financial instruments pledged as collateral	15	11,058	9,739	11,058	9,739
Shares	16	1,918	680	1,917	679
Derivatives	17	105,254	70,234	105,254	70,234
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	76	58	76	58
Investments in group undertakings	19	-	-	308	376
Investments in associated undertakings	20	39	59	28	34
Intangible assets	21	47	100	35	98
Properties and equipment		84	94	71	74
Investment properties	23	2	113	2	8
Deferred tax assets	12	43	5	41	2
Current tax assets	12	0	1	-	-
Retirement benefit assets	32	25	133	25	132
Other assets	24	14,624	8,277	14,586	8,233
Prepaid expenses and accrued income	25	440	572	259	386
Total assets		**346,198**	**304,761**	**344,879**	**303,691**
Liabilities					
Deposits by credit institutions	26	87,368	79,426	87,128	79,315
Deposits and borrowings from the public	27	76,879	80,909	76,873	80,908
Debt securities in issue	28	48,472	47,130	48,472	47,130
Derivatives	17	102,876	67,109	102,876	67,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	773	369	773	369
Current tax liabilities	12	41	8	39	4
Other liabilities	29	18,577	18,855	18,370	18,687
Accrued expenses and prepaid income	30	804	866	611	668
Deferred tax liabilities	12	57	53	-	-
Provisions	31	85	72	82	67
Retirement benefit liabilities	32	28	21	25	20
Subordinated liabilities	33	620	429	620	429
Total liabilities		**336,580**	**295,247**	**335,869**	**294,706**
Equity					
Non-controlling interests		-	1	-	-
Share capital		2,319	2,319	2,319	2,319
Share premium reserve		599	599	599	599
Other reserves		2,824	2,875	2,826	2,874
Retained earnings		3,876	3,720	3,266	3,193
Total equity		**9,618**	**9,514**	**9,010**	**8,985**
Total liabilities and equity		**346,198**	**304,761**	**344,879**	**303,691**
Assets pledged as security for own liabilities	34	43,426	35,061	43,426	35,056
Other assets pledged	35	5,017	4,393	5,017	4,393
Contingent liabilities	36	14,906	15,836	15,102	16,067
Credit commitments	37	16,021	15,882	13,297	13,422
Other commitments	37	769	721	452	326

Other notes

Note 1 Accounting policies
Note 2 Segment reporting
Note 38 Capital adequacy
Note 39 Classification of financial instruments
Note 40 Assets and liabilities at fair value
Note 41 Financial instruments set off on balance or subject to netting agreements
Note 42 Transferred assets and obtained collaterals
Note 43 Maturity analysis for assets and liabilities
Note 44 Related-party transactions
Note 45 Credit risk disclosures
Note 46 Interests in structured entities
Note 47 Mergers, acquisitions, disposals and dissolutions
Note 48 Nordea shares
Note 49 Transferred operations

Statement of changes in equity

Group

	Attributable to the shareholders of Nordea Bank Finland Plc									
			Other reserves							
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 Jan 2014	**2,319**	**599**	**-8**	**17**	**2,848**	**18**	**3,720**	**9,513**	**1**	**9,514**
Net profit for the year	-	-	-	-	-	-	902	902	-	902
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	-	-	-	-	-	-	0	0	-	0
Available-for-sale investments:										
- Valuation gains/losses during the year	-	-	-	33	-	-	-	33	-	33
- Tax on valuation gains/losses during the year	-	-	-	-7	-	-	-	-7	-	-7
Cash flow hedges:										
- Valuation gains/losses during the year	-	-	29	-	-	-	-	29	-	29
- Tax on valuation gains/losses during the year	-	-	-6	-	-	-	-	-6	-	-6
- Transferred to the income statement during the year	-	-	-21	-	-	-	-	-21	-	-21
- Tax on transfers to the income statement during the year	-	-	4	-	-	-	-	4	-	4
Items that may not be reclassified subsequently to the income statement										
Defined benefit plans:										
- Remeasurement of defined benefit plans during the year	-	-	-	-	-	-104	-	-104	-	-104
- Tax on remeasurement of defined benefit plans during the year	-	-	-	-	-	21	-	21	-	21
Other comprehensive income, net of tax	-	-	6	26	0	-83	0	-51	-	-51
Total comprehensive income	-	-	6	26	0	-83	902	851	-	851
Share-based payments	-	-	-	-	-	-	2	2	-	2
Dividend for 2013	-	-	-	-	-	-	-750	-750	-	-750
Other changes	-	-	-	-	0	-	2	2	-1	1
Balance at 31 Dec 2014	**2,319**	**599**	**-2**	**43**	**2,848**	**-65**	**3,876**	**9,618**	**0**	**9,618**

[1] Total shares registered were 1,030.8 million (31 Dec 2013: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

Statement of changes in equity *cont.*

Group

	Attributable to the shareholders of Nordea Bank Finland Plc									
			Other reserves							
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 Jan 2013	**2,319**	**599**	**-35**	**13**	**2,848**	**-38**	**3,507**	**9,213**	**4**	**9,217**
Net profit for the year	-	-	-	-	-	-	828	828	-	828
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	-	-	-	-	0	-	-3	-3	-	-3
Available-for-sale investments:										
- Valuation gains/losses during the year	-	-	-	3	-	-	-	3	-	3
- Tax on valuation gains/losses during the year	-	-	-	1	-	-	-	1	-	1
Cash flow hedges:										
- Valuation gains/losses during the year	-	-	36	-	-	-	-	36	-	36
- Tax on valuation gains/losses during the year	-	-	-9	-	-	-	-	-9	-	-9
Items that may not be reclassified subsequently to the income statement										
Defined benefit plans:										
- Remeasurement of defined benefit plans during the year	-	-	-	-	-	73	-	73	-	73
- Tax on remeasurement of defined benefit plans during the year	-	-	-	-	-	-17	-	-17	-	-17
Other comprehensive income, net of tax	-	-	27	4	0	56	-3	84	-	84
Total comprehensive income	-	-	27	4	0	56	825	912	-	912
Share-based payments	-	-	-	-	-	-	2	2	-	2
Dividend for 2012	-	-	-	-	-	-	-625	-625	-	-625
Other changes	-	-	-	-	-	-	11	11	-3	8
Balance at 31 Dec 2013	**2,319**	**599**	**-8**	**17**	**2,848**	**18**	**3,720**	**9,513**	**1**	**9,514**

[1] Total shares registered were 1,030.8 million (31 Dec 2012: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

Statement of changes in equity *cont.*

Parent company

	Attributable to the shareholders of Nordea Bank Finland Plc							
			Other reserves					
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total equity**
Balance at 1 Jan 2014	**2,319**	**599**	**-8**	**17**	**2,848**	**17**	**3,193**	**8,985**
Net profit for the year	-	-	-	-	-	-	821	821
Items that may be reclassified subsequently to the income statement								
Currency translation differences during the year	-	-	-	-	-	-	-	0
Available-for-sale investments:								
- Valuation gains/losses during the year	-	-	-	33	-	-	-	33
- Tax on valuation gains/losses during the year	-	-	-	-6	-	-	-	-6
Cash flow hedges:					-			
- Valuation gains/losses during the year	-	-	29	-	-	-	-	29
- Tax on valuation gains/losses during the year	-	-	-6	-	-	-	-	-6
- Transferred to the income statement during the year	-	-	-21	-	-	-	-	-21
- Tax on transfers to the income statement during the year	-	-	4	-	-	-	-	4
Items that may not be reclassified subsequently to the income statement								
Defined benefit plans:								
- Remeasurement of defined benefit plans during the year	-	-	-	-	-	-101	-	-101
- Tax on remeasurement of defined benefit plans during the year	-	-	-	-	-	20	-	20
Other comprehensive income, net of tax	-	-	6	27	0	-81	-	-48
Total comprehensive income	-	-	6	27	0	-81	821	773
Share-based payments	-	-	-	-	-	-	2	2
Dividend for 2013	-	-	-	-	-	-	-750	-750
Other changes	-	-	-	-	-	-	0	0
Balance at 31 Dec 2014	**2,319**	**599**	**-2**	**44**	**2,848**	**-64**	**3,266**	**9,010**

[1] Total shares registered were 1,030.8 million (31 Dec 2013: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

Statement of changes in equity *cont.*

Parent company

	Attributable to the shareholders of Nordea Bank Finland Plc							
			Other reserves					
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total equity**
Balance at 1 Jan 2013	**2,319**	**599**	**-35**	**13**	**2,848**	**-35**	**3,037**	**8,746**
Net profit for the year	-	-	-	-	-	-	780	780
Items that may be reclassified subsequently to the income statement								
Currency translation differences during the year	-	-	-	-	-	-	-	-
Available-for-sale investments								
- Valuation gains/losses during the year	-	-	-	3	-	-	-	3
- Tax on valuation gains/losses during the year	-	-	-	1	-	-	-	1
Cash flow hedges:								
- Valuation gains/losses during the year	-	-	36	-	-	-	-	36
- Tax on valuation gains/losses during the year	-	-	-9	-	-	-	-	-9
Items that may not be reclassified subsequently to the income statement								
Defined benefit plans:								
- Remeasurement of defined benefit plans during the year	-	-	-	-	-	68	-	68
- Tax on remeasurement of defined benefit plans during the year	-	-	-	-	-	-16	-	-16
Other comprehensive income, net of tax	-	-	27	4	-	52	-	83
Total comprehensive income	-	-	27	4	-	52	780	863
Share-based payments	-	-	-	-	-	-	2	2
Dividend for 2012	-	-	-	-	-	-	-625	-625
Other changes	-	-	-	-	-	-	-1	-1
Balance at 31 Dec 2013	**2,319**	**599**	**-8**	**17**	**2,848**	**17**	**3,193**	**8,985**

[1] Total shares registered were 1,030.8 million (31 Dec 2012: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

No decision was made during the financial year to issue equity warrants or convertible bonds entitling to subscription of shares in the NBF. At the end of 2014, the NBF held no authorisations given by the General Meeting for issuance or buybacks of shares, equity warrants or convertible bonds.

Cash flow statement – Total operations

	Group		Parent company	
EURm	2014	2013	2014	2013
Operating activities				
Operating profit	1,164	1,079	1,046	987
Operating profit for the period from transferred Baltic operations	-30	34	-37	36
Adjustments for items not included in cash flow	891	658	837	628
Income taxes paid	-218	-282	-179	-239
Cash flow from operating activities before changes in operating assets and liabilities	**1,807**	**1,489**	**1,666**	**1,412**
Changes in operating assets				
Change in loans to central banks	3,378	-40	3,378	-40
Change in loans to credit institutions	-3,662	2,784	-3,945	3,662
Change in loans to the public	714	-13,375	1,083	-13,006
Change in interest-bearing securities	-5,827	1,634	-5,827	1,634
Change in financial assets pledged as collateral	-1,319	-1,661	-1,319	-1,661
Change in shares	-1,243	184	-1,243	182
Change in derivatives, net	1,136	-2,067	1,136	-2,068
Change in investment properties	8	-9	7	2
Change in other assets	-8,009	2,046	-8,008	2,046
Changes in operating liabilities				
Change in deposits by credit institutions	6,876	6,635	6,973	4,762
Change in deposits and borrowings from the public	-5,042	11,051	-5,037	10,685
Change in debt securities in issue	-565	-1,152	-565	-1,868
Change in other liabilities	228	-1,833	188	-1,789
Cash flow from operating activities	**-11,520**	**5,686**	**-11,513**	**3,953**
Investing activities				
Acquisition of business operations	-	0	-4	-7
Sale of business operations	9	1	9	4
Dividends from associated companies	17	27	-	-
Acquisition of associated undertakings	-	-2	-	-
Sale of associated undertakings	5	2	5	0
Acquisition of property and equipment	-53	-59	-55	-58
Sale of properties and equipment	6	13	0	1
Acquisition of intangible assets	-21	-11	-10	-9
Sale of intangible assets	1	0	1	0
Net of investments in debt securities, held to maturity	2,183	114	2,183	208
Purchase/sale of other financial fixed assets	2	-	3	-
Cash flow from investing activities	**2,149**	**85**	**2,132**	**139**
Financing activities				
Issued subordinated liabilities	191	-	191	-
Amortised subordinated liabilities	-	-27	-	-27
Dividend paid	-750	-627	-750	-625
Other changes	-34	39	-22	30
Cash flow from financing activities	**-593**	**-615**	**-581**	**-622**
Cash flow for the year	**-9,964**	**5,156**	**-9,962**	**3,470**
Cash and cash equivalents at the beginning of year	36,324	32,859	36,317	32,847
Translation difference	-3,354	1,691	-3,356	-
Cash and cash equivalents at the end of year	29,714	36,324	29,711	36,317
Change	**-9,964**	**5,156**	**-9,962**	**3,470**

Cash flow statement – Total operations *cont.*

Comments on the cash flow statement

The cash flow statement shows inflows and outflows of cash and cash equivalents during the year for total operations. Nordea Bank Finland's cash flow has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flows are classified by operating, investing and financing activities.

Operating activities

Operating activities are the principal revenue-producing activities and cash flows are mainly derived from the operating profit for the year with adjustment for items not included in cash flow and income taxes paid. Adjustment for non-cash items includes:

	Group		Parent company	
EURm	2014	2013	2014	2013
Depreciation	36	39	33	31
Impairment charges	56	1	72	1
Loan losses	88	77	63	50
Unrealised gains/losses	51	476	52	475
Capital gains/losses (net)	-10	-8	-9	-1
Change in accruals and provisions	66	312	73	310
Translation differences	-10	2	1	1
Other	614	-241	552	-239
Total	**891**	**658**	**837**	**628**

Changes in operating assets and liabilities consist of assets and liabilities that are part of normal business activities, such as loans, deposits and debt securities in issue. Changes in derivatives are reported net.

Cash flow from operating activities includes interest payments received and interest expenses paid with the following amounts:

	Group		Parent company	
EURm	2014	2013	2014	2013
Interest payments received	2,006	1,880	1,754	1,643
Interest expenses paid	-910	-708	-908	-706

Investing activities

Investing activities include acquisitions and disposals of non-current assets, like property and equipment, intangible and financial assets.

Financing activities

Financing activities are activities that result in changes in equity and subordinated liabilities, such as new issues of shares, dividends and issued/amortised subordinated liabilities.

Cash and cash equivalents

The following items are included in Cash and cash equivalents assets:

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Cash and balances with central banks	28,846	30,904	28,846	30,904
Loans to credit institutions, payable on demand	868	5,420	865	5,413
	29,714	**36,324**	**29,711**	**36,317**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled;
- the central bank or the postal giro system is domiciled in the country where the institution is established
- the balance on the account is readily available any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities. Loans to central banks, payable on demand includes instruments where Nordea has the right to resell immediately.

Notes to the financial statements

Note 1 Accounting policies

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1. Basis for presentation

NBF's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of such standards by the International Financial Reporting Interpretations Committee (IFRIC), as endorsed by the EU Commission. In addition, certain complementary rules in the Finnish Accounting Act, the Finnish Credit Institutions Act, the Financial Supervision Authority's Regulations and Guidelines and the Decision of the Ministry of Finance on the financial statements and consolidated statements of credit institutions have also been applied.

The disclosures, required in the standards, recommendations and legislation above, have been included in the notes, the Risk, Liquidity and Capital management section or in other parts of the "Financial statements".

On 27 February 2015 the Board of Directors approved the financial statements, subject to final approval of the Annual General Meeting on 9 March 2015.

2. Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2013 Annual Report. The new accounting requirements implemented during 2014 and their effects on NBF's financial statements are described below.

IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", IFRS 12 "Disclosures of Interests in Other Entities", and IAS 28 "Investments in Associates and Joint Ventures"

The new standards IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosures of Interests in Other Entities" as well as amendments to IAS 28 "Investments in Associates and Joint Ventures" were implemented 1 January 2014 but has not had any significant impact on the financial statements of Nordea.

IFRS 10 clarifies which entities should be included in the consolidated accounts and how to perform the consolidation. IFRS 10 did not change the scope of consolidation for Nordea in 2014. IFRS 11 describes the accounting for investments in entities in which two or more investors have joint control, typically a 50/50 holding. Nordea has currently no such interests and IFRS 11 has not had any impact on the financial statements in 2014. IFRS 12 has added disclosures, mainly regarding unconsolidated structured entities. These disclosures can be found in note 46 "Interests in structured entities". The standard also includes guidance on disclosures for subsidiaries and associates, but these disclosure requirements are similar to the previous disclosure requirements in IAS 27 and IAS 28.

The accounting requirements in IAS 28 are unchanged apart from that the disclosure requirements have been moved to IFRS 12.

Capital Adequacy Disclosure
The information presented in Note 38 has been adapted to fulfil the disclosure recommendations regarding capital adequacy published by the FIN-FSA 18.12.2014 – 87/2014. Main changes due to the implementation of CCR are described in the footnotes of table "Summary of items included in own funds".

3. Changes in IFRSs not yet applied by Nordea

IFRS 9 "Financial Instruments"
IASB has during 2014 completed the new standard for financial instruments, IFRS 9 "Financial instruments". IFRS 9 covers classification and measurement, impairment and general hedging and replaces the current requirements for these areas in IAS 39. IFRS 9 is effective as from annual periods beginning on or after 1 January 2018. Earlier application is permitted. The EU commission has not yet endorsed IFRS 9 and there is currently no official timetable for this process. Nordea does not currently intend to early adopt the standard.

The changes in classification and measurement are not expected to have a significant impact on Nordea's income statement or balance sheet as the mixed measurement model will be maintained. Significant reclassifications between fair value and amortised cost or impact on the capital adequacy and large exposures are not expected in the period of initial application, but this is naturally dependent on the financial instruments on Nordea's balance sheet at transition. Nordea has not yet finalised the impact assessment.

The impairment requirements in IFRS 9 are based on an expected loss model as opposed to the current incurred loss model in IAS 39. In general, it is expected that the new requirements will increase loan loss provisions, decrease equity and have a negative impact on capital adequacy, but no impact on large exposures, in the period of initial application. Nordea has not yet finalised the impact assessment.

The main change to the general hedging requirements is that the standard aligns hedge accounting more closely with the risk management activities. As Nordea generally uses macro (portfolio) hedge accounting Nordea's assessment is that the new requirements will not have any significant impact on Nordea's financial statements, capital adequacy, or large exposures in the period of initial application. Nordea has not yet finalised the impact assessment.

IFRS 15 "Revenue from Contracts with Customers"
The IASB has published the new standard, IFRS 15 "Revenue from Contracts with Customers". The new standard outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition standards and interpretations within IFRS, such as IAS 18 "Revenue". The new standard is effective for annual periods beginning on or after 1 January 2017, with earlier application permitted. The EU-commission is expected to endorse the standard during the second quarter 2015. Nordea does not currently intend to early adopt the standard. The standard does not apply to financial instruments, insurance contracts or lease contracts. Nordea has not finalised the investigation of the impact on the financial statements but the current assessment is that the new standard will not have any significant impact on Nordea's financial statements, capital adequacy, or large exposures in the period of initial application.

Amendments to IFRS 11 "Accounting for Acquisition of Interest in Joint Operations"
The IASB has issued amendments to IFRS 11 "Joint Arrangements", which add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments are effective for annual periods beginning on or after I January 2016. Earlier application is permitted. The EU commission is expected to endorse the amendment during the first quarter 2015. Nordea does not currently intend to early adopt the amendments. As Nordea does not have any joint venture the assessment is that the amendments will not have any effects on Nordea's financial statements, capital adequacy or large exposures in the period of initial application.

Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
The IASB has amended the requirements in IFRS 10 and IAS 28 regarding sales and contribution of assets between an investor and its associate or joint venture due to inconsistent treatment of gains and losses of such transactions in those standards. The amendments should be applied prospectively to transactions that occur in annual periods beginning on or after 1 January 2016. Earlier application is permitted. The EU commission is expected to endorse the amendments during the fourth quarter 2015. Nordea does not currently intend to early adopt the amendments. The new requirements are not expected to have any effect on Nordea's financial statements, capital adequacy, or large exposures in the period of initial application as the new requirements are in line with Nordea's current accounting policies.

IFRIC 21 ”Levies”
The IASB has published IFRIC 21 “Levies”. The interpretation is effective for annual periods beginning on or after 1 January 2014. The EU commission endorsed this interpretation during 2014. In contrast to IFRS, the EU commission requires the standard to be applied for annual periods beginning on or after 17 June 2014. Nordea will apply the interpretation as from 1 January 2015. IFRIC 21 is an interpretation of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. IFRIC 21 clarifies that if a levy is triggered by operating as a bank at the end the reporting period, the liability for the levy is not recognised prior to that date. Nordea’s assessment is that the new interpretation will not have any significant impact on Nordea’s financial statements, capital adequacy, or large exposures in the period of initial application.

Other changes in IFRS
The IASB has published the following new or amended standards that are assessed to have no impact on Nordea’s financial statement, capital adequacy or large exposures in the period of initial application:

- IFRS 14 “Regulatory Deferral Accounts”
- Amendments to IAS 16 and IAS 38: ”Clarification of Acceptable Methods of Depreciation and Amortisation”
- Amendments to IAS 19: “Defined Benefit Plans: Employee Contributions”
- “Annual Improvements to IFRSs, 2010-2012 Cycle”
- “Annual Improvements to IFRSs, 2011-2013 Cycle”
- “Annual Improvements to IFRSs, 2012-2014 Cycle”

4. Critical judgements and estimation uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires, in some cases, the use of judgements and estimates by management. Actual outcome can later, to some extent, differ from the estimates and the assumptions made. In this section a description is made of:

- the sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, and
- the judgements made when applying accounting policies (apart from those involving estimations) that have the most significant effect on the amounts recognised in the financial statements.

Critical judgements and estimates are in particular associated with:

- the fair value measurement of certain financial instruments
- the impairment testing of:
  – goodwill and
  – loans to the public/credit institutions
- the effectiveness testing of cash flow hedges
- the actuarial calculations of pension liabilities and plan assets related to employees
- the valuation of investment properties
- the classification of leases
- the classification of Additional Tier 1 instruments
- the translations of assets and liabilities denominated in foreign currencies
- the valuation of deferred tax assets
- claims in civil lawsuits.

Fair value measurement of certain financial instruments
Nordea’s accounting policy for determining the fair value of financial instruments is described in section 10 “Determination of fair value of financial instruments” and Note 40 “Assets and liabilities at fair value”. Critical judgements that have a significant impact on the recognised amounts for financial instruments is exercised when determining fair value of OTC derivatives and other financial instruments that lack quoted prices or recently observed market prices. Those judgements relate to the following areas:

- The choice of valuation techniques
- The determination of when quoted prices fail to represent fair value (including the judgement of whether markets are active)
- The construction of fair value adjustments in order to incorporate relevant risk factors such as credit risk, model risk and liquidity risk
- The judgement of which market parameters that are observable.

When determining fair value of financial instruments that lack quoted prices or recently observed market prices there is also a high degree of estimation uncertainty. That estimation uncertainty is mainly a result of the judgement management exercises when:

- selecting an appropriate discount rate for the instrument and
- determining expected timing of future cash flows from the instruments.

In all of these instances, decisions are based upon professional judgement in accordance with Nordea's accounting and valuation policies. In order to ensure proper governance, Nordea has a Group Valuation Committee that on an on-going basis reviews critical judgements that are deemed to have a significant impact on fair value measurements.

The fair value of financial assets and liabilities measured at fair value using a valuation technique, level 2 and 3 in the fair value hierarchy, was EUR 190,120m (138,488) and EUR 174,016m (132,026) respectively at the end of the year.

Sensitivity analysis disclosures covering fair values of financial instruments with significant unobservable inputs can be found in Note 40 "Assets and liabilities at fair value".

Estimation uncertainty also arises at initial recognition of financial instruments that are part of larger structural transactions. Although subsequently not necessarily held at fair value such instruments are initially recognised at fair value and as there is normally no separate transaction price or active market for such individual instruments the fair value has to be estimated.

Impairment testing of goodwill
Nordea's accounting policy for goodwill is described in section 15 "Intangible assets" and Note 21 "Intangible assets" lists the cash generating units to which goodwill has been allocated. The estimation of future cash flows and the calculation of the rate used to discount those cash flows are subject to estimation uncertainty. The forecast of future cash flows is sensitive to the cash flow projections for the near future (generally 3-5 years) and to the estimated sector growth rate for the period beyond 3-5 years. The growth rates are based on historical data, updated to reflect the current situation, which implies estimation uncertainty.

The rates used to discount future expected cash flows are based on the long-term risk free interest rate plus a risk premium (post tax). The risk premium is based on external information of overall risk premiums in relevant countries.

Impairment testing of loans to the public/credit institutions
Nordea's accounting policy for impairment testing of loans is described in section 13 "Loans to the public / credit institutions".

Management is required to exercise critical judgements and estimates when calculating loan impairment allowances on both individually assessed and collectively assessed loans. NBF's total lending before impairment allowances was EUR 149,734m (150,385) at the end of the year. For more information, see Note 13 "Loans and impairment".

The most judgemental area is the calculation of collective impairment allowances. When testing a group of loans collectively for impairment, judgement has to be exercised when identifying the events and/or the observable data that indicate that losses have been incurred in the group of loans. Nordea monitors its portfolio through rating migrations and a loss event is an event resulting in a negative rating migration. Assessing the net present value of the cash flows generated by the customers in the group of loans also includes estimation uncertainty. This includes the use of historical data on probability of default and loss given default supplemented by acquired experience when adjusting the assumptions based on historical data to reflect the current situation.

Effectiveness testing of cash flow hedges
Nordea's accounting policies for cash flow hedges are described in section 9 "Hedge accounting".

One important judgement in connection to cash flow hedge accounting is the choice of method used for effectiveness testing.

Where Nordea applies cash flow hedge accounting the hedging instruments used are predominantly cross currency interest rate swaps, which are always held at fair value. The currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk. The hypothetical derivative method is used when measuring the effectiveness of these cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows on the hedged transaction (the currency component). Critical judgement has to be exercised when defining the characteristics of the perfect hypothetical swap.

Actuarial calculations of pension liabilities and plan assets related to employees
Nordea's accounting policy for post-employment benefits is described in section 19 "Employee benefits".

The defined benefit obligation for major pension plans is calculated by external actuaries using demographic assumptions based on the current population. As a basis for these calculations a number of actuarial and financial parameters are used.

The estimation of the discount rate is subject to uncertainty around whether corporate bond markets are deep enough, of high quality and also in connection to the extrapolation of yield curves to relevant maturities. In Finland the discount rate is determined with reference to corporate bonds. Other parameters, like assumptions about salary increases and inflation, are

based on the expected long-term development of these parameters and also subject to estimation uncertainty. The main parameters used at year-end is disclosed in Note 32 “Retirement benefit obligations” together with a description of the sensitivity to changes in assumptions. The defined benefit obligation was EUR 948m (788) at the end of the year.

Valuation of investment properties
Nordea’s accounting policies for investment properties are described in section 17 “Investment properties”.

Investment properties are measured at fair value. As there normally are no active markets for investment properties, the fair values are estimated based on discounted cash flow models. These models are based on assumptions on future rents, vacancy levels, operating and maintenance costs, yield requirements and interest rates.

The carrying amounts of investment properties were EUR 2m (113) at the end of the year. See Note 23 “Investment properties” for more information on amounts and parameters used in these models.

Classification of leases
Nordea’s accounting policies for leases are described in section 14 “Leasing”.

Critical judgement has to be exercised when classifying lease contracts. A lease is classified as a finance lease if it transfers substantially all the risks and rewards related to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards related to ownership.

The central district properties in Finland that Nordea has divested are leased back. The duration of the lease agreements was initially 3-25 years with renewal options. The lease agreements include no transfers of ownerships of the assets by the end of the lease term, nor any economic benefit from appreciation in value of the leased properties. In addition, the lease term is not for the major part of the assets’ economic life. As a result, Nordea has classified these leases as operating leases. This judgement is a critical judgement that has a significant impact on the carrying amounts in the financial statement.

More information on lease contracts can be found in Note 22 “Leasing”.

Classification of Additional Tier 1 instruments
NBF has issued a perpetual subordinated instrument where the interest payments to the holder are at the discretion of NBF and non-accumulating. This instrument also includes a requirement for NBF to pay interest if the instrument is no longer allowed to be included in Tier 1 capital. If there is a requirement to pay interest based on the occurrence or non-occurrence of an uncertain future event that is beyond the control of both the issuer and the holder of the instrument, the instrument shall be classified as a financial liability. The inclusion of the subordinated loan in Tier 1 capital is decided by the regulators and is thus beyond the control of NBF and the holder of the instrument. NBF classifies the instrument as financial liability.

Assessing control for consolidation purposes
One decisive variable when assessing if Nordea controls another entity is whether Nordea is exposed to variability in returns from the investment. For structured entities where voting rights are not the dominant factor when determining control, critical judgement has to be exercised when defining when Nordea is exposed to significant variability in returns. Nordea’s critical judgement is that Nordea is normally exposed to variability in returns when Nordea receives more than 30% of the return produced by the structured entity. This is only relevant for structured entities where Nordea also is the investment manager and thus have influence over the return produced by the structured entity.

Another judgement relating to control is whether Nordea acts as an agent or as a principal. For unit linked and other contracts where the policyholder/depositor decides both the amount and which assets to invest in, Nordea is considered to act as an agent and thus does not have control.

Translation of assets and liabilities denominated in foreign currencies
Nordea’s accounting policies covering the translation of assets and liabilities denominated in foreign currencies is described in section 8 “Translation of assets and liabilities denominated in foreign currencies”.

Valuation of deferred tax assets
Nordea’s accounting policy for the recognition of deferred tax assets is described in section 18 “Taxes” and Note 12 “Taxes”.

The valuation of deferred tax assets is influenced by management’s assessment of Nordea’s future profitability and sufficiency of future taxable profits and future reversals of existing taxable temporary differences. These assessments are updated and reviewed at each balance sheet date, and are, if necessary, revised to reflect the current situation.

The carrying amount of deferred tax assets was EUR 43m (5) at the end of the year.

Claims in civil lawsuits
Within the framework of the normal business operations, Nordea faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on Nordea or its financial position. See also Note 31 “Provisions” and Note 36 “Contingent liabilities”.

5. Principles of consolidation

Consolidated entities

The consolidated financial statements include the accounts of the parent company Nordea Bank Finland Plc, and those entities that the parent company controls. Control exists when NBF is exposed to variability in returns from its investments in another entity and has the ability to affect those returns through its power over the other entity. Control is generally achieved when the parent company owns, directly or indirectly through group undertakings, more than 50 per cent of the voting rights. For entities where voting rights does not decide control, see section "Structured entities" below.

All group undertakings are consolidated using the acquisition method. Under the acquisition method, the acquisition is regarded as a transaction whereby the parent company indirectly acquires the group undertaking's assets and assumes its liabilities and contingent liabilities. The group's acquisition cost is established in a purchase price allocation analysis. In such analysis, the cost of the business combination is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for the identifiable net assets acquired. Costs directly attributable to the business combination are expensed.

As at the acquisition date Nordea recognises the identifiable assets acquired and the liabilities assumed at their acquisition date fair values.

For each business combination Nordea measures the non-controlling interest in the acquired business either at fair value or at their proportionate share of the acquired identifiable net assets.

When the aggregate of the consideration transferred in a business combination and the amount recognised for non-controlling interest exceeds the net fair value of the identifiable assets, liabilities and contingent liabilities, the excess is reported as goodwill. If the difference is negative, such difference is recognised immediately in the income statement.

Equity and net income attributable to non-controlling interests are separately disclosed on the balance sheet, income statement and statement of comprehensive income.

Intra-group transactions and balances between the consolidated group undertakings are eliminated.

The group undertakings are included in the consolidated accounts as from the date on which control is transferred to Nordea and are no longer consolidated as from the date on which control ceases.

In the consolidation process the reporting from the group undertakings is adjusted to ensure consistency with the IFRS principles applied by Nordea.

Note 19 "Investments in group undertakings" lists the major group undertakings in the NBF Group.

Investments in associated undertakings

The equity method of accounting is used for associated undertakings where the share of voting rights is between 20 and 50 per cent and/or where Nordea has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control over those policies. Investments within Nordea's investment activities, which are classified as a venture capital organisation within Nordea, are measured at fair value in accordance with the rules set out in IAS 28 and IAS 39. Further information on the equity method is disclosed in section 6 "Recognition of operating income and impairment".

Profits from companies accounted for under the equity method are reported post-taxes in the income statement. Consequently, the tax expense related to these profits is not included in the income tax expense for Nordea.

Nordea does generally not have any sales or contribution of assets to or from associated undertakings. Other transactions between Nordea and its associates are not eliminated.

Note 20 "Investments in associated undertakings" lists the major associated undertakings in the NBF Group.

Structured entities

A structured entity is an entity created to accomplish a narrow and well defined objective where voting rights are not the dominant factor in determining control. Often legal arrangements impose strict limits on the decision making powers of the management over the on-going activities of a structured entity. The same consolidation requirements apply to these entities, but as voting rights do not decide whether control exists, other factors are used to determine control.

Power can exist due to agreements or other types of influence over a structured entity. Nordea normally has power over entities sponsored or established by Nordea. Nordea has created a number of structured entities to allow clients to invest in assets invested in by the structured entity. Some structured entities invest in tradable financial instruments, such as shares and bonds (mutual funds). Structured entities can also invest in structured credit products or acquire assets from customers of Nordea, although only one such structured entity currently exists. Nordea is generally the investment manager and has sole discretion about investments and other administrative decisions and thus has power over these entities.

Typically, Nordea will receive service and commission fees in connection with the creation of the structured entity, or because it acts as investment manager, custodian or in some other function. Such income is normally not significant enough to expose Nordea to variability in returns and will thus not trigger consolidation. In some structured entities Nordea has also supplied substantial parts of the funding in the form of fund units, loans or credit commitments. In these structured entities Nordea is exposed to variability in returns and as the power over these entities affects the return, these structured entities are consolidated. Nordea normally considers a share of more than 30% of the return produced by a structured entity to give rise to variability and thus give control. Variability is measured as the sum of fees received and revaluation of assets held. For unit linked and other contracts where the policyholder/depositor decide both the amount and which assets to invest in, Nordea is considered to act as an agent and does thus not have control.

Further information about consolidated and unconsolidated structured entities is disclosed in Note 46 “Interests in structured entities”.

Currency translation of foreign entities
The consolidated financial statements are prepared in euro (EUR), the presentation currency of the parent company Nordea Bank Finland Plc. The current method is used when translating the financial statements of foreign entities into EUR from their functional currency. The assets and liabilities of foreign entities have been translated at the closing rates, while items in the income statement and statement of comprehensive income are translated at the average exchange rate for the year. Translation differences are accounted for in other comprehensive income and are accumulated in the translation reserve in equity.

Goodwill and fair value adjustments arising from the acquisition of group undertakings are treated as items in the same functional currency as the cash generating unit to which they belong and are also translated at the closing rate.

6. Recognition of operating income and impairment

Net interest income
Interest income and expense are calculated and recognised based on the effective interest rate method or, if considered appropriate, based on a method that results in an interest income or interest expense that is a reasonable approximation of using the effective interest rate method as basis for the calculation. The effective interest includes fees considered to be an integral part of the effective interest rate of a financial instrument (generally fees received as compensation for risk). The effective interest rate equals the rate that discounts the contractual future cash flows to the carrying amount of the financial asset or financial liability.

Interest income and expenses from financial instruments are, with the exceptions described below, classified as “Net interest income”.

Interest income and interest expense related to all balance sheet items held at fair value in Markets are classified as “Net result from items at fair value” in the income statement. Also the interest on the net funding of the operations in Markets is recognised on this line.

The interest component in FX swaps, and the interest paid and received in interest rate swaps plus changes in accrued interest, is classified as “Net result from items at fair value”, apart for derivatives used for hedging, including economical hedges of Nordea’s funding, where such components are classified as “Net interest income”.

Net fee and commission income
Nordea earns commission income from different services provided to its customers. The recognition of commission income depends on the purpose for which the fees are received. Fees are either recognised as revenue when services are provided or in connection to the execution of a significant act. Fees received in connection to performed services are recognised as income in the period these services are provided. A loan syndication fee received as payment for arranging a loan, as well as other fees received as payments for certain acts, are recognised as revenue when the act has been completed, i.e. when the syndication has been finalised.

Commission expenses are normally transaction based and recognised in the period when the services are received.

Income from issued financial guarantees and expenses from bought financial guarantees, including fees paid to state guarantees, are amortised over the duration of the instruments and classified as “Fee and commission income” and “Fee and commission expense” respectively.

Net result from items at fair value
Realised and unrealised gains and losses on financial instruments measured at fair value through profit or loss are recognised in the item “Net result from items at fair value”.

Realised and unrealised gains and losses derive from:

- Shares/participations and other share-related instruments
- Interest-bearing securities and other interest-related instruments
- Other financial instruments, including credit derivatives as well as commodity instruments/derivatives
- Foreign exchange gains/losses
- Investment properties, which include realised and unrealised income, for instance revaluation gains and losses. This line also includes realised results from disposals as well as the running property yield stemming from the holding of investment properties.

Interest income and interest expense related to all balance sheet items held at fair value in Markets are classified as "Net result from items at fair value" in the income statement. Also the interest on the net funding of the operations in Markets is recognised on this line.

Also the ineffective portion of cash flow hedges and net investment hedges as well as recycled gains and losses on financial instruments classified into the category Available for sale are recognised in "Net result from items at fair value".

This item also includes realised gains and losses from financial instruments measured at amortised cost, such as interest compensation received and realised gains/losses on buy-backs of issued own debt.

"Net result from items at fair value" includes also losses from counterparty risk on instruments classified into the category Financial assets at fair value through profit or loss as well as impairment on instruments classified into the category Available for sale. Impairment losses from instruments within other categories are recognised in the items "Net loan losses" or "Impairment of securities held as financial non-current assets" (see also the sub-sections "Net loan losses" and "Impairment of securities held as financial non-current assets" below).

Dividends received are recognised in the income statement as "Net result from items at fair value" and classified as "Shares/participations and other share-related instruments" in the note. Income is recognised in the period in which the right to receive payment is established.

Profit from companies accounted for under the equity method

The profit from companies accounted for under the equity method is defined as the post-acquisition change in NBF's share of net assets in the associated undertakings. NBF's share of items accounted for in other comprehensive income in the associated undertakings is accounted for in other comprehensive income in NBF. Profits from companies accounted for under the equity method are, as stated in section 5 "Principles of consolidation", reported in the income statement post-taxes. Consequently the tax expense related to these profits is excluded from the income tax expense for NBF.

Fair values are, at acquisition, allocated to the associated undertaking's identifiable assets, liabilities and contingent liabilities. Any difference between NBF's share of the fair values of the acquired identifiable net assets and the purchase price is goodwill or negative goodwill. Goodwill is included in the carrying amount of the associated undertaking. Subsequently the investment in the associated undertaking increases/decreases with NBF's share of the post-acquisition change in net assets in the associated undertaking and decreases through received dividends and impairment. An impairment charge can be reversed in a subsequent period.

The change in Nordea's share of the net assets is generally based on monthly reporting from the associated undertakings. For some associated undertakings not individually significant the change in Nordea's share of the net assets is based on the external reporting of the associated undertakings and affects the financial statements of Nordea in the period in which the information is available. The reporting from the associated undertakings is, if applicable, adjusted to comply with Nordea's accounting policies.

Other operating income

Net gains from divestments of shares in group undertakings and associated undertakings and net gains on sale of tangible assets as well as other operating income, not related to any other income line, are generally recognised when it is probable that the benefits associated with the transaction will flow to Nordea and if the significant risks and rewards have been transferred to the buyer (generally when the transactions are finalised).

Net loan losses

Impairment losses from financial assets classified into the category Loans and receivables (see section 12 "Financial instruments"), in the items "Loans to central banks", "Loans to credit institutions" and "Loans to the public" on the balance sheet, are reported as "Net loan losses" together with losses from financial guarantees. Losses are reported net of any collateral and other credit enhancements. Nordea's accounting policies for the calculation of impairment losses on loans can be found in section 13 "Loans to the public/credit institutions".

Counterparty losses on instruments classified into the category Financial assets at fair value through profit or loss, including credit derivatives but excluding loans held at fair value as described above, as well as

impairment on financial assets classified into the category Available for sale are reported under "Net result from items at fair value".

Impairment of securities held as financial non-current assets

Impairment on investments in interest-bearings securities, classified into the categories Loans and receivables or Held to maturity, and on investments in associated undertakings are classified as "Impairment of securities held as financial non-current assets" in the income statement. The policies covering impairment of financial assets classified into the categories Loans and receivables and Held to maturity are disclosed in section 12 "Financial instruments" and section 13 "Loans to the public/credit institutions".

If observable indicators (loss events) indicate that an associated undertaking is impaired, an impairment test is performed to assess whether there is objective evidence of impairment. The carrying amount of the investment in the associate is compared with the recoverable amount (higher of value in use and fair value less cost to sell) and the carrying amount is written down to the recoverable amount if required.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

7. Recognition and derecognition of financial instruments on the balance sheet

Derivative instruments, quoted securities and foreign exchange spot transactions are recognised on and derecognised (reclassified to the items "Other assets" or "Other liabilities" on the balance sheet between trade date and settlement date) from the balance sheet on the trade date. Other financial instruments are recognised on the balance sheet on settlement date.

Financial assets, other than those for which trade date accounting is applied, are derecognised from the balance sheet when the contractual rights to the cash flows from the financial asset expire or are transferred to another party. The rights to the cash flows normally expire or are transferred when the counterpart has performed by e.g. repaying a loan to Nordea, i.e. on settlement date.

In some cases, Nordea enters into transactions where it transfers assets that are recognised on the balance sheet, but retains either all or a portion of risks and rewards from the transferred assets. If all or substantially all risks and rewards are retained, the transferred assets are not derecognised from the balance sheet. If Nordea's counterpart can sell or repledge the transferred assets, the assets are reclassified to the item "Financial instruments pledged as collateral" on the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include e.g. securities lending agreements and repurchase agreements.

Financial liabilities are derecognised from the balance sheet when the liability is extinguished. Normally this occurs when Nordea performs, for example when Nordea repays a deposit to the counterpart, i.e. on settlement date. Financial liabilities under trade date accounting are generally reclassified to "Other liabilities" on the balance sheet on trade date.

For further information, see sections "Securities borrowing and lending agreements" and "Repurchase and reverse repurchase agreements" within section 12 "Financial instruments", as well as Note 42 "Transferred assets and obtained collaterals".

8. Translation of assets and liabilities denominated in foreign currencies

The functional currency of each entity is decided based upon the primary economic environment in which the entity operates. Foreign currency is defined as any currency other than the functional currency of the entity. Foreign currency transactions are recorded at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date.

Exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, and unrealised translation differences on unsettled foreign currency monetary assets and liabilities, are recognised in the income statement in the item "Net result from items at fair value".

Translation differences on financial instruments that are designated hedging instruments in a hedge of a net investment in a group undertaking are recognised in other comprehensive income, to the extent the hedge is effective. This is performed in order to offset the translation differences affecting other comprehensive income when consolidating the group undertaking into Nordea. Any ineffectiveness is recognised in the income statement in the item "Net result from items at fair value".

9. Hedge accounting

Nordea applies the EU carve out version of IAS 39 for portfolio hedges of both assets and liabilities. The EU carve out macro hedging enables a group of derivatives (or proportions thereof) to be viewed in combination and be designated as the hedging instrument. It also removes some of the limitations in fair value hedge accounting relating to hedging core deposits and under-hedging strategies.

Nordea uses hedge accounting in order to have a symmetrical accounting treatment of the changes in fair value of the hedged item and changes in fair value of the hedging instruments as well as to hedge the exposure to variability in future cash flows and the exposure to net investments in foreign operations.

There are three forms of hedge accounting:

- Fair value hedge accounting
- Cash flow hedge accounting
- Hedges of net investments

NBF currently applies fair value hedge accounting and cash flow hedge accounting.

Fair value hedge accounting
Fair value hedge accounting is used when derivatives are hedging changes in fair value of a recognised asset or liability attributable to a specific risk. The risk of changes in fair value of assets and liabilities in Nordea's financial statements originates mainly from loans, securities and deposits with a fixed interest rate, causing interest rate risk. Changes in fair value from derivatives as well as changes in fair value of the hedged item attributable to the risks being hedged are recognised separately in the income statement in the item "Net result from items at fair value". Given an effective hedge, the two changes in fair value will more or less balance, meaning the net result is close to zero. The changes in fair value of the hedged item attributable to the risks hedged with the derivative instrument are reflected in an adjustment to the carrying amount of the hedged item, which is also recognised in the income statement. The fair value change of the hedged items held at amortised cost in a portfolio hedge of interest rate risks is reported separately from the portfolio in the item "Fair value changes of the hedged items in portfolio hedge of interest rate risk" on the balance sheet.

Fair value hedge accounting in Nordea is performed mainly on a portfolio basis. Any ineffectiveness is recognised in the income statement under the item "Net result from items at fair value".

Hedged items
A hedged item in a fair value hedge can be a recognised single asset or liability, an unrecognised firm commitment, or a portion thereof. The hedged item can also be a group of assets, liabilities or firm commitments with similar risk characteristics. Hedged items in Nordea consist of both individual assets or liabilities and portfolios of assets and/or liabilities.

Hedging instruments
The hedging instruments used in Nordea are predominantly interest rate swaps and cross currency interest rate swaps, which are always held at fair value. Cash instruments are only used as hedging instruments when hedging currency risk.

Cash flow hedge accounting
Cash flow hedge accounting can be used for the hedging of exposure to variations in future interest payments on instruments with variable interest rates and for the hedging of currency exposures. The portion of the gain or loss on the hedging instrument, that is determined to be an effective hedge, is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The ineffective portion of the gain or loss on the hedging instrument is recycled to the item "Net result from items at fair value" in the income statement.

Gains or losses on hedging instruments recognised in the cash flow hedge reserve in equity through other comprehensive income are recycled and recognised in the income statement in the same period as the hedged item affects profit or loss, normally in the period that interest income or interest expense is recognised.

Hedged items
A hedged item in a cash flow hedge can be highly probable floating interest rate cash flows from recognised assets or liabilities or from future assets or liabilities. Nordea uses cash flow hedges when hedging currency risk in future payments of interest and principal in foreign currency.

Hedging instruments
The hedging instruments used in Nordea are predominantly cross currency interest rate swaps, which are always held at fair value, where the currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk.

Hedge effectiveness
The application of hedge accounting requires the hedge to be highly effective. A hedge is regarded as highly effective if at inception and throughout its life it can be expected that changes in fair value of the hedged item as regards the hedged risk can be essentially offset by changes in fair value of the hedging instrument. The result should be within a range of 80–125 per cent. When assessing hedge effectiveness retrospectively Nordea measures the fair value of the hedging instruments and compares the change in fair value of the hedging instrument to the change in fair value of the hedged item. The effectiveness measurement is made on a cumulative basis. The hypothetical derivative method is used when measuring the effectiveness of cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows from the hedged transaction (the currency component).

If the hedge relationship does not fulfil the requirements, hedge accounting is terminated. For fair value hedges the hedging instrument is reclassified to a trading derivative and the change in the fair value of the hedged item, up to the point when the hedge relationship is terminated, is amortised to the income statement on a straight-line basis over the remaining maturity of the hedged item.

In cash flow hedges, changes in the unrealised value of the hedging instrument will prospectively from the last time it was proven effective be accounted for in the income statement. The cumulative gain or loss on the hedging instrument that has been recognised in the cash flow hedge reserve in equity through other comprehensive income from the period when the hedge was effective is reclassified from equity to "Net result from items at fair value" in the income statement if the expected transaction no longer is expected to occur. If the expected transaction no longer is highly probable, but is still expected to occur, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective remains in other comprehensive income until the transaction occurs or is no longer expected to occur.

10. Determination of fair value of financial instruments

Financial assets and liabilities classified into the categories Financial assets/liabilities at fair value through profit or loss (including derivative instruments) are recorded at fair value on the balance sheet with changes in fair value recognised in the income statement in the item "Net result from items at fair value".

Fair value is defined as the price that at the measurement date would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants under current market conditions in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The existence of published price quotations in an active market is the best evidence of fair value and when they exist they are used to measure financial assets and financial liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. The absolute level for liquidity and volume required for a market to be considered active vary with the instrument classes. For some classes low price volatility is seen, also for those instruments within the class where the trade frequency is high. For instruments in such a class the liquidity requirements are lower and, correspondingly, the age limit for the prices used for establishing fair value is higher.

If markets are active or non-active is assessed regularly. The trade frequency and volume are monitored daily.

Nordea is predominantly using published price quotations to establish fair value for items disclosed under the following balance sheet items:

- Interest-bearing securities
- Shares (listed)
- Derivatives (listed)

If quoted prices for a financial instrument fail to represent actual and regularly occurring market transactions or if quoted prices are not available, fair value is established by using an appropriate valuation technique. The adequacy of the valuation technique, including an assessment of whether to use quoted prices or theoretical prices, is monitored on a regular basis.

Valuation techniques can range from simple discounted cash flow analysis to complex option pricing models. Valuation models are designed to apply observable market prices and rates as input whenever possible, but can also make use of unobservable model parameters. The adequacy of the valuation model is assessed by measuring its capability to hit market prices. This is done by comparison of calculated prices to relevant benchmark data, e.g. quoted prices from exchanges, the counterparty´s valuations, price data from consensus services etc.

Nordea is predominantly using valuation techniques to establish fair value for items disclosed under the following balance sheet items:

- Interest-bearing securities (when quoted prices in an active market are not available)
- Shares (when quoted prices in an active market are not available)
- Derivatives (OTC-derivatives)

For financial instruments, where fair value is estimated by a valuation technique, it is investigated whether the variables used in the valuation model are predominantly based on data from observable markets. By data from observable markets, Nordea considers data that can be collected from generally available external sources and where this data is judged to represent realistic market prices. If non-observable data has a significant impact on the valuation, the instrument cannot be recognised initially at the fair value estimated by the valuation technique and any upfront gains are thereby deferred and amortised through the income statement over the contractual life of the instrument. The deferred upfront gains are

subsequently released to income if the non-observable data becomes observable.

Note 40 “Assets and liabilities at fair value” provides a breakdown of fair values of financial instruments measured on the basis of:

- quoted prices in active markets for the same instrument (level 1),
- valuation technique using observable data (level 2) and
- valuation technique using non-observable data (level 3).

The valuation models applied by Nordea are consistent with accepted economic methodologies for pricing financial instruments and incorporate the factors that market participants consider when setting a price.

New valuation models are subject to approval by a Model Risk Management Committee and all models are reviewed on a regular basis.

For further information, see Note 40 “Assets and liabilities at fair value”.

11. Cash and balances with central banks

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks, where the following conditions are fulfilled:

- The central bank is domiciled in the country where the institutions is established
- The balance is readily available at any time.

12. Financial instruments

Classification of financial instruments

Each financial instrument has been classified into one of the following categories:

Financial assets:

- Financial assets at fair value through profit or loss:
  – Held for trading
  – Designated at fair value through profit or loss (fair value option)
- Loans and receivables
- Held to maturity
- Available for sale

Financial liabilities:

- Financial liabilities at fair value through profit or loss:
  – Held for trading
  – Designated at fair value through profit or loss (fair value option)
- Other financial liabilities

All financial assets and liabilities are initially measured at fair value. The classification of financial instruments into different categories forms the basis for how each instrument is subsequently measured on the balance sheet and how changes in its value are recognised. The classification of the financial instruments on Nordea’s balance sheet into different categories is presented in Note 39 “Classification of financial instruments”.

Financial assets and financial liabilities at fair value through profit or loss
Financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. All changes in fair values are recognised directly in the income statement in the item “Net result from items at fair value”.

The category consists of two sub-categories; Held for trading and Designated at fair value through profit or loss (fair value option).

The sub-category Held for trading mainly contains derivative instruments that are held for trading purposes, interest-bearing securities and shares within Markets and Treasury. It also contains trading liabilities such as short-selling positions and lending in reverse repurchase agreements.

The major parts of the financial assets/liabilities classified into the category Designated at fair value through profit or loss are certain other assets/liabilities, interest-bearing securities and shares.

Nordea also applies the fair value option on certain financial assets and financial liabilities related to Markets. The classification stems from that Markets is managing and measuring its financial assets and liabilities at fair value. Consequently, the majority of financial assets and financial liabilities in Markets are classified into the categories Financial assets/Financial liabilities at fair value through profit or loss.

Loans and receivables
Loans and receivables are non-derivative financial assets, with fixed or determinable payments, that are not quoted in an active market. These assets and their impairment are further described in the separate section 13 “Loans to the public/credit institutions”.

Held to maturity
Financial assets that Nordea has chosen to classify into the category Held to maturity are non-derivative financial assets with fixed or determinable payments and fixed maturity that Nordea has the positive intent and ability to hold to maturity. Financial assets classified into the category Held to maturity are initially recognised on the balance sheet at the acquisition price, including transaction costs. Subsequent to initial recognition, the instruments within this category are measured at amortised cost. In an amortised cost measurement, the difference between

acquisition cost and redemption value is amortised in the income statement over the remaining term using the effective interest rate method.

If more than an insignificant amount of the Held to maturity portfolio is sold or transferred the Held to maturity category is tainted, except for if the sale or transfer either occur close to maturity, after substantially all of the original principal is already collected, or due to an isolated non-recurring event beyond the control of Nordea.

Nordea assesses at each reporting date whether there is any objective evidence that the asset is impaired. If there is such evidence, an impairment loss is recorded. The loss is calculated as the difference between the carrying amount and the present value of estimated future cash flows and is recognised as "Impairment of securities held as financial non-current assets" in the income statement. See section 13 "Loans to the public/credit institutions" for more information on the identification and measurement of objective evidence of impairment, which is applicable also for interest-bearings securities classified into the category Held to maturity.

Available for sale
Financial instruments classified into the category Available for sale are measured at fair value. Changes in fair values, except for interest, foreign exchange effects and impairment losses, are recognised in the fair value reserve in equity through other comprehensive income. Interest is recognised in the item "Interest income" and foreign exchange effects and impairment losses in the item "Net result from items at fair value" in the income statement.

When an instrument classified into the category Available for sale is disposed of, the fair value changes that previously have been accumulated in the fair value reserve (related to Available for sale investments) in other comprehensive income are removed from equity and recognised in the income statement in the item "Net result from items at fair value".

Financial assets classified into the category Available for sale are assessed in order to determine any need for impairment losses. If there is objective evidence of impairment, the accumulated loss that has been recognised in other comprehensive income is removed from equity and recognised as "Net result from items at fair value" in the income statement. The amount of the accumulated loss that is recycled from equity is the difference between the asset's acquisition cost and current fair value. For equity investments a prolonged or significant decline in the fair value, compared to the acquisition cost, is considered to be objective evidence of impairment. Objective evidence of impairment for a debt instrument is rather connected to a loss event, such as an issuer's financial difficulty.

Other financial liabilities
Financial liabilities, other than those classified into the category Financial liabilities at fair value through profit or loss, are measured at amortised cost. Interest on Other financial liabilities is recognised in the item "Interest expense" in the income statement.

Hybrid (combined) financial instruments
Hybrid (combined) financial instruments are contracts containing a host contract and an embedded derivative instrument. Such combinations arise predominantly from the issuance of structured debt instruments, such as issued index-linked bonds.

Index-linked bonds issued by Markets as part of the trading portfolio are classified into the category Held for trading, and the entire combined instrument, host contract together with the embedded derivative, is measured at fair value through profit or loss. Changes in fair values are recognised in the income statement in the item "Net result from items at fair value".

Securities borrowing and lending agreements
Generally, securities borrowing and securities lending transactions are entered into on a collateralised basis. Unless the risks and rewards of ownership are transferred, the securities are not recognised on or derecognised from the balance sheet. In the cases where the counterpart is entitled to resell or repledge the securities, the securities are reclassified to the balance sheet item "Financial instruments pledged as collateral".

Securities in securities lending transactions are also disclosed in the item "Assets pledged as security for own liabilities".

Cash collateral advanced (securities borrowing) to the counterparts is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public". Cash collateral received (securities lending) from the counterparts is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public".

Repurchase and reverse repurchase agreements
Securities delivered under repurchase agreements and securities received under reverse repurchase agreements are not derecognised from or recognised on the balance sheet. In the cases where the counterpart has the right to resell or repledge the securities, the securities are reclassified to the balance sheet line "Financial instruments pledged as collateral".

Securities delivered under repurchase agreements are also disclosed in the item "Assets pledged as security for own liabilities".

Cash received under repurchase agreements is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public". Cash delivered under reverse repurchase

agreements is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public".

Additionally, the sale of securities received in reverse repurchase agreements trigger the recognition of a trading liability (short sale).

Derivatives
All derivatives are recognised on the balance sheet and measured at fair value. Derivatives with total positive fair values, including any accrued interest, are recognised as assets in the item "Derivatives" on the asset side. Derivatives with total negative fair values, including any accrued interest, are recognised as liabilities in the item "Derivatives" on the liability side.

Realised and unrealised gains and losses from derivatives are recognised in the income statement in the item "Net result from items at fair value".

Offsetting of financial assets and liabilities
Nordea offsets financial assets and liabilities on the balance sheet if there is a legal right to offset, in the ordinary course of business and in case of bankruptcy, and if the intent is to settle the items net or realise the asset and settle the liability simultaneously. This is generally achieved through the central counterparty clearing houses that Nordea has agreements with.

Exchanged traded derivatives are generally accounted for as settled on a daily basis when cash is paid or received and the instrument is reset to market terms. Derivative assets and liabilities against central counterparty clearing houses are, as mentioned above, generally set off on the balance sheet, but net cash collateral received or paid is generally accounted for separately as cash collateral paid (asset) or received (liability), which is also the case for cash collateral paid or received in bilateral OTC derivative transactions. Cash collateral paid or received in bilateral OTC derivative transactions are consequently not offset against the fair value of the derivatives.

Issued debt and equity instruments
A financial instrument issued by Nordea is either classified as a financial liability or equity. Issued financial instruments are classified as a financial liability if the contractual arrangement results in Nordea having a present obligation to either deliver cash or another financial asset, or a variable number of equity instruments to the holder of the instrument. If this is not the case, the instrument is generally an equity instrument and classified as equity, net of transaction costs. Where issued financial instruments contain both liability and equity components, these are accounted for separately.

13. Loans to the public/credit institutions

Financial instruments classified as "Loans to the public/credit institutions" (including loans to central banks) on the balance sheet and into the category Loans and receivables are measured at amortised cost (see also the separate section 7 "Recognition and derecognition of financial instruments on the balance sheet" as well as Note 39 "Classification of financial instruments").

Nordea monitors loans as described in the separate section on Risk, Liquidity and Capital management. Loans attached to individual customers or groups of customers are identified as impaired if the impairment tests indicate an objective evidence of impairment.

Also interest-bearings securities classified into the categories Loans and receivables and Held to maturity are held at amortised cost and the description below is valid also for the identification and measurement of impairment on these assets. Possible impairment losses on interest-bearing securities classified into the categories Loans and receivables and Held to maturity are recognised as "Impairment of securities held as non-current financial assets" in the income statement.

Impairment test of individually assessed loans
Nordea assesses all significant loans for impairment on an individual basis. The purpose of the impairment tests is to find out if the loans have become impaired. As a first step in the identification process for impaired loans, Nordea monitors whether there are indicators of impairment (loss event) and whether these loss events represent objective evidence of impairment. More information on the identification of loss events can be found in the Risk, Liquidity and Capital management section.

Loans that are not individually impaired will be transferred to a group of loans with similar risk characteristics for a collective impairment test.

Impairment test of collectively assessed loans
Loans not impaired on an individual basis are collectively tested for impairment.

These loans are grouped on the basis of similar credit risk characteristics that are indicative of the debtors´ ability to pay all amounts due according to the contractual terms. Nordea monitors its portfolio through rating migrations, the credit decision and annual review process supplemented by quarterly risk reviews. Through these processes Nordea identifies loss events indicating incurred losses in a group. A loss event is an event resulting in a deterioration of the expected future cash flows. Only loss events incurred up to the reporting date are included when performing the assessment of the group.

The objective for the group assessment process is to evaluate if there is a need to make a provision due to the fact that a loss event has occurred, which has not yet been identified on an individual basis. This period between the date when the loss event occurred and the

date when it is identified on an individual basis is called “Emergence period”. The impairment remains related to the group of loans until the losses have been identified on an individual basis. The identification of the loss is made through a default of the engagement or by other indicators.

For corporate customers and bank counterparts, Nordea uses the existing rating system as a basis when assessing the credit risk. Nordea uses historical data on probability of default to estimate the risk for a default in a rating class. These loans are rated and grouped mostly based on type of industry and/or sensitivity to certain macro parameters, e.g. dependency to oil prices etc.

Personal customers and small corporate customers are monitored through scoring models. These are based mostly on historical data, as default rates and loss rates given a default, and experienced judgement performed by management. Rating and scoring models are described in more detail in the separate section on Risk, Liquidity and Capital management.

The collective assessment is performed through a netting principle, i.e. when rated engagements are up-rated due to estimated increases in cash flows, this improvement will be netted against losses on loans that are down-rated due to estimated decreases in cash-flows. Netting is only performed within groups with similar risk characteristics where Nordea assesses that the customers’ future cash flows are insufficient to serve the loans in full.

Impairment loss
If the carrying amount of the loans is higher than the sum of the net present value of estimated cash flows (discounted with the original effective interest rate), including the fair value of the collaterals and other credit enhancements, the difference is the impairment loss.

For significant loans that have been individually identified as impaired the measurement of the impairment loss is made on an individual basis.

For insignificant loans that have been individually identified as impaired and for loans not identified as impaired on an individual basis the measurement of the impairment loss is measured using a portfolio based expectation of the future cash flows.

If the impairment loss is not regarded as final, the impairment loss is accounted for on an allowance account representing the accumulated impairment losses. Changes in the credit risk and accumulated impairment losses are accounted for as changes in the allowance account and as ”Net loan losses” in the income statement (see also section 6 “Recognition of operating income and impairment”).

If the impairment loss is regarded as final, it is reported as a realised loss and the value of the loan and the related allowance for impairment loss are derecognised. An impairment loss is regarded as final when the obligor is filed for bankruptcy and the administrator has declared the economic outcome of the bankruptcy procedure, or when Nordea forgives its claims either through a legal based or voluntary reconstruction or when Nordea, for other reasons, deem it unlikely that the claim will be recovered.

Discount rate
The discount rate used to measure impairment is the original effective interest rate for loans attached to an individual customer or, if applicable, to a group of loans. If considered appropriate, the discount rate can be based on a method that results in an impairment that is a reasonable approximation of using the effective interest rate method as basis for the calculation.

Restructured loans
In this context a restructured loan is defined as a loan where Nordea has granted concessions to the obligor due to its deteriorated financial situation and where this concession has resulted in an impairment loss for Nordea. After a reconstruction the loan is normally regarded as not impaired if it performs according to the new conditions. Concessions made in reconstructions are regarded as loan losses unless Nordea retains the possibility to regain the loan losses incurred. In the event of a recovery the payment is reported as a recovery of loan losses.

Assets taken over for protection of claims
In a financial reconstruction the creditor may concede loans to the obligor and in exchange for this concession acquire an asset pledged for the conceded loans, shares issued by the obligor or other assets. Assets taken over for protection of claims are reported on the same balance sheet line as similar assets already held by Nordea. For example a property taken over, not held for Nordea’s own use, is reported together with other investment properties.

At initial recognition, all assets taken over for protection of claims are recognised at fair value and the possible difference between the carrying amount of the loan and the fair value of the assets taken over is recognised as “Net loan losses”. The fair value of the asset on the date of recognition becomes its cost or amortised cost value, as applicable. In subsequent periods, assets taken over for protection of claims are valued in accordance with the valuation principles for the appropriate type of asset. Investment properties are then measured at fair value. Financial assets that are foreclosed are generally classified into the categories Available for sale or Designated at fair value through profit or loss (fair value option) (see section 12 “Financial instruments”) and measured at fair value. Changes in fair values are recognised in other

comprehensive income for assets classified into the category Available for sale. For assets classified into the category Designated at fair value through profit or loss, changes in fair value are recognised in the income statement under the line "Net result from items at fair value".

Any change in value, after the initial recognition of the asset taken over, is presented in the income statement in line with the Group's presentation policies for the appropriate asset. "Net loan losses" in the income statement is, after the initial recognition of the asset taken over, consequently not affected by any subsequent remeasurement of the asset.

14. Leasing

NBF as lessor

Finance leases

Nordea's leasing operations mainly comprise finance leases. A finance lease is reported as a receivable from the lessee in the balance sheet item "Loans to the public" at an amount equal to the net investment in the lease. The lease payment, excluding cost of services, is recorded as repayment of principal and interest income. The income allocation is based on a pattern reflecting a constant periodic return on the net investment outstanding in respect of the finance lease.

Operating leases

Assets subject to operating leases on the balance sheet are reported in accordance with the nature of the assets, in general as properties and equipment. Leasing income is recognised as income on a straight-line basis over the lease term and classified as "Net interest income". The depreciation of the leased assets is calculated on the basis of Nordea's depreciation policy for similar assets and reported as "Depreciation, amortisation and impairment charges of tangible and intangible assets" in the income statement.

NBF as lessee

Finance leases

No leases in NBF have been classified as finance leases.

Operating leases

Operating leases are not recognised on NBF's balance sheet. For operating leases the lease payments are recognised as expenses in the income statement on a straight-line basis over the lease term unless another systematic way better reflects the time pattern of Nordea's benefit. The original lease terms normally range between 3 to 25 years.

Operating leasing is mainly related to office premises contracts and office equipment contracts normal to the business.

The central district properties in Finland that Nordea has divested are leased back. The duration of the lease agreements was initially 3-25 years with renewal options. The lease agreements include no transfers of ownerships of the asset by the end of the lease term, nor any economic benefits from appreciation in value of the leased properties. In addition, the lease term is not for the major part of the assets' economic life. These leases are thus classified as operating leases. The rental expense for these premises is recognised on the basis of the time-pattern of Nordea's economic benefit which differs from the straight-line basis and better resembles an ordinary rental arrangement.

Embedded leases

Agreements can contain a right to use an asset in return for a payment, or a series of payments, although the agreement is not in the legal form of a leasing contract. If applicable, these assets are separated from the contract and accounted for as leased assets.

15. Intangible assets

Intangible assets are identifiable, non-monetary assets without physical substance. The assets are under Nordea's control, which means that Nordea has the power and rights to obtain the future economic benefits flowing from the underlying resource. The intangible assets in Nordea mainly consist of goodwill, IT-development/computer software and customer related intangible assets.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of Nordea's share of net identifiable assets of the acquired group undertaking/associated undertaking at the date of acquisition. Goodwill on acquisition of group undertakings is included in "Intangible assets". Goodwill on acquisitions of associates is not recognised as a separate asset, but included in "Investments in associated undertakings". Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Impairment losses on goodwill cannot be reversed in subsequent periods. Goodwill related to associated undertakings is not tested for impairment separately, but included in the total carrying amount of the associated undertakings. The policies covering impairment testing of associated undertakings is disclosed in section 6 "Recognition of operating income and impairment".

IT-development/Computer software

Costs associated with maintaining computer software programs are expensed as incurred. Costs directly associated with major software development investments, with the ability to generate future economic benefits, are recognised as intangible assets. These costs include software development staff costs and overhead expenditures directly attributable to preparing the asset for use. Computer software includes

also acquired software licenses not related to the function of a tangible asset.

Amortisation is calculated on a straight-line basis over the useful life of the software, generally a period of 3 to 10 years.

Customer related intangible assets
In business combinations a portion of the purchase price is normally allocated to a customer related intangible asset, if the asset is identifiable and under Nordea's control. An intangible asset is identifiable if it arises from contractual or legal rights, or could be separated from the entity and sold, transferred, licenced, rented or exchanged. The asset is amortised over its useful life, generally over 10 years.

Impairment
Goodwill is not amortised but tested for impairment annually irrespective of any indications of impairment. Impairment testing is also performed more frequently if required due to any indication of impairment. The impairment charge is calculated as the difference between the carrying amount and the recoverable amount.

At each balance sheet date, all intangible assets with definite useful lives are reviewed for indications of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the intangible asset is fully recoverable.

The recoverable amount is the higher of fair value less costs to sell and the value in use of the asset or the cash-generating unit, which is defined as the smallest identifiable group of assets that generates largely independent cash flows in relation to other assets. For goodwill, the cash generating units are defined as the operating segments. The value in use is the present value of the cash flows expected to be realised from the asset or the cash-generating unit. The cash flows are assessed based on the asset or cash-generating unit in its current condition and discounted at a rate based on the long-term risk free interest rate plus a risk premium (post tax). If the recoverable amount is less than the carrying amount, an impairment loss is recognised.

16. Property and equipment

Properties and equipment includes own-used properties, leasehold improvements, IT equipment, furniture and other equipment. Items of properties and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of properties and equipment comprise its purchase price, as well as any directly attributable costs of bringing the asset to the working condition for its intended use. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items.

Properties and equipment is depreciated on a straight-line basis over the estimated useful life of the assets. The estimates of the useful life of different assets are reassessed on a yearly basis. Below follows the current estimates:

- Buildings: 30–75 years
- Equipment: 3–5 years
- Leasehold improvements: Changes within buildings the shorter of 10 years and the remaining leasing term. New construction the shorter of the principles used for owned buildings and the remaining leasing term. Fixtures installed in leased properties are depreciated over the shorter of 10–20 years and the remaining leasing term.

At each balance sheet date, Nordea assesses whether there is any indication that an item of property and equipment may be impaired. If any such indication exists, the recoverable amount of the asset is estimated and any impairment loss is recognised.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

17. Investment properties

Investment properties are primarily properties held to earn rent and/or capital appreciation. The majority of the properties in Nordea are attributable to Nordea Life & Pensions. Nordea applies the fair value model for subsequent measurement of investment properties. The best evidence of a fair value is normally given by quoted prices in an active market for similar properties in the same location and condition. As these prices are rarely available discounted cash flow projection models based on reliable estimates of future cash flows are also used.

Net rental income, gains and losses as well as fair value adjustments are recognised directly in the income statement as "Net result from items at fair value".

18. Taxes

The item "Income tax expense" in the income statement comprises current- and deferred income tax. The income tax expense is recognised in the income statement, except to the extent the tax effect relates to items recognised in other comprehensive income or directly in equity, in which case the tax effect is recognised in other comprehensive income or in equity respectively.

Current tax is the expected tax expense on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits. Deferred tax is not recognised for temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, nor for differences relating to investments in group undertakings and associated undertakings to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, tax losses carry forward and unused tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when the legal right to offset exists. Deferred tax assets and deferred tax liabilities are generally offset if there is a legally enforceable right to offset current tax assets and current tax liabilities.

19. Employee benefits

All forms of consideration given by Nordea to its employees as compensation for services performed are employee benefits. Short-term benefits are to be settled within twelve months after the reporting period when the services have been performed. Post-employment benefits are benefits payable after the termination of the employment. Post-employment benefits in Nordea consist only of pensions. Termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy.

Short-term benefits

Short term benefits consist mainly of fixed and variable salary. Both fixed and variable salaries are expensed in the period when the employees have performed services to Nordea. Nordea has also issued share-based payment programmes, which are further described in section 22 “Share-based payment”.

More information can be found in Note 8 “Staff costs”.

Post-employment benefits

Pension plans

The companies within Nordea have various pension plans, consisting of both defined benefit pension plans and defined contribution pension plans, reflecting national practices and conditions in the countries where Nordea operates. The major defined benefit pension plans are funded schemes covered by assets in pension funds/foundations. If the fair value of plan assets, associated with a specific pension plan, is lower than the gross present value of the defined benefit obligation determined using the projected unit credit method, the net amount is recognised as a liability (“Retirement benefit liabilities”). If not, the net amount is recognised as an asset (“Retirement benefit assets”). Non-funded pension plans are recognised as “Retirement benefit liabilities “.

Most pensions are based on defined contribution arrangements that hold no pension liability for Nordea. All defined benefit pension plans are closed for new employees.

Pension costs

Obligations for defined contribution pension plans are recognised as an expense as the employee renders services to the entity and the contribution payable in exchange for that service becomes due. Nordea’s net obligation for defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned for their service in the current and prior periods. That benefit is discounted to determine its present value. Actuarial calculations including the projected unit credit method are applied to assess the present value of defined benefit obligations and related costs, based on several actuarial and financial assumptions (as disclosed in Note 32 “Retirement benefit obligations”).

When establishing the present value of the obligation and the fair value of any plan assets, remeasurement effects may arise as a result of changes in actuarial assumptions and experience effects (actual outcome compared to assumptions). The remeasurement effects are recognised immediately in equity through other comprehensive income.

When the calculation results in a benefit the recognised asset is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

Social security contribution is calculated and accounted for based on the net recognised surplus or deficit by plan and is included on the balance sheet as "Retirement benefit liabilities" or "Retirement benefit assets".

Discount rate in defined benefit pension plans
The discount rate is determined by reference to high quality corporate bonds, where a deep enough market for such bonds exists. Covered bonds are in this context considered to be corporate bonds. In countries where no such market exists the discount rate is determined by reference to government bond yields. In Finland the discount rate is determined with with reference to corporate bonds.

Termination benefits
As mentioned above termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy. Termination benefits do not arise if the employees have to continue performing services and the termination benefits can be considered to be normal compensation for those services.

Termination benefits are expensed when Nordea has an obligation to make the payment. An obligation arises when there is a formal plan committed to on the appropriate organisational level and when Nordea is without realistic possibility of withdrawal, which normally occurs when the plan has been communicated to the group affected or to their representatives.

Termination benefits can include both short-term benefits, for instance a number of months' salary, and post-employment benefits, normally in the form of early retirement. Short-term benefits are classified as "Salaries and remuneration" and post-employment benefits as "Pension costs" in Note 8 "Staff costs".

20. Equity

Non-controlling interests
Non-controlling interests comprise the portion of net assets of group undertakings not owned directly or indirectly by Nordea Bank Finland Plc.

For each business combination, NBF measures the non-controlling interests in the acquiree either at fair value or at their proportionate share of the acquiree's identifiable net assets.

Share premium reserve
The share premium reserve consists of the difference between the subscription price and the quota value of the shares in Nordea's rights issue. Transaction costs in connection to the rights issue have been deducted.

Other reserves
Other reserves comprise income and expenses, net after tax effects, which are reported in equity through other comprehensive income. These reserves include fair value reserves for cash flow hedges, financial assets classified into the category Available for sale and accumulated remeasurements of defined benefit pension plans, as well as a reserve for translation differences.

Retained earnings
Apart from undistributed profits from previous years, retained earnings include the equity portion of untaxed reserves. Untaxed reserves according to national rules are accounted for as equity net of deferred tax at prevailing tax rates in the respective country.

In addition, NBF's share of the earnings in associated undertakings, after the acquisition date, that have not been distributed is included in retained earnings.

21. Financial guarantee contracts and credit commitments

Upon initial recognition, premiums received in issued financial guarantee contracts and credit commitments are recognised as prepaid income on the balance sheet. The guarantees and irrevocable credit commitments are subsequently measured, and recognised as a provision on the balance sheet, at the higher of either the received fee less amortisation, or an amount calculated as the discounted best estimate of the expenditure required to settle the present obligation. Changes in provisions are recognised in the income statement in the item "Net loan losses".

Premiums received for financial guarantees are, as stated in section 6 "Recognition of operating income and impairment", amortised over the guarantee period and recognised as "Fee and commission income" in the income statement. Premiums received on credit commitments are generally amortised over the loan commitment period. The contractual amounts are recognised off-balance sheet, financial guarantees in the item "Contingent liabilities" and irrevocable credit commitments in the item "Credit commitments".

22. Share-based payment

Equity-settled programmes
Nordea has annually issued Long Term Incentive Programmes from 2007 through 2012. Employees participating in these programmes were granted share-based equity-settled rights, i.e. rights to receive shares for free or to acquire shares in Nordea at a significant discount compared to the share price at grant date. The

value of such rights is expensed. The expense is based on the estimated fair value of each right at grant date. The total fair value of these rights is determined based on the group's estimate of the number of rights that will eventually vest, which is reassessed at each reporting date. The fair value is expensed on a straight-line basis over the vesting period. The vesting period is the period that the employees have to remain in service in Nordea in order for their rights to vest. Market performance conditions in Performance Share II are reflected as a probability adjustment to the initial estimate of fair value at grant date. There is no adjustment (true-up) for differences between estimated and actual vesting due to market conditions.

Social security costs are also allocated over the vesting period. The provision for social security costs is reassessed on each reporting date to ensure that the provision is based on the rights' fair value at the reporting date.

For more information see Note 8 "Staff costs".

Cash-settled programmes
Nordea has to defer payment of variable salaries under Nordic FSA's regulations and general guidelines, as is also the case with the Executive Incentive Programme (EIP). The deferred amounts are to some extent indexed using Nordea's TSR (Total Shareholders' Return) and these "programmes" are cash-settled share-based programmes. These programmes are fully vested when the payments of variable salaries are initially deferred and the fair value of the obligation is remeasured on a continuous basis. The remeasurements are, together with the related social charges, recognised in the income statement in the item "Net result from items at fair value".

For more information see Note 8 "Staff costs".

23. Related party transactions

Nordea defines related parties as:

- Shareholders with significant influence
- Group undertakings
- Associated undertakings
- Key management personnel
- Other related parties.

All transactions with related parties are made on an arm's length basis.

Shareholders with significant influence
Shareholders with significant influence are shareholders that have the power to participate in the financial and operating decisions of NBF but do not control those policies. Nordea and its group companies are considered as having such a power.

Group undertakings
For the definition of group undertakings see section 5 "Principles of consolidation". Further information on the undertakings included in the NBF Group is found in Note 19 "Investments in group undertakings".

Group internal transactions between legal entities are performed according to arm's length principles in conformity with OECD requirements on transfer pricing. These transactions are eliminated in the consolidated accounts.

Associated undertakings
For the definition of Associated undertakings see section 5 "Principles of consolidation".

Further information on the associated undertakings included in the NBF Group is found in Note 20 "Investments in associated undertakings".

Key management personnel
Key management personnel include the following positions:

- The Board of Directors of NBF and Nordea Bank AB (publ)
- The Chief Executive Officer (CEO)
- The Group Executive Management (GEM).

For information about compensation, pensions and other transactions with key management personnel, see Note 8 "Staff costs".

Other related parties
Other related parties comprise close family members to individuals in key management personnel. Other related parties also include companies significantly influenced by key management personnel in Nordea Group as well as companies significantly influenced by close family members to these key management personnel. Other related parties also include Nordea's pension foundations.

Information concerning transactions between Nordea and other related parties is found in Note 44 "Related-party transactions".

Note 2 Segment reporting

Operating segments

Group

Measurement of Operating segments' performance
The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision Maker (CODM), as required by IFRS 8. In NBF the CODM has been defined as Group Executive Management.

Basis of segmentation
Financial results are presented for the two main business areas Retail Banking and Wholesale Banking, with further breakdown on operating segments, and for the operating segment Group Corporate Centre. Other operating segments below the quantitative thresholds in IFRS 8 are included in Other operating segments. Group functions and eliminations as well as the result that is not fully allocated to any of the operating segments, are shown separately as reconciling items.

Reportable Operating segments
Retail Banking conducts a full service banking operation and offers a wide range of products. It is Nordea's largest customer area and serves household customers and corporate customers in the Nordic markets (Retail Banking Nordic) as well as the Baltic countries (Retail Banking Baltic). Wholesale Banking provides banking and other financial solutions to large Nordic and international corporate, institutional and public companies. The division Corporate & Institutional Banking is a customer oriented organisation serving the largest globally operating corporates. This division is also responsible for Nordea's customers within the financial sector, and offers single products such as funds and equity products as well as consulting services within asset allocation and fund sales. The division Shipping, Oil Services & International is responsible for Nordea's customers within the shipping, offshore and oil services industries and provides tailormade solutions and syndicated loan transactions. Capital Markets unallocated includes the result in Capital Markets which is not allocated to the main business areas. Group Corporate Centre's main objective is to manage the Group's funding and to support the management and control of the NBF Group. The main income in Group Corporate Centre originates from Group Treasury.

	Retail Banking		Wholesale Banking		Group Corporate Centre	
Income statement, EURm	2014	2013	2014	2013	2014	2013
Net interest income	849	811	289	294	53	85
Net fee and commission income	642	622	-180	-186	-8	-5
Net result from items at fair value	134	91	822	1,011	29	-9
Profit from companies accounted for under the equity method	3	7	-	-	-	-
Other income	15	27	2	0	7	8
Total operating income	**1,643**	**1,558**	**933**	**1,119**	**81**	**79**
Staff costs	-333	-351	-150	-146	-46	-41
Other expenses	-412	-485	-39	-36	4	9
Depreciation, amortisation and impairment charges of tangible and intangible assets	-22	-22	-5	-8	-6	-7
Total operating expenses	**-767**	**-858**	**-194**	**-190**	**-48**	**-39**
Profit before loan losses	**876**	**700**	**739**	**929**	**33**	**40**
Net loan losses	-118	-100	-9	-52	2	17
Impairment of securities held as financial non-current assets	-	-	-	-	-	-
Operating profit	**758**	**600**	**730**	**877**	**35**	**57**
Income tax expense	-	-	-	-	-	-
Net profit for the year	**758**	**600**	**730**	**877**	**35**	**57**
Balance sheet, EURm						
Loans to the public	53,754	59,101	59,719	55,081	0	-83
Deposits and borrowings from the public	33,452	37,359	37,046	43,056	5,955	496

Note 2 *Segment reporting, cont.*

Operating segments

Group

	Total operating segments		Reconciliation		**Total Group**	
Income statement, EURm	2014	2013	2014	2013	**2014**	**2013**
Net interest income	1,191	1,190	-2	-7	1,189	1,183
Net fee and commission income	454	431	-379	-544	75	-113
Net result from items at fair value	985	1,093	-15	21	970	1,114
Profit from companies accounted for under the equity method	3	7	0	1	3	8
Other income	24	35	17	-3	41	32
Total operating income	**2,657**	**2,756**	**-379**	**-532**	**2,278**	**2,224**
Staff costs	-529	-538	-30	-15	-559	-553
Other expenses	-447	-512	14	46	-433	-466
Depreciation of tangible and intangible assets	-33	-37	-59	-3	-92	-40
Total operating expenses	**-1,009**	**-1,087**	**-75**	**28**	**-1,084**	**-1,059**
Profit before loan losses	**1,648**	**1,669**	**-454**	**-504**	**1,194**	**1,165**
Net loan losses	-125	-135	65	82	-60	-53
Impairment of securities held as financial non-current asset		-	-	1	-	1
Operating profit	**1,523**	**1,534**	**-389**	**-421**	**1,134**	**1,113**
Income tax expense	-	-	-232	-285	-232	-285
Net profit for the year	**1,523**	**1,534**	**-621**	**-706**	**902**	**828**
Balance sheet, EURm						
Loans to the public	113,473	114,099	275	-320	113,748	113,779
Deposits and borrowings from the public	76,453	80,911	427	-2	76,879	80,909

Break-down of Retail Banking

	Retail Banking Nordic[1]		Retail Banking Baltic[2]		Retail Banking Other[3]		**Total Retail Banking**	
Income statement, EURm	2014	2013	2014	2013	2014	2013	**2014**	**2013**
Net interest income	770	674	70	162	9	-26	849	811
Net fee and commission income	657	580	-11	46	-3	-4	642	622
Net result from items at fair value	117	95	15	-3	2	0	134	91
Profit from companies accounted for under the equity method	-	-	-	-	2	7	3	7
Other income	19	35	4	3	-8	-11	15	27
Total operating income	**1,563**	**1,384**	**78**	**208**	**2**	**-34**	**1,643**	**1,558**
Staff costs	-255	-254	-14	-29	-64	-68	-333	-351
Other expenses	-482	-495	-4	-62	74	72	-412	-485
Depreciation of tangible and intangible assets	-10	-6	-1	-2	-12	-14	-22	-22
Total operating expenses	**-747**	**-755**	**-19**	**-93**	**-2**	**-10**	**-767**	**-858**
Profit before loan losses	**816**	**629**	**59**	**115**	**0**	**-44**	**876**	**700**
Net loan losses	-72	-57	-39	-42	-7	-1	-118	-100
Operating profit	**744**	**572**	**20**	**73**	**-7**	**-45**	**758**	**600**
Income tax expense	-	-	-	-	-	-	-	-
Net profit for the year	**744**	**572**	**20**	**73**	**-7**	**-45**	**758**	**600**
Balance sheet, EURm								
Loans to the public	46,693	45,479	1,403	8,195	5,658	5,428	53,754	59,101
Deposits and borrowings from the public	33,437	33,714	12	3,641	3	4	33,452	37,359

[1] Retail Banking Nordic includes banking operations in Finland.
[2] Retail Banking Baltic includes banking operations in Estonia, Latvia and Lithuania.
[3] Retail Banking Other includes the support areas Development & Projects, Distribution, Segments, Products and IT.

Note 2 *Segment reporting, cont.*

Break-down of Wholesale Banking

	Corporate & Institutional Banking		Shipping, Offshore & Oil Services	
Income statement, EURm	2014	2013	2014	2013
Net interest income	164	161	117	113
Net fee and commission income	154	156	29	20
Net result from items at fair value	58	66	11	12
Profit from companies accounted for under the equity method	-	-	-	-
Other income	0	0	0	-
Total operating income	**376**	**383**	**157**	**145**
Staff costs	-13	-6	-6	-9
Other expenses	-100	-105	-20	-14
Depreciation of tangible and intangible assets	0	0	0	0
Total operating expenses	**-113**	**-111**	**-26**	**-23**
Profit before loan losses	**263**	**272**	**131**	**122**
Net loan losses	-27	-20	19	-36
Operating profit	**236**	**252**	**150**	**86**
Income tax expense	-	-	-	-
Net profit for the year	**236**	**252**	**150**	**86**
Balance sheet, EURm				
Loans to the public	9,856	9,161	4,835	4,423
Deposits and borrowings from the public	10,556	7,319	2,202	1,853

	Capital Markets unallocated		Wholesale Banking Other[4]		**Total Wholesale Banking**	
Income statement, EURm	2014	2013	2014	2013	**2014**	**2013**
Net interest income	2	4	5	16	289	294
Net fee and commission income	-381	-389	18	27	-180	-186
Net result from items at fair value	722	890	31	42	822	1,011
Profit from companies accounted for under the equity method	-	-	-	-	-	-
Other income	2	0	0	0	2	0
Total operating income	**345**	**505**	**54**	**85**	**933**	**1,119**
Staff costs	-75	-73	-56	-57	-150	-146
Other expenses	42	51	39	33	-39	-36
Depreciation of tangible and intangible assets	-3	-4	-2	-4	-5	-8
Total operating expenses	**-36**	**-26**	**-19**	**-28**	**-194**	**-190**
Profit before loan losses	**309**	**479**	**35**	**57**	**739**	**929**
Net loan losses	-	-	-1	3	-9	-52
Operating profit	**309**	**479**	**34**	**60**	**730**	**877**
Income tax expense	-	-	-	-	-	-
Net profit for the year	**309**	**479**	**34**	**60**	**730**	**877**
Balance sheet, EURm						
Loans to the public	44,777	40,176	251	1,321	59,719	55,081
Deposits and borrowings from the public	24,285	26,923	3	6,961	37,046	43,056

[4] Wholesale Banking Other includes the area International Units and the support areas Transaction Products, Segment CIB and IT.

Reconciliation between total operating segments and financial statements

	Total operating income		Operating profit		Loans to the public		Deposits and borrowings from the public	
EURm	2014	2013	2014	2013	2014	2013	2014	2013
Total Operating segments	2,657	2,756	1,523	1,534	113,473	114,099	76,453	80,911
Group functions[1]	-379	-526	-389	-421	283	-2	429	10
Eliminations	0	-6	-	-	-8	-318	-3	-12
Total	**2,278**	**2,224**	**1,134**	**1,113**	**113,748**	**113,779**	**76,879**	**80,909**

[1] Consists of Group Risk Management, Group Internal Audit, Group Identity & Communications, Group Human Resources, Board of Directors and Group Executive Management.

Group

Total operating income split on product groups

EURm	2014	2013
Banking products	1,725	1,539
Capital Markets products	542	675
Savings Products & Asset Management	-	-
Life & Pensions	11	10
Other	-	-
Total	**2,278**	**2,224**

Banking products consists of three different product types. Account products include account-based products such as lending, deposits, cards and Netbank services. Transaction products consist of cash management as well as trade and project finance services. Financings products include asset-based financing through leasing, hire purchase and factoring as well as sales to finance partners such as dealers, vendors and retailers. Capital Markets products contains financial instruments, or arrangement for financial instrument**s**, that are available in the financial marketplace, including currencies, commodities, stocks and bonds. Savings products & Asset Management includes Investment Funds, Discretionary Management, Portfolio Advice, Equity Trading and Pension Accounts. Investment Funds is a bundled product where the fund company invest in stocks, bonds, derivatives or other standardised products on behalf of the fund's shareholders. Discretionary Management is a service providing the management of an investment portfolio on behalf of the customer and Portfolio Advise is a service provided to support the customers' investment decision.

Group

Geographical information

	Total operating income		Assets	
EURm	2014	2013	2014	2013
Sweden	69	100	21,087	15,886
Finland	1,484	1,177	115,625	97,083
Norway	44	113	9,427	6,431
Denmark	278	361	145,439	111,258
Baltic countries	82	176	1,415	9,721
Poland	3	9	-	123
Other	318	288	53,205	64,259
Total	**2,278**	**2,224**	**346,198**	**304,761**

NBF's main geographical market comprises the Nordic countries and the Baltic countries. Revenues and assets are distributed to geographical areas based on the location of customer operations. Goodwill is allocated to different countries based on the location of the business activities of the acquired entities.

Note 3 Net interest income

	Group		Parent company	
EURm	2014	2013	2014	2013
Interest income				
Loans to credit institutions	128	65	156	97
Loans to the public	1,460	1,571	1,171	1,295
Interest-bearing securities	146	142	146	142
Other interest income	72	71	78	79
Interest income[1]	**1,806**	**1,849**	**1,551**	**1,613**

[1] Of which contingent leasing income amounts to EUR 32m (15). Contingent leasing income in Nordea consists of variable interest rates, excluding the fixed margin. If the contingent leasing income decreases there will be an offsetting impact from lower funding expenses.

Interest expense				
Deposits by credit institutions	-250	-289	-248	-287
Deposits and borrowings from the public	-151	-191	-151	-192
Debt securities in issue	-408	-419	-408	-419
Subordinated liabilities	-23	-25	-23	-25
Other interest expense[2]	215	258	215	258
Interest expense	**-617**	**-666**	**-615**	**-665**
Net interest income	**1,189**	**1,183**	**936**	**948**

[2] The net interest income from derivatives, measured at fair value and related to Nordea's funding can have both a positive and negative impact on other interest expense, for further information see Note 1.

Interest income from financial instruments not measured at fair value through profit and loss amounts to EUR 1,664m (1,724) for the Group and EUR 1,409m (1,488) for the parent company. Interest expense from financial instruments not measured at fair value through profit and loss amounts to EUR -834m (-924) for the Group and EUR -833m (-923) for the parent company.

Interest on impaired loans amounted to an insignificant portion of interest income.

Note 4 Net fee and commission income

	Group		Parent company	
EURm	2014	2013	2014	2013
Asset Management commissions	69	59	69	59
Life insurance	9	9	10	9
Brokerage, securities issues and corporate finance	75	46	75	46
Custody and issuer services	28	23	28	24
Deposits	5	7	5	7
Total savings and investments	186	144	187	145
Payments	198	200	200	202
Cards	128	129	92	93
Total payments and cards	326	329	292	295
Lending	129	122	126	112
Guarantees and documentary payments	120	132	120	132
Total lending related to commissions	249	254	246	244
Other commission income	33	32	32	31
Fee and commission income	**794**	**759**	**757**	**715**
Savings and investments	-360	-332	-360	-332
Payments	-11	-10	-9	-7
Cards	-58	-63	-56	-62
Other commission expenses[1]	-290	-467	-287	-465
Fee and commission expenses	**-719**	**-872**	**-712**	**-866**
Net fee and commission income	**75**	**-113**	**45**	**-151**

[1] Mainly consists of Finnish bank tax and guarantee commission fee paid to Nordea Bank AB (publ)

Fee income, not included in determining the effective interest rate, from financial assets and liabilities not measured at fair value through profit or loss amounted to EUR 134m (129) for the Group and EUR 131m (119) for the parent company.

Fee income, not included in determining the effective interest rate, from fiduciary activities that result in the holding or investing of assets on behalf of customers amounted to EUR 153m (114) for the Group and EUR 153m (114) for the parent company.

Note 5 Net result from items at fair value

	Group		Parent company	
EURm	2014	2013	2014	2013
Shares/participations and other share-related instruments	342	93	342	92
Interest-bearing securities and other interest-related instruments	734	-2	733	-2
Other financial instruments	406	90	406	90
Foreign exchange gains/losses	-499	939	-502	934
Investment properties	-13	-6	-4	-4
Total	**970**	**1,114**	**975**	**1,110**

Net result from categories of financial instruments

	Group		Parent company	
EURm	2014	2013	2014	2013
Available for sale assets, realised	21	-16	21	-16
Financial instruments designated at fair value through profit or loss	159	163	158	164
Financial instruments held for trading[1]	1,313	22	1,313	20
Financial instruments under fair value hedge accounting	4	7	4	7
- of which net result on hedging instruments	179	-157	179	-157
- of which net result on hedged items	-174	164	-174	164
Financial assets measured at amortised cost[2]	6	1	6	1
Foreign exchange gains/losses excl currency hedges	-518	941	-521	938
Other	-15	-4	-6	-4
Total	**970**	**1,114**	**975**	**1,110**

[1] Of which amortised deferred day one profits amounted to EUR -3m for 2014 (2) both for the Group and the parent company.
[2] Of which EUR 6m (1) related to instruments classified into the category "Loans and receivables".

Note 6 Dividends

	Group		Parent company	
EURm	2014	2013	2014	2013
Investments in group undertakings	-	-	100	101
Investments in associated undertakings	-	-	17	27
Total	**-**	**-**	**117**	**128**

Note 7 Other operating income

	Group		Parent company	
EURm	2014	2013	2014	2013
Divestment of shares	9	1	9	-
Income from real estate	6	2	1	1
Disposals of tangible and intangible assets	2	4	0	1
Other	24	25	19	24
Total	**41**	**32**	**29**	**26**

Note 8 Staff costs

	Group		Parent company	
EURm	2014	2013	2014	2013
Salaries and remuneration	-420	-426	-394	-397
Pension costs (specification below)	-62	-60	-58	-56
Social security contributions	-35	-30	-33	-27
Allocation to profit-sharing foundation[1]	-19	-11	-18	-11
Other staff costs	-23	-26	-22	-25
Total	**-559**	**-553**	**-525**	**-516**

[1] Allocation to profit-sharing foundation 2014 EUR 19m (11) in the Group and EUR 18m (11) in the parent company consists of a new allocation of EUR 18m (12) in the Group and EUR 17m (11) in the parent company and expenses related to prior years of EUR 1m (-1) in the Group and EUR 1m (-1) in the parent company.

	Group		Parent company	
	2014	2013	2014	2013
Pension costs:				
Defined benefit plans (Note 33)	1	0	1	1
Defined contribution plans	-63	-60	-60	-57
Total	**-62**	**-60**	**-59**	**-56**

Additional disclosures on remuneration under Nordic FSAs' regulation and general guidelines (including EU Commission Regulation 604/2014)
The qualitative disclosures under these regulations can be found in the separate section on remuneration in the Board of Director's Report, while the quantitative disclosures will be published in a separate report on Nordea's homepage (www.nordea.com) one week before the Annual General Meeting on 19 March 2015.

Compensation etc. to the Board of Directors, President and his deputy
The members of the Board of Directors of Nordea Bank Finland Plc and the President, are all members of the Nordea Bank AB (publ) Group Executive Management except for the one external member Carl-Johan Granvik. The monthly fee for the external Board member was 1,250 euros, totalling 15,000 euros in 2014 (15,000). The monthly fee for committee work for Carl-Johan Granvik was 500 euros, totalling 6,000 euros in 2014. In 2014 Nordea Bank AB (publ) has paid all salaries, fees, pension- and other staff-related expenses to the above mentioned other members of the Board and the President. Nordea Bank AB (publ) has allocated these salary expenses to Nordea Bank Finland Plc as part of the Head Office Allocation expenses.

Information on salaries, loans and pension liabilities of the above mentioned other members of the Board and the President is presented in the Annual Report of Nordea Bank AB (publ).

Remuneration to the President of Nordea Bank Finland Plc and Deputy to the President of Nordea Bank Finland Plc

EUR	Fixed salary 2014	GEM Excutive Incentive Programme 2014	Long Term Incentive Programme 2014	Benefits 2014	Total 2014
President of Nordea Bank Finland Plc (employed by Nordea Bank AB (publ)): Ari Kaperi	641,204	416,300	184,767	16,016	**1,258,287**
Deputy to the President of Nordea Bank Finland Plc: Topi Manner	367,646	132,600	81,342	15,916	**597,504**

Defined benefit pension obligation for the President of Nordea Bank Finland Plc amounted to EUR 1 998 192 and for Carl-Johan Granvik to EUR 4 161 101. Both amounts are included in the pension obligations of Nordea Bank AB (publ). There is at yearend no defined benefit plan for the Deputy of the President.

Defined benefit pension obligation for the former Presidents and Deputies of the President of Nordea Bank Finland Plc amounted to EUR 5 427 979 of which EUR 1 738 049 is included in the pension obligations of Nordea Bank AB (publ).

Loans to key management personnel

EUR	Loans granted by NBF 2014	Paid interest 2014	Loans granted by NBF 2013	Paid interest 2013
President of Nordea Bank Finland Plc (employed by Nordea Bank AB (publ)): Ari Kaperi	-	-	-	-
Deputy to the President of Nordea Bank Finland Plc: Topi Manner	603,633	5,286	636,630	2,581
To members and deputy members of the Board of Directors of NBF	397,884	8,932	422,892	8,962
Total	**1,001,517**	**14,218**	**1,059,522**	**11,543**

EUR	Loans granted by NBF Group 2014	Paid interest 2014	Loans granted by NBF Group 2013	Paid interest 2013
President of Nordea Bank Finland Plc (employed by Nordea Bank AB (publ)): Ari Kaperi	759	0	0	0
Deputy to the President of Nordea Bank Finland Plc: Topi Manner	604,318	5,286	636,630	2,581
To members and deputy members of the Board of Directors of NBF	400,943	8,932	422,892	8,962
Total	**1,006,020**	**14,218**	**1,059,522**	**11,543**

Loans to key management personnel as defined in Note 1 section 23 amounted to EUR 615,720 (636,780) in the Group and EUR 578,094 (619,287) in the parent company. Interest income on these loans amounted to EUR 21,986 (9,851) in the Group and EUR 21,984 (9,613) in the parent company.

Terms and conditions regarding loans for key management personnel employed by Nordea are decided in accordance with instructions issued by the Board of Directors of NBF. Loans to family members of key management personnel are granted on normal market terms, as well as loans to key management who are not employees of Nordea. In Finland the employee interest rate for loans granted before 1 September 2014 corresponds to Nordea's funding cost with a margin of 10 basis points up to EUR 400,000, and 30 basis points on the part that exceeds EUR 400,000. Interest rate for loans granted as from 1 September 2014 corresponds to Nordea's funding cost with a margin of 40 basis points up to EUR 400,000, and 60 basis points on the part that exceeds EUR 400,000.

The Group has not pledged any assets or other collateral or committed to contingent liabilities on behalf of any key management personnel.

Guarantees and other off-balance-sheet commitments
No guarantees or other off-balance-sheet commitments have been granted to members of administrative or controlling boards or to auditors.

The members of the administrative and controlling boards have no holdings of shares, equity warrants or convertible bonds issued by Nordea Bank Finland Plc.

Long Term Incentive Programmes

Group

	2014			2013		
Conditional Rights LTIP 2012	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	211,263	508,636	211,263	207,861	497,861	207,861
Granted[1]	8,991	21,580	8,991	7,816[1]	19,603[1]	7,816[1]
Transfer during the year	-9,377	-26,344	-9,377	-	-	-
Forfeited	-5,757	-11,514	-5,757	-4,414	-8,828	-4,414
Outstanding at end of year	**205,120**	**492,358**	**205,120**	**211,263**	**508,636**	**211,263**
- of which currently exercisable	-	-	-	-	-	-

Parent company

	2014			2013		
Conditional Rights LTIP 2012	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	205,991	494,835	205,991	202,784	484,654	202,784
Granted[1]	8,749	20,947	8,749	7,621[1]	19,009[1]	7,621[1]
Transfer during the year	-9,377	-26,344	-9,377	-	-	-
Forfeited	-5,757	-11,514	-5,757	-4,414	-8,828	-4,414
Outstanding at end of year	**199,606**	**477,925**	**199,606**	**205,991**	**494,835**	**205,991**
- of which currently exercisable	-	-	-	-	-	-

Group

	2014			2013		
Rights LTIP 2011	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	147,709	295,418	147,709	149,531	299,062	149,531
Granted[1]	6,161	12,323	6,161	5,465	10,930	5,465
Transfer during the year	-6,121	-12,242	-6,121	-	-	-
Forfeited	-2,251	-52,398	-82,275	-7,287	-14,574	-7,287
Allotted	-118,675	-198,282	-53,404	-	-	-
Outstanding at end of year	**26,823**	**44,818**	**12,070**	**147,709**	**295,418**	**147,709**
- of which currently exercisable	-	-	-	-	-	-

Parent company

	2014			2013		
Rights LTIP 2011	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	144,054	288,107	144,054	146,011	292,022	146,011
Granted[1]	6,000	12,000	6,000	5,330	10,660	5,330
Transfer during the year	-6,121	-12,242	-6,121	-	-	-
Forfeited	-2,246	-51,134	-80,174	-7,287	-14,574	-7,287
Allotted	-116,317	-194,343	-52,343	-	-	-
Outstanding at end of year	**25,370**	**42,388**	**11,416**	**144,054**	**288,107**	**144,054**
- of which currently exercisable	-	-	-	-	-	-

Group

	2014			2013		
Rights LTIP 2010	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	23,955	25,310	10,780	153,128	306,256	153,128
Transfer during the year	-2,959	-3,126	-1,332	-	-	-
Forfeited	-	-	-2,543	-5,032	-149,790	-86,481
Allotted	-5,651	-5,971	-	-124,141	-131,156	-55,867
Outstanding at end of year	**15,345**	**16,213**	**6,905**	**23,955**	**25,310**	**10,780**
- of which currently exercisable	-	-	-	-	-	-

[1] Granted rights are compensation for dividend on the underlying Nordea share during the year.

Note 8 *Staff costs, cont.*

Parent company

Rights LTIP 2010	2014 Matching Share	2014 Performance Share I	2014 Performance Share II	2013 Matching Share	2013 Performance Share I	2013 Performance Share II
Outstanding at the beginning of year	23,955	25,310	10,780	150,708	301,416	150,708
Transfer during the year	-2,959	-3,126	-1,332	-	-	-
Forfeited	-	-	-	-5,032	-147,507	-85,150
Allotted	-5,651	-5,971	-2,543	-121,721	-128,599	-54,778
Outstanding at end of year	**15,345**	**16,213**	**6,905**	**23,955**	**25,310**	**10,780**
- of which currently exercisable	-	-	-	-	-	-

Participation in the Long-Term Incentive Programmes (LTIPs) requires that the participants take direct ownership by investing in Nordea shares.

	LTIP 2012 Matching Share	LTIP 2012 Performance Share I	LTIP 2012 Performance Share II	LTIP 2011 Matching Share	LTIP 2011 Performance Share I	LTIP 2011 Performance Share II
Ordinary share per right	1.00	1.00	1.00	1.00	1.00	1.00
Exercise price, EUR	-	-	-	-	-	-
Grant date	13 May 2012	13 May 2012	13 May 2012	13 May 2011	13 May 2011	13 May 2011
Vesting period, months	36	36	36	36	36	36
Contractual life, months	36	36	36	36	36	36
Allotment	April/May 2015	April/May 2015	April/'May 2015	April/May 2014	April/May 2014	April/May 2014
Fair value at grant date, EUR	6.06[1]	6.06[1]	2.19[1]	7.33[1]	7.33[1]	2.65[1]

[1] The fair value has been recalculated due to dividend during the vesting period which the participants are compensated for through additional Matching and Performance Shares.

	LTIP 2010 Matching Share	LTIP 2010 Performance Share I	LTIP 2010 Performance Share II
Ordinary share per right	1.00	1.00	1.00
Exercise price, EUR	-	-	-
Grant date	13 May 2010	13 May 2010	13 May 2010
Vesting period, months	36	36	36
Contractual life, months	36	36	36
Allotment	April/May 2013	April/May 2013	April/May 2013
Fair value at grant date, EUR	6.75	6.75	2.45

Conditions and requirements

For each ordinary share the participants lock in to the LTIPs, they are granted a conditional Matching Share to receive ordinary shares based on continued employment, with certain exemptions, and the conditional Performance Share I and II to receive additional ordinary shares also based on fulfilment of certain performance conditions. The performance conditions for Performance Share I comprise a target growth in risk adjusted profit per share (RAPPS) or a target in risk-adjusted return on capital at risk (RAROCAR). Should the reported earnings per share (EPS) be lower than a predetermined level the participants are not entitled to exercise any Performance Share I. The performance conditions for Performance Share II are market related and comprise growth in total shareholder return (TSR) in comparison with a peer group's TSR or a target in RAROCAR and in P/B-ranking compared to a peer group. Furthermore the profit for each right is capped.

When the performance conditions are not fulfilled in full, the rights that are no longer exercisable are shown as forfeited in the previous tables, together with shares forfeited due to participants leaving the Nordea Group.

	LTIP 2012	LTIP 2011	LTIP 2010
Service condition, Matching Share / Performance Share I and II	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.
Performance condition, Performance Share I	Average RAROCAR during the period 2012 up to and including 2014. Full allotment will be obtained if the RAROCAR amounts to 17%.	Compound Annual Growth Rate in RAPPS from year 2010 (base year) to and including year 2013. Full allotment will be obtained if the Compound Annual Growth Rate amounts to or exceeds 10%.	Compound Annual Growth Rate in RAPPS from year 2009 (base year) to and including year 2012. Full allotment was obtained if the Compound Annual Growth Rate amounted to or exceeded 9%.
EPS knock out, Performance Share I	-	Average reported EPS for 2011-2013 lower than EUR 0.26.	Average reported EPS for 2010-2012 lower than EUR 0.26.
Performance condition, Performance Share II	RAROCAR during the period 2012 up to and including 2014 and P/B-ranking year-end 2014 compared to a peer group. Full allotment will be obtained if the RAROCAR amounts to 14% and if Nordea's P/B-ranking is 1-5.	TSR during 2011-2013 in comparison with a peer group. Full allotment will be obtained if Nordea is ranked number 1-5.	TSR during 2010-2012 in comparison with a peer group. Full allotment was obtained if Nordea is ranked number 1-5.
Cap	The market value of the allotted shares is capped to the participants' annual salary for year-end 2011.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2010.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2009.
Dividend compensation	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	-

Fair value calculations
The fair value is measured through the use of generally accepted valuation models with the following input factors:

	LTIP 2012	**LTIP 2011**	**LTIP 2010**
Weighted average share price, EUR	6.70	8.39	6.88
Right life, years	3.0	3.0	3.0
Deduction of expected dividends	No	No	No
Risk free rate, %	Not applicable	Not applicable	Not applicable
Expected volatility, %	Not applicable	Not applicable	Not applicable

Expected volatility is based on historical values. As the exercise price (zero for LTIP 2012, LTIP 2011 and LTIP 2010) is significantly below the share price at grant date, the value has a limited sensitivity to expected volatility and risk-free interest.

The value of the Performance Share II are based on market related conditions and fulfilment of the TSR, RAROCAR and P/B targets have been taken into consideration when calculating the right's fair value at grant. When calculating the impact from the market conditions it has been assumed that all possible outcomes have equal possibilities. Also the caps in each programme have been taken into consideration when calculating the rights' fair value at grant. The adjustment to fair value is approximately 2-3% of the weighted average share price.

Expenses for equity-settled share-based payment programmes[1]

Group

EURm	LTIP 2012	LTIP 2011	LTIP 2010
Expected expense for the whole programme	-4.7	-3.1	-2.4
Maximum expense for the whole programme	-4.8	-3.1	-2.4
Total expense during 2014	-2.2	-0.3	0.0
Total expense during 2013	-1.0	-1.1	-0.5

Parent company

EURm	LTIP 2012	LTIP 2011	LTIP 2010
Expected expense for the whole programme	-4.6	-3.0	-2.4
Maximum expense for the whole programme	-4.7	-3.0	-2.4
Total expense during 2014	-2.1	-0.3	-0.0
Total expense during 2013	-1.0	-1.1	-0.5

[1] All amounts excluding social security contribution.

When calculating the expected expense an expected annual employee turnover of 5% has been used. The expected expense is recognised over the vesting period of 36 months

Cash-settled share-based payment transactions
Nordea operates share-linked deferrals on parts of variable compensation for certain employee categories, indexed with Nordea Total Shareholder Returns (TSR) and either vesting after three years or vesting in equal instalments over a three to five year period. Since 2011 Nordea also operates TSR-linked retention on part of variable compensation for certain employee categories. Due to that the allocation of variable compensation is not finally decided during the current year, the deferred amount during the year in the table below relates to variable compensation earned the previous year.

In addition Nordea introduced in 2013 the Executive Incentive Programme ("EIP") which aims to strengthen Nordea's capability to retain and recruit the best talents. The aim is further to stimulate the managers and key employees whose efforts have direct impact on Nordea's result, profitability and long term value growth. EIP reward performance meeting agreed predetermined targets on Group, business unit and individual level. The effect on the long term result is to be considered when determining the targets. The EIP shall not exceed the fixed salary. EIP shall be paid in the form of cash and be subject to TSR-indexation, deferral, forfeiture clauses and retention as per relevant remuneration regulations. The main part of EIP 2014 is paid no earlier than autumn 2018. Participation in the programme is offered to up to 400 managers and key employees, except GEM who are instead offered a GEM EIP (further information about the GEM EIP can be found in the Annual Report of Nordea Bank AB (publ)), within the Nordea Group. EIP is offered instead of Nordea's LTIP and VSP for the invited employees. The allocation of the EIP 2014 is decided during spring 2015, and a reservation of EUR7m excl. social costs was made in 2014 both in the Group and parent company. 80% of the allocated amount will be subject to TSR-indexation.

The below table only includes deferred amounts indexed with Nordea TSR. EIP has been included as from 2014, when deferred. Further information regarding all deferred amounts can be found in the separate report on remuneration published on Nordea's homepage (www.nordea.com).

	Share linked deferrals			
	Group		Parent company	
EURm	2014	2013	2014	2013
Opening balance	4	3	4	3
Deferred/earned during the year	2	2	2	2
TSR indexation during the year	1	1	1	1
Payments during the year[1]	-3	-2	-3	-2
Translation differences	0	0	0	0
Closing balance	**4**	**4**	**4**	**4**

[1] There have been no adjustments due to forfeitures in 2014.

Note 8 *Staff costs, cont.*

Average number of employees

	Group		Parent company	
	2014	2013	2014	2013
Full-time employees	7,258	8,252	6,712	7,697
Part-time employees	544	623	505	584
Total	**7,802**	**9,269**	**7,217**	**8,452**
Total number of employees (FTEs), end of period	6,653	7,981	6,130	7,440

Note 9 Other expenses

	Group		Parent company	
EURm	2014	2013	2014	2013
Information technology	-196	-180	-190	-186
Marketing and representation	-22	-28	-20	-26
Postage, transportation, telephone and office expenses	-38	-43	-33	-36
Rents, premises and real estate	-89	-88	-82	-90
Other	-88	-127	-85	-109
Total	**-433**	**-466**	**-410**	**-447**

Auditors' fees

	Group		Parent company	
EURm	2014	2013	2014	2013
KPMG				
Auditing assignments	-1	-1	-1	-1
Audit-related services	0	0	0	0
Tax advisory services	0	0	0	0
Other assignments	0	0	0	0
Total	**-1**	**-1**	**-1**	**-1**

Note 10 Depreciation, amortisation and impairment charges of tangible and intangible assets

	Group		Parent company	
EURm	2014	2013	2014	2013
Depreciation/amortisation				
Properties and equipment	-21	-21	-19	-15
Intangible assets (Note 21)	-15	-17	-13	-16
Total	**-36**	**-38**	**-32**	**-31**
Impairment charges / Reversed impairment charges				
Property and equipment	-	-	-	-
Intangible assets (Note 21)	-56	-2	-56	-2
Total	**-56**	**-2**	**-56**	**-2**
Total	**-92**	**-40**	**-88**	**-33**

Note 11 Net loan losses

EURm	Group 2014	Group 2013	Parent company 2014	Parent company 2013
Loan losses divided by class				
Realised loan losses	-2	-	-2	-
Allowances to cover realised loan losses	2	-	2	-
Recoveries on previous realised loan losses	0	-	0	-
Provisions	0	0	0	0
Reversals of previous provisions	22	0	22	0
Loans to credit institutions[1]	**22**	**0**	**22**	**0**
Realised loan losses	-114	-71	-77	-40
Allowances to cover realised loan losses	127	104	120	96
Recoveries on previous realised loan losses	28	24	9	8
Provisions	-223	-216	-213	-203
Reversals of previous provisions	101	103	86	93
Loans to the public[1]	**-81**	**-56**	**-75**	**-46**
Realised loan losses	-	-	-	-
Allowances to cover realised loan losses	-	-	-	-
Recoveries on previous realised loan losses	-	-	-	-
Provisions	-14	-8	-14	-8
Reversals of previous provisions	13	11	13	11
Off-balance sheet items[2]	**-1**	**3**	**-1**	**3**
Net loan losses	**-60**	**-53**	**-54**	**-43**

[1] see Note 13 Loans and impairment

[2] Included in Note 31 Provisions as "Transfer risk, off-balance" and "Individually assessed guarantees and other commitments".

Key ratios

	Group 2014	Group 2013	Parent company 2014	Parent company 2013
Loan loss ratio, basis points[3]	5	5	5	5
- of which individual	4	6	3	6
- of which collective	2	-1	2	-1

[3] Net loan losses (annualised) divided by opening balance of loans to the public (lending).

Nordea Bank AB (publ) has guaranteed part of NBF's corporate exposures and based on the agreement NBF's loan losses decreased EUR 66m in 2014 and EUR 83m in 2013.

Note 12 Taxes

Income tax expense

EURm	Group 2014	Group 2013	Parent company 2014	Parent company 2013
Current tax	-253	-285	-214	-239
Deferred tax	21	0	26	-4
Bank tax in Finland[1]				
Total	**-232**	**-285**	**-188**	**-243**

[1] The Finnish bank tax was introduced in 2013 and is based on risk weighted assets rather than income. This tax is not included in the current- and deferred tax disclosures in this Note.

For current and deferred tax recognised in Other comprehensive income, see Statement of comprehensive income.

The tax on the Group's operating profit differs from the theoretical amount that would arise using the tax rate of Finland as follows:

	Group		Parent company	
EURm	2014	2013	2014	2013
Profit before tax	1,134	1,113	1,009	1,023
Tax calculated at a tax rate of 20% (24,5)	-227	-273	-202	-251
Income from associated undertakings	-	-	-	-
Other direct taxes	0	0	-	-
Tax-exempt income	10	3	24	31
Non-deductible expenses	-20	-14	-15	-13
Adjustments relating to prior years	5	6	5	6
Change of tax rate	-	8	-	-1
Not creditable foreign taxes	-	-15	-	-15
Tax charge	**-232**	**-285**	**-188**	**-243**
Average effective tax rate	20%	26%	19%	24%

Group	Deferred tax assets		Deferred tax liabilities	
EURm	2014	2013	2014	2013
Deferred tax related to:				
Tax losses carry-forward	-	0	-	-
Loans to the public	20	18	57	53
Financial instruments	-	-2	11	-
Intangible assets	-	-	-	-
Properties and equipment	2	2	-	-
Investment property	-	-	-	-
Retirement benefit assets/obligations	21	-27	-	0
Hedge of net investments in foreign operations	-	-	-	-
Liabilities/provisions	11	14	-	0
Netting between deferred tax assets and liabilities	-11	-	-11	
Total	**43**	**5**	**57**	**53**

Parent company	Deferred tax assets		Deferred tax liabilities	
EURm	2014	2013	2014	2013
Deferred tax related to:				
Tax losses carry-forward	-	-	-	-
Loans to the public	18	16	-	-
Financial instruments	1	-2	11	-
Intangible assets	-	-	-	-
Properties and equipment	2	2	-	-
Investment property	-	-	-	-
Retirement benefit assets/obligations	21	-27	-	-
Liabilities/provisions	10	13	-	-
Netting between deferred tax assets and liabilities	-11	-	-11	-
Total	**41**	**2**	**0**	**-**

There were no unrecognised deferred tax assets in the Group nor in the parent company in 2014 or 2013.

There was no deferred tax relating to temporary differences associated with investments in group undertakings, associated undertakings and joint ventures.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, when the deferred tax income relates to the same fiscal authority.

Note 13 Loans and impairment

	Total			
	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Loans, not impaired	148,254	148,377	147,107	147,523
Impaired loans	1,480	2,008	1,188	1,716
- performing	823	1,034	653	839
- non-performing	657	974	535	877
Loans before allowances	**149,734**	**150,385**	**148,295**	**149,239**
Allowances for individually assessed impaired loans	-516	-714	-464	-644
- performing	-323	-421	-274	-355
- non-performing	-193	-293	-190	-289
Allowances for collectively assessed impaired loans	-119	-125	-101	-107
Allowances	**-635**	**-839**	**-565**	**-751**
Loans, carrying amount	**149,099**	**149,546**	**147,730**	**148,488**

	Central banks and credit institutions			
	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Loans, not impaired	35,351	35,768	41,091	41,221
Impaired loans	0	24	0	24
- performing	-	-	-	-
- non-performing	0	24	0	24
Loans before allowances	**35,351**	**35,792**	**41,091**	**41,245**
Allowances for individually assessed impaired loans	-	-25	-	-25
- performing	-	-	-	-
- non-performing	-	-25	-	-25
Allowances for collectively assessed impaired loans	0	0	0	0
Allowances	**0**	**-25**	**0**	**-25**
Loans, carrying amount	**35,351**	**35,767**	**41,091**	**41,220**

	The public[1]			
	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Loans, not impaired	112,903	112,609	106,016	106,302
Impaired loans	1,480	1,984	1,188	1,692
- Performing	823	1,034	653	839
- Non-performing	657	950	535	853
Loans before allowances	**114,383**	**114,593**	**107,204**	**107,994**
Allowances for individually assessed impaired loans	-516	-689	-464	-619
- Performing	-323	-421	-274	-355
- Non-performing	-193	-268	-190	-264
Allowances for collectively assessed impaired loans	-119	-125	-101	-107
Allowances	**-635**	**-814**	**-565**	**-726**
Loans, carrying amount	**113,748**	**113,779**	**106,639**	**107,268**

[1] Finance leases, where the Nordea Group is a lessor, are included in Loans to the public, see Note 22 Leasing.

Note 13 *Loans and impairment, cont.*

Movements of allowance accounts for impaired loans[2]

	Total					
	Group			Parent company		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2014	**-714**	**-125**	**-839**	**-644**	**-107**	**-751**
Provisions	-170	-53	-223	-163	-50	-213
Reversals	89	34	123	78	31	109
Changes through the income statement	**-81**	**-19**	**-100**	**-85**	**-19**	**-104**
Allowances used to cover write-offs	129	-	129	122	-	122
Translation differences	150	25	175	143	25	168
Closing balance at 31 Dec 2014	**-516**	**-119**	**-635**	**-464**	**-101**	**-565**
Opening balance at 1 Jan 2013	**-657**	**-178**	**-835**	**-579**	**-161**	**-740**
Provisions	-177	-39	-216	-167	-36	-203
Reversals	55	49	104	46	47	93
Changes through the income statement	**-122**	**10**	**-112**	**-121**	**11**	**-110**
Allowances used to cover write-offs	104	-	104	96	-	96
Translation differences	-39	43	4	-40	43	3
Closing balance at 31 Dec 2013	**-714**	**-125**	**-839**	**-644**	**-107**	**-751**

	Central banks and credit institutions					
	Group			Parent company		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2014	**-25**	**0**	**-25**	**-25**	**0**	**-25**
Provisions	-	0	0	-	0	0
Reversals	23	0	23	23	0	23
Changes through the income statement	**23**	**0**	**23**	**23**	**0**	**23**
Allowances used to cover write-offs	2	-	2	2	-	2
Translation differences	-	-	-	-	-	-
Closing balance at 31 Dec 2014	**0**	**0**	**0**	**0**	**0**	**0**
Opening balance at 1 Jan 2013	**-25**	**0**	**-25**	**-25**	**0**	**-25**
Provisions	-	0	0	-	0	0
Reversals	-	0	0	-	0	0
Changes through the income statement	**-**	**0**	**0**	**-**	**0**	**0**
Allowances used to cover write-offs	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-
Closing balance at 31 Dec 2013	**-25**	**0**	**-25**	**-25**	**0**	**-25**

	The public					
	Group			Parent company		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2014	**-689**	**-125**	**-814**	**-619**	**-107**	**-726**
Provisions	-170	-53	-223	-163	-50	-213
Reversals	66	34	100	55	31	86
Changes through the income statement	**-104**	**-19**	**-123**	**-108**	**-19**	**-127**
Allowances used to cover write-offs	127	-	127	120	-	120
Translation differences	150	25	175	143	25	168
Closing balance at 31 Dec 2014	**-516**	**-119**	**-635**	**-464**	**-101**	**-565**
Opening balance at 1 Jan 2013	**-632**	**-178**	**-810**	**-554**	**-161**	**-715**
Provisions	-177	-39	-216	-167	-36	-203
Reversals	55	49	104	46	47	93
Changes through the income statement	**-122**	**10**	**-112**	**-121**	**11**	**-110**
Allowances used to cover write-offs	104	-	104	96	-	96
Translation differences	-39	43	4	-40	43	3
Closing balance at 31 Dec 2013	**-689**	**-125**	**-814**	**-619**	**-107**	**-726**

[2] See Note 11 Net loan losses

Allowances and provisions

	Total			
	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Allowances for items in the balance sheet	-635	-839	-565	-751
Provisions for off balance sheet items	-31	-30	-31	-30
Total allowances and provisions	**-666**	**-869**	**-596**	**-781**

	Central banks and credit institutions			
	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Allowances for items in the balance sheet	0	-25	0	-25
Provisions for off balance sheet items	-7	-7	-7	-7
Total allowances and provisions	**-7**	**-32**	**-7**	**-32**

	The public			
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2012
Allowances for items in the balance sheet	-635	-814	-565	-726
Provisions for off balance sheet items	-24	-23	-24	-23
Total allowances and provisions	**-659**	**-837**	**-589**	**-749**

Key ratios

	Group		Parent company	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Impairment rate, gross[3], basis points	99	133	80	115
Impairment rate, net[4], basis points	64	86	49	72
Total allowance rate[5], basis points	42	56	38	50
Allowances in relation to impaired loans[6], %	35	36	39	38
Total allowances in relation to impaired loans[7], %	43	42	48	44
Non-performing loans, not impaired[8], EURm	28	66	20	61

[3] Individually assessed impaired loans before allowances divided by total loans before allowances.
[4] Individually assessed impaired loans after allowances divided by total loans before allowances.
[5] Total allowances divided by total loans before allowances.
[6] Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.
[7] Total allowances divided by total impaired loans before allowances.
[8] Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Note 14 Interest-bearing securities

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
State and sovereigns	13,991	8,672	13,991	8,672
Municipalities and other public bodies	165	146	165	146
Mortgage institutions	8,455	12,353	8,455	12,353
Other credit institutions	9,924	10,766	9,924	10,766
Corporates	1,388	1,881	1,388	1,881
Corporates, sub-investment grade	720	428	720	428
Other	-	0	-	0
Total	**34,643**	**34,246**	**34,643**	**34,246**

Note 15 Financial instruments pledged as collateral

Financial instruments pledged as collateral
In repurchase transactions and in securities lending transactions, non-cash assets are transferred as collateral. When the counterpart receiving the collateral has the right to sell or repledge the assets, the assets are reclassified on the balance sheet to the item Financial instruments pledged as collateral.

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Interest-bearing securities	11,058	9,739	11,058	9,739
Total	**11,058**	**9,739**	**11,058**	**9,739**

For information on transferred assets and reverse repos, see Note 42.

Note 16 Shares

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Shares	1,215	56	1,215	56
Shares taken over for protection of claims	-	-	-	-
Fund units, equity related	688	592	687	591
Fund units, interest related	15	32	15	32
Total	**1,918**	**680**	**1,917**	**679**
- of which Financial instruments pledged as collateral (Note 15)	-	-	-	-
Total	**1,918**	**680**	**1,917**	**679**

Note 17 Derivatives and hedge accounting

	Group			Parent company		
	Fair value		Total nom.	Fair value		Total nom.
31 Dec 2014, EURm	Positive	Negative	amount	Positive	Negative	amount
Derivatives held for trading						
Interest rate derivatives						
Interest rate swaps	64,490	61,858	4,157,905	64,490	61,858	4,157,905
Futures and forwards	296	305	1,284,608	296	305	1,284,608
Options	15,532	13,691	478,828	15,532	13,691	478,828
Other	1	2	2,006	1	2	2,006
Total	**80,319**	**75,856**	**5,923,347**	**80,319**	**75,856**	**5,923,347**
Equity derivatives						
Equity swaps	294	307	14,444	294	307	14,444
Futures and forwards	16	9	956	16	9	956
Options	624	924	19,422	624	924	19,422
Total	**934**	**1,240**	**34,822**	**934**	**1,240**	**34,822**
Foreign exchange derivatives						
Currency and interest rate swaps	17,719	21,376	784,772	17,719	21,376	784,772
Currency forwards	2,026	891	74,720	2,026	891	74,720
Options	349	292	27,047	349	292	27,047
Total	**20,094**	**22,559**	**886,539**	**20,094**	**22,559**	**886,539**
Credit derivatives						
Credit default swaps (CDS)	2,864	2,860	92,083	2,864	2,860	92,083
Total rate of return swaps	-	-	-	-	-	-
Total	**2,864**	**2,860**	**92,083**	**2,864**	**2,860**	**92,083**
Commodity derivatives						
Swaps	62	38	253	62	38	253
Futures and forwards	-	-	169	-	-	169
Options	9	-19	369	9	-19	369
Other	-	-	-	-	-	-
Total	**71**	**19**	**791**	**71**	**19**	**791**
Other derivatives						
Options	18	17	564	18	17	564
Other	12	13	24	12	13	24
Total	**30**	**30**	**588**	**30**	**30**	**588**
Total derivatives held for trading	**104,312**	**102,564**	**6,938,170**	**104,312**	**102,564**	**6,938,170**
Derivatives used for hedge accounting						
Interest rate derivatives	883	311	34,936	883	311	34,936
Equity derivatives	-	-	-	-	-	-
Foreign exchange derivatives	59	1	250	59	1	250
Credit derivatives	-	-	-	-	-	-
Other derivatives	-	-	-	-	-	-
Total derivatives used for hedge accounting	**942**	**312**	**35,186**	**942**	**312**	**35,186**
- of which cash flow hedges	65	3	12,702[1]	65	3	12,702[1]
- of which fair value hedges	877	309	22,484[1]	877	309	22,484[1]
Total derivatives	**105,254**	**102,876**	**6,973,356**	**105,254**	**102,876**	**6,973,356**

[1] Some cross currency interest rate swaps and interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are then reported on both lines.

Periods when hedged cashflows are expected to occur and when they are expected to affect the income statement

Group

31 Dec 2014, EURm	<1 year	1-3 years	3-5 years	5-10 years	Over 10 years
Cash inflows (assets)	-	-	-	-	-
Cash outflows (liabilities)	-2,000	-3,758	-4,500	-2,366	69
Net cash flows	**-2,000**	**-3,758**	**-4,500**	**-2,366**	**69**

Note 17 *Derivatives and hedge accounting, cont.*

	Group			Parent company		
	Fair value		Total nom.	Fair value		Total nom.
31 Dec 2013, EURm	Positive	Negative	amount	Positive	Negative	amount
Derivatives held for trading						
Interest rate derivatives						
Interest rate swaps	48,067	44,566	3,950,077	48,067	44,566	3,950,077
Futures and forwards	203	211	1,156,307	203	211	1,156,307
Options	8,406	8,261	583,111	8,406	8,261	583,111
Total	**56,676**	**53,038**	**5,689,495**	**56,676**	**53,038**	**5,689,495**
Equity derivatives						
Equity swaps	425	232	10,887	425	232	10,887
Futures and forwards	7	5	912	7	5	912
Options	546	695	15,871	546	695	15,871
Total	**978**	**932**	**27,670**	**978**	**932**	**27,670**
Foreign exchange derivatives						
Currency and interest rate swaps	9,804	10,670	797,916	9,804	10,670	797,916
Currency forwards	473	515	91,719	473	515	91,719
Options	185	150	21,228	185	150	21,228
Total	**10,462**	**11,335**	**910,863**	**10,462**	**11,335**	**910,863**
Credit derivatives						
Credit default swaps	1,337	1,361	60,889	1,337	1,361	60,889
Total rate of return swaps	-	-	-	-	-	-
Total	**1,337**	**1,361**	**60,889**	**1,337**	**1,361**	**60,889**
Commodity derivatives						
Swaps	105	92	2,125	105	92	2,125
Futures and forwards	11	10	762	11	10	762
Options	28	11	1,048	28	11	1,048
Other	-	-	-	-	-	-
Total	**144**	**113**	**3,935**	**144**	**113**	**3,935**
Other derivatives						
Options	13	14	431	13	14	431
Other	15	13	32	15	13	32
Total	**28**	**27**	**463**	**28**	**27**	**463**
Total derivatives held for trading	**69,625**	**66,806**	**6,693,315**	**69,625**	**66,806**	**6,693,315**
Derivatives used for hedge accounting						
Interest rate derivatives	565	144	62,386	565	144	62,386
Foreign exchange derivatives	44	159	1,026	44	159	1,026
Total derivatives used for hedge accounting	**609**	**303**	**63,412**	**609**	**303**	**63,412**
- of which cash flow hedges	39	219	13,957[1]	39	219	13,957[1]
- of which fair value hedges	570	84	62,212[1]	570	84	62,212[1]
Total derivatives	**70,234**	**67,109**	**6,756,727**	**70,234**	**67,109**	**6,756,727**

[1] Some cross currency interest rate swaps and interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are then reported on both lines.

Periods when hedged cashflows are expected to occur and when they are expected to affect the income statement

Group

31 Dec 2013, EURm	<1 year	1-3 years	3-5 years	5-10 years	Over 10 years
Cash inflows (assets)	-	-	-	-	-
Cash outflows (liabilities)	2,569	3,663	3,724	3,829	69
Net cash flows	**2,569**	**3,663**	**3,724**	**3,829**	**69**

Note 18 Fair value changes of the hedged items in portfolio hedge of interest rate risk

Assets

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Carrying amount at beginning of year	58	124	58	124
Changes during the year				
- Revaluation of hedged items	18	-66	18	-66
Carrying amount at end of year	**76**	**58**	**76**	**58**

Liabilities

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Carrying amount at beginning of year	369	637	369	637
Changes during the year				
- Revaluation of hedged items	404	-268	404	-268
Carrying amount at end of year	**773**	**369**	**773**	**369**

The carrying amount at end of year represents accumulated changes in the fair value for those repricing time periods in which the hedged item is an asset respectively a liability. When the hedged item is an asset, the change in the fair value of the hedged item is presented within assets and when the hedged item is a liability, the change is presented as a liability.

Note 19 Investments in group undertakings

Parent company

EURm	31 Dec 2014	31 Dec 2013
Acquisition value at beginning of year	376	373
Acquisitions during the year	4	7
Sales during the year	-55	-4
Translation differences	-1	0
Acquisition value at end of year	**324**	**376**
Accumulated impairment charges at beginning of year	-	-
Impairment charges during the year	-16	-
Translation differences	-	-
Accumulated impairment charges at end of year	**-16**	**-**
Total	**308**	**376**

Specification

This specification includes all directly owned group undertakings and major group undertakings to the directly owned companies.

Group

31 Dec 2014	Number of shares	Carrying amount 2014 EURm	Carrying amount 2013 EURm	Voting power of holding, %	Domicile	Business ID
Domestic						
Credit institutions						
Nordea Finance Finland Ltd	1,000,000	306	306	100.0	Helsinki	0112305-3
Financial institutions						
Tukirahoitus Oy[1]	672	7	7	100.0	Espoo	0677131-6
Real estate companies						
Kiinteistö Oy Tampereen Kirkkokatu 7[1]	280	50	50	100.0	Tampere	0819781-3
Kiinteistö Oy Levytie 6[1]	67	5	5	100.0	Helsinki	2557073-9
Kiinteistö Oy Tulppatie 7[1]	80	7	7	100.0	Helsinki	2557075-5
International						
Financial institutions						
Nordea Finance Polska S.A[2]	-	-	0	100.0	Warsaw	PL5861944082
Nordea Finance Estonia Ltd[1]	60,000	6	6	100.0	Tallinn	EE100212426
Nordea Finance Latvia Ltd[1]	1,100	4	4	100.0	Riga	LV40003348054
Nordea Finance Lithuania Ltd[1]	6,540	4	4	100.0	Vilnius	LT111667277
Nordea Securities Holding (U.K.) Ltd	49,010,000	2	2	100.0	London	01803666
Real estate companies						
Promano Est OÜ[2]	-	-	10	100.0	Tallinn	11681888
Promano Lit UAB[2]	-	-	10	100.0	Vilnius	302423219
SIA Promano Lat[2]	-	-	30	100.0	Riga	40103235197
SIA Realm[2]	-	-	10	100.0	Riga	50103278681

Other subsidiaries included in the consolidated financial statements; total assets of less than EUR 10m	Number of companies	Carrying amount of shares EURm	Total assets EURm
Real estate companies	7	11	19
Other companies	5	0	76

[1] Indirect holding through Nordea Finance Finland Ltd, a subsidiary of Nordea Bank Finland Plc.

[2] Sold in April 2014

The parent company of Nordea Bank Finland Plc is Nordea Bank AB (publ) domiciled in Stockholm, registration number 516406-0120. The Annual Report 2014 of Nordea Bank AB (publ) may be down-loaded on the Internet at www.nordea.com and is available from Nordea Group Investor Relations, SE 105 71 Stockholm, Sweden. The Annual Report 2014 of the Nordea Group is also available at branches of Nordea Bank Finland Plc.

Group

Special Purpose Entities (SPEs) – Consolidated

After the sale of the Baltic operations there are no consolidated SPEs in NBF. The consolidated value in 2013 was EUR 2m.

Note 20 Investments in associated undertakings

EURm	Group 31 Dec 2014	Group 31 Dec 2013	Parent company 31 Dec 2014	Parent company 31 Dec 2013
Acquisition value at beginning of year	61	80	43	43
Acquisitions during the year	0	1	-	-
Sales during the year	-6	-	-6	-
Share in earnings	3	8	-	-
Dividend received	-17	-27	-	-
Reclassifications	-	-1	-	-
Translation differences	-	-	-	-
Acquisition value at end of year	**41**	**61**	**37**	**43**
Accumulated impairment charges at beginning of year	-2	-2	-9	-9
Reversed impairment charges during the year	-	-	-	-
Impairment charges during the year	-	-	-	-
Reclassifications	-	-	-	-
Translation differences	0	0	-	-
Accumulated impairment charges at end of year	**-2**	**-2**	**-9**	**-9**
Total	**39**	**59**	**28**	**34**

Nordea Bank Finland Plc's and Nordea Bank Finland Group's associated undertakings' aggregated balance sheets and income statements can be summarised as follows:

EURm	31 Dec 2014	31 Dec 2013
Total assets	173	242
Net profit	2	2
Other comprehensive income	0	0
Total comprehensive income	2	2

Nordea Bank Finland Plc's and Nordea Bank Finland Group' s share of contingent liabilities and commitments in favour of associated undertakings of Nordea Bank Finland Group amounts to EUR 32m (83), of which the unused portion of approved overdraft facilities is EUR 32m (63).

Group

31 Dec 2014	Business ID	Domicile	Carrying amount 2014, EURm	Carrying amount 2013, EURm	Voting power of holding %
Automatia Pankkiautomaatit Oy	0974651-1	Helsinki	7	8	33.3
Fenestra Oy[1]	0177676-7	Vantaa	0	0	9.9
NF Fleet Oy	2006935-5	Espoo	5	3	20.0
UAB ALD Automotive, Lithuania	300156575	Vilnius	2	1	25.0
ALD Automotive Eesti AS, Estonia	11094435	Tallin	1	1	25.0
ALD Automotive SIA, Latvia	50003825931	Riga	1	1	25.0
Oy Realinvest Ab	0680035-9	Helsinki	0	0	49.3
Realia Holding Oy	2106796-8	Helsinki	20	20	25.0
Securus Oy	0742429-5	Helsinki	0	0	35.2
Suomen Luotto-osuuskunta	0201646-0	Helsinki	3	25	27.3
Total			**39**	**59**	

[1] Nordea Bank Finland Plc holds currently convertible bonds which, if converted, would give Nordea Bank Finland significant influence over the entity.

Parent company

31 Dec 2014	Business ID	Domicile	Carrying amount 2014, EURm	Carrying amount 2013, EURm	Voting power of holding %
Automatia Pankkiautomaatit Oy	0974651-1	Helsinki	5	5	33.3
Fenestra Oy[1]	0177676-7	Vantaa	0	0	9.9
Realia Holding Oy	2106796-8	Helsinki	20	20	25.0
Oy Realinvest Ab	0680035-9	Helsinki	0	0	49.3
Securus Oy	0742429-5	Helsinki	0	0	35.2
Suomen Luotto-osuuskunta	0201646-0	Helsinki	3	9	27.3
Total			**28**	**34**	

[1] Nordea Bank Finland Plc holds currently convertible bonds which, if converted, would give Nordea Bank Finland significant influence over the entity.

Note 21 Intangible assets

EURm	Group 31 Dec 2014	Group 31 Dec 2013	Parent Company 31 Dec 2014	Parent Company 31 Dec 2013
Computer software	42	94	35	97
Other intangible assets, total	5	6	0	1
Total intangible assets	**47**	**100**	**35**	**98**

	Group 31 Dec 2014	Group 31 Dec 2013	Parent company 31 Dec 2014	Parent company 31 Dec 2013
Movements in computer software				
Acquisition value at beginning of year	166	156	171	163
Acquisitions during the year	20	11	10	9
Sales/disposals during the year	0	-	-2	-
Reclassifications	0	-1	3	-1
Translation differences	0	0	0	-
Acquisition value at end of year	**186**	**166**	**182**	**171**
Accumulated amortisation at beginning of year	-64	-50	-66	-52
Amortisation according to plan for the year	-14	-15	-13	-15
Accumulated amortisation on sales/disposals during the year	-	-	1	-
Reclassifications	-1	1	-4	1
Translation differences	-	0	0	-
Accumulated amortisation at end of year	**-79**	**-64**	**-82**	**-66**
Accumulated impairment charges at beginning of year	-8	-6	-8	-6
Impairment charges during the year	-57	-2	-57	-2
Accumulated impairment charges at end of year	**-65**	**-8**	**-65**	**-8**
Total	**42**	**94**	**35**	**97**

Note 22 Leasing

NBF as a lessor

Finance leases
Nordea Bank Finland Group owns assets leased to customers under finance lease agreements. Finance lease agreements are reported as receivables from the lessee included in "Loans to the public" (see Note 13) at an amount equal to the net investment in the lease. The leased assets mainly comprise vehicles, machinery and other equipment.

Reconciliation of gross investments and present value of future minimum lease payments:

EURm	Group 31 Dec 2014	Group 31 Dec 2013
Gross investments	2,509	2,596
Less unearned finance income	-124	-139
Net investments in finance leases	**2,385**	**2,457**
Less unguaranteed residual values accruing to the benefit of the lessor	-22	-73
Present value of future minimum lease payments receivable	**2,363**	**2,384**
Accumulated allowance for uncollectible minimum lease payments receivable	8	10

As of 31 December 2014 the gross investment and the net investment by remaining maturity was distributed as follows:

	Group	
	31 Dec 2014	31 Dec 2014
EURm	Gross investment	Net investment
2015	951	890
2016	584	553
2017	486	468
2018	280	271
2019	153	150
Later years	54	53
Total	**2,508**	**2,385**

Operating leases
Assets subject to operating leases mainly comprise vehicles and other equipment. On the balance sheet they are reported as tangible assets.

Under non-cancellable operating leases, the future minimum lease payments receivables are distributed as follows:

	Group
EURm	31 Dec 2014
2015	1
2016	1
2017	0
2018	0
2019	0
Later years	0
Total	**2**

NBF as a lessee

Finance leases
Nordea Bank Finland Group has only to a minor extent entered into finance lease agreements. The carrying amount of assets subject to finance leases amounts to EUR 0m (0).

Operating leases
Nordea Bank Finland Group has entered into operating lease agreements for premises and office equipment.

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
Leasing expenses during the year, EURm	2014	2013	2014	2013
Leasing expenses during the year	-65	-66	-63	-69
- of which minimum lease payments	-62	-65	-63	-69
- of which contingent rents	-1	-1	-	-
Leasing income during the year regarding sublease payments	-	-	-	-

Future minimum lease payments under non-cancellable operating leases amounted to and are distributed as follows:

	Group	Parent company
EURm	31 Dec 2014	31 Dec 2014
2015	55	51
2016	40	37
2017	27	27
2018	23	23
2019	18	18
Later years	93	93
Total	**256**	**249**

Note 23 Investment properties

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Carrying amount at beginning of year	113	104	8	10
Acquisitions during the year	1	29	0	2
Sales/disposals during the year	-112	-20	-6	-4
Net result from fair value adjustments	0	0	-	-
Carrying amount at end of year	**2**	**113**	**2**	**8**

Amounts recognised in the income statement[1]

EURm	2014	2013	2014	2013
Rental income	1	1	1	1
Direct operating expenses that generate rental income	-4	-3	-4	-3

[1]Together with fair value adjustments included in Net result from items at fair value.

Market value	2	113	2	8

For further information regarding investment properties, see Note 40.

Note 24 Other assets

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Claims on securities settlement proceeds	980	906	980	905
Cash/ margin receivables	12,978	6,607	12,978	6,607
Other	666	764	628	721
Total	**14,624**	**8,277**	**14,586**	**8,233**

Note 25 Prepaid expenses and accrued income

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Accrued interest income	113	313	105	308
Other accrued income	319	248	146	69
Prepaid expenses	8	11	8	9
Total	**440**	**572**	**259**	**386**

Note 26 Deposits by credit institutions

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Central banks	10,139	5,780	10,139	5,780
Banks	68,212	60,908	67,970	60,796
Other credit institutions	9,017	12,738	9,020	12,739
Total	**87,368**	**79,426**	**87,128**	**79,315**

Note 27 Deposits and borrowings from the public

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Deposits	52,593	53,983	52,587	53,992
Repurchase agreements	24,286	26,926	24,286	26,916
Total	**76,879**	**80,909**	**76,873**	**80,908**

Note 28 Debt securities in issue

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Certificates of deposit	22,871	16,408	22,871	16,408
Commercial papers	887	7,122	887	7,122
Covered bonds	16,212	15,473	16,212	15,473
Other bonds	8,502	8,127	8,502	8,127
Total	**48,472**	**47,130**	**48,472**	**47,130**

Note 29 Other liabilities

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Liabilities on securities settlement proceeds	631	665	631	665
Sold, not held, securities	6,273	10,405	6,273	10,405
Accounts payable	37	60	31	40
Cash/margin payables	10,061	5,872	10,061	5,872
Other	1,575	1,853	1,374	1,705
Total	**18,577**	**18,855**	**18,370**	**18,687**

Note 30 Accrued expenses and prepaid income

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Accrued interest	10	303	10	303
Other accrued expenses	611	413	502	302
Prepaid income	183	150	99	63
Total	**804**	**866**	**611**	**668**

Note 31 Provisions

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Reserve for restructuring costs	45	26	44	26
Transfer risks, off-balance	8	9	8	9
Individually assessed guarantees and other commitments	23	21	23	21
Tax	0	1	-	-
Other	9	15	7	11
Total	**85**	**72**	82	**67**

Group

EURm	Restructuring	Transfer risks	Guarantees/ commitments	Tax	Other	Total
At the beginning of year	26	9	21	1	15	72
New provisions made	39	3	11	-	0	53
Provisions utilised	-18	-	-	-	-1	-19
Reversals	-2	-4	-9	-1	-4	-20
Reclassifications	-	-	-	-	-	-
Translation differences	-	-	-	-	-1	-1
At the end of year	**45**	**8**	**23**	**0**	**9**	**85**

Provisions for restructuring costs amounts to EUR 45m and covers termination benefits (EUR 43m) and other provisions mainly related to redundant premises (EUR2m). The restructuring activities have mainly been launched to reach the anticipated cost efficiency and profitability, and as a part of this Nordea plans to reduce the number of employees, partly through close down of branches. The majority of the provision is expected to be used during 2015-2016. As with any other provision there is an uncertainty around timing and amount, which is expected to be decreased as the plan is being executed.

Provision for Transfer risk of EUR 8m is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note 13. Provision for Transfer risk is depending on the volume of business with different countries.

Loan loss provisions for individually assessed guarantees and other commitments amounted to EUR 23m.

Other provisions (EUR 9m) refer to the following provisions: Legal Disputes of EUR 4m, provision for environmental and property-related obligations of EUR 3m and other provisions amounting to EUR 2m (EUR 9m expected to be settled in 2015).

Parent company

EURm	Restructuring	Transfer risks	Guarantees/ commitments	Other	Total
At beginning of year	26	9	21	11	67
New provisions made	38	3	11	-	52
Provisions utilised	-18	-	-	-	-18
Reversals	-2	-4	-9	-4	-19
Translation differences	-	-	-	-	-
At the end of year	**44**	**8**	**23**	**7**	**82**

Provisions for restructuring costs amounts to EUR 44m and covers termination benefits (EUR 42m) and other provisions mainly related to redundant premises (EUR 2m). The restructuring activities have mainly been launched to reach the anticipated cost efficiency and profitability, and as a part of this Nordea plans to reduce the number of employees, partly through close down of branches. The majority of the provision is expected to be used during 2015-2016. As with any other provision there is an uncertainty around timing and amount, which is expected to be decreased as the plan is being executed.

Provision for Transfer risk of EUR 8m is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note 13. Provision for Transfer risk is depending on the volume of business with different countries.

Loan loss provisions for individually assessed guarantees and other commitments amounted to EUR 23m.

Other provisions refer (EUR 7m) to the following provisions: Legal Disputes of EUR 4m and provision for environmental and property-related obligations of EUR 3m (EUR 7m expected to be settled in 2015).

Note 32 Retirement benefit obligations

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Defined benefit plans, net	-2	-112	0	-111
Total	**-2**	**-112**	**0**	**-111**

NBF has various pension plans, which are classified both as defined benefit plans as well as defined contribution plans. IAS 19 secures that the pension obligations net of plan assets backing these obligations is reflected on the Group's balance sheet. The defined benefit plans in Finland are closed to new employees and instead, pensions for new employees are based on defined contribution (DCP) arrangements. The plans for the foreign branches are also mainly defined contribution plans. The existing defined benefit plans in London and New York are closed to new employees. Defined contribution plans are not reflected on the balance sheet except when earned pension rights have not yet been paid for.

The pension plans are structured in accordance with local regulations, legislations and local practice. Plan assets are generally held in a separate pension fund or foundation. Minimum funding requirement differ between plans but generally the pension obligation measured using local requirements shall be covered in full or with a predetermined surplus.

Characteristics of the Nordea Pension Foundation
The most significant of the Finnish plans is the Nordea Pension Foundation. Nordea Pension Foundation plan is a final salary and service based pension plan providing pension benefits on top of the statutory systems. The employer has promised a certain level of benefit after retirement to a certain group of employees within the plan. Plan's operation is managed by the Board of Members. The board consists of both employers' and employee's representatives. The Board of Members has named a managing director to take care of regular operations in the foundation.

The plan exposes the employer to certain risks. If the return of foundation's assets is not enough to cover the increment of liability and benefit payments over the financial year then the employer funds the deficit with contributions. The present value of the defined benefit liability is calculated using a discount rate determined by reference to high quality bond yields. A decrease in the corporate bond yields increases the liabilities along with increment of plan's benefit obligation calculated according to IAS 19. However, part of increment of obligation is offset by asset increment along with the increment of plan's bond holdings. Asset volatility may also impact NBF although basically the distribution of assets to different asset classes is strictly dictated by authorities so significant concentration risk cannot be borne. The plan's benefits in payment are tied to TyEL-index which depends on inflation (80 %) and common salary index (20 %). Higher inflation increases the TyEL-index which leads to an increase in liabilities. Higher inflation causes extra challenges to investment activities from which the employer in the last resort is responsible. The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in life expectancy of the plan participants will increase the plan's liability.

After having the necessary approval from the Finnish FSA, Nordea Pension Foundation will return the excess cover capital to the members of the Pension Foundation. The estimated amount is totally EUR 21m, of which the major part belongs to NBF Group companies. The amount has been taken into account when preparing the actuarial calculations for the year 2014.

IAS 19 pension calculations and assumptions

Calculations on major plans are performed by external liability calculators and are based on the actuarial assumptions.

Assumptions[1]	Finland
2014	
Discount rate[2]	2.0%
Salary increase	2.0%
Inflation	1.5%
Mortality	Compertz
Increase in income base amount	1,9%
2013	
Discount rate[2]	3.5%
Salary increase	2.5%
Inflation	1.5%
Mortality	Compertz
Increase in income base amount	1.9%

[1] The assumptions disclosed for 2014 have an impact on the liability calculation by year-end 2014, while the assumptions disclosed for 2013 are used for calculating the pension expense in 2014.

[2] More information on the discount rate can be found in Note 1, section 19. The sensitivities to changes in the discount rate can be found below.

Sensitivities - Impact on Defined Benefit Obligation (DBO)	Group 2014	Group 2013	Parent company 2014	Parent company 2013
Discount rate - Increase 50bps	-7.2%	-6.3%	-7.1%	-6.3%
Discount rate - Decrease 50bps	8.1%	7.1%	8.1%	7.1%
Salary increase - Increase 50bps	0.4%	0.3%	0.4%	0.3%
Salary increase - Decrease 50bps	-0.4%	-0.3%	-0.4%	-0.3%
Inflation - Increase 50bps	4.7%	4.3%	4.6%	4.2%
Inflation - Decrease 50bps	-4.3%	-4.0%	-4.3%	-3.9%
Mortality - Increase 1 year	3.7%	2.9%	3.7%	2.9%
Mortality - Decrease 1 year	-3.6%	-	-3.6%	-

The sensitivity analyses are prepared by changing one actuarial assumption while keeping the other assumptions unchanged. This is a simplified approach since the actuarial assumptions usually are correlated. However, it enables the reader to isolate one effect from another. The method used for calculating the impact on the obligation is the same as when calculating the obligation accounted for in the financial statements.

Compared with the 2013 Annual Report there have been no changes in the methods used when preparing the sensitivity analyses.

Net retirement benefit liabilities/assets

EURm	Group 2014	Group 2013	Parent company 2014	Parent company 2013
Obligations	948	788	934	776
Plan assets	946	900	934	887
Net liability(-)/asset (+)	**-2**	**112**	**0**	**111**
- of which retirement benefit liabilities	28	21	25	20
- of which retirement benefit assets	25	133	25	132

Movements in the obligation

EURm	Group 2014	Group 2013	Parent company 2014	Parent company 2013
Opening balance	788	863	776	839
Current service cost	2	3	2	2
Interest cost	27	29	27	29
Pensions paid	-42	-41	-42	-41
Past service cost	0	1	0	1
Settlements	0	-4	0	-4
Business combinations	-	-	-	12
Remeasurement from changes in demographic assumptions	28	-1	28	-1
Remeasurement from changes in financial assumptions	145	-46	142	-45
Remeasurement from experience adjustments	-8	-14	-7	-14
Translation differences	8	-2	8	-2
Closing balance	**948**	**788**	**934**	**776**

The average duration of the obligation is 14 years both in the Group and the parent company. The duration is based on discounted cash flows. The fact that the main part of the defined benefit plans are closed for new entrants leads to a lower duration.

Movements in the fair value of plan assets

	Group		Parent company	
EURm	2014	2013	2014	2013
Opening balance	900	893	887	873
Interest income (calculated using the discount rate)	31	30	31	30
Pensions paid	-42	-41	-42	-41
Settlements	0	-1	0	-1
Business combinations	-	-	-	8
Contributions by employer	-14	10	-13	10
Remeasurement (actual return less interest income)	63	11	63	10
Administrative expenses	0	0	0	0
Translation differences	8	-2	8	-2
Closing balance	**946**	**900**	**934**	**887**

Asset composition
The combined return on assets in 2014 was 10% (5). The asset return was driven particularly by strong return on long dated sovereign bonds. Other assets including equity investments, real estate and credit investments also contributed positively. At the end of the year, the equity exposure in pension foundation represented 28% (27) of total assets.

Asset composition in funded schemes	2014	2013
Bonds	59%	57%
- sovereign	75%	36%
- covered bonds	-	5%
- corporate bonds	23%	16%
- issued by Nordea entities	-	0%
- with quoted market price in an active market	100%	57%
Equity	28%	27%
- domestic	33%	9%
- European	27%	8%
- US	26%	6%
- emerging	14%	4%
- with quoted market price in an active market	100%	27%
Real Estate	10%	13%
- occupied by Nordea	28%	4%
Cash and cash equivalents	3%	3%

[1] The geographical location of the real estate follows the geographical location of the relevant pension plan.

Both the Group and the parent company is expected to contribute EUR 7m to its defined benefit plans in 2015.

Defined benefit pension cost
The total net pension cost related to defined benefit plans recognised in the Group's income statement (as staff costs) for the year 2014 is EUR 1m positive (0m). In the parent company's income statement the respective cost was EUR 1m positive (1) in 2014.

Total pension costs comprise defined benefit pension costs as well as costs related to defined contribution plans. (See specification in Note 8.)

	Group		Parent company	
Recognised in the income statement, EURm	2014	2013	2014	2013
Current service cost	3	2	2	2
Net interest	-4	-1	-3	-1
Past service cost	0	1	0	1
Settlements	0	-3	0	-3
Administrative expenses	0	0	0	0
Pension cost on defined benefit plans	**-1**	**0**	**-1**	**-1**

The pension cost is in line with what was expected at the start of the year.

Note 32 *Retirement benefit obligations, cont.*

	Group		Parent company	
Recognised in other comprehensive income, EURm	2014	2013	2014	2013
Remeasurement from changes in demographic assumptions	28	-1	28	-1
Remeasurement from changes in financial assumptions	145	-46	142	-45
Remeasurement from experience adjustments	-8	-14	-7	-14
Remeasurement of plan assets (actual return less interest income)	-63	-11	-63	-10
Pension cost on defined benefit plans (expense+, income-)	**102**	**-72**	**100**	**-70**

	Group		Parent company	
Net retirement benefit asset//liability	2014	2013	2014	2013
Opening balance	-112	-30	-111	-34
Pension cost in the income statement	-1	0	-1	-1
Remeasurements in other comprehensive income	102	-72	100	-70
Business combinations	-	-	-	4
Pensions paid	0	0	0	0
Contributions by employer	13	-10	13	-10
Translation differences	0	0	0	0
Closing balance	**2**	**-112**	**1**	**-111**

Key management personnel
The members of the Board of Directors of Nordea Bank Finland Plc and the President, are members of the Nordea Bank AB (publ) Group Executive Management, except for the one external member Carl-Johan Granvik. In 2013 Nordea Bank AB (publ) has paid all salaries, fees, pensions and other staff-related expenses to the above mentioned other members of the Board and the President. Nordea Bank AB (publ) has allocated these salary expenses to Nordea Bank Finland Plc as part of the Head Office Allocation expenses.

Information on salaries, loans and pension liabilities regarding the above mentioned other members of the Board and the President is presented in the Annual Report of Nordea Bank AB (publ).

Note 33 Subordinated liabilities

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Dated subordinated debenture loans	-	-	-	-
Undated subordinated debenture loans	70	429	70	429
Hybrid capital loans	550	-	550	-
Total	**620**	**429**	**620**	**429**

These debenture loans are subordinated to other liabilities. Dated debenture loans entitle the lender to payment before undated subordinated loans and hybrid capital loans. Within each respective category, the loans entitle lenders to equal payment rights.

Group and parent company

On 31 December 2014 loans - with terms specified below - exceeded 10% of the total outstanding volume.

Issued by	Year of issue / maturity	Nominal value	Carrying amount EURm	Interest rate (coupon)
Nordea Bank Finland Plc [1]	1999/undated	MJPY 10,000	70	4,21 %
Nordea Bank Finland Plc [2]	2014/30 Sep 2019	MEUR 550	550	Floating 3-month EURIBOR +4.34 %

[1] Call date 26 February 2029
[2] Call date 30 February 2019

Note 34 Assets pledged as security for own liabilities

EURm	Group 31 Dec 2014	Group 31 Dec 2013	Parent company 31 Dec 2014	Parent company 31 Dec 2013
Assets pledged for own liabilities				
Securities etc.[1]	11,058	9,739	11,058	9,739
Loans to the public	19,800	18,803	19,800	18,803
Other pledged assets	12,568	6,519	12,568	6,514
Total	**43,426**	**35,061**	**43,426**	**35,056**
The above pledges pertain to the following liabilities				
Deposits by credit institutions	6,399	3,210	6,399	3,209
Deposits and borrowings from the public	4,659	6,530	4,659	6,530
Derivatives	12,314	6,307	12,314	6,307
Debt securities in issue	16,212	15,473	16,212	15,473
Other liabilities and commitments	0	195	0	195
Total	**39,584**	**31,715**	**39,584**	**31,714**

[1] Relates only to securities recognised on the balance sheet. Securities borrowed or bought under repurchase agreements are not recognised in the balance sheet and thus not included in the amount. Such transactions are disclosed in Note 42 Transferred assets and obtained collaterals.

Assets pledged for own liabilities contain securities pledged as security in repurchase agreement and in securities lending. The transactions are conducted under standard agreements employed by financial markets participants. Counterparts in those transactions are credit institutions and the public. The transactions are typically short term with maturity within three months.

Loans to the public amounting to EUR 19,800m (18,803) have been registered as collateral for issued Finnish covered bonds amounting to EUR 16,212m (15,473). In the event of the company's insolvency, the holders of these bonds have priority to the assets registered as collateral. Collaterals are valuated up to the first 70% of the market value of the property. Nordea Bank has used Realia Oy, Newsec Oy, Huoneistokeskus Oy, Kiinteistömaailma Oy and Catella Oy to valuate commercial real estate collaterals.

Note 35 Other assets pledged

Other assets pledged are mainly related to securities which includes interest-bearing securities pledged as securities for payment settlements within the central banks and clearing institutions EUR 5,000m (2,876). The terms and conditions require day to day securities and relate to liquidity intraday/overnight. Collateral pledged on behalf of other items other than the company´s own liabilities, e.g. on behalf of a third party or on behalf of the company´s own contingent liabilities are also accounted for under this item.

Note 36 Contingent liabilities

EURm	Group 31 Dec 2014	Group 31 Dec 2013	Parent company 31 Dec 2014	Parent company 31 Dec 2013
Guarantees				
Loan guarantees	1,350	1,686	1,538	1,917
Other guarantees	11,933	12,637	11,941	12,637
Documentary credits	1,603	1,493	1,603	1,493
Other contingent liabilities	20	20	20	20
Total	**14,906**	**15,836**	**15,102**	**16,067**

In the normal business of Nordea Bank Finland, the bank issues various forms of guarantees in favour of bank's customers. Loan guarantees are given for customers to guarantee obligations in other credit- and pension institutions. Other guarantees consist mainly of commercial guarantees such as bid guarantees, advance payment guarantees, warranty guarantees and export related guarantees. Contingent liabilities also include unutilised irrevocable import documentary credits and confirmed export documentary credits. These transactions are part of the bank services and support the bank's customers. Guarantees and documentary credits are off-balance sheet items, unless there is a need for a provision to cover a probable loan loss that arises from the judgement that reimbursement will not be received.

Note 37 Commitments

	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Unutilised overdraft facilities	7,760	8,301	7,784	8,302
Loan commitments	8,261	7,581	5,513	5,120
Future payment obligations	3	7	3	7
Other commitments	766	714	449	319
Total	**16,790**	**16,603**	**13,749**	**13,748**

Reverse repurchase agreements are recognised on and derecognised from the balance sheet on settlement date. Nordea has as per 31 December 2014 signed reverse repurchase agreements of EUR 26,849m (11,335) that have not yet been settled and consequently are not recognised on the balance sheet. On settlement date these reverse repurchase agreements will, to the utmost extent, replace existing reverse repurchase agreements not yet derecognised as per 31 December 2014. These instruments have not been disclosed as commitments.

Note 38 Capital adequacy

Capital adequacy is a measure of the financial strength of a bank, usually expressed as a ratio of capital to assets. There is now a worldwide capital adequacy standard (Basel III) drawn up by the Basel Committee on Banking Supervision. Within the EU, the capital adequacy requirements are outlined in the CRD.

Common Equity Tier 1 capital and Tier 1 capital
Common Equity Tier (CET) 1 capital is defined as eligible capital including eligible reserves, net of regulatory required deductions made directly to CET1 capital. The capital recognised as CET 1 capital holds the ultimate characteristics for loss absorbance defined from a going concern perspective and represents the most subordinated claim in the event of liquidation.

The Tier 1 capital is defined as the sum of CET1 capital and Additional Tier 1 (AT1) capital where AT1 capital is the total of instruments (hybrids) issued by the bank that meet the transitional regulatory criteria and not included in the CET1 net after AT1 deductions. All AT1 capital instruments are undated subordinated capital loans.

Eligible capital and eligible reserves
Paid up capital is the share capital contributed by shareholders, including the share premium paid. Eligible reserves consist primarily of retained earnings, other reserves and income from current year. Retained earnings are earnings from previous years reported via the income statement. Other reserves are related to revaluation and translation reserves referred to acquisitions and associated companies under the equity method. The equity interests of minority shareholdings in companies that are fully consolidated in the financial group are not included. Positive income from current year is included as eligible capital after verification by the external auditors, however negative income must be deducted.

Additional Tier 1 instruments
The inclusion of undated subordinated loans in additional Tier 1 capital is restricted and repurchase can normally not take place until five years after original issuance of the instrument. Undated subordinated loans may be repaid only upon decision by the Board of Directors in NBF and with the permission of the Supervisory Authority. Furthermore, there are restrictions related to step-up conditions, order of priority, and interest payments under constraint conditions. Additional Tier 1 instruments issued that fulfil the CRD IV requirements are fully included whereas remaining instruments are phased out according to transitional rules.

For the additional Tier 1 instruments, conditions specify appropriation in order to avoid being obliged to enter into liquidation. To the extent that may be required to avoid liquidation, the principal amounts of additional Tier 1 instruments (together with accrued interest) would be written down and converting such amount into a conditional capital contribution.

Tier 2 capital
Tier 2 capital must be subordinated to depositors and general creditors of the bank. It cannot be secured or covered by a guarantee of the issuer or related entity or include any other arrangement that legally or economically enhances the seniority of the claim vis-à-vis depositors and other bank creditors.

Tier 2 instruments
Tier 2 instruments consists mainly of subordinated debt. Tier 2 instruments includes two different types of subordinated loan capital; undated loans and dated loans. Tier 2 instruments issued that fulfil the CRD IV requirements are fully included whereas remaining instruments are phased out according to transitional rules.

The basic principle for subordinated debt in own funds is the order of priority in case of a default or bankruptcy situation. Under such conditions, the holder of the subordinated loan would be repaid after other creditors, but before shareholders. The share of outstanding loan amount possible to include in the Tier 2 capital related to dated loans is reduced if the remaining maturity is less than five years.

table A2 Transitional own funds

	Group Common Equity Tier 1 capital: instruments and reserves, EURm	(A) amount at disclosure date	(C) amounts subject to pre-regulation (EU) no 575/2013 treatment or prescribed residual amount of regulation (EU) no 575/2013
1	Capital instruments and the related share premium accounts	2,918	
	of which: Share capital	2,319	
2	Retained earnings	5,831	
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	-33	
5	Minority Interests (amount allowed in consolidated CET1)	0	0
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	452	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	9,168	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-210	
8	Intangible assets (net of related tax liability) (negative amount)	-47	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	0	
11	Fair value reserves related to gains or losses on cash flow hedges	2	
12	Negative amounts resulting from the calculation of expected loss amounts	-237	0
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	6	
15	Defined-benefit pension fund assets (negative amount)	-16	0
25b	Foreseeable tax charges relating to CET1 items (negative amount)	0	
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	-213	
	Of which: …filter for unrealised loss 1	0	1
	Of which: …filter for unrealised gain 1	-213	
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	-714	
29	**Common Equity Tier 1 (CET1) capital**	8,454	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	550	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	550	
Additional Tier 1 (AT1) capital: regulatory adjustments			
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	0	
44	**Additional Tier 1 (AT1) capital**	550	
45	**Tier 1 capital (T1 = CET1 + AT1)**	9,004	
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	0	
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	69	
51	**Tier 2 (T2) capital before regulatory adjustments**	69	
Tier 2 (T2) capital: regulatory adjustments			
57	**Total regulatory adjustments to Tier 2 (T2) capital**	0	
58	**Tier 2 (T2) capital**	69	
59	**Total capital (TC = T1 + T2)**	9,073	
60	**Total risk weighted assets**	50,499	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	16.7%	
62	Tier 1 (as a percentage of risk exposure amount)	17.8%	
63	Total capital (as a percentage of risk exposure amount)	18.0%	

64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	0.0%
65	of which: capital conservation buffer requirement	0.0%
66	of which: countercyclical buffer requirement	0.0%
67	of which: systemic risk buffer requirement	0.0%
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	10.0%
Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	192
73	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	5
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	41
Applicable caps on the inclusion of provisions in Tier 2		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	27,495
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	165
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)		
84	Current cap on T2 instruments subject to phase out arrangements	364
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0

	Parent company		
	Common Equity Tier 1 capital: instruments and reserves, EURm	(A) amount at disclosure date	(C) amounts subject to pre-regulation (EU) no 575/2013 treatment or prescribed residual amount of regulation (EU) no 575/2013
1	Capital instruments and the related share premium accounts	2,918	
	of which: Share capital	2,319	
2	Retained earnings	5,293	
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	-22	
5	Minority Interests (amount allowed in consolidated CET1)	0	
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	371	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	8,560	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-210	
8	Intangible assets (net of related tax liability) (negative amount)	-35	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	0	
11	Fair value reserves related to gains or losses on cash flow hedges	2	
12	Negative amounts resulting from the calculation of expected loss amounts	-188	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	6	
15	Defined-benefit pension fund assets (negative amount)	-16	
25b	Foreseeable tax charges relating to CET1 items (negative amount)	0	

26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	-213
	Of which: …filter for unrealised loss 1	0
	Of which: …filter for unrealised gain 1	-213
28	**Total regulatory adjustments to Common equity Tier 1 (CET1)**	-654
29	**Common Equity Tier 1 (CET1) capital**	7,906
Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	550
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	550
Additional Tier 1 (AT1) capital: regulatory adjustments		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	0
44	**Additional Tier 1 (AT1) capital**	550
45	**Tier 1 capital (T1 = CET1 + AT1)**	8,456
Tier 2 (T2) capital: instruments and provisions		
46	Capital instruments and the related share premium accounts	0
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	69
51	**Tier 2 (T2) capital before regulatory adjustments**	69
Tier 2 (T2) capital: regulatory adjustments		
57	**Total regulatory adjustments to Tier 2 (T2) capital**	0
58	**Tier 2 (T2) capital**	69
59	**Total capital (TC = T1 + T2)**	8,525
60	**Total risk weighted assets**	45,955
Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	17.2%
62	Tier 1 (as a percentage of risk exposure amount)	18.4%
63	Total capital (as a percentage of risk exposure amount)	18.6%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	0.0%
65	of which: capital conservation buffer requirement	0.0%
66	of which: countercyclical buffer requirement	0.0%
67	of which: systemic risk buffer requirement	0.0%
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	10.6%
Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	192
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	41
Applicable caps on the inclusion of provisions in Tier 2		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	24,486
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	147
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)		
84	Current cap on T2 instruments subject to phase out arrangements	364
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0

Minimun capital requirement and REA

Group

EURm	31 Dec 2014 Minimun capital requirement	REA	31 Dec 2013 Minimun capital requirement	REA
Credit risk	**3,059**	**38,231**	**3,163**	**39,543**
- of which counterparty credit risk	663	8,285	362	4,520
IRB	2,200	27,496	1,827	22,837
- of which corporate	1,358	16,976	1,217	15,217
- of which advanced	*488*	*6,103*		
- of which foundation	*870*	*10,873*	*1,217*	*15,217*
- of which institutions	358	4,465	279	3,490
- of which retail	465	5,816	313	3,910
- of which secured by immovable property collateral	*184*	*2,300*	*222*	*2,769*
- of which other retail	*281*	*3,516*	*91*	*1,140*
- of which other	19	239	18	220
Standardised	859	10,735	1,336	16,706
- of which central governments or central banks	17	208	8	103
- of which regional governments or local authorities	14	170	10	122
- of which public sector entities	2	20	3	32
- of which multilateral development banks				
- of which international organisations				
- of which institutions	692	8,663	848	10,596
- of which corporate	79	995	92	1,153
- of which retail	32	395	244	3,045
- of which secured by mortgages on immovable property			74	931
- of which in default	1	13	27	333
- of which associated with particularly high risk				
- of which covered bonds	12	145	17	211
- of which institutions and corporates with a short-term credit assessment				
- of which collective investments undertakings (CIU)				
- of which equity	4	54	6	72
- of which other items	6	72	9	108
Credit Value Adjustment Risk	**172**	**2,153**		
Market risk	**443**	**5,536**	**644**	**8,048**
- of which trading book, Internal Approach	298	3,720	421	5,262
- of which trading book, Standardised Approach	135	1,690	208	2,595
- of which banking book, Standardised Approach	10	126	15	191
Operational risk	**366**	**4,579**	**405**	**5,060**
Standardised	366	4,579	405	5,060
Sub total	**4,040**	**50,499**	**4,212**	**52,652**
Adjustment for Basel I floor				
Additional capital requirement according to Basel I floor	862	10,776	274	3,425
Total	**4,902**	**61,275**	**4,486**	**56,077**

Minimun capital requirement and REA

Parent company

EURm	31 Dec 2014 Minimun capital requirement	REA	31 Dec 2013 Minimun capital requirement	REA
Credit risk	**2,737**	**34,223**	**2,805**	**35,064**
- of which counterparty credit risk	663	8,285	362	4,520
IRB	1,959	24,486	1,717	21,463
- of which corporate	1,248	15,599	1,112	13,897
- of which advanced	*489*	*6,115*		
- of which foundation	*759*	*9,484*	*1,112*	*13,897*
- of which institutions	356	4,457	279	3,488
- of which retail	337	4,215	313	3,910
- of which secured by immovable property collateral	*184*	*2,300*	*222*	*2,769*
- of which other retail	*153*	*1,916*	*91*	*1,140*
- of which other	17	215	13	168
Standardised	779	9,736	1,088	13,600
- of which central governments or central banks	16	205	8	103
- of which regional governments or local authorities	14	170	10	121
- of which public sector entities	2	20	3	32
- of which multilateral development banks				
- of which international organisations				
- of which institutions	700	8,742	849	10,608
- of which corporate	1	8	27	335
- of which retail	4	56	52	646
- of which secured by mortgages on immovable property			74	931
- of which in default	0	1	15	191
- of which associated with particularly high risk				
- of which covered bonds	10	122	17	211
- of which institutions and corporates with a short-term credit assessment				
- of which collective investments undertakings (CIU)				
- of which equity	27	343	34	424
- of which other items	5	69		
Credit Value Adjustment Risk	**172**	**2,153**		
Market risk	**443**	**5,534**	**644**	**8,048**
- of which trading book, Internal Approach	298	3,720	421	5,262
- of which trading book, Standardised Approach	135	1,691	208	2,595
- of which banking book, Standardised Approach	10	123	15	191
Operational risk	**324**	**4,045**	**365**	**4,557**
Standardised	324	4,045	365	4,557
Sub total	**3,676**	**45,955**	**3,814**	**47,669**
Adjustment for Basel I floor				
Additional capital requirement according to Basel I floor	704	8,807	222	2,781
Total	**4,380**	**54,762**	**4,036**	**50,451**

Nordea Bank AB (publ) has in December 2012 issued a guarantee in favour of Nordea Bank Finland Plc where Nordea Bank AB (publ) guarantees part of the exposures in the exposure class IRB corporate in Nordea Bank Finland Plc. The net effect of the guarantee in REA in Nordea Bank Finland Plc was EUR -3,7bn as end of 2014 (-7.6).

Leverage ratio[1]

	Group 31 Dec 2014	Parent company 31 Dec 2014
Tier 1 capital, transitional definition, EURm[2]	9,004	8,456
Leverage ratio exposure, EURm	269,431	268,340
Leverage ratio, percentage	3.3	3.2

[1] Leverage ratio and volumes presented is based on three month average according to Supervisory Authority reporting process.
[2] Including profit of the period

Capital requirements for market risk, 31 December 2014

Group and parent company

	Trading book, IM		Trading book, SA		Banking book, SA[2]		Total	
	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement
Interest rate risk[1]	949	76	1,387	111			2,336	187
Equity risk	267	21	291	23			558	45
Foreign exchange risk	325	26			126	10	451	36
Commodity risk			12	1			12	1
Settlement risk			0	0	0	0	0	0
Diversification effect	-630	-50					-630	-50
Stressed Value-at-Risk	1,702	136					1,702	136
Incremental Risk Measure	638	51					638	51
Comprehensive Risk Measure	468	37					468	37
Total	**3,720**	**298**	**1,690**	**135**	**126**	**10**	**5,536**	**443**

[1] Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.
[2] Of which the parent company EUR 123m in respect of Foreign exchange risk

The main features of the capital instruments issued by NBF are presented on the internet www.nordea.com/investor relations.

Specification over group undertakings consolidated in the Nordea Bank Finland Group

31 Dec 2014	Number of shares	Carrying amount EURm	Voting power of holding, %	Domicile	Consolidation method
Group undertakings included in the NBF Group					
Nordea Finance Finland Ltd	1,000,000	306	100	Helsinki	purchase method
Other companies		2			
Total included in the capital base		**308**			

Note 39 Classification of financial instruments

Group

31 Dec 2014, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	28,846	-	-	-	-	-	-	28,846
Loans to central banks	18	-	282	-	-	-	-	300
Loans to credit institutions	29,565	-	5,486	-	-	-	-	35,051
Loans to the public	68,971	-	44,777	-	-	-	-	113,748
Interest-bearing securities	-	66	22,772	-	-	11,805	-	34,643
Financial instruments pledged as collateral	-	-	11,058	-	-	-	-	11,058
Shares	-	-	1,911	7	-	-	-	1,918
Derivatives	-	-	104,312	-	942	-	-	105,254
Fair value changes of the hedged items in portfolio hedge of interest rate risk	76	-	-	-	-	-	-	76
Investments in associated undertakings	-	-	-	-	-	-	39	39
Intangible assets	-	-	-	-	-	-	47	47
Property and equipment	-	-	-	-	-	-	84	84
Investment property	-	-	-	-	-	-	2	2
Deferred tax assets	-	-	-	-	-	-	43	43
Current tax assets	-	-	-	-	-	-	0	0
Retirement benefit assets	-	-	-	-	-	-	25	25
Other assets	1,337	-	-	12,977	-	-	310	14,624
Prepaid expenses and accrued income	121	-	-	-	-	-	319	440
Total	**128,934**	**66**	**190,598**	**12,984**	**942**	**11,805**	**869**	**346,198**

31 Dec 2014, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	26,194	-	-	61,174	-	87,368
Deposits and borrowings from the public	24,286	-	-	52,593	-	76,879
Debt securities in issue	8,502	-	-	39,970	-	48,472
Derivatives	102,564	-	312	-	-	102,876
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	773	-	773
Current tax liabilities	-	-	-	-	41	41
Other liabilities	6,273	10,061	-	2,034	209	18,577
Accrued expenses and prepaid income	-	-	-	193	611	804
Deferred tax liabilities	-	-	-	-	57	57
Provisions	-	-	-	-	85	85
Retirement benefit liabilities	-	-	-	-	28	28
Subordinated liabilities	-	-	-	620	-	620
Total	**167,819**	**10,061**	**312**	**157,357**	**1,031**	**336,580**

Note 39 *Classification of financial instruments, cont.*

Group			Financial assets at fair value through profit or loss					
31 Dec 2013, EURm	Loans and receivables	Held to maturity	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	30,904	-	-	-	-	-	-	30,904
Loans to central banks	94	-	563	-	-	-	-	657
Loans to credit institutions	28,542	-	6,568	-	-	-	-	35,110
Loans to the public	73,603	-	40,176	-	-	-	-	113,779
Interest-bearing securities	-	2,166	21,322	-	-	10,758	-	34,246
Financial instruments pledged as collateral	-	-	9,739	-	-	-	-	9,739
Shares	-	-	665	15	-	-	-	680
Derivatives	-	-	69,625	-	609	-	-	70,234
Fair value changes of the hedged items in portfolio hedge of interest rate risk	58	-	-	-	-	-	-	58
Investments in associated undertakings	-	-	-	-	-	-	59	59
Intangible assets	-	-	-	-	-	-	100	100
Property and equipment	-	-	-	-	-	-	94	94
Investment property	-	-	-	-	-	-	113	113
Deferred tax assets	-	-	-	-	-	-	5	5
Current tax assets	-	-	-	-	-	-	1	1
Retirement benefit assets	-	-	-	-	-	-	133	133
Other assets	1,410	-	-	6,606	-	-	261	8,277
Prepaid expenses and accrued income	324	-	-	-	-	-	248	572
Total	**134,935**	**2,166**	**148,658**	**6,621**	**609**	**10,758**	**1,014**	**304,761**

	Financial liabilities at fair value through profit or loss					
31 Dec 2013, EURm	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	22,333	-	-	57,093	-	79,426
Deposits and borrowings from the public	26,924	-	-	53,985	-	80,909
Debt securities in issue	8,119	-	-	39,011	-	47,130
Derivatives	66,806	-	303	-	-	67,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	369	-	369
Current tax liabilities	-	-	-	-	8	8
Other liabilities	10,405	5,871	-	2,240	339	18,855
Accrued expenses and prepaid income	-	-	-	453	413	866
Deferred tax liabilities	-	-	-	-	53	53
Provisions	-	-	-	-	72	72
Retirement benefit liabilities	-	-	-	-	21	21
Subordinated liabilities	-	-	-	429	-	429
Total	**134,587**	**5,871**	**303**	**153,580**	**906**	**295,247**

Note 39 *Classification of financial instruments, cont.*

Parent company			Financial assets at fair value through profit or loss					
31 Dec 2014, EURm	Loans and receivables	Held to maturity	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	28,846	-	-	-	-	-	-	28,846
Loans to central banks	18	-	282	-	-	-	-	300
Loans to credit institutions	35,305	-	5,486	-	-	-	-	40,791
Loans to the public	61,862	-	44,777	-	-	-	-	106,639
Interest-bearing securities	-	66	22,772	-	-	11,805	-	34,643
Financial instruments pledged as collateral	-	-	11,058	-	-	-	-	11,058
Shares	-	-	1,910	7	-	-	-	1,917
Derivatives	-	-	104,312	-	942	-	-	105,254
Fair value changes of the hedged items in portfolio hedge of interest rate risk	76	-	-	-	-	-	-	76
Investments in group undertakings	-	-	-	-	-	-	308	308
Investments in associated undertakings	-	-	-	-	-	-	28	28
Intangible assets	-	-	-	-	-	-	35	35
Property and equipment	-	-	-	-	-	-	71	71
Investment property	-	-	-	-	-	-	2	2
Deferred tax assets	-	-	-	-	-	-	41	41
Current tax assets	-	-	-	-	-	-	-	-
Retirement benefit assets	-	-	-	-	-	-	25	25
Other assets	1,308	-	-	12,977	-	-	301	14,586
Prepaid expenses and accrued income	112	-	-	-	-	-	147	259
Total	**127,527**	**66**	**190,597**	**12,984**	**942**	**11,805**	**958**	**344,879**

			Financial liabilities at fair value through profit or loss					
31 Dec 2014, EURm			Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities								
Deposits by credit institutions			26,194	-	-	60,934	-	87,128
Deposits and borrowings from the public			24,286	-	-	52,587	-	76,873
Debt securities in issue			8,502	-	-	39,970	-	48,472
Derivatives			102,564	-	312	-	-	102,876
Fair value changes of the hedged items in portfolio hedge of interest rate risk			-	-	-	773	-	773
Current tax liabilities			-	-	-	-	39	39
Other liabilities			6,273	10,061	-	1,908	128	18,370
Accrued expenses and prepaid income			-	-	-	110	501	611
Deferred tax liabilities			-	-	-	-	-	-
Provisions			-	-	-	-	82	82
Retirement benefit liabilities			-	-	-	-	25	25
Subordinated liabilities			-	-	-	620	-	620
Total			**167,819**	**10,061**	**312**	**156,902**	**775**	**335,869**

Note 39 *Classification of financial instruments, cont.*

Parent company

31 Dec 2013, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	30,904	-	-	-	-	-	-	30,904
Loans to central banks	94	-	563	-	-	-	-	657
Loans to credit institutions	33,995	-	6,568	-	-	-	-	40,563
Loans to the public	67,092	-	40,176	-	-	-	-	107,268
Interest-bearing securities	-	2,166	21,322	-	-	10,758	-	34,246
Financial instruments pledged as collateral	-	-	9,739	-	-	-	-	9,739
Shares	-	-	665	14	-	-	-	679
Derivatives	-	-	69,625	-	609	-	-	70,234
Fair value changes of the hedged items in portfolio hedge of interest rate risk	58	-	-	-	-	-	-	58
Investments in group undertakings	-	-	-	-	-	-	376	376
Investments in associated undertakings	-	-	-	-	-	-	34	34
Intangible assets	-	-	-	-	-	-	98	98
Property and equipment	-	-	-	-	-	-	74	74
Investment property	-	-	-	-	-	-	8	8
Deferred tax assets	-	-	-	-	-	-	2	2
Current tax assets	-	-	-	-	-	-	-	-
Retirement benefit assets	-	-	-	-	-	-	132	132
Other assets	1,377	-	-	6,606	-	-	250	8,233
Prepaid expenses and accrued income	317	-	-	-	-	-	69	386
Total	**133,837**	**2,166**	**148,658**	**6,620**	**609**	**10,758**	**1,043**	**303,691**

31 Dec 2013, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	22,333	-	-	56,982	-	79,315
Deposits and borrowings from the public	26,924	-	-	53,984	-	80,908
Debt securities in issue	8,119	-	-	39,011	-	47,130
Derivatives	66,806	-	303	-	-	67,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	369	-	369
Current tax liabilities	-	-	-	-	4	4
Other liabilities	10,405	5,871	-	2,139	272	18,687
Accrued expenses and prepaid income	-	-	-	366	302	668
Deferred tax liabilities	-	-	-	-	-	-
Provisions	-	-	-	-	67	67
Retirement benefit liabilities	-	-	-	-	20	20
Subordinated liabilities	-	-	-	429	-	429
Total	**134,587**	**5,871**	**303**	**153,280**	**665**	**294,706**

Note 40 Assets and liabilities at fair value

Fair value of financial assets and liabilities

Group

	31 Dec 2014		31 Dec 2013	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	28,846	28,846	30,904	30,904
Loans	149,099	147,874	149,546	149,607
Interest-bearing securities	34,643	34,647	34,246	34,252
Financial instruments pledged as collateral	11,058	11,058	9,739	9,739
Shares	1,918	1,918	680	680
Derivatives	105,254	105,254	70,234	70,234
Other assets	14,940	14,938	8,840	8,840
Prepaid expenses and accrued income	440	440	572	572
Total financial assets	**346,198**	**344,975**	**304,761**	**304,828**
Financial liabilities				
Deposits and debt instruments	212,719	212,954	207,465	208,094
Derivatives	102,876	102,876	67,109	67,109
Other liabilities	19,561	19,560	19,378	19,378
Accrued expenses and prepaid income	804	804	866	866
Subordinated liabilities	620	620	429	429
Total financial liabilities	**336,580**	**336,814**	**295,247**	**295,876**

Parent company

	31 Dec 2014		31 Dec 2013	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	28,846	28,846	30,904	30,904
Loans	147,730	146,602	148,489	148,547
Interest-bearing securities	34,643	34,647	34,246	34,252
Financial instruments pledged as collateral	11,058	11,058	9,739	9,739
Shares	1,917	1,917	679	679
Derivatives	105,254	105,254	70,234	70,234
Other assets	15,172	15,171	9,014	9,014
Prepaid expenses and accrued income	259	259	386	386
Total financial assets	**344,879**	**343,754**	**303,691**	**303,755**
Financial liabilities				
Deposits and debt instruments	212,473	212,707	207,353	207,982
Derivatives	102,876	102,876	67,109	67,109
Other liabilities	19,289	19,289	19,147	19,147
Accrued expenses and prepaid income	611	611	668	668
Subordinated liabilities	620	620	429	429
Total financial liabilities	**335,869**	**336,103**	**294,706**	**295,335**

For information about valuation of items measured at fair value on the balance sheet, see Note 1 section 10 “Determination of fair value of financial instruments” and the section "Determination of fair values for items measured at fair value on the balance sheet" in this note. For information about valuation of items not measured at fair value on the balance sheet, see the section "Financial assets and liabilities not held at fair value on the balance sheet" in this note.

Assets and liabilities at fair value on the balance sheet

Group

Categorisation into the fair value hierarchy

31 Dec 2014, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	282	-	282
Loans to credit institutions	-	5,486	-	5,486
Loans to the public	-	44,777	-	44,777
Interest-bearing securities	18,905	15,595	77	34,577
Financial instruments pledged as collateral	5,789	5,269	-	11,058
Shares	1,465	-	453	1,918
Derivatives	52	103,755	1,447	105,254
Investment properties	-	2	-	2
Other assets	-	12,977	-	12,977
Total	**26,211**	**188,143**	**1,977**	**216,331**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	26,194	-	26,194
Deposits and borrowings from the public	-	24,286	-	24,286
Debt securities in issue	-	8,502	-	8,502
Derivatives	39	101,199	1,638	102,876
Other liabilities	4,137	12,197	-	16,334
Total	**4,176**	**172,378**	**1,638**	**178,192**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period.

31 Dec 2013, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	563	-	563
Loans to credit institutions	-	6,568	-	6,568
Loans to the public	-	40,176	-	40,176
Interest-bearing securities	21,985	9,880	215	32,080
Financial instruments pledged as collateral	5,998	3,741	-	9,739
Shares	236	-	444	680
Derivatives	52	68,553	1,629	70,234
Investment properties	-	9	104	113
Other assets	-	6,606	-	6,606
Total	**28,271**	**136,096**	**2,392**	**166,759**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	22,333	-	22,333
Deposits and borrowings from the public	-	26,924	-	26,924
Debt securities in issue	-	8,119	-	8,119
Derivatives	55	65,625	1,429	67,109
Other liabilities	8,680	7,595	1	16,276
Total	**8,735**	**130,596**	**1,430**	**140,761**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period.

Parent company

Categorisation into the fair value hierarchy

31 Dec 2014, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	282	-	282
Loans to credit institutions	-	5,486	-	5,486
Loans to the public	-	44,777	-	44,777
Interest-bearing securities	18,905	15,595	77	34,577
Financial instruments pledged as collateral	5,789	5,269	-	11,058
Shares	1,465	-	452	1,917
Derivatives	52	103,755	1,447	105,254
Investment properties	-	2	-	2
Other assets	-	12,977	-	12,977
Total	**26,211**	**188,143**	**1,976**	**216,330**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	26,194	-	26,194
Deposits and borrowings from the public	-	24,286	-	24,286
Debt securities in issue	-	8,502	-	8,502
Derivatives	39	101,199	1,638	102,876
Other liabilities	4,137	12,197	-	16,334
Total	**4,176**	**172,378**	**1,638**	**178,192**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period.

31 Dec 2013, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	563	-	563
Loans to credit institutions	-	6,568	-	6,568
Loans to the public	-	40,176	-	40,176
Interest-bearing securities	21,985	9,880	215	32,080
Financial instruments pledged as collateral	5,998	3,741	-	9,739
Shares	235	-	444	679
Derivatives	52	68,553	1,629	70,234
Investment properties	-	4	4	8
Other assets	-	6,606	-	6,606
Total	**28,270**	**136,091**	**2,292**	**166,653**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	22,333	-	22,333
Deposits and borrowings from the public	-	26,924	-	26,924
Debt securities in issue	-	8,119	-	8,119
Derivatives	55	65,625	1,429	67,109
Other liabilities	8,680	7,595	1	16,276
Total	**8,735**	**130,596**	**1,430**	**140,761**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period.

Determination of fair values for items measured at fair value on the balance sheet
Fair value measurements of assets and liabilities carried at fair value have been categorised under the three levels of the IFRS fair value hierarchy. The fair active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The categorisation of these instruments is based on the lowest level input that is significant to the fair value measurement value hierarchy gives the highest priority to quoted prices (unadjusted) in in its entirety.

Level 1 in the fair value hierarchy consists of assets and liabilities valued using unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. This category includes listed derivatives, listed equities, government bonds in developed countries, and most liquid mortgage bonds and corporate bonds where direct tradable price quotes exist.

Level 2 in the fair value hierarchy consists of assets and liabilities that do not have directly quoted market prices available from active markets. The fair values are estimated using valuation techniques or valuation models based on market prices or rates prevailing at the balance sheet date and any unobservable inputs have had an insignificant impact on the fair values. This is the case for the majority of Nordea's OTC derivatives, securities purchased/sold under resale/repurchase agreements, securities borrowed/lent and other instruments where active markets supply the input to the valuation techniques or models.

Level 3 in the fair value hierarchy consists of those types of assets and liabilities which fair values cannot be obtained directly from quoted market prices or indirectly using valuation techniques or models supported by observable market prices or rates. This is generally the case for investments in unlisted securities, private equity funds and hedge funds and investment properties. This is generally also the case for more complex OTC derivatives, including OTC derivatives where less active markets supply input to the valuation techniques or models, certain complex or structured financial instruments such as CLNs and CDOs, and illiquid interest bearing securities. Complex valuation models are generally characterised by the use of unobservable and model specific parameters.

All valuation models, both complex and simple models, make use of market parameters. These parameters comprise interest rates, volatilities, correlations etc. Some of these parameters are observable while others are not. For non-exotic currencies the interest rates are all observable, and the volatilities and the correlations of the interest rates and FX rates are observable up to a certain maturity. Volatilities and correlations are also observable for the most liquid equity instruments in the short end. For less liquid equity instruments-the option market is fairly illiquid, and hence the volatilities and correlations are unobservable. For each instrument the sensitivity towards unobservable parameters is measured. If the impact from unobservable parameters on the valuation is significant the instrument is categorised as Level 3 in the fair value hierarchy.

For interest-bearing securities the categorisation into the three levels are based on the internal pricing methodology. These instruments can either be directly quoted in active markets (Level 1) or measured using a methodology giving a quote based on observable inputs (Level 2). Level 3 bonds are characterised by illiquidity.

For OTC derivatives valuation models are used for establishing fair value. For collateralised contracts OIS interest rates are used for discounting. These rates are observable in the market. The valuation is in addition based on several other market parameters, depending on the nature of the contract. Complex valuation models are used for more exotic OTC derivatives. The models are usually in-house developed, and based on assumptions about the behaviour of the underlying asset and statistical scenario analysis. As mentioned above OTC derivatives are generally categorised as Level 2 in the fair value hierarchy and all significant model parameters are thus observable in active markets. For vanilla derivatives standard models like e.g. Black-Scholes are used for valuation.

Valuations of Private Equity Funds (PEF) and unlisted equity instruments are by nature more uncertain than valuations of more actively traded equity instruments. Emphasis is put on using a consistent approach across all assets and over time. The methods used are consistent with the guideline "International Private Equity and Venture Capital Valuation Guidelines" issued by EVCA (European Venture Capital Association). The EVCA guidelines are considered as best practice in the PEF industry. For US based funds, similar methods are applied.

Fair value of financial assets and liabilities are generally calculated as the theoretical net present value of the individual instruments, based on independently sourced market parameters as described above, and assuming no risks and uncertainties. This calculation is supplemented by a portfolio adjustment.

An important part of the portfolio adjustment relates to counterparty risk in OTC-derivatives. The adjustment is based on the current exposure towards each counterpart, the estimated potential future exposure as well as an estimate of the cost of hedging the counterparty risk. This cost of hedging is either based directly on market prices (where available) or on a theoretical calculation based on the internal credit rating of the counterpart. Nordea also takes into account Nordea´s credit spread in the valuation of derivatives (DVA).

Another important part of the portfolio adjustment serves to adjust the net open market risk exposures from mid-prices to ask or bid prices (depending on the net position). For different risk categories, exposures are aggregated and netted according to internal guidelines and aggregated market price information on bid-ask spreads are applied in the calculation. Spreads are updated on a regular basis.

The fair value measurement of the investment properties takes into account a market participant's ability to generate economic benefits by using the investment properties in its highest and best use, i.e. taking into account the use of the investment properties that is physically possible, legally permissible and financially feasible. The current use of the investment properties in Nordea is in accordance with the highest and best use. The valuation of the investment properties is carried out taking into account the purpose and the nature of the property by using the most appropriate valuation methods. The primary valuation approach is a discounted cash flow model using current cash flows, market interest rates and the current yield requirements.

Transfers between level 1 and 2

During the year, Nordea Bank Finland transferred debt securities of EUR 134m (1,032m) from level 2 to level 1 of the fair value hierarchy for financial assets and 55m (0m) for financial liabilities which are recorded at fair value. The reason for the transfer from level 2 to level 1 was that the instruments have been actively traded during the year and reliable quoted prices are obtained in the market. Transfers between levels are considered to have occurred at the end of year.

Movements in level 3

Group

			Fair value gains/losses recognised in the income statement during the year			
31 Dec 2014, EURm	1 Jan 2014	Reclassification	Realised	Unrealised	Purchases/ Issues	Sales
Interest-bearing securities	215	-	3	6	89	-232
Shares	444	-	35	22	26	-74
Derivatives (net assets and liabilities)	200	-	-521	-391	-	-
Investment properties	104	-	-	-	-	-104
Other liabilities	1	-	-	-	-	-1

31 Dec 2014, EURm	Settlements	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2014
Interest-bearing securities	-3	-	-	-	77
Shares	-	-	-	-	453
Derivatives (net assets and liabilities)	521	-	-	-	-191
Investment properties	-	-	-	-	-
Other liabilities	-	-	-	-	-

Unrealised gains and losses relate to those assets and liabilities held at the end of the reporting period. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

Group

		Fair value gains/losses recognised in the income statement during the year			
31 Dec 2013, EURm	1 Jan 2013	Realised	Unrealised	Purchases	Sales
Interest-bearing securities	277	4	71	96	-227
Shares	527	13	-16	38	-118
Derivatives (net assets and liabilities)	269	289	-69	-	-
Investment properties	94	0	0	28	-17
Other liabilities	-	-20	0	-	-

31 Dec 2013, EURm	Settlements	Issues	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2013
Interest-bearing securities	-6	-	-	-	-	215
Shares	-	-	-	-	-	444
Derivatives (net assets and liabilities)	-289	-	-	-	-	200
Investment properties	-	-	-	-	-1	104
Other liabilities	-608	608	22	-1	-	1

Unrealised gains and losses relates to those assets and liabilities held at the end of the reporting period. During the period NBF transferred other liabilities of EUR 21m from Level 2 to Level 3. The reason for the transfer from Level 2 to Level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

Parent company

31 Dec 2014, EURm	1 Jan 2014	Reclassification	Fair value gains/losses recognised in the income statement during the year		Purchases/ Issues	Sales
			Realised	Unrealised		
Interest-bearing securities	215	-	3	6	89	-232
Shares	444	-	35	22	26	-74
Derivatives (net assets and liabilities)	200	-	-521	-391	-	-
Investment properties	4	-	-	-	-	-4
Other liabilities	1	-	-	-	-	-1

31 Dec 2014, EURm	Settlements	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2014
Interest-bearing securities	-3	-	-	-	77
Shares	-	-	-	-	452
Derivatives (net assets and liabilities)	521	-	-	-	-191
Investment properties	-	-	-	-	-
Other liabilities	-	-	-	-	-

Unrealised gains and losses relates to those assets and liabilities held at the end of the reporting period.-Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

Parent company

31 Dec 2013, EURm	1 Jan 2013	Fair value gains/losses recognised in the income statement during the year		Purchases	Sales
		Realised	Unrealised		
Interest-bearing securities	277	4	71	96	-227
Shares	527	13	-16	38	-118
Derivatives (net assets and liabilities)	269	289	-69	-	-
Investment properties	4	-	0	0	0
Other liabilities	-	-20	0	-	-

31 Dec 2013, EURm	Settlements	Issues	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2013
Interest-bearing securities	-6	-	-	-	-	215
Shares	-	-	-	-	-	444
Derivatives (net assets and liabilities)	-289	-	-	-	-	200
Investment properties	-	-	-	-	-	4
Other liabilities	-608	608	22	-1	-	1

Unrealised gains and losses relates to those assets and liabilities held at the end of the reporting period. During the period NBF transferred other liabilities of EUR 21m from level 2 to level 3. The reason for the transfer from level 2 to level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

The valuation processes for fair value measurements in level 3

Financial instruments
Valuation principles in Nordea are determined in and approved by the Group Valuation Committee (GVC). GVC issues guiding policies to the business units on how to establish a robust valuation process and minimise the valuation uncertainty. The GVC also serves as escalation point.

The valuation process in Nordea consists of several steps. The first step is the initial end of day (EOD) marking of mid-prices. The mid-prices are either fixed by front office or received from external sources. The second step is the control part, which is performed by independent control units. The cornerstone in the control is the independent price verification (IPV). The IPV test comprises verification of the correctness of prices and other parameters used in the net present value (NPV) calculation, the adequacy of the valuation models, including an assessment of whether to use quoted prices or valuation models, and the reliability of the assumptions and parameters used in the-valuation adjustments at portfolio level covering mainly liquidity (bid/offer spread), model and credit risk adjustments.

The verification of the correctness of prices and other parameters is carried out daily. Third-party information, such as broker quotes and pricing services, is used as benchmark data in the verification. The quality of the benchmark data is assessed on a regular basis. This quality assessment is used in the measurement of the valuation uncertainty.

The valuation adjustments at portfolio level and the deferrals of day 1 P/L on level 3 trades are calculated and reported on a monthly basis. The actual assessment of instruments in the fair value hierarchy is performed on a continuous basis.

Valuation techniques and inputs used in the fair value measurements in level 3

Group and parent company

31 Dec 2014, EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value[3]
Interest-bearing securities				
Municipalities and other public bodies	-	Discounted cash flows	Credit spread	-
Mortgage and other credit institutions	77	Discounted cash flows	Credit spread	-7/7
Corporates	-	Discounted cash flows	Credit spread	-
Other	-	-	-	-
Total	**77**			
Other liabilities	-	Discounted cash flows	Credit spread	-
Total	**-**			
Shares				
Private equity funds	318	Net asset value[1]		
Hedge funds	129	Net asset value[1]		
Credit Funds	-	Net asset value/market consensus[1]		
Other funds	-	Net asset value/Fund prices[1]		
Other	6	-		
Total[2]	**453**			
Derivatives				
Interest rate derivatives	180	Option model	Correlations	-12/9
			Volatilities	
Equity derivatives	-242	Option model	Correlations	-18/12
			Volatilities	
			Dividend	
Foreign exchange derivatives	-31	Option model	Correlations	+/-0
			Volatilities	
Credit derivatives	-129	Credit derivat model	Correlations	-10/9
			Recovery rates	
Other	31	Option model	Correlations	+/-0
			Volatilities	
Total	**-191**			

[1] The fair values are based on prices and net assets values delivered by external suppliers/custodians. The prices are fixed by the suppliers/custodians on the basis of the development in assets behind the investments. For private equity funds the dominant measurement methology used by the suppliers/custodians, is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by the EVCA (European Venture Capital Association).
[2] Effects of reasonably possible alternative assumptions are EURm -39/39 (EURm -36/36).
[3] Range of fair value for derivatives 31 Dec 2013 was EURm -30/25 and for interest-bearing securities EURm -20/20.

The tables on previous page show, for each class of assets and liabilities categorised in Level 3, the fair value, the valuation techniques used to estimate the fair value, significant unobservable inputs used in the valuation techniques and for financial assets and liabilities the fair value sensitivity to changes in key assumptions.

The column “range of fair value” and the footnotes 2 and 3 in the tables above shows the sensitivity of the fair values of Level 3 financial instruments to changes in key assumptions. Where the exposure to an unobservable parameter is offset across different instruments then only the net impact is disclosed in the table. The range disclosed are likely to be greater than the true uncertainty in fair value of these instruments, as it is unlikely in practice that all unobservable parameters would be simultaneously at the extremes of their ranges of reasonably possible alternatives. The disclosure is neither predictive nor indicative of future movements in fair value.

In order to calculate the sensitivity (range) in fair value of derivatives a range of different modelling approaches are applied to determine an uncertainty interval around the reported fair value. The different approaches applied target various aspects of derivatives pricing. Two common components of derivative valuation models are volatility of underlying risk factors and correlation between the relevant risk factors. Each of these is addressed by applying different assumptions to input and/or the choice of modelling approach. Besides these common factors a number of asset class specific factors are addressed. These include equity dividend expectations, recovery assumptions for credit derivatives and inflation expectations. The fair values of derivatives are presented as the net of assets and liabilities.

In order to calculate the sensitivity (range) in fair value of shares and interest-bearing securities the fair value was increased and decreased within a total range of 2-10 percentage units depending of the valuation uncertainty and underlying assumptions. Higher ranges are applied to instruments with more uncertain valuations relative to actively traded instruments and underlying uncertainties in individual assumptions.

Movements in deferred Day 1 profit or loss
The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (Level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (Day 1 profit) is deferred. For more information see, Note 1 "Accounting policies". The table below shows the aggregate difference yet to be recognised in the income statement at the beginning and end of the period and a reconciliation of changes in how this aggregated difference has been changed during the year (movements in deferred Day 1 profit).

	Group		Parent company	
		31 Dec	31 Dec	
Deferred day 1 profit - derivatives EURm	2014	2013	2014	2013
Amount at beginning of year	-41	-43	-41	-43
Deferred profit/loss on new transactions	-15	-11	-15	-11
Recognised in the income statement during the year	12	13	12	13
Amount at end of year	**-44**	**-41**	**-44**	**-41**

Financial assets and liabilities not held at fair value on the balance sheet

Group

31 Dec 2014, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	28,846	28,846	1
Loans	98,630	97,405	3
Interest bearing-securities	66	70	1, 2, 3
Other assets and Prepaid expenses and accrued income	1,458	1,458	3
Total	**129,000**	**127,779**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	155,130	155,364	3
Other liabilities and Accrued expenses and prepaid income	2,227	2,226	3
Total	**157,357**	**157,590**	

Note 40 *Assets and liabilities at fair value, cont.*

Financial assets and liabilities not held at fair value on the balance sheet

Group

31 Dec 2013, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	30,904	30,904	1
Loans	102,297	102,358	3
Interest bearing-securities	2,166	2,173	1, 2, 3
Other assets and Prepaid expenses and accrued income	1,734	1,734	3
Total	**137,101**	**137,169**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	150,887	151,517	3
Other liabilities and Accrued expenses and prepaid income	2,693	2,693	3
Total	**153,580**	**154,210**	

Parent company

31 Dec 2014, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	28,846	28,846	1
Loans	97,261	96,133	3
Interest bearing-securities	66	69	1, 2, 3
Other assets and Prepaid expenses and accrued income	1,420	1,420	3
Total	**127,593**	**126,468**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	154,884	155,118	3
Other liabilities and Accrued expenses and prepaid income	2,018	2,017	3
Total	**156,902**	**157,135**	

31 Dec 2013, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	30,904	30,904	1
Loans	101,239	101,297	3
Interest bearing-securities	2,166	2,173	1, 2, 3
Other assets and Prepaid expenses and accrued income	1,694	1,694	3
Total	**136,003**	**136,068**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	150,775	151,405	3
Other liabilities and Accrued expenses and prepaid income	2,505	2,505	3
Total	**153,280**	**153,910**	

Cash and balances with central banks
The fair value equals the carrying amount. The fair value is based on quoted prices in active markets for relevant currencies and therefore the fair value measurement is categorised into Level 1 in the fair value hierarchy.

Loans
The fair value of "Loans to central banks", "Loans to credit institutions" and "Loans to the public" have been estimated by discounting the expected future cash flows with an assumed customer interest rate that would have been used on the market if the loans had been issued at the time of the measurement. The assumed customer interest rate is calculated as the benchmark interest rate plus the average margin on new lending in Retail Banking and Wholesale Banking respectively. The carrying amount of floating rate loans is assumed to equal fair value.

For the comparative figures 2013 the fair values have been calculated as the carrying amount adjusted for fair value changes in interest rate risk. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rates in the portfolios. No adjustment has been made for changes in fair value of credit risk.

The fair value measurement is categorised into Level 3 in the fair value hierarchy.

Interest bearing-securities
The fair value is EUR 69m, of which EUR 27m is categorised in level 1 and EUR 42m in Level 2 of the fair value hierarchy. The measurement principles follow those for similar instruments that are held at fair value on the balance sheet.

Other assets and prepaid expenses and accrued income
The balance sheet items "Other assets" and "Prepaid expenses and accrued income" consist of short receivables, mainly accrued interest receivables. The fair value is therefore considered to equal the carrying amount and is categorised into Level 3 in the fair value hierarchy.

Deposits and debt instruments
The fair value of ”Deposits by credit institutions”, “Deposits and borrowings from the public”, “Debt securities in issue” and “Subordinated liabilities” has been calculated as the carrying amount adjusted for fair value changes in interest rate risk and in own credit risk. The fair value is categorised into Level 3 in the fair value hierarchy. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rate in the portfolios. The fair value changes in the credit risk is calculated as a difference between the credit spread in the nominal interest rate compared with the current spread that is observed in the market. This calculation is performed on an aggregated level for all long term issuance recognised in the balance sheet items “Debt securities in issue” and “Subordinated liabilities”. As the contractual maturity is short for “Deposits by credit institutions” and “Deposits and borrowing from the public” the changes in Nordea´s own credit risk related to these items is assumed not to be significant. This is also the case for short term issuances recognised in the balance sheet items “Debt securities in issue” and “Subordinated liabilities”.

Other liabilities and accrued expenses and prepaid income
The balance sheet items "Other liabilities" and "Accrued expenses and prepaid income" consist of short-term liabilities, mainly liabilities on securities settlement. The fair value is therefore considered to be equal to the carrying amount and is categorised into level 3 in the fair value hierarchy.

Note 41 Financial instruments set off on balance or subject to netting agreements

Group

31 Dec 2014, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	246,566	-141,495	105,071	-82,119	-	-9,530	13,422
Reverse repurchase agreements	50,545	-	50,545	-19,750	-30,370	-	425
Total	**297,111**	**-141,495**	**155,616**	**-101,869**	**-30,370**	**-9,530**	**13,847**

31 Dec 2014, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	243,463	-14,495	101,968	-82,119	-	-11,796	8,053
Repurchase agreements	50,480	-	50,480	-19,750	-29,096	-	1,634
Total	**293,943**	**-141,495**	**152,448**	**-101,869**	**-29,096**	**-11,796**	**9,687**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Group

31 Dec 2013, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	128,024	-58,022	70,002	-56,569	-	-4,359	9,074
Reverse repurchase agreements	47,307	-	47,307	-24,688	-22,201	-	419
Total	**175,331**	**-58,022**	**117,309**	**-81,257**	**-22,201**	**-4,359**	**9,493**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	124,005	-58,022	65,983	-56,569	-	-4,869	4,545
Repurchase agreements	49,257	-	49,257	-24,688	-20,894	-	3,675
Total	**173,262**	**-58,022**	**115,240**	**-81,257**	**-20,894**	**-4,869**	**8,220**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Parent company

31 Dec 2014, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	246,566	-141,495	105,071	-82,119	-	-9,530	13,422
Reverse repurchase agreements	50,545	-	50,545	-19,750	-30,370	-	425
Total	**297,111**	**-141,495**	**155,616**	**-101,869**	**-30,370**	**-9,530**	**13,847**

31 Dec 2014, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	243,463	-141,495	101,968	-82,119	-	-11,796	8,053
Repurchase agreements	50,480	-	50,480	-19,750	-29,096	-	1,634
Total	**293,943**	**-141,495**	**152,448**	**-101,869**	**-29,096**	**-11,796**	**9,687**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Parent company

31 Dec 2013, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	128,024	-58,022	70,002	-56,569	-	-4,359	9,074
Reverse repurchase agreements	47,307	-	47,307	-24,688	-22,201	-	419
Total	**175,331**	**-58,022**	**117,309**	**-81,257**	**-22,201**	**-4,359**	**9,493**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	124,005	-58,022	65,983	-56,569	-	-4,869	4,545
Repurchase agreements	49,257	-	49,257	-24,688	-20,894	-	3,675
Total	**173,262**	**-58,022**	**115,240**	**-81,257**	**-20,894**	**-4,869**	**8,220**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Note 41 *Financial instruments set off on balance or subject to netting agreements, cont.*

Enforceable master netting arrangements and similar agreements
The fact that financial instruments are being accounted for on a gross basis on the balance sheet, would not imply that the financial instruments are not subject to master netting agreements or similar arrangements. Generally financial instruments (derivatives, repos and securities lending transactions), would be subject to master netting agreements, and as a consequence Nordea would be allowed to benefit from netting both in the ordinary course of business and in the case of default towards its counter parties, in any calculations involving counterparty credit risk. The reason why the netted exposures are not reflected under assets and liabilities on the balance sheet, would in most instances depend on the limited application of net settlement of financial transactions.

For a description of counterparty risk see section Risk, Liquidity and Capital management, “Counterparty credit risk” in the Board of Directors' report.

Note 42 Transferred assets and obtained collaterals

Transferred assets that are not derecognised in their entirety and associated liabilities
All assets transferred continue to be recognised on the balance sheet if Nordea is still exposed to changes in the fair value of the assets. This is the case for repurchase agreements and securities lending transactions.

Repurchase agreements are a form of collateralised borrowing where Nordea sells securities with an agreement to repurchase them at a later date at a fixed price. The cash received is recognised as a deposit (liability). Securities delivered under repurchase agreements are not derecognised from the balance sheet.

Securities lending transactions are transactions where Nordea lends securities it holds to a counterpart and receives a fee.

As both repurchase agreements and securities lending transactions results in the securities are returned to Nordea, all risks and rewards of the instruments transferred is retained by Nordea, although they are not available for Nordea during the period during which they are transferred. The counterpart in the transactions holds the securities as collateral, but has no recourse to other assets in Nordea.

The securities still reported on the balance sheet and the corresponding liabilities are measured at fair value.

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Repurchase agreements				
Interest-bearing securities	11,058	9,739	11,058	9,739
Total	**11,058**	**9,739**	**11,058**	**9,739**

Liabilities associated with the assets

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Repurchase agreements				
Deposits by credit institutions	6,399	3,085	6,399	3,085
Deposits and borrowings from the public	4,659	6,654	4,659	6,654
Total	**11,058**	**9,739**	**11,058**	**9,739**
Net	**0**	**0**	**0**	**0**

Obtained collaterals which are permitted to be sold or repledged
NBF obtains collaterals under reverse repurchase and securities borrowing agreements which, under the terms of the agreements, can be sold or repledged. The transactions are conducted under standard agreements employed by financial markets participants. Generally, the agreements require additional collateral to be provided if the value of the securites falls below a predetermined level. Under standard terms for most repurchase transactions, the recipient of collateral has an unrestricted right to sell or repledge it, subject to returning equivalent securities on settlement of the transactions. The fair value of the securities obtained as collateral under reverse repurchase and securities borrowing agreements are disclosed below.

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013
Reverse repurchase agreements				
Received collaterals which can be repledged or sold	48,465	45,944	48,465	45,944
- of which repledged or sold	38,733	39,068	38,733	39,068
Total	**48,465**	**45,944**	**48,465**	**45,944**

Note 43 Maturity analysis for assets and liabilities

Group

Expected maturity

EURm	Note	31 Dec 2014 Expected to be recovered or settled: Within 12 months	After 12 months	Total	31 Dec 2013 Expected to be recovered or settled: Within 12 months	After 12 months	Total
Cash and balances with central banks		28,846	-	28,846	30,904	-	30,904
Loans to central banks	13	300	-	300	657	-	657
Loans to credit institutions	13	26,051	9,000	35,051	21,070	14,040	35,110
Loans to the public	13	56,322	57,426	113,748	58,339	55,440	113,779
Interest-bearing securities	14	12,775	21,868	34,643	10,031	24,215	34,246
Financial instruments pledged as collateral	15	4,065	6,993	11,058	7,088	2,651	9,739
Shares	16	1,917	1	1,918	665	15	680
Derivatives	17	14,823	90,431	105,254	8,026	62,208	70,234
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	2	74	76	7	51	58
Investments in group undertakings	19	-	-	-	-	-	-
Investments in associated undertakings	20	2	37	39	-	59	59
Intangible assets	21	6	41	47	3	97	100
Properties and equipment		7	77	84	2	92	94
Investment properties	23	-	2	2	1	112	113
Deferred tax assets	12	43	0	43	4	1	5
Current tax assets	12	0	-	0	1	-	1
Retirement benefit assets	32	-	25	25	-	133	133
Other assets	24	14,623	1	14,624	8,273	4	8,277
Prepaid expenses and accrued income	25	440	-	440	572	-	572
Total assets		**160,222**	**185,976**	**346,198**	**145,643**	**159,118**	**304,761**
Deposits by credit institutions	26	82,291	5,077	87,368	73,991	5,435	79,426
Deposits and borrowings from the public	27	76,646	233	76,879	79,820	1,089	80,909
Debt securities in issue	28	26,510	21,962	48,472	25,648	21,482	47,130
Derivatives	17	14,427	88,449	102,876	8,810	58,299	67,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	35	738	773	25	344	369
Current tax liabilities	12	41	-	41	8	-	8
Other liabilities	29	18,577	-	18,577	18,855	-	18,855
Accrued expenses and prepaid income	30	801	3	804	863	3	866
Deferred tax liabilities	12	41	16	57	39	14	53
Provisions	31	0	85	85	2	70	72
Retirement benefit liabilities	32	3	25	28	-	21	21
Subordinated liabilities	33	-	620	620	360	69	429
Total liabilities		**219,372**	**117,208**	**336,580**	**208,421**	**86,826**	**295,247**

Parent company

Expected maturity

EURm	Note	31 Dec 2014 Expected to be recovered or settled: Within 12 months	After 12 months	Total	31 Dec 2013 Expected to be recovered or settled: Within 12 months	After 12 months	Total
Cash and balances with central banks		28,846	-	28,846	30,904	-	30,904
Loans to central banks	13	300	-	300	657	-	657
Loans to credit institutions	13	30,631	10,160	40,791	25,671	14,892	40,563
Loans to the public	13	52,012	54,627	106,639	54,647	52,621	107,268
Interest-bearing securities	14	12,775	21,868	34,643	10,031	24,215	34,246
Financial instruments pledged as collateral	15	4,065	6,993	11,058	7,088	2,651	9,739
Shares	16	1,917	-	1,917	665	14	679
Derivatives	17	14,822	90,432	105,254	8,026	62,208	70,234
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	2	74	76	7	51	58
Investments in group undertakings	19	-	308	308	-	376	376
Investments in associated undertakings	20	-	28	28	-	34	34
Intangible assets	21	-	35	35	-	98	98
Properties and equipment		-	71	71	-	74	74
Investment properties	23	-	2	2	-	8	8
Deferred tax assets	12	41	-	41	2	-	2
Current tax assets	12	-	-	-	-	-	-
Retirement benefit assets	32	-	25	25	-	132	132
Other assets	24	14,586	-	14,586	8,233	-	8,233
Prepaid expenses and accrued income	25	259	-	259	386	-	386
Total assets		**160,256**	**184,623**	**344,879**	**146,317**	**157,374**	**303,691**
Deposits by credit institutions	26	82,051	5,077	87,128	73,949	5,366	79,315
Deposits and borrowings from the public	27	76,646	227	76,873	79,819	1,089	80,908
Debt securities in issue	28	26,510	21,962	48,472	25,648	21,482	47,130
Derivatives	17	14,427	88,449	102,876	8,810	58,299	67,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	35	738	773	25	344	369
Current tax liabilities	12	39	-	39	4	-	4
Other liabilities	29	18,370	-	18,370	18,687	-	18,687
Accrued expenses and prepaid income	30	611	-	611	668	-	668
Deferred tax liabilities	12	-	-	-	-	-	-
Provisions	31	-	82	82	-	67	67
Retirement benefit liabilities	32	-	25	25	-	20	20
Subordinated liabilities	33	-	620	620	360	69	429
Total liabilities		**218,689**	**117,180**	**335,869**	**207,970**	**86,736**	**294,706**

Contractual undiscounted cash flows

Group

31 Dec 2014, EURm	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing financial assets	30,571	69,519	35,671	60,185	37,974	233,920
Non interest bearing financial assets					121,682	121,682
Non-financial assets					869	869
Total assets	**30,571**	**69,519**	**35,671**	**60,185**	**160,525**	**356,471**
Interest bearing financial liabilities	46,057	106,000	34,041	23,669	6,025	215,792
Non interest bearing financial liabilities					122,209	122,209
Non-financial liabilities and equity					10,649	10,649
Total liabilities and equity	**46,057**	**106,000**	**34,041**	**23,669**	**138,883**	**348,650**
Derivatives, cash inflow		460,348	126,316	221,216	69,384	877,264
Derivatives, cash outflow		480,726	124,947	212,268	70,075	888,017
Net exposure	**-**	**-20,378**	**1,369**	**8,948**	**-691**	**-10,752**
Exposure	**-15,486**	**-56,859**	**2,998**	**45,463**	**20,952**	**-2,932**
Cumulative exposure	**-15,486**	**-72,345**	**-69,347**	**-23,883**	**-2,932**	

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing financial assets	36,850	67,487	26,151	67,676	41,783	239,948
Non-interest bearing financial assets					79,409	79,409
Non-financial assets					1,014	1,014
Total assets	**36,850**	**67,487**	**26,151**	**67,676**	**122,206**	**320,370**
Interest bearing financial liabilities	41,808	110,698	28,689	21,628	7,964	210,786
Non-interest bearing financial liabilities					86,446	86,446
Non-financial liabilities and equity					10,420	10,420
Total liabilities and equity	**41,808**	**110,698**	**28,689**	**21,628**	**104,830**	**307,652**
Derivatives, cash inflow		467,888	125,713	212,976	68,318	874,896
Derivatives, cash outflow		469,864	125,876	212,411	69,415	877,566
Net exposure	**-**	**-1,975**	**-162**	**565**	**-1,097**	**-2,670**
Exposure	**-4,958**	**-45,186**	**-2,700**	**46,613**	**16,279**	**10,048**
Cumulative exposure	**-4,958**	**-50,144**	**-52,844**	**-6,230**	**10,048**	

Contractual undiscounted cash flows

Parent company

31 Dec 2014, EURm	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing financial assets	29,728	70,756	35,183	58,635	37,565	231,866
Non-interest bearing financial assets					121,757	121,757
Non-financial assets					958	958
Total assets	**29,728**	**70,756**	**35,183**	**58,635**	**160,280**	**354,582**
Interest bearing financial liabilities	45,986	105,721	33,911	22,990	6,671	215,279
Non-interest bearing financial liabilities					122,115	122,115
Non-financial liabilities and equity					9,785	9,785
Total liabilities and equity	**45,986**	**105,721**	**33,911**	**22,990**	**138,570**	**347,179**
Derivatives, cash inflow		460,348	126,316	221,216	69,384	877,264
Derivatives, cash outflow		480,726	124,947	212,268	70,075	888,017
Net exposure	**-**	**-20,378**	**1,369**	**8,948**	**-691**	**-10,752**
Exposure	**-16,258**	**-55,343**	**2,641**	**44,592**	**21,019**	**-3,350**
Cumulative exposure	**-16,258**	**-71,602**	**-68,961**	**-24,369**	**-3,350**	

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing financial assets	37,624	67,494	25,779	66,139	41,434	238,470
Non-interest bearing financial assets					79,280	79,280
Non-financial assets					1,043	1,043
Total assets	**37,624**	**67,494**	**25,779**	**66,139**	**121,757**	**318,794**
Interest bearing financial liabilities	47,209	105,119	28,556	20,882	8,593	210,360
Non-interest bearing financial liabilities					86,259	86,259
Non-financial liabilities and equity					9,650	9,650
Total liabilities and equity	**47,209**	**105,119**	**28,556**	**20,882**	**104,502**	**306,269**
Derivatives, cash inflow		467,888	125,713	212,976	68,318	874,896
Derivatives, cash outflow		469,864	125,876	212,411	69,415	877,566
Net exposure	**-**	**-1,975**	**-162**	**565**	**-1,097**	**-2,670**
Exposure	**-9,584**	**-39,601**	**-2,939**	**45,821**	**16,158**	**9,855**
Cumulative exposure	**-9,584**	**-49,185**	**-52,124**	**-6,303**	**9,855**	

The table is based on contractual maturities for the on balance sheet items financial instruments. For derivatives, the expected cash inflows and outflows are disclosed for both derivative assets and derivative liabilities, as derivatives are managed on a net basis. In addition to the instruments on the balance sheet items and derivative instruments, Nordea has credit commitments amounting to EUR 16,021m (15,882), which could be drawn on at any time.

NBF has also issued guarantees of EUR 13,283m (14,323) which may lead to future cash outflows if certain events occur.

Note 44 Related-party transactions

Shareholders with significant influence and close family members to key management personnel in Nordea Group as well as companies significantly influenced by key management personnel or by close family members to key management personnel in Nordea Group are considered to be related parties to Nordea. Included in this group of related parties are Sampo Oyj and Aegon Asset Management. If transactions with related companies are made in Nordea's and the related companies' ordinary course of business and on the same criteria and terms as those for comparable transactions with parties of similar standing, and if they did not involve more than normal risktaking, the transactions are not included in the table.

Group

	Nordea Group undertakings		Nordea Group associated undertakings		Other related parties	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Assets						
Loans	31,145	28,488	185	143	-	-
Interest-bearing securities	2,750	3,683	57	120	-	-
Financial instruments pledged as collateral	1,823	1,097	-	-	-	-
Derivatives	4,455	2,163	218	141	-	-
Other assets	2,193	1,259	-	-	-	-
Prepaid expenses and accrued income	24	23	-	-	-	-
Total assets	**42,390**	**36,713**	**460**	**404**	**-**	**-**
Liabilities						
Deposits	52,794	42,073	106	44	1	74
Debt securities in issue	759	1,243	0	11	-	-
Derivatives	7,398	2,795	154	34	-	-
Subordinated liabilities	550	-	-	-	-	-
Other liabilities	230	403	-	-	-	-
Accrued expenses and deferred income	210	261	-	-	-	-
Total liabilities	**61,941**	**46,775**	**260**	**89**	**1**	**74**
Off balance[1]	**242,058**	**203,052**	**4,123**	**5,662**	**-**	**-**

[1] Including nominal values on derivatives.

Group	31 Dec	31 Dec	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2014	2013	2014	2013	2014	2013
Net interest income	162	128	3	3	-	-
Net fee and commission income	-477	-649	1	2	1	1
Net result from items at fair value	-1,237	24	-102	9	-	-
Other operating income	76	9	0	-	-	-
Total operating expenses	-194	-157	0	-1	-	-
Profit before loan losses	**-1,670**	**-645**	**-98**	**13**	**1**	**1**

Parent company

	Group undertakings		Associated undertakings		Other related parties	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Assets						
Loans	5,748	5,775	121	143	-	-
Interest-bearing securities	-	-	-	-	-	-
Financial instruments pledged as collateral	-	-	-	-	-	-
Derivatives	0	-	4	9	-	-
Investments in associated undertakings	-	-	28	34	-	-
Investments in group undertakings	308	376	-	-	-	-
Other assets	0	4	-	-	-	-
Prepaid expenses and accrued income	8	4	-	-	-	-
Total assets	**6,064**	**6,159**	**153**	**186**	**-**	**-**

Note 44 *Related-party transactions, cont.*

Parent company

EURm	Group undertakings 31 Dec 2014	Group undertakings 31 Dec 2013	Associated undertakings 31 Dec 2014	Associated undertakings 31 Dec 2013	Other related parties 31 Dec 2014	Other related parties 31 Dec 2013
Liabilities						
Deposits	4	9	1	1	1	74
Debt securities in issue	-	-	-	-	-	-
Derivatives	-	-	0	-	-	-
Subordinated liabilities	-	-	-	-	-	-
Other liabilities	0	0	-	-	-	-
Accrued expenses and deferred income	-	0	-	-	-	-
Total liabilities	**4**	**9**	**1**	**1**	**1**	**74**
Off balance[1]	716	651	141	174	-	-

[1] Including nominal values on derivatives.

Parent company

EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Net interest income	27	35	3	2	-	-
Net fee and commission income	61	53	0	1	1	1
Net result from items at fair value	0	-	-2	2	-	-
Other operating income	4	6	-	-	-	-
Total operating expenses	-4	-28	-	-	-	-
Profit before loan losses	**88**	**66**	**1**	**5**	**1**	**1**

The terms "group undertakings" and "associated undertakings" refer to group undertakings and associated undertakings of the Nordea Bank Finland Group. In addition to the parent company figures stated above, the parent company's assets included receivables, interest-bearing securities, derivatives and other assets from other Nordea group undertakings in the amount of EUR 42,228m (36,579), liabilities in the amount of EUR 61,625m (46,588), profit before loan losses in the amount of EUR -1,657m (-641) and off-balance sheet commitments in the amount of EUR 242,058m (203,052). Off balance sheet transactions with Nordea group associated undertakings amounted to EUR 3,983m (5,488) and corresponding balance sheet values of derivatives were EUR 214m (132) in assets and EUR 154m (34) in liabilities.

Compensations and loans and receivables to Key management personnel

Compensations and loans to Key management personnel are specified in Note 8.

Note 45 Credit risk disclosure

Credit risk management and credit risk analysis is described in the Risk, Liquidity and Capital management section of the Board of Directors´ Report. Additional information on credit risk is also disclosed in the Capital and Risk management Report (Pillar III) 2014, which is available on www.nordea.com.

Group

Exposure types, EURm	31 Dec 2014	31 Dec 2013
On-balance sheet items	146,714	153,299
Off-balance sheet items	10,262	15,301
Securities financing	4,063	1,740
Derivatives	31,563	18,698
Exposure At Default (EAD)	**192,603**	**189,038**

Tables presented in this note, containing exposure, are presented as Exposure At Default (EAD). EAD is the exposure after applying credit conversion factors (CCF).

Link between credit risk exposure and the balance sheet
This section discloses the link between the loan portfolio as defined by accounting standards and exposure as defined in Capital Requirements Regulation (CRR). The main differences are outlined in this section to illustrate the link between the different reporting methods.

Original exposure is the exposure before taking into account substitution effects stemming from credit risk mitigation, credit conversion factors (CCFs) for off-balance sheet exposure and allowances within the standardised approach. In this note, however, exposure is defined as exposure at default (EAD) for IRB exposure and exposure value for standardised exposure unless otherwise stated. In accordance with the CRR, credit risk exposure presented in this note, is divided between exposure classes where each exposure class is divided into exposure types as follows:

- On-balance sheet items
- Off-balance sheet items (e.g. guarantees and unutilised amounts of credit facilities)
- Securities financing (e.g. reverse repurchase agreements and securities lending)
- Derivatives

Items presented in other parts of the Annual Report are divided as follows (in accordance with the accounting standards):

- On-balance sheet items (e.g. loans to central banks and credit institutions, loans to the public, reverse repurchase agreements, positive fair value for derivatives and interest-bearing securities)
- Off-balance sheet items (e.g. guarantees and unutilised lines of credit)

The table below shows the link between the CRR credit risk exposure and items presented in the Annual Report.

On-balance sheet items
The following items have been excluded from the balance sheet, when calculating on-balance exposure in accordance with the CRR:

- Market risk related items in the trading book, such as certain interest-bearing securities and pledged instruments.
- Repos, derivatives and securities lending. These transactions are either included in the calculation of market risk in the trading book or reported as separate exposure types (derivatives or securities financing).
- Other, mainly allowances and intangible assets.

Off-balance sheet items
The following off-balance sheet items specified in the Annual Report are excluded when off-balance exposure is calculated in accordance with the CRR:

- "Assets pledged as security for own liabilities" and "Other assets pledged" (apart from leasing). These transactions are reported as securities financing (i.e. a separate exposure type)
- Derivatives

Derivatives and securities financing
Derivatives can be both on-balance sheet (i.e. positive fair value) and off-balance (i.e. nominal amounts) in accordance with accounting standards. However, in the CRR, the derivatives and securities financing are reported as separate exposure types. Also, repurchase agreements and securities lending/borrowing transactions are on the balance sheet calculated based on nominal value. In the CRR calculations these exposure types are determined net of the collateral.

On-balance sheet items

Group

31 Dec 2014, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Other	Balance sheet
Cash and balances with central banks	28,846				28,846
Loans to central banks and credit institutions	29,584		5,768	0	35,352
Loans to the public	69,616		44,777	-645	113,748
Interest-bearing securities and pledged instruments	17,520	28,180			45,701
Derivatives[1]			105,254		105,254
Intangible assets				47	47
Other assets and prepaid expenses	1,190	14,887	91	1,082	17,250
Total assets	**146,757**	**43,068**	**155,890**	**483**	**346,198**
Exposure at default[2]	**146,750**				

[1] Derivatives are included in banking and trading books, but not at book values. Counterparty risk in trading derivatives are included in the credit risk.
[2] The on-balance exposure have a CCF of 100% but can still have a lower EAD due to provisions in the standardised approach, that are deducted from the original exposure when calculating EAD.

On-balance sheet items

Group

31 Dec 2013, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Other	Balance sheet
Cash and balances with central banks	30,904				30,904
Loans to central banks and credit institutions	28,636		7,131	0	35,767
Loans to the public	74,422		40,176	-820	113,779
Interest-bearing securities and pledged instruments	17,912	26,073			43,985
Derivatives[1]			70,234		70,234
Intangible assets				100	100
Other assets and prepaid expenses	1,551	7,271	65	1,104	9,991
Total assets	**153,425**	**33,344**	**117,607**	**384**	**304,761**

[1] Derivatives are included in banking and trading books, but not at book values. Counterparty risk in trading derivatives is included in the credit risk.

Off-balance sheet items

Group

31 Dec 2014, EURm	Credit risk in Basel III calculation
Contingent liabilities	14,906
Commitments	16,790
Total	**31,696**

31 Dec 2014, EURm	Credit risk in Basel III calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities and Checking accounts	15,922	4,036	19,958	37%	7,419
Loan commitments	857	287	1,144	45%	520
Guarantees	13,747		13,747	15%	2,017
Other	1,171		1,171	26%	306
Total	**31,696**	**4,323**	**36,019**		**10,262**

31 Dec 2013, EURm	Credit risk in Basel II calculation
Contingent liabilities	15,836
Commitments	16,603
Total	**32,439**

31 Dec 2013, EURm	Credit risk in Basel II calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities and Checking accounts	13,435	4,676	18,111	31%	5,633
Loan commitments	2,767	259	3,026	26%	793
Guarantees	14,760		14,760	57%	8,415
Other	1,476		1,476	31%	459
Total	**32,439**	**4,935**	**37,374**		**15,301**

Exposure split by industry group

In the table below, the total exposure is split by industry. The industry breakdown mainly follows the Global Industries Classification Standard (GICS) and is based on NACE codes (i.e. statistical classification codes of economic activities in the European community). The banks is the largest sector which together with other public and organisations are the only industries that account for more than 7% of the total exposure of EUR 193bn. The largest nominal and relative increase was found within the other financial companies, industry while the highest nominal and relative decrease was found within industrial capital goods industry.

Group

EURm	31 Dec 2014	31 Dec 2013
Banks	76,007	74,069
Construction and engineering	1,265	2,193
Consumer durables (cars, appliances, etc.)	1,504	1,585
Consumer staples (food, agriculture etc.)	2,660	2,813
Energy (oil, gas, etc.)	1,352	1,450
Health care and pharmaceuticals	914	938
Industrial capital goods	2,151	3,382
Industrial commercial services	3,574	4,043
IT software, hardware and services	769	765
Media and leisure	862	1,123
Metals and mining materials	270	308
Paper and forest materials	1,148	1,572
Real estate management and investment	13,150	12,512
Retail trade	3,757	4,060
Shipping and offshore	5,268	5,188
Telecommunication equipment	161	404
Telecommunication operators	613	715
Transportation	1,914	2,401
Utilities (distribution and production)	3,993	4,502
Other financial companies	12,001	8,497
Other materials (chemical, building materials etc)	2,652	3,337
Other, public and organisations	56,617	53,180
Total exposure	**192,603**	**189,038**

Collateral distribution

The table below presents the distribution of collateral used in the capital adequacy calculation process. The table shows real estate to constitute a major share of eligible collateral items in relative terms. The real estate collateral category saw the largest relative decrease during the year, while the share of other physical collaterals increased. Real estate is commonly used as collateral for credit risk mitigation purposes, and the majority of real estate collaterals are found in Finland. Other physical collateral consist mainly of ships and vehicles.

Group

EURm	31 Dec 2014	31 Dec 2013
Financial Collateral	2%	2%
Receivables	2%	2%
Residential Real Estate	73%	82%
Commercial Real Estate	10%	8%
Other Physical Collateral	13%	7%
Total	**100%**	**100%**

Collaterised Debt Obligations (CDO) - Exposure[1]

Nordea acts as an intermediary in the credit derivatives market, especially in Nordic names. Nordea also uses credit derivatives to hedge positions in corporate bonds and syntehetic CDOs. When Nordea sells protection in a CDO transaction, it carries the risk of losses in the reference portfolio if a credit event occurs. When Nordea buys protection in a CDO transaction, any losses in the reference portfolio triggered by a credit event are carried by the seller of protection.

Credit derivatives transactions create counterparty credit risk in similar manner to other derivative transactions. Counterparties in these transactions are typically subject to a financial collateral agreement, where the exposure is covered daily by collateral placements. CDO valuations are subject to fair value adjustments for model risk. These fair value adjustments are recognised in the income statement.

Group and parent company	31 Dec 2014		31 Dec 2013	
Nominals, EURm	Bought protection	Sold protection	Bought protection	Sold protection
CDOs, gross	1,204	1,691	1,266	1,587
Hedged exposures	1,005	1,004	965	966
CDOs, net[2]	**199[3]**	**687[4]**	**301[3]**	**621[4]**
- of which Equity	20	67	57	102
- of which Mezzanine	98	370	108	306
- of which Senior	81	250	136	213

[1] First-to-Default swaps are not classified as CDOs and are therefore not included in the table. Net bought protection amounts to EUR 47m (47) and net sold protection to EUR 46m (18). Both bought and sold protection are, to the predominant part, investment grade.

[2] Net exposure disregards exposure where tranches are completely identical in terms of reference pool attachment, detachment, maturity and currency.

[3] Of which investment grade EUR 90m (184) and sub investment grade EUR 109m (115).

[4] Of which investment grade EUR 423m (411) and sub investment grade EUR 264m (273) and not rated EUR 0m (0).

Assets taken over for protection of claims[1]	Group		Parent company	
EURm	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Current assets, carrying amount:				
Land and buildings		108		108
Shares and other participations	2		2	
Other assets	1	3	1	0
Total	**3**	**111**	**3**	**108**

[1] In accordance with Nordea's policy for taking over assets for protection of claims, which is in compliance with the local Banking Business Acts, wherever Nordea is located. Assets, used as collateral for the loan, are generally taken over when the customer is not able to fulfil its obligations to Nordea.

Past due loans, excl. impaired loans

The table below shows past due loans not impaired split by corporate and household customers. Past due loans to corporate customers that are not considered impaired were at end of 2014 EUR 223m down from EUR 251m one year ago. Past due loans for household customers decreased to EUR 280m (438) mainly due to transfer of Baltic branches to Nordea Bank AB (publ).

	Group				Parent company			
	31 Dec 2014		31 Dec 2013		31 Dec 2014		31 Dec 2013	
EURm	Corporate customers	Household customers	Corporate customers	Household customers	Corporate customers	Household customers	Corporate customers	Household customers
6-30 days	80	147	92	215	27	125	34	194
31-60 days	64	91	70	144	27	80	37	101
61-90 days	50	42	30	71	18	40	18	51
>90 days	28	0	58	8	20	0	53	8
Total	**223**	**280**	**251**	**438**	**92**	**244**	**142**	**354**
Past due not impaired loans divided by loans to the public after allowances, %	0.29	0.77	0.34	1.15	0.13	0.73	0.20	1.00

Note 45 *Credit risk disclosure, cont.*

Loans to corporate customers, by size of loan
The distribution of loans to corporate by size of loans, seen in the table below, shows a high degree of diversification where approximately 81% of the corporate volume represents loans up to EUR 50m per customer.

	Group				Parent company			
EURm	31 Dec 2014	%	31 Dec 2013	%	31 Dec 2014	%	31 Dec 2013	%
0-10	42,561	55.8	41,146	54.9	40,213	55.8	39,041	54.9
10-50	19,552	25.6	19,140	25.6	18,473	25.6	18,161	25.6
50-100	5,673	7.4	5,199	6.9	5,360	7.4	4,933	6.9
100-250	7,433	9.8	5,939	7.9	7,023	9.8	5,635	7.9
250-500	1,018	1.3	3,471	4.6	962	1.3	3,293	4.6
500-	0	0.0	0	0.0	0	0.0	0	0.0
Total	**76,238**	**100.0**	**74,895**	**100.0**	**72,031**	**100.0**	**71,064**	**100.0**

Interest-bearing securities
For more information about credit risk related to interest-bearing securities, see Note 14 where the carrying amount of interest-bearing securities is split on different types of counterparties.

Note 46 Interests in structured entities

Structured entities are entities designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. It normally has restricted activities with a narrow and well defined objective. If Nordea controls such an entity, it is consolidated.

Unconsolidated structured entities
For structured entities in which Nordea has an interest but do not control it, disclosures are provided. To be considered to have an interest in such an entity, Nordea must be exposed to variability in returns on the investment in the structured entity. Investment funds are the only interest in unconsolidated structured entities Nordea currently holds. Variability in returns is assessed based on both fees received and revaluation of holdings in the funds.

There are several different products where Nordea invests in investment funds:
- on behalf of depositors where the return is based the investment
- to hedge exposures in structured products issued to customers.
- illiquid investments in private equity and credit funds

As Nordea is exposed to variability in returns on a gross basis, information about these funds are disclosed although the net exposure is considerably less.

Investment funds acquired to hedge exposures in structured products reduce the exposures and to the extent hedges are effective, Nordea is not exposed to changes in value. The maximum loss on these funds is estimated to EUR 6m, net of hedges.

Nordeas interests in unconsolidated structured entities and any related liability are disclosed in the table below:

	Group	Parent company
EURm	31 Dec 2014	31 Dec 2014
Assets, carrying amount		
Loans to credit institutions	-	-
Shares	701	701
Total assets	**701**	**701**
Liabilities		
Deposits and borrowings from the public	-	-
Liabilities to policy holders	-	-
Derivatives	105	105
Total liabilities	**105**	**105**
Off balance, nominal amount		
Loan commitments	-	-

Nordea have not sponsored any unconsolidated structured entity in which Nordea do not currently have an interest.

Note 47 Mergers, acquisitions, disposals and dissolutions

Subsidiaries acquired during 2014	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Other subsidiaries established during 2014	Number of companies	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Subsidiaries sold during 2014	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Other subsidiaries sold during 2014	Number of companies	Total assets EURm	Profit/loss for the year as included in the Bank Group
	10	271	-9

Subsidiaries merged during 2014	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Subsidiaries dissolved during 2014	Number of companies	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Associated undertakings dissolved during 2014	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Note 48 Nordea shares

Nordea Bank Finland Plc does not possess own shares. During the year Nordea Bank Finland has bought and sold shares in its parent company Nordea Bank AB (publ) as part of its normal trading and marketmaking activities. The trades are specified in the table enclosed. The increased volumes are explained by higher trading activity in NBF.

Acquisitions Month	Quantity	Average acq.price	Amount, EUR
January	784,416	10.08	7,906,710.77
February	2,641,463	9.99	26,393,391.61
March	2,007,082	10.20	20,468,456.74
April	2,772,290	10.22	28,328,988.16
May	1,521,412	10.42	15,849,726.88
June	1,562,640	10.64	16,619,459.20
July	3,487,072	10.26	35,777,712.41
August	1,992,066	9.92	19,751,797.59
September	2,272,098	10.00	22,731,408.82
October	8,391,659	9.68	81,203,136.49
November	2,995,501	10.01	29,989,755.07
December	4,111,184	9.46	38,883,223.31
	34,538,883		343,903,767.06

Sales Month	Quantity	Average price	Amount, EUR
January	-705,300	10.07	-7,099,132.22
February	-2,699,582	10.00	-26,994,709.05
March	-2,059,931	10.19	-20,989,470.17
April	-2,486,740	10.24	-25,471,352.50
May	-1,688,116	10.44	-17,626,848.24
June	-2,150,822	10.60	-22,803,794.83
July	-4,903,803	10.26	-50,311,913.90
August	-2,068,983	9.90	-20,491,974.88
September	-2,267,013	9.99	-22,649,521.97
October	-2,022,725	9.89	-19,999,896.78
November	-3,540,465	10.02	-35,460,869.92
December	-3,148,867	9.44	-29,730,329.59
	-29,742,347		-299,629,814.05

The quota value of the Nordea Bank AB (publ) share is EUR 1.00. The trades had an insignificant effect on the shareholding and voting-power in Nordea Bank AB (publ). At year-end 2014 NBF owned 4,828,977 shares of the parent company.

Note 49 Transferred operations

Transferred Baltic operations

	Group		Parent company	
EURm	2014	2013	2014	2013
Net interest income	35	138	35	137
Net fee and commission income	0	1	0	1
Net result from items at fair value	-10	-4	0	-1
Other operating income	0	1	0	1
Total operating income	**25**	**136**	**35**	**138**
Staff costs	-9	-36	-9	-36
Other expenses	-7	-37	-7	-37
Depreciation of tangible and intangible assets	-1	-3	-1	-3
Total operating expenses	**-17**	**-76**	**-17**	**-76**
Profit before loan losses	**8**	**60**	**18**	**62**
Net loan losses	-38	-26	-38	-26
Impairment of securities held as non-financial assets	-	-	-17	-
Operating profit	**-30**	**34**	**-37**	**36**
Income tax expense	1	-8	1	-8
Net profit for the period	**-29**	**26**	**-36**	**28**

International operations to be transferred[1]

	Group		Parent company	
EURm	2014	2013	2014	2013
Net interest income	81	73	81	73
Net fee and commission income	48	39	48	39
Net result from items at fair value	3	3	3	3
Other operating income	0	0	0	0
Total operating income	**132**	**115**	**132**	**115**
Staff costs	-21	-15	-21	-15
Other expenses	-10	-10	-10	-10
Depreciation of tangible and intangible assets	-1	-1	-1	-1
Total operating expenses	**-32**	**-26**	**-32**	**-26**
Profit before loan losses	**100**	**89**	**100**	**89**
Net loan losses	-10	-3	-10	-3
Operating profit	**90**	**86**	**90**	**86**
Income tax expense	-4	-6	-4	-6
Net profit for the period	**86**	**80**	**86**	**80**

[1] The operations of London and Frankfurt branches were sold on 1 January 2015.

The proposal of the Board of Directors to the Annual General Meeting

The parent company's distributable funds on 31 December 2014 were EUR 6,113,829,734.71, of which the profit for the year was EUR 821,220,326.24. The Board of Directors proposes that

1. a dividend of EUR 450,000,000.00 be paid
2. whereafter the distributable funds will be EUR 5,663,829,734.71.

Signatures of the Directors' report and of the Financial Statements:

Helsinki, 27 February 2015

Torsten Hagen Jørgensen

Casper von Koskull

Carl-Johan Granvik

Gunn Wærsted

Ari Kaperi
President

Our auditors' report has been issued today.

Helsinki, 27 February 2015

KPMG OY AB

Marcus Tötterman
Authorised Public Accountant

Auditors' report

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

To the Annual General Meeting of Nordea Bank Finland Plc

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Nordea Bank Finland Plc for the year ended on 31 December 2014. The financial statements comprise both the consolidated and the parent company's statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's responsibility
Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company and the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Finnish Credit Institutions Act, the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion,

- both the consolidated and the parent company's financial statements give a true and fair view of their financial position, financial performance, and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland
- the information in the report of the Board of Directors is consistent with the information in the financial statements.

Other opinions
We support the adoption of the financial statements. The proposal by the Board of Directors regarding the treatment of distributable funds is in compliance with the Limited Liability Companies Act. We support that the Board of Directors of the parent company and the Managing Director be discharged from liability for the financial period audited by us.

Helsinki 27 February 2015

KPMG OY AB

Marcus Tötterman
Authorized Public Accountant in Finland

ANNEX 3
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF NBAB FOR THE YEAR ENDED 31 DECEMBER 2013, INCLUDING THE AUDITOR'S REPORT AND NOTES RELATING THERETO

Income statement, Group

EURm	Note	2013	2012
Operating income			
Interest income		10,604	11,939
Interest expense		–5,079	–6,376
Net interest income	G3	**5,525**	**5,563**
Fee and commission income		3,574	3,258
Fee and commission expense		–932	–790
Net fee and commission income	G4	**2,642**	**2,468**
Net result from items at fair value	G5	1,539	1,774
Profit from associated undertakings accounted for under the equity method	G19	79	93
Other operating income	G6	106	100
Total operating income		**9,891**	**9,998**
Operating expenses			
General administrative expenses:			
Staff costs	G7	–2,978	–2,989
Other expenses	G8	–1,835	–1,808
Depreciation, amortisation and impairment charges of tangible and intangible assets	G9, G20, G21	–227	–267
Total operating expenses		**–5,040**	**–5,064**
Profit before loan losses		**4,851**	**4,934**
Net loan losses	G10	–735	–895
Operating profit		**4,116**	**4,039**
Income tax expense	G11	–1,009	–970
Net profit for the year from continuing operations		**3,107**	**3,069**
Net profit for the year from discontinued operations, after tax	G44	9	57
Net profit for the year		**3,116**	**3,126**
Attributable to:			
Shareholders of Nordea Bank AB (publ)		3,116	3,119
Non-controlling interests		—	7
Total		**3,116**	**3,126**
Basic earnings per share, EUR – Total operations	G12	0.77	0.78
Diluted earnings per share, EUR – Total operations	G12	0.77	0.78
Basic earnings per share, EUR – Continuing operations	G12	0.77	0.77
Diluted earnings per share, EUR – Continuing operations	G12	0.77	0.77

Statement of comprehensive income, Group

EURm	2013	2012
Net profit for the year	**3,116**	**3,126**
Items that may be reclassified subsequently to the income statement		
Currency translation differences during the year	–999	409
Hedging of net investments in foreign operations:		
Valuation gains/losses during the year	464	–254
Tax on valuation gains/losses during the year	–102	45
Available for sale investments[1]:		
Valuation gains/losses during the year	25	67
Tax on valuation gains/losses during the year	–5	–17
Transferred to the income statement during the year	6	—
Tax on transfers to the income statement during the year	–1	—
Cash flow hedges:		
Valuation gains/losses during the year	497	133
Tax on valuation gains/losses during the year	–111	–35
Transferred to the income statement during the year	–499	–321
Tax on transfers to the income statement during the year	110	85
Items that may not be reclassified subsequently to the income statement		
Defined benefit plans:		
Remeasurement of defined benefit plans during the year	155	362
Tax on remeasurement of defined benefit plans during the year	–39	–87
Other comprehensive income, net of tax[2]	**–499**	**387**
Total comprehensive income	**2,617**	**3,513**
Attributable to:		
Shareholders of Nordea Bank AB (publ)	2,617	3,506
Non-controlling interests	—	7
Total	**2,617**	**3,513**

1) Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.
2) Of which EUR –22m (EUR 29m) related to discontinued operations.

Balance sheet, Group

EURm	Note	31 Dec 2013	31 Dec 2012	1 Jan 2012
Assets				
Cash and balances with central banks		33,529	36,060	3,765
Loans to central banks	G13	11,769	8,005	40,615
Loans to credit institutions	G13	10,743	10,569	11,250
Loans to the public	G13	342,451	346,251	337,203
Interest-bearing securities	G14	87,314	86,626	84,550
Financial instruments pledged as collateral	G15	9,575	7,970	8,373
Shares	G16	33,271	28,128	20,167
Derivatives	G17	70,992	118,789	171,943
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	203	–711	–215
Investments in associated undertakings	G19	630	585	591
Intangible assets	G20	3,246	3,425	3,321
Property and equipment	G21, G22	431	474	469
Investment property	G23	3,524	3,408	3,644
Deferred tax assets	G11	62	266	250
Current tax assets		31	78	185
Retirement benefit assets	G33	321	142	107
Other assets	G24	11,064	15,554	12,210
Prepaid expenses and accrued income	G25	2,383	2,559	2,703
Assets held for sale	G44	8,895	—	—
Total assets		**630,434**	**668,178**	**701,131**
Liabilities				
Deposits by credit institutions	G26	59,090	55,426	55,316
Deposits and borrowings from the public	G27	200,743	200,678	190,092
Liabilities to policyholders	G28	47,226	45,320	40,715
Debt securities in issue	G29	185,602	183,908	178,028
Derivatives	G17	65,924	114,203	167,390
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	1,734	1,940	1,274
Current tax liabilities		303	391	154
Other liabilities	G30	24,737	24,773	30,252
Accrued expenses and prepaid income	G31	3,677	3,903	3,496
Deferred tax liabilities	G11	935	976	944
Provisions	G32	177	389	483
Retirement benefit liabilities	G33	334	469	839
Subordinated liabilities	G34	6,545	7,797	6,503
Liabilities held for sale	G44	4,198	—	—
Total liabilities		**601,225**	**640,173**	**690,524**
Equity				
Non-controlling interests		2	5	86
Share capital		4,050	4,050	4,047
Share premium reserve		1,080	1,080	1,080
Other reserves		–159	340	–47
Retained earnings		24,236	22,530	20,479
Total equity		**29,209**	**28,005**	**25,645**
Total liabilities and equity		**630,434**	**668,178**	**701,131**
Assets pledged as security for own liabilities	G35	174,418	159,924	149,287
Other assets pledged	G36	7,467	10,344	8,740
Contingent liabilities	G37	20,870	21,157	24,468
Credit commitments	G38	78,332	84,914	85,319
Other commitments	G38	1,267	1,294	1,651

Statement of changes in equity, Group

	Attributable to shareholders of Nordea Bank AB (publ)[2]									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 Jan 2013	**4,050**	**1,080**	**24**	**–15**	**56**	**275**	**22,530**	**28,000**	**5**	**28,005**
Net profit for the year	—	—	—	—	—	—	3,116	3,116	—	3,116
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	—	—	–999	—	—	—	—	–999	—	–999
Hedging of net investments in foreign operations:										
Valuation gains/losses during the year	—	—	464	—	—	—	—	464	—	464
Tax on valuation gains/losses during the year	—	—	–102	—	—	—	—	–102	—	–102
Available for sale investments:										
Valuation gains/losses during the year	—	—	—	—	25	—	—	25	—	25
Tax on valuation gains/losses during the year	—	—	—	—	–5	—	—	–5	—	–5
Transferred to the income statement during the year	—	—	—	—	6	—	—	6	—	6
Tax on transfers to the income statement during the year	—	—	—	—	–1	—	—	–1	—	–1
Cash flow hedges:										
Valuation gains/losses during the year	—	—	—	497	—	—	—	497	—	497
Tax on valuation gains/losses during the year	—	—	—	–111	—	—	—	–111	—	–111
Transferred to the income statement during the year	—	—	—	–499	—	—	—	–499	—	–499
Tax on transfers to the income statement during the year	—	—	—	110	—	—	—	110	—	110
Items that may not be reclassified subsequently to the income statement										
Defind benefit plans:										
Remeasurement of defined benefit plans during the year	—	—	—	—	—	155	—	155	—	155
Tax on remeasurement of defined benefit plans during the year	—	—	—	—	—	–39	—	–39	—	–39
Other comprehensive income, net of tax	—	—	–637	–3	25	116	—	–499	—	–499
Total comprehensive income	—	—	–637	–3	25	116	3,116	2,617	—	2,617
Share-based payments	—	—	—	—	—	—	17	17	—	17
Dividend for 2012	—	—	—	—	—	—	–1,370	–1,370	—	–1,370
Purchases of own shares[3]	—	—	—	—	—	—	–57	–57	—	–57
Other changes	—	—	—	—	—	—	—	—	–3	–3
Balance at 31 Dec 2013	**4,050**	**1,080**	**–613**	**–18**	**81**	**391**	**24,236**	**29,207**	**2**	**29,209**

1) Total shares registered were 4,050 million.
2) Restricted capital was EUR 4,050m, unrestricted capital was EUR 25,157m.
3) Refers to the change in the holding of own shares related to the Long Term Incentive Programme, trading portfolio and Nordea's shares within portfolio schemes in Denmark. The number of own shares were 31.8 million. The total holdings of own shares related to LTIP is 18.3 million.

	Attributable to shareholders of Nordea Bank AB (publ)[2]									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 Jan 2012	**4,047**	**1,080**	**–176**	**123**	**6**	**—**	**20,954**	**26,034**	**86**	**26,120**
Restatement due to changed accounting policy[5]	—	—	—	—	—	—	–475	–475	—	–475
Restated opening balance at 1 Jan 2012	**4,047**	**1,080**	**–176**	**123**	**6**	**—**	**20,479**	**25,559**	**86**	**25,645**
Net profit for the year	—	—	—	—	—	—	3,119	3,119	7	3,126
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	—	—	409	—	—	—	—	409	—	409
Hedging of net investments in foreign operations:										
Valuation gains/losses during the year	—	—	–254	—	—	—	—	–254	—	–254
Tax on valuation gains/losses during the year	—	—	45	—	—	—	—	45	—	45
Available for sale investments:										
Valuation gains/losses during the year	—	—	—	—	67	—	—	67	—	67
Tax on valuation gains/losses during the year	—	—	—	—	–17	—	—	–17	—	–17
Cash flow hedges:										
Valuation gains/losses during the year	—	—	—	133	—	—	—	133	—	133
Tax on valuation gains/losses during the year	—	—	—	–35	—	—	—	–35	—	–35
Transferred to the income statement during the year	—	—	—	–321	—	—	—	–321	—	–321
Tax on transfers to the income statement during the year	—	—	—	85	—	—	—	85	—	85
Items that may not be reclassified subsequently to the income statement										
Defind benefit plans:										
Remeasurement of defined benefit plans during the year	—	—	—	—	—	362	—	362	—	362
Tax on remeasurement of defined benefit plans during the year	—	—	—	—	—	–87	—	–87	—	–87
Other comprehensive income, net of tax	—	—	200	–138	50	275	—	387	—	387
Total comprehensive income	—	—	200	–138	50	275	3,119	3,506	7	3,513
Issued C-shares[3]	3	—	—	—	—	—	—	3	—	3
Repurchase of C-shares[3]	—	—	—	—	—	—	–3	–3	—	–3
Share-based payments	—	—	—	—	—	—	14	14	—	14
Dividend for 2011	—	—	—	—	—	—	–1,048	–1,048	—	–1,048
Purchases of own shares[4]	—	—	—	—	—	—	–31	–31	—	–31
Change in non-controlling interests	—	—	—	—	—	—	—	—	–84	–84
Other changes	—	—	—	—	—	—	—	—	–4	–4
Balance at 31 Dec 2012	**4,050**	**1,080**	**24**	**–15**	**56**	**275**	**22,530**	**28,000**	**5**	**28,005**

1) Total shares registered were 4,050 million.
2) Restricted capital was EUR 4,050m, unrestricted capital was EUR 23,950m.
3) Refers to the Long Term Incentive Programme (LTIP). LTIP 2012 was hedged by issuing 2,679,168 C-shares. The shares have been bought back and converted to ordinary shares. The total holding of own shares related to LTIP is 20.3 million.
4) Refers to the change in the holding of own shares related to the Long Term Incentive Programme, trading portfolio and Nordea's shares within portfolio schemes in Denmark. The number of own shares were 26.9 million.
5) Related to the amended IAS 19. See Note G1 for more information.

Dividends per share

See Statement of changes in equity for the parent company, page 176.

Cash flow statement, Group – Total operations

EURm	2013	2012
Operating activities		
Operating profit	4,116	4,039
Profit for the year from discontinued operations, after tax	9	57
Adjustment for items not included in cash flow	4,492	3,199
Income taxes paid	–1,010	–662
Cash flow from operating activities before changes in operating assets and liabilities	**7,607**	**6,633**
Changes in operating assets		
Change in loans to central banks	–530	21,301
Change in loans to credit institutions	289	–135
Change in loans to the public	–14,511	–2,988
Change in interest-bearing securities	–5,045	–2,968
Change in financial assets pledged as collateral	–1,648	437
Change in shares	–5,918	–8,094
Change in derivatives, net	–2,234	3,017
Change in investment properties	–78	236
Change in other assets	4,351	2,982
Changes in operating liabilities		
Change in deposits by credit institutions	6,564	–19
Change in deposits and borrowings from the public	9,205	7,000
Change in liabilities to policyholders	–57	1,089
Change in debt securities in issue	6,585	1,665
Change in other liabilities	1,735	–10,402
Cash flow from operating activities	**6,315**	**19,754**
Investing activities		
Acquisition of associated undertakings	–8	–6
Sale of associated undertakings	4	3
Acquisition of property and equipment	–153	–141
Sale of property and equipment	33	27
Acquisition of intangible assets	–229	–177
Sale of intangible assets	1	2
Net investments in debt securities, held to maturity	930	1,047
Purchase/sale of other financial fixed assets	–6	19
Cash flow from investing activities	**572**	**774**
Financing activities		
Issued subordinated liabilities	—	1,530
Amortised subordinated liabilities	–500	–624
New share issue	—	3
Repurchase of own shares including change in trading portfolio	–57	–31
Dividend paid	–1,370	–1,048
Cash flow from financing activities	**–1,927**	**–170**
Cash flow for the year	**4,960**	**20,358**
Cash and cash equivalents at the beginning of year	42,808	22,606
Translation difference	–2,098	–156
Cash and cash equivalents at the end of year	45,670	42,808
Change	**4,960**	**20,358**

Comments on the cash flow statement

The cash flow statement has been prepared in accordance with IAS 7. The cash flow statement shows inflows and outflows of cash and cash equivalents during the year for total operations. Nordea's cash flow has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flows are classified by operating, investing and financing activities.

Operating activities

Operating activities are the principal revenue-producing activities and cash flows are mainly derived from the operating profit for the year with adjustment for items not included in cash flow and income taxes paid. Adjustment for items not included in cash flow includes:

EURm	2013	2012
Depreciation	220	240
Impairment charges	17	38
Loan losses	837	1,011
Unrealised gains/losses	2,180	–2,749
Capital gains/losses (net)	–18	–10
Change in accruals and provisions	55	354
Translation differences	407	–366
Change in bonus potential to policyholders, Life	1,046	582
Change in technical reserves, Life	1,543	2,935
Change in fair value of hedged items, assets/liabilities (net)	–1,608	1,267
Income tax expense, discontinued operations	4	21
Other	–191	–124
Total	**4,492**	**3,199**

Changes in operating assets and liabilities consist of assets and liabilities that are part of normal business activities, such as loans, deposits and debt securities in issue. Changes in derivatives are reported net.

Cash flow from operating activities includes interest payments received and interest expenses paid with the following amounts:

EURm	2013	2012
Interest payments received	11,031	12,553
Interest expenses paid	5,360	6,437

Investing activities

Investing activities include acquisitions and disposals of non-current assets, like property and equipment, intangible and financial assets.

Financing activities

Financing activities are activities that result in changes in equity and subordinated liabilities, such as new issues of shares, dividends and issued/amortised subordinated liabilities.

Cash and cash equivalents

The following items are included in Cash and cash equivalents:

EURm	31 Dec 2013	31 Dec 2012
Cash and balances with central banks	33,529	36,060
Loans to central banks, payable on demand	9,313	5,938
Loans to credit institutions, payable on demand	2,290	810
Assets held for sale	538	—
Total	**45,670**	**42,808**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled;

– the central bank or the postal giro system is domiciled in the country where the institution is established
– the balance on the account is readily available at any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities. Loans to central banks, payable on demand includes instruments where Nordea has the right to resell immediately.

Dicontinued operations

The cash flow statements include cash flow attributable to total operations i.e. both continuing and discontinued operations. The discontinued operations consist of Nordea´s Polish operations, for more information see Note G1 and Note G44. The cash flows related to the discontinued operations consist of net cash flows from operating activities of EUR –15m (EUR 25m), net cash flow from investing activities of EUR –11m (EUR –8m) and net cash flows from financing activities of EUR 0m (EUR 0m).

Quarterly development, Group

EURm	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012	2013	2012
Net interest income	1,390	1,386	1,391	1,358	1,382	1,393	1,415	1,373	5,525	5,563
Net fee and commission income	703	652	664	623	682	595	603	588	2,642	2,468
Net result from items at fair value	333	346	416	444	442	377	492	463	1,539	1,774
Profit from associated undertakings accounted for under the equity method	21	14	9	35	33	23	14	23	79	93
Other income	22	28	10	46	31	24	22	23	106	100
Total operating income	**2,469**	**2,426**	**2,490**	**2,506**	**2,570**	**2,412**	**2,546**	**2,470**	**9,891**	**9,998**
General administrative expenses:										
Staff costs	–739	–732	–753	–754	–749	–738	–746	–756	–2,978	–2,989
Other expenses	–480	–441	–453	–461	–458	–457	–452	–441	–1,835	–1,808
Depreciation, amortisation and impairment charges of tangible and intangible assets	–64	–61	–50	–52	–88	–71	–61	–47	–227	–267
Total operating expenses	**–1,283**	**–1,234**	**–1,256**	**–1,267**	**–1,295**	**–1,266**	**–1,259**	**–1,244**	**–5,040**	**–5,064**
Profit before loan losses	**1,186**	**1,192**	**1,234**	**1,239**	**1,275**	**1,146**	**1,287**	**1,226**	**4,851**	**4,934**
Net loan losses	–180	–171	–186	–198	–241	–236	–203	–215	–735	–895
Operating profit	**1,006**	**1,021**	**1,048**	**1,041**	**1,034**	**910**	**1,084**	**1,011**	**4,116**	**4,039**
Income tax expense	–246	–257	–248	–258	–215	–226	–276	–253	–1,009	–970
Net profit for the period from continuing operations	**760**	**764**	**800**	**783**	**819**	**684**	**808**	**758**	**3,107**	**3,069**
Net profit for the period from discontinued operations, after tax	13	12	–29	13	23	4	13	17	9	57
Net profit for the period	**773**	**776**	**771**	**796**	**842**	**688**	**821**	**775**	**3,116**	**3,126**
Diluted earnings per share (DEPS), EUR – Total operations	0.19	0.19	0.19	0.20	0.21	0.17	0.21	0.19	0.77	0.78
DEPS, rolling 12 months up to period end, EUR – Total operations	0.77	0.79	0.77	0.79	0.78	0.76	0.69	0.66	0.77	0.78

5 year overview, Group

Income statement[1]

EURm	2013	2012	2011	2010	2009
Net interest income	5,525	5,563	5,456	5,159	5,281
Net fee and commission income	2,642	2,468	2,395	2,156	1,693
Net result from items at fair value	1,539	1,774	1,517	1,837	1,946
Profit from associated undertakings accounted for under the equity method	79	93	42	66	48
Other income	106	100	91	116	105
Total operating income	**9,891**	**9,998**	**9,501**	**9,334**	**9,073**
General administrative expenses:					
Staff costs	–2,978	–2,989	–3,113	–2,784	–2,724
Other expenses	–1,835	–1,808	–1,914	–1,862	–1,639
Depreciation, amortisation and impairment charges of tangible and intangible assets	–227	–267	–192	–170	–149
Total operating expenses	**–5,040**	**–5,064**	**–5,219**	**–4,816**	**–4,512**
Profit before loan losses	**4,851**	**4,934**	**4,282**	**4,518**	**4,561**
Net loan losses	–735	–895	–735	–879	–1,486
Operating profit	**4,116**	**4,039**	**3,547**	**3,639**	**3,075**
Income tax expense	–1,009	–970	–913	–976	–757
Net profit for the year from continuing operations	**3,107**	**3,069**	**2,634**	**2,663**	**2,318**
Net profit for the year from discontinued operations, after tax	9	57	—	—	—
Net profit for the year	**3,116**	**3,126**	**2,634**	**2,663**	**2,318**

Balance sheet[2]

EURm	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2010	31 Dec 2009
Cash and balances with central banks	33,529	36,060	3,765	10,023	11,500
Loans to central banks and credit institutions	22,512	18,574	51,865	15,788	18,555
Loans to the public	342,451	346,251	337,203	314,211	282,411
Interest-bearing securities and pledged instruments	96,889	94,596	92,923	91,743	80,339
Derivatives	70,992	118,789	171,943	96,825	75,422
Other assets	55,166	53,908	43,432	52,249	39,317
Assets held for sale	8,895	—	—	—	—
Total assets	**630,434**	**668,178**	**701,131**	**580,839**	**507,544**
Deposits by credit institutions	59,090	55,426	55,316	40,736	52,190
Deposits and borrowings from the public	200,743	200,678	190,092	176,390	153,577
Liabilities to policyholders	47,226	45,320	40,715	38,766	33,831
Debt securities in issue	185,602	183,908	178,028	151,578	130,519
Derivatives	65,924	114,203	167,390	95,887	73,043
Subordinated liabilities	6,545	7,797	6,503	7,761	7,185
Other liabilities	31,897	32,841	37,442	45,183	34,779
Liabilities held for sale	4,198	—	—	—	—
Equity	29,209	28,005	25,645	24,538	22,420
Total liabilities and equity	**630,434**	**668,178**	**701,131**	**580,839**	**507,544**

1) The comparative figures for 2012 (but not for 2009–2011) have been restated due to discontinued operations (Nordea's Polish operations), see Note G44 for more information.
2) The comparative figures for 2012 and for 2011 (but not for 2009–2010) have been restated due to the amendments to IAS 19 and forward starting bonds, see Note G1 for more information.

Ratios and key figures, Group

	2013	2012[2,3]	2011[2,3]	2010[2,3]	2009[2,3]
Basic earnings per share, EUR – Total operations	0.77	0.78	0.65	0.66	0.60
Diluted earnings per share, EUR – Total operations	0.77	0.78	0.65	0.66	0.60
Share price[1], EUR	9.78	7.24	5.98	8.16	7.10
Total shareholders' return, %	44.6	21.0	–24.4	3.7	78.6
Proposed/actual dividend per share, EUR	0.43	0.34	0.26	0.29	0.25
Equity per share[1], EUR	7.27	6.96	6.47	6.07	5.56
Potential shares outstanding[1], million	4,050	4,050	4,047	4,043	4,037
Weighted average number of diluted shares, million	4,020	4,026	4,028	4,022	3,846
Return on equity, % – Continuing operations	11.0	11.6	10.6	11.5	11.3
Assets under management[1], EURbn	233.3	218.3	187.4	191.0	158.1
Cost/income ratio, % – Continuing operations	51	51	55	52	50
Loan loss ratio, basis points	21	26	23	31	56
Core tier 1 capital ratio, excluding transition rules[1], %	14.9	13.1	11.2	10.3	10.3
Tier 1 capital ratio, excluding transition rules[1], %	15.7	14.3	12.2	11.4	11.4
Total capital ratio, excluding transition rules[1], %	18.1	16.2	13.4	13.4	13.4
Core tier 1 capital ratio[1], %	11.0	10.2	9.2	8.9	9.3
Tier 1 capital ratio[1], %	11.7	11.2	10.1	9.8	10.2
Total capital ratio[1], %	13.4	12.7	11.1	11.5	11.9
Core tier 1 capital[1], EURm	23,112	21,961	20,677	19,103	17,766
Tier 1 capital[1], EURm	24,444	23,953	22,641	21,049	19,577
Risk-weighted assets, including transition rules[1], EURbn	209	215	224	215	192
Number of employees (full-time equivalents)[1] – Continuing operations	29,429	29,491	33,068	33,809	33,347
Risk-adjusted profit, EURm – Continuing operations	3,351	3,313	2,714	2,622	2,786
Economic profit, EURm – Continuing operations	1,080	889	1,145	936	1,334
Economic capital[1], EURbn – Total operations	22.8	23.8	17.7	17.5	16.7
Economic capital[1], EURbn – Continuing operations	21.9	22.8	—	—	—
EPS, risk-adjusted, EUR – Continuing operations	0.77	0.77	0.67	0.65	0.72
RAROCAR, % – Continuing operations	14.8	13.9	15.5	15.0	17.3
MCEV, EURm	4,700	3,762	2,714	3,655	3,244

1) End of the year.
2) 2012 (but not 2009-2011) restated due to discontinued operations (Nordea's Polish operations), see Note G1 for more information.
3) The comparative figures for 2012 and for 2011 (but not for 2009–2010) have been restated due to the amendments to IAS 19, see Note G1 for more information.

Business definitions

These definitions apply to the descriptions in the Annual Report.

Allowances in relation to impaired loans Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

Basic earnings per share Net profit for the year divided by the weighted average number of outstanding shares, non-controlling interests excluded.

Capital base Capital base includes the sum of the Tier 1 capital and the supplementary capital consisting of subordinated loans, after deduction of the carrying amount of the shares in wholly owned insurance companies and the potential deduction for expected shortfall.

Cost of equity (%) Required return by investors on the Nordea share, measured as the long risk free euro rate plus required average risk premium to invest in equities multiplied by Beta, which reflects the Nordea share's volatility and correlation with market volatility.

Cost of equity in EUR is defined as Cost of equity (%) times Economic capital. The Cost of equity is set by management once a year as a parameter to manage risk appetite and investment level.

Cost/income ratio Total operating expenses divided by total operating income.

Diluted earnings per share Net profit for the year divided by the weighted average number of outstanding shares after full dilution, non-controlling interests excluded.

Economic capital (EC) Internal estimate of required capital and measures the capital required to cover unexpected losses in the course of its business with a certain probability. EC uses advanced internal models to provide a consistent measurement for Credit Risk, Market Risk, Operational Risk, Business Risk and Life Insurance Risk arising from activities in Nordea's various business areas.

The aggregation of risks across the group gives rise to diversification effects resulting from the differences in risk drivers and the improbability that unexpected losses occur simultaneously.

Economic profit Deducting Cost of equity from Risk-adjusted profit.

Equity per share Equity as shown on the balance sheet after full dilution and non-controlling interests excluded divided by the number of shares after full dilution.

Expected losses Normalised loss level of the individual loan exposure over a business cycle as well as various portfolios.

Impairment rate, gross Individually assessed impaired loans before allowances divided by total loans before allowances.

Impairment rate, net Individually assessed impaired loans after allowances divided by total loans before allowances.

Loan loss ratio Net loan losses (annualised) divided by closing balance of loans to the public (lending).

MCEV (Market Consistent Embedded Value) Estimate of the value a shareholder would put on a portfolio of in-force life and pension business based on objective market return. No franchise value or other additional value is included in MCEV.

Non-performing, not impaired Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Price to Book Nordea's stock market value relative to its book value of total equity.

RAROCAR, % (Risk-adjusted return on capital at risk), Risk-adjusted profit relative to Economic capital.

Return on equity Net profit for the year excluding non-controlling interests as a percentage of average equity for the year. Average equity including net profit for the year and dividend until paid, non-controlling interests excluded.

Risk-adjusted profit Total income minus total operating expenses, minus Expected losses and standard tax (24 % 2013). In addition, Risk-adjusted profit excludes major non-recurring items.

Risk-weighted assets Total assets and off-balance-sheet items valued on the basis of the credit and market risks, as well as operational risks of the Group's undertakings, in accordance with regulations governing capital adequacy, excluding assets in insurance companies, carrying amount of shares which have been deducted from the capital base and intangible assets.

Tier 1 capital Proportion of the capital base, which includes consolidated shareholders' equity excluding investments in insurance companies, proposed dividend, deferred tax assets, intangible assets in the banking operations and half of the expected shortfall deduction, – the negative difference between expected losses and provisions. Subsequent to the approval of the supervisory authorities, Tier 1 capital also includes qualified forms of subordinated loans (Tier 1 capital contributions and hybrid capital loans).

The Core tier 1 capital constitutes the Tier 1 capital excluding hybrid capital loans.

Tier 1 capital ratio Tier 1 capital as a percentage of risk-weighted assets. The Core tier 1 ratio is calculated as Core tier 1 capital as a percentage of risk-weighted assets.

Total allowance rate Total allowances divided by total loans before allowances.

Total allowances in relation to impaired loans (provisioning ratio) Total allowances divided by impaired loans before allowances.

Total capital ratio Capital base as a percentage of risk-weighted assets.

Total shareholders return (TSR) Total shareholders return measured as growth in the value of a shareholding during the year, assuming the dividends are reinvested at the time of the payment to purchase additional shares.

G1 Accounting policies

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1. Basis for presentation

Nordea's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of such standards by the International Financial Reporting Standards Interpretations Committee (IFRS IC), as endorsed by the EU Commission. In addition, certain complementary rules in the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), the recommendation RFR 1 "Supplementary Accounting Rules for Groups" and UFR statements issued by the Swedish Financial Reporting Board as well as the accounting regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25, with amendments in FFFS 2009:11, 2011:54, and 2013:2) have also been applied.

The disclosures, required in the standards, recommendations and legislation above, have been included in the notes, the Risk, Liquidity and Capital management section or in other parts of the "Financial statements".

On 5 February 2014 the Board of Directors approved the financial statements, subject to final approval of the Annual General Meeting on 20 March 2014.

2. Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2012 Annual Report, except for the change to the basis for recognising actuarial gains/losses on defined benefit pension plans, the presentation and measurement of discontinued operations and disposal groups held for sale and the presentation of forward starting bonds. These changes are further described below.

The new standard IFRS 13 "Fair Value Measurement" was implemented 1 January 2013 but has not had any significant impact on the measurement of assets and liabilities in Nordea. IFRS 13 clarifies how to measure fair value but does not change the requirements regarding which items should be measured at fair value. In addition IFRS 13 requires additional disclosures about fair value measurements. The additional disclosures required by IFRS 13 are presented in Note G42 "Assets and liabilities at fair value ".

IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures" have been amended as regards offsetting of financial assets and financial liabilities. Nordea implemented these changes in 2013 (IAS 32 early adopted). The amendments intend to clarify the criteria for offsetting and to add disclosures. Nordea's principles for offsetting are already in accordance with the clarified requirements and therefore there was no impact from the amendments in IAS 32. The additional disclosures required by IFRS 7 are presented in Note G43 "Financial instruments set off on balance or subject to netting agreements".

In 2013 the IASB published a narrow scope amendment to IAS 39 "Financial Instruments: Recognition and Measurement". Nordea implemented these changes in 2013 (early adopted). The amendment allows hedge accounting to be continued if a derivative designated as a hedging instrument is replaced with a new hedging instrument, where a clearing party replaces the original counterparty, as a consequence of laws or regulations. The amendment has not had any significant impact on the financial statements in Nordea.

IAS 19 "Employee Benefits"

The amended IAS 19 "Employee Benefits" was implemented 1 January 2013.

The amended standard has had an impact on the financial statements mainly related to defined benefit pension plans. The amended IAS 19 states that actuarial gains/losses shall be recognised immediately in equity through other comprehensive income, which leads to higher volatility in equity compared to the earlier so called "corridor approach". Consequently no actuarial gains/losses are recognised in the income statement, compared with the earlier rules where actuarial gains/losses outside the corridor were amortised through the income statement. The amended IAS 19 furthermore states that the expected return on plan assets shall be recognised using a return rate equal to the discount rate used when measuring the pension obligation. This has led to higher pension expenses in the income statement as Nordea previously expected a higher return than the discount rate. Any difference between the actual return and the expected return is a part of the actuarial gains/losses recognised immediately in equity through other comprehensive income without recycling to the income statement.

The comparative figures on the balance sheet have been restated accordingly and are disclosed in the below table. The impact on the comparative figures in the income statement was not significant and the income statement has therefore not been restated. The impact on the income statement 2013 was not significant.

G1 Accounting policies

EURm	31 Dec 2012 New policy	31 Dec 2012 Old policy	1 Jan 2012 New policy	1 Jan 2012 Old policy
Net retirement benefit obligations	327	47	732	102
Net deferred tax liabilities	710	779	694	849
Other reserves[1]	340	76	-47	-47
Retained earnings	22,530	23,005	20,479	20,954

1) Impact through "Other comprehensive income". The direct impact from defined benefit plans was EUR 275m at 31 December 2012, which is slightly offset by FX translation differences of EUR 11m arising during the year.

At transition 1 January 2013 the negative impact on equity was EUR 211m, after special wage tax and income tax (EUR 280m before income tax) and the core tier 1 capital was reduced by EUR 258m, including the impact from changes in deferred tax assets.

The Swedish Financial Reporting Board has furthermore withdrawn UFR 4 "Accounting for special wage tax and yield tax" and published UFR 9 "Accounting for yield tax". Nordea has applied UFR 9 instead of UFR 4 as from 1 January 2013. The treatment of yield tax in UFR 9 is the same as in UFR 4. Regarding the special wage tax, the withdrawal of UFR 4 and the implementation of IAS 19 have not had any significant impact on Nordea's financial statement or on the capital adequacy.

The amended IAS 19 also requires additional disclosures which are presented in Note G33 "Retirement benefit obligations", where also more information on the different defined benefit pension plans can be found.

Discontinued operations and disposal groups held for sale
Discontinued operations consist of Nordea's Polish operations as further described in Note G44 "Discontinued operations and disposal groups held for sale". These operations have been classified as discontinued operations as they represent a major line of business and geographical area and as the carrying amount will be recovered through a sale transaction. The net result from discontinued operations, including the net result for the year recognised on the measurement at fair value less costs to sell, is presented as a single amount after net profit for the period from continuing operations. Comparative figures are restated.

Assets and liabilities related to the disposal group are presented on the separate balance sheet lines "Assets held for sale" and "Liabilities held for sale" respectively as from the classification date. Comparative figures are not restated.

Forward starting bonds
Bonds aquired/issued under non-regular way purchase terms, i.e. so called forward starting bonds, were prevsiously recognised on the balance sheet as "Interest-bearing securities"/"Debt securities in issue", three days before settlement with a corresponding settlement liability/receivable, recognised in "Other liabilities"/"Other assets". As from 1 January 2013, these bonds are recognised on the balance sheet on settlement date. The instruments continue to be recognised as derivatives between trade date and settlement date. The comparative figures on the balance sheet have been restated accordingly and are disclosed in the below table.

EURm	31 Dec 2012 New policy	31 Dec 2012 Old policy	1 Jan 2012 New policy	1 Jan 2012 Old policy
Interest-bearing securities	86,626	94,939	84,550	92,373
Other assets	15,554	16,372	12,210	19,425
Debt securities in issue	183,908	184,340	178,028	179,950
Other liabilities	24,773	33,472	30,252	43,368

3. Changes in IFRSs not yet applied by Nordea

IFRS 9 "Financial instruments" (Phase 1)
In 2009 the IASB published a new standard on financial instruments containing requirements for financial assets. Requirements for financial liabilities were added to this standard in 2010. The standard is the first step in the replacement of IAS 39 "Financial Instruments: Recognition and Measurement" and this first phase covers the classification and measurement of financial assets and liabilities. The effective date has been postponed from the earlier communicated date 1 January 2015, without any new effective date communicated. Earlier application is permitted. The EU commission has not yet endorsed this standard and is not expected to do so until all phases of IFRS 9 have been finalised. IFRS 9 "Financial Instruments" (Phase I) is not expected to have a significant impact on Nordea's income statement and balance sheet as the mixed measurement model will be maintained. Significant reclassifications between fair value and amortised cost or impact on the capital adequacy and large exposures are not expected, but this is naturally dependent on the financial instruments on Nordea's balance sheet at transition and the outcome of the final standard. It is expected that changes will be made to the standard before the standard becomes effective.

Nordea has, due to the fact that the standard is not yet endorsed by the EU commission and as changes before the effective date are likely, not finalised the investigation of the impact on the financial statements in the period of initial application or in subsequent periods.

IFRS 9 "Financial Instruments" (Phase 3)
The IASB have during 2013 amended IFRS 9 "Financial Instruments" and added new requirements for general hedge accounting, so called one-to-one hedges (Phase 3).

The main change is that the standard aligns hedge accounting more closely with the risk management activities. As Nordea generally uses macro (portfolio) hedge accounting Nordea's assessment is that the new requirements will not have any significant impact on Nordea's financial statement, capital adequacy or large exposures.

IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", IFRS 12 "Disclosures of Interests in Other Entities", IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"
The IASB has published three new standards relating to consolidation, IFRS 10, IFRS 11 and IFRS 12, as well as amended IAS 27 and IAS 28. The effective date for these standards and amendments is as from 1 January 2013, but earlier application is permitted. The EU commission endorsed these standards and amendments during 2012.

G1 Accounting policies

In contrast to IFRS, the EU commission requires the standards to be applied for annual periods beginning on or after 1 January 2014. Nordea will apply these standards as from 1 January 2014.

Nordea's assessment is that IFRS 10 "Consolidated Financial Statements" will not have any significant impact on Nordea's income statement or balance sheet at transition. In future periods Nordea may have to consolidate some mutual funds, which can have an impact on the balance sheet and on equity if those entities hold Nordea shares that will have to be eliminated in the Nordea Group. It is not expected that mutual funds will be consolidated for capital adequacy purposes and there would consequently not be any impact on the capital adequacy or large exposures.

It is not expected that IFRS 11 will have any significant impact on Nordea, while IFRS 12 is expected to add disclosures.

Annual improvements to IFRS

The IASB has published minor amendments to IFRSs by issuing "Annual Improvements to IFRSs, 2010-2012 Cycle" and "Annual Improvements to IFRSs, 2011-2013 Cycle". Most of the amendments are effective for annual periods beginning on or after 1 July 2014, but earlier application is permitted. The EU commission is expected to endorse these amendments during the third quarter 2014. Nordea´s assessment is that the new requirements will not have any significant impact on Nordea´s financial statements, capital adequacy or large exposures.

IFRIC 21 "Levies"

The IASB has published IFRIC 21 "Levies". The interpretation is effective for annual periods beginning on or after 1 January 2014. The EU commission expects to endorse IFRIC 21 in the beginning of 2014. Nordea will apply IFRIC 21 as from 1 January 2014, if endorsed by the EU commission.

IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IFRIC 21 clarifies that if a levy is triggered by operating as a bank at the end of the reporting period, the liability for the levy is not recognised prior to that date. The assessment is that the new interpretation will not have any significant impact on Nordea's financial statements, capital adequacy or large exposures.

4. Critical judgements and estimation uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires, in some cases, the use of judgements and estimates by management. Actual outcome can later, to some extent, differ from the estimates and the assumptions made. In this section a description is made of:

- the sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, and
- the judgements made when applying accounting policies (apart from those involving estimations) that have the most significant effect on the amounts recognised in the financial statements.

Critical judgements and estimates are in particular associated with:

- the fair value measurement of certain financial instruments
- the impairment testing of:
  – goodwill and
  – loans to the public/credit institutions
- the effectiveness testing of cash flow hedges
- the actuarial calculations of pension liabilities and plan assets related to employees
- the actuarial calculations of insurance contracts
- the valuation of investment properties
- the classification of leases
- the translations of assets and liabilities denominated in foreign currencies
- the valuation of deferred tax assets
- claims in civil lawsuits.

Fair value measurement of certain financial instruments

Nordea's accounting policy for determining the fair value of financial instruments is described in section 11 "Determination of fair value of financial instruments" and Note G42 "Assets and liabilities at fair value". Critical judgements that have a significant impact on the recognised amounts for financial instruments is exercised when determining fair value of OTC derivatives and other financial instruments that lack quoted prices or recently observed market prices. Those judgements relate to the following areas:

- The choice of valuation techniques.
- The determination of when quoted prices fail to represent fair value (including the judgement of whether markets are active).
- The construction of fair value adjustments in order to incorporate relevant risk factors such as credit risk, model risk and liquidity risk.
- The judgement of which market parameters that are observable.

When determining fair value of financial instruments that lack quoted prices or recently observed market prices there is also a high degree of estimation uncertainty. That estimation uncertainty is mainly a result of the judgement management exercises when:

- selecting an appropriate discount rate for the instrument, and
- determining expected timing of future cash flows from the instruments.

In all of these instances, decisions are based upon professional judgement in accordance with Nordea's accounting and valuation policies. In order to ensure proper governance, Nordea has a Group Valuation Committee that on an on-going basis reviews critical judgements that are deemed to have a significant impact on fair value measurements.

The fair value of financial assets and liabilities measured at fair value using a valuation technique, level 2 and 3 in the fair value hierarchy, was EUR 217,626m (EUR 246,986m) and EUR 153,315m (EUR 185,506m) respectively at the end of the year.

G1 Accounting policies

Sensitivity analysis disclosures covering fair values of financial instruments with significant unobservable inputs can be found in Note G42 "Assets and liabilities at fair value".

Estimation uncertainty also arises at initial recognition of financial instruments that are part of larger structural transactions. Although subsequently not necessarily held at fair value such instruments are initially recognised at fair value and as there is normally no separate transaction price or active market for such individual instruments the fair value has to be estimated.

Impairment testing of goodwill

Nordea's accounting policy for goodwill is described in section 16 "Intangible assets" and Note G20 "Intangible assets" lists the cash generating units to which goodwill has been allocated. Nordea's total goodwill amounted to EUR 2,421m (EUR 2,656m) at the end of the year.

The estimation of future cash flows and the calculation of the rate used to discount those cash flows are subject to estimation uncertainty. The forecast of future cash flows is sensitive to the cash flow projections for the near future (generally 3-5 years) and to the estimated sector growth rate for the period beyond 3-5 years. The growth rates are based on historical data, updated to reflect the current situation, which implies estimation uncertainty.

The rates used to discount future expected cash flows are based on the long-term risk free interest rate plus a risk premium (post tax). The risk premium is based on external information of overall risk premiums in relevant countries.

For information on the sensitivity to changes in relevant parameters, see Note G20 "Intangible assets".

Impairment testing of loans to the public/credit institutions

Nordea's accounting policy for impairment testing of loans is described in section 14 "Loans to the public/credit institutions".

Management is required to exercise critical judgements and estimates when calculating loan impairment allowances on both individually assessed and collectively assessed loans. Nordea's total lending before impairment allowances was EUR 367,782m (EUR 367,673m) at the end of the year. For more information, see Note G13 "Loans and impairment".

The most judgemental area is the calculation of collective impairment allowances. When testing a group of loans collectively for impairment, judgement has to be exercised when identifying the events and/or the observable data that indicate that losses have been incurred in the group of loans. Nordea monitors its portfolio through rating migrations and a loss event is an event resulting in a negative rating migration. Assessing the net present value of the cash flows generated by the customers in the group of loans also includes estimation uncertainty. This includes the use of historical data on probability of default and loss given default supplemented by acquired experience when adjusting the assumptions based on historical data to reflect the current situation.

Effectiveness testing of cash flow hedges

Nordea's accounting policies for cash flow hedges are described in section 10 "Hedge accounting".

One important judgement in connection to cash flow hedge accounting is the choice of method used for effectiveness testing.

Where Nordea applies cash flow hedge accounting the hedging instruments used are predominantly cross currency interest rate swaps, which are always held at fair value. The currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk. The hypothetical derivative method is used when measuring the effectiveness of these cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows on the hedged transaction (the currency component). Critical judgement has to be exercised when defining the characteristics of the perfect hypothetical swap.

Actuarial calculations of pension liabilities and plan assets related to employees

Nordea's accounting policy for post-employment benefits is described in section 22 "Employee benefits".

The defined benefit obligation for major pension plans is calculated by external actuaries using demographic assumptions based on the current population. As a basis for these calculations a number of actuarial and financial parameters are used.

The estimation of the discount rate is subject to uncertainty around whether corporate bond markets are deep enough, of high quality and also in connection to the extrapolation of yield curves to relevant maturities. In Sweden, Norway and Denmark the discount rate is determined with reference to covered bonds and in Finland with reference to corporate bonds. Other parameters, like assumptions about salary increases and inflation, are based on the expected long-term development of these parameters are also subject to estimation uncertainty. The fixing of these parameters at year-end is disclosed in Note G33 "Retirement benefit obligations" together with a description of the sensitivity to changes in assumptions.

Actuarial calculations of insurance contracts

Nordea's accounting policy for insurance contracts is described in section 19 "Liabilities to policyholders".

A valuation of insurance liabilities includes estimations and assumptions, both financial and actuarial. One of the important financial assumptions is the interest rate used for discounting future cash flows. Other important actuarial assumptions are those on mortality and disability, which affect the size and timing of the future cash flows. The financial and actuarial assumptions are, to a large extent, stipulated in local legislation and therefore not under Nordea's discretion. Also assumptions about future administrative and tax expenses have an impact on the calculation of policyholder liabilities.

The insurance liability and the assumption sensitivities to the carrying amount are disclosed in Note G28 "Liabilities to policyholders".

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Valuation of investment properties
Nordea's accounting policies for investment properties are described in section 18 "Investment property".

Investment properties are measured at fair value. As there normally are no active markets for investment properties, the fair values are estimated based on discounted cash flow models. These models are based on assumptions on current cash flows, market interest rates and current yield requirements.

The carrying amounts of investment property were EUR 3,524m (EUR 3,408m) at the end of the year. See Note G23 "Investment property" for more information on amounts and parameters used in these models.

Classification of leases
Nordea's accounting policies for leases are described in section 15 "Leasing".

Critical judgement has to be exercised when classifying lease contracts. A lease is classified as a finance lease if it transfers substantially all the risks and rewards related to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards related to ownership.

The central district properties in Finland, Norway and Sweden that Nordea has divested are leased back. The duration of the lease agreement was initially 3-25 years with renewal options. The lease agreements include no transfers of ownerships of the asset by the end of the lease term, nor any economic benefit from appreciation in value of the leased property. In addition, the lease term is not for the major part of the assets' economic life. As a result, Nordea has classified these leases as operating leases. This judgement is a critical judgement that has a significant impact on the carrying amounts in the financial statement. The carrying amount of these properties at the time of disposal was EUR 1.5bn.

More information on lease contracts can be found in Note G22 "Leasing".

Translation of assets and liabilities denominated in foreign currencies
Nordea's accounting policies covering the translation of assets and liabilities denominated in foreign currencies is described in section 9 "Translation of assets and liabilities denominated in foreign currencies".

When reporting consolidated financial statements, the parent company Nordea Bank AB (publ) has been assessed to have two functional currencies, SEK and EUR, based on the different activities. The functional currency of the normal banking operations is SEK and the functional currency of the entity holding equity, shares in group undertakings and the funding of those shares is EUR. It is Nordea's assessment that one legal entity can consist of different entities with different functional currencies.

Valuation of deferred tax assets
Nordea's accounting policy for the recognition of deferred tax assets is described in section 20 "Taxes" and Note G11 "Taxes".

The valuation of deferred tax assets is influenced by management's assessment of Nordea's future profitability and sufficiency of future taxable profits and future reversals of existing taxable temporary differences. These assessments are updated and reviewed at each balance sheet date, and are, if necessary, revised to reflect the current situation.

The carrying amount of deferred tax assets was EUR 62m (EUR 266m) at the end of the year.

Claims in civil lawsuits
Within the framework of the normal business operations, Nordea faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on Nordea or its financial position. See also Note G32 "Provisions" and Note G37 "Contingent liabilities".

5. Principles of consolidation

Consolidated entities
The consolidated financial statements include the accounts of the parent company Nordea Bank AB (publ), and those entities that the parent company controls. Control is generally achieved when the parent company owns, directly or indirectly through group undertakings, more than 50 per cent of the voting rights or otherwise has the power to govern the financial and operating policies of the entity.

All Group undertakings are consolidated using the acquisition method, except for the forming of Nordea in 1997–98 when the holding in Nordea Bank Finland Plc was consolidated using the pooling method. Under the acquisition method, the acquisition is regarded as a transaction whereby the parent company indirectly acquires the group undertaking's assets and assumes its liabilities and contingent liabilities. The Group's acquisition cost is established in a purchase price allocation analysis. In such analysis, the cost of the business combination is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for the identifiable net assets acquired. Costs directly attributable to the business combination are expensed.

As at the acquisition date Nordea recognises the identifiable assets acquired and the liabilities assumed at their acquisition date fair values.

For each business combination Nordea measures the non-controlling interest in the acquired business either at fair value or at their proportionate share of the acquired identifiable net assets.

When the aggregate of the consideration transferred in a business combination and the amount recognised for non-controlling interest exceeds the net fair value of the identifiable assets, liabilities and contingent liabilities, the excess is reported as goodwill. If the difference is negative, such difference is recognised immediately in the income statement.

Equity and net income attributable to non-controlling interests are separately disclosed on the balance sheet, income statement and statement of comprehensive income.

Intra-group transactions and balances between the consolidated group undertakings are eliminated.

The Group undertakings are included in the consolidated accounts as from the date on which control is transferred to Nordea and are no longer consolidated as from the date on which control ceases.

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In the consolidation process the reporting from the group undertakings is adjusted to ensure consistency with the IFRS principles applied by Nordea.

Investments in associated undertakings
The equity method of accounting is used for associated undertakings where the share of voting rights is between 20 and 50 per cent and/or where Nordea has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control over those policies. Investments within Nordea's investment activities, which are classified as a venture capital organisation within Nordea, are measured at fair value in accordance with the rules set out in IAS 28 and IAS 39. Further information on the equity method is disclosed in section 6 "Recognition of operating income and impairment".

Profits from companies accounted for under the equity method are reported post-taxes in the income statement. Consequently, the tax expense related to these profits is not included in the income tax expense for Nordea.

Internal transactions, in the income statement, between Nordea and its associated undertakings are not eliminated. Nordea does not have any sales of assets to or from associated undertakings.

Special Purpose Entities (SPE)
A SPE is an entity created to accomplish a narrow and well defined objective. Often legal arrangements impose strict limits on the decision making powers of the management over the on-going activities of the SPE.

Nordea does not consolidate SPEs' assets and liabilities beyond its control. In order to determine whether Nordea controls a SPE or not, Nordea has to make judgements about risks and rewards and assess the ability to make operational decisions for the SPE in question. When assessing whether Nordea shall consolidate a SPE, a range of factors are evaluated. These factors include whether the activities of the SPE are being in substance conducted on Nordea's behalf or if Nordea has in substance the decision making powers, the rights to obtain the majority of the benefits or the majority of the residual- or ownership risks. Nordea consolidates all SPEs, where Nordea has retained the majority of the risks and rewards. For the SPEs that are not consolidated the rationale is that Nordea does not have significant risks or rewards in connection to these assets and liabilities.

Nordea has created a number of SPEs to allow clients to invest in assets invested in by the SPEs. Some SPEs invest in tradable financial instruments, such as shares and bonds (mutual funds). Other SPEs invest in structured credit products or acquire assets from customers of Nordea. Nordea is generally the investment manager and has sole discretion about investments and other administrative decisions. Typically, Nordea will receive service and commission fees in connection to the creation of the SPEs, or because it acts as investment manager, custodian or in some other function. This in itself does not constitute a beneficial interest triggering consolidation. In some SPEs Nordea has also supplied substantial parts of the funding in the form of fund units, loans or credit commitments. In these SPEs Nordea has a beneficial interest and retains the majority of the risks and rewards, which is why these SPEs are consolidated. Note P21 "Investments in group undertakings" lists the major group undertakings in the Nordea Group, including consolidated SPEs.

Currency translation of foreign entities
The consolidated financial statements are prepared in euro (EUR), the presentation currency of the parent company Nordea Bank AB (publ). The current method is used when translating the financial statements of foreign entities into EUR from their functional currency. The assets and liabilities of foreign entities have been translated at the closing rates, while items in the income statement and statement of comprehensive income are translated at the average exchange rate for the year. Translation differences are accounted for in other comprehensive income and are accumulated in the translation reserve in equity.

Goodwill and fair value adjustments arising from the acquisition of group undertakings are treated as items in the same functional currency as the cash generating unit to which they belong and are also translated at the closing rate.

Information on the most important exchange rates is disclosed in the separate section 27 "Exchange rates".

6. Recognition of operating income and impairment

Net interest income
Interest income and expense are calculated and recognised based on the effective interest rate method or, if considered appropriate, based on a method that results in an interest income or interest expense that is a reasonable approximation of using the effective interest rate method as basis for the calculation. The effective interest includes fees considered to be an integral part of the effective interest rate of a financial instrument (generally fees received as compensation for risk). The effective interest rate equals the rate that discounts the contractual future cash flows to the carrying amount of the financial asset or financial liability.

Interest income and expenses from financial instruments are, with the exceptions described below, classified as "Net interest income".

Interest income and interest expense related to all balance sheet items held at fair value in Markets and Nordea Life & Pensions are classified as "Net result from items at fair value" in the income statement. Also the interest on the net funding of the operations in Markets is recognised on this line.

The interest component in FX swaps, and the interest paid and received in interest rate swaps plus changes in accrued interest, is classified as "Net result from items at fair value", apart for derivatives used for hedging, including economical hedges of Nordea's funding, where such components are classified as "Net interest income".

Net fee and commission income
Nordea earns commission income from different services provided to its customers. The recognition of commission income depends on the purpose for which the fees are received. Fees are either recognised as revenue when services are provided or in connection to the execution of a significant act. Fees received in connection to performed services are

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recognised as income in the period these services are provided. A loan syndication fee received as payment for arranging a loan, as well as other fees received as payments for certain acts, are recognised as revenue when the act has been completed, i.e. when the syndication has been finalised.

Commission expenses are normally transaction based and recognised in the period when the services are received.

Income from issued financial guarantees and expenses from bought financial guarantees, including fees paid to state guarantees, are amortised over the duration of the instruments and classified as "Fee and commission income" and "Fee and commission expense" respectively.

Net result from items at fair value

Realised and unrealised gains and losses on financial instruments measured at fair value through profit or loss are recognised in the item "Net result from items at fair value".

Realised and unrealised gains and losses derive from:

- Shares/participations and other share-related instruments
- Interest-bearing securities and other interest-related instruments
- Other financial instruments, including credit derivatives as well as commodity instruments/derivatives
- Foreign exchange gains/losses
- Investment properties, which include realised and unrealised income, for instance revaluation gains and losses. This line also includes realised results from disposals as well as the running property yield stemming from the holding of investment properties.

Interest income and interest expense related to all balance sheet items in Markets and Nordea Life & Pensions, including the net funding of the operations in Markets, are classified as "Net result from items at fair value".

Also the ineffective portion of cash flow hedges and net investment hedges as well as recycled gains and losses on financial instruments classified into the category Available for sale are recognised in "Net result from items at fair value".

This item also includes realised gains and losses from financial instruments measured at amortised cost, such as interest compensation received and realised gains/losses on buy-backs of issued own debt.

"Net result from items at fair value" includes also losses from counterparty risk on instruments classified into the category Financial assets at fair value through profit or loss as well as impairment on instruments classified into the category Available for sale. However, the fair value adjustments of credit risk on loans granted in accordance with the Danish mortgage finance law (see section 13 "Financial instruments" and Note G42 "Assets and liabilities at fair value") are reported under "Net loan losses". Impairment losses from instruments within other categories are recognised in the items "Net loan losses" or "Impairment of securities held as financial non-current assets" (see also the sub-sections "Net loan losses" and "Impairment of securities held as financial non-current assets" below).

Dividends received are recognised in the income statement as "Net result from items at fair value" and classified as "Shares/participations and other share-related instruments" in the note. Income is recognised in the period in which the right to receive payment is established.

The income recognition and descriptions of the lines relating to life insurance are described in section 7 "Income recognition life insurance" below.

Profit from companies accounted for under the equity method

The profit from companies accounted for under the equity method is defined as the post-acquisition change in Nordea's share of net assets in the associated undertakings. Nordea's share of items accounted for in other comprehensive income in the associated undertakings is accounted for in other comprehensive income in Nordea. Profits from companies accounted for under the equity method are, as stated in section 5 "Principles of consolidation", reported in the income statement post-taxes. Consequently the tax expense related to these profits is excluded from the income tax expense for Nordea.

Fair values are, at acquisition, allocated to the associated undertaking's identifiable assets, liabilities and contingent liabilities. Any difference between Nordea's share of the fair values of the acquired identifiable net assets and the purchase price is goodwill or negative goodwill. Goodwill is included in the carrying amount of the associated undertaking. Subsequently the investment in the associated undertaking increases/decreases with Nordea's share of the post-acquisition change in net assets in the associated undertaking and decreases through received dividends and impairment. An impairment charge can be reversed in a subsequent period.

The change in Nordea's share of the net assets is generally based on monthly reporting from the associated undertakings. For some associated undertakings not individually significant the change in Nordea's share of the net assets is based on the external reporting of the associated undertakings and affects the financial statements of Nordea in the period in which the information is available. The reporting from the associated undertakings is, if applicable, adjusted to comply with Nordea's accounting policies.

Other operating income

Net gains from divestments of shares in group undertakings and associated undertakings and net gains on sale of tangible assets as well as other operating income, not related to any other income line, are generally recognised when it is probable that the benefits associated with the transaction will flow to Nordea and if the significant risks and rewards have been transferred to the buyer (generally when the transactions are finalised).

Net loan losses

Impairment losses from financial assets classified into the category Loans and receivables (see section 13 "Financial instruments"), in the items "Loans to central banks", "Loans to credit institutions" and "Loans to the public" on the balance sheet, are reported as "Net loan losses" together with losses from financial guarantees (including

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state guarantees in Denmark). Also the fair value adjustments of credit risk on loans granted in accordance with the Danish mortgage finance law (see section 13 "Financial instruments" and Note G42 "Assets and liabilities at fair value") are reported under "Net loan losses". Losses are reported net of any collateral and other credit enhancements. Nordea's accounting policies for the calculation of impairment losses on loans can be found in section 14 "Loans to the public/credit institutions".

Counterparty losses on instruments classified into the category Financial assets at fair value through profit or loss, including credit derivatives but apart from loans held at fair value as described above, as well as impairment on financial assets classified into the category Available for sale are reported under "Net result from items at fair value".

Impairment of securities held as financial non-current assets

Impairment on investments in interest-bearings securities, classified into the categories Loans and receivables or Held to maturity, and on investments in associated undertakings are classified as "Impairment of securities held as financial non-current assets" in the income statement. The policies covering impairment of financial assets classified into the categories Loans and receivables and Held to maturity are disclosed in section 13 "Financial instruments" and section 14 "Loans to the public/credit institutions".

Investments in associated undertakings are assessed for impairment annually. If observable indicators (loss events) indicate that an associated undertaking is impaired, an impairment test is performed to assess whether there is objective evidence of impairment. The carrying amount of the investment in the associate is compared with the recoverable amount (higher of value in use and fair value less cost to sell) and the carrying amount is written down to the recoverable amount if required.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

7. Income recognition life insurance

Premiums received, and repayments to policyholders, related to the saving part of the life insurance contracts are reported as increases or decreases of liabilities to policyholders. See further information in section 19 "Liabilities to policyholders".

The total income from life insurance mainly consists of the following components:

- Cost result
- Insurance risk result
- Risk and performance margin
- Investment return on additional capital in life insurance

The result from these components is, except for the cost result and the risk and performance margin relating to Unit Linked and Investment contracts, included in "Net result from items at fair value".

The cost result is the result of expense loading from policyholders and is included in the item "Fee and commission income", together with the risk and performance margin relating to Unit Linked and Investment contracts. The related expenses are included in the items "Fee and commission expense" and "Operating expenses". The policyholder's part of a positive or negative cost result (profit sharing) is included in the note line "Change in technical provisions, Life" within Note G5 "Net result from items at fair value".

The insurance risk result consists of income from individual risk products and from unbundled life insurance contracts as well as Health and personal accident insurance. The risk premiums are amortised over the coverage period as the provisions are reduced when insurance risk is released. A large part of the unbundled risk result from traditional life insurance is subject to profit sharing, which means that the policyholders receive a part of a net income or a net deficit. The risk income and the risk expenses are presented gross on the lines "Insurance risk income, Life" and "Insurance risk expense, Life" in Note G5 "Net result from items at fair value". The policyholder's part of the result is included in the line "Change in technical provisions, Life" in the note.

Gains and losses derived from investments in Nordea Life & Pensions are split on the relevant lines in Note G5 "Net result from items at fair value" as for any other investment in Nordea. The lines include investment return on assets held to cover liabilities to policyholders and return on the additional capital allocated to Nordea Life & Pensions (Shareholders capital in the Nordea Life & Pensions group).

The note line "Change in technical provisions, Life" in Note G5 "Net result from items at fair value" includes:

- Investment returns on assets held to cover liabilities to policyholders (including liabilities from traditional life insurance, unit linked insurance and investment contracts), individually transferred to policyholders' accounts according to the contracts.
- Additional bonus (discretionary participation feature) to policyholders concerning traditional life insurance contracts or any other transfers to the policyholders to cover a periodical deficit between the investment result and any agreed minimum benefit to the policyholders.
- Risk and performance margin regarding traditional life insurance products according to local allocation rules in each Nordea Life & Pensions unit and according to contracts with policyholders. The recognition of a risk and performance margin in the income statement is mainly conditional on a positive result for traditional life insurance contracts. Risk and performance margins not possible to recognise in the current period due to poor investment results, can, in some countries, partly or wholly be deferred to years with higher returns.
- The policyholders' part of the cost- and risk result regarding traditional life insurance contracts or unit linked contracts.

The note line "Change in collective bonus potential, Life" in Note G5 "Net result from items at fair value" relates only to traditional life insurance contracts. The line includes policyholders' share of investment returns not yet individualised. The line includes also additional bonus (discretionary participation feature) and amounts needed to cover a periodical deficit between the investment result and any minimum benefits to the policyholders.

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8. Recognition and derecognition of financial instruments on the balance sheet

Derivative instruments, quoted securities and foreign exchange spot transactions are recognised on and derecognised (reclassified to the items "Other assets" or "Other liabilities" on the balance sheet between trade date and settlement date) from the balance sheet on the trade date. Other financial instruments are recognised on the balance sheet on settlement date.

Financial assets, other than those for which trade date accounting is applied, are derecognised from the balance sheet when the contractual rights to the cash flows from the financial asset expire or are transferred to another party. The rights to the cash flows normally expire or are transferred when the counterpart has performed by e.g. repaying a loan to Nordea, i.e. on settlement date.

In some cases, Nordea enters into transactions where it transfers assets that are recognised on the balance sheet, but retains either all or a portion of risks and rewards from the transferred assets. If all or substantially all risks and rewards are retained, the transferred assets are not derecognised from the balance sheet. If Nordea's counterpart can sell or repledge the transferred assets, the assets are reclassified to the item "Financial instruments pledged as collateral" on the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include e.g. securities lending agreements and repurchase agreements.

Financial liabilities are derecognised from the balance sheet when the liability is extinguished. Normally this occurs when Nordea performs, for example when Nordea repays a deposit to the counterpart, i.e. on settlement date. Financial liabilities under trade date accounting are generally reclassified to "Other liabilities" on the balance sheet on trade date.

For further information, see sections "Securities borrowing and lending agreements" and "Repurchase and reverse repurchase agreements" within 13 "Financial instruments", as well as Note G45 "Transferred assets and obtained collaterals".

9. Translation of assets and liabilities denominated in foreign currencies

The functional currency of each entity is decided based upon the primary economic environment in which the entity operates. The parent company Nordea Bank AB (publ) uses two functional currencies, SEK and EUR for reporting in consolidated accounts, based on the different activities in the underlying business.

Foreign currency is defined as any currency other than the functional currency of the entity. Foreign currency transactions are recorded at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date.

Exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, and unrealised translation differences on unsettled foreign currency monetary assets and liabilities, are recognised in the income statement in the item "Net result from items at fair value".

Translation differences on financial instruments that are designated hedging instruments in a hedge of a net investment in a group undertaking are recognised in other comprehensive income, to the extent the hedge is effective. This is performed in order to offset the translation differences affecting other comprehensive income when consolidating the group undertaking into Nordea. Any ineffectiveness is recognised in the income statement in the item "Net result from items at fair value".

10. Hedge accounting

Nordea applies the EU carve out version of IAS 39 for portfolio hedges of both assets and liabilities. The EU carve out macro hedging enables a group of derivatives (or proportions thereof) to be viewed in combination and designated as the hedging instrument and removes some of the limitations in fair value hedge accounting relating to hedging core deposits and under-hedging strategies.

Nordea uses hedge accounting in order to have a symmetrical accounting treatment of the changes in fair value of the hedged item and changes in fair value of the hedging instruments as well as to hedge the exposure to variability in future cash flows and the exposure to net investments in foreign operations.

There are three forms of hedge accounting:

- Fair value hedge accounting
- Cash flow hedge accounting
- Hedges of net investments

Fair value hedge accounting

Fair value hedge accounting is used when derivatives are hedging changes in fair value of a recognised asset or liability attributable to a specific risk. The risk of changes in fair value of assets and liabilities in Nordea's financial statements originates mainly from loans, securities and deposits with a fixed interest rate, causing interest rate risk. Changes in fair value from derivatives as well as changes in fair value of the hedged item attributable to the risks being hedged are recognised separately in the income statement in the item "Net result from items at fair value". Given an effective hedge, the two changes in fair value will more or less balance, meaning the net result is close to zero. The changes in fair value of the hedged item attributable to the risks hedged with the derivative instrument are reflected in an adjustment to the carrying amount of the hedged item, which is also recognised in the income statement. The fair value change of the hedged items held at amortised cost in a portfolio hedge of interest rate risks is reported separately from the portfolio in the item "Fair value changes of the hedged items in portfolio hedge of interest rate risk" on the balance sheet.

Fair value hedge accounting in Nordea is performed mainly on a portfolio basis. Any ineffectiveness is recognised in the income statement under the item "Net result from items at fair value".

Hedged items

A hedged item in a fair value hedge can be a recognised single asset or liability, an unrecognised firm commitment, or a portion thereof. The hedged item can also be a group of assets, liabilities or firm commitments with similar risk characteristics. Hedged items in Nordea consist of both individual assets or liabilities and portfolios of assets and/or liabilities.

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Hedging instruments
The hedging instruments used in Nordea are predominantly interest rate swaps and cross currency interest rate swaps, which are always held at fair value. Cash instruments are only used as hedging instruments when hedging currency risk.

Cash flow hedge accounting
Cash flow hedge accounting can be used for the hedging of exposure to variations in future interest payments on instruments with variable interest rates and for the hedging of currency exposures. The portion of the gain or loss on the hedging instrument, that is determined to be an effective hedge, is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The ineffective portion of the gain or loss on the hedging instrument is recycled to the item "Net result from items at fair value" in the income statement.

Gains or losses on hedging instruments recognised in the cash flow hedge reserve in equity through other comprehensive income are recycled and recognised in the income statement in the same period as the hedged item affects profit or loss, normally in the period that interest income or interest expense is recognised.

Hedged items
A hedged item in a cash flow hedge can be highly probable floating interest rate cash flows from recognised assets or liabilities or from future assets or liabilities. Nordea uses cash flow hedges when hedging currency risk in future payments of interest and principal in foreign currency.

Hedging instruments
The hedging instruments used in Nordea are predominantly cross currency interest rate swaps, which are always held at fair value, where the currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk.

Hedges of net investments
See separate section 9 "Translation of assets and liabilities denominated in foreign currencies".

Hedge effectiveness
The application of hedge accounting requires the hedge to be highly effective. A hedge is regarded as highly effective if at inception and throughout its life it can be expected that changes in fair value of the hedged item as regards the hedged risk can be essentially offset by changes in fair value of the hedging instrument. The result should be within a range of 80–125 per cent. When assessing hedge effectiveness retrospectively Nordea measures the fair value of the hedging instruments and compares the change in fair value of the hedging instrument to the change in fair value of the hedged item. The effectiveness measurement is made on a cumulative basis. The hypothetical derivative method is used when measuring the effectiveness of cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows from the hedged transaction (the currency component).

If the hedge relationship does not fulfil the requirements, hedge accounting is terminated. For fair value hedges the hedging instrument is reclassified to a trading derivative and the change in the fair value of the hedged item, up to the point when the hedge relationship is terminated, is amortised to the income statement on a straight-line basis over the remaining maturity of the hedged item.

In cash flow hedges, changes in the unrealised value of the hedging instrument will prospectively from the last time it was proven effective be accounted for in the income statement. The cumulative gain or loss on the hedging instrument that has been recognised in the cash flow hedge reserve in equity through other comprehensive income from the period when the hedge was effective is reclassified from equity to "Net result from items at fair value" in the income statement if the expected transaction no longer is expected to occur. If the expected transaction no longer is highly probable, but is still expected to occur, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective remains in other comprehensive income until the transaction occurs or is no longer expected to occur.

11. Determination of fair value of financial instruments
Financial assets and liabilities classified into the categories Financial assets/liabilities at fair value through profit or loss (including derivative instruments) are recorded at fair value on the balance sheet with changes in fair value recognised in the income statement in the item "Net result from items at fair value".

Fair value is defined as the price that at the measurement date would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants under current market conditions in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The existence of published price quotations in an active market is the best evidence of fair value and when they exist they are used to measure financial assets and financial liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. The absolute level for liquidity and volume required for a market to be considered active vary with the instrument classes. For some classes low price volatility is seen, also for those instruments within the class where the trade frequency is high. For instruments in such a class the liquidity requirements are lower and, correspondingly, the age limit for the prices used for establishing fair value is higher.

If markets are active or non-active is assessed regularly. The trade frequency and volume are monitored daily.

Nordea is predominantly using published price quotations to establish fair value for items disclosed under the following balance sheet items:
- Interest-bearing securities
- Shares (listed)
- Derivatives (listed)

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- Debt securities in issue (issued mortgage bonds in Nordea Kredit Realkreditaktieselskab)

If quoted prices for a financial instrument fail to represent actual and regularly occurring market transactions or if quoted prices are not available, fair value is established by using an appropriate valuation technique. The adequacy of the valuation technique, including an assessment of whether to use quoted prices or theoretical prices, is monitored on a regular basis.

Valuation techniques can range from simple discounted cash flow analysis to complex option pricing models. Valuation models are designed to apply observable market prices and rates as input whenever possible, but can also make use of unobservable model parameters. The adequacy of the valuation model is assessed by measuring its capability to hit market prices. This is done by comparison of calculated prices to relevant benchmark data, e.g. quoted prices from exchanges, the counterparty's valuations, price data from consensus services etc.

Nordea is predominantly using valuation techniques to establish fair value for items disclosed under the following balance sheet items:

- Loans to the public (mortgage loans in Nordea Kredit Realkreditaktieselskab)
- Interest-bearing securities (when quoted prices in an active market are not available)
- Shares (when quoted prices in an active market are not available)
- Derivatives (OTC-derivatives)

For financial instruments, where fair value is estimated by a valuation technique, it is investigated whether the variables used in the valuation model are predominantly based on data from observable markets. By data from observable markets, Nordea considers data that can be collected from generally available external sources and where this data is judged to represent realistic market prices. If non-observable data has a significant impact on the valuation, the instrument cannot be recognised initially at the fair value estimated by the valuation technique and any upfront gains are thereby deferred and amortised through the income statement over the contractual life of the instrument. The deferred upfront gains are subsequently released to income if the non-observable data becomes observable.

Note G42 "Assets and liabilities at fair value" provides a breakdown of fair values of financial instruments measured on the basis of:

- quoted prices in active markets for the same instrument (level 1),
- valuation technique using observable data (level 2), and
- valuation technique using non-observable data (level 3).

The valuation models applied by Nordea are consistent with accepted economic methodologies for pricing financial instruments and incorporate the factors that market participants consider when setting a price.

New valuation models are subject to approval by a Model Risk Management Committee and all models are reviewed on a regular basis.

For further information, see Note G42 "Assets and liabilities at fair value".

12. Cash and cash equivalents

Cash and cash equivalents consist of cash and balances with central banks where the following conditions are fulfilled:

- The central bank is domiciled in a country where Nordea is operating under a banking licence
- The balance is readily available at any time

Cash and cash equivalents are financial instruments classified into the category Loans and receivables, see section 13 "Financial instruments".

Loans to credit institutions payable on demand are also recognised as "Cash and cash equivalents" in the cash flow statement together with instruments with central banks that can be resold immediately.

13. Financial instruments

Classification of financial instruments

Each financial instrument has been classified into one of the following categories:

Financial assets:

- Financial assets at fair value through profit or loss:
  - Held for trading
  - Designated at fair value through profit or loss (fair value option)
- Loans and receivables
- Held to maturity
- Available for sale

Financial liabilities:

- Financial liabilities at fair value through profit or loss:
  - Held for trading
  - Designated at fair value through profit or loss (fair value option)
- Other financial liabilities

All financial assets and liabilities are initially measured at fair value. The classification of financial instruments into different categories forms the basis for how each instrument is subsequently measured on the balance sheet and how changes in its value are recognised. In Note G41 "Classification of financial instruments" the classification of the financial instruments on Nordea's balance sheet into different categories is presented.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. All changes in fair values are recognised directly in the income statement in the item "Net result from items at fair value".

The category consists of two sub-categories; Held for trading and Designated at fair value through profit or loss (fair value option).

The sub-category Held for trading mainly contains derivative instruments that are held for trading purposes, interest-bearing securities and shares within Markets and Treasury. It also contains trading liabilities such as short-selling positions and lending in reverse repurchase agreements.

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The major parts of the financial assets/liabilities classified into the category Designated at fair value through profit or loss are mortgage loans and related issued bonds in the Danish subsidiary Nordea Kredit Realkreditaktieselskab and interest-bearing securities, shares and investment contracts in Nordea Life & Pensions.

Assets and liabilities in Nordea Kredit Realkreditaktieselskab are classified into the category Designated at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch. When Nordea grants mortgage loans to customers in accordance with the Danish mortgage finance law Nordea at the same time issues bonds with matching terms, so called "match funding". The customers can repay the loans either through repayments of the principal or by purchasing the issued bonds and return them to Nordea as a settlement of the loan. The bonds play an important part in the Danish money market and Nordea consequently buys and sells own bonds in the market. If the loans and bonds were measured at amortised cost such buy-backs of bonds would give rise to an accounting mismatch as any gains or losses would have to be recognised immediately in the income statement. If such bonds are subsequently sold in the market any premium or discount would be amortised over the expected maturity, which would also create an accounting mismatch. To avoid such an accounting mismatch Nordea measures both the loans and bonds at fair value through profit or loss.

Interest-bearing securities, shares and investment contracts (defined in section 19 "Liabilities to policyholders") in Nordea Life & Pensions are generally also classified into the category Designated at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch. The investment contracts (unit-linked) are held at fair value and to avoid an accounting mismatch also the related assets are held at fair value. This is valid also for insurance contracts (defined in section 19 "Liabilities to policyholders") where the assets are generally held at fair value to reduce an accounting mismatch with the liabilities to policyholders that are generally measured at fair value.

Nordea also applies the fair value option on certain financial assets and financial liabilities related to Markets. The classification stems from that Markets is managing and measuring its financial assets and liabilities at fair value. Consequently, the majority of financial assets and financial liabilities in Markets are classified into the categories Financial assets/Financial liabilities at fair value through profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets, with fixed or determinable payments, that are not quoted in an active market. These assets and their impairment are further described in the separate section 14 "Loans to the public/credit institutions".

Held to maturity

Financial assets that Nordea has chosen to classify into the category Held to maturity are non-derivative financial assets with fixed or determinable payments and fixed maturity that Nordea has the positive intent and ability to hold to maturity. Financial assets classified into the category Held to maturity are initially recognised on the balance sheet at the acquisition price, including transaction costs. Subsequent to initial recognition, the instruments within this category are measured at amortised cost. In an amortised cost measurement, the difference between acquisition cost and redemption value is amortised in the income statement over the remaining term using the effective interest rate method.

If more than an insignificant amount of the Held to maturity portfolio is sold or transferred the Held to maturity category is tainted, except for if the sale or transfer either occur close to maturity, after substantially all of the original principal is already collected, or due to an isolated non-recurring event beyond the control of Nordea.

Nordea assesses at each reporting date whether there is any objective evidence that the asset is impaired. If there is such evidence, an impairment loss is recorded. The loss is calculated as the difference between the carrying amount and the present value of estimated future cash flows and is recognised as "Impairment of securities held as financial non-current assets" in the income statement. See section 14 "Loans to the public/credit institutions" for more information on the identification and measurement of objective evidence of impairment, which is applicable also for interest-bearings securities classified into the category Held to maturity.

Available for sale

Financial instruments classified into the category Available for sale are measured at fair value. Changes in fair values, except for interest, foreign exchange effects and impairment losses, are recognised in the fair value reserve in equity through other comprehensive income. Interest is recognised in the item "Interest income" and foreign exchange effects and impairment losses in the item "Net result from items at fair value" in the income statement.

When an instrument classified into the category Available for sale is disposed of, the fair value changes that previously have been accumulated in the fair value reserve (related to Available for sale investments) in other comprehensive income are removed from equity and recognised in the income statement in the item "Net result from items at fair value".

Financial assets classified into the category Available for sale are assessed at least annually in order to determine any need for impairment losses. If there is objective evidence of impairment, the accumulated loss that has been recognised in other comprehensive income is removed from equity and recognised as "Net result from items at fair value" in the income statement. The amount of the accumulated loss that is recycled from equity is the difference between the asset's acquisition cost and current fair value. For equity investments a prolonged or significant decline in the fair value, compared to the acquisition cost, is considered to be objective evidence of impairment. Objective evidence of impairment for a debt instrument is rather connected to a loss event, such as an issuer's financial difficulty.

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Other financial liabilities
Financial liabilities, other than those classified into the category Financial liabilities at fair value through profit or loss, are measured at amortised cost. Interest on Other financial liabilities is recognised in the item "Interest expense" in the income statement.

Hybrid (combined) financial instruments
Hybrid (combined) financial instruments are contracts containing a host contract and an embedded derivative instrument. Such combinations arise predominantly from the issuance of structured debt instruments, such as issued index-linked bonds.

Index-linked bonds issued by Group Treasury are considered to be part of the funding activities. The zero coupon bond, is measured at amortised cost. The embedded derivatives in those instruments are separated from the host contract and accounted for as stand-alone derivatives at fair value, if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, and the embedded derivative meets the definition of a derivative instrument. Changes in fair values, of the embedded derivatives, are recognised in the income statement in the item "Net result from items at fair value".

Index-linked bonds issued by Markets as part of the trading portfolio are classified into the category Held for trading, and the entire combined instrument, host contract together with the embedded derivative, is measured at fair value through profit or loss. Changes in fair values are recognised in the income statement in the item "Net result from items at fair value".

Securities borrowing and lending agreements
Generally, securities borrowing and securities lending transactions are entered into on a collateralised basis. Unless the risks and rewards of ownership are transferred, the securities are not recognised on or derecognised from the balance sheet. In the cases where the counterpart is entitled to resell or repledge the securities, the securities are reclassified to the balance sheet item "Financial instruments pledged as collateral".

Securities in securities lending transactions are also disclosed in the item "Assets pledged as security for own liabilities".

Cash collateral advanced (securities borrowing) to the counterparts is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public". Cash collateral received (securities lending) from the counterparts is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public".

Repurchase and reverse repurchase agreements
Securities delivered under repurchase agreements and securities received under reverse repurchase agreements are not derecognised from or recognised on the balance sheet. In the cases where the counterpart has the right to resell or repledge the securities, the securities are reclassified to the balance sheet line "Financial instruments pledged as collateral".

Securities delivered under repurchase agreements are also disclosed in the item "Assets pledged as security for own liabilities".

Cash received under repurchase agreements is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public". Cash delivered under reverse repurchase agreements is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public".

Additionally, the sale of securities received in reverse repurchase agreements trigger the recognition of a trading liability (short sale).

Derivatives
All derivatives are recognised on the balance sheet and measured at fair value. Derivatives with total positive fair values, including any accrued interest, are recognised as assets in the item "Derivatives" on the asset side. Derivatives with total negative fair values, including any accrued interest, are recognised as liabilities in the item "Derivatives" on the liability side.

Realised and unrealised gains and losses from derivatives are recognised in the income statement in the item "Net result from items at fair value".

Offsetting of financial assets and liabilities
Nordea offsets financial assets and liabilities on the balance sheet if there is a legal right to offset, in the ordinary course of business and in case of bankruptcy, and if the intent is to settle the items net or realise the asset and settle the liability simultaneously. This is generally achieved through the central counterparty clearing houses that Nordea has agreements with.

Exchanged traded derivatives are generally accounted for as settled on a daily basis when cash is paid or received and the instrument is reset to market terms. Derivative assets and liabilities against central counterparty clearing houses are, as mentioned above, generally set off on the balance sheet, but net cash collateral received or paid is generally accounted for separately as cash collateral paid (asset) or received (liability), which is also the case for cash collateral paid or received in bilateral OTC derivative transactions.

14. Loans to the public/credit institutions
Financial instruments classified as "Loans to the public/credit institutions" (including loans to central banks) on the balance sheet and into the category Loans and receivables are measured at amortised cost (see also the separate section 8 "Recognition and derecognition of financial instruments on the balance sheet" as well as Note G41 "Classification of financial instruments").

Nordea monitors loans as described in the separate section on Risk, Liquidity and Capital management. Loans attached to individual customers or groups of customers are identified as impaired if the impairment tests indicate an objective evidence of impairment.

Also interest-bearings securities classified into the categories Loans and receivables and Held to maturity are held at amortised cost and the description below is valid also for the identification and measurement of impairment on these assets. Possible impairment losses on interest-

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bearing securities classified into the categories Loans and receivables and Held to maturity are recognised as "Impairment of securities held as non-current financial assets" in the income statement.

Impairment test of individually assessed loans
Nordea tests all loans for impairment on an individual basis. The purpose of the impairment tests is to find out if the loans have become impaired. As a first step in the identification process for impaired loans, Nordea monitors whether there are indicators of impairment (loss event) and whether these loss events represent objective evidence of impairment. More information on the identification of loss events can be found in the Risk, Liquidity and Capital management section.

Loans that are not individually impaired will be transferred to a group of loans with similar risk characteristics for a collective impairment test.

Impairment test of collectively assessed loans
Loans not impaired on an individual basis are collectively tested for impairment.

These loans are grouped on the basis of similar credit risk characteristics that are indicative of the debtors' ability to pay all amounts due according to the contractual terms. Nordea monitors its portfolio through rating migrations, the credit decision and annual review process supplemented by quarterly risk reviews. Through these processes Nordea identifies loss events indicating incurred losses in a group. A loss event is an event resulting in a deterioration of the expected future cash flows. Only loss events incurred up to the reporting date are included when performing the assessment of the group.

The objective for the group assessment process is to evaluate if there is a need to make a provision due to the fact that a loss event has occurred, which has not yet been identified on an individual basis. This period between the date when the loss event occurred and the date when it is identified on an individual basis is called "Emergence period". The impairment remains related to the group of loans until the losses have been identified on an individual basis. The identification of the loss is made through a default of the engagement or by other indicators.

For corporate customers and bank counterparts, Nordea uses the existing rating system as a basis when assessing the credit risk. Nordea uses historical data on probability of default to estimate the risk for a default in a rating class. These loans are rated and grouped mostly based on type of industry and/or sensitivity to certain macro parameters, e.g. dependency to oil prices etc.

Personal customers and small corporate customers are monitored through scoring models. These are based mostly on historical data, as default rates and loss rates given a default, and experienced judgement performed by management. Rating and scoring models are described in more detail in the separate section on Risk, Liquidity and Capital management.

The collective assessment is performed through a netting principle, i.e. when rated engagements are up-rated due to estimated increases in cash flows, this improvement will be netted against losses on loans that are downrated due to estimated decreases in cash-flows. Netting is only performed within groups with similar risk characteristics where Nordea assesses that the customers' future cash flows are insufficient to serve the loans in full.

Impairment loss
If the carrying amount of the loans is higher than the sum of the net present value of estimated cash flows (discounted with the original effective interest rate), including the fair value of the collaterals and other credit enhancements, the difference is the impairment loss.

For significant loans that have been individually identified as impaired the measurement of the impairment loss is made on an individual basis.

For insignificant loans that have been individually identified as impaired and for loans not identified as impaired on an individual basis the measurement of the impairment loss is measured using a portfolio based expectation of the future cash flows.

If the impairment loss is not regarded as final, the impairment loss is accounted for on an allowance account representing the accumulated impairment losses. Changes in the credit risk and accumulated impairment losses are accounted for as changes in the allowance account and as "Net loan losses" in the income statement (see also section 6 "Recognition of operating income and impairment").

If the impairment loss is regarded as final, it is reported as a realised loss and the value of the loan and the related allowance for impairment loss are derecognised. An impairment loss is regarded as final when the obligor is filed for bankruptcy and the administrator has declared the economic outcome of the bankruptcy procedure, or when Nordea forgives its claims either through a legal based or voluntary reconstruction or when Nordea, for other reasons, deem it unlikely that the claim will be recovered.

Discount rate
The discount rate used to measure impairment is the original effective interest rate for loans attached to an individual customer or, if applicable, to a group of loans. If considered appropriate, the discount rate can be based on a method that results in an impairment that is a reasonable approximation of using the effective interest rate method as basis for the calculation.

Restructured loans
In this context a restructured loan is defined as a loan where Nordea has granted concessions to the obligor due to its deteriorated financial situation and where this concession has resulted in an impairment loss for Nordea. After a reconstruction the loan is normally regarded as not impaired if it performs according to the new conditions. Concessions made in reconstructions are regarded as loan losses unless Nordea retains the possibility to regain the loan losses incurred. In the event of a recovery the payment is reported as a recovery of loan losses.

Assets taken over for protection of claims
In a financial reconstruction the creditor may concede loans to the obligor and in exchange for this concession acquire an asset pledged for the conceded loans, shares issued by the obligor or other assets. Assets taken over for

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protection of claims are reported on the same balance sheet line as similar assets already held by Nordea. For example a property taken over, not held for Nordea's own use, is reported together with other investment properties.

At initial recognition, all assets taken over for protection of claims are recognised at fair value and the possible difference between the carrying amount of the loan and the fair value of the assets taken over is recognised as "Net loan losses". The fair value of the asset on the date of recognition becomes its cost or amortised cost value, as applicable. In subsequent periods, assets taken over for protection of claims are valued in accordance with the valuation principles for the appropriate type of asset. Investment properties are then measured at fair value. Financial assets that are foreclosed are generally classified into the categories Available for sale or Designated at fair value through profit or loss (fair value option) (see section 13 "Financial instruments") and measured at fair value. Changes in fair values are recognised in other comprehensive income for assets classified into the category Available for sale. For assets classified into the category Designated at fair value through profit or loss, changes in fair value are recognised in the income statement under the line "Net result from items at fair value".

Any change in value, after the initial recognition of the asset taken over, is presented in the income statement in line with the Group's presentation policies for the appropriate asset. "Net loan losses" in the income statement is, after the initial recognition of the asset taken over, consequently not affected by any subsequent remeasurement of the asset.

15. Leasing

Nordea as lessor

Finance leases

Nordea's leasing operations mainly comprise finance leases. A finance lease is reported as a receivable from the lessee in the balance sheet item "Loans to the public" at an amount equal to the net investment in the lease. The lease payment, excluding cost of services, is recorded as repayment of principal and interest income. The income allocation is based on a pattern reflecting a constant periodic return on the net investment outstanding in respect of the finance lease.

Operating leases

Assets subject to operating leases on the balance sheet are reported in accordance with the nature of the assets, in general as property and equipment. Leasing income is recognised as income on a straight-line basis over the lease term and classified as "Net interest income". The depreciation of the leased assets is calculated on the basis of Nordea's depreciation policy for similar assets and reported as "Depreciation, amortisation and impairment charges of tangible and intangible assets" in the income statement.

Nordea as lessee

Finance leases

Finance leases are recognised as assets and liabilities on the balance sheet at the amount equal to the fair value, or if lower, the present value of the minimum lease payments of the leased assets at the inception of the lease. The assets are reported in accordance with the nature of the assets. Lease payments are apportioned between finance charge and reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. A finance lease also gives rise to a depreciation expense for the leased asset. The depreciation policy is consistent with that of the assets in own use. Impairment testing of leased assets is performed following the same principles as for similar owned assets.

Operating leases

Operating leases are not recognised on Nordea's balance sheet. For operating leases the lease payments are recognised as expenses in the income statement on a straight-line basis over the lease term unless another systematic way better reflects the time pattern of Nordea's benefit. The original lease terms normally range between 3 to 25 years.

Operating leasing is mainly related to office premises contracts and office equipment contracts normal to the business.

The central district properties in Finland, Norway and Sweden that Nordea has divested are leased back. The duration of the lease agreements was initially 3-25 years with renewal options. The lease agreements include no transfers of ownerships of the asset by the end of the lease term, nor any economic benefits from appreciation in value of the leased property. In addition, the lease term is not for the major part of the assets' economic life. These leases are thus classified as operating leases. The rental expense for these premises is recognised on the basis of the time-pattern of Nordea's economic benefit which differs from the straight-line basis and better resembles an ordinary rental arrangement.

Embedded leases

Agreements can contain a right to use an asset in return for a payment, or a series of payments, although the agreement is not in the legal form of a leasing contract. If applicable, these assets are separated from the contract and accounted for as leased assets.

16. Intangible assets

Intangible assets are identifiable, non-monetary assets without physical substance. The assets are under Nordea's control, which means that Nordea has the power and rights to obtain the future economic benefits flowing from the underlying resource. The intangible assets in Nordea mainly consist of goodwill, IT-development/computer software and customer related intangible assets.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of Nordea's share of net identifiable assets of the acquired group undertaking/associated undertaking at the date of acquisition. Goodwill on acquisition of group undertakings is included in "Intangible assets". Goodwill on acquisitions of associates is not recognised as a separate asset, but included in "Investments in associated undertakings". Goodwill is tested annually

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for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Impairment losses on goodwill cannot be reversed in subsequent periods. Goodwill related to associated undertakings is not tested for impairment separately, but included in the total carrying amount of the associated undertakings. The policies covering impairment testing of associated undertakings is disclosed in section 6 "Recognition of operating income and impairment".

IT-development/Computer software
Costs associated with maintaining computer software programs are expensed as incurred. Costs directly associated with major software development investments, with a useful life of three years or more and the ability to generate future economic benefits, are recognised as intangible assets. These costs include software development staff costs and overhead expenditures directly attributable to preparing the asset for use. Computer software includes also acquired software licenses not related to the function of a tangible asset.

Amortisation is calculated on a straight-line basis over the useful life of the software, generally a period of 3 to 10 years.

Customer related intangible assets
In business combinations a portion of the purchase price is normally allocated to a customer related intangible asset, if the asset is identifiable and under Nordea's control. An intangible asset is identifiable if it arises from contractual or legal rights, or could be separated from the entity and sold, transferred, licenced, rented or exchanged. The asset is amortised over its useful life, generally over 10 years.

Impairment
Goodwill is not amortised but tested for impairment annually irrespective of any indications of impairment. Impairment testing is also performed more frequently if required due to any indication of impairment. The impairment charge is calculated as the difference between the carrying amount and the recoverable amount.

At each balance sheet date, all intangible assets with definite useful lives are reviewed for indications of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the intangible asset is fully recoverable.

The recoverable amount is the higher of fair value less costs to sell and the value in use of the asset or the cash-generating unit, which is defined as the smallest identifiable group of assets that generates largely independent cash flows in relation to other assets. For goodwill, the cash generating units are defined as the operating segments. The value in use is the present value of the cash flows expected to be realised from the asset or the cash-generating unit. The cash flows are assessed based on the asset or cash-generating unit in its current condition and discounted at a rate based on the long-term risk free interest rate plus a risk premium (post tax). If the recoverable amount is less than the carrying amount, an impairment loss is recognised. See Note G20 "Intangible assets" for more information on the impairment testing.

17. Property and equipment
Property and equipment includes own-used properties, leasehold improvements, IT equipment, furniture and other equipment. Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment comprise its purchase price, as well as any directly attributable costs of bringing the asset to the working condition for its intended use. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items.

Property and equipment is depreciated on a straight-line basis over the estimated useful life of the assets. The estimates of the useful life of different assets are reassessed on a yearly basis. Below follows the current estimates:

Buildings	30–75 years
Equipment	3–5 years
Leasehold improvements	Changes within buildings the shorter of 10 years and the remaining leasing term. New construction the shorter of the principles used for owned buildings and the remaining leasing term. Fixtures installed in leased properties are depreciated over the shorter of 10–20 years and the remaining leasing term.

At each balance sheet date, Nordea assesses whether there is any indication that an item of property and equipment may be impaired. If any such indication exists, the recoverable amount of the asset is estimated and any impairment loss is recognised.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

18. Investment property
Investment properties are primarily properties held to earn rent and/or capital appreciation. The majority of the properties in Nordea are attributable to Nordea Life & Pensions. Nordea applies the fair value model for subsequent measurement of investment properties. The best evidence of a fair value is normally given by quoted prices in an active market for similar properties in the same location and condition. As these prices are rarely available discounted cash flow projection models based on reliable estimates of future cash flows are also used.

Net rental income, gains and losses as well as fair value adjustments are recognised directly in the income statement as "Net result from items at fair value".

19. Liabilities to policyholders
Liabilities to policyholders include obligations according to insurance contracts and investment contracts with policyholders.

An insurance contract is defined as "a contract under which one party (the insurer) accepts significant insurance

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risks from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder".

Investment contracts are contracts with policyholders that have the legal form of insurance contracts but where the insurance risk transfer has been assessed to be insignificant.

The insurance risk is generally calculated as the risk sum payable as a percentage of the reserve behind the contract at the beginning of the contract period. It is Nordea's assessment that a risk percentage of five or higher is a significant insurance risk.

The contracts can be divided into the following classes:

- Insurance contracts:
  - Traditional life insurance contracts with and without discretionary participation feature
  - Unit-Linked contracts with significant insurance risk
  - Health and personal accident
- Investment contracts:
  - Investment contracts with discretionary participation feature
  - Investment contracts without discretionary participation feature

Insurance contracts

The measurement principles under local GAAP have been maintained consequently resulting in a non-uniform accounting policies method on consolidation.

Traditional life insurance provisions represent consolidated provisions for all the companies in Nordea Life & Pensions, including companies in Sweden, Norway, Finland, Denmark, Poland, Luxembourg, Isle of Man, Estonia and Lithuania.

In Denmark, Sweden and Finland the measurements are prepared by calculating the present value of future benefits, to which the policyholders are entitled. The calculation includes assumptions about market consistent discounting rates as well as expenses and life risk. The discount rate is based on the liabilities' current term. In Denmark, the provision, in addition, includes bonus potential on paid policies and on future premiums.

In Norway the provisions are mainly calculated on the basis of a prospective method. The discount rate used is equal to the original tariff rates and assumptions about expenses and risk.

The accounting policy for each company is based on the local structure of the business and is closely related to solvency rules and national regulation concerning profit sharing and other requirements about collective bonus potential.

Unit-Linked contracts represent life insurance provisions relating to Unit-Linked policies written either with or without an investment guarantee. Unit-Linked contracts classified as insurance contracts include the same insurance risk elements as traditional insurance contracts. These contracts are mainly recognised and measured at fair value on the basis of:

- the fair value of the assets linked to the Unit-Linked contracts, and
- the estimated present value of the insurance risk which is calculated in the same way as traditional insurance contracts considering the impact on every risk element included in the cash flows.

Health and personal accident provisions include premium reserves and claims outstanding. This item is recognised and measured on deferred basis in the same way as general insurance contracts.

Investment contracts

Investment contracts are contracts with policyholders, which do not transfer sufficient insurance risk to be classified as insurance contracts.

However, investment contracts with discretionary participation features are, in line with IFRS 4, accounted for as insurance contracts using local accounting principles. Nordea Life & Pension has only a small number of these contracts.

Investment contracts without discretionary participation features are recognised and measured at fair value in accordance with IAS 39 "Financial Instruments: Recognition and Measurement", equal to fair value of the assets linked to these contracts. These assets are classified into the category Designated at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch.

Discretionary participating features (DPF)

Some traditional life insurance contracts and investment contracts include a contractual right for the policyholder to receive significant benefits in addition to guaranteed benefits. Nordea has discretion to pay these additional benefits as bonus on risk result, expense result and interest rate. These DPF-contracts (Collective bonus potential) are classified as liabilities on the balance sheet.

Collective bonus potential includes amounts allocated but not attributed to the policyholders. In Finland, collective bonus potential includes the policyholder's part of the total unrealised investment gains and bonus potential on paid policies and future premiums (the difference between retrospective and market consistent prospective measurement principles of the insurance contracts). In Norway, collective bonus potential includes the policyholder's part of both the total unrealised investment gains and additional reserves. In Sweden and Denmark, the main valuation principle is fair value (insurance contracts). The policyholder's part of both realised and unrealised investment gains is therefore included on the balance sheet representing either "Change in technical provisions, Life" and/or "Change in collective bonus potentials, Life", depending on whether the investment result is allocated or not. Both the mentioned lines are included on the balance sheet line "Liabilities to policyholders".

Liability adequacy test

The adequacy of insurance provisions is assessed at each reporting date to ensure that the carrying amount of the liabilities is higher than the best estimate of future cash flows discounted with current interest rates. If needed, additional provisions are accounted for and recognised in the income statement.

20. Taxes

The item "Income tax expense" in the income statement comprises current- and deferred income tax. The income tax expense is recognised in the income statement, except to the extent the tax effect relates to items recognised in other comprehensive income or directly in equity, in

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which case the tax effect is recognised in other comprehensive income or in equity respectively.

Current tax is the expected tax expense on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits. Deferred tax is not recognised for temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, nor for differences relating to investments in group undertakings and associated undertakings to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, tax losses carry forward and unused tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when the legal right to offset exists and Nordea intends to either settle the tax asset and the tax liability net or to recover the asset and settle the liability simultaneously. Deferred tax assets and deferred tax liabilities are generally offset if there is a legally enforceable right to offset current tax assets and current tax liabilities.

21. Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to shareholders of Nordea Bank AB (publ) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, consisting of rights to performance shares in the long term incentive programmes.

The potential ordinary shares are only considered to be dilutive, on the balance sheet date, if all performance conditions are fulfilled and if a conversion to ordinary shares would decrease earnings per share. The rights are furthermore considered dilutive only when the exercise price, with the addition of future services, is lower than the period's average share price.

22. Employee benefits

All forms of consideration given by Nordea to its employees as compensation for services performed are employee benefits. Short-term benefits are to be settled within twelve months after the reporting period when the services have been performed. Post-employment benefits are benefits payable after the termination of the employment. Post-employment benefits in Nordea consist only of pensions. Termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy.

Short-term benefits

Short term benefits consist mainly of fixed and variable salary. Both fixed and variable salaries are expensed in the period when the employees have performed services to Nordea. Nordea has also issued share-based payment programmes, which are further described in section 25 "Share-based payment".

More information can be found in Note G7 "Staff costs".

Post-employment benefits

Pension plans

The companies within Nordea have various pension plans, consisting of both defined benefit pension plans and defined contribution pension plans, reflecting national practices and conditions in the countries where Nordea operates. Defined benefit pension plans are predominantly sponsored in Sweden, Norway and Finland. The major defined benefit pension plans are funded schemes covered by assets in pension funds/foundations. If the fair value of plan assets, associated with a specific pension plan, is lower than the gross present value of the defined benefit obligation, the net amount is recognised as a liability ("Retirement benefit liabilities"). If not, the net amount is recognised as an asset ("Retirement benefit assets"). Non-funded pension plans are recognised as "Retirement benefit liabilities".

Most pensions in Denmark, but also plans in other countries, are based on defined contribution arrangements that hold no pension liability for Nordea. All defined benefit pension plans are closed for new employees. Nordea also contributes to public pension systems.

Pension costs

Obligations for defined contribution pension plans are recognised as an expense as the employee renders services to the entity and the contribution payable in exchange for that service becomes due. Nordea's net obligation for defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned for their service in the current and prior periods. That benefit is discounted to determine its present value. Actuarial calculations are applied to assess the present value of defined benefit obligations and related costs, based on several actuarial and financial assumptions (as disclosed in Note G33 "Retirement benefit obligations").

When establishing the present value of the obligatio and the fair value of any plan assets, actuarial gains and losses may arise as a result of changes in actuarial assumptions and experience effects (actual outcome compared to assumptions). The actuarial gains and losses are recognised immediately in equity through other comprehensive income.

G1 Accounting policies

When the calculation results in a benefit the recognised asset is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

Social security contribution is calculated and accounted for based on the net recognised surplus or deficit by plan and is included on the balance sheet as "Retirement benefit liabilities" or "Retirement benefit assets".

Discount rate in defined benefit pension plans
The discount rate is determined by reference to high quality corporate bonds, where a deep enough market for such bonds exists. Covered bonds are in this context considered to be corporate bonds. In countries where no such market exists the discount rate is determined by reference to government bond yields. In Sweden, Norway and Denmark the discount rate is determined with reference to covered bonds and in Finland with reference to corporate bonds.

Termination benefits
As mentioned above termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy. Termination benefits do not arise if the employees have to continue performing services and the termination benefits can be considered to be normal compensation for those services.

Termination benefits are expensed when Nordea has an obligation to make the payment. An obligation arises when there is a formal plan committed to on the appropriate organisational level and when Nordea is without realistic possibility of withdrawal, which normally occurs when the plan has been communicated to the group affected or to their representatives.

Termination benefits can include both short-term benefits, for instance a number of months' salary, and post-employment benefits, normally in the form of early retirement. Short-term benefits are classified as "Salaries and remuneration" and post-employment benefits as "Pension costs" in Note G7 "Staff costs".

23. Equity
Non-controlling interests
Non-controlling interests comprise the portion of net assets of group undertakings not owned directly or indirectly by Nordea Bank AB (publ).

For each business combination, Nordea measures the non-controlling interests in the acquiree either at fair value or at their proportionate share of the acquiree's identifiable net assets.

Share premium reserve
The share premium reserve consists of the difference between the subscription price and the quota value of the shares in Nordea's rights issue. Transaction costs in connection to the rights issue have been deducted.

Other reserves
Other reserves comprise income and expenses, net after tax effects, which are reported in equity through other comprehensive income. These reserves include fair value reserves for cash flow hedges, financial assets classified into the category Available for sale and accumulated remeasurements of defined benefit pension plans, as well as a reserve for translation differences.

Retained earnings
Apart from undistributed profits from previous years, retained earnings include the equity portion of untaxed reserves. Untaxed reserves according to national rules are accounted for as equity net of deferred tax at prevailing tax rates in the respective country.

In addition, Nordea's share of the earnings in associated undertakings, after the acquisition date, that have not been distributed is included in retained earnings.

Treasury shares
Treasury shares are not accounted for as assets. Acquisitions of treasury shares are classified as deductions of "Retained earnings" on the balance sheet. Also own shares in trading portfolios are classified as treasury shares. Divested treasury shares are recognised as an increase of "Retained earnings".

Contracts on Nordea shares that can be settled net in cash are either financial assets or financial liabilities.

24. Financial guarantee contracts and credit commitments
Upon initial recognition, premiums received in issued financial guarantee contracts and credit commitments are recognised as prepaid income on the balance sheet. The guarantees and irrevocable credit commitments are subsequently measured, and recognised as a provision on the balance sheet, at the higher of either the received fee less amortisation, or an amount calculated as the discounted best estimate of the expenditure required to settle the present obligation. Changes in provisions are recognised in the income statement in the item "Net loan losses".

Premiums received for financial guarantees are, as stated in section 6 "Recognition of operating income and impairment", amortised over the guarantee period and recognised as "Fee and commission income" in the income statement. Premiums received on credit commitments are generally amortised over the loan commitment period. The contractual amounts are recognised off-balance sheet, financial guarantees in the item "Contingent liabilities" and irrevocable credit commitments in the item "Credit commitments".

25. Share-based payment
Equity-settled programmes
Nordea has annually issued Long Term Incentive Programmes from 2007 through 2012. Employees participating in these programmes are granted share-based equity-settled rights, i.e. rights to receive shares for free or to acquire shares in Nordea at a significant discount compared to the share price at grant date. The value of such rights is expensed. The expense is based on the estimated fair value of each right at grant date. The total fair value of these rights is determined based on the group's estimate of the number of rights that will eventually vest, which is reassessed at each reporting date. The fair value is expensed on a straight-line basis over the vesting period.

G1 Accounting policies

The vesting period is the period that the employees have to remain in service in Nordea in order for their rights to vest. Market performance conditions in D-rights/Performance Share II are reflected as a probability adjustment to the initial estimate of fair value at grant date. There is no adjustment (true-up) for differences between estimated and actual vesting due to market conditions.

Social security costs are also allocated over the vesting period, in accordance with statement UFR 7 issued by the Swedish Financial Reporting Board: "IFRS 2 and social security contributions for listed enterprises". The provision for social security costs is reassessed on each reporting date to ensure that the provision is based on the rights' fair value at the reporting date.

For more information see Note G7 "Staff costs".

Cash-settled programmes

Nordea has to defer payment of variable salaries under Nordic FSA's regulations and general guidelines, as is also the case with the Executive Incentive Programme (EIP). The deferred amounts are to some extent indexed using Nordea's TSR (Total Shareholders' Return) and these "programmes" are cash-settled share-based programmes. These programmes are fully vested when the payments of variable salaries are initially deferred and the fair value of the obligation is remeasured on a continuous basis. The remeasurements are, together with the related social charges, recognised in the income statement in the item "Net result from items at fair value".

For more information see Note G7 "Staff costs".

26. Related party transactions

Nordea defines related parties as:

- Shareholders with significant influence
- Group undertakings
- Associated undertakings
- Key management personnel
- Other related parties

All transactions with related parties are made on an arm's length basis.

Shareholders with significant influence

Shareholders with significant influence are shareholders that have the power to participate in the financial and operating decisions of Nordea but do not control those policies.

Group undertakings

For the definition of group undertakings see section 5 "Principles of consolidation". Further information on the undertakings included in the Nordea Group is found in Note P21 "Investments in group undertakings".

Group internal transactions between legal entities are performed according to arm's length principles in conformity with OECD requirements on transfer pricing. These transactions are eliminated in the consolidated accounts.

Associated undertakings

For the definition of Associated undertakings see section 5 "Principles of consolidation".

Further information on the associated undertakings included in the Nordea Group is found in Note G19 "Investments in associated undertakings".

Key management personnel

Key management personnel includes the following positions:

- The Board of Directors
- The Chief Executive Officer (CEO)
- The Group Executive Management (GEM)

For information about compensation, pensions and other transactions with key management personnel, see Note G7 "Staff costs".

Other related parties

Other related parties comprise close family members to individuals in key management personnel. Other related parties also include companies significantly influenced by key management personnel in Nordea Group as well as companies significantly influenced by close family members to these key management personnel. Other related parties also include Nordea's pension foundations.

Information concerning transactions between Nordea and other related parties is found in Note G48 "Related-party transactions".

27. Exchange rates

EUR 1 = SEK	Jan–Dec 2013	Jan–Dec 2012
Income statement (average)	8.6524	8.7052
Balance sheet (at end of period)	8.8591	8.5820
EUR 1 = DKK		
Income statement (average)	7.4579	7.4438
Balance sheet (at end of period)	7.4593	7.4610
EUR 1 = NOK		
Income statement (average)	7.8091	7.4758
Balance sheet (at end of period)	8.3630	7.3483
EUR 1 = PLN		
Income statement (average)	4.1969	4.1836
Balance sheet (at end of period)	4.1543	4.0740
EUR 1 = RUB		
Income statement (average)	42.3269	39.9253
Balance sheet (at end of period)	45.3246	40.3295

G2 Segment reporting

Operating segments

Basis of segmentation

Financial results are presented for the three main business areas Retail Banking, Wholesale Banking and Wealth Management, with further breakdown on operating segments, and for the operating segment Group Corporate Centre. Other operating segments below the quantitative thresholds in IFRS 8 are included in Other operating segments. Group functions and eliminations as well as the result that is not fully allocated to any of the operating segments, are shown separately as reconciling items.

Compared with the 2012 Annual Report changes in the basis of segmentation have been made following the divestment of Nordea's Polish operations. The divested operations are excluded from the reporting to the Chief Operating Decision Maker (CODM) and are consequently not part of the segment reporting in Note G2. The impact from the divested operations can be found in Note G44. Comparative figures have been restated accordingly.

The main business area Wealth Management has in addition been separated from Other operating segments and further broken down on reportable operating segments. Comparative figures have been restated accordingly.

Reportable Operating segments

Retail Banking conducts a full service banking operation and offers a wide range of products. It is Nordea's largest customer area and serves household customers and corporate customers in the Nordic markets (Retail Banking Nordic) as well as the Baltic countries (Retail Banking Baltic). Wholesale Banking provides banking and other financial solutions to large Nordic and international corporate, institutional and public companies. The division Corporate & Institutional Banking is a customer oriented organisation serving the largest globally operating corporates. This division is also responsible for Nordea's customers within the financial sector, and offers single products such as funds and equity products as well as consulting services within asset allocation and fund sales. The division Shipping, Offshore & Oil Services is responsible for Nordea's customers within the shipping, offshore and oil services industries and provides tailor made solutions and syndicated loan transactions. Nordea Bank Russia offers a full range of bank services to corporate and private customers in Russia. Capital Markets unallocated includes the result in Capital Markets which is not allocated to the main business areas. Wealth management provides high quality investment, savings and risk management products. It also manages customers' assets and gives financial advice to affluent and high net worth individuals as well as to institutional investors. The division Private Banking provides wealth planning, full-scale investment advice, credit, and estate planning services to wealthy individuals, businesses and their owners, trusts and foundations. The division Asset Management is responsible for all actively managed investment products including internally managed investment funds and mandates as well as selected externally managed funds, and for serving the institutional asset management customers. Life & Pensions serves Nordea's Retail Private Banking and corporate customers with a full range of pension, endowment and risk products as well as tailor-made advice for bank distribution. Life & Pensions unallocated includes the result in Life & Pensions which is not allocated to the main business areas. Group Corporate Centre's main objective is to manage the Group's funding and to support the management and control of the Nordea Group. The main income in Group Corporate Centre originates from Group Treasury.

Income statement 2013, EURm	Retail Banking	Wholesale Banking	Wealth Management	Group Corporate Centre	Other Operating segments	Total operating segments	Reconciliation	Total Group
Net interest income	3,859	1,150	133	360	44	5,546	–21	5,525
Net fee and commission income	1,523	576	577	–10	0	2,666	–24	2,642
Net result from items at fair value	331	917	355	57	–6	1,654	–115	1,539
Profit from associated undertakings accounted for under the equity method	35	—	—	0	0	35	44	79
Other income	66	3	25	9	–1	102	4	106
Total operating income	**5,814**	**2,646**	**1,090**	**416**	**37**	**10,003**	**–112**	**9,891**
– of which internal transactions[1]	–1,619	–295	27	1,933	–46	—	—	—
Staff costs	–1,379	–800	–489	–224	–7	–2,899	–79	–2,978
Other expenses	–1,672	–78	–127	–1	–2	–1,880	45	–1,835
Depreciation, amortisation and impairment charges of tangible and intangible assets	–104	–36	–20	–47	0	–207	–20	–227
Total operating expenses	**–3,155**	**–914**	**–636**	**–272**	**–9**	**–4,986**	**–54**	**–5,040**
Profit before loan losses	**2,659**	**1,732**	**454**	**144**	**28**	**5,017**	**–166**	**4,851**
Net loan losses	–498	–262	–3	0	0	–763	28	–735
Operating profit	**2,161**	**1,470**	**451**	**144**	**28**	**4,254**	**–138**	**4,116**
Income tax expense	–566	–387	–107	–33	–14	–1,107	98	–1,009
Net profit for the year from continuing operations	**1,595**	**1,083**	**344**	**111**	**14**	**3,147**	**–40**	**3,107**
Balance sheet 31 Dec 2013, EURbn								
Loans to the public[2]	224	61	9	—	—	294	48	342
Deposits and borrowings from the public[2]	110	43	11	—	—	164	37	201

G2 Segment reporting, cont.

Income statement, 2012 EURm	Retail Banking	Wholesale Banking	Wealth Management	Group Corporate Centre	Other Operating segments	Total operating segments	Recon-ciliation	Total Group
Net interest income	3,832	1,170	134	417	23	5,576	–13	5,563
Net fee and commission income	1,519	542	435	–13	0	2,483	–15	2,468
Net result from items at fair value	292	1,065	426	83	2	1,868	–94	1,774
Profit from associated undertakings accounted for under the equity method	41	—	—	–1	0	40	53	93
Other income	64	12	24	96	0	196	–96	100
Total operating income	**5,748**	**2,789**	**1,019**	**582**	**25**	**10,163**	**–165**	**9,998**
– of which internal transactions[1]	–2,100	–386	32	2,562	–108	—	—	—
Staff costs	–1,384	–792	–473	–215	–6	–2,870	–119	–2,989
Other expenses	–1,697	–102	–127	–36	–6	–1,968	160	–1,808
Depreciation, amortisation and impairment charges of tangible and intangible assets	–108	–39	–25	–56	0	–228	–39	–267
Total operating expenses	**–3,189**	**–933**	**–625**	**–307**	**–12**	**–5,066**	**2**	**–5,064**
Profit before loan losses	**2,559**	**1,856**	**394**	**275**	**13**	**5,097**	**–163**	**4,934**
Net loan losses	–614	–315	–2	0	0	–931	36	–895
Operating profit	**1,945**	**1,541**	**392**	**275**	**13**	**4,166**	**–127**	**4,039**
Income tax expense	–556	–442	96	–61	–4	–1,159	189	–970
Net profit for the year from continuing operations	**1,389**	**1,099**	**296**	**214**	9	**3,007**	**62**	**3,069**
Balance sheet 31 Dec 2012, EURbn								
Loans to the public[2]	224	66	8	—	—	298	48	346
Deposits and borrowings from the public[2]	109	46	11	—	—	166	35	201

1) IFRS 8 requires information on revenues from transactions between operating segments. Nordea has defined inter-segment revenues as internal interest income and expense related to the funding of the operating segments by the internal bank in Group Corporate Centre.
2) The volumes are only disclosed separate for operating segments if separately reported to the Chief Operating Decision Maker

Break-down of Retail Banking

	Retail Banking Nordic[1]		Retail Banking Baltic[2]		Retail Banking Other[3]		Total Retail Banking	
Income statement, EURm	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income	3,822	3,704	130	120	–93	8	3,859	3,832
Net fee and commission income	1,498	1,489	43	43	–18	–13	1,523	1,519
Net result from items at fair value	339	306	–3	–1	–5	–13	331	292
Profit from associated undertakings accounted for under the equity method	32	37	0	0	3	4	35	41
Other income	33	18	1	2	32	44	66	64
Total operating income	**5,724**	**5,554**	**171**	**164**	**–81**	**30**	**5,814**	**5,748**
– of which internal transactions	–1,558	–1,968	–44	–51	–17	–81	–1,619	–2,100
Staff costs	–984	–986	–25	–24	–370	–374	–1,379	–1,384
Other expenses	–1,981	–1,990	–59	–52	368	345	–1,672	–1,697
Depreciation, amortisation and impairment charges of tangible and intangible assets	–46	–43	–1	–2	–57	–63	–104	–108
Total operating expenses	**–3,011**	**–3,019**	**–85**	**–78**	**–59**	**–92**	**–3,155**	**–3,189**
Profit before loan losses	**2,713**	**2,535**	**86**	**86**	**–140**	**–62**	**2,659**	**2,559**
Net loan losses	–447	–563	–40	–29	–11	–22	–498	–614
Operating profit	**2,266**	**1,972**	**46**	**57**	**–151**	**–84**	**2,161**	**1,945**
Income tax expense	–585	–559	–15	–13	34	16	–566	–556
Net profit for the year from continuing operations	**1,681**	**1,413**	**31**	**44**	**–117**	**–68**	**1,595**	**1,389**
Balance sheet, EURbn								
Loans to the public	217	217	7	7	—	—	224	224
Deposits and borrowings from the public	107	106	3	3	—	—	110	109

1) Retail Banking Nordic includes banking operations in Denmark, Finland, Norway and Sweden.
2) Retail Banking Baltic includes banking operations in Estonia, Latvia and Lithuania.
3) Retail Banking Other includes the support areas Development & Projects, Distribution, Segments, Products and IT.

G2 Segment reporting, cont.

Break-down of Wholesale Banking

	Corporate & Institutional Banking		Shipping, Offshore & Oil Services		Nordea Bank Russia		Capital Markets unallocated		Wholesale Banking Other[1]		Total Wholesale Banking	
Income statement, EURm	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income	710	695	278	292	243	206	4	9	–85	–32	1,150	1,170
Net fee and commission income	573	557	58	64	14	16	–79	–96	10	1	576	542
Net result from items at fair value	354	403	33	28	13	8	510	625	7	1	917	1,065
Other income	0	1	0	0	0	3	2	2	1	6	3	12
Total operating income	**1,637**	**1,656**	**369**	**384**	**270**	**233**	**437**	**540**	**–67**	**–24**	**2,646**	**2,789**
– of which internal transactions	–211	–318	–84	–101	–43	–52	133	124	–90	–39	–295	–386
Staff costs	–42	–40	–26	–26	–72	–69	–445	–453	–215	–204	–800	–792
Other expenses	–448	–449	–40	–43	–33	–32	230	212	213	210	–78	–102
Depreciation, amortisation and impairment charges of tangible and intangible assets	0	0	0	0	–7	–6	–1	–1	–28	–32	–36	–39
Total operating expenses	**–490**	**–489**	**–66**	**–69**	**–112**	**–107**	**–216**	**–242**	**–30**	**–26**	**–914**	**–933**
Profit before loan losses	**1,147**	**1,167**	**303**	**315**	**158**	**126**	**221**	**298**	**–97**	**–50**	**1,732**	**1,856**
Net loan losses	–172	–68	–98	–241	8	–6	—	—	0	0	–262	–315
Operating profit	**975**	**1,099**	**205**	**74**	**166**	**120**	**221**	**298**	**–97**	**–50**	**1,470**	**1,541**
Income tax expense	–256	–272	–65	–72	–37	–30	–53	–74	24	6	–387	–442
Net profit for the year from continuing operations	**719**	**827**	**140**	**2**	**129**	**90**	**168**	**224**	**–73**	**–44**	**1,083**	**1,099**
Balance sheet, EURbn												
Loans to the public	41	46	13	13	7	7	—	—	—	—	61	66
Deposits and borrowings from the public	37	39	4	5	2	2	—	—	—	—	43	46

1) Wholesale Banking Other includes the area International Units and the support areas Transaction Products, Segment CIB and IT.

Break-down of Wealth Management

	Private Banking		Asset Management		Life & Pensions unallocated		Wealth Management Other[1]		Total Wealth Management	
Income statement, EURm	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income	131	127	1	1	0	0	1	6	133	134
Net fee and commission income	484	405	145	124	–53	–87	1	–7	577	435
Net result from items at fair value	133	132	0	4	222	289	0	1	355	426
Other income	4	10	10	8	10	8	1	–2	25	24
Total operating income	**752**	**674**	**156**	**137**	**179**	**210**	**3**	**–2**	**1,090**	**1,019**
– of which internal transactions	20	25	0	0	1	0	6	7	27	32
Staff costs	–171	–164	–115	–118	–130	–120	–73	–71	–489	–473
Other expenses	–237	–233	7	16	38	27	65	63	–127	–127
Depreciation, amortisation and impairment	–6	–5	0	0	–11	–14	–3	–6	–20	–25
Total operating expenses	**–414**	**–402**	**–108**	**–102**	**–103**	**–107**	**–11**	**–14**	**–636**	**–625**
Profit before loan losses	**338**	**272**	**48**	**35**	**76**	**103**	**–8**	**–16**	**454**	**394**
Net loan losses	–3	–2	—	—	—	—	—	—	–3	–2
Operating profit	**335**	**270**	**48**	**35**	**76**	**103**	**–8**	**–16**	**451**	**392**
Income tax expense	–80	–66	–12	–9	–18	–26	3	5	–107	–96
Net profit for the year from continuing operations	**255**	**204**	**36**	**26**	**58**	**77**	**–5**	**–11**	**344**	**296**
Balance sheet, EURbn										
Loans to the public	9	8	—	—	—	—	—	—	9	8
Deposits and borrowings from the public	11	11	—	—	—	—	—	—	11	11

1) Wealth Management Other includes the area Savings and support areas, such as IT.

G2 Segment reporting, cont.

Measurement of Operating segments' performance
The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision Maker (CODM), as required by IFRS 8. In Nordea the CODM has been defined as Group Executive Management.

The main differences compared to the section "Business area results" in this report are that the information for CODM is prepared using plan exchange rates and to that different allocation principles between operating segments have been applied.

Reconciliation between total operating segments and financial statements

	Total operating income, EURm		Operating profit, EURm		Loans to the public, EURbn		Deposits and borrowings from the public, EURbn	
	2013	2012	2013	2012	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Total Operating segments	10,003	10,163	4,254	4,166	294	298	164	166
Group functions[1]	3	10	–114	–85	—	—	—	—
Unallocated items	21	41	43	–28	59	40	42	31
Eliminations	–9	–186	—	—	—	—	—	—
Differences in accounting policies[2]	–127	–30	–67	–14	–11	8	–5	4
Total	**9,891**	**9,998**	**4,116**	**4,039**	**342**	**346**	**201**	**201**

1) Consists of Group Risk Management, Group Internal Audit, Group Identity & Communications, Group Human Resources, Board of Directors and Group Executive Management.
2) Impact from plan rates used in the segment reporting and from that comparative figures for lending/deposits in Banking Poland are restated in operating segments but not in financial statements.

Total operating income split on product groups, EURm	2013	2012
Banking products	6,131	6,239
Capital Markets products	2,193	2,361
Savings products & Asset management	875	739
Life & Pensions	476	493
Other	216	166
Total	**9,891**	**9,998**

Banking products consists of three different product types. Account products includes account based products such as lending, deposits, cards and Netbank services. Transaction products consist of cash management as well as trade and project finance services. Financing products includes asset based financing through leasing, hire purchase and factoring as well as sales to finance partners such as dealers, vendors and retailers.

Capital Markets products contains financial instruments, or arrangements for financial instruments, that are available in the financial marketplace, including currencies, commodities, stocks and bonds.

Savings products & Asset management includes Investment funds, Discretionary Management, Portfolio Advice, Equity Trading and Pension Accounts. Investment Funds is a bundled product where the fund company invest in stocks, bonds, derivatives or other standardised products on behalf of the fund's shareholders. Discretionary Management is a service providing the management of an investment portfolio on behalf of the customer and Portfolio Advise is a service provided to support the customers' investment decisions.

Life & Pensions includes life insurance and pension products and services.

Geographical information

	Total operating income, EURm		Assets, EURbn	
	2013	2012	31 Dec 2013	31 Dec 2012
Sweden	2,125	2,246	147	145
Finland	1,604	1,792	72	69
Norway	1,993	1,944	82	91
Denmark	3,218	3,133	242	271
Baltic countries	178	212	10	10
Russia	193	180	5	5
Other	580	491	72	77
Total	**9,891**	**9,998**	**630**	**668**

Nordea's main geographical markets comprise the Nordic countries, the Baltic countries and Russia. Revenues and assets are distributed to geographical areas based on the location of the customers' operations. Goodwill is allocated to different countries based on the location of the business activities of the acquired entities.

G3 Net interest income

EURm	2013	2012
Interest income		
Loans to credit institutions	60	111
Loans to the public	9,102	10,343
Interest-bearing securities	751	861
Other interest income	691	624
Interest income	**10,604**	**11,939**

G3 Net interest income, cont.

Interest expense		
Deposits by credit institutions	–122	–218
Deposits and borrowings from the public	–1,439	–1,909
Debt securities in issue	–3,705	–3,964
Subordinated liabilities	–340	–355
Other interest expenses[1]	527	70
Interest expense	**–5,079**	**–6,376**
Net interest income	**5,525**	**5,563**

1) The net interest income from derivatives, measured at fair value, related to Nordea´s funding. This can have both a positive and negative impact on other interest expense, for further information see Note G1.

Interest income from financial instruments not measured at fair value through profit or loss amounts to EUR 8,347m (EUR 9,559m). Interest expenses from financial instruments not measured at fair value through profit or loss amounts to EUR –4,376m (EUR –5,147m).

Interest on impaired loans amounted to an insignificant portion of interest income.

Net interest income

EURm	2013	2012
Interest income	10,333	11,634
Leasing income[1]	271	305
Interest expense	–5,079	–6,376
Total	**5,525**	**5,563**

1) Of which contingent leasing income amounts to EUR 114m (EUR 148m). Contingent leasing income in Nordea consists of variable interest rates, excluding the fixed margin. If the contingent leasing income decreases there will be an offsetting impact from lower funding expenses.

G4 Net fee and commission income

EURm	2013	2012
Asset management commissions	1,000	832
Life insurance	350	285
Brokerage, securities issues and corporate finance	296	289
Custody and issuers services	124	118
Deposits	50	51
Total savings related commissions	**1,820**	**1,575**
Payments	417	409
Cards	508	482
Total payment commissions	**925**	**891**
Lending	510	457
Guarantees and documentary payment	187	219
Total lending related to commissions	**697**	**676**
Other commission income	132	116
Fee and commission income	**3,574**	**3,258**
Savings and investments	–322	–269
Payments	–90	–90
Cards	–259	–236
State guarantee fees	–132	–89
Other commission expenses	–129	–106
Fee and commission expense	**–932**	**–790**
Net fee and commission income	**2,642**	**2,468**

Fee income, not included in determining the effective interest rate, from financial assets and liabilities not measured at fair value through profit or loss amounts to EUR 543m (EUR 483m).

G4 Net fee and commission income, cont.

Fee income, not included in determining the effective interest rate, from fiduciary activities that result in the holding or investing of assets on behalf of customers amounts to EUR 1,646m (EUR 1,407m). The corresponding amounts for fee expenses is EUR –72m (EUR –57m).

G5 Net result from items at fair value

EURm	2013	2012
Shares/participations and other sharerelated instruments	2,630	1,635
Interest-bearing securities and other interest-related instruments	238	2,637
Other financial instruments	90	482
Foreign exchange gains/losses	876	234
Investment properties	145	135
Change in technical provisions, Life[1]	–1,519	–2,895
Change in collective bonus potential, Life	–978	–546
Insurance risk income, Life	202	181
Insurance risk expense, Life	–145	–89
Total	**1,539**	**1,774**

Net result from categories of financial instruments[2]

EURm	2013	2012
Available for sale assets, realised	–6	—
Financial instruments designated at fair value through profit or loss	40	40
Financial instruments held for trading[3]	318	1,203
Financial instruments under fair value hedge accounting	73	36
– of which net gains/losses on hedging instruments	–1,404	1,076
– of which net gains/losses on hedged items	1,477	–1,040
Financial assets measured at amortised cost[4]	13	29
Financial liabilities measured at amortised cost	–26	–23
Foreign exchange gains/losses excluding currency hedges	914	210
Other	–5	–1
Financial risk income, net Life[1]	161	188
Insurance risk income, net Life	57	92
Total	**1,539**	**1,774**

1) Premium income amounts to EUR 2,278m (EUR 2,601m).
2) The figures disclosed for Life (financial risk income and insurance risk income) are disclosed on gross basis, ie before eliminations of intra-group transactions.
3) Of which amortised deferred day one profits amounts to EUR 12m (EUR 12m).
4) Of which EUR 13m (EUR 21m) related to instruments classified into the category "Loans and receivables" and EUR 0m (EUR 8m) related to instruments classified into the category "Held to maturity".

G6 Other operating income

EURm	2013	2012
Income from real estate	5	10
Disposal of tangible and intangible assets	18	13
Other	83	77
Total	**106**	**100**

G7 Staff costs

EURm	2013	2012
Salaries and remuneration (specification below)[1]	–2,287	–2,277
Pension costs (specification below)	–222	–239
Social security contributions	–387	–399
Other staff costs	–82	–74
Total	**–2,978**	**–2,989**
Salaries and remuneration		
To executives[2]		
– Fixed compensation and benefits	–18	–19
– Performance-related compensation	–12	–8
– Allocation to profit-sharing	0	–1
Total	**–30**	**–28**
To other employees	–2,257	–2,249
Total	**–2,287**	**–2,277**

1) Of which allocation to profit-sharing 2013 EUR 45m (EUR 63m) consisting of a new allocation of EUR 46m (EUR 67m) and a release related to prior years of EUR 1m (EUR 4m).
2) Executives include the Board of Directors (including deputies), CEO, deputy CEO, executive vice presidents and Group Executive Management in the parent company as well as the Board of Directors (including deputies), managing directors and executive vice presidents in operating group undertakings. Former board members (including deputies), CEOs, deputy CEOs, managing directors and executive vice presidents, in the parent company and operating group undertakings, are included. Executives amount to 301 (300) positions.

EURm	2013	2012
Pension costs[1]		
Defined benefits plans (Note G33)[2]	–50	–50
Defined contribution plans	–172	–189
Total	**–222**	**–239**

1) Pension cost for executives as defined in footnote 2 above, amounts to EUR 5m (EUR 6m) and pension obligations to EUR 45m (EUR 49m).
2) Excluding social security contributions. Including social security contributions EUR 61m (EUR 66m).

Additional disclosures on remuneration under Nordic FSAs' regulations and general guidelines

The qualitative disclosures under these regulations can be found in the separate section on remuneration in the Board of Directors' Report, while the quantitative disclosures will be published in a separate report on Nordea's homepage (www.nordea.com) one week before the Annual General Meeting on 20 March 2014.

Remuneration to the Board of Directors, CEO and Group Executive Management

Board remuneration

The Annual General Meeting (AGM) 2013 decided to increase the remuneration for the Board of Directors (the Board) by on average 3%. The remuneration was EUR 252,000 (unchanged) for the Chairman, EUR 108,100 for the Vice Chairman and EUR 77,900 for other members and the annual remuneration for committee work was EUR 20,750 for the chairman of the committee and EUR 14,700 for other members. Board members employed by Nordea do not receive separate remuneration for their Board membership. There are no commitments for severance pay, pension or other remuneration to the members of the Board, except for pension commitments to one Board member previously employed by Nordea.

Remuneration to the Board of Directors[1]

EUR	2013	2012
Chairman of the Board:		
Björn Wahlroos	267,264	267,115
Vice Chairman of the Board:		
Marie Ehrling	125,765	115,207
Other Board members[2]**:**		
Stine Bosse[3]	21,655	89,240
Peter F Braunwalder[4]	91,945	66,483
Elisabeth Grieg[5]	70,291	—
Svein Jacobsen	97,445	92,971
Tom Knutzen	91,945	89,240
Lars G Nordström	91,945	89,240
Sarah Russell	91,945	89,240
Kari Stadigh	97,445	92,971
Total	**1,047,645**	**991,707**

1) The Board remuneration consists of a fixed annual fee and a fixed annual fee for committee work. These are accounted for in SEK and translated into EUR based on the average exchange rate each year.
2) Employee representatives excluded.
3) Resigned as member of the Board as from the Annual General Meeting (AGM) 2013.
4) New member of the Board as from the AGM 2012.
5) New member of the Board as from the AGM 2013.

Salary and benefits

Chief Executive Officer (CEO)

The fixed salary, GEM Executive Incentive Programme (GEM EIP) and contract terms for the CEO are proposed by the Board Remuneration Committee (BRC) and approved by the Board. GEM EIP 2013, which is based on agreed, specific targets, can amount to a maximum of 100% of the fixed salary. The GEM EIP is further described in the separate section on remuneration in the Board of Directors' report and below.

The fixed salary was increased with 2.5% to SEK 11,031,563 (EUR 1,274,970) as from 1 January 2013, which was announced at the AGM 2013. For 2013 the CEO has earned GEM EIP which, together with the fixed salary, is in accordance with Nordea's remuneration guidelines approved by the AGM 2013. The CEO took part of the previous Long Term Incentive Programmes (LTIP) as described in the separate section on remuneration in the Board of Directors' report and below. Benefits for the CEO include primarily car and housing.

Group Executive Management (GEM)

The BRC prepares alterations in salary levels and outcome of GEM EIP as well as other changes in the remuneration package for members of GEM, for resolution by the Board. GEM EIP 2013, which is based on agreed, specific targets, can amount to a maximum of 100% of the fixed salary.

As for the CEO, GEM members took part of the previous LTIPs. Benefits include primarily car and/or housing.

G7 Staff costs, cont.

Remuneration to the Chief Executive Officer and Group Executive Management

	Fixed salary		GEM Executive Incentive Programme[1]	Variable Salary Part[1]	Long Term Incentive Programme[2]		Benefits		**Total**	
EUR	2013	2012	2013	2012	2013	2012	2013	2012	**2013**	**2012**
Chief Executive Officer (CEO):										
Christian Clausen[3]	1,274,970	1,236,330	831,280	383,262	—	450,546	81,645	57,653	**2,187,895**	**2,127,791**
Group Executive Management (GEM):										
6 (7) individuals excluding CEO[4]	4,450,178	5,248,832	2,748,761	1,560,348	—	1,736,731	290,739	264,791	**7,489,678**	**8,810,702**
Total	**5,725,148**	**6,485,162**	**3,580,041**	**1,943,610**	**—**	**2,187,277**	**372,384**	**322,444**	**9,677,573**	**10,938,493**

1) CEO and members of GEM were until 2012 offered a Variable Salary Part (VSP) and a Long Term Incentive Programme (LTIP). Instead of these two programmes the Board in 2013 decided, in order to reduce complexity, to offer a GEM Executive Incentive Programme (GEM EIP). The outcome from GEM EIP 2013 is expensed in full in 2013 but paid out over a five year deferral period in order to comply with the remuneration regulations from the Swedish FSA. The GEM EIP is indexed with Nordea's total shareholder return (TSR) during the deferral period.
2) The comparative figure for the Long Term Incentive Programmes (LTIP) has been restated to the initial fair value of the LTIP 2012 (further defined in the table "Long Term Incentive Programme" below). The expense recognised in the income statement for LTIPs is disclosed separately in the table "Long Term Incentive Programme" below. The CEO and members of GEM have a conditional right to a maximum 114,867 matching shares, 229,735 performance shares I and 114,867 performance shares II in LTIP 2011 and 157,978 matching shares, 473,934 performance shares I and 157,978 performance shares II in LTIP 2012. Rights in LTIP 2010 are fully vested and consequently not conditional. The outcome is due to remuneration regulations from the Swedish FSA allotted over a five year period, for LTIP 2010 starting May 2013, for LTIP 2011 starting May 2014 and for LTIP 2012 starting May 2015. See also the separate Remuneration section on page 73 and below for more details.
3) The CEO's salary is paid in SEK and converted to EUR based on the average exchange rate each year. The increase in fixed salary 2013 is in accordance with the salary increase communicated at the AGM 2013 of 2.5% and also due to exchange rate effects. Benefits are included at taxable values less salary reductions.
4) GEM members are included for the period they have been appointed. Benefits are included at taxable values. One new GEM member was appointed in March 2013 and two members resigned in January and March 2013. Termination benefits amounted to EUR 1.5m and are excluded from the table above.

Long Term Incentive Programme

	Staff cost[1]		Initial fair value[2]	
EUR	2013	2012	2013	2012
Chief Executive Officer (CEO):				
Christian Clausen	349,817	277,292	—	450,546
Group Executive Management (GEM):				
6 (7) Individuals excluding CEO	1,021,443	1,170,473	—	1,736,731
Total	**1,371,260**	**1,447,765**	**—**	**2,187,277**

1) The expense recognised in the income statement (the IFRS 2 expense) is calculated in accordance with IFRS 2 "Share-based Payment". The full expected expense from the programmes is recognised as the vesting requirements are fulfilled over three years starting when the agreement is entered into. LTIP 2010 was expensed until May 2013, LTIP 2011 will be expensed until May 2014 and LTIP 2012 until May 2015. GEM members are included for the period they have been appointed.
2) The initial fair value (grant value) is defined as the fair value per right multiplied with the number of rights that were initially expected to vest. LTIP 2012 is consequently, in the table above, reported in 2012. In 2013 Nordea replaced LTIP with the GEM EIP and there is consequently no amount to disclose for 2013. See below for more information on the valuation of the LTIPs.

Pension

Chief Executive Officer (CEO)

The CEO's retirement age has, as announced at the AGM 2013, been removed from the employment agreement. The CEO is covered by a defined benefit plan up to the age of 60. The pension amounts to 50% of the pensionable income, defined as the fixed salary, for life. The maximum pensionable income is 200 Swedish Income Base Amounts. The pension obligation is fully funded, meaning that it is covered in full by plan assets. At age 60 the pension risk is transferred to the CEO. Pension payments are to be made in accordance with local legislations and pension insurance conditions. From age 60 the CEO will have a defined contribution plan.

Group Executive Management (GEM)

The pension agreements vary due to local country practices.

GEM members are entitled to retire with pension at the age of 60, 62, 65 or 70. Pension agreements are defined benefit plans, defined contribution plans or a combination of such plans.

Two members have defined benefit plans not based on collective agreements. One of these defined benefit plans provides retirement pension amounting to 50% of pensionable income for life from age 62, including national pension benefits. The second defined benefit plan not based on a collective agreement provides a retirement pension from age 60, including both national pension benefits and previously earned pension. The retirement pension benefit in this plan decreased from 70% to 66% of pensionable income for future earnings as from 1 January 2011. Two members have pensions in accordance with the Swedish collective agreement, one in BTP1 (defined contribution plan) and one in BTP2 (defined benefit plan), with complementing defined contribution plans on top of the collective agreement. Three members have defined contribution plans only. Fixed salary is pensionable income for all GEM-members. Variable salary part/GEM EIP is included for one member.

G7 Staff costs, cont.

Pension expense and pension obligation

	2013		2012	
EUR	Pension expense[5]	Pension obligation[6]	Pension expense[5]	Pension obligation[6]
Board members[1]:				
Lars G Nordström	—	363,280	—	402,250
Chief executive officer (CEO):				
Christian Clausen[2]	807,988	12,440,440	843,527	12,151,364
Group Executive Management (GEM):				
6 (7) individuals excluding CEO[3]	1,799,215	5,502,372	2,108,905	5,337,679
Former Chairman of the Board and CEOs:				
Vesa Vainio and Thorleif Krarup[4]	—	16,916,203	—	18,132,111
Total	**2,607,203**	**35,222,295**	**2,952,432**	**36,023,404**

1) Employee representatives excluded. The pension obligation is in accordance with the collective pension agreement BTP and earned during the employment period.
2) The reason behind the decrease in pension expense is changes in the actuarial assumptions. New pension rights earned in 2013 have had an increasing impact on the pension obligation, while changes in actuarial assumptions and exchange rates have had a decreasing impact on the pension obligation.
3) Members of GEM included for the period they have been appointed. The decrease in pension expense 2013 is mainly due to that there is one member of GEM less compared with 2012. The pension obligation is the obligation towards the members of GEM as of 31 December. The increase in the pension obligation is due to new pension rights earned in 2013, to some extent offset by changes in actuarial assumptions and exchange rates. Termination benefits amounted to EUR 0.4m and are excluded from the table above.
4) The pension obligation for Vesa Vainio and Thorleif Krarup is mainly due to pension rights earned in, and funded by, banks forming Nordea.
5) The pension expense is related to pension premiums paid in defined contribution agreements and pension rights earned during the year in defined benefit agreements (Current service cost and Past service cost and settlements as defined in IAS 19). Of the total pension expense EUR 853,782 (EUR 1,094,953) relates to defined contribution agreements.
6) The pension obligation is calculated in accordance with IAS 19. The obligation is dependent on changes in actuarial assumptions and inter annual variations can therefore be significant. IAS 19 includes an assumption about future increases in salary, which leads to that the pension obligations disclosed are the earned pension rights calculated using the expected salary levels at retirement. The pension plans are funded, meaning that these obligations are backed with plan assets with fair value generally on a similar level as the obligations.

Notice period and severance pay

In accordance with their employment contracts CEO and four GEM members have a notice period of 12 months and a severance pay equal to 12 months' salary to be reduced by the salary the executive receives as a result of any other employment during these 12 months. The CEO is not entitled to severance pay if leaving Nordea after the age of 60.

Two GEM members are entitled to 6 months' salary during the notice period, and with regard to severance pay 18 months' salary to be reduced by the salary they receive as a result of any other employment during these 18 months.

Loans to key management personnel

Loans to key management personnel, as defined in Note G1 section 26, amount to EUR 8m (EUR 6m). Interest income on these loans amounts to EUR 0m (EUR 0m).

For key management personnel who are employed by Nordea the same credit terms apply as for other employees, except for key management personnel in Denmark whose loans are granted on terms based on market conditions. In Norway the employee interest rate for loans is 100 basis points lower than the best corresponding interest rate for external customers, with a cap on the loan amount of 3 times salary grade 55 plus NOK 100,000. In Finland the employee interest rate for loans corresponds to Nordea's funding cost with a margin of 10 basis points up to EUR 400,000, and 30 basis points on the part that exceeds EUR 400,000. In Sweden the employee interest rate on fixed- and variable interest rate loans is 215 basis points lower than the corresponding interest rate for external customers (with a lower limit of 150 basis points). There is currently a cap of 57 Swedish price base amounts both on fixed- and variable interest rate loans. Interest on loans above the defined caps is set on market terms. Loans to family members of key management personnel are granted on normal market terms, as well as loans to key management personnel who are not employed by Nordea.

G7 Staff costs, cont.

Long Term Incentive Programmes

	2013			2012		
Conditional rights LTIP 2012	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of the year	1,264,437	3,176,540	1,264,437	—	—	—
Granted	46,646[1]	117,074[1]	46,646[1]	1,270,410	3,188,486	1,270,410
Forfeited	–50,331	–129,317	–50,331	–5,973	–11,946	–5,973
Outstanding at end of year	**1,260,752**	**3,164,297**	**1,260,752**	**1,264,437**	**3,176,540**	**1,264,437**
– of which currently exercisable	—	—	—	—	—	—
Conditional rights LTIP 2011						
Outstanding at the beginning of year	971,195	1,942,391	971,195	950,056	1,900,112	950,056
Granted	36,064[1]	72,128[1]	36,064[1]	35,599[1]	71,199[1]	35,599[1]
Forfeited	–32,513	–65,026	–32,513	–14,460	–28,920	–14,460
Outstanding at end of year	**974,746**	**1,949,493**	**974,746**	**971,195**	**1,942,391**	**971,195**
– of which currently exercisable	—	—	—	—	—	—
Rights LTIP 2010						
Outstanding at the beginning of year	871,028	1,742,056	871,028	889,163	1,778,326	889,163
Forfeited	–18,373	–841,222	–487,322	–18,135	–36,270	–18,135
Allotted	–672,726	–710,738	–302,735	—	—	—
Outstanding at end of year	**179,929**	**190,096**	**80,971**	**871,028**	**1,742,056**	**871,028**
– of which currently exercisable	—	—	—	—	—	—
Rights LTIP 2009	A-rights	B-C-rights	D-rights	A-rights	B-C-rights	D-rights
Outstanding at the beginning of year	101,905	107,537	34,304	316,498	306,340	119,944
Forfeited	—	—	—	–11,962	–11,962	–11,962
Exercised[2]	–101,905	–107,537	–34,304	–202,631	–186,841	–73,678
Outstanding at end of year	**—**	**—**	**—**	**101,905**	**107,537**	**34,304**
– of which currently exercisable	—	—	—	101,905	107,537	34,304

1) Granted rights are compensation for dividend on the underlying Nordea share during the year.
2) Weighted average share price during the exercise period amounts to EUR 8.63 (EUR 6.88).

Participation in the Long Term Incentive Programmes (LTIPs) requires that the participants take direct ownership by investing in Nordea shares.

	LTIP 2012			LTIP 2011		
	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Ordinary share per right	1.00	1.00	1.00	1.00	1.00	1.00
Exercise price	—	—	—	—	—	—
Grant date	13 May 2012	13 May 2012	13 May 2012	13 May 2011	13 May 2011	13 May 2011
Vesting period	36 months	36 months	36 months	36 months	36 months	36 months
Contractual life	36 months	36 months	36 months	36 months	36 months	36 months
Allotment	April/May 2015	April/May 2015	April/May 2015	April/May 2014	April/May 2014	April/May 2014
Fair value at grant date	EUR 6.31[1]	EUR 6.31[1]	EUR 2.28[1]	EUR 7.61[1]	EUR 7.61[1]	EUR 2.75[1]

	LTIP 2010			LTIP 2009		
	Matching Share	Performance Share I	Performance Share II	A-rights	B-C-rights	D rights
Ordinary share per right	1.00	1.00	1.00	1.00	1.00	1.00
Exercise price	—	—	—	EUR 0.51	EUR 0.12	EUR 0.12
Grant date	13 May 2010	13 May 2010	13 May 2010	14 May 2009	14 May 2009	14 May 2009
Vesting period	36 months	36 months	36 months	24 months	24 months	24 months
Contractual life	36 months	36 months	36 months	48 months	48 months	48 months
Allotment/First day of exercise	April/May 2013	April/May 2013	April/May 2013	29 April 2011	29 April 2011	29 April 2011
Fair value at grant date	EUR 6.75	EUR 6.75	EUR 2.45	EUR 4.66	EUR 5.01	EUR 1.75

1) The fair value has been recalculated due to dividend during the vesting period which the participants are compensated for through additional Matching and Performance Shares.

G7 Staff costs, cont.

Conditions and requirements
For each ordinary share the participants lock in to the LTIPs, they are granted a conditional A-right/Matching Share to acquire or receive ordinary shares based on continued employment, with certain exemptions, and the conditional B-D-rights/Performance Share I and II to acquire or receive additional ordinary shares also based on fulfilment of certain performance conditions. The performance conditions for B- and C-rights and for Performance Share I comprise a target growth in risk adjusted profit per share (RAPPS) or a target in risk- adjusted return on capital at risk (RAROCAR). Should the reported earnings per share (EPS) be lower than a predetermined level the participants are not entitled to exercise any B- or C-rights or Performance Share I. The performance conditions for D-rights and Performance Share II are market related and comprise growth in total shareholder return (TSR) in comparison with a peer group's TSR or a target in RAROCAR and in P/B-ranking compared to a peer group.

When the performance conditions are not fulfilled in full, the rights that are no longer exercisable are shown as forfeited in the previous tables, together with shares forfeited due to participants leaving the Nordea Group.

The exercise price, where applicable, for the ordinary shares is adjusted for dividends, however never adjusted below a predetermined price. Furthermore the profit for each right is capped.

	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009[1]
Service condition, A-D-rights/Matching Share/Performance Share I and II	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the two year vesting period.
Performance condition, B-rights/Performance Share I	Average RAROCAR during the period 2012 up to and including 2014. Full allotment will be obtained if the RAROCAR amounts to 17%.	Compound Annual Growth Rate in RAPPS from year 2010 (base year) to and including year 2013. Full allotment will be obtained if the Compound Annual Growth Rate amounts to or exceeds 10%.	Compound Annual Growth Rate in RAPPS from year 2009 (base year) to and including year 2012. Full allotment was obtained if the Compound Annual Growth Rate amounted to or exceeded 9%.	Increase in RAPPS 2009 compared to 2008. Full right to exercise was obtained if RAPPS increased by 8% or more.
EPS knock out, B-rights/Performance Share I	—	Average reported EPS for 2011–2013 lower than EUR 0.26.	Average reported EPS for 2010–2012 lower than EUR 0.26.	Reported EPS for 2009 lower than EUR 0.26.
Performance condition, C-rights	—	—	—	Increase in RAPPS 2010 compared to 2009. Full right to exercise was obtained if RAPPS increased by 8% or more.
EPS knock out, C-rights	—	—	—	Reported EPS for 2010 lower than EUR 0.26
Performance condition, D-rights/Performance Share II	RAROCAR during the period 2012 up to and including 2014 and P/B-ranking year-end 2014 compared to a peer group. Full allotment will be obtained if the RAROCAR amounts to 14% and if Nordea´s P/B-ranking is 1–5.	TSR during 2011–2013 in comparison with a peer group. Full allotment will be obtained if Nordea is ranked number 1–5.	TSR during 2010–2012 in comparison with a peer group. Full allotment was obtained if Nordea was ranked number 1–5.	TSR during 2009–2010 in comparison with a peer group. Full right to exercise was obtained if Nordea was ranked number 1.
Cap	The market value of the allotted shares is capped to the participants' annual salary for year-end 2011.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2010.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2009.	The profit per A-D-right is capped to EUR 9.59 per right.

G7 Staff costs, cont.

	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009[1]
Dividend compensation	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	—	The exercise price was adjusted for dividends during the exercise period, however never adjusted below EUR 0.10.

1) RAPPS for the financial year 2008 and 2009, EPS knock out and the cap were in 2009 adjusted due to the financial effects of the new rights issue in 2009.

Fair value calculations

The fair value is measured through the use of generally accepted valuation models with the following input factors:

	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009
Weighted average share price	EUR 6.70	EUR 8.39	EUR 6.88	EUR 5.79
Right life	3.0 years	3.0 years	3.0 years	2.5 years
Deduction of expected dividends	No	No	No	Yes
Risk free rate	Not applicable	Not applicable	Not applicable	1.84%
Expected volatility	Not applicable	Not applicable	Not applicable	29.00%

Expected volatility is based on historical values. As the exercise price (zero for LTIP 2012, LTIP 2011 and LTIP 2010) is significantly below the share price at grant date, the value has a limited sensitivity to expected volatility and risk-free interest. The fair value calculations are also based on estimated early exercise behaviour during the programmes' exercise windows, however only applicable for LTIP 2009.

The value of the D-rights/Performance Share II are based on market related conditions and fulfilment of the TSR, RAROCAR and P/B targets have been taken into consideration when calculating the rights' fair value at grant date. When calculating the impact from the market conditions it has been assumed that all possible outcomes have equal possibilities. Also the caps in each programme have been taken into consideration when calculating the rights' fair value at grant. The adjustment to fair value is approximately 2–3% of the weighted average share price.

Expenses for equity-settled share-based payment programmes[1]

EURm	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009
Expected expense for the whole programme	–19	–22	–14	–11
Maximum expense for the whole programme	–31	–25	–14	–11
Total expense during 2013	–6	–7	–3	—
Total expense during 2012	–4	–6	–2	—

1) All amounts excluding social security contribution.

When calculating the expected expense an expected annual employee turnover of 5% has been used. The expected expense is recognised over the vesting period of 36 months (LTIP 2012, LTIP 2011, LTIP 2010) and 24 months (LTIP 2009).

G7 Staff costs, cont.

Cash-settled share-based payment transactions

Nordea operates share-linked deferrals on parts of variable compensation for certain employee categories, indexed with Nordea Total Shareholder Returns (TSR) and either vesting after three years or vesting in equal instalments over a three to five year period. Since 2011 Nordea also operates TSR-linked retention on part of variable compensation for certain employee categories. Due to that the allocation of variable compensation is not finally decided during the current year, the deferred amount during the year in the table below relates to variable compensation earned the previous year.

In addition Nordea has during 2013 introduced the Executive Incentive Programme 2013 ("EIP 2013") which aims to strengthen Nordea's capability to retain and recruit the best talents. The aim is further to stimulate the managers and key employees whose efforts have direct impact on Nordea's result, profitability and long term value growth. EIP rewards performance meeting agreed predetermined targets on Group, business unit and individual level. The effect on the long term result is to be considered when determining the targets. The EIP shall not exceed the fixed salary. EIP shall be paid in the form of cash and be subject to TSR-indexation, deferral, forfeiture clauses and retention as per relevant remuneration regulations. The main part of EIP 2013 is paid no earlier than autumn 2017. Participation in the programme is offered to up to 400 managers and key employees, except GEM who are instead offered a GEM EIP (further information about the GEM EIP can be found in the Remuneration section in the Board of Director's Report), within the Nordea Group. EIP 2013 is offered instead of Nordea's LTIP and VSP for the invited employees. The allocation of the EIP 2013 is decided during spring 2014, and a reservation of EUR 31m excl. social costs is made 2013. 80% of the allocated amount will be subject to TSR-indexation.

The below table only includes deferred amounts indexed with Nordea TSR. EIP will be included as from 2014, when deferred.

Further information regarding all deferred amounts can be found in the separate report on remuneration published on Nordea's homepage (www.nordea.com).

	Share linked deferrals	
EURm	2013	2012
Opening balance	21	10
Deferred/earned during the year	15	11
TSR indexation during the year	9	4
Payments during the year[1]	–15	–4
Translation differences	–2	0
Closing balance	**28**	**21**

1) There have been no adjustments due to forfeitures in 2013.

Average number of employees – Continuing operations

	Total		Men		Women	
	2013	2012	2013	2012	2013	2012
Full-time equivalents						
Denmark	8,250	8,545	4,512	4,329	3,738	4,216
Finland	7,116	7,312	1,863	1,889	5,253	5,423
Sweden	6,881	7,102	3,083	3,148	3,798	3,954
Norway	3,280	3,343	1,767	1,788	1,513	1,555
Russia	1,454	1,520	469	525	985	995
Poland	503	307	114	70	389	237
Estonia	468	475	102	103	366	372
Latvia	443	462	132	137	311	325
Luxembourg	424	423	261	260	163	163
Lithuania	340	365	101	111	239	254
United States	113	101	56	49	57	52
United Kingdom	69	69	45	40	24	29
Singapore	67	65	19	23	48	42
Germany	48	49	20	29	28	20
Other countires	27	27	11	10	16	17
Total average	**29,483**	**30,165**	**12,555**	**12,511**	**16,928**	**17,654**
Total number of employees (FTEs), end of period	**29,429**	**29,491**				

Gender distribution

In the parent company´s Board of Directors 67% (67%) were men and 33% (33%) were women. In the Board of Directors of the Nordea Group companies, 78% (84%) were men and 22% (16%) were women. The corresponding numbers for Other executives were 69% (67%) men and 31% (33%) women. Internal Boards consist mainly of management in Nordea.

G8 Other expenses

EURm	2013	2012
Information technology	–671	–631
Marketing and representation	–116	–117
Postage, transportation, telephone and office expenses	–192	–220
Rents, premises and real estate	–373	–399
Other	–483	–441
Total	**–1,835**	**–1,808**

Auditors' fees – Total operations

EURm	2013	2012
KPMG		
Auditing assignments	–7	–7
Audit-related services	–1	–1
Tax advisory services	0	0
Other assignments	–5	–2
Total	**–13**	**–10**

G9 Depreciation, amortisation and impairment charges of tangible and intangible assets

EURm	2013	2012
Depreciation/amortisation		
Property and equipment (Note G21)		
Equipment	–91	–101
Intangible assets (Note G20)		
Computer software	–89	–104
Other intangible assets	–30	–24
Total	**–210**	**–229**
Impairment charges		
Intangible assets (Note G20)		
Computer software	–17	–38
Total	**–17**	**–38**
Total	**–227**	**–267**

G10 Net loan losses

EURm	2013	2012
Divided by class		
Loans to credit institutions	1	–1
– of which provisions	0	–5
– of which reversals	1	4
Loans to the public	–748	–901
– of which provisions	–1,131	–1,392
– of which write-offs	–709	–642
– of which allowances to cover write-offs	508	452
– of which reversals	508	603
– of which recoveries	76	78
Off-balance sheet items[1]	12	7
– of which provisions	–25	–43
– of which reversals	37	50
Total	**–735**	**–895**
Specification		
Changes of allowance accounts on the balance sheet	–599	–784
– of which Loans, individually assessed[2]	–574	–908
– of which Loans, collectively assessed[2]	–48	117
– of which Off-balance sheet items, individually assessed[1]	16	13
– of which Off-balance sheet items, collectively assessed[1]	7	–6
Changes directly recognised in the income statement	–136	–111
– of which realised loan losses, individually assessed	–204	–189
– of which realised recoveries, individually assessed	68	78
Total	**–735**	**–895**

1) Included in Note G32 Provisions as "Transfer risk, off-balance" and "Individually assessed guarantees and other commitments".
2) Included in Note G13 Loans and impairment.

G11 Taxes

Income tax expense

EURm	2013	2012
Current tax	–927	–974
Deferred tax	–31	4
Bank tax in Finland[1]	–51	—
Total	**–1,009**	**–970**

1) The Finnish bank tax was introduced in 2013 and is based on risk weighted assets rather than income.

Current and deferred tax recognised in Other comprehensive income		
Deferred tax assets due to hedging of net investments in foreign operations	–102	45
Deferred tax relating to available for sale investments	–6	–17
Deferred tax relating to cash flow hedges	–1	50
Deferred tax relating to defined benefit plans	–39	–87
Total	**–148**	**–9**

The tax on the Group's operating profit differs from the theoretical amount that would arise using the tax rate of Sweden (excluding bank tax in Finland) as follows:

EURm	2013	2012
Profit before tax	4,116	4,039
Tax calculated at a tax rate of 22.0% (26.3%)	–906	–1,062
Effect of different tax rates in other countries	–123	29
Income from associated undertakings	17	15
Tax-exempt income	38	59
Non-deductible expenses	–32	–39
Adjustments relating to prior years	35	–27
Utilization of non-capitalized tax losses carry-forwards from previous periods	2	0
Change of tax rate[1]	33	73
Not creditable foreign taxes	–22	–18
Tax charge	**–958**	**–970**
Average effective tax rate	23%	24%

1) Due to change of corporate tax rate in Denmark, Finland and Norway (2012: change of corporate tax rate in Sweden).

Deferred tax

	Deferred tax assets		Deferred tax liabilities	
EURm	2013	2012	2013	2012
Deferred tax related to:				
Tax losses carry-forward	50	18	—	—
Untaxed reserves	—	—	1	36
Loans to the public	19	19	430	465
Shares	—	—	3	19
Derivatives	10	26	155	19
Intangible assets	0	0	72	80
Property and equipment	7	6	2	0
Investment property	0	—	155	177
Retirement benefit assets/obligations	25	75	52	36
Hedging of net investments in foreign operations	3	109	—	—
Liabilities/provisions	52	81	169	212
Netting between deferred tax assets and liabilities	–104	–68	–104	–68
Total	**62**	**266**	**935**	**976**

G11 Taxes, cont.

EURm	2013	2012
Movements in deferred tax assets/liabilities (net)		
Amount at beginning of year (net)	–710	–694
Deferred tax relating to items recognised in Other comprehensive income	–148	–9
Translation differences	17	–13
Acquisitions and others	–1	–3
Deferred tax in discontinued operations	—	5
Deferred tax in the income statement	–31	4
Amount at end of year (net)	**–873**	**–710**

EURm	2013	2012
Unrecognised deferred tax assets		
Unused tax losses carry-forward with no expire date	45	53
Total	**45**	**53**

G12 Earnings per share

	Total operations		Continuing operations		Discontinued operations	
	2013	2012	2013	2012	2013	2012
Earnings:						
Profit attributable to shareholders of Nordea Bank AB (publ) (EURm)	3,116	3,119	3,107	3,062	9	57
Number of shares (in millions):						
Number of shares outstanding at beginning of year	4,050	4,047	4,050	4,047	4,050	4,047
Average number of issued C-shares[1]	—	2	—	2	—	2
Average number of repurchased own C-shares[1]	—	–2	—	–2	—	–2
Average number of own shares	–31	–23	–31	–23	–31	–23
Basic weighted average number of shares outstanding	**4,019**	**4,024**	**4,019**	**4,024**	**4,019**	**4,024**
Adjustment for diluted weighted average number of additional ordinary shares outstanding[1]	1	2	1	2	1	2
Diluted weighted average number of shares outstanding	**4,020**	**4,026**	**4,020**	**4,026**	**4,020**	**4,026**
Basic earnings per share, EUR	0.77	0.78	0.77	0.77	0.00	0.01
Diluted earnings per share, EUR	0.77	0.78	0.77	0.77	0.00	0.01

1) Relates to the Long Term Incentive Programmes (LTIP). For further information on these programmes, see Note G1 section 21.

G13 Loans and impairment

EURm	Central banks and credit institutions 31 Dec 2013	Central banks and credit institutions 31 Dec 2012	The public[1] 31 Dec 2013	The public[1] 31 Dec 2012	Total 31 Dec 2013	Total 31 Dec 2012
Loans, not impaired	22,515	18,578	338,703	342,190	361,218	360,768
Impaired loans	24	24	6,540	6,881	6,564	6,905
– of which performing	—	—	3,909	4,023	3,909	4,023
– of which non-performing	24	24	2,631	2,858	2,655	2,882
Loans before allowances	**22,539**	**18,602**	**345,243**	**349,071**	**367,782**	**367,673**
Allowances for individually assessed impaired loans	–24	–24	–2,373	–2,376	–2,397	–2,400
– of which performing	—	—	–1,372	–1,332	–1,372	–1,332
– of which non-performing	–24	–24	–1,001	–1,044	–1,025	–1,068
Allowances for collectively assessed impaired loans	–3	–4	–419	–444	–422	–448
Allowances	**–27**	**–28**	**–2,792**	**–2,820**	**–2,819**	**–2,848**
Loans, carrying amount	**22,512**	**18,574**	**342,451**	**346,251**	**364,963**	**364,825**

1) Finance leases, where Nordea Group is a lessor, are included in Loans to the public, see Note G22 Leasing.

Reconciliation of allowance accounts for impaired loans[1]

EURm	Central banks and credit institutions: Individually assessed	Central banks and credit institutions: Collectively assessed	Central banks and credit institutions: Total	The public: Individually assessed	The public: Collectively assessed	The public: Total	Total: Individually assessed	Total: Collectively assessed	Total: Total
Opening balance at 1 Jan 2013	**–24**	**–4**	**–28**	**–2,376**	**–444**	**–2,820**	**–2,400**	**–448**	**–2,848**
Provisions	0	0	0	–957	–174	–1,131	–957	–174	–1,131
Reversals	0	1	1	383	125	508	383	126	509
Changes through the income statement	**0**	**1**	**1**	**–574**	**–49**	**–623**	**–574**	**–48**	**–622**
Reclassified to assets held for sale	—	—	—	60	14	74	60	14	74
Allowances used to cover write-offs	—	—	—	508	—	508	508	0	508
Reclassification	—	—	—	–42	42	0	–42	42	0
Translation differences	0	0	0	51	18	69	51	18	69
Closing balance at 31 Dec 2013	**–24**	**–3**	**–27**	**–2,373**	**–419**	**–2,792**	**–2,397**	**–422**	**–2,819**
Opening balance at 1 Jan 2012	**–26**	**–2**	**–28**	**–1,866**	**–577**	**–2,443**	**–1,892**	**–579**	**–2,471**
Provisions	0	–5	–5	–1,313	–125	–1,438	–1,313	–130	–1,443
Reversals	1	3	4	367	244	611	368	247	615
Changes through the income statement	**1**	**–2**	**–1**	**–946**	**119**	**–827**	**–945**	**117**	**–828**
Allowances used to cover write-offs	—	—	—	453	—	453	453	0	453
Reclassification	0	—	0	–21	21	0	–21	21	0
Translation differences	1	0	1	4	–7	–3	5	–7	–2
Closing balance at 31 Dec 2012	**–24**	**–4**	**–28**	**–2,376**	**–444**	**–2,820**	**–2,400**	**–448**	**–2,848**

1) See Note G10 Net loan losses.

Allowances and provisions

EURm	Central banks and credit institutions 31 Dec 2013	Central banks and credit institutions 31 Dec 2012	The public 31 Dec 2013	The public 31 Dec 2012	Total 31 Dec 2013	Total 31 Dec 2012
Allowances for items on the balance sheet	–27	–28	–2,792	–2,820	–2,819	–2,848
Provisions for off balance sheet items	–10	–16	–51	–68	–61	–84
Total allowances and provisions	**–37**	**–44**	**–2,843**	**–2,888**	**–2,880**	**–2,932**

G13 Loans and impairment, cont.

Key ratios[1]

	31 Dec 2013	31 Dec 2012
Impairment rate, gross, basis points	178	188
Impairment rate, net, basis points	113	123
Total allowance rate, basis points	77	77
Allowances in relation to impaired loans, %	37	35
Total allowances in relation to impaired loans, %	43	41
Non-performing loans, not impaired, EURm	418	614

1) For definitions, see Business definitions on page 89.

G14 Interest-bearing securities

EURm	31 Dec 2013	31 Dec 2012
State and sovereigns	21,422	20,827
Municipalities and other public bodies	2,490	5,486
Mortgage institutions	32,481	27,677
Other credit institutions	23,931	24,928
Corporates	6,095	4,820
Corporates sub-investment grade	445	794
Other	450	2,094
Total	**87,314**	**86,626**

G15 Financial instruments pledged as collateral

Financial instruments pledged as collateral

In repurchase transactions and in securities lending transactions, non-cash assets are transferred as collateral. When the counterpart receiving the collateral has the right to sell or repledge the assets, the assets are reclassified on the balance sheet to the item Financial instruments pledged as collateral.

EURm	31 Dec 2013	31 Dec 2012
Interest-bearing securities	9,544	7,964
Shares	31	6
Total	**9,575**	**7,970**

For information on transferred assets and reverse repos, see Note G45.

G16 Shares

EURm	31 Dec 2013	31 Dec 2012
Shares	12,164	11,984
Fund units, equity related	11,329	8,871
Fund units, interest related	9,809	7,279
Total	**33,302**	**28,134**
– of which Financial instruments pledged as collateral (Note G15)	31	6
Total	**33,271**	**28,128**

G17 Derivatives and Hedge accounting

31 Dec 2013, EURm	Fair value Positive	Fair value Negative	Total nom amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	48,038	43,270	3,943,615
FRAs	16	18	50,590
Futures and forwards	206	210	1,155,477
Options	8,397	7,904	567,809
Total	**56,657**	**51,402**	**5,717,491**
Equity derivatives			
Equity swaps	86	151	5,381
Futures and forwards	3	5	733
Options	618	645	16,189
Total	**707**	**801**	**22,303**
Foreign exchange derivatives			
Currency and interest rate swaps	9,467	10,203	749,352
Currency forwards	472	510	84,848
Options	185	149	21,116
Total	**10,124**	**10,862**	**855,316**
Credit derivatives			
Credit Default Swaps (CDS)	1,337	1,361	60,888
Total	**1,337**	**1,361**	**60,888**
Commodity derivatives			
Swaps	105	92	2,125
Futures and forwards	12	10	762
Options	27	11	1,038
Total	**144**	**113**	**3,925**
Other derivatives			
Options	13	14	430
Other	21	13	1,948
Total	**34**	**27**	**2,378**
Total derivatives held for trading	**69,003**	**64,566**	**6,662,301**
Derivatives used for hedge accounting			
Interest rate derivatives			
Interest rate swaps	1,573	583	96,020
Options	0	5	1,574
Total	**1,573**	**588**	**97,594**
Foreign exchange derivatives			
Currency and interest rate swaps	416	770	18,563
Total	**416**	**770**	**18,563**
Total derivatives used for hedge accounting	**1,989**	**1,358**	**116,157**
– of which cash flow hedges	530	843	21,899[1]
– of which fair value hedges	1,417	493	105,502[1]
– of which net investment hedges	42	22	9,455
Total derivatives	**70,992**	**65,924**	**6,778,458**

1) Some cross currency interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are reported on both lines.

Periods when hedged cashflows are expected to occur and when they are expected to affect the income statement

31 Dec 2013, EURm	<1 year	1–3 years	3–5 years	5–10 years	10 years
Cash inflows (assets)	67	—	—	—	65
Cash outflows (liabilities)	6,013	9,399	14,943	10,736	1,623
Net cash outflows	**5,946**	**9,399**	**14,943**	**10,736**	**1,558**

G17 Derivatives and Hedge accounting, cont.

31 Dec 2012, EURm	Fair value Positive	Fair value Negative	Total nom amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	89,774	84,279	3,707,415
FRAs	21	29	24,998
Futures and forwards	585	559	1,438,612
Options	12,163	12,147	450,396
Other	15	0	1,177
Total	**102,558**	**97,014**	**5,622,598**
Equity derivatives			
Equity swaps	93	107	4,705
Futures and forwards	16	13	395
Options	514	448	12,711
Total	**623**	**568**	**17,811**
Foreign exchange derivatives			
Currency and interest rate swaps	10,593	13,345	792,777
Currency forwards	505	893	91,048
Options	202	212	26,329
Other	0	0	242
Total	**11,300**	**14,450**	**910,396**
Credit derivatives			
Credit Default Swaps (CDS)	637	655	47,052
Total	**637**	**655**	**47,052**
Commodity derivatives			
Swaps	493	433	5,694
Futures and forwards	5	26	599
Options	30	28	1,524
Total	**528**	**487**	**7,817**
Other derivatives			
Swaps	—	8	426
Options	11	6	233
Other	49	14	1,924
Total	**60**	**28**	**2,583**
Total derivatives held for trading	**115,706**	**113,202**	**6,608,257**
Derivatives used for hedge accounting			
Interest rate derivatives			
Interest rate swaps	2,281	594	58,816
Options	0	0	1,042
Total	**2,281**	**594**	**59,858**
Foreign exchange derivatives			
Currency and interest rate swaps	802	407	8,871
Total	**802**	**407**	**8,871**
Total derivatives used for hedge accounting	**3,083**	**1,001**	**68,729**
Total derivatives	**118,789**	**114,203**	**6,676,986**

G18 Fair value changes of the hedged items in portfolio hedge of interest rate risk

EURm Assets	31 Dec 2013	31 Dec 2012
Carrying amount at beginning of year	–711	–215
Changes during the year		
Revaluation of hedged items	926	–506
Translation differences	–12	10
Carrying amount at end of year	**203**	**–711**
Liabilities		
Carrying amount at beginning of year	1,940	1,274
Changes during the year		
Revaluation of hedged items	–169	625
Translation differences	–37	41
Carrying amount at end of year	**1,734**	**1,940**

The carrying amount at end of year represents accumulated changes in the fair value for those repricing time periods in which the hedged item is an asset respectively a liability. When the hedged item is an asset, the change in the fair value of the hedged item is presented within assets and when the hedged item is a liability, the change is presented as a liability.

G19 Investments in associated undertakings

EURm	31 Dec 2013	31 Dec 2012
Acquisition value at beginning of year	596	603
Acquisitions during the year	8	6
Sales during the year	–4	–4
Share in earnings[1]	86	67
Dividend received	–62	–42
Translation differences	17	–34
Acquisition value at end of year	**641**	**596**
Accumulated impairment charges at beginning of year	–11	–12
Accumulated impairment charges on sales during the year	—	1
Reversed impairment charges during the year	1	—
Reclassifications	–1	0
Accumulated impairment charges at end of year	**–11**	**–11**
Total	**630**	**585**

1) Share in earnings

EURm	2013	2012
Profit from companies accounted for under the equity method	79	93
Portfolio hedge, Eksportfinans ASA	–7	–36
Associated undertakings in Life, reported as Net result from items at fair value	14	10
Share in earnings	**86**	**67**

Nordea's share of the associated undertakings' aggregated balance sheets and income statements can be summarised as follows:

EURm	31 Dec 2013	31 Dec 2012
Total assets	5,069	6,975
Total liabilities	4,067	5,734
Operating income	588	455
Operating profit	78	98

Nordea has issued contingent liabilities of EUR 1,052m (EUR 731m) on behalf of associated undertakings.

G19 Investments in associated undertakings, cont.

31 Dec 2013	Registration number	Domicile	Carrying amount 2013, EURm	Carrying amount 2012, EURm	Voting power of holding %
Eksportfinans ASA	816521432	Oslo	184	129	23
Ejendomspartnerskabet af 1/7 2003	27134971	Ballerup	197	193	49
Suomen Luotto-osuuskunta	0201646–0	Helsinki	25	46	27
LR Realkredit A/S	26045304	Copenhagen	10	13	39
Realia Holding Oy	2106796-8	Helsinki	20	20	25
Samajet Nymøllevej 59–91	24247961	Ballerup	21	20	25
E-nettet Holding A/S	28308019	Copenhagen	2	2	20
Hovedbanens Forretningscenter K/S	16301671	Ballerup	15	14	50
Ejendomsselskabet Axelborg I/S	79334413	Copenhagen	9	9	33
Axel IKU Invest A/S	24981800	Copenhagen	—	1	33
Automatia Pankkiautomaatit Oy	0974651–1	Helsinki	8	8	33
KIFU-AX II A/S	25893662	Copenhagen	0	3	25
Bankernas Kontantservice A/S	33077599	Copenhagen	1	3	20
Bluegarden A/S (former Multidata Holding A/S)	27226027	Ballerup	3	0	29
Samejet Lautruphøj I/S	50857859	Ballerup	6	6	50
Nets Holding A/S	27225993	Ballerup	108	99	21
NF Fleet Oy	2006935–5	Espoo	3	2	20
Upplysningscentralen UC AB	556137–5113	Stockholm	3	3	26
Bankomat AB (former BAB Bankernas Automatbolag AB)	556817–9716	Stockholm	5	6	20
Other			10	8	
Total			**630**	**585**	

G20 Intangible assets

EURm	31 Dec 2013	31 Dec 2012
Goodwill allocated to cash generating units[1]		
Retail Banking Norway	847	958
Retail Banking Denmark	590	590
Retail Banking Sweden	231	237
Retail Banking Poland	—	66
Life & Pensions	309	310
Banking Russia	247	277
Shipping, Offshore & Oil services	197	218
Goodwill, total	**2,421**	**2,656**
Other intangible assets		
Computer software	757	694
Other intangible assets	68	75
Other intangible assets, total	**825**	**769**
Intangible assets, total	**3,246**	**3,425**

1) Excluding goodwill in associated undertakings.

Goodwill		
Acquisition value at beginning of year	2,657	2,576
Reclassification to assets held for sale	–65	—
Translation differences	–170	81
Acquisition value at end of year	**2,422**	**2,657**
Accumulated impairment charges at beginning of year	–1	–1
Accumulated impairment charges at end of year	**–1**	**–1**
Total	**2,421**	**2,656**

G20 Intangible assets, cont.

EURm	31 Dec 2013	31 Dec 2012
Computer software		
Acquisition value at beginning of year	1,041	854
Acquisitions during the year	191	171
Sales/disposals during the year	–4	–1
Reclassifications	–12	0
Translation differences	–32	17
Acquisition value at end of year	**1,184**	**1,041**
Accumulated amortisation at beginning of year	–305	–195
Amortisation according to plan for the year	–89	–106
Accumulated amortisation on sales/disposals during the year	3	0
Reclassifications	2	0
Translation differences	9	–4
Accumulated amortisation at end of year	**–380**	**–305**
Accumulated impairment charges at beginning of year	–42	–8
Impairment charges during the year	–17	–38
Reclassifications	9	4
Translation differences	3	0
Accumulated impairment charges at end of year	**–47**	**–42**
Total	**757**	**694**
Other intangible assets		
Acquisition value at beginning of year	215	216
Reclassification to assets held for sale	–13	—
Acquisitions during the year	13	6
Sales/disposals during the year	–3	–11
Reclassifications	–14	–2
Translation differences	6	6
Acquisition value at end of year	**204**	**215**
Accumulated amortisation at beginning of year	–136	–117
Reclassification to assets held for sale	10	—
Amortisation according to plan for the year	–30	–24
Accumulated amortisation on sales/disposals during the year	3	9
Reclassifications	15	1
Translation differences	3	–5
Accumulated amortisation at end of year	**–135**	**–136**
Accumulated impairment charges at beginning of year	–4	–4
Reclassification to assets held for sale	3	—
Accumulated impairment charges at end of year	**–1**	**–4**
Total	**68**	**75**

Impairment test

A cash generating unit, defined as the operating segment, is the basis for the goodwill impairment test.

The impairment test is performed for each cash generating unit by comparing the carrying amount of the net assets, including goodwill, with the recoverable amount. The recoverable amount is the value in use and is estimated based on discounted cash flows. Due to the long-term nature of the investments, cash flows are expected to continue indefinitely.

Cash flows in the near future (generally between 3–5 years) are based on financial forecasts, derived from forecasted margins, volumes and cost development. These input variables are based on historical data adjusted to reflect Nordea's assumptions about the future. Cash flows for the period beyond the forecasting period are based on estimated sector growth rates. For impairment testing, a growth rate of 2.5% (2.5%) has been used for all Nordic cash generating units. For cash generating units in Poland and Russia, 4.0% (3.0%) and 4.5% (4.5%) have been used. Growth rates are based on historical data, updated to reflect the current situation.

Cash flows include normalised loan losses.

The derived cash flows are discounted at a rate based on the market's long-term risk-free rate of interest and yield requirements. The post-tax discount rate used for the impairment test 2013 is 8.5% (8.5%), which equals a pre-tax rate of 11.3% (11.3%). For operations in Poland, an additional risk premium of 170 (150) basis points has been applied and for Russia an additional risk premium of 250 (225) basis points has been applied.

The impairment tests conducted in 2013 did not indicate any need for goodwill impairment. See Note G1 section 4 for more information.

An increase in the discount rate of 1 percentage point or a reduction in the future growth rate of 1 percentage points are considered to be reasonably possible changes in key assumptions. Such a change would not result in an impairment in any of the cash generating units, except for the Life business in Poland. An increase in the discount rate by 1 percentage point would result in an impairment of EUR 11m and a decrease in the growth rate by 1 percentage point would result in an impairment of EUR 6m in Life Poland.

G21 Property and equipment

EURm	31 Dec 2013	31 Dec 2012
Equipment	366	401
Land and buildings	65	73
Total	**431**	**474**
Equipment		
Acquisition value at beginning of year	1,022	960
Reclassified to assets held for sale	–50	—
Acquisitions during the year	140	139
Through mergers	–2	—
Sales/disposals during the year	–79	–59
Reclassifications	–49	–47
Translation differences	–29	29
Acquisition value at end of year	**953**	**1,022**
Accumulated depreciation at beginning of year	–619	–551
Reclassified to assets held for sale	29	—
Through mergers	1	—
Accumulated depreciation on sales/disposals during the year	60	43
Reclassifications	15	13
Depreciations according to plan for the year	–91	–110
Translation differences	22	–14
Accumulated depreciation at end of year	**–583**	**–619**
Accumulated impairment charges at beginning of year	–2	–12
Reclassification	1	10
Impairment charges during the year	–3	—
Accumulated impairment charges at end of year	**–4**	**–2**
Total	**366**	**401**
Land and buildings		
Acquisition value at beginning of year	82	81
Reclassified to assets held for sale	–10	—
Acquisitions during the year	1	1
Sales/disposals during the year	–1	–1
Reclassifications	0	–1
Translation differences	–4	2
Acquisition value at end of year	**68**	**82**
Accumulated depreciation at beginning of year	–9	–9
Reclassified to assets held for sale	6	—
Accumulated depreciation at end of year	**–3**	**–9**
Total	**65**	**73**

G22 Leasing

Nordea as a lessor

Finance leases

Nordea owns assets leased to customers under finance lease agreements. Finance lease agreements are reported as receivables from the lessee included in "Loans to the public" (see Note G13) at an amount equal to the net investment in the lease. The leased assets mainly comprise vehicles, machinery and other equipment.

Reconciliation of gross investments and present value of future minimum lease payments:

EURm	31 Dec 2013	31 Dec 2012
Gross investments	7,751	7,986
Less unearned finance income	–343	–464
Net investments in finance leases	**7,408**	**7,522**
Less unguaranteed residual values accruing to the benefit of the lessor	–73	–81
Present value of future minimum lease payments receivable	**7,335**	**7,441**
Accumulated allowance for uncollectible minimum lease payments receivable	10	5

As of 31 December 2013 the gross investment and the net investment by remaining maturity was distributed as follows:

	31 Dec 2013	
EURm	Gross Investment	Net Investment
2014	1,829	1,801
2015	1,908	1,792
2016	1,557	1,512
2017	826	795
2018	599	566
Later years	1,032	942
Total	**7,751**	**7,408**

Operating leases

Assets subject to operating leases mainly comprise real estate, vehicles, aeroplanes and other equipment. On the balance sheet they are reported as tangible assets.

Under non-cancellable operating leases, the future minimum lease payments receivable are distributed as follows:

EURm	31 Dec 2013
2014	8
2015	6
2016	4
2017	2
2018	0
Later years	0
Total	**20**

Nordea as a lessee

Finance leases

Nordea has only to a minor extent entered into finance lease agreements. The carrying amount of assets subject to finance leases amounts to EUR 27m (EUR 30m).

Operating leases

Nordea has entered into operating lease agreements for premises and office equipment.

Leasing expenses during the year, EURm	31 Dec 2013	31 Dec 2012
Leasing expenses during the year	–250	–246
– of which minimum lease payments	–227	–240
– of which contingent rents	–23	–6
Leasing income during the year regarding sublease payments	8	7

Future minimum lease payments under non-cancellable operating leases amounted to and are distributed as follows:

EURm	31 Dec 2013
2014	194
2015	150
2016	118
2017	102
2018	87
Later years	389
Total	**1,040**

Total sublease payments expected to be received under non-cancellable subleases amounts to EUR 16m.

G23 Investment property

Movement in the balance sheet

EURm	31 Dec 2013	31 Dec 2012
Carrying amount at beginning of year	3,408	3,644
Acquisitions during the year	504	116
Sales/disposals during the year	–219	–181
Net gains or losses from fair value adjustments	–40	–48
Transfers/reclassifications during the year	–5	–3
Translation differences	–124	–120
Carrying amount at end of year	**3,524**	**3,408**

Amounts recognised in the income statement[1]

EURm	2013	2012
Rental income	236	244
Direct operating expenses that generate rental income	–45	–59
Direct operating expenses that did not generate rental income	–8	–2

1) Together with fair value adjustments included in Net result from items at fair value.

The method applied when calculating fair value is a rate of return calculation, based on internal models. As a supplement to these values, appraisals were obtained from independent external valuers for parts of the investment property.

Approximately 80% of the investment properties are valued using internal models based on a rate of return calculation. For the remaining 20% of the investment properties, appraisals were obtained from independent external valuers.

Geographical information

31 Dec 2013, EURm	Carrying amount
Denmark	1,674
Norway	899
Finland	690
Sweden	76
Other	185
Total	**3,524**

Yield requirements, average	Denmark	Norway	Finland	Sweden
Department stores, multistorey, car parks and hotels	7.6%	6.4%	6.0%	6.8%
Office buildings	6.1%	6.5%	6.5%	—
Apartment buildings	5.8%	6.1%	5.3%	4.3%
Other	—	7.3%	7.8%	6.5%

G24 Other assets

EURm	31 Dec 2013	31 Dec 2012
Claims on securities settlement proceeds	2,977	5,299
Cash/margin receivables	6,122	7,810
Other	1,965	2,445
Total	**11,064**	**15,554**

G25 Prepaid expenses and accrued income

EURm	31 Dec 2013	31 Dec 2012
Accrued interest income	1,123	1,302
Other accrued income	477	451
Prepaid expenses	783	806
Total	**2,383**	**2,559**

G26 Deposits by credit institutions

EURm	31 Dec 2013	31 Dec 2012
Central banks	12,632	8,699
Banks	30,699	30,647
Other credit institutions	15,759	16,080
Total	**59,090**	**55,426**

G27 Deposits and borrowings from the public

EURm	31 Dec 2013	31 Dec 2012
Deposits from the public	172,331	182,061
Borrowings from the public	28,412	18,617
Total	**200,743**	**200,678**

Deposits are defined as funds in deposit accounts covered by the government deposit guarantee but also including amounts in excess of the individual amount limits. Individual pension savings (IPS) are also included. Portfolio schemes in Nordea Bank Danmark A/S of EUR 4,302m (EUR 3,891m) are also included in Deposits.

G28 Liabilities to policyholders

EURm	31 Dec 2013	31 Dec 2012
Traditional life insurance provisions	20,613	23,399
– of which guaranteed provisions	20,520	23,266
– of which non-guaranteed provisions	93	133
Unit-linked insurance provisions	9,321	7,169
– of which guaranteed provisions	290	285
– of which non-guaranteed provisions	9,031	6,884
Insurance claims provision	420	463
Provisions, Health & personal accident	238	259
Total insurance contracts	**30,592**	**31,290**
Investment contracts	13,737	12,106
– of which guaranteed provisions	3,431	3,786
– of which non-guaranteed provisions	10,306	8,320
Collective bonus potential	2,897	1,924
Total	**47,226**	**45,320**

Liabilities to policyholders are obligations related to insurance contracts. These contracts are divided into contracts containing insurance risk and contracts without insurance risk. The latter are pure investments contracts.

Insurance contracts consists of Life insurance provisions and other insurance related items.

Life insurance contracts are measured and recognised in accordance with IFRS 4, i.e. the measurement and recognition principle under previous GAAP has been maintained consequently resulting in non-uniform accounting policies method on consolidation. Each market represented by Nordic and European entities measures and recognises insurance contracts using local accounting policies.

31 Dec 2013, EURm	Traditional life insurance provisions	Unit–linked insurance provisions	Insurance claims provisions	Provisions, Health & personal accident	Investment contracts provisions	Collective bonus potentials	Total
Provisions/bonus potentials, beginning of year	**23,399**	**7,169**	**463**	**259**	**12,106**	**1,924**	**45,320**
Gross premiums written	1,090	1,571	—	—	3,615	—	6,276
Reclassification to liabilities held for sale	–6	–188	–13	–4	–305	—	–516
Transfers	363	–345	—	—	–484	—	–466
Addition of interest/investment return	523	413	—	—	1,119	—	2,055
Claims and benefits	–2,377	–641	–24	–4	–1,866	—	–4,912
Expense loading including addition of expense bonus	–113	–64	—	—	–83	—	–260
Change in provisions/bonus potential	0	0	—	–9	—	1,027	1,018
Other	–1,593	1,445	—	—	7	–12	–153
Translation differences	–673	–39	–6	–4	–372	–42	–1,136
Provisions/bonus potentials, end of year	**20,613**	**9,321**	**420**	**238**	**13,737**	**2,897**	**47,226**
Provision relating to bonus schemes/ discretionary participation feature:	99%				20%		

31 Dec 2012, EURm	Traditional life insurance provisions	Unit–linked insurance provisions	Insurance claims provisions	Provisions, Health & personal accident	Investment contracts provisions	Collective bonus potentials	Total
Provisions/bonus potentials, beginning of year	**23,572**	**4,899**	**428**	**277**	**10,226**	**1,313**	**40,715**
Gross premiums written	1,833	1,112	—	—	2,582	—	5,527
Transfers	–1,055	1,135	—	—	–166	—	–86
Addition of interest/investment return	573	580	—	—	1,157	—	2,310
Claims and benefits	–2,373	–513	30	–34	–1,744	—	–4,634
Expense loading including addition of expense bonus	–82	–47	—	—	–85	—	–214
Change in provisions/bonus potential	—	—	—	13		584	597
Other	711	–16	—	—	–100	4	599
Translation differences	220	19	5	3	236	23	506
Provisions/bonus potentials, end of year	**23,399**	**7,169**	**463**	**259**	**12,106**	**1,924**	**45,320**
Provision relating to bonus schemes/ discretionary participation feature:	98%				25%		

G28 Liabilities to policyholders, cont.

Insurance risks

Insurance risk is described in the "Risk, Liquidity and Capital management" section of the Board of Directors' Report. Additional quantitative information is found below.

Life insurance risk and market risks in the Life insurance operations

	31 Dec 2013		31 Dec 2012	
Sensitivites EURm	Effect on policyholders	Effect on Nordea's own account	Effect on policyholders	Effect on Nordea's own account
Mortality – increased living with 1 year	–179.9	–76.7	–149.3	–130.5
Mortality – decreased living with 1 year	252.5	–0.5	270.9	9.4
Disability – 10% increase	–27.0	–21.7	–24.2	–14.1
Disability – 10% decrease	43.6	5.3	35.8	0.1
50 bp increase in interest rates	–415.5	12.2	–486.1	4.0
50 bp decrease in interest rates	517.1	–12.2	369.6	–4.4
12% decrease in all share prices	–1,027.3	–42.5	–844.8	–9.1
8% decrease in property value	–241.1	–2.1	–192.5	–30.8
8% loss on counterparts	–24.1	–1.1	–67.1	–0.2

Liabilities to policyholders divided in guarantee levels (technical interest rate)

31 Dec 2013, EURm	Non	0 pct.	0 to 3 pct.	3 to 5 pct.	Over 5 pct.	Total liabilities
Technical provision	19,429	3,885	12,166	8,048	143	43,671

31 Dec 2012, EURm	Non	0 pct.	0 to 3 pct.	3 to 5 pct.	Over 5 pct.	Total liabilities
Technical provision	15,336	4,081	13,186	9,568	503	42,674

Risk profiles on insurance

Product	Risk types	Material effect
Traditional	– Mortality	Yes
	– Disability	Yes
	– Return guaranties	Yes
Unit-Link	– Mortality	Yes
	– Disability	Yes
	– Return guaranties	No
Health and personal accident	– Mortality	No
	– Disability	Yes
	– Return guaranties	No
Financial contract	– Mortality	No
	– Disability	No
	– Return guaranties	No

G29 Debt securities in issue

EURm	31 Dec 2013	31 Dec 2012
Certificates of deposit	16,329	18,627
Commercial papers	35,975	38,524
Bond loans	133,208	126,649
Other	90	108
Total	**185,602**	**183,908**

G30 Other liabilities

EURm	31 Dec 2013	31 Dec 2012
Liabilities on securities settlement proceeds	2,458	7,758
Sold, not held, securities	10,995	6,136
Accounts payable	186	225
Cash/margin payables	5,867	5,787
Other	5,231	4,867
Total	**24,737**	**24,773**

G31 Accrued expenses and prepaid income

EURm	31 Dec 2013	31 Dec 2012
Accrued interest	1,999	2,185
Other accrued expenses	1,331	1,330
Prepaid income	347	388
Total	**3,677**	**3,903**

G32 Provisions

EURm	31 Dec 2013	31 Dec 2012
Reserve for restructuring costs	89	109
Transfer risk, off-balance	12	19
Individually assessed guarantees and other commitments	49	65
Tax	2	132
Other	25	64
Total	**177**	**389**

EURm	Restructuring	Transfer risk	Guarantees/ commitments	Tax	Other	Total
At beginning of year	109	19	65	132	64	389
Reclassified to liabilities held for sale	–5	—	—	—	—	–5
New provisions made	18	4	21	4	7	54
Provisions utilised	–26	—	–10	–133	–13	–182
Reversals	–4	–11	–26	—	–30	–71
Reclassifications	–1	—	—	—	–2	–3
Translation differences	–2	0	–1	–1	–1	–5
At end of year	**89**	**12**	**49**	**2**	**25**	**177**

Provisions for restructuring costs amounts to EUR 89m and covers termination benefit (EUR 83m) and other provisions mainly related to redundant premises (EUR 6m). The restructuring activities have mainly been launched to reach the anticipated cost efficiency and profitability, and as a part of this Nordea plans to reduce the number of employees, partly through close down of branches. The majority of the provision is expected to be used during 2014-2015. As with any other provision there is an uncertainty around timing and amount, which is expected to decrease as the plan is being executed.

Provision for Transfer risk of EUR 12m is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note G13. Provision for transfer risk is depending on the volume of business with different countries.

Loan loss provisions for individually assessed guarantees and other commitments amounted to EUR 49m.

Provision for legal disputes amounts to EUR 13m (EUR 8m expected to be settled 2014) and other provisions to EUR 12m (EUR 4m expected to be settled 2014).

G33 Retirement benefit obligations

EURm	31 Dec 2013	31 Dec 2012
Defined benefit plans, net	13	327
Total	**13**	**327**

Nordea sponsors both defined contribution plans (DCP) and defined benefit plans (DBP). IAS 19 secures that the pension obligations net of plan assets backing these obligations is reflected on the Group's balance sheet. The major plans in each country are funded schemes covered by assets in pension funds/foundations.

The plans are structured in accordance with local regulations and legislations, local practice and, where applicable, collective agreements. Nordea's main DBPs in Sweden, Norway and Finland are all final salary and service based pension plans providing pension benefits on top of the statutory systems. All DBPs are closed for new entrants, new employees are offered DCPs. DBPs in Sweden are mainly offered in accordance with collective agreements and follows the regulations in the Pension Obligations Vesting Act (Tryggandelagen). Plan assets are held in a separate pension foundation. In Norway the DBPs are in accordance with the Nordea Norway occupational pension plan and follows the Occupational Pension Act (Foretakspensjonloven). In Norway plan assets are also held by a separate pension fund. In Finland Nordea is providing additional pension benefits on top of the statutory system in accordance with the Nordea Finland occupational pension plan and follows the regulations in the Employees' Pension Act (TyEL). Plan assets are generally held in a separate pension foundation. Minimum funding requirements differ between plans but where such requirements are based on collective agreements or internal policies the funding requirement is generally that the pension obligations measured using local requirements shall be covered in full or with a predefined surplus. Some pension plans are not covered by funding requirements and are generally unfunded. Quarterly assessments are made to secure the level of future contributions.

Defined benefit plans may impact Nordea via changes in the net present value of obligations and/or changes in the market value of plan assets. Changes in the obligation are most importantly driven by changes in assumptions on discount rates (interest rates and credit spreads), salary increases, turnover and mortality as well as relevant experience adjustments where the actual outcome differs from the assumption. Assets are invested in diversified portfolios as further disclosed below, with bond exposures mitigating the interest rate risk in the obligations and a fair amount of real assets (inflation protected) to reduce the long term inflationary risk in liabilities.

No significant plan amendments, curtailments and settlements have been made during the year.

IAS 19 pension calculations and assumptions

Calculations on major plans are performed by external liability calculators and are based on different actuarial assumptions.

Assumptions[1]	Swe	Nor	Fin	Den
2013				
Discount rate[2]	3.75%	4.00%	3.50%	3.50%
Salary increase	2.50%	3.00%	2.50%	2.50%
Inflation	1.50%	2.00%	1.50%	2.00%
2012				
Discount rate[2]	3.50%	4.00%	3.50%	3.50%
Salary increase	2.50%	3.00%	3.00%	2.50%
Inflation	1.50%	2.00%	2.00%	2.00%

1) The assumptions disclosed for 2013 have an impact on the liability calculation by year-end 2013, while the assumptions disclosed for 2012 are used for calculating the pension expense in 2013.

2) More information on the discount rate can be found in Note G1, section 22. The sensitivities to changes in the discount rate can be found below.

Sensitivities – Impact on Pension Benefit Obligation (PBO) %	Swe	Nor	Fin	Den
Discount rate – Increase 50bps	–7.1%	–6.7%	–6.3%	–4.9%
Discount rate – Decrease 50bps	8.0%	7.6%	7.2%	5.3%
Salary increase – Increase 50bps	2.3%	2.4%	0.4%	5.4%
Salary increase – Decrease 50bps	–1.5%	–2.1%	–0.4%	–5.0%
Inflation – Increase 50bps	7.1%	6.1%	4.3%	—
Inflation – Decrease 50bps	–6.2%	–5.6%	–4.0%	—

The sensitivity analyses are prepared by changing one actuarial assumption while keeping the other assumptions unchanged. This is a simplified approach since the actuarial assumptions usually are correlated. However, it enables the reader to isolate one effect from another. The method used for calculating the impact on the obligation is the same as when calculating the obligation accounted for in the financial statements. Compared with the 2012 Annual Report there have been no changes in the methods used when preparing the sensitivity analyses.

As all pensions in Denmark are salary indexed, the inflation has no impact on the PBO in Denmark.

G33 Retirement benefit obligations, cont.

Net retirement benefit liabilities/assets

EURm	Swe 2013	Nor 2013	Fin 2013	Den 2013	Total 2013	Total 2012
Obligations	1,368	829	818	115	3,130	3,452
Plan assets	1,412	650	927	128	3,117	3,125
Net liability(–)/asset(+)	**44**	**–179**	**109**	**13**	**–13**	**–327**
– of which retirement benefit liabilities	119	179	25	11	334	469
– of which retirement benefit assets	163	—	134	24	321	142

Changes in the obligation

EURm	Swe 2013	Nor 2013	Fin 2013	Den 2013	Total 2013	Total 2012
Opening balance	1,496	945	894	117	3,452	3,580
Current service cost	27	19	3	0	49	64
Interest cost	51	33	30	4	118	124
Pensions paid	–74	–38	–42	–8	–162	–165
Past service cost and settlements	–2	–3	–1	—	–6	–36
Remeasurement from changes in demographic assumptions	—	4	–1	1	4	0
Remeasurement from changes in financial assumptions	–54	—	–48	—	–102	–187
Remeasurement from experience adjustments	–4	–8	–15	1	–26	30
Translation differences	–45	–115	–2	0	–162	120
Change in provision for SWT/SSC[1]	–27	–8	—	—	–35	–78
Closing balance	**1,368**	**829**	**818**	**115**	**3,130**	**3,452**

1) Change in provision for special wage tax (SWT) and social security contribution (SSC) in Sweden and Norway.

The average duration of the obligation is 15 years in Sweden, 14 years in Norway, 14 years in Finland and 11 years in Denmark based on discounted cash flows. The fact that all DBPs are closed for new entrants and that there are no active members in Denmark, and to some extent also in Finland, leads to lower duration.

Changes in the fair value of plan assets

EURm	Swe 2013	Nor 2013	Fin 2013	Den 2013	Total 2013	Total 2012
Opening balance	1,404	673	916	132	3,125	2,848
Interest income (calculated using the discount rate)	49	26	31	5	111	106
Pensions paid	—	–19	–42	–8	–69	–72
Settlements	—	–1	1	—	0	–4
Contributions by employer	12	45	10	—	67	18
Remeasurement (actual return less interest income)	–8	12	13	–1	16	142
Translation differences	–45	–86	–2	0	–133	87
Closing balance	**1,412**	**650**	**927**	**128**	**3,117**	**3,125**

Asset composition

The combined return on assets in 2013 was 4.1% (8.7%). Main drivers were positive returns on equities, credit investment and real estate whereas sovereign bonds subtracted from the result. At the end of the year the equity exposure in pension funds/foundations represented 25% (21%) of total assets.

G33 Retirement benefit obligations, cont.

Asset composition in funded schemes	Swe 2013	Nor 2013	Fin 2013	Den 2013	Total 2013	Total 2012
Bonds	73%	52%	58%	82%	65%	67%
– sovereign	35%	41%	37%	46%	38%	51%
– covered bonds	25%	11%	5%	36%	17%	8%
– corporate bonds	13%	—	16%	—	10%	8%
– issued by Nordea entities	—	11%	—	25%	3%	1%
– with quoted market price in an active market	73%	52%	58%	82%	65%	67%
Equity	25%	26%	27%	17%	25%	21%
– domestic	8%	7%	9%	17%	8%	7%
– european	7%	8%	8%	—	7%	6%
– US	6%	7%	6%	—	6%	5%
– emerging	4%	4%	4%	—	4%	3%
– with quoted market price in an active market	25%	26%	27%	17%	25%	21%
Real estate[1]	—	14%	13%	—	7%	7%
– occupied by Nordea	—	—	4%	—	1%	1%
Cash and cash equivalents	2%	8%	2%	1%	3%	5%

1) The geographical location of the real estate follows the geographical location of the relevant pension plan.

The Group expects to contribute EUR 51m to its defined benefit plans in 2014.

Defined benefit pension cost

The total net pension cost related to defined benefit plans recognised in the Group's income statement (as staff costs) for the year is EUR 61m (EUR 66m). Total pension costs comprise defined benefit pension costs as well as costs related to defined contribution plans (see specification in Note G7).

Recognised in the income statement, EURm	Swe 2013	Nor 2013	Fin 2013	Den 2013	Total 2013	Total 2012
Current service cost	27	19	3	0	49	64
Net interest	2	7	–1	–1	7	18
Past service cost and settlements	–2	–2	–2	—	–6	–32
SWT/SSC[1]	8	3	—	—	11	16
Pension cost on defined benefit plans (expense+/income–)	**35**	**27**	**0**	**–1**	**61**	**66**

1) Cost related to special wage tax (SWT) in Sweden and social security contribution (SSC) in Norway.

Compared with the pension cost 2012, excluding past service cost, the pension cost has decreased in 2013. Mainly as a consequence of the change of actuarial assumptions at the end of 2012.

Recognised in other comprehensive income, EURm	Swe 2013	Nor 2013	Fin 2013	Den 2013	Total 2013	Total 2012
Remeasurement from changes in demographic assumptions	—	4	–1	1	4	0
Remeasurement from changes in financial assumptions	–54	—	–48	—	–102	–187
Remeasurement from experience adjustments	–4	–8	–15	1	–26	30
Remeasurement of plan assets (actual return less interest income)	8	–12	–13	1	–16	–142
SWT/SSC[1]	–13	–2	—	—	–15	–63
Pension cost on defined benefit plans (expense+/income–)	**–63**	**–18**	**–77**	**3**	**–155**	**–362**

1) Cost related to special wage tax (SWT) in Sweden and social security contribution (SSC) in Norway.

G33 Retirement benefit obligations, cont.

Multiemployer plans

In 2010 the Norwegian Parliament decided to change the AFP (Avtalefestet Pensjon) plan in Norway as from 2011. The change gave rise to a new multiemployer defined benefit plan that cannot be calculated as such, as information on Nordea's share of the liabilities and pension costs in the plan is not available from Fellesordningen (the administrator). Consequently the new AFP plan has to be accounted for as a defined contribution plan in accordance with IAS 19. Information on the funded status in the plan is not available.

The new AFP plan gives the entitled employees a lifelong addition to regular pensions from the age of 62. Further, the new scheme allows the employees to continue working while receiving AFP without this affecting the pension rights. The plan is founded on the basis of a three party cooperation between employer organisations, employee organisations and the Norwegian government. The government covers one third of the pension expense to the AFP plan while the member companies collectively cover the remaining two thirds of the pension expense. The premium the member firms are paying to the plan is determined to be sufficient to cover on-going pension expenses as well as provide a basis for building up a pension fund. The purpose of the pension fund is to ensure sufficient ability to cover expected future pension obligations.

The premium rate for 2013 is 2% of the employees' wages between 1 and 7.1 times the average base amount according to the Norwegian National Insurance Act. The premium is calculated based on the average wages and base amounts from the previous year, excluding employees over the age of 62. Total premiums paid in 2013 amounts to EUR 2m. Payments to the plan during 2013 covered 2,958 employees. The premium rate for 2014 will be 2.2% of the employees' wages between 1 and 7.1 times the average base amount according to the Norwegian National Insurance Act. The expected premium in 2014 amounts to EUR 2.7m.

The employees that meet the requirements for AFP are guaranteed AFP payments regardless of the solvency of their employers. As a result the employer members have joint responsibility for two thirds of the payable pensions to the employees that at any given time meet the requirements for AFP. Any deficit or surplus on windup of the plan or entities' withdrawal from the plan will not have any impact on Nordea.

Key management personnel

The Group's total pension obligations regarding key management personnel amounted to EUR 35m (EUR 36m) at the end of the year. These obligations are to a high degree covered by plan assets. Defined benefit pension costs (Current service cost as well as Past service cost and settlements as defined in IAS 19) related to key management personnel in 2013 were EUR 2m (EUR 2m). Complete information concerning key management personnel is disclosed in Note G7.

G34 Subordinated liabilities

EURm	31 Dec 2013	31 Dec 2012
Dated subordinated debenture loans	4,107	5,160
Undated subordinated debenture loans	574	666
Hybrid capital loans	1,864	1,971
Total	**6,545**	**7,797**

These debenture loans are subordinated to other liabilities. Dated debenture loans entitle the lender to payment before undated subordinated loans and hybrid capital loans. Within each respective category, the loans entitle lenders to equal payment rights.

G35 Assets pledged as security for own liabilities

EURm	31 Dec 2013	31 Dec 2012
Assets pledged for own liabilities		
Lease agreements	—	77
Securities etc[1]	19,944	20,753
Loans to the public	128,766	110,964
Other assets pledged	25,708	28,130
Total	**174,418**	**159,924**
The above pledges pertain to the following liabilities		
Deposits by credit institutions	9,892	12,300
Deposits and borrowings from the public	11,681	9,029
Derivatives	5,990	8,044
Debt securities in issue	92,176	86,653
Other liabilities and commitments	20,203	21,241
Total	**139,942**	**137,267**

1) Relates only to securities recognised on the balance sheet. Securities borrowed or bought under reverse repurchase agreements are not recognised on the balance sheet and thus not included in the amount. Such transactions are disclosed in Note G45, Transferred assets and obtained collaterals.

Assets pledged for own liabilities contain securities pledged as security in repurchase agreement and in securities lending. The transactions are conducted under standard agreements employed by financial markets participants. Counterparts in those transactions are credit institutions and the public. The transactions are typically short term with maturity within three months.

Securities in the Life operations are also pledged as security for the corresponding insurance liabilities.

Loans to the public have been registered as collateral for issued covered bonds and mortgage bonds in line with local legislation. In the event of the company´s insolvency, the holders of these bonds have priority to the assets registered as collateral.

Other assets pledged relates to certificate of deposits pledged by Nordea to comply with authority requirements.

G36 Other assets pledged

EURm	31 Dec 2013	31 Dec 2012
Other assets pledged[1]		
Securities etc.	7,412	10,281
Other assets pledged	55	63
Total	**7,467**	**10,344**

1) Collaterals pledged on behalf of other items other than the company's own liabilities, e.g., on behalf of a third party or on behalf of the company's own contingent liabilities are accounted for under this item.

Securities etc. includes interest-bearing securities pledged as security for payment settlements within the central banks and clearing institutions. The terms and conditions require day to day security and relate to liquidity intraday/over night. Other assets pledged relate to pledged deposits.

G37 Contingent liabilities

EURm	31 Dec 2013	31 Dec 2012
Guarantees		
– Loan guarantees	3,560	4,016
– Other guarantees	15,409	14,828
Documentary credits	1,831	2,231
Other contingent liabilities	70	82
Total	**20,870**	**21,157**

In the normal business Nordea issues various forms of guarantees in favour of the bank's customers. Loan guarantees are given for customers to guarantee obligations in other credit- and pension institutions. Other guarantees consist mainly of commercial guarantees such as bid guarantees, advance payment guarantees, warranty guarantees and export related guarantees. Contingent liabilities also include unutilised irrevocable import documentary credits and confirmed export documentary credits. These transactions are part of the bank services and support the bank's customers. Guarantees and documentary credits are off-balance sheet items, unless there is a need for a provision to cover a probable loan loss that arises from the judgement that reimbursement will not be received.

Nordea Bank AB (publ) has undertaken, in relation to certain individuals and on certain conditions, to be responsible for the potential payment liability against them in their capacity as managing directors or board member in group undertakings to Nordea Bank AB (publ).

A limited number of employees are entitled to severance pay if they are dismissed before reaching their normal retirement age. For further disclosures, see Note G7.

Legal proceedings

Within the framework of the normal business operations, the Group faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on the Group or its financial position.

G38 Commitments

EURm	31 Dec 2013	31 Dec 2012
Future payment obligations	422	545
Credit commitments[1]	78,332	84,914
Other commitments	845	749
Total	**79,599**	**86,208**

1) Including unutilised portion of approved overdraft facilities of EUR 44,053m (EUR 45,796m).

Reverse repurchase agreements are recognised on and derecognised from the balance sheet on settlement date. Nordea has as per 31 December 2013 signed reverse repurchase agreements that have not yet been settled and consequently are not recognised on the balance sheet. On settlement date these reverse repurchase agreements will, to the utmost extent, replace existing reverse repurchase agreements not yet derecognised as per 31 December 2013. The net impact on the balance sheet is minor. These instruments have not been disclosed as commitments.

For information about derivatives, see Note G17 and about reverse repos, see Note G45.

G39 Insurance activities

Operating profit, insurance

EURm	2013	2012
Operating income[1]		
Fee and commission income	400	335
Fee and commission expense	–134	–124
Net fee and commission income	**266**	**211**
Net result on items at fair value	219	279
Operating income	**485**	**490**
Operating expenses		
Staff costs	–123	–117
Other expenses	–82	–79
Depreciation, amortisation and impairment charges of tangible and intangible assets	–11	–14
Total operating expenses	**–216**	**–210**
Operating profit, insurance	**269**	**280**

1) Before allocations and elimination of intra-group transactions.

Operating profit, insurance

EURm	2013	2012
Technical result		
Premiums written	6,375	5,149
Investment income, investment contracts	1,120	1,136
Investment income, insurance contracts	1,583	2,470
Other technical income	126	128
Claims paid	–4,912	–4,278
Change in technical provisions, investment contracts	–2,374	–1,766
Change in technical provisions, insurance contracts	–286	–1,667
Change in collective bonus potential	–1,046	–582
Operating expenses	–341	–331
Technical result	**245**	**259**
Non-technical investment income	24	21
Operating profit	**269**	**280**

Balance sheet

EURm	31 Dec 2013	31 Dec 2012
Assets		
Cash and balances with central banks	0	1
Loans to the public	0	571
Loans to credit institutions	1,686	1,802
Interest bearing securities	23,243	25,405
Shares and participations	23,292	19,096
Derivatives	692	752
Participating interests	240	234
Intangible assets	324	332
Tangible assets	23	27
Investment property	3,367	3,261
Deferred tax assets	8	16
Current tax assets	2	—
Retirement benefit assets	—	7
Other assets	490	559
Prepaid expenses and accrued income	204	545
Assets held for sale	673	—
Total assets	**54,244**	**52,608**
– of which intra-group transactions	4,245	4,973
Liabilities		
Deposits by credit institutions and central banks	2,992	1,999
Deposits and borrowings from the public	0	387
Liabilities to Life insurance policyholders	47,226	45,320
Derivatives	516	518
Current tax liabilities	106	65
Other liabilities	330	1,652
Accrued expenses and deferred income	140	212
Deferred tax liabilities	251	294
Provisions	3	6
Retirement benefit obligation	11	8
Subordinated liabilities	515	530
Liabilities held for sale	646	—
Total liabilities	**52,736**	**50,991**
Equity	**1,508**	**1,617**
Total liabilities and equity	**54,244**	**52,608**
– of which intra-group transactions	2,907	3,294

G40 Capital adequacy

Capital adequacy is a measure of the financial strength of a bank, usually expressed as a ratio of capital to assets. There is now a worldwide capital adequacy standard (Basel II) drawn up by the Basel Committee on Banking Supervision. Within the EU, the capital adequacy requirements are outlined in the CRD.

Over the years, amendments have been made to the first version of the CRD regulation. The amendments were implemented at the end of 2010 and 2011 and strengthened the large exposure regime, increased the quality of the capital base and added stricter securitisation regulation. The final version of the Capital Requirement Directive (CRD IV) and Capital Requirement Regulation (CRR) which was published in June 2013, require higher capitalisation levels and better quality of capital, better risk coverage, the introduction of a leverage ratio as a backstop to the risk based requirement, measures to promote the build-up of capital that can be drawn in periods of stress and the introduction of liquidity standards. The Directive will be implemented through national law whitin all EU countries during 2014 , while the Regulation will be applicable in all EU countries from 1 January 2014.

The Basel II framework is built on three Pillars:

- Pillar I – requirements for the calculation of RWA and capital requirements
- Pillar II – rules for the Supervisory Review Process (SRP), including the Internal Capital Adequasy Assessment Process (ICAAP)
- Pillar III – rules for the disclosure on risk and capital management, including capital adequacy

Nordea performs an ICAAP with the purpose to review the management, mitigation and measurement of material risks within the buiness environment in order to assess the adequacy of capitalisation and to determine an internal capital requirements reflecting the risks of the institution.

The ICAAP is a continuous process which increases awareness of capital requirements and exposure to material risks throughout the organisation, both in the business area and legal entity dimensions. Stress tests are important drivers of risk awareness, looking at capital and risk from a firm-wide perspective on a regular basis and on an ad-hoc basis for specific areas or segments. The process includes a regular dialogue with supervisory authorities, rating agencies and other external stakeholders with respect to capital management, measurement and mitigation techniques used.

Nordea's capital levels continue to be adequate to support the risks taken, both from an internal perspective as well as from the perspective of supervisors. Heading into 2014, Nordea will continue to closely follow the development of the new capital requirement regime as well as maintain its open dialouge with the supervisory authorities.

The disclosures in this note cover the Nordea Financial Group as defined on page 148. The comparative figures have not been restated for IAS 19. All disclosures are made for total operations.

Bridge between IFRS equity and core tier 1 capital

EURm	31 Dec 2013	31 Dec 2012
Balance sheet equity	29,209	28,216
Adjustment NLP & AFS	–859	–949
Subtotal	**28,350**	**27,267**
Dividend	–1,734	–1,370
Goodwill	–2,176	–2,346
Intangible assets	–811	–748
Deferred taxes	–68	–201
Cash Flow hedges	19	16
Shortfall deduction (50%)	–369	–554
Deduction for investments in credit institutions (50%)	–99	–103
Core tier 1 capital	**23,112**	**21,961**

Items included in the capital base

EURm	31 Dec 2013	31 Dec 2012
Tier 1 capital		
Paid-up capital	4,050	4,050
Share premium	1,080	1,080
Eligible capital	**5,130**	**5,130**
Reserves	20,120	19,028
Minority interests	2	5
Income from current year	3,116	3,120
Eligible reserves	**23,238**	**22,153**
Core tier 1 capital (before deductions)	**28,368**	**27,283**
Subordinated capital loans	**1,949**	**1,992**
Deductions for investments in insurance companies (50%)	–616	—
Proposed/actual dividend	–1,734	–1,370
Deferred tax assets	–68	–201
Intangible assets	–2,987	–3,094
Deductions for investments in credit institutions	–99	–103
IRB provisions shortfall (–)	–369	–554
Deductions	**–5,873**	**–5,322**
Tier 1 capital (net after deductions)	**24,444**	**23,953**
– of which hybrid capital	1,949	1,992
– of which deductions for investments in insurance companies (50%)	–616	—
– of which core tier 1 capital (net of deductions)	23,112	21,961
Tier 2 capital		
Undated sudordinated loans	682	708
Dated sudordinated loans	4,107	4,676
Other additional own funds	81	56
Tier 2 capital (before deductions)	**4,870**	**5,440**
Deductions for investments in credit institutions	–99	–103
IRB provisions excess (+)/shortfall (–)	–369	–554
Deductions	**–468**	**–657**
Tier 2 capital (net after deductions)	**4,402**	**4,783**
Deductions for investments in insurance companies (50%)	–616	–1,236
Pension assets in excess of related liabilities	–190	–226
Capital base	**28,040**	**27,274**

G40 Capital adequacy, cont.

Core tier 1 capital and tier 1 capital

Core tier 1 capital is defined as eligible capital including eligible reserves, net of regulatory required deductions made directly to core tier 1 capital. The capital recognised as core tier 1 capital holds the ultimate characteristics for loss absorbance defined from a going concern perspective and represents the most subordinated claim in the event of liquidation. The tier 1 capital is defined as core tier 1 capital and capital of the same or close to the character of eligible capital and eligible reserves. Tier 1 capital can include a limited component of undated subordinated capital loans.

Eligible capital and eligible reserves

Paid up capital is the share capital contributed by shareholders, including the share premium paid. Eligible reserves consist primarily of retained earnings, other reserves, minority interests and income from current year. Retained earnings are earnings from previous years reported via the income statement. Other reserves are related to revaluation and translation reserves referred to acquisitions and associated companies under the equity method. The equity interests of minority shareholdings in companies that are fully consolidated in the financial group are also included. Positive income from current year is included as eligible capital after verification by the external auditors, however negative income must be deducted. Repurchased own shares or own shares temporary included in trading portfolios are deducted from eligible reserves.

Tier 1 instruments comprise only 8% of tier 1 capital in Nordea; that is, the predominant share of tier 1 capital consists of capital considered as of the highest quality.

Tier 1 instruments subject to limits

The inclusion of undated subordinated loans in tier 1 capital is restricted and repurchase can normally not take place until five years after original issuance of the instrument.

Undated subordinated loans may be repaid only upon decision by the Board of Directors in Nordea and with the permission of the Swedish FSA. Further, there are restrictions related to step-up conditions, order of priority, and interest payments under constraint conditions. Currently, the inclusion of undated subordinated capital as a component of tier 1 capital is limited by regulation to 50% net of relevant deductions. For the tier 1 loans, conditions specify appropriation in order to avoid being obliged to enter into liquidation. To the extent that may be required to avoid liquidation, the principal amounts of tier 1 loans (together with accrued interest) would be written down and converting such amount into a conditional capital contribution.

Tier 2 capital

Tier 2 capital must be subordinated to depositors and general creditors of the bank. It cannot be secured or covered by a guarantee of the issuer or related entity or include any other arrangement that legally or economically enhances the seniority of the claim vis-a`-vis depositors and other bank creditors.

Tier 2 subordinated loans

Tier 2 capital consists mainly of subordinated debt. Tier 2 capital includes two different types of subordinated loan capital; undated loans and dated loans. According to the regulation, tier 2 capital may not exceed tier 1 capital and dated tier 2 loans must not exceed 50% of tier 1 capital. The limits are set net of deductions.

The basic principle for subordinated debt in the capital base is the order of priority in case of a default or bankruptcy situation. Under such conditions, the holder of the subordinated loan would be repaid after other creditors, but before shareholders. The share of outstanding loan amount possible to include in the tier 2 capital related to dated loans is reduced if the remaining maturity is less than five years.

During 2013 Nordea called EUR 500m of its tier 2 loan. As of year-end, Nordea held EUR 4.1bn in dated subordinated loans and EUR 0.7bn in undated subordinated loans.

The table below shows the carrying outstanding amounts of undated and dated loans included in the capital base. Call date is where the issuer has the legal right to redeem outstanding loan amounts according the terms of agreement. The loans and the principles for time-reductions follow Swedish legislation. The carrying amounts in the table may deviate from capital amounts used in the capital base due to swap arrangements and adjustments for maturities.

Other tier 2 capital

Other additional funds consists of adjustment to valuation differences in available for sale equities transferred to core additional own funds. Unrealised gains from equity holdings classified as available for sale securities can according to regulation only be included in tier 2 capital.

G40 Capital adequacy, cont.

Dated and undated loans

Dated loans, tier 2

Issuer	Carrying amount EURm	Capital base 31 Dec 2013	Start	Maturity	Call date	Step-up
Nordea Bank AB	899	899	2011	May 2021		N
Nordea Bank AB	747	747	2012	Feb 2022	Feb 2017	N
Nordea Bank AB	996	996	2010	Mar 2020		N
Nordea Bank AB	747	747	2010	Mar 2021		N
Nordea Bank AB	718	718	2012	Sep 2022		N
Total dated loans	**4,107**	**4,107**				

Undated loans, tier 1

Issuer	Carrying amount EURm	Capital base 31 Dec 2013	Start	Maturity	Call date	Step-up
Nordea Bank AB	361	386	2009	n/a	Mar 2015	Y
Nordea Bank AB	361	361	2009	n/a	Mar 2015	Y
Nordea Bank AB	435	484	2005	n/a	Apr 2015	Y
Nordea Bank AB	138	145	2005	n/a	Mar 2035	Y
Nordea Bank AB	69	73	2005	n/a	Oct 2035	Y
Nordea Bank AB	500	500	2004	n/a	Mar 2014[1]	N
Total undated loans, tier 1	**1,864**	**1,949**				

Undated loans, tier 2

Issuer	Carrying amount EURm	Capital base 31 Dec 2013	Start	Maturity	Call date	Step-up
Nordea Bank Norway ASA	145	145	1986	n/a	May 2014[1]	N
Nordea Bank Finland Plc	360	468	2004	n/a	Jul 2014	Y
Nordea Bank Finland Plc	69	69	1999	n/a	Feb 2029	Y
Total undated loans, tier 2	**574**	**682**				

Total	**6,545**	**6,738**

1) First call date has passed.

G40 Capital adequacy, cont.

Capital requirements and RWA

EURm	31 Dec 2013 Capital requirement	31 Dec 2013 Basel II RWA	31 Dec 2012 Capital requirement	31 Dec 2012 Basel II RWA
Credit risk	**10,376**	**129,705**	**11,627**	**145,340**
IRB foundation	8,965	112,061	9,764	122,050
– of which corporate	6,787	84,844	7,244	90,561
– of which institutions	468	5,848	671	8,384
– of which retail SME	104	1,298	915	11,439
– of which retail mortgage	862	10,772	721	9,007
– of which retail other	622	7,778	101	1,264
– of which other	122	1,521	112	1,395
Standardised	1,411	17,644	1,863	23,290
– of which sovereign	34	428	34	426
– of which institution	49	611	47	583
– of which corporate	301	3,768	732	9,160
– of which retail	862	10,776	860	10,752
– of which other	165	2,061	190	2,369
Market risk	**700**	**8,753**	**506**	**6,323**
– of which trading book, Internal Approach	410	5,131	312	3,897
– of which trading book, Standardised Approach	186	2,321	138	1,727
– of which banking book, Standardised Approach	104	1,301	56	699
Operational risk	**1,344**	**16,796**	**1,298**	**16,229**
Standardised	1,344	16,796	1,298	16,229
Sub total	**12,420**	**155,254**	**13,431**	**167,892**
Adjustment for transition rules				
Additional capital requirement according to transition rules	4,318	53,969	3,731	46,631
Total	**16,738**	**209,223**	**17,162**	**214,523**

Capital requirements for market risk, 31 December 2013

EURm	Trading book, IA RWA	Trading book, IA Capital requirement	Trading book, SA RWA	Trading book, SA Capital requirement	Banking book, SA RWA	Banking book, SA Capital requirement	Total RWA	Total Capital requirement
Interest rate risk[1]	1,667	133	1,796	144	—	—	3,463	277
Equity risk	160	13	276	22	—	—	436	35
Foreign exchange risk	243	19	—	—	1,301	104	1,544	123
Commodity risk	—	—	249	20	—	—	249	20
Diversification effect	–1,061	–85	—	—	—	—	–1,061	–85
Stressed Value-at-Risk	2,698	216	—	—	—	—	2,698	216
Incremental Risk Charge	1,003	80	—	—	—	—	1,003	80
Comprehensive Risk Charge	421	34	—	—	—	—	421	34
Total	**5,131**	**410**	**2,321**	**186**	**1,301**	**104**	**8,753**	**700**

1) Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

The Nordea Group may transfer capital within its legal entities without material restrictions. International transfers of capital between legal entities are normally possible after approval by the local regulator and are of importance in governing the capital position of the Group. The guarantee schemes introduced within the EU in 2008 limit the transferability of capital under certain circumstances, which serves to impact cross-border financial groups. No such restrictions were however directly affecting Nordea as per end of 2013.

More Capital Adequacy information for the Group can be found in the Capital management section page 63 and in the Pillar III report.

G40 Capital adequacy, cont.

Specification over group undertakings consolidated/deducted from the Nordea Financial Group, 31 December 2013

Group undertakings included in the Nordea Financial Group	Number of shares	Carrying amount EURm	Voting power of holding	Domicile	Consolidation method
Nordea Bank Finland Plc	1,030,800,000	5,959	100%	Helsinki	Purchase method
Nordea Finance Finland Ltd			100%	Espoo	Purchase method
Nordea Bank Danmark A/S	50,000,000	4,010	100%	Copenhagen	Purchase method
Nordea Finans Danmark A/S			100%	Høje Taastrup	Purchase method
Nordea Kredit Realkreditaktieselskab			100%	Copenhagen	Purchase method
Fionia Asset Company A/S			100%	Copenhagen	Purchase method
Nordea Bank Norge ASA	551,358, 576	2,733	100%	Oslo	Purchase method
Nordea Eiendomskreditt AS			100%	Oslo	Purchase method
Nordea Finans Norge AS			100%	Oslo	Purchase method
Privatmegleren AS			100%	Oslo	Purchase method
Nordea Bank Polska S.A.	55,061,403	343	99.2%	Gdynia	Purchase method
OOO Promyshlennaya Companiya Vestcon	4,601,942,680	659	100%	Moscow	Purchase method
OJSC Nordea Bank			100%	Moscow	Purchase method
Nordea Hypotek AB (publ)	100,000	1,998	100%	Stockholm	Purchase method
Nordea Fonder AB	15,000	242	100%	Stockholm	Purchase method
Nordea Bank S.A.	999,999	455	100%	Luxembourg	Purchase method
Nordea Finans Sverige AB (publ)	1,000,000	124	100%	Stockholm	Purchase method
Nordea Funds Ltd	3,350	174	100%	Helsinki	Purchase method
Nordea Ejendomsinvestering A/S	1,000	29	100%	Copenhagen	Purchase method
Nordea IT Polska S.p. z.o.o	100	40	100%	Warzaw	Purchase method
Nordea Investment Management AB	12,600	237	100%	Stockholm	Purchase method
Nordea Life Holding AB	1,000	719	100%	Stockholm	Purchase method
Other companies		1			Purchase method
Total included in the capital base		**17,723**			

Group undertakings deducted from the capital base	Carrying amount EURm	Voting power of holding	Domicile
Nordea Life Holding AB, including debt from parent company	1,233	100%	Stockholm
Total group undertakings deducted from the capital base	**1,233**		

Over 10% investments in credit institutions deducted from the capital base, including debt from group undertakings			
Eksportfinans ASA	184	23%	Oslo
NF Fleet Oy	3	20%	Espoo
LR Realkredit A/S	10	39%	Copenhagen
Other	1		
Total investments in credit institutions deducted from the capital base[1]	**198**		

1) Other associated undertakings are consolidated using the equity method.

G41 Classification of financial instruments

31 Dec 2013, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Assets held for sale	Total
Assets									
Cash and balances with central banks	33,529	—	—	—	—	—	—	—	33,529
Loans to central banks	11,014	—	755	—	—	—	—	—	11,769
Loans to credit institutions	4,281	—	5,851	611	—	—	—	—	10,743
Loans to the public	250,026	—	39,159	53,266	—	—	—	—	342,451
Interest-bearing securities	—	5,359	35,326	18,627	—	28,002	—	—	87,314
Financial instruments pledged as collateral	—	—	9,575	—	—	—	—	—	9,575
Shares	—	—	9,909	23,358	—	4	—	—	33,271
Derivatives	—	—	69,045	—	1,947	—	—	—	70,992
Fair value changes of the hedged items in portfolio hedge of interest rate risk	203	—	—	—	—	—	—	—	203
Investments in associated undertakings	—	—	—	—	—	—	630	—	630
Intangible assets	—	—	—	—	—	—	3,246	—	3,246
Property and equipment	—	—	—	—	—	—	431	—	431
Investment property	—	—	—	—	—	—	3,524	—	3,524
Deferred tax assets	—	—	—	—	—	—	62	—	62
Current tax assets	—	—	—	—	—	—	31	—	31
Retirement benefit assets	—	—	—	—	—	—	321	—	321
Other assets	4,057	—	—	6,122	—	—	885	—	11,064
Prepaid expenses and accrued income	1,886	—	20	—	—	—	477	—	2,383
Assets held for sale	—	—	—	—	—	—	—	8,895	8,895
Total	**304,996**	**5,359**	**169,640**	**101,984**	**1,947**	**28,006**	**9,607**	**8,895**	**630,434**

31 Dec 2013, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Liabilities held for sale	Total
Liabilities							
Deposits by credit institutions	23,064	2,743	—	33,283	—	—	59,090
Deposits and borrowings from the public	26,743	5,804	—	168,196	—	—	200,743
Liabilities to policyholders	—	13,737	—	—	33,489	—	47,226
Debt securities in issue	6,955	35,121	—	143,526	—	—	185,602
Derivatives	64,588	—	1,336	—	—	—	65,924
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	1,734	—	—	1,734
Current tax liabilities	—	—	—	—	303	—	303
Other liabilities	10,996	5,867	—	5,747	2,127	—	24,737
Accrued expenses and prepaid income	29	427	—	1,890	1,331	—	3,677
Deferred tax liabilities	—	—	—	—	935	—	935
Provisions	—	—	—	—	177	—	177
Retirement benefit liabilities	—	—	—	—	334	—	334
Subordinated liabilities	—	—	—	6,545	—	—	6,545
Liabilities held for sale	—	—	—	—	—	4,198	4,198
Total	**132,375**	**63,699**	**1,336**	**360,921**	**38,696**	**4,198**	**601,225**

G41 Classification of financial instruments, cont.

31 Dec 2012, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	36,060	—	—	—	—	—	—	36,060
Loans to central banks	7,207	—	798	—	—	—	—	8,005
Loans to credit institutions	2,911	—	6,683	975	—	—	—	10,569
Loans to the public	266,996	—	26,120	53,135	—	—	—	346,251
Interest-bearing securities	755	6,497	36,214	20,762	—	22,398	—	86,626
Financial instruments pledged as collateral	—	—	7,970	—	—	—	—	7,970
Shares	—	—	8,950	19,168	—	10	—	28,128
Derivatives	—	—	115,706	—	3,083	—	—	118,789
Fair value changes of the hedged items in portfolio hedge of interest rate risk	–711	—	—	—	—	—	—	–711
Investments in associated undertakings	—	—	—	—	—	—	585	585
Intangible assets	—	—	—	—	—	—	3,425	3,425
Property and equipment	—	—	—	—	—	—	474	474
Investment property	—	—	—	—	—	—	3,408	3,408
Deferred tax assets	—	—	—	—	—	—	266	266
Current tax assets	—	—	—	—	—	—	78	78
Retirement benefit assets	—	—	—	—	—	—	142	142
Other assets	6,742	—	—	7,810	—	—	1,002	15,554
Prepaid expenses and accrued income	2,083	—	—	25	—	—	451	2,559
Total	**322,043**	**6,497**	**202,441**	**101,875**	**3,083**	**22,408**	**9,831**	**668,178**

31 Dec 2012, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	17,320	2,538	—	35,568	—	55,426
Deposits and borrowings from the public	16,919	7,381	—	176,378	—	200,678
Liabilities to policyholders	—	12,106	—	—	33,214	45,320
Debt securities in issue	7,572	30,864	—	145,472	—	183,908
Derivatives	113,202	—	1,001	—	—	114,203
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	1,940	—	1,940
Current tax liabilities	—	—	—	—	391	391
Other liabilities	6,136	5,787	—	10,408	2,442	24,773
Accrued expenses and prepaid income	—	470	—	2,103	1,330	3,903
Deferred tax liabilities	—	—	—	—	976	976
Provisions	—	—	—	—	389	389
Retirement benefit liabilities	—	—	—	—	469	469
Subordinated liabilities	—	—	—	7,797	—	7,797
Total	**161,149**	**59,146**	**1,001**	**379,666**	**39,211**	**640,173**

Loans designated at fair value through profit or loss

EURm	31 Dec 2013	31 Dec 2012
Carrying amount	53,877	54,110
Maximum exposure to credit risk	53,877	54,110
Carrying amount of credit derivatives used to mitigate the credit risk	—	—

G41 Classification of financial instruments, cont.

Financial assets and liabilities designated at fair value through profit or loss

Changes in fair values of financial liabilities attributable to changes in credit risk

The financial liabilities designated at fair value through profit or loss exposed to changes in credit risk are issued bonds in the Danish group undertaking Nordea Kredit Realkreditaktieselskab, EUR 35,121m (EUR 30,864m), the funding of the Markets operation, EUR 14,841m (EUR 16,176m) and investment contracts in Life, EUR 13,737m (EUR 12,106m). The funding of Markets is generally of such a short term nature that the effect of changes in own credit risk is not significant. The value of the investment contracts in Life is directly linked to the assets in the contracts and there is consequently no effect from changes in own credit risk in these contracts.

The fair value of bonds issued by Nordea Kredit Realkreditaktieselskab increased by EUR 16m (increased EUR 89m) in 2013 due to changes in own credit risk. The cumulative change since designation is a decrease of EUR 596m (decrease EUR 626m). The method used to estimate the amount of changes in fair value attributable to changes in market conditions is based on relevant benchmark interest rates, which are the average yields on Danish and German (EUR) government bonds.

For the issued mortgage bonds a change in the liability's credit risk and price will have a corresponding effect on the value of the loans. The reason is that a change in the price of the bonds will be offset by the opposite change in the value of the prepayment option of the loan.

Changes in fair values of financial assets attributable to changes in credit risk

Lending designated at fair value through profit or loss exposed to changes in credit risk consist of lending in the Danish group undertaking Nordea Kredit Realkreditaktieselskab, EUR 48,829m (EUR 48,091m) and lending in the Markets operation, EUR 5,048m (EUR 6,019m). The fair value of lending in Nordea Kredit Realkreditaktieselskab increased by EUR 9m (decreased EUR 119m) in 2013 due to changes in credit risk. The cumulative change since designation is a decrease of EUR 160m (decrease EUR 169m). The method used to estimate the amount of change in the fair value attributable to changes in credit risk is simular to the incurred loss impairment model for amortised cost assets under IAS 39. The lending in Markets is generally of such a short term nature (mainly overnight deposits) that the effect of changes in credit risk is not significant. Also instruments classified as "Other assets" and "Prepaid expenses and accrued income" are of such a short-term nature that the impact from changes in credit risk is not significant.

Comparison of carrying amount and contractual amount to be paid at maturity

2013, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	63,699	63,037

2012, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	59,146	57,906

Liabilities to policyholders have no fixed maturities and there is no fixed amount to be paid. The amount disclosed to be paid at maturity has been set to the carrying amount.

G42 Assets and liabilities at fair value

Fair value of financial assets and liabilities

	31 Dec 2013		31 Dec 2012	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	33,529	33,529	36,060	36,060
Loans	365,166	365,166	364,114	364,370
Interest-bearing securities	87,314	87,439	86,626	86,995
Financial instruments pledged as collateral	9,575	9,575	7,970	7,970
Shares	33,271	33,271	28,128	28,128
Derivatives	70,992	70,992	118,789	118,789
Other assets	10,179	10,179	14,552	14,552
Prepaid expenses and accrued income	1,906	1,906	2,108	2,108
Total	**611,932**	**612,057**	**658,347**	**658,972**
Financial liabilities				
Deposits and debt instruments	453,714	455,368	449,749	448,954
Liabilities to policyholders	13,737	13,737	12,106	12,106
Derivatives	65,924	65,924	114,203	114,203
Other liabilities	22,610	22,610	22,331	22,331
Accrued expenses and prepaid income	2,346	2,346	2,573	2,573
Total	**558,331**	**559,985**	**600,962**	**600,167**

For information about valuation of items measured at fair value on the balance sheet, see Note G1 and the section "Determination of fair values for items measured at fair value on the balance sheet" below. For information about valuation of items not measured at fair value on the balance sheet, see the section "Financial assets and liabilities not held at fair value on the balance sheet" below.

G42 Assets and liabilities at fair value, cont.

Assets and liabilities held at fair value on the balance sheet

Categorisation into the fair value hierarchy

31 Dec 2013, EURm	Quoted prices in active markets for the same instrument (Level 1)	– of which Life	Valuation technique using observable data (Level 2)	– of which Life	Valuation technique using non-observable data (Level 3)	– of which Life	Total
Assets at fair value on the balance sheet[1]							
Loans to central banks	—	—	755	—	—	—	755
Loans to credit institutions	—	—	6,462	—	—	—	6,462
Loans to the public	—	—	92,425	—	—	—	92,425
Interest-bearing securities[2]	59,276	11,641	31,745	6,882	478	104	91,499
Shares[3]	28,004	18,995	1,457	1,454	3,841	2,842	33,302
Derivatives	195	128	69,361	26	1,436	—	70,992
Investment property	—	—	—	—	3,524	3,367	3,524
Other assets	—	—	6,122	—	—	—	6,122
Prepaid expenses and accrued income	—	—	20	—	—	—	20
Total	**87,475**	**30,764**	**208,347**	**8,362**	**9,279**	**6,313**	**305,101**
Liabilities at fair value on the balance sheet[1]							
Deposits by credit institutions	—	—	25,807	1,168	—	—	25,807
Deposits and borrowings from the public	—	—	32,547	—	—	—	32,547
Liabilities to policyholders	—	—	13,737	13,737	—	—	13,737
Debt securities in issue	35,121	—	6,955	—	—	—	42,076
Derivatives	35	—	64,490	—	1,399	—	65,924
Other liabilities	8,939	—	7,923	—	1	—	16,863
Accrued expenses and prepaid income	—	—	456	—	—	—	456
Total	**44,095**	**—**	**151,915**	**14,905**	**1,400**	**—**	**197,410**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 9,544m relates to the balance sheet item Financial instruments pledged as collateral.
3) Of which EUR 31m relates to the balance sheet item Financial instruments pledged as collateral.

31 Dec 2012, EURm	Quoted prices in active markets for the same instrument (Level 1)	– of which Life	Valuation technique using observable data (Level 2)	– of which Life	Valuation technique using non-observable data (Level 3)	– of which Life	Total
Assets at fair value on the balance sheet[1]							
Loans to central banks	—		798	—	—	—	798
Loans to credit institutions	34	—	7,624	—	—	—	7,658
Loans to the public	—	—	79,255	—	—	—	79,255
Interest-bearing securities[2]	57,852	16,768	28,368	5,558	1,118	719	87,338
Shares[3]	24,760	16,886	—	—	3,374	2,210	28,134
Derivatives	175	156	116,698	78	1,916	—	118,789
Other assets	—	—	7,810	—	—	—	7,810
Prepaid expenses and accrued income	—	—	25	—	—	—	25
Total	**82,821**	**33,810**	**240,578**	**5,636**	**6,408**	**2,929**	**329,807**
Liabilities at fair value on the balance sheet[1]							
Deposits by credit institutions	—	—	19,858	—	—	—	19,858
Deposits and borrowings from the public	—	—	24,300	—	—	—	24,300
Liabilities to policyholders	—	—	12,106	12,106	—	—	12,106
Debt securities in issue	30,864	—	7,572	—	—	—	38,436
Derivatives	53	—	112,566	—	1,584	—	114,203
Other liabilities	4,873	—	7,050	—	—	—	11,923
Accrued expenses and prepaid income	—	—	470	—	—	—	470
Total	**35,790**	**—**	**183,922**	**12,106**	**1,584**	**—**	**221,296**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 7,964m relates to the balance sheet item Financial instruments pledged as collateral.
3) Of which EUR 6m relates to the balance sheet item Financial instruments pledged as collateral.

G42 Assets and liabilities at fair value, cont.

Assets and liabilities held at fair value on the balance sheet

Fair value measurements of assets and liabilites carried at fair value have been categorised under the three levels of the IFRS fair value hierarchy that reflects the observability and significance of inputs. The categorisation of these instruments is based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 in the fair value hierarchy consists of assets and liabilities valued using unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. This category includes listed derivatives, listed equities, government bonds in developed countries, and most liquid mortgage bonds and corporate bonds where direct tradable price quotes exist.

Level 2 in the fair value hierarchy consists of assets and liabilities that do not have directly quoted market prices available from active markets. The fair values are estimated using valuation techniques or valuation models based on market prices or rates prevailing at the balance sheet date and any unobservable inputs have had an insignificant impact on the fair values. This is the case for the majority of Nordea's OTC derivatives, securities purchased/sold under resale/repurchase agreements, securities borrowed/lent and other instruments where active markets supply the input to the valuation techniques or models.

Level 3 in the fair value hierarchy consists of those types of assets and liabilities which fair values cannot be obtained directly from quoted market prices or indirectly using valuation techniques or models supported by observable market prices or rates. This is generally the case for investments in unlisted securities, private equity funds, hedge funds and investment properties. This is generally also the case for more complex OTC derivatives, including OTC derivatives where less active markets supply input to the valuation techniques or models, certain complex or structured financial instruments such as CLNs and CDOs, and illiquid interest bearing securities. Complex valuation models are generally characterised by the use of unobservable and model specific parameters.

All valuation models, both complex and simple models, make use of market parameters. These parameters comprise interest rates, volatilities, correlations etc. Some of these parameters are observable while others are not. For non-exotic currencies the interest rates are all observable, and the volatilities and the correlations of the interest rates and FX rates are observable up to a certain maturity. Volatilities and correlations are also observable for the most liquid equity instruments in the short end. For less liquid equity instruments, and for commodities, the option market is fairly illiquid, and hence the volatilities and correlations are unobservable. For each instrument the sensitivity towards unobservable parameters is measured. If the impact from unobservable parameters on the valuation is significant the instrument is categorised as Level 3 in the fair value hierarchy.

For interest-bearing securities the categorisation into the three levels are based on the internal pricing methodology. These instruments can either be directly quoted in active markets (Level 1) or measured using a methodology giving a quote based on observable inputs (Level 2). Level 3 bonds are characterised by illiquidity.

For OTC derivatives valuation models are used for establishing fair value. For collateralised contracts OIS interest rates are used for discounting. These rates are observable in the market. The valuation is in addition based on several other market parameters, depending on the nature of the contract. Complex valuation models are used for more exotic OTC derivatives. The models are usually in-house developed, and based on assumptions about the behaviour of the underlying asset and statistical scenario analysis. As mentioned above OTC derivatives are generally categorised as Level 2 in the fair value hierarchy and all significant model parameters are thus observable in active markets. For vanilla derivatives standard models like e.g. Black-Scholes are used for valuation.

Valuations of Private Equity Funds (PEF) and unlisted equity instruments are by nature more uncertain than valuations of more actively traded equity instruments. Emphasis is put on using a consistent approach across all assets and over time. The methods used are consistent with the guideline "International Private Equity and Venture Capital Valuation Guidelines" issued by EVCA (European Venture Capital Association). The EVCA guidelines are considered as best practice in the PEF industry. For US based funds, similar methods are applied.

Nordea furthermore holds loans and issued debt securities in the subsidiary Nordea Kredit Realkreditaktieselskab at fair value. When Nordea grants mortgage loans to borrowers, in accordance with the Danish mortgage finance law, Nordea at the same time issues debt securities with matching terms, so called "match funding". Fair value of the issued debt securities is based on quoted prices and thus categorised as Level 1 in the fair value hierarchy. As the borrowers have the right to purchase debt securities issued by Nordea in the market and return these as repayment for their loans, the fair value of the loans is the same as the fair value of the issued bonds (due to the revaluation of the repayment option embedded in the loan) adjusted for changes in the credit risk of the borrower. The credit risk adjustment is calculated based on an incurred loss model.

Fair value of financial assets and liabilities are generally calculated as the theoretical net present value of the individual instruments, based on independently sourced market parameters as described above, and assuming no risks and uncertainties. This calculation is supplemented by a portfolio adjustment. The portfolio adjustment covers uncertainties associated with the valuation techniques, model assumptions and unobservable parameters as well as the portfolio's counterparty credit risk and liquidity risk. An important part of the portfolio adjustment serves to adjust the net open market risk exposures from mid-prices to ask or bid prices (depending on the net position). For different risk categories, exposures are aggregated and netted according to internal guidelines and aggregated market price information on bid-ask spreads are applied in the calculation. Spreads are updated on a regular basis.

The portfolio adjustment for uncertainties associated with model assumptions comprises two components (the calculation principles are defined as part of the internal approval process for valuation models):

- Benchmarking of the model output (market values) against market information or against results from alternative models, where available.
- Sensitivity calculations where unobservable parameters are changed to other reasonable values.

The portfolio adjustment for counterparty risk in OTC-derivatives is based on the current exposure towards each counter-

G42 Assets and liabilities at fair value, cont.

part, the estimated potential future exposure as well as an estimate of the cost of hedging the counterparty risk. This cost of hedging is either based directly on market prices (where available) or on a theoretical calculation based on the internal credit rating of the counterpart.

As from 2013 Nordea also takes into account Nordea's credit spread in the valuation of derivatives (DVA). The change in valuation did not have any significant impact on the financial statements.

Financial assets and liabilities with offsetting positions in market risk or credit risk are measured on the basis of the price that would be received to sell the net asset exposed to that particular risk or paid to transfer the net liability exposed to that particular risk.

The fair value measurement of the investment properties takes into account a market participant´s ability to generate economic benefits by using the investment properties in its highest and best use, i.e. taking into account the use of the investment properties that is physically possible, legally permissible and financially feasible. The current use of the investment properties in Nordea is in accordance with the highest and best use. The valuation of the investment properties is carried out taking into account the purpose and the nature of the property by using the most appropriate valuation methods. The primary valuation approach is a discounted cash flow model using current cash flows, market interest rates and the current yield requirements.

Transfers between Level 1 and 2

During the year, Nordea transferred interest-bearing securities (including such financial instruments pledged as collateral) of EUR 2,893m (EUR 9,558m) from Level 1 to Level 2 and EUR 1,092m (EUR 1,447m) from Level 2 to Level 1 of the fair value hierarchy. Nordea also transfered shares of EUR 966m (EUR 0m) and other liabilities of EUR 1,054m (EUR 0m) from Level 1 to Level 2. The reason for the transfers from Level 1 to Level 2 was that the instruments ceased to be actively traded during the year and fair values have now been obtained using valuation techniques with observable market inputs. The reason for the transfer from Level 2 to Level 1 was that the instruments have been actively traded during the year and reliable qouted prices are obtained in the market. Transfers between levels are considered to have occurred at the end of the year.

Movements in Level 3

			Fair value gains/losses recognised in the income statement during the year								
2013, EURm	1 Jan 2013	Reclassification	Realised	Unrealised	Purchases/ Issues	Sales	Settlements	Transfers into level 3	Transfers out of level 3	Translation differences	31 Dec 2013
Intererest-bearing securities	1,118	–498	–10	65	105	–277	–12	—	—	–13	478
– of which Life	719	–498	–14	–2	10	–97	–1	—	—	–13	104
Shares	3,374	498	299	62	967	–1,125	–72	2	–137	–27	3,841
– of which Life	2,210	498	251	52	808	–752	–69	2	–137	–21	2,842
Derivatives (net)	332	—	287	–300	—	—	–287	5	—	0	37
Investment properties	3,408	—	1	–41	502	–223	—	—	—	–123	3,524
– of which Life	3,261	—	1	–41	445	–179	—	—	—	–120	3,367
Other liabilities	—	—	–20	0	608	—	–608	21	—	—	1

Unrealised gains and losses relate to those assets and liabilities held at the end of the year. During the year Nordea transferred shares of EUR 137m (EUR 10m) from Level 3 to Level 2 and EUR 2m (EUR 25m) from Level 2 to Level 3. Nordea also transferred other liabilities of EUR 21m (EUR 0m) from Level 2 to Level 3. The reason for the transfer from Level 3 to Level 2 was that observable market data became available. The reason for the transfer from Level 2 to Level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the year. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note G5). Assets and liabilities related to derivatives are presented net.

G42 Assets and liabilities at fair value, cont.

2012, EURm	1 Jan 2012	Fair value gains/losses recognised in the income statement during the year: Realised	Unrealised	Purchases /Issues	Sales	Settle-ments	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2012
Intererest-bearing securities	1,149	16	55	156	–269	6	—	—	5	1,118
– of which Life	750	22	40	57	–156	—	—	—	6	719
Shares	4,921	74	84	1,435	–3,202	–4	25	–10	51	3,374
– of which Life	3,425	91	38	1,223	–2,593	—	25	–9	10	2,210
Derivatives (net)	–289	–264	621	—	—	264	—	—	—	332

The valuation processes for fair value measurements in Level 3

Financial instruments

Valuation principles in Nordea are determined in and approved by the Group Valuation Committee (GVC). GVC issues guiding policies to the business units on how to establish a robust valuation process and minimise the valuation uncertainty. The GVC also serves as escalation point.

The valuation process in Nordea consists of several steps. The first step is the initial end of day (EOD) marking of mid-prices. The mid-prices are either fixed by front office or received from external sources. The second step is the control part, which is performed by independent control units. The cornerstone in the control is the independent price verification (IPV). The IPV test comprises verification of the correctness of prices and other parameters used in the net present value (NPV) calculation, the adequacy of the valuation models, including an assessment of whether to use quoted prices or valuation models, and the reliability of the assumptions and parameters used in the valuation adjustments at portfolio level covering mainly liquidity (bid/offer spread), model and credit risk adjustments.

The verification of the correctness of prices and other parameters is carried out daily. Third-party information, such as broker quotes and pricing services, is used as benchmark data in the verification. The quality of the benchmark data is assessed on a regular basis. This quality assessment is used in the measurement of the valuation uncertainty.

Valuation adjustment at portfolio level and the deferrals of day 1 P/L on Level 3 trades are calculated and reported on a monthly basis. The actual assessment of instruments in the fair value hierarchy is performed on a continuous basis.

Investment properties

The main part of the investment properties in Nordea is held by Nordea Life and Pension (NLP). The valuation of the investment properties in NLP is performed quarterly by the real estate departments in each entity within NLP with full or partial assistance from external valuers. For the departments that use their own metholodogies the changes in price levels of the properties are compared with valuations of similar properties assessed by external valuers. The result of the valuation is presented to, and approved by, the local management in each entity. The CFO in each enitity within NLP is responsible for the approval of the concepts and for the values used. The principles used in all entities are in accordance with regulations provided by the local Financial Supervisory Authorities (FSA) which is in accordance with international valuation principles and in accordance with IFRS.

In addition there is a newly established Investment Operation Committee (IOC) which is a joint forum focusing on valuation and accounting of investment operations issues within NLP. The entities within NLP report regularly to IOC and IOC report quarterly to the Nordea Group Valuation Committee.

Investment properties in NLP are backing the liabilities to policyholders in life insurance contracts, unit-linked contracts and investment contracts, which means that the impact on Nordea's income statement and on shareholders' equity depends on the financial buffers and the profit sharing agreements in the actual unit that owns the property.

G42 Assets and liabilities at fair value, cont.

Valuation techniques and inputs used in the fair value measurements in Level 3

31 Dec 2013, EURm	Fair value	Of which Life[1]	Valuation techniques	Unobservable input	Range of fair value[2]
Interest-bearing securities					
Municipalities and other public bodies	29	29	Discounted cash flows	Credit spread	+/–0
Mortgage and other credit institutions[3]	359	8	Discounted cash flows	Credit spread	–20/20
Corporates	82	67	Discounted cash flows	Credit spread	–4/4
Other	8	—	—	—	–1/1
Total	**478**	**104**			**–25/25**
Shares					
Private equity funds	2,298	1,770	Net asset value[4]		
Hedge funds	458	178	Net asset value[4]		
Credit Funds	460	362	Net asset value/market consensus[4]		
Other funds	431	403	Net asset value/Fund prices[4]		
Other	194	129	—		
Total[5]	**3,841**	**2,842**			
Derivatives					
Interest rate derivatives	141	—	Option model	Correlations Volatilities	–7/5
Equity derivatives	–93	—	Option model	Correlations Volatilities Dividend	–17/11
Foreign exchange derivatives	103	—	Option model	Correlations Volatilities	+/–0
Credit derivatives	–129	—	Credit derivat model	Correlations Recovery rates	–7/9
Other	15	—	Option model	Correlations Volatilities	+/–0
Total	**37**	—			**–31/25**

1) Investment in financial instruments is a major part of the life insurance business, aquired to fulfill the obligations behind the insurance- and investment contracts. The gains or losses on these instruments are almost exclusively allocated to policyholders and do consequently not affect Nordea's equity.
2) Range of fair value for derivatives 31 Dec 2012 was EURm 20/–24 and for interest-bearing securities EURm 60/–60.
3) Of which EUR 155m is priced at a credit spread (the difference between the discount rate and LIBOR) of 1.45% and a resonable change of this credit spread would not affect the fair value due to callability features.
4) The fair values are based on prices and net assets values delivered by external suppliers/custodians. The prices are fixed by the suppliers/custodians on the basis of the development in assets behind the investments. For private equity funds the dominant measurement methology used by the suppliers/custodians, is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by the EVCA (European Venture Capital Association). Less than 15% of the private equity fund investment are internally adjusted/valued based the IPEV guidelines. These carrying amounts are in a range of 0% to 100% compared to the values received from suppliers/custodians.
5) Effects of reasonably possible alternative assumptions are EURm 381/–381 (EURm 315/–315).

The table above shows, for each class of assets and liabilities categorised in Level 3, the fair value, the valuation techniques used to estimate the fair value, significant unobservable inputs used in the valuation techniques and for financial assets and liabilities the fair value sensitivity to changes in key assumptions.

Fair value of assets and liabilities in Level 3 are estimated using valuation techniques based on assumptions that are not supported by market observable prices or rates. There may be uncertainty about a valuation, resulting from the choice of valuation technique or model used, the assumptions embedded in those models, the extent to which inputs are not market observable, or as a result of other elements affecting the valuation technique. For financial instruments portfolio adjustments are applied to reflect such uncertainties and are deducted from the fair values produced by the models or other valuation techniques (for further information see Note G1 section 11 "Determination of fair value of financial instruments").

The column "range of fair value" and the footnote 2 and 5 in the tables above shows the sensitivity of the fair values of Level 3 financial instruments to changes in key assumptions. Where the exposure to an unobservable parameter is offset across different instruments then only the net impact is disclosed in the table. The range disclosed are likely to be greater than the true uncertainty in fair value of these instruments, as it is unlikely in practice that all unobservable parameters would be simultaneously at the extremes of their ranges of reasonably possible alternatives. The disclosure is neither predictive nor indicative of future movements in fair value.

In order to calculate the sensitivity (range) in fair value of derivatives a range of different modelling approaches are applied to determine an uncertainty interval around the reported fair value. The different approaches applied target various aspects of derivatives pricing. Two common components of derivative valuation models are volatility of underlying risk factors and correlation between the relevant risk factors. Each of these is addressed by applying different assumptions to input and/or the choice of modelling approach. Besides these common factors a number of asset class specific factors are addressed. These include equity dividend expectations, recovery assumptions for credit derivatives and inflation expectations. The fair values of derivatives are presented as the net of assets and liabilities.

In order to calculate the sensitivity (range) in fair value of shares and interest-bearing securities the fair value was increased and decreased within a range of 3-10 percentage units which are assessed to be reasonable changes in market movements.

G42 Assets and liabilities at fair value, cont.

31 Dec 2013, EURm	Fair value[1]	Of which Life	Valuation techniques	Unobservable input	Range of unobservable input	Weighted average of unobservable input
Investment properties						
Denmark	1,752	1,735	Discounted cash flows	Market rent	54–350 EUR/m²/year	107 EUR/m²/year
				Yield requirement		
				Commercial	6.0%–9.0%	7.6%
				Office	4.6%–9.5%	6.1%
				Apartment	3.5%–6.3%	5.8%
Norway	899	875	Discounted cash flows	Market rent	85–850 EUR/m²/year	203 EUR/m²/year
				Yield requirement		
				Commercial	5.3%–8.5%	6.4%
				Office	5.7%–8.5%	6.5%
				Apartment	5.8%–6.5%	6.1%
				Other	6.0%–8.0%	7.3%
Finland	793	681	Discounted cash flows[2]	Market rent	88–324 EUR/m²/year	148 EUR/m²/year
				Yield requirement		
				Commercial	5.0%–7.0%	6.0%
				Office	5.0%–8.0%	6.5%
				Apartment	4.5%–6.0%	5.3%
				Other	6.5%–9.0%	7.8%
Sweden	76	76	Discounted cash flows[2]	Market rent	—	—
				Yield requirement		
				Commercial	6.8%–7.0%	6.8%
				Apartment	4.3%–4.3%	4.3%
				Other	5.0%–8.3%	6.5%
Other	4	—	Discounted cash flows	—	—	—
Total	**3,524**	**3,367**				

1) Split based on the valuation methodologies used in different countries, for split on actual geographic areas see Note G23.
2) The fair value is calculated by external valuers.

The significant unobservable inputs used in the fair value measurement of the investment properties are market rent and yield requirement. Significant increases (decreases) in market rent or yield requirement in isolation would result in a significantly different fair value.

Deferred Day 1 profit

The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (Level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (Day 1 profit) is deferred. For more information see, Note G1 "Accounting policies". The table below shows the aggregate difference yet to be recognised in the income statement at the beginning and end of the period and a reconciliation of how this aggregated difference has changed during the year (movement of deferred Day 1 profit).

Deferred day 1 profit – derivatives EURm	31 Dec 2013	31 Dec 2012
Amount at beginning of year	24	29
Deferred profit/loss on new transactions	26	7
Recognised in the income statement during the year	–12	–12
Amount at end of year	**38**	**24**

G42 Assets and liabilities at fair value, cont.

Financial assets and liabilities not held at fair value on the balance sheet.

31 Dec 2013, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	33,529	33,529	1
Loans	265,524	265,524	3
Interest-bearing securities	5,359	5,484	1, 2
Other assets	4,057	4,057	3
Prepaid expenses and accrued income	1,886	1,886	3
Total	**310,355**	**310,480**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	353,284	354,938	3
Other liabilities	5,747	5,747	3
Accrued expenses and prepaid income	1,890	1,890	3
Total	**360,921**	**362,575**	

Cash and balances with central banks
The fair value equals the carrying amount. The fair value is based on quoted prices in active markets for relevant currencies and therefore the fair value measurement is categorised into Level 1 in the fair value hierarchy.

Loans
The fair value of "Loans to central banks", "Loans to credit institutions" and "Loans to the public" has been calculated as the carrying amount adjusted for fair value changes in interest rate risk. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rates in the portfolios. No adjustment has been made for changes in fair value of credit risk. The average probability of default (PD) for loans to credit institutions and to corporates has been relatively unchanged. However the average PDs for retail customers has decreased which is an indication of that the fair value of loans to retail customers is higher than the calculated fair value. The fair value measurement is categorised into Level 3 in the fair value hierarchy.

Interest bearing-securities
The fair value is EUR 5,484m, of which EUR 234m is categorised in Level 1 and EUR 5,250m in Level 2. The measurement principles follow those for similar instruments that are held at fair value on the balance sheet.

Other assets and prepaid expenses and accrued income
The balance sheet items "Other assets" and "Prepaid expenses and accrued income" consist of short receivables, mainly accrued interest receivables. The fair value is therefore considered to equal the carrying amount and is categorised into Level 3 in the fair value hierarchy.

Deposits and debt instruments
The fair value of "Deposits by credit institutions", "Deposits and borrowings from the public", "Debt securities in issue" and "Subordinated liabilities" has been calculated as the carrying amount adjusted for fair value changes in interest rate risk and in own credit risk. The fair value is categorised into Level 3 in the fair value hierarchy. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rate in the portfolios. The fair value changes in the credit risk is calculated as the difference between the credit spread in the nominal interest rate compared with the current spread that is observed in the market. This calculation is performed on an aggregated level for all long term issuances recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities". As the contractual maturity is short for "Deposits by credit institutions" and "Deposits and borrowing from the public" the changes in Nordea´s own credit risk related to these items is assumed not to be significant. This is also the case for short term issuances recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities".

Other liabilities and accrued expenses and prepaid income
The balance sheet items "Other liabilities" and "Accrued expenses and prepaid income" consist of short-term liabilities, mainly liabilities on securities settlement. The fair value is therefore considered to be equal to the carrying amount and is caterorised into Level 3 in the fair value hierarchy.

G43 Financial instruments set off on balance or subject to netting agreements

31 Dec 2013, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	128,855	–58,132	70,723	–56,104	–1	–5,739	8,879
Reverse repurchase agreements	45,704	—	45,704	–24,267	–21,053	—	384
Securities borrowing agreements	4,397	—	4,397	—	–4,397	—	0
Total	**178,956**	**–58,132**	**120,824**	**–80,371**	**–25,451**	**–5,739**	**9,263**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	122,388	–58,132	64,256	–56,104	—	–4,586	3,566
Repurchase agreements	49,744	—	49,744	–24,267	–21,821	—	3,656
Securities lending agreements	3,063	—	3,063	—	–3,063	—	0
Total	**175,195**	**–58,132**	**117,063**	**–80,371**	**–24,884**	**–4,586**	**7,222**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

31 Dec 2012, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	193,979	–76,707	117,272	–99,005	—	–6,888	11,379
Reverse repurchase agreements	33,309	—	33,309	–15,288	–17,797	—	224
Securities borrowing agreements	5,558	—	5,558	—	–5,558	—	0
Total	**232,846**	**–76,707**	**156,139**	**–114,293**	**–23,355**	**–6,888**	**11,603**

31 Dec 2012, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	188,014	–76,707	111,307	–99,005	—	–7,339	4,963
Repurchase agreements	34,514	—	34,514	–15,288	–19,141	—	85
Securities lending agreements	4,416	—	4,416	—	–4,416	—	0
Total	**226,944**	**–76,707**	**150,237**	**–114,293**	**–23,557**	**–7,339**	**5,048**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Enforceable master netting arrangements and similar agreements

The fact that financial instruments are being accounted for on a gross basis on the balance sheet, would not imply that the financial instruments are not subject to master netting agreements or similar arrangements. Generally financial instruments (derivatives, repos and securities lending transactions), would be subject to master netting agreements, and as a consequence Nordea would be allowed to benefit from netting both in the ordinary course of business and in the case of default towards its counter parties, in any calculations involving counterparty credit risk. The reason why the netted exposures are not reflected under assets and liabilities on the balance sheet, would in most instances depend on the limited application of net settlement of financial transactions.

G44 Discontinued operations and disposal group held for sale

EURm	2013	2012
Net interest income	154	189
Net fee and commission income	38	36
Other operating income	7	13
Total operating income	**199**	**238**
Total operating expenses	–118	–122
Net loan losses	–26	–38
Operating profit	**55**	**78**
Income tax expense	–13	–21
Net profit for the period from discontinued operations	**42**	**57**
Net result for the period recognised on the measurement at fair value	1	—
Transaction and transition cost (including cost to sell)[1]	–34	—
Net profit for the period from discontinued operations after measurement at fair value less cost to sell	**9**	**57**

1) Income tax of EUR 9m deducted.

Balance sheet – Condensed[1]

EURm	31 Dec 2013
Assets	
Loans to the public	6,144
Interest-bearing securities	1,534
Shares	385
Total other assets	832
Total assets held for sale	**8,895**
Liabilities	
Deposits by credit institutions	78
Deposits and borrowings from the public	3,384
Liabilities to policyholders	625
Total other liabilities	111
Total liabilities held for sale	**4,198**

1) Includes the external assets and liabilities held for sale. The external funding of the Polish operations that will remain subsequent to the transaction is not included.

The impact from discontinued operations on other comprehensive income and cash flows can be found in the statement of comprehensive income and the cash flow statement for the Group. The EPS for discontinued operations can be found in Note G12.

Discontinued operations and assets/liabilities held for sale relate to Nordea's earlier announced decision to divest its Polish banking, financing and life insurance operations, including Nordea Bank Polska S.A., Nordea Finance Polska S.A. and Nordea Polska Towarzystwo Ubezpieczen na Zycie S.A., to PKO Bank Polski. The transaction is expected to be completed during the first half of 2014 and is subject to regulatory approvals. The disposal group is excluded from Note G2 "Segment reporting" as this is not part of the reporting to the Chief Operating Decision Maker (CODM). The majority of the business was previously reported in the Retail Banking Poland & Baltics segment.

G45 Transferred assets and obtained collaterals

Transferred assets that are not derecognised in their entirety and associated liabilities

All assets transferred continue to be recognised on the balance sheet if Nordea is still exposed to changes in the fair value of the assets. This is the case for repurchase agreements and securities lending transactions.

Repurchase agreements are a form of collateralised borrowing where Nordea sells securities with an agreemement to repurchase them at a later date at a fixed price. The cash received is recognised as a deposit (liability). Securities delivered under repurchase agreements are not derecognised from the balance sheet.

Securities lending transactions are transactions where Nordea lends securities it holds to a counterpart and receives a fee.

As both repurchase agreements and securities lending transactions results in that securities are returned to Nordea, all risks and rewards of the instruments transferred is retained by Nordea, although they are not available for Nordea during the period during which they are transferred. The counterpart in the transactions holds the securities as collateral, but has no recourse to other assets in Nordea.

The securities still reported on the balance sheet and the corresponding liabilities are measured at fair value.

EURm	31 Dec 2013	31 Dec 2012
Repurchase agreements		
Interest-bearing securities	8,703	7,964
Securities lending agreements		
Shares	31	6
Total	**8,734**	**7,970**

Liabilities associated with the assets

EURm	31 Dec 2013	31 Dec 2012
Repurchase agreements		
Deposits by credit institutions	3,154	3,082
Deposits and borrowings from the public	6,654	5,103
Securities lending agreements		
Deposits by credit institutions	84	46
Total	**9,892**	**8,231**
Net	**–1,158**	**–261**

Obtained collaterals which are permitted to be sold or repledged

Nordea obtains collaterals under reverse repurchase and securities borrowing agreements which, under the terms of the agreements, can be sold or repledged. The transactions are conducted under standard agreements employed by financial markets participants. Generally, the agreements require additional collateral to be provided if the value of the securities falls below a predetermined level. Under standard terms for most repurchase transactions, the recipient of collateral has an unrestricted right to sell or repledge it, subject to returning equivalent securities on settlement of the transactions. The fair value of the securities obtained as collateral under reverse repurchase and securities borrowing agreements are disclosed below.

EURm	31 Dec 2013	31 Dec 2012
Reverse repurchase agreements		
Received collaterals which can be repledged or sold	44,908	33,092
– of which repledged or sold	38,503	14,498
Securities borrowing agreements		
Received collaterals which can be repledged or sold	3,341	4,064
– of which repledged or sold	3,341	4,053
Total	**48,249**	**37,156**

G46 Investments, customer bearing the risk

Life Group and Nordea Bank Danmark A/S have assets and liabilities included on their balance sheet where customers are bearing the risk. Since the assets and liabilities legally belong to the entities, these assets and liabilities are included on the Group's balance sheet.

EURm	31 Dec 2013	31 Dec 2012
Assets		
Interest-bearing securities	3,417	1,837
Shares	19,994	18,288
Other assets	1,501	236
Total assets	**24,912**	**20,361**
Liabilities		
Deposits and borrowings from the public	4,302	3,891
Insurance contracts	9,508	7,168
Investment contracts	11,102	8,911
Other liabilities	—	391
Total liabilities	**24,912**	**20,361**

G47 Maturity analysis for assets and liabilities

Expected maturity

		31 Dec 2013			31 Dec 2012		
		Expected to be recovered or settled:			Expected to be recovered or settled:		
EURm	Note	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and balances with central banks		33,529	—	33,529	36,060	—	36,060
Loans to central banks	G13	11,769	—	11,769	8,005	—	8,005
Loans to credit institutions	G13	9,782	961	10,743	9,333	1,236	10,569
Loans to the public	G13	147,611	194,840	342,451	130,999	215,252	346,251
Interest-bearing securities	G14	18,736	68,578	87,314	29,211	57,415	86,626
Financial instruments pledged as collateral	G15	6,905	2,670	9,575	4,663	3,307	7,970
Shares	G16	10,162	23,109	33,271	8,855	19,273	28,128
Derivatives	G17	7,854	63,138	70,992	10,858	107,931	118,789
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	17	186	203	85	–796	–711
Investments in associated undertakings	G19	—	630	630	—	585	585
Intangible assets	G20	—	3,246	3,246	—	3,425	3,425
Property and equipment	G21	11	420	431	—	474	474
Investment property	G23	74	3,450	3,524	30	3,378	3,408
Deferred tax assets	G11	35	27	62	64	202	266
Current tax assets		31	—	31	69	9	78
Retirement benefit assets	G33	1	320	321	—	142	142
Other assets	G24	11,046	18	11,064	15,430	124	15,554
Prepaid expenses and accrued income	G25	1,862	521	2,383	2,017	542	2,559
Assets held for sale	G44	8,895	—	8,895	—	—	—
Total assets		**268,320**	**362,114**	**630,434**	**255,679**	**412,499**	**668,178**
Deposits by credit institutions	G26	57,023	2,067	59,090	50,920	4,506	55,426
Deposits and borrowings from the public	G27	192,107	8,636	200,743	192,860	7,818	200,678
Liabilities to policyholders	G28	4,032	43,194	47,226	2,475	42,845	45,320
Debt securities in issue	G29	77,165	108,437	185,602	80,288	103,620	183,908
Derivatives	G17	8,457	57,467	65,924	11,929	102,274	114,203
Fair value changes of the hedged items in portfolio hedge of interest rate risk	G18	117	1,617	1,734	–183	2,123	1,940
Current tax liabilities		276	27	303	365	26	391
Other liabilities	G30	24,697	40	24,737	24,739	34	24,773
Accrued expenses and prepaid income	G31	3,616	61	3,677	3,878	25	3,903
Deferred tax liabilities	G11	134	801	935	44	932	976
Provisions	G32	60	117	177	241	148	389
Retirement benefit liabilities	G33	6	328	334	—	469	469
Subordinated liabilities	G34	360	6,185	6,545	4	7,793	7,797
Liabilities held for sale	G44	4,198	—	4,198	—	—	—
Total liabilities		**372,248**	**228,977**	**601,225**	**367,560**	**272,613**	**640,173**

G47 Maturity analysis for assets and liabilities, cont.

Contractual undiscounted cash flows

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Interest-bearing financial assets	25,973	119,862	44,907	163,641	277,298	631,681
Non interest-bearing financial assets	—	—	—	—	117,167	117,167
Non-financial assets	—	—	—	—	9,607	9,607
Total assets	**25,973**	**119,862**	**44,907**	**163,641**	**404,072**	**758,455**
Interest-bearing financial liabilities	127,522	156,843	54,318	99,313	42,088	480,084
Non interest-bearing financial liabilities	—	—	—	—	107,086	107,086
Non-financial liabilities and equity	—	—	—	—	67,905	67,905
Total liabilities and equity	**127,522**	**156,843**	**54,318**	**99,313**	**217,079**	**655,075**
Derivatives, cash inflow	—	429,194	124,755	220,495	73,590	848,034
Derivatives, cash outflow	—	429,971	124,404	218,650	74,574	847,599
Net exposure	**—**	**–777**	**351**	**1,845**	**–984**	**435**
Exposure	**–101,549**	**–37,758**	**–9,060**	**66,173**	**186,009**	**103,815**
Cumulative exposure	**–101,549**	**–139,307**	**–148,367**	**–82,194**	**103,815**	**—**

31 Dec 2012, EURm[1]	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Interest-bearing financial assets	63,013	89,716	45,366	160,314	235,881	594,290
Non interest-bearing financial assets	—	—	—	—	162,866	162,866
Non-financial assets	—	—	—	—	9,831	9,831
Total assets	**63,013**	**89,716**	**45,366**	**160,314**	**408,578**	**766,987**
Interest-bearing financial liabilities	130,149	154,543	52,233	94,060	43,770	474,755
Non interest-bearing financial liabilities	—	—	—	—	153,153	153,153
Non-financial liabilities and equity	—	—	—	—	67,216	67,216
Total liabilities and equity	**130,149**	**154,543**	**52,233**	**94,060**	**264,139**	**695,124**
Derivatives, cash inflow	—	463,465	174,888	242,633	82,232	963,218
Derivatives, cash outflow	—	475,595	173,266	234,307	79,811	962,979
Net exposure	**—**	**–12,130**	**1,622**	**8,326**	**2,421**	**239**
Exposure	**–67,136**	**–76,957**	**–5,245**	**74,580**	**146,860**	**72,102**
Cumulative exposure	**–67,136**	**–144,093**	**–149,338**	**–74,758**	**72,102**	**—**

1) The figures have been restatet due to forward starting bonds.

The table is based on contractual maturities for the balance sheet items. For derivatives, the expected cash inflows and outflows are disclosed for both derivative assets and derivative liabilities, as derivatives are managed on a net basis. In addition to the instruments on the balance sheet items, Nordea has credit commitments amounting to EUR 78,332m (EUR 84,914m), which could be drawn on at any time. Nordea has also issued guarantees of EUR 18,969m (EUR 18,844m) which may lead to future cash outflows if certain events occur.

For further information about remaining maturity, see also the section of Risk, Liquidity and Capital management.

G48 Related-party transactions

The information below is presented from a Nordea perspective, meaning that the information shows the effect from related party transactions on the Nordea figures.

EURm	Associated undertakings 31 Dec 2013	Associated undertakings 31 Dec 2012	Other related parties[1] 31 Dec 2013	Other related parties[1] 31 Dec 2012
Assets				
Loans	464	342	0	0
Interest-bearing securities	120	11	—	—
Derivatives	147	304	—	—
Investments in associated undertakings	630	585	—	—
Total assets	**1,361**	**1,242**	**0**	**0**
Liabilities				
Deposits	142	165	109	47
Debt securities in issue	11	39	—	—
Derivatives	34	4	—	—
Total liabilities	**187**	**208**	**109**	**47**
Off balance[2]	**8,086**	**9,997**	**—**	**—**

EURm	Associated undertakings 2013	Associated undertakings 2012	Other related parties[1] 2013	Other related parties[1] 2012
Net interest income	9	6	0	0
Net fee and commission income	6	4	1	1
Net result from items at fair value	18	121	—	—
Other operating income	0	0	—	—
Total operating expenses	0	–11	—	—
Profit before loan losses	**33**	**120**	**1**	**1**

1) Shareholders with significant influence and close family members to key management personell in Nordea Group as well as companies significantly influenced by key management personnel or by close family members to key management personnel in Nordea Group are considered to be related parties to Nordea. Included in this group of related parties are Sampo Oyj and Aegon Asset Management. If transactions with related companies are made in Nordea's and the related companies' ordinary course of business and on the same criteria and terms as those for comparable transactions with companies of similar standing, and if they did not involve more than normal risktaking, the transactions are not included in the table.
2) Including nominal values on derivatives.

Compensation and loans to key management personnel

Compensation and loans to key management personnel are specified in Note G7.

Other related-party transactions

Starting in March 2008 Nordea takes part in a guarantee consortium to support Norwegian Eksportfinans ASA in relation to its securities portfolio. Nordea owns 23% of the company with other owners being the Norwegian state and other Nordic banks. Nordea's share of the negative fair value of the contract as of the balance sheet date amounts to approx. EUR 13m. The agreement's expiring date corresponds with the maturity dates of the bonds included in the guarantee. The latest maturity is on 31 December 2023.

In 2009 Nordea entered into one transaction with a company under significant influence by a member of key management personnel, which is disclosed separately in this note due to the transaction's significance for the related company. The related company has a credit limit of EUR 27m, of which EUR 7m was utilised as of 31 December 2013. The latest maturity is 31 December 2014, with the possibility of yearly prolongation after a new credit review. Nordea has collateral in securities (shares) corresponding to 200 percent of the utilised credit limit. The transaction is made on the same criteria and terms as those for comparable transactions with companies of similar standing.

G49 Credit risk disclosures

Credit risk management and credit risk analysis is described in the Risk, Liquidity and Capital management section of the Board of Directors´ Report. Additional information on credit risk is also disclosed in the Capital and Risk management Report (Pillar III) 2013, which is available on www.nordea.com. Much of the information in this note is collected from the Pillar III report in order to fulfil the disclosure requirement regarding credit risk in the Annual report.

The Pillar III report contains the disclosures required by the Capital Requirements Directive (CRD). The Pillar III disclosure is aligned to how Nordea manages credit risk and is believed to be the best way to explain the credit risk exposures in Nordea. Credit risk exposures occur in different forms and are divided into the following types:

Exposure types, EURm	31 Dec 2013	31 Dec 2012
On-balance sheet items	412,850	428,192
Off-balance sheet items	46,351	47,966
Securities financing	2,196	2,170
Derivatives	18,158	34,263
Exposure At Default (EAD)	**479,555**	**512,591**

Tables presented in this note, containing exposure, are presented as Exposure At Default (EAD). EAD is the exposure after applying credit conversion factors (CCF).

Link between credit risk exposure and the balance sheet

This section discloses the link between the loan portfolio as defined by accounting standards and exposure as defined in CRD. The main differences are outlined in this section to illustrate the link between the different reporting methods. Original exposure is the exposure before taking into account substitution effects stemming from credit risk mitigation, credit conversion factors (CCFs) for off-balance sheet exposure and allowances within the standardised approach. In this note, however, exposure is defined as exposure at default (EAD) for IRB exposure and exposure value for standardised exposure, unless otherwise stated. In accordance with the CRD, credit risk exposure presented in this note is divided between exposure classes where each exposure class is divided into exposure types as follows:

- On-balance sheet items
- Off-balance sheet items (e.g. guarantees and unutilised amounts of credit facilities).
- Securities financing (e.g. reversed repurchase agreements and securities lending).
- Derivatives

Items presented in other parts of the Annual Report, are divided as follows (in accordance with the accounting standards):

- On-balance sheet items (e.g. loans to central banks and credit institutions, loans to the public, reversed repurchase agreements, positive fair value for derivatives and interest-bearing securities).
- Off-balance sheet items (e.g. guarantees and unutilised lines of credit).

The table below shows the link between the CRD credit risk exposure and items presented in the Annual Report.

On-balance sheet items

The following items have been excluded from the balance sheet, when calculating on-balance exposure in accordance with the CRD:

- Market risk related items in the trading book, such as certain interest-bearing securities and pledged instruments.
- Repos, derivatives and securities lending. These transactions are either included in the calculation of market risk in the trading book or reported as separate exposure types (derivatives or securities financing).
- Life insurance operations, (due to solvency regulation).
- Other, mainly allowances, intangible assets and deferred tax assets.

Off-balance sheet items

The following off-balance sheet items specified in the Annual Report are excluded when off-balance exposure is calculated in accordance with the CRD:

- Life insurance operations (due to solvency regulation).
- "Assets pledged as security for own liabilities" and "Other assets pledged" (apart from leasing). These transactions are reported as, securities financing (i.e. a separate exposure type).
- Derivatives

Derivatives and securities financing

Derivatives can be both on-balance sheet (i.e. positive fair value) and off-balance (i.e. nominal amounts) in accordance with accounting standards. However, in the CRD, the derivatives and securities financing are reported as separate exposure types. Also, repurchase agreements and securities lending/borrowing transactions are on the balance sheet calculated based on nominal value. In the CRD calculations these exposure types are determined net of the collateral.

G49 Credit risk disclosures

On-balance sheet items

31 Dec 2013, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Life insurance operations	Other	Assets held for sale[3]	Balance sheet
Cash and balances with central banks	34,082	—	—	1	—	–554	33,529
Loans to credit institutions and central banks	15,421	—	6,605	546	17	–77	22,512
Loans to the public	307,207	4,388	39,159	—	–2,159	–6,144	342,451
Interest-bearing securities and pledged instruments	52,042	25,523	—	20,858	—	–1,534	96,889
Derivatives[1]	—	—	70,840	154	—	–2	70,992
Intangible assets	—	—	—	324	2,987	–65	3,246
Other assets and prepaid expenses	5,347	18,632	65	28,009	386	8,376	60,815
Total assets	**414,099**	**48,543**	**116,669**	**49,892**	**1,231**	**0**	**630,434**
Exposure at default[2]	**412,850**						

1) Derivatives are included in banking and trading books, but not at book values. Counterparty risk in trading derivatives are included in the credit risk.
2) The on-balance exposure have a CCF of 100% but can still have a lower EAD due to provisions in the standardised approach, that are deducted from the original exposure when calculating EAD.
3) Assets held for sale are disclosed separately in the balance sheet but are included line by line in original exposure.

31 Dec 2012, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Life insurance operations	Other	Balance sheet restate-ment[3]	Balance sheet
Cash and balances with central banks	36,059	—	—	1	—	—	36,060
Loans to credit institutions and central banks	10,431	—	8,146	2	–5	—	18,574
Loans to the public	318,029	4,502	26,178	571	–3,029	—	346,251
Interest-bearing securities and pledged instruments	57,109	22,680	—	23,120	—	–8,313	94,596
Derivatives[1]	—	—	118,660	129	—	—	118,789
Intangible assets	—	—	—	332	3,093	—	3,425
Other assets and prepaid expenses	7,185	20,067	55	23,480	625	–929	50,483
Total assets	**428,813**	**47,249**	**153,039**	**47,635**	**684**	**–9,242**	**668,178**
Exposure at default[2]	**428,192**						

1) Derivatives are included in banking and trading books, but not at book values. Counterparty risk in trading derivatives are included in the credit risk.
2) The on-balance exposure have a CCF of 100% but can still have a lower EAD due to provisions in the standardised approach, that are deducted from the original exposure when calculating EAD.
3) 2012 has been restated due to the changed presentation of forward starting bonds and the revised IAS 19.

Off-balance sheet items

31 Dec 2013, EURm	Credit risk in Basel II calculation	Life insurance operations	Included in derivatives and securities financing	Off-balance sheet
Contingent liabilities	20,824	46	—	20,870
Commitments	79,012	547	40	79,599
Total	**99,836**	**593**	**40**	**100,469**

31 Dec 2013, EURm	Credit risk in Basel II calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities	51,607	68	51,675	47%	24,146
Checking accounts	18,975	4,400	23,375	23%	5,346
Loan commitments	8,294	7,129	15,423	31%	4,843
Guarantees	19,681	2	19,683	59%	11,669
Other	1,279	34	1,313	26%	347
Total	**99,836**	**11,633**	**111,469**		**46,351**

G49 Credit risk disclosures

31 Dec 2012, EURm	Credit risk in Basel II calculation	Life insurance operations	Included in derivatives and securities financing	Off-balance sheet
Contingent liabilities	21,106	51	—	21,157
Commitments	85,507	661	40	86,208
Total	**106,613**	**712**	**40**	**107,365**

31 Dec 2012, EURm	Credit risk in Basel II calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities	52,925	85	53,009	48%	25,525
Checking accounts	20,540	4,198	24,738	22%	5,540
Loan commitments	11,704	2,722	14,426	32%	4,589
Guarantees	20,024	1	20,025	60%	11,925
Other	1,420	20	1,440	27%	387
Total	**106,613**	**7,026**	**113,638**		**47,966**

As of year-end 2013, 77% of the total credit risk exposure was calculated using the IRB approach. The main part of the exposure is within the IRB corporate and IRB retail portfolios. During 2013, total exposures decreased primarily due to lower exposures in the corporate and institutions portfolios. Derivative exposures, especially within the institutions portfolio, significantly decreased during the year due to IMM approval.

Exposure classes split by exposure type

31 Dec 2013, EURm	On-balance sheet items	Off-balance sheet items	Securities financing	Derivatives	Total exposure
Government, local authorities and central banks	78,719	1,951	147	3,232	84,049
Institutions	34,694	1,255	1,218	5,667	42,834
Corporate	127,638	34,044	739	8,234	170,655
Retail	158,228	9,077	1	96	167,402
Other[1]	13,571	24	91	929	14,615
Total exposure	**412,850**	**46,351**	**2,196**	**18,158**	**479,555**

31 Dec 2012, EURm	On-balance sheet items	Off-balance sheet items	Securities financing	Derivatives	Total exposure
Government, local authorities and central banks	73,757	2,041	108	3,851	79,757
Institutions	42,084	1,748	1,388	20,417	65,637
Corporate	138,959	35,088	672	9,639	184,358
Retail	159,032	9,052	2	77	168,163
Other	14,360	37	0	279	14,676
Total exposure	**428,192**	**47,966**	**2,170**	**34,263**	**512,591**

Nordea is geographically well diversified and as of end 2013, no market accounts for more than 25% of the total exposure. The exposure in Sweden and Finland represents 25% and 23% of the total exposure in the Group respectively, while Denmark accounts for 23% and Norway 16%. In all the Nordic countries the total IRB exposures decreased in 2013 compared to 2012.

In Finland, the lower exposure in the IRB portfolio is attributable to decreases in institution and corporate exposures. For institutions the decrease relates mainly to derivative exposures as well as decreased lending. The majority of the Russian exposures moved from SA to IRB due to FIRB approval for institutions and corporate.

G49 Credit risk disclosures

Exposure split by geography and exposure classes

31 Dec 2013, EURm	Nordic countries	– of which Denmark	– of which Finland	– of which Norway	– of which Sweden	Baltic countries	Poland	Russia	Other	Total
Government, local authorities and central banks	55,891	15,252	19,862	6,161	14,616	729	1,118	207	26,104	84,049
Institutions	38,759	6,306	14,862	5,957	11,634	148	971	299	2,657	42,834
Corporate	148,606	37,447	37,839	33,619	39,701	5,568	1,903	4,324	10,254	170,655
Retail	166,080	52,002	36,040	28,719	49,319	963	211	64	84	167,402
Other[1]	7,272	1,438	2,830	765	2,239	2,384	4,005	464	490	14,615
Total exposure	**416,608**	**112,445**	**111,433**	**75,221**	**117,509**	**9,792**	**8,208**	**5,358**	**39,589**	**479,555**

31 Dec 2012, EURm	Nordic countries	– of which Denmark	– of which Finland	– of which Norway	– of which Sweden	Baltic countries	Poland	Russia	Other	Total
Government, local authorities and central banks	59,147	13,304	27,483	5,245	13,115	986	1,816	464	17,344	79,757
Institutions	61,529	6,382	30,282	7,899	16,966	83	1,152	200	2,673	65,637
Corporate	160,002	38,579	39,148	36,926	45,349	5,814	2,040	4,614	11,888	184,358
Retail	167,088	52,103	35,219	32,094	47,672	766	179	46	84	168,163
Other	6,971	1,853	1,636	525	2,957	2,227	4,272	716	490	14,676
Total exposure	**454,737**	**112,221**	**133,768**	**82,689**	**126,059**	**9,876**	**9,459**	**6,040**	**32,479**	**512,591**

1) Including exposures secured by real estate.

In the table below, the total exposure is split by industry. The industry breakdown mainly follows the Global Industries Classification Standard (GICS) and is based on NACE codes (i.e. statistical classification codes of economic activities in the European community).

The IRB corporate portfolio is well diversified between industries. The real estate management and investment sector is the largest sector which together with other financial institutions are the only sectors that account for more than 8% of the total exposure of EUR 480bn. During the year, the exposure class IRB institution decreased exposures to other financial institutions and to banks. The largest relative decrease was found within the other, public and organisations industry while the highest relative increase showed up within other materials (chemical, building materials etc.). The largest nominal increase and decrease appeared in retail mortgage and banks respectively.

Exposure split by industry group

EURm	31 Dec 2013	31 Dec 2012
Retail mortgage	139,521	137,828
Other retail	32,259	34,671
Central and local governments	38,970	37,312
Banks	72,456	85,062
Construction and engineering	5,450	5,863
Consumer durables (cars, appliances etc)	4,745	5,385
Consumer staples (food, agriculture etc)	13,500	14,124
Energy (oil, gas etc)	4,877	4,754
Health care and pharmaceuticals	1,852	2,412
Industrial capital goods	5,229	5,344
Industrial commercial services	15,048	16,692
IT software, hardware and services	1,843	1,944
Media and leisure	2,903	3,059
Metals and mining materials	1,015	1,111
Paper and forest materials	3,010	3,168
Real estate management and investment	43,852	46,461
Retail trade	12,285	13,308
Shipping and offshore	12,786	14,083
Telecommunication equipment	468	453
Telecommunication operators	2,015	2,002
Transportation	4,813	4,859
Utilities (distribution and production)	9,127	8,716
Other financial companies	27,575	35,927
Other materials (chemical, building materials etc)	8,329	7,150
Other	15,627	20,903
Total exposure	**479,555**	**512,591**

G49 Credit risk disclosures

The guarantees used as credit risk mitigation are to a large extent issued by central and regional governments in the Nordic countries. Banks and insurance companies are also important guarantors of credit risk. Only eligible providers of guarantees and credit derivatives can be recognised in the standardised and IRB approach for credit risk. All central governments, regional governments and institutions are eligible as well as some multinational development banks and international organisations. Guarantees issued by corporate entities can only be taken into account if their rating corresponds to A– (S&P's rating scale) or better.

Central governments and municipalities guarantee approximately 82% of the total guaranteed exposure. Exposure guarantee by these guarantors has an average risk weight of 0%. 4% of the total guaranteed exposure is guaranteed by IRB institutions. The remainder is guaranteed by IRB corporate guarantors, all with a rating of 5– or higher. Credit derivatives are only used as credit risk protection to a very limited extent since the credit portfolio is considered to be well diversified.

Exposure secured by collaterals, guarantees and credit derivatives

31 Dec 2013, EURm	Original exposure	EAD	– of which secured by guarantees and credit derivatives	– of which secured by collateral
Government, local authorities and central banks	81,444	84,049	477	1
Institutions	45,067	42,834	703	350
Corporate	225,782	170,655	8,482	65,176
Retail	178,595	167,402	2,786	132,753
Other	15,247	14,615	4	7,360
Total exposure	**546,135**	**479,555**	**12,452**	**205,640**

31 Dec 2012, EURm	Original exposure	EAD	– of which secured by guarantees and credit derivatives	– of which secured by collateral
Government, local authorities and central banks	77,423	79,757	437	1
Institutions	67,552	65,637	427	7,642
Corporate	238,863	184,358	8,471	64,608
Retail	179,828	168,163	3,017	130,955
Other[1]	15,410	14,676	2	7,353
Total exposure	**579,076**	**512,591**	**12,354**	**210,559**

1) Including exposures secured by real estate.

The table below presents the distribution of collateral used in the capital adequacy calculation process. The table shows real estate to be constitute a major share of eligible collateral items in relative terms. The real estate collateral category also saw the largest relative increase the year. Commercial real estate and other physical collateral also increased while financial collateral and receivables decreased in relative terms. Real estate is commonly used as collateral for credit risk mitigation purposes. There is no certain concentration of real estate collateral to any particular region within the Nordic and Baltic countries. Other physical collateral consist mainly of ships.

Collateral distribution

	31 Dec 2013	31 Dec 2012
Financial Collateral	1.4%	4.7%
Receivables	1.1%	1.2%
Residential Real Estate	72.6%	70.6%
Commercial Real Estate	18.5%	17.5%
Other Physical Collateral	6.4%	6.0%
Total	**100.0%**	**100.0%**

G49 Credit risk disclosures

A common way to analyse the value of the collateral is to measure the loan to value (LTV) ratio, i.e. the credit extended divided by the market value of the collateral pledged. In the table below, the retail mortgage exposures are distributed by LTV range up to the top LTV bucket based on the LTV ratio. In 2013, the retail mortgage exposure increased in the LTV buckets representing LTV below 50%.

Loan-to-value distribution

	31 Dec 2013		31 Dec 2012	
Retail mortgage exposure	EURbn	%	EURbn	%
<50%	99.2	77	97.4	77
50–70%	20.9	16	20.7	16
70–80%	5.5	4	5.6	4
80–90%	2.1	2	2.3	2
>90%	1.2	1	1.2	1
Total	**128.9**	**100**	**127.1**	**100**

Nordea acts as an intermediary in the credit derivatives market, especially in Nordic names. Nordea also uses credit derivatives to hedge positions in corporate bonds and synthetic CDOs. When Nordea sells protection in a CDO transaction, it carries the risk of losses in the reference portfolio if a credit event occurs. When Nordea buys protection in a CDO transaction, any losses in the reference portfolio triggered by a credit event are carried by the seller of protection.

Credit derivatives transactions create risk in similar manner to other derivative transactions. Counterparties in these transactions are typically subject to a financial collateral agreement, where the exposure is covered daily by collateral placements. CDO valuations are subject to fair value adjustments for model risk. These fair value adjustments are recognised in the income statement.

Collateralised Debt Obligations (CDO) – Exposure[1]

	31 Dec 2013		31 Dec 2012	
Nominal, EURm	Bought protection	Sold protection	Bought protection	Sold protection
CDOs, gross	1,266	1,587	1,833	2,816
Hedged exposures	965	966	1,442	1,444
CDOs, net[2]	**301[3]**	**621[4]**	**391[3]**	**1,372[3]**
– of which Equity	57	102	53	361
– of which Mezzanine	108	306	80	386
– of which Senior	136	213	258	625

1) First-to-Default swaps are not classified as CDOs and are therefore not included in the table. Net bought protection amounts to EUR 47m (EUR 214m) and net sold protection to EUR 18m (EUR 50m). Both bought and sold protection are, to the predominant part, investment grade.
2) Net exposure disregards exposure where tranches are completely identical in terms of reference pool attachment, detachment, maturity and currency.
3) Of which investment grade EUR 150m (EUR 349m) and sub investment grade EUR 151m (EUR 42m).
4) Of which investment grade EUR 326m (EUR 769m) and sub investment grade EUR 286m (EUR 101m) and not rated EUR 0m (EUR 0m).

Restructured loans and receivables current year[1]

EURm	31 Dec 2013	31 Dec 2012
Loans before restructuring, carrying amount	19	13
Loans after restructuring, carrying amount	0	6

1) Loans classified as impaired that subsequently have improved and are not classified as impaired at the reporting date.

Assets taken over for protection of claims[1]

EURm	31 Dec 2013	31 Dec 2012
Current assets, carrying amount:		
Land and buildings	123	142
Shares and other participations	25	18
Other assets	3	5
Total	**151**	**165**

1) In accordance with Nordea's policy for taking over assets for protection of claims, which is in compliance with the local Banking Business Acts, whereever Nordea is located. Assets, used as collateral for the loan, are generally taken over when the customer is not able to fulfil its obligations to Nordea. The assets taken over are, at the latest, disposed when full recovery is reached.

G49 Credit risk disclosures

The table below shows loans past due 6 days or more that are not considered impaired split by corporate and household customers. Past due loans to corporate customers that are not considered impaired were at end of 2013 EUR 1,257m down from EUR 1,929m one year ago, while past due loans for household customers decreased to EUR 1,539m (EUR 1,773m).

Past due loans, excluding impaired loans

	31 Dec 2013		31 Dec 2012	
EURm	Corporate customers	Household customers	Corporate customers	Household customers
6–30 days	714	974	1,157	1,168
31–60 days	317	316	358	315
61–90 days	66	126	80	137
>90 days	160	124	334	153
Total	**1,257**	**1,539**	**1,929**	**1,773**
Past due not impaired loans divided by loans to the public after allowances, %	0.68	0.98	1.06	1.12

The distribution of loans to corporate by size of loans, seen in the table below, shows a high degree of diversification where approximately 71% (69%) of the corporate volume represents loans up to EUR 50m per customer.

Loans to corporate customers, by size of loan

	31 Dec 2013		31 Dec 2012	
Size in EURm	Loans EURbn	%	Loans EURbn	%
0–10	83.8	45	78.9	43
10–50	47.0	25	46.2	25
50–100	18.3	10	21.8	12
100–250	23.4	13	25.1	14
250–500	9.8	5	8.8	5
500–	2.9	2	2.0	1
Total	**185.2**	**100**	**182.8**	**100**

Interest-bearing securities

	31 Dec 2013			31 Dec 2012		
EURm	At fair value	At amortised cost	Total	At fair value	At amortised cost	Total
State and sovereigns	21,258	164	21,422	20,547	280	20,827
Municipalities and other public bodies	2,042	448	2,490	4,684	802	5,486
Mortgage institutions	30,723	1,758	32,481	25,862	1,815	27,677
Other credit institutions	21,128	2,803	23,931	21,113	3,815	24,928
Corporates	5,909	186	6,095	4,280	540	4,820
Corporates, sub-investment grade	445	—	445	794	—	794
Other	450	—	450	2,094	—	2,094
Total	**81,955**	**5,359**	**87,314**	**79,374**	**7,252**	**86,626**

Income statement, Parent company

EURm	Note	2013	2012
Operating income			
Interest income		2,140	2,656
Interest expense		–1,499	–1,932
Net interest income	P3	**641**	**724**
Fee and commission income		1,259	853
Fee and commission expense		–250	–230
Net fee and commission income	P4	**1,009**	**623**
Net result from items at fair value	P5	131	189
Dividends	P6	1,827	3,554
Other operating income	P7	674	501
Total operating income		**4,282**	**5,591**
Operating expenses			
General administrative expenses:			
Staff costs	P8	–982	–938
Other expenses	P9	–1,018	–842
Depreciation, amortisation and impairment charges of tangible and intangible assets	P10, P23, P24	–109	–105
Total operating expenses		**–2,109**	**–1,885**
Profit before loan losses		**2,173**	**3,706**
Net loan losses	P11	–124	–19
Impairment of securities held as financial non-current assets	P21	–4	–15
Operating profit		**2,045**	**3,672**
Appropriations	P12	102	–103
Income tax expense	P13	–192	–95
Net profit for the year		**1,955**	**3,474**

Statement of comprehensive income

EURm	2013	2012
Net profit for the year	**1,955**	**3,474**
Items that may be reclassified subsequently to the income statement		
Available for sale investments:[1]		
Valuation gains/losses during the year	4	30
Tax on valuation gains/losses during the year	–1	–6
Transferred to the income statement during the year	2	—
Tax on transfers to the income statement during the year	0	—
Cash flow hedges:		
Valuation gains/losses during the year	562	179
Tax on valuation gains/losses during the year	–124	–48
Transferred to the income statement during the year	–586	–176
Tax on transfers to the income statement during the year	129	46
Other comprehensive income, net of tax	**–14**	**25**
Total comprehensive income	**1,941**	**3,499**

1) Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

Balance sheet, Parent company

EURm	Note	31 Dec 2013	31 Dec 2012
Assets			
Cash and balances with central banks		45	180
Treasury bills	P14	4,952	5,092
Loans to credit institutions	P15	80,918	68,006
Loans to the public	P15	34,155	36,214
Interest-bearing securities	P16	11,128	11,594
Financial instruments pledged as collateral	P17	737	104
Shares	P18	5,351	4,742
Derivatives	P19	4,219	5,852
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	–11	–1,157
Investments in group undertakings	P21	17,723	17,659
Investments in associated undertakings	P22	7	8
Intangible assets	P23	729	670
Property and equipment	P24	118	121
Deferred tax assets	P13	28	19
Current tax assets		0	41
Other assets	P25	2,533	1,713
Prepaid expenses and accrued income	P26	1,291	1,272
Total assets		**163,923**	**152,130**
Liabilities			
Deposits by credit institutions	P27	17,500	19,342
Deposits and borrowings from the public	P28	47,531	50,263
Debt securities in issue	P29	62,961	48,285
Derivatives	P19	3,627	4,166
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	715	16
Current tax liabilities		11	3
Other liabilities	P30	4,173	1,635
Accrued expenses and prepaid income	P31	1,150	1,468
Deferred tax liabilities	P13	10	8
Provisions	P32	184	148
Retirement benefit liabilities	P33	166	182
Subordinated liabilities	P34	5,971	7,131
Total liabilities		**143,999**	**132,647**
Untaxed reserves	P35	**3**	**108**
Equity			
Share capital		4,050	4,050
Share premium reserve		1,080	1,080
Other reserves		–2	12
Retained earnings		14,793	14,233
Total equity		**19,921**	**19,375**
Total liabilities and equity		**163,923**	**152,130**
Assets pledged as security for own liabilities	P36	2,454	4,230
Other assets pledged	P37	7,033	6,225
Contingent liabilities	P38	70,385	86,292
Commitments	P39	26,713	26,270

Statement of changes in equity, Parent company

EURm	Restricted equity	Unrestricted equity[1]				
			Other reserves:			
	Share capital	Share premium reserve	Cash flow hedges	Availabl for sale invest-ments	Retained earnings	Total equity
Balance at 1 Jan 2013	**4,050**	**1,080**	**–19**	**31**	**14,233**	**19,375**
Net profit for the year	—	—	—	—	1,955	1,955
Available for sale investments:						
Valuation gains/losses during the year	—	—	—	4	—	4
Tax on valuation gains/losses during the year	—	—	—	–1	—	–1
Transferred to the income statement during the year	—	—	—	2	—	2
Tax on transfers to the income statement during the year	—	—	—	0	—	0
Cash flow hedges:						
Valuation gains/losses during the year	—	—	562	—	—	562
Tax on valuation gains/losses during the year	—	—	–124	—	—	–124
Transferred to the income statement during the year	—	—	–586	—	—	–586
Tax on transfers to the income statement during the year	—	—	129	—	—	129
Other comprehensive income, net of tax	—	—	–19	5	—	–14
Total comprehensive income	—	—	–19	5	1,955	1,941
Share-based payments	—	—	—	—	15	15
Dividend for 2012	—	—	—	—	–1,370	–1,370
Repurchases of own shares[2]	—	—	—	—	–40	–40
Balance at 31 Dec 2013	**4,050**	**1,080**	**–38**	**36**	**14,793**	**19,921**
Balance at 1 Jan 2012	**4,047**	**1,080**	**–20**	**7**	**11,807**	**16,921**
Net profit for the year	—	—	—	—	3,474	3,474
Available for sale investments:						
Valuation gains/losses during the year	—	—	—	30	—	30
Tax on valuation gains/losses during the year	—	—	—	–6	—	–6
Cash flow hedges:						
Valuation gains/losses during the year	—	—	179	—	—	179
Tax on valuation gains/losses during the year	—	—	–48	—	—	–48
Transferred to the income statement during the year	—	—	–176	—	—	–176
Tax on transfers to the income statement during the year	—	—	46	—	—	46
Other comprehensive income, net of tax	—	—	1	24	—	25
Total comprehensive income	—	—	1	24	3,474	3,499
Issued C-shares[3]	3	—	—	—	—	3
Repurchase of C-shares[3]	—	—	—	—	–3	–3
Share-based payments	—	—	—	—	13	13
Dividend for 2011	—	—	—	—	–1,048	–1,048
Repurchases of own shares[2]	—	—	—	—	–10	–10
Balance at 31 Dec 2012	**4,050**	**1,080**	**–19**	**31**	**14,233**	**19,375**

1) Apart from retained earnings, unrestricted equity consists of a free fund to the amount of EUR 2,762m (31 Dec 2012: EUR 2,762m).
2) Refers to the change in the holding of own shares related to Long tem Incentive Programme and trading portfolio. The number of own shares were 23.8 million (31 Dec 2012: 21.8 million).
3) Refers to the Long Term Incentive Programme (LTIP). LTIP 2012 was hedged by issuing 2,679,168 C-shares. The shares have been bought back and converted to ordinary shares. The total holding of own shares related to LTIP is 18.3 million (31 Dec 2012: 20.3 million).

Description of items in equity is included in Note G1 “Accounting policies”.

Share capital

	Quota value per share, EUR	Total number of shares	Share capital, EUR
Balance at 1 Jan 2012	**1.0**	**4,047,272,751**	**4,047,272,751**
New issue[1]	1.0	2,679,168	2,679,168
Balance at 31 Dec 2012	**1.0**	**4,049,951,919**	**4,049,951,919**
Balance at 31 Dec 2013	**1.0**	**4,049,951,919**	**4,049,951,919**

1) Refers to the Long Term Incentive Programme (LTIP).

Dividends per share

Final dividends are not accounted for until they have been ratified at the Annual General Meeting (AGM). At the AGM on 20 March 2014, a dividend in respect of 2013 of EUR 0.43 per share (2012 actual dividend EUR 0.34 per share) amounting to a total of EUR 1,733,603,282 (2012 actual: EUR 1,370,092,365) is to be proposed. The financial statements for the year ended 31 December 2013 do not reflect this resolution, which will be accounted for in equity as an appropriation of retained earnings in the year ending 31 December 2014.

Cash flow statement, Parent company

EURm	2013	2012
Operating activities		
Operating profit	2,045	3,672
Adjustment for items not included in cash flow	–1,771	48
Income taxes paid	–142	–180
Cash flow from operating activities before changes in operating assets and liabilities	**132**	**3,540**
Changes in operating assets		
Change in treasury bills	9	–1,377
Change in loans to credit institutions	–19,476	–8,407
Change in loans to the public	1,915	164
Change in interest-bearing securities	–78	2,207
Change in financial assets pledged as collateral	–634	1,133
Change in shares	–610	–3,615
Change in derivatives, net	297	249
Change in other assets	–820	1,320
Changes in operating liabilities		
Change in deposits by credit institutions	–1,842	–3,100
Change in deposits and borrowings from the public	–2,732	5,874
Change in debt securities in issue	14,676	2,918
Change in other liabilities	4,025	–165
Cash flow from operating activities	**–5,138**	**741**
Investing activities		
Shareholder's contributions to group undertakings	–47	–935
Sale of business operations	17	—
Acquisition of associated undertakings	0	–3
Sale of associated undertakings	1	—
Acquisition of property and equipment	–28	–64
Sale of property and equipment	3	0
Acquisition of intangible assets	–143	–95
Sale of intangible assets	0	1
Net investments in debt securities, held to maturity	544	1,119
Purchase of other financial fixed assets	0	–335
Cash flow from investing activities	**347**	**–312**
Financing activities		
Issued subordinated liabilities	—	1,495
Amortised subordinated liabilities	–500	–618
New share issue	—	3
Repurchase/divestment of own shares incl change in trading portfolio	–40	–13
Dividend paid	–1,370	–1,048
Cash flow from financing activities	**–1,910**	**–181**
Cash flow for the year	**–6,701**	**248**
Cash and cash equivalents at the beginning of year	8,300	8,052
Cash and cash equivalents at the end of year	1,599	8,300
Change	**–6,701**	**248**

Comments on the cash flow statement

The cash flow statement has been prepared in accordance with IAS 7. The cash flow statement shows inflows and outflows of cash and cash equivalents during the year. Nordea's cash flow has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flows are classified by operating, investing and financing activities.

Operating activities

Operating activities are the principal revenue-producing activities and cash flows are mainly derived from the operating profit for the year with adjustment for items not included in cash flow and income taxes paid. Adjustment for items not included in cash flow includes:

EURm	2013	2012
Depreciation	100	95
Impairment charges	9	25
Loan losses	144	42
Unrealised gains/losses	914	–563
Capital gains/losses (net)	–16	0
Change in accruals and provisions	–307	690
Anticipated dividends	–1,042	–468
Group contributions	–459	–303
Translation differences	–173	–72
Change in fair value of the hedged items, assets/liabilities (net)	–932	566
Other	–9	36
Total	**–1,771**	**48**

Changes in operating assets and liabilities consists of assets and liabilities that are part of normal business activities, such as loans, deposits and debt securities in issue. Changes in derivatives are reported net.

Cash flow from operating activities includes interest payments received and interest expenses paid with the following amounts:

EURm	2013	2012
Interest payments received	2,202	2,823
Interest expenses paid	1,517	1,852

Investing activities

Investing activities include acquisitions and disposals of non-current assets, like property and equipment, intangible and financial assets.

Financing activities

Financing activities are activities that result in changes in equity and subordinated liabilities, such as new issues of shares, dividends and issued/amortised subordinated liabilities.

Cash and cash equivalents

The following items are included in Cash and cash equivalents:

EURm	31 Dec 2013	31 Dec 2012
Cash and balances with central banks	45	180
Loans to credit institutions, payable on demand	1,554	8,120
Total	**1,599**	**8,300**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consists of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled;

– the central bank or the postal giro system is domiciled in the country where the institution is established
– the balance on the account is readily available any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

5 year overview, Parent company

Income statement

EURm	2013	2012	2011	2010	2009
Net interest income	641	724	680	584	666
Net fee and commission income	1,009	623	560	571	456
Net result from items at fair value	131	189	234	157	152
Dividends	1,827	3,554	1,534	2,203	973
Other income	674	501	122	123	123
Total operating income	**4,282**	**5,591**	**3,130**	**3,638**	**2,370**
General administrative expenses:					
Staff costs	–982	–938	–823	–745	–644
Other expenses	–1,018	–842	–561	–526	–443
Depreciation, amortisation and impairment charges of tangible and intangible assets	–109	–105	–112	–112	–106
Total operating expenses	**–2,109**	**–1,885**	**–1,496**	**–1,383**	**–1,193**
Profit before loan losses	**2,173**	**3,706**	**1,634**	**2,255**	**1,177**
Net loan losses	–124	–19	–20	–33	–165
Impairment of securities held as financial non-current assets	–4	–15	–9	–105	—
Operating profit	**2,045**	**3,672**	**1,605**	**2,117**	**1,012**
Appropriations	102	–103	1	0	–3
Income tax expense	–192	–95	–114	–115	–24
Net profit for the year	**1,955**	**3,474**	**1,492**	**2,002**	**985**

Balance sheet

EURm	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2010	31 Dec 2009
Treasury bills and interest-bearing securities	16,080	16,686	18,314	20,706	20,675
Loans to credit institutions	80,918	68,006	59,379	48,151	43,501
Loans to the public	34,155	36,214	36,421	33,800	28,860
Investments in group undertakings	17,723	17,659	16,713	16,690	16,165
Other assets	15,047	13,565	10,554	14,458	9,125
Total assets	**163,923**	**152,130**	**141,381**	**133,805**	**118,326**
Deposits by credit institutions	17,500	19,342	22,441	28,644	30,187
Deposits and borrowings from the public	47,531	50,263	44,389	39,620	34,617
Debt securities in issue	62,961	48,285	45,367	33,424	22,119
Subordinated liabilities	5,971	7,131	6,154	7,135	6,605
Other liabilities/untaxed reserves	10,039	7,734	6,109	8,402	9,298
Equity	19,921	19,375	16,921	16,580	15,500
Total liabilities and equity	**163,923**	**152,130**	**141,381**	**133,805**	**118,326**

P1 Accounting policies

Basis for presentation

The financial statements for the parent company, Nordea Bank AB (publ), are prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and IFRS with the amendments and exceptions following the recommendation RFR 2 "Accounting for Legal Entities" and UFR statements issued by the Swedish Financial Reporting Board and the accounting regulations of the Swedish Financial Supervisory Authority, FFFS 2008:25, with amendments in FFFS 2009:11, 2011:54 and 2013:2. FFFS 2013:24 is effective as from 1 January 2014, however the new requirement for disclosing maturity information has been early applied from 1 January 2013. Under RFR 2, the parent company shall apply all standards and interpretations issued by the IASB and IFRS IC to the extent possible within the framework of Swedish accounting legislation and considering the close tie between financial reporting and taxation. The recommendation sets out the exceptions and amendments compared to IFRS.

The Group's accounting policies described in Note G1 "Accounting policies" are applicable also for the parent company, considering also the information provided below.

Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2012 Annual Report.

The new standard IFRS 13 "Fair Value Measurement" was implemented 1 January 2013 but has not had any significant impact on the measurement of assets and liabilities in the parent company. The additional disclosures required by IFRS 13 are presented in Note P42 "Assets and liabilities at fair value".

IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures" have been amended as regards offsetting of financial assets and financial liabilities. The parent company implemented these changes in 2013. The parent company's principles for offsetting are already in accordance with IAS 32 and therefore there was no impact from the amendments in IAS 32. The additional disclosures required by IFRS 7 are presented in Note P43 "Financial instruments set off on balance or subject to netting agreements".

In 2013 the IASB published a narrow scope amendment to IAS 39 "Financial Instruments: Recognition and Measurement". The parent company implemented these changes in 2013 (early adopted). The amendment allows hedge accounting to be continued if a derivative designated as a hedging instrument is replaced with a new hedging instrument, where a clearing party replaces the original counterparty, as a consequence of laws or regulations. The amendment has not had any significant impact on the financial statements for the parent company.

More information about the changes in IFRS described above can be found in section 2 "Changed accounting policies and presentation" in Note G1 "Accounting policies".

Forthcoming changes in IFRSs not yet implemented by the parent company can be found in section 3 "Changes in IFRSs not yet applied by Nordea" in Note G1 "Accounting policies". The conclusions within this section are also, where applicable, relevant for the parent company.

Accounting policies applicable for the parent company only

Investments in group undertakings and associated undertakings

The parent company's investments in group undertakings and associated undertakings are recognised under the cost model. Impairment tests are performed according to IAS 36 "Impairment of Assets". At each balance sheet date, all shares in group undertakings and associated undertakings are reviewed for indications of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of each holding of shares is fully recoverable. The recoverable amount is the higher of fair value less costs to sell and the value in use. Any impairment charge is calculated as the difference between the carrying amount and the recoverable amount and is classified as "Impairment of securities held as financial non-current assets" in the income statement.

As from 2013 Nordea Bank AB (publ) applies fair value hedge accounting for the foreign exchange risk in investments in subsidiaries. The shares in subsidiaries are remeasured with regards to the hedged risk with a corresponding entry in "Net result from items at fair value". The change in fair value of the hedging instruments is also recognised in the income statement in "Net result from items at fair value".

Dividends

Dividends paid to the shareholders of Nordea Bank AB (publ) are recorded as a liability following the approval of the Annual General Meeting.

Dividends paid by group undertakings to the parent company are anticipated if the parent alone can decide on the size of the dividend and if the formal decision has been made before the financial report is published. Dividends from group- and associated undertakings are recognised on the separate income line "Dividends".

Amortisation of goodwill

Under IAS 38, goodwill and other intangible assets with indefinite useful lives are not amortised in the consolidated financial statements. In the parent company financial statements goodwill is amortised as any other intangible asset in accordance with the rules set out in the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), i.e. normally over a period of five years unless, under exceptional circumstances, a longer amortisation period is justified.

Functional currency

The functional and presentation currency of Nordea Bank AB (publ) is EUR. All transactions in other currencies are converted to EUR in accordance with the policies disclosed in section 9 "Translation of assets and liabilities denominated in foreign currencies" in Note G1 "Accounting policies".

Pensions

The accounting principle for defined benefit obligations follows the Swedish rules ("Tryggandelagen") and the regulations of the Swedish Financial Supervisory Authority as this is the condition for tax deductibility. The significant differences compared with IAS 19 consist of how the discount rate is determined, that the calculation of the defined benefit obligation is based on current salary level without assumptions about future salary increases.

P1 Accounting policies, cont.

In Sweden, actuarial pension commitments are guaranteed by a pension foundation or recognised as a liability. No net defined benefit assets are recognised. The pension cost in the parent company, classified as "Staff cost" in the income statement, consists of changes in recognised pension provisions (including special wage tax) for active employees, pension benefits paid, contributions made to or received from the pension foundation and related special wage tax.

The pension obligations in the foreign branches are calculated in accordance with local accounting requirements.

Group contributions

Group contributions paid to group undertakings are recognised as an increase in the value of investments in group undertakings, net of tax. Group contributions received from group undertakings are recognised as dividends. The possible tax effects on group contributions received are classified as "Income tax expense" in the income statement.

Untaxed reserves

The parent company reports untaxed reserves, related to accelerated depreciation and tax allocation reserve under tax regulations. In the consolidated financial statements, untaxed reserves are split on the items "Retained earnings" and "Deferred tax liabilities" on the balance sheet.

Assets and liabilities held for sale

As mentioned in Note G1 (section 2) and Note G44 for the Group, Nordea divests its Polish operations. The description for the Group in Note G1 is not applicable for Nordea Bank AB. The impact from the sale will be recognised on the closing of the transaction. Assets held for sale in Nordea Bank AB amount to EUR 809m at the end of the year but are not reclassified on the balance sheet.

P2 Segment reporting

Geographical information

	Sweden		Finland		Norway		Denmark		Others		Total	
EURm	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net interest income	641	724	—	—	—	—	—	—	—	—	641	724
Net fee and commission income	1,009	623	—	—	—	—	—	—	—	—	1,009	623
Net result from items at fair value	131	189	—	—	—	—	—	—	—	—	131	189
Dividends[1]	838	368	700	3,142	—	8	244	7	45	29	1,827	3,554
Other operating income	106	109	195	128	88	63	285	201	—	—	674	501
Total operating income	**2,725**	**2,013**	**895**	**3,270**	**88**	**71**	**529**	**208**	**45**	**29**	**4,282**	**5,591**

1) Regards dividends from group undertakings.

P3 Net interest income

EURm	2013	2012
Interest income		
Loans to credit institutions	713	990
Loans to the public	973	1,203
Interest-bearing securities	366	405
Other interest income	88	58
Interest income	**2,140**	**2,656**
Interest expense		
Deposits by credit institutions	–148	–172
Deposits and borrowings from the public	–333	–536
Debt securities in issue	–935	–1,027
Subordinated liabilities	–314	–328
Other interest expenses[1]	231	131
Interest expense	**–1,499**	**–1,932**
Net interest income	**641**	**724**

1) The net interest income from derivatives, measured at fair value and related to Nordea´s funding. This can have both a positive and negative impact on other interest expense, for further information see Note G1 "Accounting policies".

Interest income from financial instruments not measured at fair value through profit and loss amounts to EUR 1,804m (EUR 2,314m). Interest expenses from financial instruments not measured at fair value through profit and loss amounts to EUR –1,756m (EUR –2,089m). Interest on impaired loans amounted to an insignificant portion of interest income.

P4 Net fee and commission income

EURm	2013	2012
Asset management commissions	115	90
Life insurance	2	8
Brokerage, securities issues and corporate finance	165	147
Custody and issuers services	22	14
Deposits	26	29
Total savings related commissions	**330**	**288**
Payments	109	111
Cards	219	224
Total payment commissions	**328**	**335**
Lending	164	137
Guarantees and documentary payment	402	68
Total lending related commissions	**566**	**205**
Other commission income	35	25
Fee and commission income	**1,259**	**853**
Savings and investments	–28	–37
Payments	–26	–27
Cards	–126	–116
State guarantee fees	–50	–43
Other commission expenses	–20	–7
Fee and commission expense	**–250**	**–230**
Net fee and commission income	**1,009**	**623**

Fee income, not included in determining the effective interest rate, from financial assets and liabilities not measured at fair value through profit or loss amounts to EUR 191m (EUR 167m).

Fee income, not included in determining the effective interest rate, from fiduciary activities that result in the holding or investing of assets on behalf of customers amount to EUR 282m (EUR 245m). The corresponding amount for fee expenses is EUR –28m (EUR –37m).

P5 Net result from items at fair value

EURm	2013	2012
Shares/participations and other share-related instruments	35	30
Interest-bearing securities and other interest-related instruments	165	87
Other financial instruments	8	41
Foreign exchange gains/losses	–77	31
Total[1]	**131**	**189**

1) Of which EUR 5m (EUR 4m) is dividends from shares.

P5 Net result from items at fair value, cont.

Net result from categories of financial instruments

EURm	2013	2012
Available for sale assets, realised	–2	—
Financial instruments designated at fair value through profit or loss	19	17
Financial instruments held for trading	80	144
Financial instruments under fair value hedge accounting	–6	–13
– of which net losses on hedging instruments	–929	506
– of which net gains on hedged items	923	–519
Financial assets measured at amortised cost	0	0
Financial liabilities measured at amortised cost	0	0
Foreign exchange gains/losses excluding currency hedges	40	41
Other	0	0
Total	**131**	**189**

P6 Dividends

EURm	2013	2012
Dividends from group undertakings		
Nordea Bank Finland Plc	700	3,125
Nordea Bank Denmark A/S	235	—
Nordea Life Holding AB	310	18
Nordea Investment Management AB	68	47
Nordea Bank S.A. Luxembourg	20	10
Nordea Investment Funds Company I SA	25	19
Nordea Funds Ab	—	17
Nordea Ejendomsinvestering A/S	9	7
Nordea Fondene Norge AS	—	8
Dividends from associated undertakings		
Upplysningscentralen (UC) AB	1	—
Bankpension Sverige AB	0	—
Group Contributions		
Nordea Hypotek AB	245	208
Nordea Fonder AB	28	2
Nordea Finans AB	186	93
Nordic Baltic Holding AB	0	0
Total	**1,827**	**3,554**

P7 Other operating income

EURm	2013	2012
Divestment of shares	17	—
Remuneration from group undertakings	472	439
Other	185	62
Total	**674**	**501**

P8 Staff costs

EURm	2013	2012
Salaries and remuneration (specification below)[1]	–650	–590
Pension costs (specification below)	–126	–144
Social security contributions	–200	–194
Other staff costs	–6	–10
Total	**–982**	**–938**
Salaries and remuneration		
To executives[2]		
– Fixed compensation and benefits	–6	–6
– Performance-related compensation	–5	–3
– Allocation to profitsharing	0	0
Total	**–11**	**–9**
To other employees	–639	–581
Total	**–650**	**–590**

1) Allocation to profit-sharing foundation 2013 EUR 13m (EUR 20m) consists of a new allocation of EUR 13m (EUR 18m) and an allocation related to prior year of EUR 0m (EUR 2m).
2) Executives include the Board of Directors (including deputies), CEO, deputy CEO, executive vice presidents and Group Executive Management in the parent company. Former board members (including deputies), CEOs, deputy CEOs, managing directors and executive vice presidents, are included. Executives amounts to 16 (17) positions.

EURm	2013	2012
Pension costs[1]		
Defined benefit plans	–67	–90
Defined contribution plans	–59	–54
Total	**–126**	**–144**

1) Pension costs for executives, see Note G7 "Staff costs".

Additional disclosures on remuneration under Swedish FSA regulations and general guidelines

The qualitative disclosures under these regulations can be found in the separate section on remuneration in the Board of Directors' Report, while the quantitative disclosures will be published in a separate report on Nordea's homepage (www.nordea.com) one week before the Annual General Meeting on 20 March 2014.

Compensation to key management personnel

Salaries and renumeration to the Board of Directors, CEO and Group Executive Management, see Note G7 "Staff costs".

Loans to key management personnel

Loans to key management personnel amounts to EUR 0m (EUR 0m). Interest income on these loans amounts to EUR 0m (EUR 0m). For information about loan conditions, see Note G7 "Staff costs".

Long Term Incentive Programmes

Participation in the Long Term Incentive Programmes (LTIPs) requires that the participants take direct ownership by investing in Nordea shares. For more information about conditions and requirements, see Note G7 "Staff costs".

For information on number of outstanding conditional rights in the LTIPs, see Note G7 "Staff costs". All rights in the LTIPs, both to employees in the parent company as well as to employees in group undertakings, are issued by Nordea Bank AB (publ).

The expenses in below table regards only employees in Nordea Bank AB (publ).

Expenses for equity-settled share-based payment programmes[1]

EURm	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009
Expected expense for the whole programme	–7	–9	–5	–4
Maximum expense for the whole programme	–12	–10	–5	–4
Total expense during 2013	–2	–3	–1	—
Total expense during 2012	–2	–3	–1	—

1) All amounts excluding social security contribution.

When calculating the expected expense an expected annual employee turnover of 5% has been used. The expected expense is recognised over the vesting period of 36 months (LTIP 2012, LTIP 2011 and LTIP 2010) and 24 months (LTIP 2009).

Cash-settled share-based payment transactions

Nordea operates share-linked deferrals on parts of variable compensation for certain employee categories, indexed with Nordea Total Shareholder Returns (TSR) and either vesting after three years or vesting in equal instalments over a three to five year period. Since 2011 Nordea also operates TSR-linked retention on part of variable compensation for certain employee categories. Due to that the allocation of variable compensation is not finally decided during the current year, the deferred amount during the year in the table below relates to variable compensation earned the previous year.

In addition Nordea has during 2013 introduced the Executive Incentive Programme 2013 ("EIP 2013") which aims to strengthen Nordea's capability to retain and recruit the best talents. The aim is further to stimulate the managers and key employees whose efforts have direct impact on Nordea's result, profitability and long term value growth. EIP rewards performance meeting agreed predetermined targets on Group, business unit and individual level. The effect on the long term result is to be considered when determining the targets. The EIP shall not exceed the fixed salary. EIP shall be paid in the form of cash and be subject to TSR-indexation, deferral, forfeiture clauses and retention as per relevant remuneration regulations. The main part of EIP 2013 is paid no earlier than autumn 2017. Participation in the programme is offered to up to 400 managers and key employees, except GEM who are instead offered a GEM EIP (further information about the GEM EIP can be found in the Remuneration section in the Board of Director's Report), within the Nordea Group. EIP 2013 is offered instead of Nordea's LTIP and VSP for the invited employees. The allocation of the EIP 2013 is decided during spring 2014, and a reservation of EUR 12m excl. social costs is made 2013. 80% of the allocated amount will be subject to TSR-indexation.

The below table only includes deferred amounts indexed with Nordea TSR. EIP will be included as from 2014, when deferred. Further information regarding all deferred amounts can be found in the separate report on remuneration published on Nordea's homepage (www.nordea.com).

P8 Staff costs, cont.

EURm	Share linked deferrals 2013	2012
Opening balance	2	1
Deferred/earned during the year	1	1
TSR indexation during the year	1	0
Payments during the year[1]	–1	0
Translation differences	0	0
Closing balance	**3**	**2**

1) There have been no adjustments due to forfeitures in 2013.

Average number of employees

	Total 2013	Total 2012	Men 2013	Men 2012	Women 2013	Women 2012
Full-time equivalents						
Sweden	6,395	6,601	2,852	2,910	3,543	3,691
Other countries	1,842	1,203	1,156	737	686	466
Total average	**8,237**	**7,804**	**4,008**	**3,647**	**4,229**	**4,157**

Gender distribution, executives

Per cent	31 Dec 2013	31 Dec 2012
Nordea Bank AB (publ)		
Board of Directors – Men	67	67
Board of Directors – Women	33	33
Other executives – Men	86	88
Other executives – Women	14	12

P9 Other expenses

EURm	2013	2012
Information technology	–622	–500
Marketing and representation	–35	–33
Postage, transportation, telephone and office expenses	–61	–69
Rents, premises and real estate	–125	–114
Other[1]	–175	–126
Total	**–1,018**	**–842**

1) Including fees and remuneration to auditors distributed as follows.

Auditors' fee

EURm	2013	2012
KPMG		
Auditing assignments	–2	–2
Audit-related services	–1	–1
Tax advisory services	0	0
Other assignments	–3	–1
Total	**–6**	**–4**

P10 Depreciation, amortisation and impairment charges of tangible and intangible assets

EURm	2013	2012
Depreciation/amortisation		
Property and equipment (Note P24)		
Equipment	–24	–22
Buildings	0	0

P10 Depreciation, amortisation and impairment charges of tangible and intangible assets, cont.

Intangible assets (Note P23)		
Goodwill	–49	–49
Computer software	–23	–20
Other intangible assets	–4	–4
Total	**–100**	**–95**
Impairment charges		
Intangible assets (Note P23)		
Computer software	–9	–10
Total	**–9**	**–10**
Total	**–109**	**–105**

P11 Net loan losses

EURm	2013	2012
Divided by class		
Loans to credit institutions	1	–1
– of which provisions	0	–5
– of which write-offs	—	0
– of which allowances used for covering write-offs	—	0
– of which reversals	1	4
Loans to the public	–45	–15
– of which provisions	–57	–69
– of which write-offs	–72	–65
– of which allowances used for covering write-offs	34	27
– of which reversals	29	69
– of which recoveries	21	23
Off-balance sheet items[1]	–80	–3
– of which provisions	–70	–5
– of which reversals	38	2
– of which directly recognised in income statement	–48	—
Total	**–124**	**–19**
Specification		
Changes of allowance accounts on the balance sheet	–50	–4
– of which Loans, individually assessed[2]	–33	–14
– of which Loans, collectively assessed[2]	5	13
– of which Off-balance sheet items, individually assessed[1]	–25	0
– of which Off-balance sheet items, collectively assessed[1]	3	–3
Changes directly recognised in the income statement	–74	–15
– of which realised loan losses, individually assessed	–94	–38
– of which realised recoveries, individually assessed	20	23
Total	**–124**	**–19**

1) Included in Note P32 "Provisions" as "Transfer risk, off-balance" and "Guarantees".
2) Included in Note P15 "Loans and impairment".

Key ratios

	2013	2012
Loan loss ratio, basis points	36	5
– of which individual	15	8
– of which collective	21	–3

P12 Appropriations

EURm	2013	2012
Change in tax allocation reserve	100	–103
Change in depreciation in excess of plan, equipment	2	0
Total	**102**	**–103**

P13 Taxes

Income tax expense

EURm	2013	2012
Current tax	–194	–88
Deferred tax	2	–7
Total	**–192**	**–95**

The tax on the operating profit differs from the theoretical amount that would arise using the tax rate in Sweden as follows:

EURm	2013	2012
Profit before tax	2 147	3,569
Tax calculated at a tax rate of 22.0% (26.3%)	–472	–939
Tax-exempt income	307	872
Non-deductible expenses	–20	–26
Adjustments relating to prior years	–7	—
Change of tax rate[1]	—	–2
Tax charge	**–192**	**–95**
Average effective tax rate	9%	3%

1) Due to change of corporate tax rate from 26.3% to 22.0% in 2012.

Deferred tax

	Deferred tax assets		Deferred tax liabilities	
EURm	2013	2012	2013	2012
Deferred tax related to:				
Derivatives	11	5	10	8
Retirement benefit obligations	9	8	—	—
Liabilities/provisions	8	6	—	0
Total	**28**	**19**	**10**	**8**

EURm	2013	2012
Movements in deferred tax assets/liabilities, net:		
Amount at beginning of year (net)	11	24
Deferred tax relating to items recognised in Other comprehensive income	4	–8
Acquisitions and others	1	2
Deferred tax in the income statement	2	–7
Amount at end of year (net)	**18**	**11**
Current and deferred tax recognised in Other comprehensive income		
Deferred tax relating to available for sale investments	–10	–6
Deferred tax relating to cash flow hedges	11	–2
Total	**1**	**–8**

P14 Treasury bills

EURm	31 Dec 2013	31 Dec 2012
State and sovereigns[1]	5,235	4,907
Municipalities and other public bodies	454	289
Total	**5,689**	**5,196**
– of which Financial instruments pledged as collateral (Note P17)	737	104
Total	**4,952**	**5,092**

1) Of which EUR 17m (EUR 17m) held at amortised cost with a nominal amount of EUR 17m (EUR 17m).

P15 Loans and impairment

	Credit institutions		The public		Total	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Loans, not impaired	80,920	68,011	34,015	36,111	114,935	104,122
Impaired loans	—	—	312	296	312	296
– of which performing	—	—	180	118	180	118
– of which non-performing	—	—	132	178	132	178
Loans before allowances	**80,920**	**68,011**	**34,327**	**36,407**	**115,247**	**104,418**
Allowances for individually assessed impaired loans	—	–1	–118	–132	–118	–133
– of which performing	—	—	–79	–61	–79	–61
– of which non-performing	—	–1	–39	–71	–39	–72
Allowances for collectively assessed impaired loans	–2	–4	–54	–61	–56	–65
Allowances	**–2**	**–5**	**–172**	**–193**	**–174**	**–198**
Loans, carrying amount	**80,918**	**68,006**	**34,155**	**36,214**	**115,073**	**104,220**

Reconciliation of allowance accounts for impaired loans[1]

	Credit institutions			The public			Total		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2013	**–1**	**–4**	**–5**	**–132**	**–61**	**–193**	**–133**	**–65**	**–198**
Provisions	—	1	1	–55	–3	–58	–55	–2	–57
Reversals	—	1	1	22	6	28	22	7	29
Changes through the income statement	**—**	**2**	**2**	**–33**	**3**	**–30**	**–33**	**5**	**–28**
Allowances used to cover write-offs	—	—	—	34	—	34	34	—	34
Translation differences	1	—	1	13	4	17	14	4	18
Closing balance at 31 Dec 2013	**0**	**–2**	**–2**	**–118**	**–54**	**–172**	**–118**	**–56**	**–174**
Opening balance at 1 Jan 2012	**–2**	**–2**	**–4**	**–130**	**–80**	**–210**	**–132**	**–82**	**–214**
Provisions	—	–5	–5	–63	–5	–68	–63	–10	–73
Reversals	1	3	4	48	20	68	49	23	72
Changes through the income statement	**1**	**–2**	**–1**	**–15**	**15**	**0**	**–14**	**13**	**–1**
Allowances used to cover write-offs	—	—	—	27	—	27	27	—	27
Reclassifications	—	—	—	–8	7	–1	–8	7	–1
Translation differences	—	—	—	–6	–3	–9	–6	–3	–9
Closing balance at 31 Dec 2012	**–1**	**–4**	**–5**	**–132**	**–61**	**–193**	**–133**	**–65**	**–198**

1) See Note P11 "Net loan losses".

P15 Loans and impairment, cont.

Allowances and provisions

EURm	Credit institutions 31 Dec 2013	Credit institutions 31 Dec 2012	The public 31 Dec 2013	The public 31 Dec 2012	Total 31 Dec 2013	Total 31 Dec 2012
Allowances for items on the balance sheet	–2	–5	–172	–193	–174	–198
Provisions for off balance sheet items	–138	–117	–3	–2	–141	–119
Total allowances and provisions	**–140**	**–122**	**–175**	**–195**	**–315**	**–317**

Key ratios

	31 Dec 2013	31 Dec 2012
Impairment rate, gross, basis points	27	28
Impairment rate, net, basis points	17	16
Total allowance rate, basis points	15	19
Allowances in relation to impaired loans, %	38	45
Total allowances in relation to impaired loans, %	56	67

P16 Interest-bearing securities

EURm	31 Dec 2013	31 Dec 2012
Issued by other borrowers[1]	11,128	11,594
Total	**11,128**	**11,594**
Listed securitites	10,969	11,530
Unlisted securitites	159	64
Total	**11,128**	**11,594**

1) Of which EUR 321m (EUR 847m) held at amortised cost with a nominal amount of EUR 322m (EUR 846m).

P17 Financial instruments pledged as collateral

Financial instruments pledged as collateral

In repurchase transactions and in securities lending transactions, non-cash assets are transferred as collateral. When the counterpart receiving the collateral has the right to sell or repledge the assets, the assets are reclassified on the balance sheet to the item Financial instruments pledged as collateral.

EURm	31 Dec 2013	31 Dec 2012
Treasury bills	737	104
Total	**737**	**104**

For more information on transferred assets, see Note P45 "Transferred assets and obtained collaterals".

P18 Shares

EURm	31 Dec 2013	31 Dec 2012
Shares	5,350	4,741
Shares taken over for protection of claims	1	1
Total	**5,351**	**4,742**
Listed shares	5,322	4,713
Unlisted shares	29	29
Total	**5,351**	**4,742**

P19 Derivatives and hedge accounting

31 Dec 2013, EURm	Fair value Positive	Fair value Negative	Total nom. amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	1,656	1,735	140,226
FRAs	14	18	50,444
Futures and forwards	1	0	2,586
Options	6	6	4,282
Other	1	0	1,129
Total	**1,678**	**1,759**	**198,667**
Equity derivatives			
Equity swaps	82	142	224
Futures and forwards	2	1	14
Options	151	123	2,796
Total	**235**	**266**	**3,034**
Foreign exchange derivatives			
Currency and interest rate swaps	530	549	12,617
Currency forwards	82	40	15,064
Total	**612**	**589**	**27,681**
Credit derivatives			
Credit default swaps	0	—	1
Total	**0**	**—**	**1**
Other derivatives			
Other	6	0	1,916
Total	**6**	**0**	**1,916**
Total derivatives held for trading	**2,531**	**2,614**	**231,299**
Derivatives used for hedge accounting			
Interest rate derivatives			
Interest rate swaps	1,311	319	39,161
Total	**1,311**	**319**	**39,161**
Foreign exchange derivatives			
Currency and interest rate swaps	335	672	8,425
Currency forwards	42	22	9,455
Total	**377**	**694**	**17,880**
Total derivatives used for hedge accounting	**1,688**	**1,013**	**57,041**
– of which fair value hedges	1,288	291	47,587
– of which cash flow hedges	358	700	24,316
– of which net investment hedges	42	22	9,455
Total derivatives	**4,219**	**3,627**	**288,340**

Some cross currency interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are then reported on both lines.

P19 Derivatives and Hedge accounting, cont.

31 Dec 2012, EURm	Fair value Positive	Fair value Negative	Total nom. amount
Derivatives held for trading			
Interest rate derivatives			
Interest rate swaps	2,469	2,683	127,698
FRAs	22	21	25,052
Futures and forwards	—	6	1,839
Options	0	0	379
Other	0	—	1,165
Total	**2,491**	**2,710**	**156,133**
Equity derivatives			
Equity swaps	83	149	350
Futures and forwards	1	0	21
Options	61	67	1,987
Total	**145**	**216**	**2,358**
Foreign exchange derivatives			
Currency and interest rate swaps	629	609	13,541
Currency forwards	63	124	23,979
Total	**692**	**733**	**37,520**
Credit derivatives			
Credit default swaps	—	0	1
Total	**—**	**0**	**1**
Other derivatives			
Other	26	0	1,867
Total	**26**	**0**	**1,867**
Total derivatives held for trading	**3,354**	**3,659**	**197,879**
Derivatives used for hedge accounting			
Interest rate derivatives			
Interest rate swaps	2,058	263	32,653
Options	0	0	642
Total	**2,058**	**263**	**33,295**
Foreign exchange derivatives			
Currency and interest rate swaps	440	244	7,475
Total	**440**	**244**	**7,475**
Total derivatives used for hedge accounting	**2,498**	**507**	**40,770**
– of which fair value hedges	2,396	382	40,770
– of which cash flow hedges	102	125	20,884
Total derivatives	**5,852**	**4,166**	**238,649**

Some cross currency interest rate swaps are used both as fair value hedges and cash flow hedges and the nominal amounts are then reported on both lines.

P20 Fair value changes of the hedged items in portfolio hedge of interest rate risk

EURm	31 Dec 2013	31 Dec 2012
Assets		
Carrying amount at beginning of year	–1,157	–632
Changes during the year		
Revaluation of hedged items	1,146	–525
Carrying amount at end of year	**–11**	**–1,157**

EURm		
Liabilities		
Carrying amount at beginning of year	16	147
Changes during the year		
Revaluation of hedged items	699	–131
Carrying amount at end of year	**715**	**16**

The carrying amount at end of year represents accumulated changes in the fair value for those repricing time periods in which the hedged item is an asset respectively a liability. When the hedged item is an asset, the change in the fair value of the hedged item is presented within assets and when the hedged item is a liability, the change is presented as a liability.

P21 Investments in group undertakings

EURm	31 Dec 2013	31 Dec 2012
Acquisition value at beginning of year	18,279	17,318
Acquisitions/capital contributions during the year	58	958
IFRS 2 expenses[1]	10	3
Acquisition value at end of year	**18,347**	**18,279**
Accumulated impairment charges at beginning of year	–620	–605
Impairment charges during the year	–4	–15
Accumulated impairment charges at end of year	**–624**	**–620**
Total	**17,723**	**17,659**
– of which listed shares	—	—

1) Allocation of IFRS 2 expenses for LTIP 2011 and 2012 related to the group undertakings.

P21 Investments in group undertakings, cont.

Specification

This specification includes all directly owned group undertakings and major group undertakings to the directly owned companies.

31 Dec 2013	Number of shares	Carrying amount 2013, EURm	Carrying amount 2012, EURm	Voting power of holding %	Domicile	Registration number
Nordea Bank Finland Plc	1,030,800,000	5,959	5,956	100.0	Helsinki	1680235–8
Nordea Finance Finland Ltd				100.0	Espoo	0112305–3
Nordea Bank Danmark A/S	50,000,000	4,010	4,010	100.0	Copenhagen	13522197
Nordea Finans Danmark A/S				100.0	Høje Taastrup	89805910
Nordea Kredit Realkreditaktieselskab				100.0	Copenhagen	15134275
Fionia Asset Company A/S				100.0	Copenhagen	31934745
Nordea Bank Norge ASA	551,358,576	2,733	2,818	100.0	Oslo	911044110
Nordea Eiendomskreditt AS				100.0	Oslo	971227222
Nordea Finans Norge AS				100.0	Oslo	924507500
Privatmegleren AS				100.0	Oslo	986386661
Nordea Bank Polska S.A	55,061,403	343	363	99.2	Gdynia	KRS0000021828
OOO Promyshlennaya Companiya Vestkon	4,601,942,680[1]	659	659	100.0	Moscow	1027700034185
OJSC Nordea Bank				100.0[2]	Moscow	1027739436955
Nordea Life Holding AB	1,000	719	707	100.0	Stockholm	556742–3305
Nordea Liv & Pension, Livforsikringsselskab A/S				100.0	Ballerup	24260577
Nordea Liv Holding Norge AS				100.0	Bergen	984739303
Livforsikringsselskapet Nordea Liv Norge AS				100.0	Bergen	959922659
Nordea Livförsäkring Sverige AB (publ)				100.0	Stockholm	516401–8508
Nordea Life Assurance Finland Ltd				100.0	Helsinki	0927072–8

P21 Investments in group undertakings, cont.

31 Dec 2013	Number of shares	Carrying amount 2013, EURm	Carrying amount 2012, EURm	Voting power of holding %	Domicile	Registration number
Nordea Funds Ltd	3,350	174	138	100.0	Helsinki	1737785–9
Nordea Fondene Norge AS			29	100.0	Oslo	930954616
Nordea Investment Fund Management A/S			8	100.0	Copenhagen	13917396
Nordea Bank S.A.	999,999	455	454	100.0	Luxembourg	B–14157
Nordea Investment Funds Company I S.A.[3]	—	—	0	—	Luxembourg	B–30550
Nordea Hypotek AB (publ)[4]	100,000	1,998	1,898	100.0	Stockholm	556091–5448
Nordea Fonder AB	15,000	242	241	100.0	Stockholm	556020–4694
Nordea Finans Sverige AB (publ)[4]	1,000,000	124	116	100.0	Stockholm	556021–1475
Nordea Investment Management AB	12,600	237	232	100.0	Stockholm	556060–2301
Nordea Ejendomsinvestering A/S	1,000	29	29	100.0	Copenhagen	26640172
Nordea IT Polska S.p. z.o.o.	100	40	—	100.0	Warsaw	0000429783
PK Properties Int'l Corp	100,000	0	0	100.0	Atlanta, USA	601624718
Nordea Hästen Fastighetsförvaltning AB	1,000	0	0	100.0	Stockholm	556653–6800
Nordea Putten Fastighetsförvaltning AB	1,000	0	0	100.0	Stockholm	556653–5257
Nordea North America Inc [5]	—	—	0	—	Delaware, USA	51-0276195
Nordea do Brasil Representações Ltda	1,162,149	0	0	100.0	Sao Paulo, Brasil	51.696.268/0001–40
Nordic Baltic Holding (NBH) AB[6]	1,000	0	0	100.0	Stockholm	556592–7950
Nordea Fastigheter AB[6]	3,380,000	1	1	100.0	Stockholm	556021–4917
Total		**17,723**	**17,659**			

1) Nominal value exptressed in RUB, representing Nordea's participation in Vestkon.
2) Combined ownership, Nordea Bank AB (publ) directly 7.2% and indirectly 92.8% through OOO Promyshlennaya Companiya Vestkon.
3) Merged into Nordea Bank S.A. on 30 December 2013.
4) Credit institutions as defined in the Swedish Annual Account Act for Credit Instituions and Securities Companies (1995:1559).
5) Dissolved on 19 December 2013.
6) Dormant.

Special Purpose Entities (SPEs) – Consolidated
The Viking ABCP Conduit (Viking) has been established with the purpose of supporting trade receivable or accounts payable securitisations to core Nordic customers. The SPEs purchase trade receivables from the approved sellers and fund the purchases either by issuing Commercial Papers (CP) via the established Asset Backed Commercial Papers programme or by drawing funds on the liquidity facilities available. Nordea has provided liquidity facilities of maximum EUR 1,646m (EUR 1,691m) and at year end 2013 EUR 1,369m (EUR 1,230m) were utilised. There is no outstanding CP issue at year end 2013. Total assets in the conduit were EUR 1,428m (EUR 1,326m) as per year-end, out of which EUR 1,167m (EUR 1,061m) has a maturity of less than one year. The SPE is consolidated as it is closely linked to the activities within Nordea. Also, Nordea is exposed to credit risk through the liquidity facility. There are no significant restrictions on repayment of loans from Viking apart from that the payments are dependent on the pace in which Viking releases its assets.

P22 Investments in associated undertakings

EURm	31 Dec 2013	31 Dec 2012
Acquisition value at beginning of year	8	5
Acquisitions during the year	0	3
Sales during the year	–1	—
Acquisition value at end of year	**7**	**8**
– of which listed shares	—	—

31 Dec 2013	Registration number	Domicile	Carrying amount 2013, EURm	Carrying amount 2012, EURm	Voting power of holding %
BDB Bankernas Depå AB	556695–3567	Stockholm	1	1	20
Bankpension Sverige AB	556695–8194	Stockholm	—	1	40
Bankomat AB	556817–9716	Stockholm	6	6	20
Other			0	0	
Total			**7**	**8**	

P23 Intangible assets

EURm	31 Dec 2013	31 Dec 2012
Goodwill allocated to cash generating units		
Retail Banking	354	403
Goodwill, total	**354**	**403**
Computer software	367	264
Other intangible assets	8	3
Other intangible assets, total	**375**	**267**
Intangible assets, total	**729**	**670**
Goodwill		
Acquisition value at beginning of year	1,059	1,059
Acquisition value at end of year	**1,059**	**1,059**
Accumulated amortisation at beginning of year	–656	–607
Amortisation according to plan for the year	–49	–49
Accumulated amortisation at end of year	**–705**	**–656**
Total	**354**	**403**
Computer software		
Acquisition value at beginning of year	340	249
Acquisitions during the year	135	93
Sales during the year	–2	—
Reclassifications	–8	–2
Acquisition value at end of year	**465**	**340**
Accumulated amortisation at beginning of year	–68	–49
Amortisation according to plan for the year	–23	–20
Accumulated amortisation on sales	2	—
Translation differences	0	1
Accumulated amortisation at end of year	**–89**	**–68**
Accumulated impairment charges at beginning of year	–8	–2
Impairment charges during the year	–9	–10
Reclassifications	8	2
Translation differences	—	2
Accumulated impairment charges at end of year	**–9**	**–8**
Total	**367**	**264**
Other intangible assets		
Acquisition value at beginning of year	42	49
Acquisitions during the year	8	1
Sales/disposals during the year	–2	–8
Acquisition value at end of year	**48**	**42**
Accumulated amortisation at beginning of year	–39	–41
Amortisation according to plan for the year	–4	–4
Accumulated amortisation on sales/disposals during the year	2	6
Translation differences	1	—
Accumulated amortisation at end of year	**–40**	**–39**
Total	**8**	**3**

Impairment test

A cash generating unit, defined as the operating segment, is the basis for the goodwill impairment test. See Note G20 "Intangible assets" and Note G1 "Accounting policies" section 4 for more information.

P24 Property and equipment

EURm	31 Dec 2013	31 Dec 2012
Property and equipment	118	121
– of which buildings for own use	0	0
Total	**118**	**121**
Equipment		
Acquisition value at beginning of year	270	214
Acquisitions during the year	28	64
Sales/disposals during the year	–30	–8
Translation differences	0	0
Acquisition value at end of year	**268**	**270**
Accumulated depreciation at beginning of year	–149	–133
Accumulated depreciation on sales/disposals during the year	23	6
Depreciations according to plan for the year	–24	–22
Translation differences	0	0
Accumulated depreciation at end of year	**–150**	**–149**
Total	**118**	**121**
Land and buildings		
Acquisition value at beginning of year	0	0
Sales during the year	0	—
Acquisition value at end of year	**0**	**0**
Accumulated depreciation at beginning of year	0	0
Sales during the year	0	—
Depreciation according to plan for the year	0	0
Accumulated depreciation at end of year	**0**	**0**
Total	**0**	**0**

Operating leases
Nordea has entered into operating lease agreements for premises and office equipment. See also Note G1 "Accounting policies", section 15.

Leasing expenses during the year, EURm	31 Dec 2013	31 Dec 2012
Leasing expenses during the year	–113	–97
– of which minimum lease payments	–113	–97
Leasing income during the year regarding sublease payments	39	39

Future minimum lease payments under non-cancellable operating leases amounted to and are distributed as follows:

EURm	31 Dec 2013
2014	66
2015	51
2016	45
2017	34
2018	27
Later years	257
Total	**480**

Total sublease payments expected to be received under non-cancellable subleases amounts to EUR 254m. EUR 237m of the subleases are towards group undertakings.

P25 Other assets

EURm	31 Dec 2013	31 Dec 2012
Claims on securities settlement proceeds	484	273
Anticipated dividends from group undertakings	742	468
Group Contributions	459	303
Other	848	669
Total	**2,533**	**1,713**

P26 Prepaid expenses and accrued income

EURm	31 Dec 2013	31 Dec 2012
Accrued interest income	396	458
Other accrued income	170	138
Prepaid expenses	725	676
Total	**1,291**	**1,272**

P27 Deposits by credit institutions

EURm	31 Dec 2013	31 Dec 2012
Central banks	3,707	3,224
Banks	13,095	15,553
Other credit institutions	698	565
Total	**17,500**	**19,342**

P28 Deposits and borrowings from the public

EURm	31 Dec 2013	31 Dec 2012
Deposits from the public	46,150	48,822
Borrowings from the public	1,381	1,441
Total	**47,531**	**50,263**

Deposits are defined as funds in deposit accounts covered by the government deposit guarantee but also including amounts in excess of the individual amount limits. Individual pension savings (IPS) are also included.

P29 Debt securities in issue

EURm	31 Dec 2013	31 Dec 2012
Commercial papers	28,853	15,219
Bond loans	34,029	32,962
Other	79	104
Total	**62,961**	**48,285**

P30 Other liabilities

EURm	31 Dec 2013	31 Dec 2012
Liabilities on securities settlement proceeds	202	173
Sold, not held, securities	244	559
Accounts payable	29	29
Other	3,698	874
Total	**4,173**	**1,635**

P31 Accrued expenses and prepaid income

EURm	31 Dec 2013	31 Dec 2012
Accrued interest	544	561
Other accrued expenses	391	296
Prepaid income	215	611
Total	**1,150**	**1,468**

P32 Provisions

EURm	31 Dec 2013	31 Dec 2012
Provision for restructuring costs	36	28
Transfer risk, off-balance	2	5
Guarantees	139	114
Other	7	1
Total	**184**	**148**

	Restructuring	Transfer risk	Guarantees	Other	Total
At beginning of year	28	5	114	1	148
New provisions made	15	1	69	11	96
Provisions utilised	–6	0	–10	–5	–21
Reversals	0	–4	–34	0	–38
Translation differences	–1	0	0	0	–1
At end of year	**36**	**2**	**139**	**7**	**184**

Provision for restructuring costs amounts to EUR 36m and covers termination benefits (EUR 29m) and other provisions mainly related to redundant premises (EUR 8m). Provision for transfer risk is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note P15 "Loans and impairment". Provision for transfer risk is depending on the volume of business with different countries. Loan loss provisions for guarantees amounts to EUR 139m of wich EUR 137m covers the guarantee in favour of Nordea Bank Finland Plc and EUR 2m covers the guarantee in favour of Nordea Bank Polska S.A.

P33 Retirement benefit obligations

Pension provisions

The pension liabilities of Nordea Bank AB (publ) are mainly covered by allocations to its pension foundation.

The provisions on the balance sheet pertain almost exclusively to former employees of Postgirot Bank. EUR 133m (EUR 148m) of the provisions are covered by "Tryggandelagen".

A small percentage of the pension obligations are covered by insurance policies.

The following figures are mainly based on calculations in accordance with Swedish rules ("Tryggandelagen").

The pension obligations in the foreign branches are calculated in accordance with local accounting requirements.

Specification of amounts recognised on the balance sheet

	31 Dec 2013	31 Dec 2012
Present value of commitments relating to in whole or in part funded pension plans	–1,202	–1,304
Fair value at the end of the period relating to specifically separated assets	1,303	1,322
Surplus in the pension foundation	**101**	**18**
Present value of commitments relating to unfunded pension plans	–166	–182
Unrecognised surplus in the pension foundation	–101	–18
Reported liability net on the balance sheet	**–166**	**–182**

Specification of changes in the liability recognised on balance sheet as pension

	31 Dec 2013	31 Dec 2012
Balance at 1 Jan recognised as pension commitments	182	153
Pensions paid related to former employees of Postgirot Bank	–7	–7
Actuarial pension calculations	0	26
Effect of exchange rate changes	–9	10
Balance at 31 Dec	**166**	**182**

Specification of cost and income in respect of pensions

	2013	2012
Pensions paid related to former employees of Postgirot Bank	–7	–7
Pensions paid covered by the pension foundation	–67	–64
Actuarial pension calculation	7	–19
Defined benefit plans	**–67**	**–90**
Defined contribution plans	–59	–54
Pension costs[1]	**–126**	**–144**
Return on specifically separated assets, %	3.0	8.2

1) See Note P8 "Staff costs".

Actual value of holdings in pension foundations

EURm	31 Dec 2013	31 Dec 2012
Shares	326	274
Interest-bearing securities	955	1,009
Other assets	22	39
Total	**1,303**	**1,322**

P33 Retirement benefit obligations, cont.

Assumptions for defined benefit obligations

	2013	2012
Discount rate	2.2%	1.9%
The calculation is based on pay and pension levels on the accounting date	Yes	Yes

Next year's expected payment regarding defined benefit plans amounts to EUR 69m.

P34 Subordinated liabilities

EURm	31 Dec 2013	31 Dec 2012
Dated subordinated debenture loans	4,107	5,160
Hybrid capital loans	1,864	1,971
Total	**5,971**	**7,131**

These debenture loans are subordinated to other liabilities. Dated debenture loans entitle the lender to payment before undated subordinated loans and hybrid capital loans. Within each respective category, the loans entitle lenders to equal payment rights.

At 31 December 2013 five loans – with terms specified below – exceeded 10 % of the total outstanding volume dated subordinated loans.

EURm	Nominal value	Carrying amount	Interest rate (coupon)
Dated loan[1]	1,000	996	Fixed
Dated loan[2]	750	747	Fixed
Dated loan[3]	750	747	Fixed
Dated loan[4]	906	899	Fixed
Dated loan[5]	725	718	Fixed

1) Maturity date 26 March 2020.
2) Maturity date 29 March 2021.
3) Call date 15 February 2017, maturity date 15 February 2022.
4) Maturity date 13 May 2021.
5) Maturity date 21 September 2022.

P35 Untaxed reserves

EURm	31 Dec 2013	31 Dec 2012
Tax allocation reserve	—	103
Accumulated excess deprepreciation, equipment	3	5
Total	**3**	**108**

P36 Assets pledged as security for own liabilities

EURm	31 Dec 2013	31 Dec 2012
Assets pledged for own liabilities		
Securities etc[1]	2,454	4,230
Total	**2,454**	**4,230**
The above pledges pertain to the following liabilities		
Deposits by credit institutions	1,788	1,977
Deposits and borrowings from the public	2,380	2,480
Total	**4,168**	**4,457**

1) Relates only to securities recognised on the balance sheet. Securities borrowed or bought under reverse repurchase agreements are not recognised on the balance sheet and thus not included in the amount. Such transactions are disclosed in Note P45 "Transferred assets and obtained collaterals" which are permitted to be sold or repledged.

Assets pledged for own liabilities contain securities pledged as security in repurchase agreement and in securities lending. The transactions are conducted under standard agreements employed by financial markets participants. Counterparts in those transactions are credit institutions and the public. The transactions are typically short term with maturity within three months.

P37 Other assets pledged

EURm	31 Dec 2013	31 Dec 2012
Other assets pledged[1]		
Securities etc	7,033	6,225
Total	**7,033**	**6,225**

1) Collaterals pledged on behalf of other items other than the company's own liabilities, e.g. on behalf of a third party or on behalf of the company's own contingent liabilities are accounted for under this item.

Securities etc. includes interest-bearing securities pledged as security for payment settlements within the Central bank of Sweden. The terms and conditions require day to day security and relate to liquidity intraday/over night.

P38 Contingent liabilities

EURm	31 Dec 2013	31 Dec 2012
Guarantees		
– Loan guarantees	69,815	70,514
– Other guarantees	570	15,774
Other contingent liabilities	0	4
Total	**70,385**	**86,292**

In the normal business Nordea issues various forms of guarantees in favour of the bank's customers. Loan guarantees are given for customers to guarantee obligations in other credit- and pension institutions. Other guarantees consist mainly of commercial guarantees such as bid guarantees, advance payment guarantees, warranty guarantees and export related guarantees.

Nordea Bank AB (publ) has issued a guarantee covering all commitments in Nordea Fastigheter AB, org no 556021–4917.

Nordea Bank AB (publ) has in December 2012 issued a guarantee of maximum EUR 60bn in favour of Nordea Bank Finland Plc where Nordea Bank AB (publ) guarantees the majority of the exposures in the exposure class IRB corporate in Nordea Bank Finland Plc. The guarantee covers EUR 20bn of corporate loans, guarantees, documentary credits and loan commitments. In addition, EUR 5bn of derivatives are covered by the guarantee as of 31 December 2013. The maximum amount of derivatives guaranteed is EUR 10bn. The guarantee increased the RWA by EUR 12bn. The guarantee will generate commission income, while the losses recognised on the guaranteed exposures will be transferred to Nordea Bank AB (publ). The guarantee is priced at arm's length, including expected credit losses and the cost of capital required by the guarantee. All internal transactions in the guarantee are eliminated in the consolidated accounts.

Nordea Bank AB (publ) has issued a guarantee of EUR 1,258m in favour of Nordea Bank Polska S.A. The guarantee covers a mortgage loan portfolio with real estate as collateral.

Nordea Bank AB (publ) has undertaken, in relation to certain individuals and on certain conditions, to be responsible for the potential payment liability against them in their capacity as managing directors or board member in group undertakings to Nordea Bank AB (publ).

A limited number of employees are entitled to severance pay if they are dismissed before reaching their normal retirement age.

Legal proceedings

Within the framework of the normal business operations, the company faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on the company or its financial position.

P39 Commitments

EURm	31 Dec 2013	31 Dec 2012
Credit commitments[1]	26,713	26,270
Total	**26,713**	**26,270**

1) Including unutilised portion of approved overdraft facilities of EUR 12,845m (EUR 12,952m).

For information about derivatives see Note P19 "Derivatives and hedge accounting".

P40 Capital adequacy

Items included in the capital base

EURm	31 Dec 2013	31 Dec 2012
Tier 1 capital		
Paid-up capital	4,050	4,050
Share premium	1,080	1,080
Eligible capital	**5,130**	**5,130**
Reserves	12,838	10,759
Income from current year	1,955	3,474
Eligible reserves	**14,793**	**14,233**
Core tier 1 capital (before deductions)	**19,923**	**19,363**
Subordinated capital loans	**1,949**	**1,992**
Proposed/actual dividend	–1,734	–1,370
Deferred tax assets	–28	–19
Intangible assets	–729	–670
IRB provisions shortfall (–)	–81	–52
Deductions	**–2,572**	**–2,111**
Tier 1 capital (net after deductions)	**19,300**	**19,244**
– of which hybrid capital	1,949	1,992
– of which core tire 1 capital (net of deductions)	17,351	17,252
Tier 2 capital		
Dated subordinated loans	4,107	4,676
Other additional own funds	36	30
Tier 2 capital (before deductions)	**4,143**	**4,706**
IRB provisions excess (+)/shortfall (–)	–81	–52
Deductions	**–81**	**–52**
Tier 2 capital (net after deductions)	**4,062**	**4,654**
Capital base	**23,362**	**23,898**

Capital requirements and RWA

	31 Dec 2013		31 Dec 2012	
EURm	Capital requirement	Basel II RWA	Capital requirement	Basel II RWA
Credit risk	**6,296**	**78,700**	**7,494**	**93,670**
IRB foundation	3,428	42,854	4,752	59,394
– of which corporate	3,100	38,749	4,404	55,051
– of which institutions	105	1,318	140	1,751
– of which retail	180	2,254	188	2,345
– of which other	43	533	20	247
Standardised	2,868	35,846	2,742	34,276
– of which sovereign	2	26	2	21
– of which retail	101	1,258	106	1,327
– of which other	2,765	34,562	2,634	32,928
Market risk	**128**	**1,596**	**123**	**1,539**
– of which trading book, Internal Approach	34	429	39	484
– of which trading book, Standardised Approach	5	59	20	246
– of which banking book, Standardised Approach	89	1,108	64	809
Operational risk	**250**	**3,121**	**219**	**2,739**
– of which standardised	250	3,121	219	2,739
Sub total	**6,674**	**83,417**	**7,836**	**97,948**
Adjustment for transition rules				
Additional capital requirement according to transition rules	—	—	—	—
Total	**6,674**	**83,417**	**7,836**	**97,948**

More Capital Adequacy information can be found in the "Risk, Liquidity and Capital Management" section page 63.

P41 Classification of financial instruments

31 Dec 2013, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	45	—	—	—	—	—	—	45
Treasury bills	—	17	4,935	—	—	—	—	4,952
Loans to credit institutions	80,104	—	271	543	—	—	—	80,918
Loans to the public	30,337	—	—	3,818	—	—	—	34,155
Interest-bearing securities	—	321	1,981	—	—	8,826	—	11,128
Financial instruments pledged as collateral	—	—	737	—	—	—	—	737
Shares	—	—	5,321	30	—	—	—	5,351
Derivatives	—	—	2,531	—	1,688	—	—	4,219
Fair value changes of the hedged items in portfolio hedge of interest rate risk	–11	—	—	—	—	—	—	–11
Investments in group undertakings	—	—	—	—	—	—	17,723	17,723
Investments in associated undertakings	—	—	—	—	—	—	7	7
Intangible assets	—	—	—	—	—	—	729	729
Property and equipment	—	—	—	—	—	—	118	118
Deferred tax assets	—	—	—	—	—	—	28	28
Current tax assets	—	—	—	—	—	—	0	0
Other assets	780	—	—	—	—	—	1,753	2,533
Prepaid expenses and accrued income	1,121	—	—	—	—	—	170	1,291
Total	**112,376**	**338**	**15,776**	**4,391**	**1,688**	**8,826**	**20,528**	**163,923**

31 Dec 2013, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	753	2,071	—	14,676	—	17,500
Deposits and borrowings from the public	—	908	—	46,623	—	47,531
Debt securities in issue	0	0	—	62,961	—	62,961
Derivatives	2,614	—	1,013	—	—	3,627
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	715	—	715
Current tax liabilities	—	—	—	—	11	11
Other liabilities	244	0	—	2,925	1,004	4,173
Accrued expenses and prepaid income	—	—	—	759	391	1,150
Deferred tax liabilities	—	—	—	—	10	10
Provisions	—	—	—	—	184	184
Retirement benefit liabilities	—	—	—	—	166	166
Subordinated liabilities	—	—	—	5,971	—	5,971
Total	**3,611**	**2,979**	**1,013**	**134,630**	**1,766**	**143,999**

P41 Classification of financial instruments, cont.

31 Dec 2012, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	180	—	—	—	—	—	—	180
Treasury bills	—	17	5,075	—	—	—	—	5,092
Loans to credit institutions	66,960	—	312	734	—	—	—	68,006
Loans to the public	31,712	—	—	4,502	—	—	—	36,214
Interest-bearing securities	—	865	4,510	—	—	6,219	—	11,594
Financial instruments pledged as collateral	—	—	104	—	—	—	—	104
Shares	—	—	4,712	30	—	—	—	4,742
Derivatives	—	—	3,354	—	2,498	—	—	5,852
Fair value changes of the hedged items in portfolio hedge of interest rate risk	–1,157	—	—	—	—	—	—	–1,157
Investments in group undertakings	—	—	—	—	—	—	17,659	17,659
Investments in associated undertakings	—	—	—	—	—	—	8	8
Intangible assets	—	—	—	—	—	—	670	670
Property and equipment	—	—	—	—	—	—	121	121
Deferred tax assets	—	—	—	—	—	—	19	19
Current tax assets	—	—	—	—	—	—	41	41
Other assets	560	—	—	—	—	—	1,153	1,713
Prepaid expenses and accrued income	1,134	—	—	—	—	—	138	1,272
Total	**99,389**	**882**	**18,067**	**5,266**	**2,498**	**6,219**	**19,809**	**152,130**

31 Dec 2012, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	104	1,855	—	17,383	—	19,342
Deposits and borrowings from the public	—	2,498	—	47,765	—	50,263
Debt securities in issue	—	—	—	48,285	—	48,285
Derivatives	3,659	—	507	—	—	4,166
Fair value changes of the hedged items in portfolio hedge of interest rate risk	—	—	—	16	—	16
Current tax liabilities	—	—	—	—	3	3
Other liabilities	560	—	—	560	515	1,635
Accrued expenses and prepaid income	—	—	—	1,172	296	1,468
Deferred tax liabilities	—	—	—	—	8	8
Provisions	—	—	—	—	148	148
Retirement benefit liabilities	—	—	—	—	182	182
Subordinated liabilities	—	—	—	7,131	—	7,131
Total	**4,323**	**4,353**	**507**	**122,312**	**1,152**	**132,647**

P41 Classification of financial instruments, cont.

Loans designated at fair value through profit or loss

EURm	31 Dec 2013	31 Dec 2012
Carrying amount	4,361	5,236
Maximum exposure to credit risk	4,361	5,236

Financial assets and liabilities designated at fair value through profit or loss

Changes in fair values of financial liabilities attributable to changes in credit risk

The funding of Markets operations are measured at fair value and classified into the category "Fair value through profit or loss". The funding of Markets is generally of such a short term nature that the effect of charges in own credit risk is not significant.

Changes in fair values of financial assets attributable to changes in credit risk

The lending in Markets is generally of such a short term nature (mainly overnight deposits) that the effect of changes in credit risk is not significant.

Comparison of carrying amount and contractual amount to be paid at maturity

2013, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	2,979	2,979

2012, EURm	Carrying amount	Amount to be paid at maturity
Financial liabilities designated at fair value through profit or loss	4,353	4,353

P42 Assets and liabilities at fair value

Fair value of financial assets and liabilities

	31 Dec 2013		31 Dec 2012	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	45	45	180	180
Treasury bills	4,952	4,952	5,092	5,092
Loans	115,062	115,062	103,063	104,938
Interest-bearing securities	11,128	11,135	11,594	11,970
Financial instruments pledged as collateral	737	737	104	104
Shares	5,351	5,351	4,742	4,742
Derivatives	4,219	4,219	5,852	5,852
Other assets	780	780	560	560
Prepaid expenses and accrued income	1,121	1,121	1,134	1,134
Total financial assets	**143,395**	**143,402**	**132,321**	**134,572**
Financial liabilities				
Deposits and debt instruments	134,678	135,333	125,037	123,711
Derivatives	3,627	3,627	4,166	4,166
Other liabilities	3,169	3,169	1,120	1,120
Accrued expenses and prepaid income	759	759	1,172	1,172
Total financial liabilities	**142,233**	**142,888**	**131,495**	**130,169**

For information about valutation of items measured at fair value on the balance sheet, see Note G1 "Accounting policies" and the section "Determination of fair value items measured at fair value on the balance sheet" in Note G42 "Assets and liabilities at fair value". For information about valuation of items not measured at fair value on the balance sheet, see the section "Financial assets and liabilities not held at fair value on balance sheet", below.

P42 Assets and liabilities at fair value, cont.

Assets and liabilities held at fair value on the balance sheet

Categorisation into the fair value hierarchy

31 Dec 2013, EURm	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Treasury bills	542	4,393	—	4,935
Loans to credit institutions	—	814	—	814
Loans to the public	—	3,818	—	3,818
Interest-bearing securities[2]	11,055	330	159	11,544
Shares	5,326	—	25	5,351
Derivatives	14	4,183	22	4,219
Total	**16,937**	**13,538**	**206**	**30,681**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	—	2,824	—	2,824
Deposits and borrowings from the public	—	908	—	908
Derivatives	17	3,606	4	3,627
Other liabilities	95	149	—	244
Total	**112**	**7,487**	**4**	**7,603**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 737m relates to the balance sheet item Financial instruments pledged as collateral.

31 Dec 2012, EURm	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Treasury bills	2,839	2,236	—	5,075
Loans to credit institutions	—	1,046	—	1,046
Loans to the public	—	4,502	—	4,502
Interest-bearing securities[2]	8,036	2,634	163	10,833
Shares	4,712	—	30	4,742
Derivatives	13	5,839	—	5,852
Total	**15,600**	**16,257**	**193**	**32,050**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	—	1,959	—	1,959
Deposits and borrowings from the public	—	2,498	—	2,498
Derivatives	17	4,148	0	4,165
Other liabilities	—	560	—	560
Total	**17**	**9,165**	**0**	**9,182**

1) All items are measured at fair value on a recurring basis at the end of each reporting period.
2) Of which EUR 104m relates to the balance sheet item Financial instruments pledged as collateral.

For determination of fair values for items measured at fair value on the balance sheet, see Note G42 "Assets and liabilities at fair value".

Transfers between level 1 and 2

During the year, the parent company transferred interest-bearing securities (including such financial instruments pledged as collateral) of EUR 253m (EUR 871m) from Level 1 to Level 2 and EUR 223m (EUR 453m) from Level 2 to Level 1 of the fair value hierarchy. The reason for the transfers from Level 1 to Level 2 was that the instruments ceased to be actively traded during the year and fair values have now been obtained using valuation techniques with observable market inputs. The reason for the transfers from Level 2 to Level 1 was that the instruments have again been actively traded during the year and reliable quoted prices are obtained in the markets. Transfers between levels are considered to have occurred at the end of the year.

P42 Assets and liabilities at fair value, cont.

Movements in Level 3

2013, EURm	1 Jan 2013	Fair value gains/losses recognised in the income statement during the year		Settlements	Net transfers into Level 3	Translation differences	31 Dec 2013
		Realised	Unrealised				
Interest-bearing securities	163	—	—	–4	—	—	159
Shares	30	—	—	—	—	–5	25
Derivatives (net)	0	—	–4	—	22	—	18

Unrealised gains and losses relates to those assets and liabilities held at the end of the year. The parent company has transferred derivatives of EUR 22m from Level 2 into Level 3 during the year. The reason for the transfer from Level 2 to Level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the year. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note P5). Assets and liabilities related to derivatives are presented net.

2012, EURm	1 Jan 2012	Realised	Unrealised	Settlements	Net transfers into/out of level 3	Translation differences	31 Dec 2012
Interest-bearing securities	163	—	—	—	—	—	163
Shares	34	—	—	–4	—	—	30
Derivatives (net of assets and liabilities)	0	—	—	—	—	—	0

Unrealised gains and losses relates to those assets and liabilities held at the end of the year. There have been no transfers into or out of Level 3 during the year. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note G5). Assets and liabilities related to derivatives are presented net.

The valuation processes for fair value measurements in Level 3

Financial instruments

For information about the valuation processes, see Note G42 "Assets and liabilities at fair value".

Valuation techniques and inputs used in the fair value measurements in Level 3

31 Dec 2013, EURm	Fair value	Valuation techniques
Shares		
Unlisted shares	25	Net asset value[1]
Total[1]	**25**	

31 Dec 2013, EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value[2]
Derivatives				
Interest rate derivatives	18	Option model	Correlations Volatilities	+/– 0
Total	**18**			

31 Dec 2013, EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value[3]
Interest-bearing securities				
Credit institutions[4]	159	Discounted cash flows	Credit spread	+/– 0
Total	**159**			

1) Effects of reasonably possible alternative assumptions are +/– 2 for both 2013 and 2012.
2) No derivates in Level 3 2012.
3) Range of fair value for interest-bearing securities 31 Dec 2012 was EUR +/– 0.
4) Of which EUR 155m is priced at a credit spread (the difference between the discount rate and LTBOR) of 1.45% and a reasonable change of this credit spread would not affect the fair value due to callability features.

The tables above shows, for each class of assets and liabilities categorised in Level 3, the fair value, the valuation techniques used to estimate the fair value, significant unobservable inputs used in the valuation techniques and for financial assets and liabilites the fair value sensitivity to changes in key assumptions.

Fair value of assets and liabilities in Level 3 are estimated using valuation techniques based on assumptions that are not supported by market observable prices or rates. There may be uncertainty about a valuation, resulting from the choice of valuation technique or model used, the assumptions embedded in

P42 Assets and liabilities at fair value, cont.

those models, the extent to which inputs are not market observable, or as a result of other elements affecting the valuation technique. For financial instruments portfolio adjustments are applied to reflect such uncertainties and are deducted from the fair values produced by the models or other valuation techniques (for further information see Note G1 section 11 "Determination of fair value of financial instruments").

The column "range of fair value" and the footnote 1 and 3 in the tables above shows the sensitivity of the fair values of Level 3 financial instruments to changes in key assumptions. Where the exposure to an unobservable parameter is offset across different instruments then only the net impact is disclosed in the table. The range disclosed are likely to be greater than the true uncertainty in fair value of these instruments, as it is unlikely in practice that all unobservable parameters would be simultaneously at the extremes of their ranges of reasonably possible alternatives. The disclosure is neither predictive nor indicative of future movements in fair value.

In order to calculate the sensitivity (range) in fair value of derivatives a range of different modelling approaches are applied to determine an uncertainty interval around the reported fair value. The different approaches applied target various aspects of derivatives pricing. Two common components of derivative valuation models are volatility of underlying risk factors and correlation between the relevant risk factors. Each of these is addressed by applying different assumptions to input and/or the choice of modelling approach. Besides these common factors a number of asset class specific factors are addressed. These include equity dividend expectations, recovery assumptions for credit derivatives and inflation expectations. The fair values of derivatives are presented as the net of assets and liabilities.

In order to calculate the sensitivity (range) in fair value of shares and interest-bearing securities the fair value was increased and decreased within a range of 10 percentage units which are assessed to be reasonable changes in market movements.

Financial assets and liabilities not held at fair value on the balance sheet

31 Dec 2013, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	45	45	1
Treasury bills	17	17	2
Loans	110,430	110,430	3
Interest-bearing securities	321	328	1, 2
Other assets	780	780	3
Prepaid expenses and accrued income	1,121	1,121	3
Total	**112,714**	**112,721**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	130,946	131,601	3
Other liabilities	2,925	2,925	3
Accrued expenses and prepaid income	759	759	3
Total	**134,630**	**135,285**	

Cash and balances with central banks
The fair value equals the carrying amount. The fair value is based on quoted prices in active markets for relevant currencies and therefore the fair value measurement is categorised into Level 1 in the fair value hierarchy.

Loans
The fair value of "Loans to central banks", "Loans to credit institutions" and "Loans to the public" has been calculated as the carrying amount adjusted for fair value changes in interest rate risk. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rates in the portfolios. No adjustment has been made for changes in fair value of credit risk. The average probability of default (PD) for loans to credit institutions has been relatively unchanged. However the average PDs for retail customers has decreased which is an indication of that the fair value for loans to retail customers is higher than the calculated fair value and the average PDs for loans to corporates has increased thus indicating that the fair value for loans to corporate customers is lower than the calculated fair value. The fair value measurement is categorised into Level 3 in the fair value hierarchy.

Treasury bills and interest bearing-securities
The fair value is EUR 345m, of which EUR 207m is catergorised in Level 1 and EUR 138m in Level 2 of the fair value hierarchy. The measurement principles follow those for similar instruments that are held at fair value on the balance sheet.

Other assets and prepaid expenses and accrued income
The balance sheet items "Other assets" and "Prepaid expenses and accrued income" consist of short receivables, mainly accrued interest receivables. The fair value is therefore considered to equal the carrying amount and is caterorised into Level 3 in the fair value hierarchy.

Deposits and debt instruments
The fair value of "Deposits by credit institutions", "Deposits and borrowings from the public", "Debt securities in issue" and "Subordinated liabilities" has been calculated as the carrying amount adjusted for fair value changes in interest rate risk and in own credit risk. The fair value is categorised into Level 3 in the fair value hierarchy. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rate in the portfolios. The fair value changes in the credit risk is calculated as the difference between the credit spread in the nominal interest rate compared with the current spread that is observed in the market. This calculation is performed on an aggregated level for all long term issuance recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities". As the contractual maturity is short for "Deposits by credit institutions" and "Deposits and borrowing from the public" the changes in Nordea´s own credit risk related to these items is assumed not to be significant. This is also the case for short term issuances recognised in the balance sheet items "Debt securities in issue" and "Subordinated liabilities".

Other liabilities and accrued expenses and prepaid income
The balance sheet items "Other liabilties" and "Accrued expenses and prepaid income" consist of short-term payables, mainly payables on securities settlement. The fair value is therefore considered to be equal to the carrying amount and is caterorised into Level 3 in the fair value hierarchy.

P43 Financial instruments set off on balance or subject to netting agreements

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	3,693	–102	3,591	–1,886	–1	–1,228	476
Reverse repurchase agreements	211	—	211	–211	—	—	0
Securities borrowing agreements	4,354	—	4,354	—	–4,354	—	0
Total	**8,258**	**–102**	**8,156**	**–2,097**	**–4,355**	**–1,228**	**476**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	3,074	–102	2,972	–1,886	—	–123	963
Repurchase agreements	693	—	693	–211	–482	—	0
Securities lending agreements	2,979	—	2,979	—	–2,979	—	0
Total	**6,746**	**–102**	**6,644**	**–2,097**	**–3,461**	**–123**	**963**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as "Loans to credit institutions" or "Loans to the public". Repurchase agreements and Securities lending agreements are on the balance sheet classified as "Deposits by credit institution" or as "Deposits and borrowings from the public".

31 Dec 2012, EURm	Gross recognised financial liabilities[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	5,546	—	5,546	–2,066	—	–2,591	889
Reverse repurchase agreements	19	—	19	–19	—	—	0
Securities borrowing agreements	5,227	—	5,227	—	–5,227	—	0
Total	**10,792**	**—**	**10,792**	**–2,085**	**–5,227**	**–2,591**	**889**

31 Dec 2012, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	3,863	—	3,863	–2,066	—	–11	1,786
Repurchase agreements	104	—	104	–19	–85	—	0
Securities lending agreements	4,352	—	4,352	—	–4,352	—	0
Total	**8,319**	**—**	**8,319**	**–2,085**	**–4,437**	**–11**	**1,786**

1) All amounts are measured at fair value.
2) Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Enforceable master netting arrangements and similar agreements

The fact that financial instruments are being accounted for on a gross basis on the balance sheet, would not imply that the financial instruments are not subject to master netting agreements or similar arrangements. Generally financial instruments (derivatives and securities lending transactions), would be subject to master netting agreements, and as a consequence Nordea would be allowed to benefit from netting both in the ordinary course of business and in the case of default towards its counter parties, in any calculations involving counterparty credit risk. The reason why the netted exposures are not reflected under assets and liabilities on the balance sheet, would in most instances depend on the limited application of net settlement of financial transactions.

P44 Assets and liabilities in foreign currencies

31 Dec 2013, EURbn	EUR	SEK	DKK	NOK	USD	Other	Total
Total assets	47.2	58.1	4.6	4.7	34.6	14.7	163.9
Total liabilities	27.1	58.3	4.6	4.7	34.6	14.7	144.0

31 Dec 2012, EURbn	EUR	SEK	DKK	NOK	USD	Other	Total
Total assets	43.1	59.7	10.0	5.0	20.2	14.1	152.1
Total liabilities	29.9	60.0	6.5	1.9	20.2	14.1	132.6

P45 Transferred assets and obtained collaterals

Transferred assets that are still recognised on the balance sheet and associated liabilities

All assets transferred and the liabilities associated with these transactions are specified in the following tables. The assets continue to be recognised on the balance sheet since Nordea is still exposed to changes in the fair value of the assets. Therefore, these assets and its associated liabilities are included in the tables below.

EURm	31 Dec 2013	31 Dec 2012
Repurchase agreements		
Treasury bills	737	104
Total	**737**	**104**

Liabilities associated with the assets

EURm	31 Dec 2013	31 Dec 2012
Repurchase agreements		
Deposits by credit institutions	753	104
Total	**753**	**104**

Obtained collaterals which are permitted to be sold or repledged

Nordea obtains collaterals under reverse repurchase and securities borrowing agreements which, under the terms of the agreements, can be sold or repledged. The transactions are conducted under standard agreements employed by financial markets participants. Generally, the agreements require additional collateral to be provided if the value of the securities falls below a predetermined level. Under standard terms for most repurchase transactions, the recipient of collateral has an unrestricted right to sell or repledge it, subject to returning equivalent securities on settlement of the transactions. The fair value of the securities obtained as collateral under reverse repurchase and securities borrowing agreements are disclosed below.

EURm	31 Dec 2013	31 Dec 2012
Reverse repurchase agreements		
Received collaterals which can be repledged or sold	268	309
– of which repledged or sold	268	309
Securities borrowing agreements		
Received collaterals which can be repledged or sold	2,077	4,052
– of which repledged or sold	2,077	4,052
Total	**2,345**	**4,361**

P46 Maturity analysis for assets and liabilities

Expected maturity

		31 Dec 2013, EURm			31 Dec 2012, EURm		
		Expected to be recovered or settled:			Expected to be recovered or settled:		
	Note	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and balances with central banks		45	—	45	180	—	180
Treasury bills	P14	—	4,952	4,952	217	4,875	5,092
Loans to credit institutions	P15	64,337	16,581	80,918	46,932	21,074	68,006
Loans to the public	P15	30,308	3,847	34,155	20,319	15,895	36,214
Interest-bearing securities	P16	2,237	8,891	11,128	2,056	9,538	11,594
Financial instruments pledged as collateral	P17	737	—	737	104	—	104
Shares	P18	5,321	30	5,351	4,712	30	4,742
Derivatives	P19	744	3,475	4,219	424	5,428	5,852
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	–2	–9	–11	–11	–1,146	–1,157
Investments in group undertakings	P21	—	17,723	17,723	—	17,659	17,659
Investments in associated undertakings	P22	—	7	7	—	8	8
Intangible assets	P23	—	729	729	—	670	670
Property and equipment	P24	—	118	118	—	121	121
Deferred tax assets	P13	19	9	28	5	14	19
Current tax assets		0	—	0	41	—	41
Other assets	P25	2,533	—	2,533	1,713	—	1,713
Prepaid expenses and accrued income	P26	850	441	1,291	712	560	1,272
Total assets		**107,129**	**56,794**	**163,923**	**77,404**	**74,726**	**152,130**
Deposits by credit institutions	P27	13,356	4,144	17,500	15,321	4,021	19,342
Deposits and borrowings from the public	P28	47,412	119	47,531	50,254	9	50,263
Debt securities in issue	P29	35,606	27,355	62,961	20,615	27,670	48,285
Derivatives	P19	763	2,864	3,627	532	3,634	4,166
Fair value changes of the hedged items in portfolio hedge of interest rate risk	P20	52	663	715	—	16	16
Current tax liabilities		11	—	11	3	—	3
Other liabilities	P30	4,173	—	4,173	1,635	—	1,635
Accrued expenses and prepaid income	P31	1,150	—	1,150	1,462	6	1,468
Deferred tax liabilities	P13	10	—	10	8	—	8
Provisions	P32	42	142	184	129	19	148
Retirement benefit liabilities	P33	—	166	166	182	—	182
Subordinated liabilities	P34	—	5,971	5,971	5	7,126	7,131
Total liabilities		**102,575**	**41,424**	**143,999**	**90,146**	**42,501**	**132,647**

P46 Maturity analysis for assets and liabilities, cont.

Contractual undiscounted cash flows

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Treasury bills	—	202	482	4,687	814	6,185
Loans to credit institutions	35	47,340	16,639	13,358	6,021	83,393
Loans to the public	—	11,085	4,586	16,991	4,304	36,966
Interest bearing securities	—	327	2,845	7,450	1,965	12,587
Other	—	—	—	—	11,519	11,519
Total financial assets	**35**	**58,954**	**24,552**	**42,486**	**24,623**	**150,650**
Deposits by credit institutions	1,855	10,808	1,468	3,515	184	17,830
Deposits and borrowings from the public	36,191	8,361	1,634	1,171	294	47,651
– of which Deposits	36,191	8,361	1,634	1,171	294	47,651
Debt securities in issue	—	23,414	13,230	25,119	12,631	74,394
– of which Debt securities in issue	—	23,253	13,110	22,377	7,630	66,370
– of which Other	—	161	120	2,742	5,001	8,024
Other	—	—	—	—	28,209	28,209
Total financial liabilities	**38,046**	**42,583**	**16,332**	**29,805**	**41,318**	**168,084**
Derivatives, cash inflow	—	22,486	21,415	32,842	6,480	83,223
Derivatives, cash outflow	—	22,123	20,049	33,955	5,809	81,936
Net exposure	**—**	**363**	**1,366**	**–1,113**	**671**	**1,287**
Exposure	**–38,011**	**16,734**	**9,586**	**11,568**	**–16,024**	**–16,147**
Cumulative exposure	**–38,011**	**–21,277**	**–11,691**	**–123**	**–16,147**	**—**

31 Dec 2012, EURm	Payable on demand	Maximum 3 months	3–12 months	1–5 years	More than 5 years	Total
Treasury bills	—	—	295	4,671	702	5,668
Loans to credit institutions	2,095	36,186	9,094	15,833	5,929	69,137
Loans to the public	4,496	8,614	5,235	17,909	2,408	38,662
Interest bearing securities	—	584	2,078	9,496	707	12,865
Other	—	—	—	—	11,307	11,307
Total financial assets	**6,591**	**45,384**	**16,702**	**47,909**	**21,053**	**137,639**
Deposits by credit institutions	1,462	12,438	2,751	2,693	155	19,499
Deposits and borrowings from the public	35,417	11,962	2,794	261	384	50,818
– of which Deposits	35,417	11,962	2,794	261	384	50,818
Debt securities in issue	—	14,260	7,893	25,646	13,223	61,022
– of which Debt securities in issue	—	14,098	7,241	22,759	8,057	52,155
– of which Other	—	162	652	2,887	5,166	8,867
Other	—	—	—	—	26,442	26,442
Total financial liabilities	**36,879**	**38,660**	**13,436**	**28,600**	**40,204**	**157,781**
Derivatives, cash inflow	—	29,008	16,334	33,202	7,123	85,667
Derivatives, cash outflow	—	22,752	29,769	24,382	6,256	83,159
Net exposure	**—**	**6,256**	**–13,435**	**8,820**	**867**	**2,508**
Exposure	**–30,288**	**12,980**	**–10,171**	**28,129**	**–18,284**	**–17,634**
Cumulative exposure	**–30,288**	**–17,308**	**–27,479**	**650**	**–17,634**	**—**

The table is based on contractual maturities for on balance sheet financial instruments. For derivatives, the expected cash inflows and outflows are disclosed for both derivative assets and derivative liabilities, as derivatives are managed on a net basis. In addition to the instruments on the balance sheet and derivative instruments, Nordea has credit commitments amounting to EUR 26,713m (EUR 26,270m), which could be drawn on at any time. Nordea has also issued guarantees of EUR 70,385m (EUR 86,288m) which may lead to future cash outflows if certain events occur.

For further information about remaining maturity, see also the section of Risk, Liquidity and Capital management.

P47 Related-party transactions

The information below is presented from a Nordea perspective, meaning that the information shows the effect from related party transactions on the Nordea figures. For more information on definitions, see Note G1 "Accounting policies", section 26 and Note G48 "Related-party transactions".

	Group undertakings		Associated undertakings		Other related parties	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Assets						
Loans and receivables	80,672	66,608	141	44	—	—
Interest-bearing securities	117	231	—	—	—	—
Derivatives	1,766	2,062	6	26	—	—
Investments in associated undertakings	—	—	7	8	—	—
Investments in group undertakings	17,723	17,659	—	—	—	—
Other assets	847	442	—	—	—	—
Prepaid expenses and accrued income	768	725	—	—	—	—
Total assets	**101,893**	**87,727**	**154**	**78**	**—**	**—**

	Group undertakings		Associated undertakings		Other related parties	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Liabilities						
Deposits	6,688	8,652	2	1	21	27
Debt securities in issue	340	156	—	—	—	—
Derivatives	2,252	3,138	—	—	—	—
Other liabilities	267	223	—	—	—	—
Accrued expenses and deferred income	172	378	—	—	—	—
Total liabilities	**9,719**	**12,547**	**2**	**1**	**21**	**27**
Off balance[1]	**77,684**	**90,565**	**1,931**	**1,910**	**—**	**—**

1) Including guarantees to Nordea Bank Finland Plc and Nordea Bank Polska S.A., see Note P38 "Contingent liabilities" as well as nominal values on derivatives in associated undertakings.

	Group undertakings		Associated undertakings		Other related parties	
EURm	2013	2012	2013	2012	2013	2012
Net interest income and expenses	209	601	1	1	0	—
Net fee and commission income	612	230	—	—	—	—
Net result from items at fair value	525	–351	9	40	—	0
Other operating income	637	473	—	—	—	—
Total operating expenses	–133	–158	—	—	—	—
Profit before loan losses	**1,850**	**795**	**10**	**41**	**0**	**0**

Compensation and loans to key management personnel

Compensation and loans to key management personnel are specified in Note G7 "Staff costs".

Other related-party transactions

Nordea Bank AB (publ) takes part in a guarantee consortium to support Norwegian Eksportfinans ASA. For further information, see Note G48 "Related-party transactions".

Auditor's report

To the annual meeting of the shareholders of Nordea Bank AB (publ)
Corporate identity number 516406-0120

Report on the annual accounts and the consolidated accounts

We have audited the annual accounts and the consolidated accounts of Nordea Bank AB (publ) for the year 2013. The annual accounts and the consolidated accounts of the company are included in the printed version of this document on pages 46–209.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and the consolidated accounts
The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the annual accounts in accordance with the Annual Accounts Act of Credit Institutions and Security Companies and for the fair presentation of the consolidated accounts in accordance with the International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act of Credit Institutions and Securities Companies, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and the consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and the consolidated accounts are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and the consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and the consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and the consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and the consolidated accounts.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act of Credit Institutions and Securities Companies, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2013 and of its financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act of Credit Institutions and Securities Companies. The consolidated accounts have been prepared in accordance with the Annual Accounts Act of Credit Institutions and Securities Companies, and present fairly, in all material respects, the financial position of the group as of 31 December 2013 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act of Credit Institutions and Securities Companies. A Corporate Governance Report has been prepared. The Board of Director's report and the Corporate Governance Report are consistent with the other parts of the annual accounts and the consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet of the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and the consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Nordea Bank AB (publ) for the year 2013.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act and the Banking and Financing Business Act.

Auditor's responsibility
Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and the consolidated accounts, we examined significant

decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act of Credit Institutions and Securities Companies, or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions
We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the Board of Director's report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

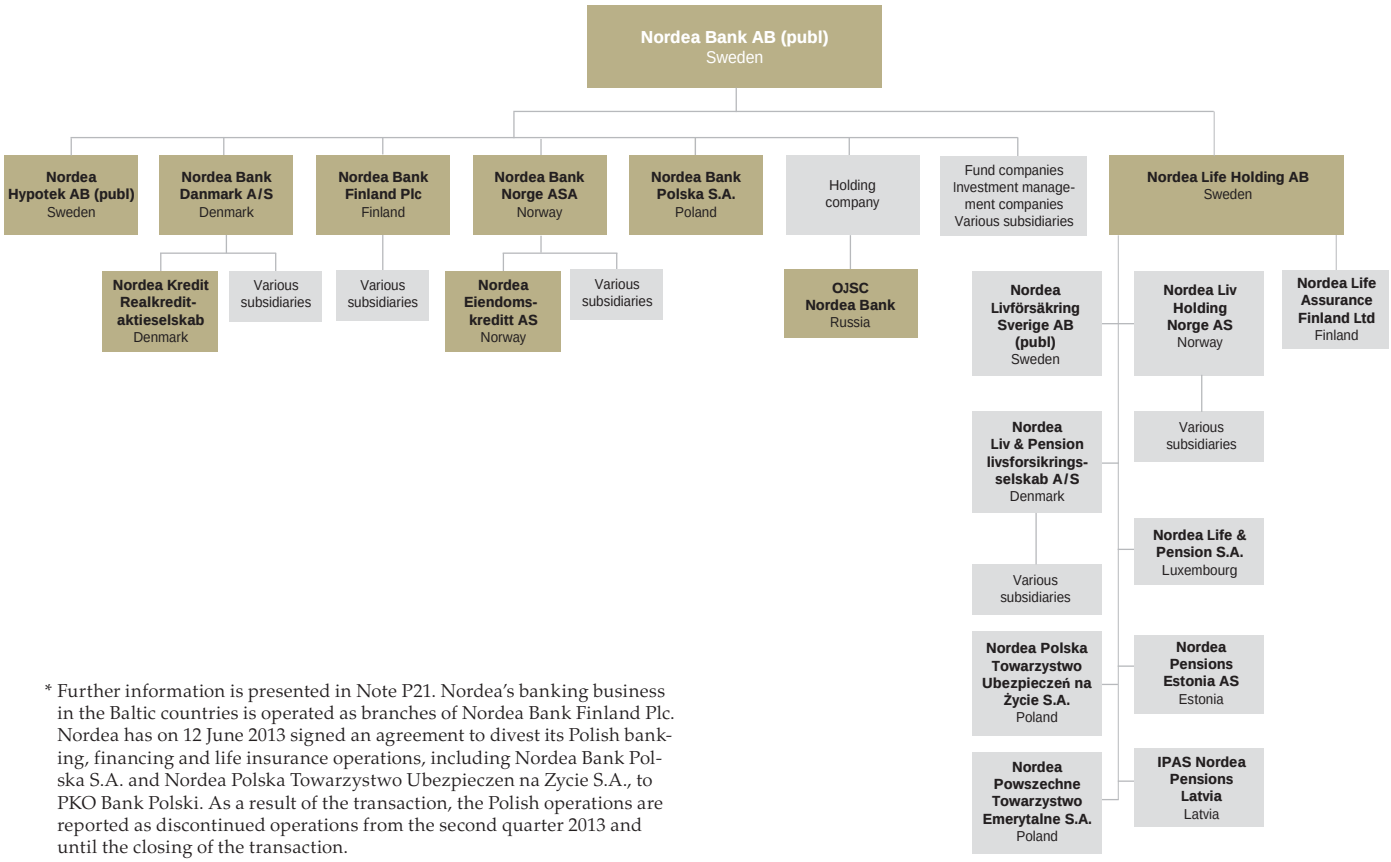
Stockholm, 6 February 2014

KPMG AB

Hans Åkervall
Authorised Public Accountant

Legal structure

Main legal structure*, as of 31 December 2013



* Further information is presented in Note P21. Nordea's banking business in the Baltic countries is operated as branches of Nordea Bank Finland Plc. Nordea has on 12 June 2013 signed an agreement to divest its Polish banking, financing and life insurance operations, including Nordea Bank Polska S.A. and Nordea Polska Towarzystwo Ubezpieczen na Zycie S.A., to PKO Bank Polski. As a result of the transaction, the Polish operations are reported as discontinued operations from the second quarter 2013 and until the closing of the transaction.

ANNEX 4
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF NBF FOR THE YEAR ENDED 31 DECEMBER 2013, INCLUDING THE AUDITOR'S REPORT AND NOTES RELATING THERETO

Nordea Bank Finland Group and Nordea Bank Finland Plc

Income statement

		Group		Parent company	
EURm	Note	2013	2012	2013	2012
Operating income					
Interest income	3	1,849	2,337	1 613	2,110
Interest expense	3	-666	-1,079	-665	-1,076
Net interest income	3	**1,183**	**1,258**	**948**	**1,034**
Fee and commission income	4	759	741	715	700
Fee and commission expense	4	-872	-446	-866	-439
Net fee and commission income	**4**	**-113**	**295**	**-151**	**261**
Net result from items at fair value	5	1,114	1,217	1 110	1,208
Profit from companies accounted for under the equity method	20	8	18	-	-
Dividends	6	-	-	128	99
Other operating income	7	32	36	26	32
Total operating income		**2,224**	**2,824**	**2 061**	**2,634**
Operating expenses					
General administrative expenses:					
Staff costs	8	-553	-574	-516	-527
Other expenses	9	-466	-447	-447	-444
Depreciation, amortisation and impairment charges of tangible and intangible assets	10, 21, 22	-40	-50	-33	-38
Total operating expenses		**-1,059**	**-1,071**	**-996**	**-1,009**
Profit before loan losses		**1,165**	**1,753**	**1 065**	**1,625**
Net loan losses	11	-53	-144	-43	-125
Impairment of securities held as financial non-current assets		1	-	1	-
Operating profit		**1,113**	**1,609**	**1 023**	**1,500**
Income tax expense	12	-285	-428	-243	-384
Net profit for the year		**828**	**1,181**	**780**	**1,116**
Attributable to:					
Shareholders of Nordea Bank Finland Plc		828	1,179	780	1,116
Non-controlling interests		-	2	-	-
Total		**828**	**1,181**	**780**	**1,116**

Statement of comprehensive income

	Group		Parent company	
EURm	2013	2012	2013	2012
Net profit for the year	**828**	**1,181**	**780**	**1,116**
Items that may be reclassified subsequently to the income statement				
Currency translation differences during the year	-3	-6	-	-
Available-for-sale investments[1]:				
- Valuation gains/losses during the year	3	24	3	24
- Tax on valuation gains/losses during the year	1	-7	1	-7
Cash flow hedges:				
- Valuation gains/losses during the year	36	-46	36	-46
- Tax on valuation gains/losses during the year	-9	11	-9	11
Items that may be reclassified subsequently to the income statement				
Defined benefit plans:				
- Remeasurement of defined benefit plans	73	-50	68	-46
- Tax on remeasurement of defined benefit plans	-17	12	-16	11
Other comprehensive income, net of tax	**84**	**-62**	**83**	**-53**
Total comprehensive income	**912**	**1,119**	**863**	**1,063**
Attributable to:				
Shareholders of Nordea Bank Finland Plc	912	1,117	863	1,063
Non-controlling interests	-	2	-	-
Total	**912**	**1,119**	**863**	**1,063**

[1] Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

Balance sheet

EURm	Note	Group 31 Dec 2013	31 Dec 2012	1 Jan 2012
Assets				
Cash and balances with central banks		30,904	30,004	286
Loans to central banks	13	657	809	31,276
Loans to credit institutions	13	35,110	36,018	48,074
Loans to the public	13	113,779	100,765	99,331
Interest-bearing securities	14	34,246	29,818	25,418
Financial instruments pledged as collateral	15	9,739	8,078	8,346
Shares	16	680	838	1,312
Derivatives	17	70,234	117,213	170,228
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	58	124	138
Investments in group undertakings	19	-	-	-
Investments in associated undertakings	20	59	79	79
Intangible assets	21	100	108	106
Property and equipment	22, 23	94	96	124
Investment property	24	113	104	71
Deferred tax assets	12	5	37	22
Current tax assets	12	1	1	132
Retirement benefit assets	33	133	80	99
Other assets	25	8,277	10,320	8,078
Prepaid expenses and accrued income	26	572	969	704
Total assets		**304,761**	**335,461**	**393,824**
Liabilities				
Deposits by credit institutions	27	79,426	74,666	76,007
Deposits and borrowings from the public	28	80,909	70,212	68,260
Debt securities in issue	29	47,130	48,999	49,153
Derivatives	17	67,109	115,836	168,436
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	369	637	195
Current tax liabilities	12	8	4	0
Other liabilities	30	18,855	14,239	18,680
Accrued expenses and prepaid income	31	866	946	810
Deferred tax liabilities	12	53	58	53
Provisions	32	72	83	97
Retirement benefit liabilities	33	21	50	29
Subordinated liabilities	34	429	514	503
Total liabilities		**295,247**	**326,244**	**382,223**
Equity				
Non-controlling interests		1	4	5
Share capital		2,319	2,319	2,319
Share premium reserve		599	599	599
Other reserves		2,875	2,788	2,844
Retained earnings		3,720	3,507	5,834
Total equity		**9,514**	**9,217**	**11,601**
Total liabilities and equity		**304,761**	**335,461**	**393,824**
Assets pledged as security for own liabilities	35	35,061	32,266	27,324
Other assets pledged	36	4,393	6,978	7,692
Contingent liabilities	37	15,836	16,419	19,041
Credit commitments	38	15,882	15,956	17,949
Other commitments	38	721	634	775

Other notes

Note 1 Accounting policies
Note 2 Segment reporting
Note 39 Capital adequacy
Note 40 Classification of financial instruments
Note 41 Assets and liabilities at fair value
Note 42 Financial instruments set off on balance or subject to netting agreements
Note 43 Transferred assets and obtained collaterals
Note 44 Maturity analysis for assets and liabilities
Note 45 Related-party transactions
Note 46 Mergers, acquisitions, disposals and dissolutions
Note 47 Credit risk disclosures
Note 48 Nordea shares

Balance sheet

EURm	Note	Parent company 31 Dec 2013	31 Dec 2012	1 Jan 2012
Assets				
Cash and balances with central banks		30,904	30,004	286
Loans to central banks	13	657	809	31,276
Loans to credit institutions	13	40,563	41,463	53,421
Loans to the public	13	107,268	94,313	93,097
Interest-bearing securities	14	34,246	29,818	25,418
Financial instruments pledged as collateral	15	9,739	8,078	8,346
Shares	16	679	835	1,309
Derivatives	17	70,234	117,213	170,228
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	58	124	138
Investments in group undertakings	19	376	373	370
Investments in associated undertakings	20	34	34	34
Intangible assets	21	98	106	103
Property and equipment	22, 23	74	59	69
Investment property	24	8	10	10
Deferred tax assets	12	2	31	17
Current tax assets	12	-	-	131
Retirement benefit assets	33	132	80	98
Other assets	25	8,233	10,278	8,055
Prepaid expenses and accrued income	26	386	777	524
Total assets		**303,691**	**334,405**	**392,930**
Liabilities				
Deposits by credit institutions	27	79,315	74,553	75,919
Deposits and borrowings from the public	28	80,908	70,224	68,265
Debt securities in issue	29	47,130	48,999	49,153
Derivatives	17	67,109	115,836	168,436
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	369	637	195
Current tax liabilities	12	4	4	0
Other liabilities	30	18,687	14,024	18,541
Accrued expenses and prepaid income	31	668	744	615
Deferred tax liabilities	12	-	-	-
Provisions	32	67	79	94
Retirement benefit liabilities	33	20	45	29
Subordinated liabilities	34	429	514	503
Total liabilities		**294,706**	**325,659**	**381,750**
Equity				
Share capital		2,319	2,319	2,319
Share premium reserve		599	599	599
Other reserves		2,874	2,791	2,844
Retained earnings		3,193	3,037	5,418
Total equity		**8,985**	**8,746**	**11,180**
Total liabilities and equity		**303,691**	**334,405**	**392,930**
Assets pledged as security for own liabilities	35	35,056	32,266	27,324
Other assets pledged	36	4,393	6,978	7,692
Contingent liabilities	37	16,067	16,723	19,348
Credit commitments	38	13,422	13,275	15,006
Other commitments	38	326	260	492

Other notes

Note 1 Accounting policies
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Note 40 Classification of financial instruments
Note 41 Assets and liabilities at fair value
Note 42 Financial instruments set off on balance or subject to netting agreements
Note 43 Transferred assets and obtained collaterals
Note 44 Maturity analysis for assets and liabilities
Note 45 Related-party transactions
Note 46 Mergers, acquisitions, disposals and dissolutions
Note 47 Credit risk disclosures
Note 48 Nordea shares

Statement of changes in equity

Group

	Attributable to the shareholders of Nordea Bank Finland Plc									
			Other reserves							
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 Jan 2013	**2,319**	**599**	**-35**	**13**	**2,848**	**-38**	**3,507**	**9,213**	**4**	**9,217**
Net profit for the year	-	-	-	-	-	-	828	828	-	828
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	-	-	-	-	0	-	-3	-3	-	-3
Available-for-sale investments										
- Valuation gains/losses during the year	-	-	-	3	-	-	-	3	-	3
- Tax on valuation gains/losses during the year	-	-	-	1	-	-	-	1	-	1
Cash flow hedges:										
- Valuation gains/losses during the year	-	-	36	-	-	-	-	36	-	36
- Tax on valuation gains/losses during the year	-	-	-9	-	-	-	-	-9	-	-9
Items that may not be reclassified subsequently to the income statement										
Defined benefit plans										
- Remeasurement of defined benefit plans	-	-	-	-	-	73	-	73	-	73
- Tax on remeasurement of defined benefit plans	-	-	-	-	-	-17	-	-17	-	-17
Other comprehensive income, net of tax	-	-	27	4	0	56	-3	84	-	84
Total comprehensive income	-	-	27	4	0	56	825	912	-	912
Share-based payments	-	-	-	-	-	-	2	2	-	2
Dividend for 2012	-	-	-	-	-	-	-625	-625	-	-625
Other changes	-	-	-	-	-	-	11	11	-3	8
Balance at 31 Dec 2013	**2,319**	**599**	**-8**	**17**	**2,848**	**18**	**3,720**	**9,513**	**1**	**9,514**

[1] Total shares registered were 1,030.8 million (31 Dec 2012: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

Statement of changes in equity *cont.*

Group

	Attributable to the shareholders of Nordea Bank Finland Plc									
			Other reserves							
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 Jan 2012	**2,319**	**599**	**-**	**-4**	**2,848**	**-**	**5,853**	**11,615**	**5**	**11,620**
Restatement due to changed accounting policy[2]	-	-	-	-	-	-	-19	-19	0	-19
Restated opening balance at 1 Jan 2012	**2,319**	**599**	**-**	**-4**	**2,848**	**-**	**5,834**	**11,596**	**5**	**11,601**
Net profit for the year	-	-	-	-	-	-	1,179	1,179	2	1,181
Items that may be reclassified subsequently to the income statement										
Currency translation differences during the year	-	-	-	-	0	-	-6	-6	-	-6
Available-for-sale investments:										
- Valuation gains/losses during the year	-	-	-	24	-	-	-	24	-	24
- Tax on valuation gains/losses during the year	-	-	-	-7	-	-	-	-7	-	-7
Cash flow hedges:										
- Valuation gains/losses during the year	-	-	-46	-	-	-	-	-46	-	-46
- Tax on valuation gains/losses during the year	-	-	11	-	-	-	-	11	-	11
Items that may not be reclassified subsequently to the income statement										
Defined benefit plans										
- Remeasurement of defined benefit plans	-	-	-	-	-	-50	-	-50	-	-50
- Tax on remeasurement of defined benefit plans	-	-	-	-	-	12	-	12	-	12
Other comprehensive income, net of tax	-	-	-35	17	0	-38	-6	-62	-	-62
Total comprehensive income	-	-	-35	17	0	-38	1,173	1,117	2	1,119
Share-based payments	-	-	-	-	-	-	2	2	-	2
Dividend for 2011	-	-	-	-	-	-	-3,500	-3,500	-	-3,500
Other changes	-	-	-	-	0	-	-2	-2	-3	-5
Balance at 31 Dec 2012	**2,319**	**599**	**-35**	**13**	**2,848**	**-38**	**3,507**	**9,213**	**4**	**9,217**

[1] Total shares registered were 1,030.8 million (31 Dec 2011: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

[2] Related to the amended IAS 19. See Note 1 for more information.

Statement of changes in equity *cont.*

Parent company

	Attributable to the shareholders of Nordea Bank Finland Plc							
			Other reserves					
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total equity**
Balance at 1 Jan 2013	**2,319**	**599**	**-35**	**13**	**2,848**	**-35**	**3,037**	**8,746**
Net profit for the year	-	-	-	-	-	-	780	780
Items that may be reclassified subsequently to the income statement								
Currency translation differences during the year	-	-	-	-	-	-	-	-
Available-for-sale investments								
- Valuation gains/losses during the year	-	-	-	3	-	-	-	3
- Tax on valuation gains/losses during the year	-	-	-	1	-	-	-	1
Cash flow hedges:								
- Valuation gains/losses during the year	-	-	36	-	-	-	-	36
- Tax on valuation gains/losses during the year	-	-	-9	-	-	-	-	-9
Items that may not be reclassified subsequently to the income statement								
Defined benefit plans								
- Remeasurement of defined benefit plans	-	-	-	-	-	68	-	68
- Tax on remeasurement of defined benefit plans	-	-	-	-	-	-16	-	-16
Other comprehensive income, net of tax	-	-	27	4	-	52	-	83
Total comprehensive income	-	-	27	4	-	52	780	863
Share-based payments	-	-	-	-	-	-	2	2
Dividend for 2012	-	-	-	-	-	-	-625	-625
Other changes	-	-	-	-	-	-	-1	-1
Balance at 31 Dec 2013	**2,319**	**599**	**-8**	**17**	**2,848**	**17**	**3,193**	**8,985**

[1] Total shares registered were 1,030.8 million (31 Dec 2012: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

Statement of changes in equity *cont.*

Parent company

	Attributable to the shareholders of Nordea Bank Finland Plc							
			Other reserves					
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale investments	Other reserves	Defined benefit plans	Retained earnings	**Total equity**
Balance at 1 Jan 2012	**2,319**	**599**	**-**	**-4**	**2,848**	**-**	**5,432**	**11,194**
Restatement due to changed accounting policy[2]	-	-	-	-	-	-	-14	-14
Restated opening balance at 1 Jan 2012	**2,319**	**599**	**-**	**-4**	**2,848**	**-**	**5,418**	**11,180**
Net profit for the year	-	-	-	-	-	-	1,116	1,116
Items that may be reclassified subsequently to the income statement								
Currency translation differences during the year								
Available-for-sale investments								
- Valuation gains/losses during the year	-	-	-	24	-	-	-	24
- Tax on valuation gains/losses during the year	-	-	-	-7	-	-	-	-7
Cash flow hedges:								
- Valuation gains/losses during the year	-	-	-46	-	-	-	-	-46
- Tax on valuation gains/losses during the year	-	-	11	-	-	-	-	11
Items that may not be reclassified subsequently to the income statement								
Defined benefit plans								
- Remeasurement of defined benefit plans	-	-	-	-	-	-46	-	-46
- Tax on remeasurement of defined benefit plans	-	-	-	-	-	11	-	11
Other comprehensive income, net of tax	-	-	-35	17	-	-35	-	-53
Total comprehensive income	-	-	-35	17	-	-35	1,116	1,063
Share-based payments	-	-	-	-	-	-	2	2
Dividend for 2011	-	-	-	-	-	-	-3,500	-3,500
Other changes	-	-	-	-	-	-	1	1
Balance at 31 Dec 2012	**2,319**	**599**	**-35**	**13**	**2,848**	**-35**	**3,037**	**8,746**

[1] Total shares registered were 1,030.8 million (31 Dec 2011: 1,030.8 million). All the shares in Nordea Bank Finland Plc are held by Nordea Bank AB (publ). The carrying amount of the shares corresponds to EUR 2.25 per share. Pursuant to the Articles of Association the Bank's minimum share capital is EUR 850m and maximum share capital EUR 3,400m.

[2] Related to the amended IAS 19. See Note 1 for more information.

Description of items in equity is included in Note 1 Accounting policies.

No decision was made during the financial year to issue equity warrants or convertible bonds entitling to subscription of shares in the NBF. At the end of 2013, the NBF held no authorisations given by the General Meeting for issuance or buybacks of shares, equity warrants or convertible bonds.

Cash flow statement

EURm	Group 2013	Group 2012	Parent company 2013	Parent company 2012
Operating activities				
Operating profit	1,113	1,609	1,023	1,500
Adjustments for items not included in cash flow	658	-1,763	628	-1,782
Income taxes paid	-282	-286	-239	-247
Cash flow from operating activities before changes in operating assets and liabilities	**1,489**	**-440**	**1,412**	**-529**
Changes in operating assets				
Change in loans to central banks	-40	19,408	-40	19,408
Change in loans to credit institutions	2,784	8,059	3,662	8,179
Change in loans to the public	-13,375	-1,507	-13,006	-1,350
Change in interest-bearing securities	1,634	-12,193	1,634	-12,193
Change in financial assets pledged as collateral	-1,661	267	-1,661	268
Change in shares	184	469	182	468
Change in derivatives, net	-2,067	2,644	-2,068	2,644
Change in investment properties	-9	-33	2	0
Change in other assets	2,046	-2,242	2,046	-2,222
Changes in operating liabilities				
Change in deposits by credit institutions	6,635	-757	4,762	-1,366
Change in deposits and borrowings from the public	11,051	1,859	10,685	1,959
Change in debt securities in issue	-1,152	172	-1,868	-155
Change in other liabilities	-1,833	3,013	-1,789	2,937
Cash flow from operating activities	**5,686**	**18,719**	**3,953**	**18,048**
Investing activities				
Acquisition of business operations	0	0	-7	-2
Sale of business operations	1	-	4	0
Dividends from associated companies	27	19	-	0
Acquisition of associated undertakings	-	-	-	0
Sale of associated undertakings	-	-	0	0
Acquisition of property and equipment	-59	-34	-58	-29
Sale of property and equipment	13	15	1	2
Acquisition of intangible assets	-11	-28	-9	-27
Sale of intangible assets	0	0	0	-1
Divestments/Investments in debt securities, held to maturity	114	344	208	391
Purchase/sale of other financial fixed assets	0	17	0	17
Cash flow from investing activities	**85**	**333**	**139**	**351**
Financing activities				
Issued subordinated liabilities	-	0	-	0
Amortised subordinated liabilities	-27	-3	-27	-3
Dividend paid	-627	-3,500	-625	-3,500
Other changes	39	-23	30	-15
Cash flow from financing activities	**-615**	**-3,526**	**-622**	**-3,518**
Cash flow for the year	**5,156**	**15,526**	**3,470**	**14,881**
Cash and cash equivalents at the beginning of year	32,859	17,981	32,847	17,966
Translation difference	1,691	648	-	-
Cash and cash equivalents at the end of year	36,324	32,859	36,317	32,847
Change	**5,156**	**15,526**	**3,470**	**14,881**

Cash flow statement *cont.*

Comments on the cash flow statement

The cash flow statement has been prepared in accordance with IAS 7. The cash flow statement shows inflows and outflows of cash and cash equivalents during the year. Nordea Bank Finland's cash flow has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flows are classified by operating, investing and financing activities.

Operating activities

Operating activities are the principal revenue-producing activities and cash flows are mainly derived from the operating profit for the year with adjustment for items not included in cash flow and income taxes paid. Adjustment for non-cash items includes:

	Group		Parent company	
EURm	2013	2012	2013	2012
Depreciation	39	43	31	31
Impairment charges	1	7	1	7
Loan losses	77	171	50	134
Unrealised gains/losses	476	-2,293	475	-2,293
Capital gains/losses (net)	-8	-3	-1	0
Change in accruals and provisions	312	-148	310	-144
Translation differences	2	-6	1	-
Other	-241	466	-239	483
Total	**658**	**-1,763**	**628**	**-1,782**

Changes in operating assets and liabilities consist of assets and liabilities that are part of normal business activities, such as loans, deposits and debt securities in issue. Changes in derivatives are reported net.

Cash flow from operating activities includes interest payments received and interest expenses paid with the following amounts:

	Group		Parent company	
EURm	2013	2012	2013	2012
Interest payments received	1,880	2,486	1,643	2,266
Interest expenses paid	-708	-1,090	-706	-1,087

Cash and cash equivalents

The following items are included in Cash and cash equivalents assets:

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Cash and balances with central banks	30,904	30,004	30,904	30,004
Loans to credit institutions, payable on demand	5,420	2,855	5,413	2,843
	36,324	**32,859**	**36,317**	**32,847**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled;
- the central bank or the postal giro system is domiciled in the country where the institution is established
- the balance on the account is readily available any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

Notes to the financial statements

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1. Basis for presentation

NBF's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of such standards by the International Financial Reporting Interpretations Committee (IFRIC), as endorsed by the EU Commission. In addition, certain complementary rules in the Finnish Accounting Act, the Finnish Credit Institutions Act, the Financial Supervision Authority's Regulations and Guidelines and the Decision of the Ministry of Finance on the financial statements and consolidated statements of credit institutions have also been applied.

The disclosures, required in the standards, recommendations and legislation above, have been included in the notes, the Risk, Liquidity and Capital management section or in other parts of the "Financial statements".

On 28 February 2014 the Board of Directors approved the financial statements, subject to final approval of the Annual General Meeting on 11 March 2014.

2. Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2012 Annual Report, except for the change to the basis for recognising actuarial gains/losses on defined benefit pension plans, and the presentation of forward starting bonds. These changes are further described below.

The new standard IFRS 13 "Fair Value Measurement" was implemented 1 January 2013 but has not had any significant impact on the measurement of assets and liabilities in Nordea. IFRS 13 clarifies how to measure fair value but does not change the requirements regarding which items should be measured at fair value. In addition IFRS 13 requires additional disclosures about fair value measurements. The additional disclosures required by IFRS 13 are presented in Note 41 "Assets and liabilities at fair value".

IAS 32 "Financial Instruments: Presentation" and IFRS 7 "Financial Instruments: Disclosures" have been amended as regards offsetting of financial assets and financial liabilities. Nordea implemented these changes in 2013 (IAS 32 early adopted). The amendments intend to clarify the criteria for offsetting and to add disclosures. Nordea's principles for offsetting are already in accordance with the clarified requirements and therefore there was no impact from the amendments in IAS 32. The additional disclosures required by IFRS 7 are presented in Note 42 "Financial instruments set off on balance or subject to netting agreements".

In 2013 the IASB published a narrow scope amendment to IAS 39 "Financial Instruments: Recognition and Measurement". Nordea implemented these changes in 2013 (early adopted). The amendment allows hedge accounting to be continued if a derivative designated as a hedging instrument is replaced with a

new hedging instrument, where a clearing party replaces the original counterparty, as a consequence of laws or regulations. The amendment has not had any significant impact on the financial statements in Nordea.

IAS 19 "Employee Benefits"
The amended IAS 19 "Employee Benefits" was implemented 1 January 2013.

The amended standard has had an impact on the financial statements mainly related to defined benefit pension plans. The amended IAS 19 states that actuarial gains/losses shall be recognised immediately in equity through other comprehensive income, which leads to higher volatility in equity compared to the earlier so called "corridor approach". Consequently no actuarial gains/losses are recognised in the income statement, compared with the earlier rules where actuarial gains/losses outside the corridor were amortised through the income statement. The amended IAS 19 furthermore states that the expected return on plan assets shall be recognised using a return rate equal to the discount rate used when measuring the pension obligation. This has led to higher pension expenses in the income statement as Nordea previously expected a IAS 19 furthermore states that the expected return on plan assets shall be recognised using a return rate equal to the discount rate used when measuring the pension obligation. This has led to higher pension expenses in the income statement as Nordea previously expected a higher return than the discount rate. Any difference between the actual return and the expected return is a part of the actuarial gains/losses recognised immediately in equity through other comprehensive income without recycling to the income statement.

The comparative figures on the balance sheet and income statement have been restated accordingly and are disclosed in the table below.

At transition 1 January 2013 the negative impact on equity was EUR 62m, after income tax and the core tier 1 capital was reduced by EUR 41m, including the impact from changes in deferred tax assets.

Group

			Full year 2012	
Income statement, EURm			New policy	Old policy
Staff costs			-574	-567
Taxes			-428	-430
Net profit for the year			1,181	1,186

	31 Dec 2012		1 Jan 2012	
Balance sheet, EURm	New policy	Old policy	New policy	Old policy
Deferred tax assets	37	16	22	16
Retirement benefit asset	80	136	99	120
Retirement benefit obligation	50	23	29	25
Other reserves[1]	2,788	2,826	2,844	2,844
Retained earnings	3,507	3,531	5,834	5,853

[1] Impact through "Other comprehensive income"

Parent company

			Full year 2012	
Income statement, EURm			New policy	Old policy
Staff costs			-527	-520
Taxes			-384	-385
Net profit for the year			1,116	1,122

	31 Dec 2012		1 Jan 2012	
Balance sheet, EURm	New policy	Old policy	New policy	Old policy
Deferred tax assets	31	13	17	12
Retirement benefit asset	80	130	98	113
Retirement benefit obligation	45	23	29	25
Other reserves[1]	2,791	2,826	2,844	2,844
Retained earnings	3,037	3,056	5,418	5,432

[1] Impact through "Other comprehensive income"

The amended IAS 19 also requires additional disclosures which are presented in Note 33 “Retirement benefit obligations”, where also more information on the different defined benefit pension plans can be found.

Forward starting bonds

Bonds acquired/issued under non-regular way purchase terms, i.e. so called forward starting bonds, were previously recognised on the balance sheet as “Interest-bearing securities”/”Debt securities in issue” three days before settlement with a corresponding settlement liability/receivable recognised in “Other liabilities”/”Other assets”. As from the 1 January 2013 these bonds are recognised on the balance sheet on settlement date. The instruments continue to be recognised as derivatives between trade date and settlement date. The comparative figures on the balance sheet have been restated accordingly and are disclosed in the table below.

3. Changes in IFRSs not yet applied by Nordea

IFRS 9 “Financial Instruments” (Phase 1)

In 2009 the IASB published a new standard on financial instruments containing requirements for financial assets. Requirements for financial liabilities were added to this standard in 2010. The standard is the first step in the replacement of IAS 39 “Financial Instruments: Recognition and Measurement” and this first phase covers the classification and measurement of financial assets and liabilities. The effective date has been postponed from the earlier communicated date 1 January 2015, without any new effective date communicated. Earlier application is permitted. The EU commission has not yet endorsed this standard and is not expected to do so until all phases of IFRS 9 have been finalised. IFRS 9 “Financial Instruments” (Phase I) is not expected to have a significant impact on Nordea’s income statement and balance sheet as the mixed measurement model will be maintained. Significant reclassifications between fair value and amortised cost or impact on the capital adequacy and large exposures are not expected, but this is naturally dependent on the financial instruments on Nordea’s balance sheet at transition and the outcome of the final standard. It is expected that changes will be made to the standard before the standard becomes effective.

Nordea has, due to the fact that the standard is not yet endorsed by the EU commission and as changes before the effective date are likely, not finalised the investigation of the impact on the financial statements in the period of initial application or in subsequent periods.

Group	31 Dec 2012		1 Jan 2012	
Balance sheet, EURm	New policy	Old policy	New policy	Old policy
Interest bearing securities	29,818	36,269	25,418	30,866
Other liabilities	14,239	20,690	18,680	24,128

Parent company	31 Dec 2012		1 Jan 2012	
Balance sheet, EURm	New policy	Old policy	New policy	Old policy
Interest bearing securities	29,818	36,269	25,418	30,866
Other liabilities	14,024	20,475	18,541	23,990

IFRS 9 "Financial Instruments" (Phase 3)
The IASB have during 2013 amended IFRS 9 "Financial instruments" and added new requirements for general hedge accounting, so called one-to-one hedges (Phase 3).

The main change is that the standard aligns hedge accounting more closely with the risk management activities. As Nordea generally uses macro (portfolio) hedge accounting Nordea´s assessment is that the new requirements will not have any significant impact on Nordea´s financial statement, capital adequacy or large exposures.

IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", IFRS 12 "Disclosures of Interests in Other Entities", IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"
The IASB has published three new standards relating to consolidation, IFRS 10, IFRS 11 and IFRS 12, as well as amended IAS 27 and IAS 28. The effective date for these standards and amendments is as from 1 January 2013, but earlier application is permitted. The EU commission endorsed these standards and amendments during 2012. In contrast to IFRS, the EU commission requires the standards to be applied for annual periods beginning on or after 1 January 2014. Nordea will apply these standards as from 1 January 2014.

Nordea's assessment is that IFRS 10 "Consolidated Financial Statements" will not have any significant impact on Nordea's income statement or balance sheet at transition.

It is not expected that IFRS 11 will have any significant impact on Nordea, while IFRS 12 is expected to add disclosures.

Annual Improvements to IFRSs
The IASB has published minor amendments to IFRSs by issuing "Annual Improvements to IFRSs, 2010-2012 Cycle" and "Annual Improvements to IFRSs, 2011-2013 Cycle". Most of the amendments are effective for annual periods beginning on or after 1 July 2014, but earlier application is permitted. The EU commission is expected to endorse these amendments during the third quarter 2014. Nordea´s assessment is that the new requirements will not have any significant impact on Nordea´s financial statements, capital adequacy or large exposures.

IFRIC 21 "Levies"
The IASB has published IFRIC 21 "Levies". The interpretation is effective for annual periods beginnings on or after 1 January 2014. The EU commission expects to endorse IFRIC 21 in the beginning of 2014. Nordea will apply IFRIC 21 as from 1 January 2014, if endorsed by the EU commission.

IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IFRIC 21 clarifies that if a levy is triggered by operating as a bank at the end of the reporting period, the liability for the levy is not recognised prior to that date. The assessment is that the new interpretation will not have any significant impact on Nordea's financial statements, capital adequacy or large exposures.

4. Critical judgements and estimation uncertainty

The preparation of financial statements in accordance with generally accepted accounting principles requires, in some cases, the use of judgements and estimates by management. Actual outcome can later, to some extent, differ from the estimates and the assumptions made. In this section a description is made of:

- the sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, and
- the judgements made when applying accounting policies (apart from those involving estimations) that have the most significant effect on the amounts recognised in the financial statements.

Critical judgements and estimates are in particular associated with:

- the fair value measurement of certain financial instruments
- the impairment testing of:
  – goodwill and
  – loans to the public/credit institutions
- the effectiveness testing of cash flow hedges
- the actuarial calculations of pension liabilities and plan assets related to employees
- the valuation of investment properties
- the classification of leases
- the translations of assets and liabilities denominated in foreign currencies
- the valuation of deferred tax assets
- claims in civil lawsuits.

Fair value measurement of certain financial instruments

Nordea's accounting policy for determining the fair value of financial instruments is described in section 10 "Determination of fair value of financial instruments" and Note 41 "Assets and liabilities at fair value". Critical judgements that have a significant impact on the recognised amounts for financial instruments is exercised when determining fair value of OTC derivatives and other financial instruments that lack quoted prices or recently observed market prices. Those judgements relate to the following areas:

- The choice of valuation techniques
- The determination of when quoted prices fail to represent fair value (including the judgement of whether markets are active)
- The construction of fair value adjustments in order to incorporate relevant risk factors such as credit risk, model risk and liquidity risk
- The judgement of which market parameters that are observable.

When determining fair value of financial instruments that lack quoted prices or recently observed market prices there is also a high degree of estimation uncertainty. That estimation uncertainty is mainly a result of the judgement management exercises when:

- selecting an appropriate discount rate for the instrument and
- determining expected timing of future cash flows from the instruments.

In all of these instances, decisions are based upon professional judgement in accordance with Nordea's accounting and valuation policies. In order to ensure proper governance, Nordea has a Group Valuation Committee that on an on-going basis reviews critical judgements that are deemed to have a significant impact on fair value measurements.

The fair value of financial assets and liabilities measured at fair value using a valuation technique, level 2 and 3 in the fair value hierarchy, was EUR 138,488m (252,558) and EUR 164,762m (185,506) respectively at the end of the year.

Sensitivity analysis disclosures covering fair values of financial instruments with significant unobservable inputs can be found in Note 41 "Assets and liabilities at fair value".

Estimation uncertainty also arises at initial recognition of financial instruments that are part of larger structural transactions. Although subsequently not necessarily held at fair value such instruments are initially recognised at fair value and as there is normally no separate transaction price or active market for such individual instruments the fair value has to be estimated.

Impairment testing of goodwill

Nordea's accounting policy for goodwill is described in section 15 "Intangible assets" and Note 21 "Intangible assets" lists the cash generating units to which goodwill has been allocated.

The estimation of future cash flows and the calculation of the rate used to discount those cash flows are subject to estimation uncertainty. The forecast of future cash flows is sensitive to the cash flow projections for the near future (generally 3-5 years) and to the estimated sector growth rate for the period beyond 3-5 years. The growth rates are based on historical data, updated to reflect the current situation, which implies estimation uncertainty.

The rates used to discount future expected cash flows are based on the long-term risk free interest rate plus a risk premium (post tax). The risk premium is based on external information of overall risk premiums in relevant countries.

Impairment testing of loans to the public/credit institutions

Nordea's accounting policy for impairment testing of loans is described in section 13 "Loans to the public/credit institutions".

Management is required to exercise critical judgements and estimates when calculating loan impairment allowances on both individually assessed and collectively assessed loans. NBF's total lending before impairment allowances was EUR 150,385m (138,427) at the end of the year. For more information, see Note 13 "Loans and impairment".

The most judgemental area is the calculation of collective impairment allowances. When testing a group of loans collectively for impairment, judgement has to be exercised when identifying the events and/or the observable data that indicate that losses have been incurred in the group of loans.

Nordea monitors its portfolio through rating migrations and a loss event is an event resulting in a negative rating migration. Assessing the net present value of the cash flows generated by the customers in the group of loans also includes estimation uncertainty. This includes the use of historical data on probability of default and loss given default supplemented by acquired experience when adjusting the assumptions based on historical data to reflect the current situation.

Effectiveness testing of cash flow hedges
Nordea's accounting policies for cash flow hedges are described in section 9 "Hedge accounting".

One important judgement in connection to cash flow hedge accounting is the choice of method used for effectiveness testing.

Where Nordea applies cash flow hedge accounting the hedging instruments used are predominantly cross currency interest rate swaps, which are always held at fair value. The currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk. The hypothetical derivative method is used when measuring the effectiveness of these cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows on the hedged transaction (the currency component). Critical judgement has to be exercised when defining the characteristics of the perfect hypothetical swap.

Actuarial calculations of pension liabilities and plan assets related to employees
Nordea's accounting policy for post-employment benefits is described in section 19 "Employee benefits".

The defined benefit obligation for major pension plans is calculated by external actuaries using demographic assumptions based on the current population. As a basis for these calculations a number of actuarial and financial parameters are used.

The estimation of the discount rate is subject to uncertainty around whether corporate bond markets are deep enough, of high quality and also in connection to the extrapolation of yield curves to relevant maturities. In Finland the discount rate is determined with reference to corporate bonds. Other parameters, like assumptions about salary increases and inflation, are based on the expected long-term development of these parameters and also subject to estimation uncertainty. The fixing of these parameters at year-end is disclosed in Note 33 "Retirement benefit obligations" together with a description of the sensitivity to changes in assumptions.

Valuation of investment properties
Nordea's accounting policies for investment properties are described in section 17 "Investment property".

Investment properties are measured at fair value. As there normally are no active markets for investment properties, the fair values are estimated based on discounted cash flow models. These models are based on assumptions on future rents, vacancy levels, operating and maintenance costs, yield requirements and interest rates.

The carrying amounts of investment property were EUR 113m (104) at the end of the year. See Note 24 "Investment property" for more information on amounts and parameters used in these models.

Classification of leases
Nordea's accounting policies for leases are described in section 14 "Leasing".

Critical judgement has to be exercised when classifying lease contracts. A lease is classified as a finance lease if it transfers substantially all the risks and rewards related to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards related to ownership.

The central district properties in Finland that Nordea has divested are leased back. The duration of the lease agreement was initially 3-25 years with renewal options. The lease agreements include no transfers of ownerships of the asset by the end of the lease term, nor any economic benefit from appreciation in value of the leased property. In addition, the lease term is not for the major part of the assets' economic life. As a result, Nordea has classified these leases as operating leases. This judgement is a critical judgement that has a significant impact on the carrying amounts in the financial statement. More information on lease contracts can be found in Note 23 "Leasing".

Translation of assets and liabilities denominated in foreign currencies
Nordea's accounting policies covering the translation of assets and liabilities denominated in foreign currencies is described in section 8 "Translation of assets and liabilities denominated in foreign currencies".

Valuation of deferred tax assets
Nordea's accounting policy for the recognition of deferred tax assets is described in section 18 "Taxes" and Note 12 "Taxes".

The valuation of deferred tax assets is influenced by management's assessment of Nordea's future profitability and sufficiency of future taxable profits and future reversals of existing taxable temporary differences. These assessments are updated and reviewed at each balance sheet date, and are, if necessary, revised to reflect the current situation.

The carrying amount of deferred tax assets was EUR 5m (37) at the end of the year.

Claims in civil lawsuits
Within the framework of the normal business operations, Nordea faces a number of claims in civil lawsuits and disputes, most of which involve relatively limited amounts. Presently, none of the current disputes are considered likely to have any significant adverse effect on Nordea or its financial position. See also Note 32 "Provisions" and Note 37 "Contingent liabilities".

5. Principles of consolidation

Consolidated entities
The consolidated financial statements include the accounts of the parent company Nordea Bank Finland Plc, and those entities that the parent company controls. Control is generally achieved when the parent company owns, directly or indirectly through group undertakings, more than 50 per cent of the voting rights or otherwise has the power to govern the financial and operating policies of the entity.

All Group undertakings are consolidated using the acquisition method. Under the acquisition method, the acquisition is regarded as a transaction whereby the parent company indirectly acquires the group undertaking's assets and assumes its liabilities and contingent liabilities. The Group's acquisition cost is established in a purchase price allocation analysis. In such analysis, the cost of the business combination is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for the identifiable net assets acquired. Costs directly attributable to the business combination are expensed.

As at the acquisition date Nordea recognises the identifiable assets acquired and the liabilities assumed at their acquisition date fair values.

For each business combination Nordea measures the non-controlling interest in the acquired business either at fair value or at their proportionate share of the acquired identifiable net assets.

When the aggregate of the consideration transferred in a business combination and the amount recognised for non-controlling interest exceeds the net fair value of the identifiable assets, liabilities and contingent liabilities, the excess is reported as goodwill. If the difference is negative, such difference is recognised immediately in the income statement.

Equity and net income attributable to non-controlling interests are separately disclosed on the balance sheet, income statement and statement of comprehensive income.

Intra-group transactions and balances between the consolidated group undertakings are eliminated.

The Group undertakings are included in the consolidated accounts as from the date on which control is transferred to Nordea and are no longer consolidated as from the date on which control ceases.

In the consolidation process the reporting from the group undertakings is adjusted to ensure consistency with the IFRS principles applied by Nordea.

Investments in associated undertakings
The equity method of accounting is used for associated undertakings where the share of voting rights is between 20 and 50 per cent and/or where Nordea has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control over those policies. Investments within Nordea's investment activities, which are classified as a venture capital organisation within Nordea, are measured at fair value in accordance with the rules set out in IAS 28 and IAS 39. Further information on the equity method is disclosed in section 6 "Recognition of operating income and impairment".

Profits from companies accounted for under the equity method are reported post-taxes in the income statement. Consequently, the tax expense related to these profits is not included in the income tax expense for Nordea.

Internal transactions, in the income statement, between Nordea and its associated undertakings are not eliminated. Nordea does not have any sales of assets to or from associated undertakings.

Special Purpose Entities (SPE)
A SPE is an entity created to accomplish a narrow and well defined objective. Often legal arrangements impose strict limits on the decision making powers of the management over the on-going activities of the SPE.

Nordea does not consolidate SPEs' assets and liabilities beyond its control. In order to determine whether Nordea controls a SPE or not, Nordea has to make judgements about risks and rewards and assess the ability to make operational decisions for the SPE in question. When assessing whether NBF shall consolidate a SPE, a range of factors are evaluated. These factors include whether the activities of the SPE are being in substance conducted on NBF's behalf or if NBF has in substance the decision making powers, the rights to obtain the majority of the benefits or the majority of the residual- or ownership risks. NBF consolidates all SPEs, where NBF has retained the majority of the risks and rewards. For the SPEs that are not consolidated the rationale is that NBF does not have significant risks or rewards in connection to these assets and liabilities.

Nordea has created a number of SPEs to allow clients to invest in assets invested in by the SPEs. Some SPEs invest in tradable financial instruments, such as shares and bonds (mutual funds). Other SPEs invest in structured credit products or acquire assets from customers of Nordea. Nordea is generally the investment manager and has sole discretion about investments and other administrative decisions. Typically, Nordea will receive service and commission fees in connection to the creation of the SPEs, or because it acts as investment manager, custodian or in some other function. This in itself does not constitute a beneficial interest triggering consolidation. In some SPEs Nordea has also supplied substantial parts of the funding in the form of fund units, loans or credit commitments. In these SPEs Nordea has a beneficial interest and retains the majority of the risks and rewards, which is why these SPEs are consolidated. Note 19 "Investments in group undertakings" lists the major group undertakings in the NBF Group, including consolidated SPEs.

Currency translation of foreign entities

The consolidated financial statements are prepared in euro (EUR), the presentation currency of the parent company Nordea Bank Finland Plc. The current method is used when translating the financial statements of foreign entities into EUR from their functional currency. The assets and liabilities of foreign entities have been translated at the closing rates, while items in the income statement and statement of comprehensive income are translated at the average exchange rate for the year. Translation differences are accounted for in other comprehensive income and are accumulated in the translation reserve in equity.

Goodwill and fair value adjustments arising from the acquisition of group undertakings are treated as items in the same functional currency as the cash generating unit to which they belong and are also translated at the closing rate.

6. Recognition of operating income and impairment

Net interest income

Interest income and expense are calculated and recognised based on the effective interest rate method or, if considered appropriate, based on a method that results in an interest income or interest expense that is a reasonable approximation of using the effective interest rate method as basis for the calculation. The effective interest includes fees considered to be an integral part of the effective interest rate of a financial instrument (generally fees received as compensation for risk). The effective interest rate equals the rate that discounts the contractual future cash flows to the carrying amount of the financial asset or financial liability.

Interest income and expenses from financial instruments are, with the exceptions described below, classified as "Net interest income".

Interest income and interest expense related to all balance sheet items held at fair value in Markets are classified as "Net result from items at fair value" in the income statement. Also the interest on the net funding of the operations in Markets is recognised on this line.

The interest component in FX swaps, and the interest paid and received in interest rate swaps plus changes in accrued interest, is classified as "Net result from items at fair value", apart for derivatives used for hedging, including economical hedges of Nordea's funding, where such components are classified as "Net interest income".

Net fee and commission income

Nordea earns commission income from different services provided to its customers. The recognition of commission income depends on the purpose for which the fees are received. Fees are either recognised as revenue when services are provided or in connection to the execution of a significant act. Fees received in connection to performed services are recognised as income in the period these services are provided. A loan syndication fee received as payment for arranging a loan, as well as other fees received as payments for certain acts, are recognised as revenue when the act has been completed, i.e. when the syndication has been finalised.

Commission expenses are normally transaction based and recognised in the period when the services are received.

Income from issued financial guarantees and expenses from bought financial guarantees, including fees paid to state guarantees, are amortised over the duration of the instruments and classified as “Fee and commission income” and “Fee and commission expense” respectively.

Net result from items at fair value
Realised and unrealised gains and losses on financial instruments measured at fair value through profit or loss are recognised in the item “Net result from items at fair value”.

Realised and unrealised gains and losses derive from:

- Shares/participations and other share-related instruments
- Interest-bearing securities and other interest-related instruments
- Other financial instruments, including credit derivatives as well as commodity instruments/derivatives
- Foreign exchange gains/losses
- Investment properties, which include realised and unrealised income, for instance revaluation gains and losses. This line also includes realised results from disposals as well as the running property yield stemming from the holding of investment properties.

Interest income and interest expense related to all balance sheet items in Markets, including the net funding of the operations in Markets, are classified as “Net result from items at fair value”.

Also the ineffective portion of cash flow hedges and net investment hedges as well as recycled gains and losses on financial instruments classified into the category Available for sale are recognised in “Net result from items at fair value”.

This item also includes realised gains and losses from financial instruments measured at amortised cost, such as interest compensation received and realised gains/losses on buy-backs of issued own debt.

“Net result from items at fair value” includes also losses from counterparty risk on instruments classified into the category Financial assets at fair value through profit or loss as well as impairment on instruments classified into the category Available for sale.

Impairment losses from instruments within other categories are recognised in the items ”Net loan losses” or “Impairment of securities held as financial non-current assets” (see also the sub-sections ”Net loan losses” and “Impairment of securities held as financial non-current assets” below).

Dividends received are recognised in the income statement as “Net result from items at fair value” and classified as “Shares/participations and other share-related instruments” in the note. Income is recognised in the period in which the right to receive payment is established.

Profit from companies accounted for under the equity method
The profit from companies accounted for under the equity method is defined as the post-acquisition change in NBF’s share of net assets in the associated undertakings. NBF’s share of items accounted for in other comprehensive income in the associated undertakings is accounted for in other comprehensive income in NBF. Profits from companies accounted for under the equity method are, as stated in section 5 “Principles of consolidation”, reported in the income statement post-taxes. Consequently the tax expense related to these profits is excluded from the income tax expense for NBF.

Fair values are, at acquisition, allocated to the associated undertaking’s identifiable assets, liabilities and contingent liabilities. Any difference between NBF’s share of the fair values of the acquired identifiable net assets and the purchase price is goodwill or negative goodwill. Goodwill is included in the carrying amount of the associated undertaking. Subsequently the investment in the associated undertaking increases/decreases with NBF’s share of the post-acquisition change in net assets in the associated undertaking and decreases through received dividends and impairment. An impairment charge can be reversed in a subsequent period.

The change in Nordea’s share of the net assets is generally based on monthly reporting from the associated undertakings. For some associated undertakings not individually significant the change in Nordea’s share of the net assets is based on the external reporting of the associated undertakings and affects the financial statements of Nordea in the period in which the information is available. The reporting from the associated undertakings is, if applicable, adjusted to comply with Nordea’s accounting policies.

Other operating income
Net gains from divestments of shares in group undertakings and associated undertakings and net gains on sale of tangible assets as well as other operating income, not related to any other income line, are generally recognised when it is probable that the benefits associated with the transaction will flow to Nordea and if the significant risks and rewards have been transferred to the buyer (generally when the transactions are finalised).

Net loan losses
Impairment losses from financial assets classified into the category Loans and receivables (see section 12 "Financial instruments"), in the items "Loans to central banks", "Loans to credit institutions" and "Loans to the public" on the balance sheet, are reported as "Net loan losses" together with losses from financial guarantees. Losses are reported net of any collateral and other credit enhancements. Nordea's accounting policies for the calculation of impairment losses on loans can be found in section 13 "Loans to the public/credit institutions".

Counterparty losses on instruments classified into the category Financial assets at fair value through profit or loss, including credit derivatives but apart from loans held at fair value as described above, as well as impairment on financial assets classified into the category Available for sale are reported under "Net result from items at fair value".

Impairment of securities held as financial non-current assets
Impairment on investments in interest-bearings securities, classified into the categories Loans and receivables or Held to maturity, and on investments in associated undertakings are classified as "Impairment of securities held as financial non-current assets" in the income statement. The policies covering impairment of financial assets classified into the categories Loans and receivables and Held to maturity are disclosed in section 12 "Financial instruments" and section 13 "Loans to the public/credit institutions".

Investments in associated undertakings are assessed for impairment annually. If observable indicators (loss events) indicate that an associated undertaking is impaired, an impairment test is performed to assess whether there is objective evidence of impairment. The carrying amount of the investment in the associate is compared with the recoverable amount (higher of value in use and fair value less cost to sell) and the carrying amount is written down to the recoverable amount if required.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

7. Recognition and derecognition of financial instruments on the balance sheet

Derivative instruments, quoted securities and foreign exchange spot transactions are recognised on and derecognised (reclassified to the items "Other assets" or "Other liabilities" on the balance sheet between trade date and settlement date) from the balance sheet on the trade date. Other financial instruments are recognised on the balance sheet on settlement date.

Financial assets, other than those for which trade date accounting is applied, are derecognised from the balance sheet when the contractual rights to the cash flows from the financial asset expire or are transferred to another party. The rights to the cash flows normally expire or are transferred when the counterpart has performed by e.g. repaying a loan to Nordea, i.e. on settlement date.

In some cases, Nordea enters into transactions where it transfers assets that are recognised on the balance sheet, but retains either all or a portion of risks and rewards from the transferred assets. If all or substantially all risks and rewards are retained, the transferred assets are not derecognised from the balance sheet. If Nordea's counterpart can sell or repledge the transferred assets, the assets are reclassified to the item "Financial instruments pledged as collateral" on the balance sheet. Transfers of assets with retention of all or substantially all risks and rewards include e.g. securities lending agreements and repurchase agreements.

Financial liabilities are derecognised from the balance sheet when the liability is extinguished. Normally this occurs when Nordea performs, for example when Nordea repays a deposit to the counterpart, i.e. on settlement date. Financial liabilities under trade date accounting are generally reclassified to "Other liabilities" on the balance sheet on trade date.

For further information, see sections "Securities borrowing and lending agreements" and "Repurchase and reverse repurchase agreements" within 12 "Financial instruments", as well as Note 43 "Transferred assets and obtained collaterals".

8. Translation of assets and liabilities denominated in foreign currencies

The functional currency of each entity is decided based upon the primary economic environment in which the entity operates. Foreign currency is defined as any currency other than the functional currency of the entity. Foreign currency transactions are recorded at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date.

Exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, and unrealised translation differences on unsettled foreign currency monetary assets and liabilities, are recognised in the income statement in the item "Net result from items at fair value".

Translation differences on financial instruments that are designated hedging instruments in a hedge of a net investment in a group undertaking are recognised in other comprehensive income, to the extent the hedge is effective. This is performed in order to offset the translation differences affecting other comprehensive income when consolidating the group undertaking into Nordea. Any ineffectiveness is recognised in the income statement in the item "Net result from items at fair value".

9. Hedge accounting

Nordea applies the EU carve out version of IAS 39 for portfolio hedges of both assets and liabilities. The EU carve out macro hedging enables a group of derivatives (or proportions thereof) to be viewed in combination and designated as the hedging instrument and removes some of the limitations in fair value hedge accounting relating to hedging core deposits and under-hedging strategies.

Nordea uses hedge accounting in order to have a symmetrical accounting treatment of the changes in fair value of the hedged item and changes in fair value of the hedging instruments as well as to hedge the exposure to variability in future cash flows and the exposure to net investments in foreign operations.

There are three forms of hedge accounting:

- Fair value hedge accounting
- Cash flow hedge accounting
- Hedges of net investments

NBF currently applies fair value hedge accounting and cash flow hedge accounting.

Fair value hedge accounting

Fair value hedge accounting is used when derivatives are hedging changes in fair value of a recognised asset or liability attributable to a specific risk. The risk of changes in fair value of assets and liabilities in Nordea's financial statements originates mainly from loans, securities and deposits with a fixed interest rate, causing interest rate risk. Changes in fair value from derivatives as well as changes in fair value of the hedged item attributable to the risks being hedged are recognised separately in the income statement in the item "Net result from items at fair value". Given an effective hedge, the two changes in fair value will more or less balance, meaning the net result is close to zero. The changes in fair value of the hedged item attributable to the risks hedged with the derivative instrument are reflected in an adjustment to the carrying amount of the hedged item, which is also recognised in the income statement. The fair value change of the hedged items held at amortised cost in a portfolio hedge of interest rate risks is reported separately from the portfolio in the item "Fair value changes of the hedged items in portfolio hedge of interest rate risk" on the balance sheet.

Fair value hedge accounting in Nordea is performed mainly on a portfolio basis. Any ineffectiveness is recognised in the income statement under the item "Net result from items at fair value".

Hedged items

A hedged item in a fair value hedge can be a recognised single asset or liability, an unrecognised firm commitment, or a portion thereof. The hedged item can also be a group of assets, liabilities or firm commitments with similar risk characteristics. Hedged items in Nordea consist of both individual assets or liabilities and portfolios of assets and/or liabilities.

Hedging instruments

The hedging instruments used in Nordea are predominantly interest rate swaps and cross currency interest rate swaps, which are always held at fair value. Cash instruments are only used as hedging instruments when hedging currency risk.

Cash flow hedge accounting

Cash flow hedge accounting can be used for the hedging of exposure to variations in future interest payments on instruments with variable interest rates and for the hedging of currency exposures. The portion of the gain or loss on the hedging instrument, that is determined to be an effective hedge, is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The ineffective portion of the gain or loss on the hedging instrument is recycled to the item "Net result from items at fair value" in the income statement.

Gains or losses on hedging instruments recognised in the cash flow hedge reserve in equity through other comprehensive income are recycled and recognised in the income statement in the same period as the hedged item affects profit or loss, normally in the period that interest income or interest expense is recognised.

Hedged items
A hedged item in a cash flow hedge can be highly probable floating interest rate cash flows from recognised assets or liabilities or from future assets or liabilities. Nordea uses cash flow hedges when hedging currency risk in future payments of interest and principal in foreign currency.

Hedging instruments
The hedging instruments used in Nordea are predominantly cross currency interest rate swaps, which are always held at fair value, where the currency component is designated as a cash flow hedge of currency risk and the interest component as a fair value hedge of interest rate risk.

Hedge effectiveness
The application of hedge accounting requires the hedge to be highly effective. A hedge is regarded as highly effective if at inception and throughout its life it can be expected that changes in fair value of the hedged item as regards the hedged risk can be essentially offset by changes in fair value of the hedging instrument. The result should be within a range of 80–125 per cent. When assessing hedge effectiveness retrospectively Nordea measures the fair value of the hedging instruments and compares the change in fair value of the hedging instrument to the change in fair value of the hedged item. The effectiveness measurement is made on a cumulative basis. The hypothetical derivative method is used when measuring the effectiveness of cash flow hedges, meaning that the change in a perfect hypothetical swap is used as proxy for the present value of the cumulative change in expected future cash flows from the hedged transaction (the currency component).

If the hedge relationship does not fulfil the requirements, hedge accounting is terminated. For fair value hedges the hedging instrument is reclassified to a trading derivative and the change in the fair value of the hedged item, up to the point when the hedge relationship is terminated, is amortised to the income statement on a straight-line basis over the remaining maturity of the hedged item.

In cash flow hedges, changes in the unrealised value of the hedging instrument will prospectively from the last time it was proven effective be accounted for in the income statement. The cumulative gain or loss on the hedging instrument that has been recognised in the cash flow hedge reserve in equity through other comprehensive income from the period when the hedge was effective is reclassified from equity to “Net result from items at fair value” in the income statement if the expected transaction no longer is expected to occur. If the expected transaction no longer is highly probable, but is still expected to occur, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective remains in other comprehensive income until the transaction occurs or is no longer expected to occur.

10. Determination of fair value of financial instruments

Financial assets and liabilities classified into the categories Financial assets/liabilities at fair value through profit or loss (including derivative instruments) are recorded at fair value on the balance sheet with changes in fair value recognised in the income statement in the item “Net result from items at fair value”.

Fair value is defined as the price that at the measurement date would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants under current market conditions in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The existence of published price quotations in an active market is the best evidence of fair value and when they exist they are used to measure financial assets and financial liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. The absolute level for liquidity and volume required for a market to be considered active vary with the instrument classes. For some classes low price volatility is seen, also for those instruments within the class where the trade frequency is high. For instruments in such a class the liquidity requirements are lower and, correspondingly, the age limit for the prices used for establishing fair value is higher.

If markets are active or non-active is assessed regularly. The trade frequency and volume are monitored daily.

Nordea is predominantly using published price quotations to establish fair value for items disclosed under the following balance sheet items:

- Interest-bearing securities
- Shares (listed)
- Derivatives (listed)

If quoted prices for a financial instrument fail to represent actual and regularly occurring market transactions or if quoted prices are not available, fair value is established by using an appropriate valuation technique. The adequacy of the valuation technique, including an assessment of whether to use quoted prices or theoretical prices, is monitored on a regular basis.

Valuation techniques can range from simple discounted cash flow analysis to complex option pricing models. Valuation models are designed to apply observable market prices and rates as input whenever possible, but can also make use of unobservable model parameters. The adequacy of the valuation model is assessed by measuring its capability to hit market prices. This is done by comparison of calculated prices to relevant benchmark data, e.g. quoted prices from exchanges, the counterparty´s valuations, price data from consensus services etc.

Nordea is predominantly using valuation techniques to establish fair value for items disclosed under the following balance sheet items:

- Interest-bearing securities (when quoted prices in an active market are not available)
- Shares (when quoted prices in an active market are not available)
- Derivatives (OTC-derivatives)

For financial instruments, where fair value is estimated by a valuation technique, it is investigated whether the variables used in the valuation model are predominantly based on data from observable markets. By data from observable markets, Nordea considers data that can be collected from generally available external sources and where this data is judged to represent realistic market prices. If non-observable data has a significant impact on the valuation, the instrument cannot be recognised initially at the fair value estimated by the valuation technique and any upfront gains are thereby deferred and amortised through the income statement over the contractual life of the instrument. The deferred upfront gains are subsequently released to income if the non-observable data becomes observable.

Note 41 “Assets and liabilities at fair value” provides a breakdown of fair values of financial instruments measured on the basis of:

- quoted prices in active markets for the same instrument (level 1),
- valuation technique using observable data (level 2), and
- valuation technique using non-observable data (level 3).

The valuation models applied by Nordea are consistent with accepted economic methodologies for pricing financial instruments and incorporate the factors that market participants consider when setting a price.

New valuation models are subject to approval by a Model Risk Management Committee and all models are reviewed on a regular basis.

For further information, see Note 41 “Assets and liabilities at fair value”.

11. Cash and cash equivalents

Cash and cash equivalents consist of cash and balances with central banks where the following conditions are fulfilled:

- The central bank is domiciled in a country where Nordea is operating under a banking licence
- The balance is readily available at any time

Cash and cash equivalents are financial instruments classified into the category Loans and receivables, see section 12 “Financial instruments”.

Loans to credit institutions payable on demand are also recognised as “Cash and cash equivalents” in the cash flow statement together with instruments with central banks that can be resold immediately.

12. Financial instruments

Classification of financial instruments

Each financial instrument has been classified into one of the following categories:

Financial assets:

- Financial assets at fair value through profit or loss:
  – Held for trading
  – Designated at fair value through profit or loss (Fair Value Option)
- Loans and receivables
- Held to maturity
- Available for sale

Financial liabilities:

- Financial liabilities at fair value through profit or loss:
  – Held for trading
  – Designated at fair value through profit or loss (Fair Value Option)
- Other financial liabilities

All financial assets and liabilities are initially measured at fair value. The classification of financial instruments into different categories forms the basis for how each instrument is subsequently measured on the balance sheet and how changes in its value are recognised. The classification of the financial instruments on Nordea's balance sheet into different categories is presented in Note 40 "Classification of financial instruments".

Financial assets and financial liabilities at fair value through profit or loss
Financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. All changes in fair values are recognised directly in the income statement in the item "Net result from items at fair value".

The category consists of two sub-categories; Held for trading and Designated at fair value through profit or loss (Fair value option).

The sub-category Held for trading mainly contains derivative instruments that are held for trading purposes, interest-bearing securities and shares within Markets and Treasury. It also contains trading liabilities such as short-selling positions and lending in reverse repurchase agreements.

The major parts of the financial assets/liabilities classified into the category Designated at fair value through profit or loss are certain other assets/liabilities, interest-bearing securities and shares. Nordea also applies the Fair value option on certain financial assets and financial liabilities related to Markets. The classification stems from the fact that Markets is managing and measuring its financial assets and liabilities at fair value. Consequently, the majority of financial assets and financial liabilities in Markets are classified into the categories Financial assets/Financial liabilities at fair value through profit or loss.

Loans and receivables
Loans and receivables are non-derivative financial assets, with fixed or determinable payments, that are not quoted in an active market. These assets and their impairment are further described in the separate section 13 "Loans to the public/credit institutions".

Held to maturity
Financial assets that Nordea has chosen to classify into the category Held to maturity are non-derivative financial assets with fixed or determinable payments and fixed maturity that Nordea has the positive intent and ability to hold to maturity. Financial assets classified into the category Held to maturity are initially recognised on the balance sheet at the acquisition price, including transaction costs. Subsequent to initial recognition, the instruments within this category are measured at amortised cost. In an amortised cost measurement, the difference between acquisition cost and redemption value is amortised in the income statement over the remaining term using the effective interest rate method.

If more than an insignificant amount of the Held to maturity portfolio is sold or transferred, the Held to maturity category is tainted, except if the sale or transfer either occur close to maturity, after substantially all of the original principal is already collected, or due to an isolated non-recurring event beyond the control of Nordea.

Nordea assesses at each reporting date whether there is any objective evidence that the asset is impaired. If there is such evidence, an impairment loss is recorded. The loss is calculated as the difference between the carrying amount and the present value of estimated future cash flows and is recognised as "Impairment of securities held as financial non-current assets" in the income statement. See section 13 "Loans to the public/credit institutions" for more information on the identification and measurement of objective evidence of impairment, which is applicable also for interest-bearings securities classified into the category Held to maturity.

Available for sale
Financial instruments classified into the category Available for sale are measured at fair value. Changes in fair values, except for interest, foreign exchange effects and impairment losses, are recognised in the fair value reserve in equity through other comprehensive income. Interest is recognised in the item "Interest income" and foreign exchange effects and impairment losses in the item "Net result from items at fair value" in the income statement.

When an instrument classified into the category Available for sale is disposed of, the fair value changes that previously have been accumulated in the fair value reserve (related to Available for sale investments) in other comprehensive income are removed from equity and recognised in the income statement in the item "Net result from items at fair value".

Financial assets classified into the category Available for sale are assessed at least annually in order to determine any need for impairment losses. If there is objective evidence of impairment, the accumulated loss that has been recognised in other comprehensive income is removed from equity and recognised as "Net result from items at fair value" in the income statement. The amount of the accumulated loss that is recycled from equity is the difference between the asset's acquisition cost and current fair value. For equity investments a prolonged or significant decline in the fair value, compared to the acquisition cost, is considered to be objective evidence of impairment. Objective evidence of impairment for a debt instrument is rather connected to a loss event, such as an issuer's financial difficulty.

Other financial liabilities
Financial liabilities, other than those classified into the category Financial liabilities at fair value through profit or loss, are measured at amortised cost. Interest on Other financial liabilities is recognised in the item "Interest expense" in the income statement.

Hybrid (combined) financial instruments
Hybrid (combined) financial instruments are contracts containing a host contract and an embedded derivative instrument. Such combinations arise predominantly from the issuance of structured debt instruments, such as issued index-linked bonds.

Index-linked bonds issued by Markets as part of the trading portfolio are classified into the category Held for trading, and the entire combined instrument, host contract together with the embedded derivative, is measured at fair value through profit or loss. Changes in fair values are recognised in the income statement in the item "Net result from items at fair value".

Securities borrowing and lending agreements
Generally, securities borrowing and securities lending transactions are entered into on a collateralised basis. Unless the risks and rewards of ownership are transferred, the securities are not recognised on or derecognised from the balance sheet. In the cases where the counterpart is entitled to resell or repledge the securities, the securities are reclassified to the balance sheet item "Financial instruments pledged as collateral".

Securities in securities lending transactions are also disclosed in the item "Assets pledged as security for own liabilities".

Cash collateral advanced (securities borrowing) to the counterparts is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public". Cash collateral received (securities lending) from the counterparts is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public".

Repurchase and reverse repurchase agreements
Securities delivered under repurchase agreements and securities received under reverse repurchase agreements are not derecognised from or recognised on the balance sheet. In the cases where the counterpart has the right to resell or repledge the securities, the securities are reclassified to the balance sheet line "Financial instruments pledged as collateral".

Securities delivered under repurchase agreements are also disclosed in the item "Assets pledged as security for own liabilities".

Cash received under repurchase agreements is recognised on the balance sheet as "Deposits by credit institutions" or as "Deposits and borrowings from the public". Cash delivered under reverse repurchase agreements is recognised on the balance sheet as "Loans to central banks", "Loans to credit institutions" or as "Loans to the public".

Additionally, the sale of securities received in reverse repurchase agreements trigger the recognition of a trading liability (short sale).

Derivatives
All derivatives are recognised on the balance sheet and measured at fair value. Derivatives with total positive fair values, including any accrued interest, are recognised as assets in the item "Derivatives" on the asset side. Derivatives with total negative fair values, including any accrued interest, are recognised as liabilities in the item "Derivatives" on the liability side.

Realised and unrealised gains and losses from derivatives are recognised in the income statement in the item "Net result from items at fair value".

Offsetting of financial assets and liabilities
Nordea offsets financial assets and liabilities on the balance sheet if there is a legal right to offset, in the ordinary course of business and in case of bankruptcy, and if the intent is to settle the items net or realise the asset and settle the liability simultaneously. This is generally achieved through the central counterparty clearing houses that Nordea has agreements with.

Exchanged traded derivatives are generally accounted for as settled on a daily basis when cash is paid or received and the instrument is reset to market terms. Derivative assets and liabilities against central counterparty clearing houses are, as mentioned above, generally set off on the balance sheet, but net cash collateral received or paid is generally accounted for separately as cash collateral paid (asset) or received (liability), which is also the case for cash collateral paid or received in bilateral OTC derivative transactions.

13. Loans to the public/credit institutions

Financial instruments classified as “Loans to the public/credit institutions” (including loans to central banks) on the balance sheet and into the category Loans and receivables are measured at amortised cost (see also the separate section 7 “Recognition and derecognition of financial instruments on the balance sheet” as well as Note 40 ”Classification of financial instruments”).

Nordea monitors loans as described in the separate section on Risk, Liquidity and Capital management. Loans attached to individual customers or groups of customers are identified as impaired if the impairment tests indicate an objective evidence of impairment.

Also interest-bearings securities classified into the categories Loans and receivables and Held to maturity are held at amortised cost and the description below is valid also for the identification and measurement of impairment on these assets. Possible impairment losses on interest-bearing securities classified into the categories Loans and receivables and Held to maturity are recognised as “Impairment of securities held as non-current financial assets” in the income statement.

Impairment test of individually assessed loans
Nordea tests all loans for impairment on an individual basis. The purpose of the impairment tests is to find out if the loans have become impaired. As a first step in the identification process for impaired loans, Nordea monitors whether there are indicators of impairment (loss event) and whether these loss events represent objective evidence of impairment. More information on the identification of loss events can be found in the Risk, Liquidity and Capital management section.

Loans that are not individually impaired will be transferred to a group of loans with similar risk characteristics for a collective impairment test.

Impairment test of collectively assessed loans
Loans not impaired on an individual basis are collectively tested for impairment.

These loans are grouped on the basis of similar credit risk characteristics that are indicative of the debtors´ ability to pay all amounts due according to the contractual terms. Nordea monitors its portfolio through rating migrations, the credit decision and annual review process supplemented by quarterly risk reviews. Through these processes Nordea identifies loss events indicating incurred losses in a group. A loss event is an event resulting in a deterioration of the expected future cash flows. Only loss events incurred up to the reporting date are included when performing the assessment of the group.

The objective for the group assessment process is to evaluate if there is a need to make a provision due to the fact that a loss event has occurred, which has not yet been identified on an individual basis. This period between the date when the loss event occurred and the date when it is identified on an individual basis is called “Emergence period”. The impairment remains related to the group of loans until the losses have been identified on an individual basis. The identification of the loss is made through a default of the engagement or by other indicators.

For corporate customers and bank counterparts, Nordea uses the existing rating system as a basis when assessing the credit risk. Nordea uses historical data on probability of default to estimate the risk for a default in a rating class. These loans are rated and grouped mostly based on type of industry and/or sensitivity to certain macro parameters, e.g. dependency to oil prices etc.

Personal customers and small corporate customers are monitored through scoring models. These are based mostly on historical data, as default rates and loss rates given a default, and experienced judgement performed by management. Rating and scoring models are described in more detail in the separate section on Risk, Liquidity and Capital management.

The collective assessment is performed through a netting principle, i.e. when rated engagements are up-rated due to estimated increases in cash flows, this improvement will be netted against losses on loans that are down-rated due to estimated decreases in cash-flows. Netting is only performed within groups with similar risk characteristics where Nordea assesses that the customers’ future cash flows are insufficient to serve the loans in full.

Impairment loss
If the carrying amount of the loans is higher than the sum of the net present value of estimated cash flows (discounted with the original effective interest rate), including the fair value of the collaterals and other credit enhancements, the difference is the impairment loss.

For significant loans that have been individually identified as impaired the measurement of the impairment loss is made on an individual basis.

For insignificant loans that have been individually identified as impaired and for loans not identified as impaired on an individual basis the measurement of the impairment loss is measured using a portfolio based expectation of the future cash flows.

If the impairment loss is not regarded as final, the impairment loss is accounted for on an allowance account representing the accumulated impairment losses. Changes in the credit risk and accumulated impairment losses are accounted for as changes in the allowance account and as ”Net loan losses” in the income statement (see also section 6 “Recognition of operating income and impairment”).

If the impairment loss is regarded as final, it is reported as a realised loss and the value of the loan and the related allowance for impairment loss are derecognised. An impairment loss is regarded as final when the obligor is filed for bankruptcy and the administrator has declared the economic outcome of the bankruptcy procedure, or when Nordea forgives its claims either through a legal based or voluntary reconstruction or when Nordea, for other reasons, deem it unlikely that the claim will be recovered.

Discount rate
The discount rate used to measure impairment is the original effective interest rate for loans attached to an individual customer or, if applicable, to a group of loans. If considered appropriate, the discount rate can be based on a method that results in an impairment that is a reasonable approximation of using the effective interest rate method as basis for the calculation.

Restructured loans
In this context a restructured loan is defined as a loan where Nordea has granted concessions to the obligor due to its deteriorated financial situation and where this concession has resulted in an impairment loss for Nordea. After a reconstruction the loan is normally regarded as not impaired if it performs according to the new conditions. Concessions made in reconstructions are regarded as loan losses unless Nordea retains the possibility to regain the loan losses incurred. In the event of a recovery the payment is reported as a recovery of loan losses.

Assets taken over for protection of claims
In a financial reconstruction the creditor may concede loans to the obligor and in exchange for this concession acquire an asset pledged for the conceded loans, shares issued by the obligor or other assets. Assets taken over for protection of claims are reported on the same balance sheet line as similar assets already held by Nordea. For example a property taken over, not held for Nordea’s own use, is reported together with other investment properties.

At initial recognition, all assets taken over for protection of claims are recognised at fair value and the possible difference between the carrying amount of the loan and the fair value of the assets taken over is recognised as “Net loan losses”. The fair value of the asset on the date of recognition becomes its cost or amortised cost value, as applicable. In subsequent periods, assets taken over for protection of claims are valued in accordance with the valuation principles for the appropriate type of asset. Investment properties are then measured at fair value. Financial assets that are foreclosed are generally classified into the categories Available for sale or Designated at fair value through profit or loss (Fair Value Option) (see section 12 “Financial instruments”) and measured at fair value. Changes in fair values are recognised in other comprehensive income for assets classified into the category Available for sale. For assets classified into the category Designated at fair value through profit or loss, changes in fair value are recognised in the income statement under the line “Net result from items at fair value”.

Any change in value, after the initial recognition of the asset taken over, is presented in the income statement in line with the Group’s presentation policies for the appropriate asset. ”Net loan losses” in the income statement is, after the initial recognition of the asset taken over, consequently not affected by any subsequent remeasurement of the asset.

14. Leasing

NBF as lessor
Finance leases
Nordea’s leasing operations mainly comprise finance leases. A finance lease is reported as a receivable from the lessee in the balance sheet item “Loans to the public” at an amount equal to the net investment in the lease. The lease payment, excluding cost of services, is recorded as repayment of principal and interest income. The income allocation is based on a pattern reflecting a constant periodic return on the net investment outstanding in respect of the finance lease.

Operating leases
Assets subject to operating leases on the balance sheet are reported in accordance with the nature of the assets, in general as property and equipment. Leasing income is recognised as income on a straight-line basis over the lease term and classified as “Net interest income”. The depreciation of the leased assets is calculated on the basis of Nordea’s depreciation policy for similar assets and reported as “Depreciation, amortisation and impairment charges of tangible and intangible assets” in the income statement.

NBF as lessee

Finance leases

No leases in NBF have been classified as finance leases.

Operating leases

Operating leases are not recognised on NBF's balance sheet. For operating leases the lease payments are recognised as expenses in the income statement on a straight-line basis over the lease term unless another systematic way better reflects the time pattern of Nordea's benefit. The original lease terms normally range between 3 to 25 years.

Operating leasing is mainly related to office premises contracts and office equipment contracts normal to the business.

The central district properties in Finland that Nordea has divested are leased back. The duration of the lease agreements was initially 3-25 years with renewal options. The lease agreements include no transfers of ownerships of the asset by the end of the lease term, nor any economic benefits from appreciation in value of the leased property. In addition, the lease term is not for the major part of the assets' economic life. These leases are thus classified as operating leases. The rental expense for these premises is recognised on the basis of the time-pattern of Nordea's economic benefit which differs from the straight-line basis and better resembles an ordinary rental arrangement.

Embedded leases

Agreements can contain a right to use an asset in return for a payment, or a series of payments, although the agreement is not in the legal form of a leasing contract. If applicable, these assets are separated from the contract and accounted for as leased assets.

15. Intangible assets

Intangible assets are identifiable, non-monetary assets without physical substance. The assets are under Nordea's control, which means that Nordea has the power and rights to obtain the future economic benefits flowing from the underlying resource. The intangible assets in Nordea mainly consist of goodwill, IT-development/computer software and customer related intangible assets.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of Nordea's share of net identifiable assets of the acquired group undertaking/associated undertaking at the date of acquisition. Goodwill on acquisition of group undertakings is included in "Intangible assets". Goodwill on acquisitions of associates is not recognised as a separate asset, but included in "Investments in associated undertakings". Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Impairment losses on goodwill cannot be reversed in subsequent periods. Goodwill related to associated undertakings is not tested for impairment separately, but included in the total carrying amount of the associated undertakings. The policies covering impairment testing of associated undertakings is disclosed in section 6 "Recognition of operating income and impairment".

IT-development/Computer software

Costs associated with maintaining computer software programs are expensed as incurred. Costs directly associated with major software development investments, with a useful life of three years or more and the ability to generate future economic benefits, are recognised as intangible assets. These costs include software development staff costs and overhead expenditures directly attributable to preparing the asset for use. Computer software includes also acquired software licenses not related to the function of a tangible asset.

Amortisation is calculated on a straight-line basis over the useful life of the software, generally a period of 3 to 10 years.

Customer related intangible assets

In business combinations a portion of the purchase price is normally allocated to a customer related intangible asset, if the asset is identifiable and under Nordea's control. An intangible asset is identifiable if it arises from contractual or legal rights, or could be separated from the entity and sold, transferred, licenced, rented or exchanged. The asset is amortised over its useful life, generally over 10 years.

Impairment

Goodwill is not amortised but tested for impairment annually irrespective of any indications of impairment. Impairment testing is also performed more frequently if required due to any indication of impairment. The impairment charge is calculated as the difference between the carrying amount and the recoverable amount.

At each balance sheet date, all intangible assets with definite useful lives are reviewed for indications of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the intangible asset is fully recoverable.

The recoverable amount is the higher of fair value less costs to sell and the value in use of the asset or the cash-generating unit, which is defined as the smallest identifiable group of assets that generates largely independent cash flows in relation to other assets. For goodwill, the cash generating units are defined as the operating segments. The value in use is the present value of the cash flows expected to be realised from the asset or the cash-generating unit. The cash flows are assessed based on the asset or cash-generating unit in its current condition and discounted at a rate based on the long-term risk free interest rate plus a risk premium (post tax). If the recoverable amount is less than the carrying amount, an impairment loss is recognised. See Note 21 "Intangible assets" for more information on the impairment testing.

16. Property and equipment

Property and equipment includes own-used properties, leasehold improvements, IT equipment, furniture and other equipment. Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment comprise its purchase price, as well as any directly attributable costs of bringing the asset to the working condition for its intended use. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items.

Property and equipment is depreciated on a straight-line basis over the estimated useful life of the assets. The estimates of the useful life of different assets are reassessed on a yearly basis. Below follows the current estimates:

- Buildings: 30–75 years
- Equipment: 3–5 years
- Leasehold improvements: Changes within buildings the shorter of 10 years and the remaining leasing term. New construction the shorter of the principles used for owned buildings and the remaining leasing term. Fixtures installed in leased properties are depreciated over the shorter of 10–20 years and the remaining leasing term.

At each balance sheet date, Nordea assesses whether there is any indication that an item of property and equipment may be impaired. If any such indication exists, the recoverable amount of the asset is estimated and any impairment loss is recognised.

Impairment losses are reversed if the recoverable amount increases. The carrying amount is then increased to the recoverable amount, but cannot exceed the carrying amount that would have been determined had no impairment loss been recognised.

17. Investment property

Investment properties are primarily properties held to earn rent and/or capital appreciation. Nordea applies the fair value model for subsequent measurement of investment properties. The best evidence of a fair value is normally given by quoted prices in an active market for similar properties in the same location and condition. As these prices are rarely available discounted cash flow projection models based on reliable estimates of future cash flows are also used.

Net rental income, gains and losses as well as fair value adjustments are recognised directly in the income statement as "Net result from items at fair value".

18. Taxes

The item "Income tax expense" in the income statement comprises current- and deferred income tax. The income tax expense is recognised in the income statement, except to the extent the tax effect relates to items recognised in other comprehensive income or directly in equity, in which case the tax effect is recognised in other comprehensive income or in equity respectively.

Current tax is the expected tax expense on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits. Deferred tax is not recognised for temporary differences arising on initial recognition

of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, nor for differences relating to investments in group undertakings and associated undertakings to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, tax losses carry forward and unused tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when the legal right to offset exists. Deferred tax assets and deferred tax liabilities are generally offset if there is a legally enforceable right to offset current tax assets and current tax liabilities.

19. Employee benefits

All forms of consideration given by Nordea to its employees as compensation for services performed are employee benefits. Short-term benefits are to be settled within twelve months after the reporting period when the services have been performed. Post-employment benefits are benefits payable after the termination of the employment. Post-employment benefits in Nordea consist only of pensions. Termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy.

Short-term benefits

Short term benefits consist mainly of fixed and variable salary. Both fixed and variable salaries are expensed in the period when the employees have performed services to Nordea. Nordea has also issued share-based payment programmes, which are further described in section 22 “Share-based payment”.

More information can be found in Note 8 “Staff costs”.

Post-employment benefits

Pension plans

The companies within Nordea have various pension plans, consisting of both defined benefit pension plans and defined contribution pension plans, reflecting national practices and conditions in the countries where Nordea operates. The major defined benefit pension plans are funded schemes covered by assets in pension funds/foundations. If the fair value of plan assets, associated with a specific pension plan, is lower than the gross present value of the defined benefit obligation, the net amount is recognised as a liability (“Retirement benefit liabilities”). If not, the net amount is recognised as an asset (“Retirement benefit assets”). Non-funded pension plans are recognised as Retirement benefit liabilities.

Most pensions are based on defined contribution arrangements that hold no pension liability for Nordea. All defined benefit pension plans are closed for new employees.

Pension costs

Obligations for defined contribution pension plans are recognised as an expense as the employee renders services to the entity and the contribution payable in exchange for that service becomes due. Nordea’s net obligation for defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned for their service in the current and prior periods. That benefit is discounted to determine its present value. Actuarial calculations are applied to assess the present value of defined benefit obligations and related costs, based on several actuarial and financial assumptions (as disclosed in Note 33 “Retirement benefit obligations”).

When establishing the present value of the obligation and the fair value of any plan assets, actuarial gains and losses may arise as a result of changes in actuarial assumptions and experience effects (actual outcome compared to assumptions). The actuarial gains and losses are recognised immediately in equity through other comprehensive income.

When the calculation results in a benefit the recognised asset is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

Social security contribution is calculated and accounted for based on the net recognised surplus or deficit by plan and is included on the balance sheet as “Retirement benefit liabilities” or “Retirement benefit assets”.

Discount rate in defined benefit pension plans
The discount rate is determined by reference to high quality corporate bonds, where a deep enough market for such bonds exists. Covered bonds are in this context considered to be corporate bonds. In countries where no such market exists the discount rate is determined by reference to government bond yields. In Finland the discount rate is determined with reference to corporate bonds.

Termination benefits
As mentioned above termination benefits normally arise if an employment is terminated before the normal retirement date, or if an employee accepts an offer of voluntary redundancy. Termination benefits do not arise if the employees have to continue performing services and the termination benefits can be considered to be normal compensation for those services.

Termination benefits are expensed when Nordea has an obligation to make the payment. An obligation arises when there is a formal plan committed to on the appropriate organisational level and when Nordea is without realistic possibility of withdrawal, which normally occurs when the plan has been communicated to the group affected or to their representatives.

Termination benefits can include both short-term benefits, for instance a number of months' salary, and post-employment benefits, normally in the form of early retirement. Short-term benefits are classified as "Salaries and remuneration" and post-employment benefits as "Pension costs" in Note 8 "Staff costs".

20. Equity

Non-controlling interests
Non-controlling interests comprise the portion of net assets of group undertakings not owned directly or indirectly by Nordea Bank Finland Plc.

For each business combination, NBF measures the non-controlling interests in the acquiree either at fair value or at their proportionate share of the acquiree's identifiable net assets.

Share premium reserve
The share premium reserve consists of the difference between the subscription price and the quota value of the shares in NBF. Transaction costs in connection to the rights issue have been deducted.

Other reserves
Other reserves comprise income and expenses, net after tax effects, which are reported in equity through other comprehensive income. These reserves include fair value reserves for cash flow hedges, financial assets classified into the category Available for sale and accumulated remeasurements of defined benefit pension plans, as well as a reserve for translation differences.

Retained earnings
Apart from undistributed profits from previous years, retained earnings include the equity portion of untaxed reserves. Untaxed reserves according to national rules are accounted for as equity net of deferred tax at prevailing tax rates in the respective country.

In addition, NBF's share of the earnings in associated undertakings, after the acquisition date, that have not been distributed is included in retained earnings.

21. Financial guarantee contracts and credit commitments

Upon initial recognition, premiums received in issued financial guarantee contracts and credit commitments are recognised as prepaid income on the balance sheet. The guarantees and irrevocable credit commitments are subsequently measured, and recognised as a provision on the balance sheet, at the higher of either the received fee less amortisation, or an amount calculated as the discounted best estimate of the expenditure required to settle the present obligation. Changes in provisions are recognised in the income statement in the item "Net loan losses".

Premiums received for financial guarantees are, as stated in section 6 "Recognition of operating income and impairment", amortised over the guarantee period and recognised as "Fee and commission income" in the income statement. Premiums received on credit commitments are generally amortised over the loan commitment period. The contractual amounts are recognised off-balance sheet, financial guarantees in the item "Contingent liabilities" and irrevocable credit commitments in the item "Credit commitments".

22. Share-based payment

Equity-settled programmes
Nordea has annually issued Long Term Incentive Programmes from 2007 through 2012. Employees participating in these programmes are granted share-based equity-settled rights, i.e. rights to receive shares for free or to acquire shares in Nordea at a significant discount compared to the share price at grant date. The value of such rights is expensed. The expense is based on the estimated fair value of each right at grant date.

The total fair value of these rights is determined based on the group's estimate of the number of rights that will eventually vest, which is reassessed at each reporting date. The fair value is expensed on a straight-line basis over the vesting period. The vesting period is the period that the employees have to remain in service in Nordea in order for their rights to vest. Market performance conditions in D-rights/Performance Share II are reflected as a probability adjustment to the initial estimate of fair value at grant date. There is no adjustment (true-up) for differences between estimated and actual vesting due to market conditions.

For more information see Note 8 "Staff costs".

Cash-settled programmes
Nordea has to defer payment of variable salaries under Nordic FSA's regulations and general guidelines, as is also the case with the Executive Incentive Programme (EIP). The deferred amounts are to some extent indexed using Nordea's TSR (Total Shareholders' Return) and these "programmes" are cash-settled share-based programmes. These programmes are fully vested when the payments of variable salaries are initially deferred and the fair value of the obligation is remeasured on a continuous basis. The remeasurements are, together with the related social charges, recognised in the income statement in the item "Net result from items at fair value".

For more information see Note 8 "Staff costs".

23. Related party transactions

Nordea defines related parties as:

- Shareholders with significant influence
- Group undertakings
- Associated undertakings
- Key management personnel
- Other related parties

All transactions with related parties are made on an arm's length basis.

Shareholders with significant influence
Shareholders with significant influence are shareholders that have the power to participate in the financial and operating decisions of NBF but do not control those policies. Nordea and its group companies are considered as having such a power.

Group undertakings
For the definition of group undertakings see section 5 "Principles of consolidation". Further information on the undertakings included in the NBF Group is found in Note 19 "Investments in group undertakings".

Group internal transactions between legal entities are performed according to arm's length principles in conformity with OECD requirements on transfer pricing. These transactions are eliminated in the consolidated accounts.

Associated undertakings
For the definition of Associated undertakings see section 5 "Principles of consolidation".

Further information on the associated undertakings included in the Nordea Group is found in Note 20 "Investments in associated undertakings".

Key management personnel
Key management personnel include the following positions:

- The Board of Directors of NBF and Nordea Bank AB (publ)
- The Chief Executive Officer (CEO)
- The Group Executive Management (GEM)

For information about compensation, pensions and other transactions with key management personnel, see Note 8 "Staff costs".

Other related parties
Other related parties comprise close family members to individuals in key management personnel. Other related parties also include companies significantly influenced by key management personnel in Nordea Group as well as companies significantly influenced by close family members to these key management personnel. Other related parties also include Nordea's pension foundations.

Information concerning transactions between Nordea and other related parties is found in Note 45 "Related-party transactions".

Note 2 Segment reporting

Operating segments

Group

Measurement of Operating segments' performance
The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision Maker (CODM), as required by IFRS 8. In NBF the CODM has been defined as Group Executive Management.

Basis of segmentation
Financial results are presented for the two main business areas Retail Banking and Wholesale Banking, with further breakdown on operating segments, and for the operating segment Group Corporate Centre. Other operating segments below the quantitative thresholds in IFRS 8 are included in Other operating segments. Group functions and eliminations as well as the result that is not fully allocated to any of the operating segments, are shown separately as reconciling items.

Reportable Operating segments
Retail Banking conducts a full service banking operation and offers a wide range of products. It is Nordea's largest customer area and serves household customers and corporate customers in the Nordic markets (Retail Banking Nordic) as well as in the Baltic countries (Retail Banking Baltic). Wholesale Banking provides banking and other financial solutions to large Nordic and international corporate, institutional and public companies. The division Corporate & Institutional Banking is a customer oriented organisation serving the largest globally operating corporates. This division is also responsible for Nordea's customers within the financial sector, and offers single products such as funds and equity products as well as consulting services within asset allocation and fund sales. The division Shipping, Oil Services & International is responsible for Nordea's customers within the shipping, offshore and oil services industries and provides tailormade solutions and syndicated loan transactions. Capital Markets unallocated includes the result in Capital Markets which is not allocated to the main business areas. Group Corporate Centre's main objective is to manage the Group's funding and to support the management and control of the NBF Group. The main income in Group Corporate Centre originates from Group Treasury.

	Retail Banking		Wholesale Banking		Group Corporate Centre	
Income statement, EURm	2013	2012	2013	2012	2013	2012
Net interest income	811	739	294	292	85	210
Net fee and commission income	622	577	-186	-92	-5	-7
Net result from items at fair value	91	86	1,011	1,163	-9	12
Profit from companies accounted for under the equity method	7	18	-	-	-	-
Other income	27	27	0	1	8	15
Total operating income	**1,558**	**1,447**	**1,119**	**1,364**	**79**	**230**
Staff costs	-351	-346	-146	-143	-41	-40
Other expenses	-485	-479	-36	-39	9	10
Depreciation, amortisation and impairment charges of tangible and intangible assets	-22	-27	-8	-9	-7	-10
Total operating expenses	**-858**	**-852**	**-190**	**-191**	**-39**	**-40**
Profit before loan losses	**700**	**595**	**929**	**1,173**	**40**	**190**
Net loan losses	-100	-79	-52	-88	17	26
Impairment of securities held as financial non-current assets	-	-	-	-	-	-
Operating profit	**600**	**516**	**877**	**1,085**	**57**	**216**
Income tax expense	-	-	-	-	-	-
Net profit for the year	**600**	**516**	**877**	**1,085**	**57**	**216**
Balance sheet, EURm						
Loans to the public	59,101	57,836	55,081	43,166	-83	-12
Deposits and borrowings from the public	37,359	38,428	43,056	31,535	496	270

Note 2 *Segment reporting, cont.*

Operating segments

Group

	Total operating segments		Reconciliation		**Total Group**	
Income statement, EURm	2013	2012	2013	2012	**2013**	**2012**
Net interest income	1,190	1,241	-7	17	1,183	1,258
Net fee and commission income	431	478	-544	-183	-113	295
Net result from items at fair value	1,093	1,261	21	-44	1,114	1,217
Profit from companies accounted for under the equity method	7	18	1	0	8	18
Other income	35	43	-3	-7	32	36
Total operating income	**2,756**	**3,041**	**-532**	**-217**	**2,224**	**2,824**
Staff costs	-538	-529	-15	-45	-553	-574
Other expenses	-512	-508	46	61	-466	-447
Depreciation of tangible and intangible assets	-37	-46	-3	-4	-40	-50
Total operating expenses	**-1,087**	**-1,083**	**28**	**12**	**-1,059**	**-1,071**
Profit before loan losses	**1,669**	**1,958**	**-504**	**-205**	**1,165**	**1,753**
Net loan losses	-135	-141	82	-3	-53	-144
Impairment of securities held as financial non-current asset	-	-	1	-	1	-
Operating profit	**1,534**	**1,817**	**-421**	**-208**	**1,113**	**1,609**
Income tax expense	-	-	-285	-428	-285	-428
Net profit for the year	**1,534**	**1,817**	**-706**	**-636**	**828**	**1,181**
Balance sheet, EURm						
Loans to the public	114,099	100,990	-320	-225	113,779	100,765
Deposits and borrowings from the public	80,911	70,233	-2	-21	80,909	70,212

Break-down of Retail Banking

	Retail Banking Nordic[1]		Retail Banking Baltic[2]		Retail Banking Other[3]		**Total Retail Banking**	
Income statement, EURm	2013	2012	2013	2012	2013	2012	**2013**	**2012**
Net interest income	674	611	162	148	-26	-20	811	739
Net fee and commission income	580	531	46	46	-4	0	622	577
Net result from items at fair value	95	89	-3	-2	0	-1	91	86
Profit from companies accounted for under the equity method	-	-	-	-	7	18	7	18
Other income	35	25	3	3	-11	-1	27	27
Total operating income	**1,384**	**1,256**	**208**	**195**	**-34**	**-4**	**1,558**	**1,447**
Staff costs	-254	-250	-29	-28	-68	-68	-351	-346
Other expenses	-495	-495	-62	-54	72	70	-485	-479
Depreciation of tangible and intangible assets	-6	-5	-2	-2	-14	-20	-22	-27
Total operating expenses	**-755**	**-750**	**-93**	**-84**	**-10**	**-18**	**-858**	**-852**
Profit before loan losses	**629**	**506**	**115**	**111**	**-44**	**-22**	**700**	**595**
Net loan losses	-57	-46	-42	-29	-1	-4	-100	-79
Operating profit	**572**	**460**	**73**	**82**	**-45**	**-26**	**600**	**516**
Income tax expense	-	-	-	-	-	-	-	-
Net profit for the year	**572**	**460**	**73**	**82**	**-45**	**-26**	**600**	**516**
Balance sheet, EURm								
Loans to the public	45,479	44,056	8,195	8,387	5,428	5,392	59,101	57,836
Deposits and borrowings from the public	33,714	35,217	3,641	3,201	4	10	37,359	38,428

[1] Retail Banking Nordic includes banking operations in Finland.
[2] Retail Banking Baltic includes banking operations in Estonia, Latvia and Lithuania.
[3] Retail Banking Other includes the support areas Development & Projects, Distribution, Segments, Products and IT.

Note 2 *Segment reporting, cont.*

Break-down of Wholesale Banking

	Corporate & Institutional Banking		Shipping, Offshore & Oil Services	
Income statement, EURm	2013	2012	2013	2012
Net interest income	169	164	113	118
Net fee and commission income	172	185	20	18
Net result from items at fair value	109	113	12	18
Profit from companies accounted for under the equity method	-	-	-	-
Other income	0	0	-	-
Total operating income	**450**	**462**	**145**	**154**
Staff costs	-7	-6	-9	-9
Other expenses	-126	-121	-14	-16
Depreciation of tangible and intangible assets	0	-	0	0
Total operating expenses	**-133**	**-127**	**-23**	**-25**
Profit before loan losses	**317**	**335**	**122**	**129**
Net loan losses	-17	-14	-36	-74
Operating profit	**300**	**321**	**86**	**55**
Income tax expense	-	-	-	-
Net profit for the year	**300**	**321**	**86**	**55**
Balance sheet, EURm				
Loans to the public	8,238	8,785	466	558
Deposits and borrowings from the public	7,319	6,276	153	157

	Capital Markets unallocated		Wholesale Banking Other[4]		**Total Wholesale Banking**	
Income statement, EURm	2013	2012	2013	2012	**2013**	**2012**
Net interest income	4	7	8	3	294	292
Net fee and commission income	-389	-350	11	56	-186	-92
Net result from items at fair value	890	1,032	-1	0	1,011	1,163
Profit from companies accounted for under the equity method	-	-	-	-	-	-
Other income	0	1	0	0	0	1
Total operating income	**505**	**690**	**18**	**59**	**1,119**	**1,364**
Staff costs	-74	-77	-56	-51	-146	-143
Other expenses	49	42	57	55	-36	-39
Depreciation of tangible and intangible assets	0	0	-8	-8	-8	-9
Total operating expenses	**-25**	**-35**	**-7**	**-4**	**-190**	**-191**
Profit before loan losses	**480**	**655**	**11**	**55**	**929**	**1,173**
Net loan losses	-	-	0	-1	-52	-88
Operating profit	**480**	**655**	**11**	**54**	**877**	**1,085**
Income tax expense	-	-	-	-	-	-
Net profit for the year	**480**	**655**	**11**	**54**	**877**	**1,085**
Balance sheet, EURm						
Loans to the public	40,176	26,716	6,201	7,106	55,081	43,166
Deposits and borrowings from the public	26,923	16,891	8,661	8,210	43,056	31,535

[4] Wholesale Banking Other includes the area International Units and the support areas Transaction Products, Segment CIB and IT.

Reconciliation between total operating segments and financial statements

	Total operating income		Operating profit		Loans to the public		Deposits and borrowings from the public	
EURm	2013	2012	2013	2012	2013	2012	2013	2012
Total Operating segments	2,756	3,041	1,534	1,817	114,099	100,990	80,911	70,233
Group functions[1]	-526	-206	-421	-208	-2	-73	10	81
Eliminations	-6	-11	-	-	-318	-152	-12	-102
Total	**2,224**	**2,824**	**1,113**	**1,609**	**113,779**	**100,765**	**80,909**	**70,212**

[1] Consists of Group Risk Management, Group Internal Audit, Group Identity & Communications, Group Human Resources, Board of Directors and Group Executive Management.

Group

Total operating income split on product groups

EURm	2013	2012
Banking products	1,539	2,008
Capital Markets products	675	786
Savings Products & Asset Management	0	25
Life & Pensions	10	5
Other	0	0
Total	**2,224**	**2,824**

Banking products consists of three different product types. Account products include account-based products such as lending, deposits and cards and Netbank services. Transaction products consist of cash management as well as trade and project finance services. Financings products include asset-based financing through leasing, hire purchase and factoring as well as sales to finance partners such as dealers, vendors and retailers. Capital Markets products contains financial instruments, or arrangement for a financial instrument, that are available in the financial marketplace, including currencies, commodities, stocks and bonds. Savings products & Asset Management includes Investment Funds, Discretionary Management, Portfolio Advice, Equity Trading and Pension Accounts. Investment Funds is a bundled product where the fund company invest in stocks, bonds, derivatives or other standardised products on behalf of the fund's shareholders. Discretionary Management is a service providing the management of an investment portfolio on behalf of the customer and Portfolio Advise is a service provided to support the customers' investment decision. Life & Pensions provides life insurance and pension products and services.

Group

Geographical information

	Total operating income		Assets	
EURm	2013	2012	2013	2012
Sweden	100	65	15,886	7,575
Finland	1,177	1,562	97,083	99,721
Norway	113	146	6,431	8,763
Denmark	361	528	111,258	139,460
Baltic countries	176	210	9,721	10,145
Poland	9	7	123	116
Other	288	306	64,259	69,681
Total	**2,224**	**2,824**	**304,761**	**335,461**

NBF's main geographical market comprises the Nordic countries and the Baltic countries. Revenues and assets are distributed to geographical areas based on the location of operations. Goodwill is allocated to different countries based on the location of the business activities of the acquired entities.

Note 3 Net interest income

	Group		Parent company	
EURm	2013	2012	2013	2012
Interest income				
Loans to credit institutions	65	224	97	286
Loans to the public	1,571	1,857	1,295	1,560
Interest-bearing securities	142	177	142	177
Other interest income	71	79	79	87
Interest income	**1,849**	**2,337**	**1,613**	**2,110**
Interest expense				
Deposits by credit institutions	-289	-455	-287	-452
Deposits and borrowings from the public	-191	-329	-192	-329
Debt securities in issue	-419	-464	-419	-464
Subordinated liabilities	-25	-27	-25	-27
Other interest expense[1]	258	196	258	196
Interest expense	**-666**	**-1,079**	**-665**	**-1,076**
Net interest income	**1,183**	**1,258**	**948**	**1,034**

[1] The net interest income from derivatives, measured at fair value and related to Nordea's funding can have both a positive and negative impact on other interest expense, for further information see Note 1.

Interest income from financial instruments not measured at fair value through profit and loss amounts to EUR 1,724m (2,180) for the Group and EUR 1,488m (1,954) for the parent company. Interest expense from financial instruments not measured at fair value through profit and loss amounts to EUR -924m (-1,275) for the Group and EUR -923m (-1,272) for the parent company.

Interest on impaired loans amounted to an insignificant portion of interest income.

Net interest income

	Group		Parent company	
EURm	2013	2012	2013	2012
Interest income	1,765	2,241	1,613	2,110
Leasing income[1]	84	96	-	-
Interest expenses	-666	-1,079	-665	-1,076
Total	**1,183**	**1,258**	**948**	**1,034**

[1] Of which contingent leasing income amounts to EUR 15m (24). Contingent leasing income in Nordea consists of variable interest rates, excluding the fixed margin. If the contingent leasing income decreases there will be an offsetting impact from lower funding expenses.

Note 4 Net fee and commission income

	Group		Parent company	
EURm	2013	2012	2013	2012
Asset Management commissions	59	52	59	52
Life insurance	9	6	9	6
Brokerage, securities issues and corporate finance	46	75	46	76
Custody and issuer services	23	33	24	33
Deposits	7	7	7	7
Total savings and investments	144	173	145	174
Payments	200	196	202	197
Cards	129	97	93	67
Total payments and cards	329	293	295	264
Lending	122	88	112	76
Guarantees and documentary payments	132	146	132	145
Total lending related to commissions	254	234	244	221
Other commission income	32	41	31	41
Fee and commission income	**759**	**741**	**715**	**700**
Savings and investments	-332	-323	-332	-323
Payments	-10	-10	-7	-7
Cards	-63	-55	-62	-53
Other commission expenses[1]	-467	-58	-465	-56
Fee and commission expenses	**-872**	**-446**	**-866**	**-439**
Net fee and commission income	**-113**	**295**	**-151**	**261**

[1] Mainly consists of Finnish bank tax and guarantee commission fee paid to Nordea Bank AB (publ)

Fee income, not included in determining the effective interest rate, from financial assets and liabilities not measured at fair value through profit or loss amounted to EUR 129m (95) for the Group and EUR 119m (83) for the parent company.

Fee income, not included in determining the effective interest rate, from fiduciary activities that result in the holding or investing of assets on behalf of customers amounted to EUR 114m (134) for the Group and EUR 114m (134) for the parent company.

Note 5 Net result from items at fair value

	Group		Parent company	
EURm	2013	2012	2013	2012
Shares/participations and other share-related instruments	93	264	92	263
Interest-bearing securities and other interest-related instruments	-2	520	-2	519
Other financial instruments	90	297	90	297
Foreign exchange gains/losses	939	140	934	132
Investment properties	-6	-4	-4	-3
Total	**1,114**	**1,217**	**1,110**	**1,208**

Net result from categories of financial instruments

	Group		Parent company	
EURm	2013	2012	2013	2012
Available for sale assets, realised	-16	0	-16	0
Financial instruments designated at fair value through profit or loss	163	153	164	153
Financial instruments held for trading[1]	22	937	20	935
Financial instruments under fair value hedge accounting	7	2	7	2
- of which net result on hedging instruments	-157	392	-157	392
- of which net result on hedged items	164	-390	164	-390
Financial assets measured at amortised cost[2]	1	2	1	2
Foreign exchange gains/losses excl currency hedges	941	127	938	119
Other	-4	-4	-4	-3
Total	**1,114**	**1,217**	**1,110**	**1,208**

[1] Of which amortised deferred day one profits amounted to EUR 2m for 2013 (5) both for the Group and the parent company.
[2] Of which EUR 1m (2) related to instruments classified into the category "Loans and receivables".

Note 6 Dividends

	Group		Parent company	
EURm	2013	2012	2013	2012
Investments in group undertakings	-	-	101	80
Investments in associated undertakings	-	-	27	19
Total	**-**	**-**	**128**	**99**

Note 7 Other operating income

	Group		Parent company	
EURm	2013	2012	2013	2012
Divestment of shares	1	-	-	-
Income from real estate	2	2	1	2
Disposals of tangible and intangible assets	4	3	1	0
Other	25	31	24	30
Total	**32**	**36**	**26**	**32**

Note 8 Staff costs

	Group		Parent company	
EURm	2013	2012	2013	2012
Salaries and remuneration	-426	-434	-397	-400
Pension costs (specification below)	-60	-63	-56	-57
Social security contributions	-30	-31	-27	-28
Allocation to profit-sharing foundation[1]	-11	-20	-11	-19
Other staff costs	-26	-26	-25	-23
Total	**-553**	**-574**	**-516**	**-527**

[1] Allocation to profit-sharing foundation 2013 EUR 11m (20) in the Group and EUR 11m (19) in the parent company consists of a new allocation of EUR 12m (18) in the Group and EUR 11m (17) in the parent company and expenses related to prior years of EUR -1m (2) in the Group and EUR -1m (2) in the parent company.

	Group		Parent company	
	2013	2012	2013	2012
Pension costs:				
Defined benefit plans (Note 33)	0	1	1	2
Defined contribution plans	-60	-64	-57	-59
Total	**-60**	**-63**	**-56**	**-57**

Additional disclosures on remuneration under Nordic FSAs' regulation and general guidelines (including FIN-FSA release 62/501/2010)
The qualitative disclosures under these regulations can be found in the separate section on remuneration in the Board of Director's Report, while the quantitative disclosures will be published in a separate report on Nordea's homepage (www.nordea.com) one week before the Annual General Meeting on 20 March 2014.

Compensation etc. to the Board of Directors, President and his deputy
The members of the Board of Directors of Nordea Bank Finland Plc and the President, are all members of the Nordea Bank AB (publ) Group Executive Management except for the one external member Carl-Johan Granvik. The monthly fee for the external Board member was 1,250 euros, totalling 15,000 euros in 2013 (6,250). In 2013 Nordea Bank AB (publ) has paid all salaries, fees, pension- and other staff-related expenses to the above mentioned other members of the Board and the President. Nordea Bank AB (publ) has allocated these salary expenses to Nordea Bank Finland Plc as part of the Head Office Allocation -expenses.

Information on salaries, loans and pension liabilities of the above mentioned other members of the Board and the President is presented in the Annual Report of Nordea Bank AB (publ).

The deputy of the president Pekka Nuuttila resigned on 28 February 2013 and Topi Manner was elected new deputy as from 1 March 2013. Salaries paid to the deputy of the President of Nordea Bank Finland Plc amounted to EUR 0m (0). Pension obligation for the deputy of the President amounted to EUR 0m (3) and pension cost to defined benefit plans to EUR 0m (2). There is at yearend no defined benefit plan for the deputy. The statutory pension cost for the deputy of the president amounted to EUR 0m (0).

EURm	2013	2012
Loans granted by Nordea Bank Finland Plc		
To members and deputy members of the Board of Directors	0	0
To the President and his deputy	1	0

Terms and conditions regarding loans to members of the Board of Directors, to President and his deputy are decided in accordance with instructions issued by the Board of Directors.

Guarantees and other off-balance-sheet commitments
No guarantees or other off-balance-sheet commitments have been granted to members of administrative or controlling boards or to auditors.

The members of the administrative and controlling boards have no holdings of shares, equity warrants or convertible bonds issued by Nordea Bank Finland Plc.

Loans to key management personnel
Loans to key management personnel as defined in Note 1 section 23 amounts to EUR 1m (2) in the Group and EUR 1m (2) in the parent company. Interest income on these loans amounts to EUR 0m (0) in the Group and EUR 0m (0) in the parent company.

Terms and conditions regarding loans for key management personnel employed by Nordea are decided in accordance with instructions issued by the Board of Directors. Loans to family members of key management personnel are granted on normal market terms, as well as loans to key management personnel who are not employees of Nordea. In Finland the employee interest rate for loans corresponds to Nordea's funding cost with a margin of 10 basis points up to EUR 400,000, and 30 basis points on the part that exceeds EUR 400,000.

The Group has not pledged any assets or other collateral or committed to contingent liabilities on behalf of any key management personnel.

Long Term Incentive Programmes

Group	2013			2012		
Conditional Rights LTIP 2012	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	207,861	497,861	207,861	-	-	-
Granted	7,816[1]	19,603[1]	7,816[1]	210,430	502,999	210,430
Forfeited	-4,414	-8,828	-4,414	-2,569	-5,138	-2,569
Outstanding at end of year	**211,263**	**508,636**	**211,263**	**207,861**	**497,861**	**207,861**
- of which currently exercisable	-	-	-	-	-	-

Parent company	2013			2012		
Conditional Rights LTIP 2012	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	202,784	484,654	202,784	-	-	-
Granted	7,621[1]	19,009[1]	7,621[1]	205,353	489,792	205,353
Forfeited	-4,414	-8,828	-414	-2,569	-5,138	-2,569
Outstanding at end of year	**205,991**	**494,835**	**209,991**	**202,784**	**484,654**	**202,784**
- of which currently exercisable	-	-	-	-	-	-

Group	2013			2012		
Conditional Rights LTIP 2011	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	149,531	299,062	149,531	154,236	308,472	154,236
Granted[1]	5,465	10,930	5,465	5,481	10,962	5,481
Transfer during the year	-	-	-	-6,347	-12,694	-6,347
Forfeited	-7,287	-14,574	-7,287	-3,839	-7,678	-3,839
Outstanding at end of year	**147,709**	**295,418**	**147,709**	**149,531**	**299,062**	**149,531**
- of which currently exercisable	-	-	-	-	-	-

Parent company	2013			2012		
Conditional Rights LTIP 2011	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	146,011	292,022	146,011	150,845	301,690	150,845
Granted[1]	5,330	10,660	5,330	5,352	10,704	5,352
Transfer during the year	-	-	-	-6,347	-12,694	-6,347
Forfeited	-7,287	-14,574	-7,287	-3,839	-7,678	-3,839
Outstanding at end of year	**144,054**	**288,107**	**144,054**	**146,011**	**292,022**	**146,011**
- of which currently exercisable	-	-	-	-	-	-

Group	2013			2012		
Rights LTIP 2010	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	153,128	306,256	153,128	162,974	325,948	162,974
Transfer during the year	-	-	-	-3,057	-6,114	-3,057
Forfeited	-5,032	-149,790	-86,481	-6,789	-13,578	-6,789
Allotted	-124,141	-131,156	-55,867	-	-	-
Outstanding at end of year	**23,955**	**25,310**	**10,780**	**153,128**	**306,256**	**153,128**
- of which currently exercisable	-	-	-	-	-	-

Parent company	2013			2012		
Rights LTIP 2010	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Outstanding at the beginning of year	150,708	301,416	150,708	160,554	321,108	160,554
Transfer during the year	-	-	-	-3,057	-6,114	-3,057
Forfeited	-5,032	-147,507	-85,150	-6,789	-13,578	-6,789
Allotted	-121,721	-128,599	-54,778	-	-	-
Outstanding at end of year	**23,955**	**25,310**	**10,780**	**150,708**	**301,416**	**150,708**
- of which currently exercisable	-	-	-	-	-	-

[1] Granted rights are compensation for dividend on the underlying Nordea share during 2012.

Group

	2013			2012		
Rights LTIP 2009	A Rights	B-C Rights	D Rights	A Rights	B-C Rights	D Rights
Outstanding at the beginning of year	21,528	15,317	621	74,943	71,432	24,360
Forfeited	-	-	-	-7,359	-7,359	-7,359
Exercised[2]	-21,528	-15,317	-621	-46,056	-48,756	-16,380
Outstanding at end of year	**0**	**0**	**0**	**21,528**	**15,317**	**621**
- of which currently exercisable	0	0	0	21,528	15,317	621

Parent company

	2013			2012		
Rights LTIP 2009	A Rights	B-C Rights	D Rights	A Rights	B-C Rights	D Rights
Outstanding at the beginning of year	21,528	15,317	621	70,614	67,103	22,628
Forfeited	-	-	-	-7,359	-7,359	-7,359
Exercised[2]	-21,528	-15,317	-621	-41,727	-44,427	-14,648
Outstanding at end of year	**0**	**0**	**0**	**21,528**	**15,317**	**621**
- of which currently exercisable	0	0	0	21,528	15,317	621

[2] Weighted average share price during the exercise period amounts to EUR 8.63 (6.88).

Participation in the Long-Term Incentive Programmes (LTIPs) requires that the participants take direct ownership by investing in Nordea shares.

	LTIP 2012			LTIP 2011		
	Matching Share	Performance Share I	Performance Share II	Matching Share	Performance Share I	Performance Share II
Ordinary share per right	1.00	1.00	1.00	1.00	1.00	1.00
Exercise price, EUR	-	-	-	-	-	-
Grant date	13 May 2012	13 May 2012	13 May 2012	13 May 2011	13 May 2011	13 May 2011
Vesting period, months	36	36	36	36	36	36
Contractual life, months	36	36	36	36	36	36
Allotment	April/May 2015	April/May 2015	April/'May 2015	April/May 2014	April/May 2014	April/May 2014
Fair value at grant date, EUR	6.31 [1]	6.31 [1]	2.28 [1]	7.61 [1]	7.61 [1]	2.75 [1]

	LTIP 2010			LTIP 2009		
	Matching Share	Performance Share I	Performance Share II	A Rights	B-C Rights	D Rights
Ordinary share per right	1.00	1.00	1.00	1.00	1.00	1.00
Exercise price, EUR	-	-	-	0.51	0.12	0.12
Grant date	13 May 2010	13 May 2010	13 May 2010	14 May 2009	14 May 2009	14 May 2009
Vesting period, months	36	36	36	24	24	24
Contractual life, months	36	36	36	48	48	48
Allotment/First day of exercise	April/May 2013	April/May 2013	April/May 2013	29 April 2011	29 April 2011	29 April 2011
Fair value at grant date, EUR	6.75	6.75	2.45	4.66	5.01	1.75

[1] The fair value has been recalculated due to dividend during the vesting period which the participants are compensated for through additional Matching and Performance Shares.

Conditions and requirements

For each ordinary share the participants lock in to the LTIPs, they are granted a conditional A-right/Matching Share to acquire or receive ordinary shares based on continued employment and the conditional B-D-rights/Performance Share I and II to acquire or receive additional ordinary shares based on fulfilment of certain performance conditions. The performance conditions for B- and C-rights and for Performance Share I comprise a target growth in risk adjusted profit per share (RAPPS) or a target in risk-adjusted return on capital at risk (RAROCAR). Should the reported earnings per share (EPS) be lower than a predetermined level the participants are not entitled to exercise any B- or C-rights or Performance Share I. The performance conditions for D-rights and for Performance Share II are market related and comprise growth in total shareholder return (TSR) in comparison with a peer group's TSR or a target in RAROCAR and in P/B-ranking compared to a peer group.

When the performance conditions are not fully fulfilled, the rights that are no longer exercisable are shown as forfeited in the previous tables, as well as shares forfeited due to participants leaving the Nordea Group.

The exercise price, where applicable, for the ordinary shares is adjusted for dividends, however never adjusted below a predetermined price. Furthermore the profit for each right is capped.

	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009[1]
Service condition, A-D-rights / Matching Share / Performance Share I and II	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the three year vesting period.	Employed, with certain exemptions, within the Nordea Group during the two year vesting period.
Performance condition, B-rights / Performance Share I	Average RAROCAR during the period 2012 up to and including 2014. Full right to exercise will be obtained if the RAROCAR amounts to 17%.	Compound Annual Growth Rate in RAPPS from year 2010 (base year) to and including year 2013. Full allotment was obtained if the Compound Annual Growth Rate amounts to or exceed 10%.	Compound Annual Growth Rate in RAPPS from year 2009 (base year) to and including year 2012. Full right to exercise will be obtained if the Compound Annual Growth Rate amounts to or exceed 9%.	Increase in RAPPS 2009 compared to 2008. Full right to exercise was obtained if RAPPS increased by 8% or more.
EPS knock out, B-rights/Performance Share I	-	Average reported EPS for 2011-2013 lower than EUR 0.26.	Average reported EPS for 2010-2012 lower than EUR 0.26.	Reported EPS for 2009 lower than EUR 0.26.
Performance condition, C-rights	-	-	-	Increase in RAPPS 2010 compared to 2009. Full right to exercise was obtained if RAPPS increased by 8% or more.
EPS knock out, C-rights	-	-	-	Reported EPS for 2010 lower than EUR 0.26.
Performance condition, D-rights/Performance Share II	RAROCAR during the period 2012 up to and including 2014 and P/E-ranking year-end 2014 compared to a peer group. Full right to exercise will be obtained if the RAROCAR amounts to 14% and if Nordea's P/B-ranking is 1-5.	TSR during 2011-2013 in comparison to a peer group. Full right to exercise will be obtained if Nordea is ranked number 1-5.	TSR during 2010-2012 in comparison with a peer group. Full allotment was obtained if Nordea is ranked number 1-5.	TSR during 2009-2010 in comparison with a peer group. Full right to exercise was obtained if Nordea was ranked number 1.
Cap	The market value of the allotted shares is capped to the participants' annual salary for year-end 2011.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2010.	The market value of the allotted shares is capped to the participants' annual salary for year-end 2009.	The profit per A-D-right is capped to EUR 9.59 per right.
Dividend compensation	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	The number of Matching Shares and Performance Shares will be adjusted for dividends on the underlying Nordea share during the vesting period, as if assuming that each dividend was used to immediately invest in additional Nordea shares.	-	The exercise price was adjusted for dividends during the exercise period, however never adjusted below EUR 0.10.

[1] RAPPS for the financial years 2008 and 2009, EPS knock out and the cap were in 2009 adjusted due to the financial effects of the new rights issue in 2009.

Fair value calculations

The fair value is measured through the use of generally accepted valuation models with the following input factors:

	LTIP 2012	**LTIP 2011**	**LTIP 2010**	**LTIP 2009**
Weighted average share price, EUR	6.70	8.39	6.88	5.79
Right life, years	3.0	3.0	3.0	2.5
Deduction of expected dividends	No	No	No	Yes
Risk free rate, %	Not applicable	Not applicable	Not applicable	1.84
Expected volatility, %	Not applicable	Not applicable	Not applicable	29

Expected volatility is based on historical values. As the exercise price (zero for LTIP 2012, LTIP 2011 and LTIP 2010) is significantly below the share price at grant date, the value has a limited sensitivity to expected volatility and risk-free interest. The fair value calculations are also based on estimated early exercise behaviour during the programme's exercise windows, however only applicable for LTIP 2009.

The value of the D-rights/Performance Share II are based on market related conditions and fulfilment of the TSR, RAROCAR and P/B targets have been taken into consideration when calculating the right's fair value at grant. When calculating the impact from the market conditions it has been assumed that all possible outcomes have equal possibilities. Also the caps in each programme have been taken into consideration when calculating the rights' fair value at grant. The adjustment to fair value is approximately 2-3% of the weighted average share price.

Expenses for equity-settled share-based payment programmes[1]

Group

EURm	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009
Expected expense for the whole programme	-3.2	-3.3	-2.5	-3.1
Maximum expense for the whole programme	-5.2	-3.8	-2.5	-3.1
Total expense during 2013	-1.0	-1.1	-0.5	-
Total expense during 2012	-0.7	-0.9	-0.3	-

Parent company

EURm	LTIP 2012	LTIP 2011	LTIP 2010	LTIP 2009
Expected expense for the whole programme	-3.1	-3.3	-2.4	-3.0
Maximum expense for the whole programme	-5.1	-3.7	-2.4	-3.0
Total expense during 2013	-1.0	-1.1	-0.5	-
Total expense during 2012	-0.6	-0.9	-0.3	-

[1] All amounts excluding social security contribution.

When calculating the expected expense an expected annual employee turnover of 5% has been used. The expected expense is recognised over the vesting period of 36 months (LTIP 2012, LTIP 2011 and LTIP 2010) and 24 months (LTIP 2009).

Cash-settled share-based payment transactions

Nordea operates share-linked deferrals on parts of variable compensation for certain employee categories, indexed with Nordea Total Shareholder Returns (TSR) and either vesting after three years or vesting in equal instalments over a three to five year period. Since 2011 Nordea also operates TSR-linked retention on part of variable compensation for certain employee categories. The table below only includes deferred amounts indexed with Nordea TSR. Due to that the allocation of variable compensation is not finally decided during the current year, the deferred amount during the year in the table below relates to variable compensation earned the previous year.

In addition Nordea has during 2013 introduced the Executive Incentive Programme 2013 ("EIP 2013") which aims to strengthen Nordea's capability to retain and recruit the best talents. The aim is further to stimulate the managers and key employees whose efforts have direct impact on Nordea's result, profitability and long term value growth. EIP reward performance meeting agreed predetermined targets on Group, business unit and individual level. The effect on the long term result is to be considered when determining the targets. The EIP shall not exceed the fixed salary. EIP shall be paid in the form of cash and be subject to TSR-indexation, deferral, forfeiture clauses and retention as per relevant remuneration regulations. The main part of EIP 2013 is paid no earlier than autumn 2017. Participation in the programme is offered to up to 400 managers and key employees, except GEM who are instead offered a GEM EIP (further information about the GEM EIP can be found in the Annual Report of Nordea Bank AB (publ)), within the Nordea Group. EIP 2013 is offered instead of Nordea's LTIP and VSP for the invited employees. The allocation of the EIP 2013 is decided during spring 2014, and a reservation of EUR 4m incl. social costs was made in 2013 both in the Group and parent company. 80% of the allocated amount will be subject to TSR-indexation.

Further information regarding all deferred amounts can be found in the separate report on remuneration published on Nordea's homepage (www.nordea.com).

	Share linked deferrals			
	Group		Parent company	
EURm	2013	2012	2013	2012
Opening balance	3	1	3	1
Deferred/earned during the year	2	2	2	2
TSR indexation during the year	1	0	1	0
Payments during the year[1]	-2	0	-2	0
Translation differences	0	0	0	0
Closing balance	**4**	**3**	**4**	**3**

[1] There have been no adjustments due to forfeitures in 2013.

Note 8 *Staff costs, cont.*

Average number of employees

	Group		Parent company	
	2013	2012	2013	2012
Full-time employees	8,396	8,731	7,764	7,967
Part-time employees	541	538	495	485
Total	**8,937**	**9,269**	**8,259**	**8,452**
Total number of employees (FTEs), end of period	7,981	8,252	7,440	7,516

Note 9 Other expenses

	Group		Parent company	
EURm	2013	2012	2013	2012
Information technology[1]	-180	-150	-186	-170
Marketing and representation	-28	-31	-26	-28
Postage, transportation, telephone and office expenses	-43	-46	-36	-39
Rents, premises and real estate	-88	-92	-90	-91
Other[2]	-127	-128	-109	-116
Total	**-466**	**-447**	**-447**	**-444**

[1] Starting from March 2012 NBF outsourced its IT operations to Nordea Bank AB.
[2] Including fees and remuneration to auditors distributed as follows

Auditors' fees

	Group		Parent company	
EURm	2013	2012	2013	2012
KPMG				
Auditing assignments	-1	-1	-1	-1
Audit-related services	0	0	0	0
Tax advisory services	0	0	0	0
Other assignments	0	0	0	0
Total	**-1**	**-1**	**-1**	**-1**

Note 10 Depreciation, amortisation and impairment charges of tangible and intangible assets

	Group		Parent company	
EURm	2013	2012	2013	2012
Depreciation/amortisation				
Property and equipment (Note 22)				
Equipment	-21	-24	-15	-14
Buildings	0	0	0	0
Intangible assets (Note 21)				
Computer software	-15	-16	-15	-15
Other intangible assets	-2	-3	-1	-2
Total	**-38**	**-43**	**-31**	**-31**
Impairment charges / Reversed impairment charges				
Property and equipment (Note 22)				
Other impairment losses/reversals	-	-1	-	-1
Intangible assets (Note 21)				
Impairment other intangible assets	-2	-6	-2	-6
Total	-2	-7	-2	-7
Total	**-40**	**-50**	**-33**	**-38**

Note 11 Net loan losses

EURm	Group 2013	Group 2012	Parent company 2013	Parent company 2012
Divided by class				
Loans to credit institutions	0	0	0	0
- of which provisions	0	0	0	0
- of which reversals	0	0	0	0
Loans to the public	-56	-158	-46	-139
- of which provisions	-216	-264	-203	-241
- of which write-offs	-71	-159	-40	-124
- of which allowances used for covering write-offs	104	92	96	82
- of which reversals	103	146	93	135
- of which recoveries	24	27	8	9
Off-balance sheet items[1]	3	14	3	14
- of which provisions	-8	-5	-8	-5
- of which reversals	11	19	11	19
Total	**-53**	**-144**	**-43**	**-125**
Specification				
Changes of allowance accounts in the balance sheet	-110	-104	-107	-93
- of which Loans, individually assessed[2]	-123	-176	-121	-166
- of which Loans, collectively assessed[2]	10	58	11	59
- of which Off-balance sheet items, individually assessed[1]	0	16	0	16
- of which Off-balance sheet items, collectively assessed[1]	3	-2	3	-2
Changes directly recognised in the income statement	57	-40	64	-32
- of which realised loan losses, individually assessed	33	-67	56	-41
- of which realised recoveries, individually assessed	24	27	8	9
Total	**-53**	**-144**	**-43**	**-125**

[1] Included in Note 32 Provisions as "Transfer risk, off-balance" and "Individually assessed guarantees and other commitments".
[2] Included in Note 13 Loans and impairment

Key ratios

	Group 2013	Group 2012	Parent company 2013	Parent company 2012
Loan loss ratio, basis points[3]	5	14	5	14
- of which individual	6	20	6	20
- of which collective	-1	-6	-1	-6

[3] Net loan losses (annualised) divided by opening balance of loans to the public (lending).

Note 12 Taxes

Income tax expense

	Group		Parent company	
EURm	2013	2012	2013	2012
Current tax	-285	-420	-239	-382
Deferred tax	0	-8	-4	-2
Bank tax in Finland[1]				
Total	**-285**	**-428**	**-243**	**-384**

[1] The Finnish bank tax was introduced in 2013 and is based on risk weighted assets rather than income. This tax is not included in the current- and deferred tax disclosures in this Note.

Current and deferred tax recognised in Other comprehensive income				
Deferred tax relating to available-for-sale investments	-4	-7	-4	-7
Deferred tax relating to cash flow hedges	2	24	2	11
Deferred tax relating to defined benefit plans	4	12	3	11
Total	**2**	**29**	**1**	**15**

The tax on the Group's operating profit differs from the theoretical amount that would arise using the tax rate of Finland as follows:

	Group		Parent company	
EURm	2013	2012	2013	2012
Profit before tax	1,113	1,609	1,023	1,500
Tax calculated at a tax rate of 24,5%	-273	-394	-251	-368
Income from associated undertakings	0	0	-	-
Other direct taxes	0	0	0	0
Tax-exempt income	3	10	31	25
Non-deductible expenses	-14	-5	-13	-1
Adjustments relating to prior years	6	-24	6	-25
Change of tax rate	8	0	-1	-
Not creditable foreign taxes	-15	-15	-15	-15
Tax charge	**-285**	**-428**	**-243**	**-384**
Average effective tax rate	26%	27%	24%	26%

Group	Deferred tax assets		Deferred tax liabilities	
EURm	2013	2012	2013	2012
Deferred tax related to:				
Tax losses carry-forward	0	0	-	-
Untaxed reserves	-	-	-	-
Loans to the public	18	20	53	58
Financial instruments	-2	6	-	-
Intangible assets	0	0	0	-
Property and equipment	2	3	-	-
Investment property	-	-	-	-
Retirement benefit assets/obligations	-27	-16	0	-
Hedge of net investments in foreign operations	-	-	-	-
Liabilities/provisions	14	24	-	0
Total	**5**	**37**	**53**	**58**

Parent company	Deferred tax assets		Deferred tax liabilities	
EURm	2013	2012	2013	2012
Deferred tax related to:				
Tax losses carry-forward	-	-	-	-
Loans to the public	16	18	-	-
Financial instruments	-2	6	-	-
Intangible assets	-	-	-	-
Property and equipment	2	3	-	-
Investment property	-	-	-	-
Retirement benefit assets/obligations	-27	-19	-	-
Liabilities/provisions	13	23	-	-
Total	**2**	**31**	**-**	**-**

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Movements in deferred tax assets/liabilities, net				
Amount at beginning of year (net)	-22	-31	31	17
Deferred tax relating to items recognised in Other comprehensive income	-25	12	-24	11
Acquisitions and others	0	5	-1	5
Deferred tax in the income statement	-1	-8	-4	-2
Amount at the end of the year (net)	**-48**	**-22**	**2**	**31**

There were no unrecognised deferred tax assets in the Group nor in the parent company in 2013 or 2012.

There was no deferred tax relating to temporary differences associated with investments in group undertakings, associated undertakings and joint ventures.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, when the deferred tax income relates to the same fiscal authority.

Note 13 Loans and impairment

	Total			
	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Loans, not impaired	148,377	136,523	147,523	135,684
Impaired loans	2,008	1,904	1,716	1,641
- of which performing	1,034	947	839	771
- of which non-performing	974	957	877	870
Loans before allowances	**150,385**	**138,427**	**149,239**	**137,325**
Allowances for individually assessed impaired loans	-714	-657	-644	-579
- of which performing	-421	-407	-355	-338
- of which non-performing	-293	-250	-289	-241
Allowances for collectively assessed impaired loans	-125	-178	-107	-161
Allowances	**-839**	**-835**	**-751**	**-740**
Loans, carrying amount	**149,546**	**137,592**	**148,488**	**136,585**

	Central banks and credit institutions			
	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Loans, not impaired	35,768	36,828	41,221	42,273
Impaired loans	24	24	24	24
- of which performing	-	-	-	-
- of which non-performing	24	24	24	24
Loans before allowances	**35,792**	**36,852**	**41,245**	**42,297**
Allowances for individually assessed impaired loans	-25	-25	-25	-25
- of which performing	-	-	-	-
- of which non-performing	-25	-25	-25	-25
Allowances for collectively assessed impaired loans	0	0	0	0
Allowances	**-25**	**-25**	**-25**	**-25**
Loans, carrying amount	**35,767**	**36,827**	**41,220**	**42,272**

	The public[1]			
	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Loans, not impaired	112,609	99,695	106,302	93,411
Impaired loans	1,984	1,880	1,692	1,617
- Performing	1,034	947	839	771
- Non-performing	950	933	853	846
Loans before allowances	**114,593**	**101,575**	**107,994**	**95,028**
Allowances for individually assessed impaired loans	-689	-632	-619	-554
- Performing	-421	-407	-355	-338
- Non-performing	-268	-225	-264	-216
Allowances for collectively assessed impaired loans	-125	-178	-107	-161
Allowances	**-814**	**-810**	**-726**	**-715**
Loans, carrying amount	**113,779**	**100,765**	**107,268**	**94,313**

[1] Finance leases, where the Nordea Group is a lessor, are included in Loans to the public, see Note 23 Leasing.

Note 13 *Loans and impairment, cont.*

Reconciliation of allowance accounts for impaired loans[2]

	Total					
	Group			Parent company		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2013	**-657**	**-178**	**-835**	**-579**	**-161**	**-740**
Provisions	-177	-39	-216	-167	-36	-203
Reversals	55	49	104	46	47	93
Changes through the income statement	**-122**	**10**	**-112**	**-121**	**11**	**-110**
Allowances used to cover write-offs	104	-	104	96	-	96
Translation differences	-39	43	4	-40	43	3
Closing balance at 31 Dec 2013	**-714**	**-125**	**-839**	**-644**	**-107**	**-751**
Opening balance at 1 Jan 2012	**-576**	**-236**	**-812**	**-495**	**-220**	**-715**
Provisions	-218	-46	-264	-199	-43	-242
Reversals	42	104	146	33	102	135
Changes through the income statement	**-176**	**58**	**-118**	**-166**	**59**	**-107**
Allowances used to cover write-offs	92	0	92	82	0	82
Translation differences	3	0	3	0	0	0
Closing balance at 31 Dec 2012	**-657**	**-178**	**-835**	**-579**	**-161**	**-740**

	Central banks and credit institutions					
	Group			Parent company		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2013	**-25**	**0**	**-25**	**-25**	**0**	**-25**
Provisions	-	0	0	-	0	0
Reversals	-	0	0	-	0	0
Changes through the income statement	**0**	**0**	**0**	**0**	**0**	**0**
Allowances used to cover write-offs	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-
Closing balance at 31 Dec 2013	**-25**	**0**	**-25**	**-25**	**0**	**-25**
Opening balance at 1 Jan 2012	**-25**	**0**	**-25**	**-25**	**0**	**-25**
Provisions	-	0	0	-	0	0
Reversals	-	0	0	-	0	0
Changes through the income statement	**-**	**0**	**0**	**-**	**0**	**0**
Allowances used to cover write-offs	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-
Closing balance at 31 Dec 2012	**-25**	**0**	**-25**	**-25**	**0**	**-25**

	The public					
	Group			Parent company		
EURm	Individually assessed	Collectively assessed	Total	Individually assessed	Collectively assessed	Total
Opening balance at 1 Jan 2013	**-632**	**-178**	**-810**	**-554**	**-161**	**-715**
Provisions	-177	-39	-216	-167	-36	-203
Reversals	55	49	104	46	47	93
Changes through the income statement	**-122**	**10**	**-112**	**-121**	**11**	**-110**
Allowances used to cover write-offs	104	-	104	96	-	96
Translation differences	-39	43	4	-40	43	3
Closing balance at 31 Dec 2013	**-689**	**-125**	**-814**	**-619**	**-107**	**-726**
Opening balance at 1 Jan 2012	**-551**	**-236**	**-787**	**-470**	**-220**	**-690**
Provisions	-218	-46	-264	-199	-43	-242
Reversals	42	104	146	33	102	135
Changes through the income statement	**-176**	**58**	**-118**	**-166**	**59**	**-107**
Allowances used to cover write-offs	92	-	92	82	-	82
Translation differences	3	0	3	0	0	0
Closing balance at 31 Dec 2012	**-632**	**-178**	**-810**	**-554**	**-161**	**-715**

[2] See Note 11 Net loan losses

Note 13 *Loans and impairment, cont.*

Allowances and provisions

	Total			
	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Allowances for items in the balance sheet	-839	-835	-751	-740
Provisions for off balance sheet items	-30	-32	-30	-32
Total allowances and provisions	**-869**	**-867**	**-781**	**-772**

	Central banks and credit institutions			
	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Allowances for items in the balance sheet	-25	-25	-25	-25
Provisions for off balance sheet items	-7	-9	-7	-9
Total allowances and provisions	**-32**	**-34**	**-32**	**-34**

	The public			
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Allowances for items in the balance sheet	-814	-810	-726	-715
Provisions for off balance sheet items	-23	-23	-23	-23
Total allowances and provisions	**-837**	**-833**	**-749**	**-738**

Key ratios

	Group		Parent company	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Impairment rate, gross[3], basis points	133	138	115	119
Impairment rate, net[4], basis points	86	90	72	77
Total allowance rate[5], basis points	56	60	50	54
Allowances in relation to impaired loans[6], %	36	35	38	35
Total allowances in relation to impaired loans[7], %	42	44	44	45
Non-performing loans, not impaired[8], EURm	66	127	61	52

[3] Individually assessed impaired loans before allowances divided by total loans before allowances.
[4] Individually assessed impaired loans after allowances divided by total loans before allowances.
[5] Total allowances divided by total loans before allowances.
[6] Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.
[7] Total allowances divided by total impaired loans before allowances.
[8] Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Note 14 Interest-bearing securities

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
State and sovereigns	8,672	6,483	8,672	6,483
Municipalities and other public bodies	146	97	146	97
Mortgage institutions	12,353	9,004	12,353	9,004
Other credit institutions	10,766	12,849	10,766	12,849
Corporates	1,881	1,151	1,881	1,151
Corporates, sub-investment grade	428	234	428	234
Other	0	0	0	0
Total	**34,246**	**29,818**	**34,246**	**29,818**

Note 15 Financial instruments pledged as collateral

Financial instruments pledged as collateral
In repurchase transactions and in securities lending transactions, non-cash assets are transferred as collateral. When the counterpart receiving the collateral has the right to sell or repledge the assets, the assets are reclassified in the balance sheet to the item Financial instruments pledged as collateral.

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Interest-bearing securities	9,739	8,078	9,739	8,078
Total	**9,739**	**8,078**	**9,739**	**8,078**

For information on transferred assets, see Note 43.
For information on reverse repos, see Note 43.

Note 16 Shares

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Shares	56	92	56	89
Shares taken over for protection of claims	-	-	-	-
Fund units, equity related	592	614	591	614
Fund units, interest related	32	132	32	132
Total	**680**	**838**	**679**	**835**
- of which Financial instruments pledged as collateral (Note 15)	-	-	-	-
Total	**680**	**838**	**679**	**835**

Note 17 Derivatives and hedge accounting

31 Dec 2013, EURm	Group Fair value Positive	Group Fair value Negative	Group Total nom. amount	Parent company Fair value Positive	Parent company Fair value Negative	Parent company Total nom. amount
Derivatives held for trading						
Interest rate derivatives						
Interest rate swaps	48,067	44,566	3,950,077	48,067	44,566	3,950,077
Futures and forwards	203	211	1,156,307	203	211	1,156,307
Options	8,406	8,261	583,111	8,406	8,261	583,111
Total	**56,676**	**53,038**	**5,689,495**	**56,676**	**53,038**	**5,689,495**
Equity derivatives						
Equity swaps	425	232	10,887	425	232	10,887
Futures and forwards	7	5	912	7	5	912
Options	546	695	15,871	546	695	15,871
Total	**978**	**932**	**27,670**	**978**	**932**	**27,670**
Foreign exchange derivatives						
Currency and interest rate swaps	9,804	10,670	797,916	9,804	10,670	797,916
Currency forwards	473	515	91,719	473	515	91,719
Options	185	150	21,228	185	150	21,228
Total	**10,462**	**11,335**	**910,863**	**10,462**	**11,335**	**910,863**
Credit derivatives						
Credit default swaps	1,337	1,361	60,889	1,337	1,361	60,889
Total rate of return swaps	-	-	-	-	-	-
Total	**1,337**	**1,361**	**60,889**	**1,337**	**1,361**	**60,889**
Commodity derivatives						
Swaps	105	92	2,125	105	92	2,125
Futures and forwards	11	10	762	11	10	762
Options	28	11	1,048	28	11	1,048
Other	-	-	-	-	-	-
Total	**144**	**113**	**3,935**	**144**	**113**	**3,935**
Other derivatives						
Options	13	14	431	13	14	431
Other	15	13	32	15	13	32
Total	**28**	**27**	**463**	**28**	**27**	**463**
Total derivatives held for trading	**69,625**	**66,806**	**6,693,315**	**69,625**	**66,806**	**6,693,315**

31 Dec 2013, EURm	Group Fair value Positive	Group Fair value Negative	Group Total nom. amount	Parent company Fair value Positive	Parent company Fair value Negative	Parent company Total nom. amount
Derivatives used for hedge accounting						
Interest rate derivatives						
Interest rate swaps	565	144	62,386	565	144	62,386
Total	**565**	**144**	**62,386**	**565**	**144**	**62,386**
Foreign exchange derivatives						
Currency and interest rate swaps	44	159	1,026	44	159	1,026
Currency forwards	-	-	-	-	-	-
Total	**44**	**159**	**1,026**	**44**	**159**	**1,026**
Total derivatives used for hedge accounting	**609**	**303**	**63,412**	**609**	**303**	**63,412**
Total derivatives	**70,234**	**67,109**	**6,756,727**	**70,234**	**67,109**	**6,756,727**
[1] of which cash flow hedges	39	219	13,957 [2]	39	219	13,957 [2]
[1] of which fair value hedges	570	84	62,212 [2]	570	84	62,212 [2]

[2] some cross currency interest rate swaps are used both as fair value hedges and as cash flow hedges and the nominal amounts are then reported on both lines

Periods when hedged cashflows are expected to occur and when they are expected to affect the income statement

Group EURm	<1 year	1-3 years	3-5 years	5-10 years	Over 10 years
Cash inflows (assets)	-	-	-	-	-
Cash outflows (liabilities)	2,569	3,663	3,724	3,829	69
Net cash flows	**2,569**	**3,663**	**3,724**	**3,829**	**69**

Note 17 *Derivatives and hedge accounting, cont.*

31 Dec 2012, EURm	Group Fair value Positive	Group Fair value Negative	Group Total nom. amount	Parent company Fair value Positive	Parent company Fair value Negative	Parent company Total nom. amount
Derivatives held for trading						
Interest rate derivatives						
Interest rate swaps	89,987	86,528	3,744,280	89,987	86,528	3,744,280
Futures and forwards	352	397	1,421,573	352	397	1,421,573
Options	12,159	12,161	458,797	12,159	12,161	458,797
Total	**102,498**	**99,086**	**5,624,650**	**102,498**	**99,086**	**5,624,650**
Equity derivatives						
Equity swaps	242	241	9,654	242	241	9,654
Futures and forwards	2	2	286	2	2	286
Options	425	396	11,458	425	396	11,458
Total	**669**	**639**	**21,398**	**669**	**639**	**21,398**
Foreign exchange derivatives						
Currency and interest rate swaps	11,377	13,599	846,588	11,377	13,599	846,588
Currency forwards	429	735	81,304	429	735	81,304
Options	200	213	26,288	200	213	26,288
Total	**12,006**	**14,547**	**954,180**	**12,006**	**14,547**	**954,180**
Credit derivatives						
Credit default swaps	637	655	47,053	637	655	47,053
Total rate of return swaps	-	-	-	-	-	-
Total	**637**	**655**	**47,053**	**637**	**655**	**47,053**
Commodity derivatives						
Swaps	493	434	5,694	493	434	5,694
Futures and forwards	5	26	600	5	26	600
Options	30	28	1,534	30	28	1,534
Other	-	-	-	-	-	-
Total	**528**	**488**	**7,828**	**528**	**488**	**7,828**
Other derivatives						
Options	10	8	254	10	8	254
Other	23	14	57	23	14	57
Total	**33**	**22**	**311**	**33**	**22**	**311**
Total derivatives held for trading	**116,371**	**115,437**	**6,655,420**	**116,371**	**115,437**	**6,655,420**

31 Dec 2012, EURm	Group Fair value Positive	Group Fair value Negative	Group Total nom. amount	Parent company Fair value Positive	Parent company Fair value Negative	Parent company Total nom. amount
Derivatives used for hedge accounting						
Interest rate derivatives						
Interest rate swaps	775	211	38,886	775	211	38,886
Total	**775**	**211**	**38,886**	**775**	**211**	**38,886**
Foreign exchange derivatives						
Currency and interest rate swaps	67	188	2,569	67	188	2,569
Currency forwards	-	-	-	-	-	-
Total	**67**	**188**	**2,569**	**67**	**188**	**2,569**
Total derivatives used for hedge accounting	**842**	**399**	**41,455**	**842**	**399**	**41,455**
Total derivatives	**117,213**	**115,836**	**6,696,875**	**117,213**	**115,836**	**6,696,875**

Periods when hedged cashflows are expected to occur and when they are expected to affect the income statement

Group EURm	<1 year	1-3 years	3-5 years	5-10 years	Over 10 years
Cash inflows (assets)	-	-	-	-	-
Cash outflows (liabilities)	-	-5,092	-4,301	-3,084	-70
Net cash flows	**-**	**-5,092**	**-4,301**	**-3,084**	**-70**

Note 18 Fair value changes of the hedged items in portfolio hedge of interest rate risk

Assets

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Carrying amount at beginning of year	124	138	124	138
Changes during the year				
- Revaluation of hedged items	-66	-14	-66	-14
Carrying amount at end of year	**58**	**124**	**58**	**124**

Liabilities

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Carrying amount at beginning of year	637	195	637	195
Changes during the year				
- Revaluation of hedged items	-268	442	-268	442
Carrying amount at end of year	**369**	**637**	**369**	**637**

The carrying amount at end of year represents accumulated changes in the fair value for those repricing time periods in which the hedged item is an asset respectively a liability. When the hedged item is an asset, the change in the fair value of the hedged item is presented within assets and when the hedged item is a liability, the change is presented as a liability.

Note 19 Investments in group undertakings

Parent company

EURm	31 Dec 2013	31 Dec 2012
Acquisition value at beginning of year	373	370
Acquisitions / capital contributions during the year	7	3
Sales during the year	-4	-
Translation differences	0	0
Acquisition value at end of year	**376**	**373**
Accumulated impairment charges at beginning of year	-	-
Impairment charges during the year	-	-
Translation differences	-	-
Accumulated impairment charges at end of year	**-**	**-**
Total	**376**	**373**

Note 19 *Investments in group undertakings, cont.*

Specification

This specification includes all directly owned group undertakings and major group undertakings to the directly owned companies.

Group

31 Dec 2013	Number of shares	Carrying amount 2013 EURm	Carrying amount 2012 EURm	Voting power of holding, %	Domicile	Business ID
Domestic						
Credit institutions						
Nordea Finance Finland Ltd	1,000,000	306	306	100.0	Espoo	0112305-3
Financial institutions						
Tukirahoitus Oy[1]	672	7	7	100.0	Espoo	0677131-6
Real estate companies						
Kiinteistö Oy Tampereen Kirkkokatu 7[1]	280	50	50	100.0	Tampere	0819781-3
Kiinteistö Oy Levytie 6[1]	147	12	18	100.0	Helsinki	0818921-5
Kiinteistö Oy Lahden Aleksanterinkatu 19-21[1, 2]	-	-	10	100.0	Lahti	0150108-5
Other companies						
Fidenta Oy[3]	-	-	0	-	Espoo	0988412-1
International						
Financial institutions						
Nordea Finance Polska S.A[1]	19,690,000	0	0	100.0	Warsaw	PL5861944082
Nordea Finance Estonia Ltd[1]	60,000	6	6	100.0	Tallinn	EE100212426
Nordea Finance Latvia Ltd[1]	1,100	4	4	100.0	Riga	LV40003348054
Nordea Finance Lithuania Ltd[1]	6,540	4	4	100.0	Vilnius	LT111667277
Nordea Securities Holding (U.K.) Ltd	49,010,000	2	2	100.0	London	01803666
Real estate companies						
Promano Est OÜ	1	10	10	100.0	Tallinn	11681888
Promano Lit UAB	34,528	10	10	100.0	Vilnius	302423219
SIA Promano Lat	21,084	30	30	100.0	Riga	40103235197
SIA Realm	7,030	10	10	100.0	Riga	50103278681

Other subsidiaries included in the consolidated financial statements; total assets of less than EUR 10m	Number of companies	Carrying amount of shares EURm	Total assets EURm
Real estate companies	7	11	13
Other companies	9	7	86

[1] Indirect holding through Nordea Finance Finland Ltd, a subsidiary of Nordea Bank Finland Plc.
[2] Sold in March 2013
[3] Merged to Nordea Bank Finland Plc in December 2013

The parent company of Nordea Bank Finland Plc is Nordea Bank AB (publ) domiciled in Stockholm, registration number 516406-0120. The Annual Report 2013 of Nordea Bank AB (publ) may be down-loaded on the Internet at www.nordea.com and is available from Nordea Group Investor Relations, SE 105 71 Stockholm, Sweden. The Annual Report 2013 of the Nordea Group is also available at branches of Nordea Bank Finland Plc.

Group

Special Purpose Entities (SPEs) – Consolidated

6 SPEs have been setup in the Baltics to acquire assets from commercial customers. The total consolidated value of these assets is EUR 2m (13).

Note 20 Investments in associated undertakings

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Acquisition value at beginning of year	80	81	43	43
Acquisitions during the year	1	-	-	-
Sales during the year	-	-	-	-
Share in earnings	8	18	-	-
Dividend received	-27	-19	-	-
Reclassifications	-1	1	-	-
Translation differences	-	-	-	-
Acquisition value at end of year	**61**	**81**	**43**	**43**
Accumulated impairment charges at beginning of year	-2	-2	-9	-9
Reversed impairment charges during the year	-	-	-	-
Impairment charges during the year	-	-	-	-
Impairment charges reclassifications during the year	-	0	-	-
Translation differences	0	0	-	-
Accumulated impairment charges at end of year	**-2**	**-2**	**-9**	**-9**
Total	**59**	**79**	**34**	**34**

Nordea Bank Finland Plc's and Nordea Bank Finland Group's associated undertakings' aggregated balance sheets and income statements can be summarised as follows:

EURm	31 Dec 2013	31 Dec 2012
Total assets	242	274
Total liabilities	162	175
Operating income	52	84
Operating profit	10	33

Nordea Bank Finland Plc's and Nordea Bank Finland Group' s share of contingent liabilities and commitments in favour of associated undertakings of Nordea Bank Finland Group amounts to EUR 83m (84), of which the unused portion of approved overdraft facilities is EUR 63m (64).

Group

31 Dec 2013	Business ID	Domicile	Carrying amount 2013, EURm	Carrying amount 2012, EURm	Voting power of holding %
Automatia Pankkiautomaatit Oy	0974651-1	Helsinki	8	8	33.3
Fenestra Oy[1]	0177676-7	Vantaa	0	0	9.9
NF Fleet Oy	2006935-5	Espoo	3	2	20.0
UAB ALD Automotive, Lithuania	300156575	Vilnius	1	1	25.0
ALD Automotive Eesti AS, Estonia	11094435	Tallin	1	1	25.0
ALD Automotive SIA, Latvia	50003825931	Riga	1	1	25.0
Oy Realinvest Ab	0680035-9	Helsinki	0	0	49.3
Realia Holding Oy	2106796-8	Helsinki	20	20	25.0
Securus Oy	0742429-5	Helsinki	0	0	35.2
Suomen Luotto-osuuskunta	0201646-0	Helsinki	25	46	27.3
Total			**59**	**79**	

[1] Nordea Bank Finland Plc holds currently convertible bonds which, if converted, would give Nordea Bank Finland significant influence over the entity.

Parent company

31 Dec 2013	Business ID	Domicile	Carrying amount 2013, EURm	Carrying amount 2012, EURm	Voting power of holding %
Automatia Pankkiautomaatit Oy	0974651-1	Helsinki	5	5	33.3
Fenestra Oy[1]	0177676-7	Vantaa	0	0	9.9
Realia Holding Oy	2106796-8	Helsinki	20	20	25.0
Oy Realinvest Ab	0680035-9	Helsinki	0	0	49.3
Securus Oy	0742429-5	Helsinki	0	0	35.2
Suomen Luotto-osuuskunta	0201646-0	Helsinki	9	9	27.3
Total			**34**	**34**	

[1] Nordea Bank Finland Plc holds currently convertible bonds which, if converted, would give Nordea Bank Finland significant influence over the entity.

Note 21 Intangible assets

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent Company 31 Dec 2013	Parent Company 31 Dec 2012
Other intangible assets				
Computer software	94	100	97	105
Other intangible assets	6	8	1	1
Other intangible assets, total	**100**	**108**	**98**	**106**
Intangible assets, total	**100**	**108**	**98**	**106**

	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Computer software				
Acquisition value at beginning of year	156	130	163	136
Acquisitions during the year	11	26	9	30
Sales/disposals during the year	-	0	-	-
Reclassifications	-1	0	-1	-3
Translation differences	0	0	-	-
Acquisition value at end of year	**166**	**156**	**171**	**163**
Accumulated amortisation at beginning of year	-50	-34	-52	-36
Amortisation according to plan for the year	-15	-16	-15	-15
Accumulated amortisation on sales/disposals during the year	-	-	-	-
Reclassifications	1	0	1	-1
Translation differences	-	-	-	-
Accumulated amortisation at end of year	**-64**	**-50**	**-66**	**-52**
Accumulated impairment charges at beginning of year	-6	-	-6	-
Impairment charges during the year	-2	-6	-2	-6
Accumulated impairment charges at end of year	**-8**	**-6**	**-8**	**-6**
Total	**94**	**100**	**97**	**105**

	Group 31 Dec 2013	Group 31 Dec 2012	Parent Company 31 Dec 2013	Parent Company 31 Dec 2012
Other intangible assets				
Acquisition value at beginning of year	21	20	7	11
Acquisitions during the year	-	2	-	0
Sales/disposals during the year	-	-1	-	-
Reclassifications	-1	0	-2	-4
Translation differences	0	0	-	-
Acquisition value at end of year	**20**	**21**	**6**	**7**
Accumulated amortisation at beginning of year	-13	-10	-6	-8
Amortisation according to plan for the year	-2	-3	-1	-2
Accumulated amortisation on sales/disposals during the year	-	0	-	-
Reclassifications	1	0	2	4
Translation differences	0	0	-	-
Accumulated amortisation at end of year	**-14**	**-13**	**-5**	**-6**
Accumulated impairment charges at beginning of year	0	0	-	-
Impairment charges during the year	-	0	-	-
Accumulated impairment charges at end of year	**0**	**0**	**-**	**-**
Total	**6**	**8**	**1**	**1**

Note 22 Property and equipment

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Property and equipment	94	96	74	59
- of which buildings for own use	2	2	1	1
Total	**94**	**96**	**74**	**59**
Equipment				
Acquisition value at beginning of year	243	263	181	177
Acquisitions during the year	59	45	56	29
Sales/disposals during the year	-26	-27	-	-
Reclassifications	-36	-38	-32	-25
Translation differences	-1	0	-	-
Acquisition value at end of year	**239**	**243**	**205**	**181**
Accumulated depreciation at beginning of year	-148	-142	-122	-110
Accumulated depreciation on sales/disposals during the year	17	16	-	-
Reclassifications	4	2	5	2
Depreciation according to plan for the year	-21	-24	-15	-14
Translation differences	1	0	-	-
Accumulated depreciation at end of year	**-147**	**-148**	**-132**	**-122**
Accumulated impairment charges at beginning of year	-1	0	-1	-
Impairment charges during the year	-	-1	-	-1
Reclassifications	1	-	1	-
Accumulated impairment charges at end of year	**0**	**-1**	**0**	**-1**
Total	**92**	**94**	**73**	**58**
Land and buildings				
Acquisition value at beginning of year	4	5	3	4
Acquisitions during the year	-	-	-	-
Sales/disposals during the year	-	-1	-	-1
Reclassifications	-	-	-	-
Acquisition value at end of year	**4**	**4**	**3**	**3**
Accumulated depreciation at beginning of year	-2	-2	-2	-2
Accumulated depreciation on sales/disposals during the year	-	-	-	-
Depreciation according to plan for the year	0	0	0	0
Accumulated depreciation at end of year	**-2**	**-2**	**-2**	**-2**
Total	**2**	**2**	**1**	**1**

Note 23 Leasing

NBF as a lessor

Finance leases
Nordea Bank Finland Group owns assets leased to customers under finance lease agreements. Finance lease agreements are reported as receivables from the lessee included in "Loans to the public" (see Note 13) at an amount equal to the net investment in the lease. The leased assets mainly comprise vehicles, machinery and other equipment.

Reconciliation of gross investments and present value of future minimum lease payments:

	Group	
EURm	31 Dec 2013	31 Dec 2012
Gross investments	2,596	2,509
Less unearned finance income	-139	-130
Net investments in finance leases	**2,457**	**2,379**
Less unguaranteed residual values accruing to the benefit of the lessor	-73	-81
Present value of future minimum lease payments receivable	**2,384**	**2,298**
Accumulated allowance for uncollectible minimum lease payments receivable	10	5

As of 31 December 2013 the gross investment and the net investment by remaining maturity was distributed as follows:

	Group	
EURm	31 Dec 2013 Gross investment	31 Dec 2013 Net investment
2013	810	804
2014	737	651
2015	496	472
2016	297	287
2017	172	168
Later years	83	75
Total	**2,596**	**2,457**

Operating leases
Assets subject to operating leases mainly comprise vehicles and other equipment. In the balance sheet they are reported as tangible assets.

Under non-cancellable operating leases, the future minimum lease payments receivables are distributed as follows:

	Group	
EURm	31 Dec 2013	31 Dec 2012
2013	2	6
2014	1	2
2015	1	1
2016	0	0
2017	0	0
Later years	0	0
Total	**4**	**9**

NBF as a lessee

Finance leases

Nordea Bank Finland Group has only to a minor extent entered into finance lease agreements. The carrying amount of assets subject to finance leases amounts to EUR 0m (0).

Operating leases

Nordea Bank Finland Group has entered into operating lease agreements for premises and office equipment.

	Group		Parent company	
Leasing expenses during the year, EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Leasing expenses during the year	-66	-59	-69	-72
- of which minimum lease payments	-65	-59	-69	-72
- of which contingent rents	0	-1	-	-
Leasing income during the year regarding sublease payments	-	-	-	-

Future minimum lease payments under non-cancellable operating leases amounted to and are distributed as follows:

	Group	Parent company
EURm	31 Dec 2013	31 Dec 2013
2013	66	66
2014	45	45
2015	31	31
2016	25	24
2017	21	21
Later years	108	107
Total	**296**	**294**

Note 24 Investment property

Movement in the balance sheet	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Carrying amount at beginning of year	104	71	10	10
Acquisitions during the year	29	34	2	0
Sales/disposals during the year	-20	-1	-4	0
Net result from fair value adjustments	0	0	-	-
Carrying amount at end of year	**113**	**104**	**8**	**10**

Amounts recognised in the income statement[1]

EURm	2013	2012	2013	2012
Rental income	1	1	1	1
Direct operating expenses that generate rental income	-3	-3	-3	-3
Direct operating expenses that did not generate rental income	-1	-	-1	-
Total	**-3**	**-2**	**-3**	**-2**

[1]Together with fair value adjustments included in Net result from items at fair value.

Market value	113	104	8	10

Note 25 Other assets

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Claims on securities settlement proceeds	906	1,109	905	1,109
Cash/ margin receivables	6,607	8,370	6,607	8,370
Other	764	841	721	799
Total	**8,277**	**10,320**	**8,233**	**10,278**

Note 26 Prepaid expenses and accrued income

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Accrued interest income	313	339	308	335
Other accrued income	248	617	69	435
Prepaid expenses	11	13	9	7
Total	**572**	**969**	**386**	**777**

Note 27 Deposits by credit institutions

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Central banks	5,780	2,326	5,780	2,326
Other banks	60,908	44,331	60,796	44,218
Other credit institutions	12,738	28,009	12,739	28,009
Total	**79,426**	**74,666**	**79,315**	**74,553**

Note 28 Deposits and borrowings from the public

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Deposits from the public	53,983	53,285	53,992	53,308
Borrowings from the public	26,926	16,927	26,916	16,916
Total	**80,909**	**70,212**	**80,908**	**70,224**

Deposits are defined as funds in deposit accounts covered by the government deposit guarantee but also including amounts in excess of the individual amount limits.

Note 29 Debt securities in issue

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Certificates of deposit	16,408	18,726	16,408	18,726
Commercial papers	7,122	9,650	7,122	9,650
Bond loans[1]	23,600	20,623	23,600	20,623
Total	**47,130**	**48,999**	**47,130**	**48,999**

[1] Of which Finnish covered bonds EUR 15,473m (12,362).

Note 30 Other liabilities

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Liabilities on securities settlement proceeds	665	1,577	665	1,577
Sold, not held, securities	10,405	5,151	10,405	5,151
Accounts payable	60	83	40	42
Cash/margin payables	5,872	5,802	5,872	5,802
Other	1,853	1,626	1,705	1,452
Total	**18,855**	**14,239**	**18,687**	**14,024**

Note 31 Accrued expenses and prepaid income

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Accrued interest	303	345	303	345
Other accrued expenses	413	523	302	328
Prepaid income	150	78	63	71
Total	**866**	**946**	**668**	**744**

Note 32 Provisions

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Reserve for restructuring costs	26	33	26	33
Transfer risks, off-balance	9	11	9	11
Individually assessed, guarantees and other commitments	21	21	21	21
Tax	1	1	-	-
Other	15	17	11	14
Total	**72**	**83**	**67**	**79**

Movement in the balance sheet:

Group

EURm	Restructuring	Transfer risks	Off-balance sheet	Tax	Other	Total
At the beginning of year	33	11	21	1	17	83
New provisions made	1	3	5	-	0	9
Provisions utilised	-8	-	-	0	-2	-10
Reversals	0	-5	-5	-	-	-10
Reclassifications	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-
At the end of year	**26**	**9**	**21**	**1**	**15**	**72**

Provisions for restructuring costs amounts to EUR 26m of which EUR 24m is related to redundancy packages and EUR 2m to redundant premises. The restructuring activities have mainly been launched to reach the anticipated cost efficiency and profitability, and as a part of this Nordea plans to reduce the number of employees, partly through close down of branches. Approximately a half of the provision is expected to be used during 2014. As with any other provision there is an uncertainty around timing and amount, which is expected to be decreased as the plan is being executed during 2014.

Provision for Transfer risk of EUR 9m is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note 13. Provision for Transfer risk is depending on the volume of business with different countries.

Loan loss provisions for individually assessed, guarantees and other commitments amounted to EUR 21m.

Other provisions refer to the following provisions: Rental liabilities EUR 1m (of which a half is expected to be settled during 2014), provision for environmental and property-related obligations of EUR 3m (not expected to be settled during 2014) and other provisions amounting to EUR 11m (of which 7m expected to be settled during 2014).

Parent company

EURm	Restructuring	Transfer risks	Off-balance sheet	Other	Total
At beginning of year	33	11	21	14	79
New provisions made	1	3	5	-	9
Provisions utilised	-8	-	-	-3	-11
Reversals	0	-5	-5	-	-10
Translation differences	-	-	-	-	-
At the end of year	**26**	**9**	**21**	**11**	**67**

Provisions for restructuring costs amounts to EUR 26m of which EUR 24m is related to redundancy packages and EUR 2m to redundant premises. The restructuring activities have mainly been launched to reach the anticipated cost efficiency and profitability, and as a part of this Nordea plans to reduce the number of employees, partly through close down of branches. Approximately a half of the provision is expected to be used during 2014. As with any other provision there is an uncertainty around timing and amount, which is expected to be decreased as the plan is being executed during 2014.

Provision for Transfer risk of EUR 9m is related to off-balance sheet items. Transfer risk relating to loans is included in the item Allowances for collectively assessed impaired loans in Note 13. Provision for Transfer risk is depending on the volume of business with different countries.

Loan loss provisions for individually assessed, guarantees and other commitments amounted to EUR 21m.

Other provisions refer to the following provisions: Rental liabilities EUR 1m (of which a half is expected to be settled during 2014), provision for environmental and property-related obligations of EUR 3m (not expected to be settled during 2014) and other provisions amounting to EUR 7m (total amount expected to be settled during 2014).

Note 33 Retirement benefit obligations

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Defined benefit plans, net	-112	-30	-111	-34
Total	**-112**	**-30**	**-111**	**-34**

NBF has various pension plans, which are classified both as defined benefit plans as well as defined contribution plans. IAS 19 secures that the pension obligations net of plan assets backing these obligations is reflected on the Group's balance sheet. The defined benefit plans in Finland are closed to new employees and instead, pensions for new employees are based on defined contribution (DCP) arrangements. The plans for the foreign branches are also mainly defined contribution plans. The existing defined benefit plans in London and New York are closed to new employees. Defined contribution plans are not reflected on the balance sheet except when earned pension rights have not yet been paid for.

The pension plans are structured in accordance with local regulations, legislations and local practice. Plan assets are generally held in a separate pension fund or foundation. Minimum funding requirement differ between plans but generally the pension obligation measured using local requirements shall be covered in full or with a predetermined surplus.

The most significant of the Finnish plans is the Nordea Pension Foundation. The Nordea Pension Foundation was formed when the Pension Fund (UBF) assigned its liabilities to the Pension Foundation (KOP) on 31 August 2013. At the same time, the Pension Fund surrendered its insurance operations and other assets and liabilities to the Pension Foundation. The Pension Fund was placed in liquidation on 1 September 2013. The name of the Pension foundation (KOP) was changed to Nordea Pension Foundation. After this assignment of liability the Pension Foundation repurchased on 30 December 2013 from Nordea Life Assurance Finland Ltd the pensions and paid-up free policies which were transferred there in 1998 from the Pension Fund as a transfer of liability.

Characteristics of the Nordea Pension Foundation

Nordea Pension Foundation plan is a final salary and service based pension plan providing pension benefits on top of the statutory systems. The employer has promised a certain level of benefit after retirement to a certain group of employees within the plan. Plan's operation is managed by the Board of Members. The board consists of both employers' and employee's representatives. The Board of Members has named a managing director to take care of regular operations in the foundation.

The plan exposes the employer to certain risks. If the return of foundation's assets is not enough to cover the increment of liability and benefit payments over the financial year then the employer funds the deficit with contributions. The present value of the defined benefit liability is calculated using a discount rate determined by reference to high quality bond yields. A decrease in the corporate bond yields increases the liabilities along with increment of plan's benefit obligation calculated according to IAS 19. However, part of increment of obligation is offset by asset increment along with the increment of plan's bond holdings. Asset volatility may also impact NBF although basically the distribution of assets to different asset classes is strictly dictated by authorities so significant concentration risk cannot be borne. The plan's benefits in payment are tied to TyEL-index which depends on inflation (80 %) and common salary index (20 %). Higher inflation increases the TyEL-index which leads to an increase in liabilities. Higher inflation causes extra challenges to investment activities from which the employer in the last resort is responsible. The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in life expectancy of the plan participants will increase the plan's liability.

IAS 19 pension calculations and assumptions

Calculations on major plans are performed by external liability calculators and are based on the actuarial assumptions.

Assumptions[1]	Finland
2013	
Discount rate[2]	3.5%
Salary increase	2.5%
Inflation	1.5%
2012	
Discount rate[2]	3.5%
Salary increase	3.0%
Inflation	2.0%

[1]The assumptions disclosed for 2013 have an impact on the liability calculation by year-end 2013, while the assumptions disclosed for 2012 are used for calculating the pension expense in 2013.

[2]More information on the discount rate can be found in Note 1, section 19. The sensitivities to changes in the discount rate can be found below.

Sensitivities - Impact on Pension Benefit Obligation (PBO) %	Group	Parent company
Discount rate - Increase 50bps	-6.3%	-6.3%
Discount rate - Decrease 50bps	7.1%	7.1%
Salary increase - Increase 50bps	0.3%	0.3%
Salary increase - Decrease 50bps	-0.3%	-0.3%
Inflation - Increase 50bps	4.3%	4.2%
Inflation -Decrease 50bps	-4.0%	-3.9%

Note 33 *Retirement benefit obligations, cont.*

The sensitivity analyses are prepared by changing one actuarial assumption while keeping the other assumptions unchanged. This is a simplified approach since the actuarial assumptions usually are correlated. However, it enables the reader to isolate one effect from another. The method used for calculating the impact on the obligation is the same as when calculating the obligation accounted for in the financial statements.

Net retirement benefit liabilities/assets

	Group		Parent company	
EURm	2013	2012	2013	2012
Obligations	788	863	776	839
Plan assets	900	893	887	873
Net liability(-)/asset (+)	**112**	**30**	**111**	**34**
- of which retirement benefit liabilities	21	50	20	45
- of which retirement benefit assets	133	80	132	80

Changes in the obligation

	Group		Parent company	
EURm	2013	2012	2013	2012
Opening balance	863	754	839	738
Current service cost	3	2	2	2
Interest cost	29	33	29	33
Pensions paid	-41	-41	-41	-41
Past service cost	1	0	1	0
Settlements	-4	-5	-4	-5
Business combinations	-	-	12	-
Remeasurement from changes in demographic assumptions	-1	-3	-1	-3
Remeasurement from changes in financial assumptions	-46	90	-45	87
Remeasurement from experience adjustments	-14	30	-14	24
Translation differences	-2	3	-2	4
Closing balance	**788**	**863**	**776**	**839**

The average duration of the obligation is 13 years both in the Group and the parent company. The duration is based on discounted cash flows. The fact that the main part of the defined benefit plans are closed for new entrants leads to a lower duration.

Changes of the fair value of plan assets

	Group		Parent company	
EURm	2013	2012	2013	2012
Opening balance	893	823	873	807
Interest income (calculated using the discount rate)	30	36	30	36
Pensions paid	-41	-41	-41	-40
Settlements	-1	-4	-1	-4
Business combinations	-	-	8	-
Contributions by employer	10	9	10	9
Remeasurement (actual return less interest income)	11	66	10	62
Administrative expenses	0	-	0	-
Translation differences	-2	4	-2	3
Closing balance	**900**	**893**	**887**	**873**

Asset composition
The combined return on assets in 2013 was 5% (13). Main drivers were positive returns on equities, credit investment and real estate whereas sovereign bonds subtracted from the result. At the end of the year, the equity exposure represented 27% (22) of total assets.

Asset composition in funded schemes	2013	2012
Bonds	57%	61%
- of which sovereign	36%	50%
- of which covered bonds	5%	-
- of which corporate bonds	16%	11%
- of which issued by Nordea entities	0%	-
- of which with quoted market price in an active market	57%	61%
Equity	27%	22%
- of which domestic	9%	8%
- of which European	8%	5%
- of which US	6%	5%
- of which emerging	4%	3%
- of which with quoted market price in an active market	27%	22%
Real Estate	13%	13%
- of which occupied by Nordea	4%	4%
Cash and cash equivalents	3%	4%

Both the Group and the parent company is expected to contribute EUR 7m to its defined benefit plans in 2014.

Defined benefit pension cost
The total net pension cost related to defined benefit plans recognised in the Group's income statement (as staff costs) for the year 2013 is EUR 0m (1m positive). In the parent company's income statement the respective cost was EUR 1m positive (2m positive) in 2013.

Total pension costs comprise defined benefit pension costs as well as costs related to defined contribution plans. (See specification in Note 8.)

	Group		Parent company	
Recognised in the income statement, EURm	2013	2012	2013	2012
Current service cost	3	2	2	2
Net interest	-1	-3	-1	-3
Past service cost	1	0	1	0
Settlements	-3	0	-3	-1
Administrative expenses	0	0	0	0
Pension cost on defined benefit plans	**0**	**-1**	**-1**	**-2**

The pension cost is in line with what was expected at the start of the year.

	Group		Parent company	
Recognised in other comprehensive income, EURm	2013	2012	2013	2012
Remeasurement from changes in demographic assumptions	-1	-3	-1	-3
Remeasurement from changes in financial assumptions	-46	90	-45	87
Remeasurement from experience adjustments	-14	30	-14	24
Remeasurement of plan assets (actual return less interest income)	-11	-66	-10	-62
Pension cost on defined benefit plans	**-72**	**51**	**-70**	**46**

	Group		Parent company	
Net retirement benefit asset//liability	2013	2012	2013	2012
Opening balance	-30	-69	-34	-69
Pension cost in the income statement	0	-1	-1	-2
Remeasurements in other comprehensive income	-72	50	-70	46
Business combinations	-	-	4	-
Pensions paid	0	0	0	0
Contributions by employer	-10	-9	-10	-9
Translation differences	0	-1	0	0
Closing balance	**-112**	**-30**	**-111**	**-34**

Note 33 *Retirement benefit obligations, cont.*

Key management personnel
The members of the Board of Directors of Nordea Bank Finland Plc and the President, are members of the Nordea Bank AB (publ) Group Executive Management, except for the one external member Carl-Johan Granvik. In 2013 Nordea Bank AB (publ) has paid all salaries, fees, pensions and other staff-related expenses to the above mentioned other members of the Board and the President. Nordea Bank AB (publ) has allocated these salary expenses to Nordea Bank Finland Plc as part of the Head Office Allocation expenses.

Information on salaries, loans and pension liabilities regarding the above mentioned other members of the Board and the President is presented in the Annual Report of Nordea Bank AB (publ).

Note 34 Subordinated liabilities

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Dated subordinated debenture loans	-	-	-	-
Undated subordinated debenture loans	429	514	429	514
Total	**429**	**514**	**429**	**514**

These debenture loans are subordinated to other liabilities. Dated debenture loans entitle the lender to payment before undated subordinated loans. Within each respective category, the loans entitle lenders to equal payment rights.

Group and parent company

On 31 December 2013 loans - with terms specified below - exceeded 10% of the total outstanding volume.

Issued by	Year of issue / maturity	Nominal value	Carrying amount EURm	Interest rate (coupon)
Nordea Bank Finland Plc[1]	2002/undated	MGBP 300	360	6.25%
Nordea Bank Finland Plc[2]	1999/undated	MJPY 10,000	69	4.21%

[1] Call date 18 July 2014
[2] Call date 26 February 2029

Note 35 Assets pledged as security for own liabilities

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Assets pledged for own liabilities				
Securities etc.[1]	9,739	8,078	9,739	8,078
Loans to the public	18,803	15,494	18,803	15,494
Other pledged assets	6,519	8,694	6,514	8,694
Total	35,061	32,266	35,056	32,266
The above pledges pertain to the following liabilities				
Deposits by credit institutions	3,210	4,427	3,209	4,426
Deposits and borrowings from the public	6,530	3,652	6,530	3,652
Derivatives	6,307	8,370	6,307	8,370
Debt securities in issue	15,473	12,362	15,473	12,362
Other liabilities	195	196	195	196
Total	**31,715**	**29,007**	**31,714**	**29,006**

[1] Relates only to securities recognised in the balance sheet. Securities borrowed or bought under repurchase agreements are not recognised in the balance sheet and thus not included in the amount. Such transactions are disclosed in Note 43 Transferred assets and obtained collaterals.

Assets pledged for own liabilities contain securities pledged as security in repurchase agreement and in securities lending. The transactions are conducted under standard agreements employed by financial markets participants. Counterparts in those transactions are credit institutions and the public. The transactions are typically short term with maturity within three months.

Loans to the public amounting to EUR 18,803m (15,493) have been registered as collateral for issued Finnish covered bonds amounting to EUR 15,473m (12,362). In the event of the company's insolvency, the holders of these bonds have priority to the assets registered as collateral. Collaterals are valuated up to the first 70% of the market value of the property. Nordea Bank has used Realia Oy, Newsec Oy, Huoneistokeskus Oy, Kiinteistömaailma Oy and Catella Oy to valuate commercial real estate collaterals.

Note 36 Other assets pledged

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Other assets pledged[1]				
Securities etc.	2,876	5,957	2,876	5,957
Other assets pledged	1,517	1,021	1,517	1,021
Total	**4,393**	**6,978**	**4,393**	**6,978**

[1] Collaterals pledged on behalf of other items other than the company's own liabilities, e.g. on behalf of a third party or on behalf of the company's own contingent liabilities are accounted for under this item.

Note 37 Contingent liabilities

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Guarantees				
Loan guarantees	1,686	2,482	1,917	2,786
Other guarantees	12,637	12,146	12,637	12,146
Documentary credits	1,493	1,771	1,493	1,771
Other contingent liabilities	20	20	20	20
Total	**15,836**	**16,419**	**16,067**	**16,723**

In the normal business of Nordea Bank Finland, the bank issues various forms of guarantees in favour of bank's customers. Loan guarantees are given for customers to guarantee obligations in other credit- and pension institutions. Other guarantees consist mainly of commercial guarantees such as bid guarantees, advance payment guarantees, warranty guarantees and export related guarantees. Contingent liabilities also include unutilised irrevocable import documentary credits and confirmed export documentary credits. These transactions are part of the bank services and support the bank's customers. Guarantees and documentary credits are off-balance sheet items, unless there is a need for a provision to cover a probable loan loss that arises from the judgement that reimbursement will not be received.

Note 38 Commitments

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Future payment obligations	7	7	7	7
Credit commitments[1]	15,882	15,956	13,422	13,275
Other commitments	714	626	319	253
Total	**16,603**	**16,589**	**13,748**	**13,535**

[1]Including unutilised portion of approved overdraft facilities of EUR 8,302m (8,565) for the Group and EUR 8,302m (8,566) for the parent company.

Reverse repurchase agreements are recognised on and derecognised from the balance sheet on settlement date. Nordea has as per 31 December 2013 signed reverse repurchase agreements of EUR 11,335m (5,803) that have not yet been settled and consequently are not recognised on the balance sheet. On settlement date these reverse repurchase agreements will, to the utmost extent, replace existing reverse repurchase agreements not yet derecognised as per 31 December 2013. These instruments have not been disclosed as commitments.

Note 39 Capital adequacy

Capital adequacy is a measure of the financial strength of a bank, usually expressed as a ratio of capital to assets. There is now a worldwide capital adequacy standard (Basel II) drawn up by the Basel Committee on Banking Supervision. Within the EU, the capital adequacy requirements are outlined in the CRD.

The capital base figures for 2012 have not been restated due to the implementation of IAS 19 Employee Benefits.

Capital base

EURm	Group 31 Dec 2013	Group 31 Dec 2012	Parent company 31 Dec 2013	Parent company 31 Dec 2012
Tier 1 capital				
Paid up capital	2,319	2,319	2,319	2,319
Share premium	599	599	599	599
Eligible capital	**2,918**	**2,918**	**2,918**	**2,918**
Reserves	5,759	5,195	5,278	4,782
Non-controlling interests	1	4	-	-
Income from current year	828	1,184	780	1,122
Eligible reserves	**6,587**	**6,383**	**6,058**	**5,904**
Core tier 1 capital (before deductions)	**9,505**	**9,301**	**8,976**	**8,822**
Proposed/actual dividend	-750	-625	-750	-625
Deferred tax assets	-5	-16	-2	-13
Intangible assets	-100	-108	-98	-106
Deductions for investments in credit institutions	-2	-1	0	0
IRB provisions shortfall (-)	-118	-207	-103	-196
Other items, net	-100	-98	-100	-98
Deductions	**-1,075**	**-1,055**	**-1,052**	**-1,038**
Tier 1 capital (net after deduction)	**8,430**	**8,246**	**7,923**	**7,784**
Tier 2 capital				
Undated sudordinated loans	537	556	537	556
Dated sudordinated loans	-	-	-	-
Other additional own funds	17	13	17	13
Tier 2 capital (before deductions)	**555**	**569**	**555**	**569**
Deductions for investments in credit institutions	-2	-1	0	0
IRB provisions excess (+) / shortfall (-)	-118	-207	-103	-196
Deductions	**-119**	**-208**	**-103**	**-196**
Tier 2 capital (net after deductions)	**435**	**361**	**452**	**373**
Capital base	**8,866**	**8,607**	**8,375**	**8,157**

Core tier 1 capital and tier 1 capital
Core tier 1 capital is defined as eligible capital including eligible reserves, net of regulatory required deductions made directly to the tier 1 capital. The capital recognised as core tier 1 capital holds the ultimate characteristics for loss absorbance defined from a going concern perspective and represents the most subordinated claim in the event of liquidation. The tier 1 capital is defined as core tier 1 capital and capital of the same or close to the character of eligible capital and eligible reserves. Tier 1 capital can include a limited component of undated subordinated capital loans. Deductions mandatory for tier 1 capital will accordingly also be required as deduction in the defined core tier 1 capital.

Eligible capital and eligible reserves
Paid up capital is the share capital contributed by shareholders, including the share premium paid. Eligible reserves consist primarily of retained earnings, other reserves, minority interest and income from current year. Retained earnings are earnings from previous years reported via the income statement. Other reserves are related to revaluation and translation reserves referred to acquisitions and associated companies under the equity method. The equity interests of minority shareholdings in companies that are fully consolidated in the financial group are also included. Positive income from current year is included as eligible capital after verification by the external auditors, however negative income must be deducted.

Tier 1 instruments subject to limits
The inclusion of undated subordinated loans in tier 1 capital is restricted and repurchase can normally not take place until five years after original issuance of the instrument. Undated subordinated loans may be repaid only upon decision from Board of Directors in Nordea Bank Finland and with the permission of the Finnish FSA. Further, there are restrictions related to step-up conditions, order of priority, interest payments under constraint conditions and the level of amount that can be part of tier 1 capital.

Currently, there are no undated subordinated capital loans included in the tier 1 capital of Nordea Bank Finland.

Deductions from tier 1 capital
Proposed/actual dividend
In relation to income for the period, the corresponding dividend should be deducted. The amount deducted from the tier 1 capital is based on the dividend proposed by the Board of Directors of Nordea Bank Finland to be decided at the annual general meeting of Nordea Bank Finland's shareholders.

Deferred tax assets
In accordance with local legal requirements deferred tax assets have been deducted from the tier 1 capital. The deducted amount is calculated based on accounting standards relevant for the individual companies included in the finacial group.

Intangible assets
The significant part of deducted intangible assets contains goodwill and other intangible assets related to IT software and development.

Deductions for investments in credit institutions
The institutions should in its capital base deduct for equity holdings and some other types of contributions to institutions that are not consolidated into the financial group (in Nordea Bank Finland foremost associated companies). 50% should be deducted from tier 1 capital and 50% should be deducted from tier 2 capital.

IRB provisions shortfall
In accordance with Finnish legislation, the differences between actual IRB provision made for the related exposure and expected loss are adjusted for in the capital base. The negative difference (when the expected loss amount is larger than the provision amount) is defined as a shortfall. According to the rules in the CRD, the shortfall amount is to be deducted equally from tier 1 capital and tier 2 capital. A positive difference (provisions exceeding expected loss) can be included in tier 2 capital subject to certain limitations (maximum 0.6% of IRB RWA).

Other items
Surplus net value of pension plans for employees should under certain circumstances be deducted from the capital base.

Tier 2 capital
Tier 2 capital must be subordinated to depositors and general creditors of the bank. It cannot be secured or covered by a guarantee of the issuer or related entity or include any other arrangement that legally or economically enhances the seniority of the claim vis-à-vis depositors and other bank creditors.

Tier 2 subordinated loans
Tier 2 capital consists mainly of subordinated debt. Tier 2 capital includes two different types of subordinated loan capital; undated loans and dated loans. According to the regulation, tier 2 capital may not exceed tier 1 capital and dated tier 2 loans must not exceed 50% of tier 1 capital. The limits are set net of deductions.

The basic principle for subordinated debt in the capital base is the order of priority in case of a default or bankruptcy situation. Under such conditions, the holder of the subordinated loan would be repaid after other creditors, but before shareholders. The share of outstanding loan amount possible to include in the tier 2 capital related to dated loans is reduced if the remaining maturity is less than five years. Outstanding amount in the specific issue is deducted by 20% for each year.

The table below shows the booked outstanding amounts of undated subordinated loans included in the tier 2 capital. Call date is where the issuer has the legal right to redeem outstanding loan amounts according the terms of agreement. The carrying amount in the table can deviate from capital amounts used in the capital base due to swap arrangements and adjustments for maturities.

Other Tier 2 capital
Other additional funds consists of adjustment to valuation differences in available for sale equities transferred to core additional own funds. Unrealised gains from equity holdings classified as available for sale securities can according to regulation only be included in tier 2 capital. Nordea has no significant holdings in this category and therefore only has a minor impact on tier 2 capital from such items.

Deductions from tier 2 capital
Deductions for investments in credit institutions
The institutions should in its capital base deduct for equity holdings and some other types of contributions to institutions that are not consolidated into the financial group (in Nordea Bank Finland foremost associated companies). 50% should be deducted from tier 1 capital and 50% should be deducted from tier 2 capital.

IRB provisions excess (+) / shortfall
In accordance with Finnish legislation, the differences between actual IRB provision made for the related exposure and expected loss are adjusted for in the capital base. The negative difference (when the expected loss amount is larger than the provision amount) is defined as a shortfall. According to the rules in the CRD, the shortfall amount is to be deducted from the capital base and be divided equally into tier 1 capital and tier 2 capital. A positive difference (provisions exceeding expected loss) can be included in tier 2 capital subject to certain limitations (maximum 0.6% of IRB RWA).

Undated loans

Undated loans, tier 2

Issuer	Carrying amount EURm	Capital base 31 Dec 2013	Start	Maturity	Call date	Step-up
Nordea Bank Finland Plc	360	468	2004	n/a	Jul 2014	Y
Nordea Bank Finland Plc	69	69	1999	n/a	Feb 2029	Y
Total undated loans tier 2	**429**	**537**				

Capital requirements and RWA

Group

	31 Dec 2013		31 Dec 2012	
EURm	Capital requirement	RWA	Capital requirement	RWA
Credit risk	**3,163**	**39,543**	**2,872**	**35,899**
IRB	1,827	22,837	1,163	14,538
- of which corporate	1,217	15,217	408	5,103
- of which institutions	279	3,490	439	5,492
- of which retail	313	3,910	299	3,732
- of which real estate	222	2,769	184	2,299
- of which retail other	91	1,140	115	1,433
- of which other	18	220	17	210
Standardised	1,336	16,706	1,709	21,362
- of which sovereign	21	256	20	245
- of which retail	343	4,291	331	4,132
- of which residential real estate	75	933	69	863
- of which other	269	3,359	262	3,269
- of which other	973	12,158	1,359	16,985
Market risk	**644**	**8,048**	**379**	**4,732**
- of which trading book, Internal Approach	421	5,262	306	3,829
- of which trading book, Standardised Approach	208	2,595	72	903
- of which banking book, Standardised Approach	15	191	-	-
Operational risk	**405**	**5,060**	**408**	**5,101**
-of which standardised	405	5,060	408	5,101
Sub total	**4,212**	**52,652**	**3,659**	**45,733**
Adjustment for transition rules				
Additional capital requirement according to transition rules	274	3,425	-	-
Total	**4,486**	**56,077**	**3,659**	**45,733**

Capital requirements and RWA

Parent company

	31 Dec 2013		31 Dec 2012	
EURm	Capital requirement	RWA	Capital requirement	RWA
Credit risk	**2,805**	**35,064**	**2,507**	**31,343**
IRB	1,717	21,463	1,054	13,175
- of which corporate	1,112	13,897	305	3,818
- of which institutions	279	3,488	439	5,482
- of which retail	313	3,910	299	3,732
- of which real estate	222	2,769	184	2,299
- of which retail other	91	1,140	115	1,433
- of which other	13	168	11	142
Standardised	1,088	13,600	1,453	18,168
- of which sovereign	20	256	20	245
- of which retail	142	1,775	158	1,981
- of which residential real estate	75	933	69	863
- of which other	67	842	89	1,118
- of which other	926	11,570	1,275	15,942
Market risk	**644**	**8,048**	**379**	**4,732**
- of which trading book, Internal Approach	421	5,262	306	3,829
- of which trading book, Standardised Approach	208	2,595	72	903
- of which banking book, Standardised Approach	15	191	-	-
Operational risk	365	4,557	370	4,630
-of which standardised	365	4,557	370	4,630
Sub total	**3,814**	**47,669**	**3,256**	**40,706**
Adjustment for transition rules				
Additional capital requirement according to transition rules	222	2,781	-	-
Total	**4,036**	**50,451**	**3,256**	**40,706**

Nordea Bank AB (publ) has in December 2012 issued a guarantee in favour of Nordea Bank Finland Plc where Nordea Bank AB (publ) guarantees the majority of the exposures in the exposure class IRB corporate in Nordea Bank Finland Plc. The net effect of the guarantee in RWA in Nordea Bank Finland Plc was EUR -7,6bn as end of 2013 (-16.5).

Capital requirements for market risk, 31 December 2013

	Trading book, IA		Trading book, SA	
EURm	RWA	Capital requirement	RWA	Capital requirement
Interest rate risk[1]	1,756	140	2,042	163
Equity risk	97	8	306	25
Foreign exchange risk	235	19		
Commodity risk			246	20
Diversification effect	-1,002	-80		
Stressed Value-at-Risk	2,751	220		
Incremental Risk Charge	1,003	80		
Comprehensive Risk Charge	421	34		
Total	**5,262**	**421**	**2,595**	**208**

[1] Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

Capital requirements for market risk, 31 December 2012

	Banking book, SA		Total	
	RWA	Capital requirement	RWA	Capital requirement
Interest rate risk[1]	-	-	3,798	304
Equity risk	-	-	404	32
Foreign exchange risk	191	15	426	34
Commodity risk	-	-	246	20
Diversification effect	-	-	-1,002	-80
Stressed Value-at-Risk	-	-	2,751	220
Incremental Risk Charge	-	-	1,003	80
Comprehensive Risk Charge	-	-	421	34
Total	**191**	**15**	**8,048**	**644**

[1] Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

Specification over group undertakings consolidated/deducted from the Nordea Bank Finland Group

31 Dec 2013	Number of shares	Carrying amount EURm	Voting power of holding, %	Domicile	Consolidation method
Group undertakings included in the NBF Group					
Nordea Finance Finland Ltd	1,000,000	306	100	Espoo	purchase method
SIA Promano Lat	21,084	30	100	Riga	purchase method
Promano Est OÜ	1	10	100	Tallinn	purchase method
Promano Lit UAB	34,528	10	100	Vilnius	purchase method
SIA Realm	7,030	10	100	Riga	purchase method
SIA Lidosta	2	1	100	Riga	purchase method
UAB Recurso	15,000	4	100	Vilnius	purchase method
Other companies		4			purchase method
Total included in the capital base		**376**			
Over 10 % investments in credit institutions deducted from the capital base					
NF Fleet Oy	13,625	3	20	Espoo	equity method
Total investments in credit institutions deducted from the capital base		**3**			

More Capital Adequacy information for the Group can be found in the section Risk, Liquidity and Capital management in the Directors' Report.

Note 40 Classification of financial instruments

Group

31 Dec 2013, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	30,904	-	-	-	-	-	-	30,904
Loans to central banks	94	-	563	-	-	-	-	657
Loans to credit institutions	28,542	-	6,568	-	-	-	-	35,110
Loans to the public	73,603	-	40,176	-	-	-	-	113,779
Interest-bearing securities	-	2,166	21,322	-	-	10,758	-	34,246
Financial instruments pledged as collateral	-	-	9,739	-	-	-	-	9,739
Shares	-	-	665	15	-	-	-	680
Derivatives	-	-	69,625	-	609	-	-	70,234
Fair value changes of the hedged items in portfolio hedge of interest rate risk	58	-	-	-	-	-	-	58
Investments in associated undertakings	-	-	-	-	-	-	59	59
Intangible assets	-	-	-	-	-	-	100	100
Property and equipment	-	-	-	-	-	-	94	94
Investment property	-	-	-	-	-	-	113	113
Deferred tax assets	-	-	-	-	-	-	5	5
Current tax assets	-	-	-	-	-	-	1	1
Retirement benefit assets	-	-	-	-	-	-	133	133
Other assets	1,410	-	-	6,606	-	-	261	8,277
Prepaid expenses and accrued income	324	-	-	-	-	-	248	572
Total	**134,935**	**2,166**	**148,658**	**6,621**	**609**	**10,758**	**1,014**	**304,761**

31 Dec 2013, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	22,333	-	-	57,093	-	79,426
Deposits and borrowings from the public	26,924	-	-	53,985	-	80,909
Debt securities in issue	8,119	-	-	39,011	-	47,130
Derivatives	66,806	-	303	-	-	67,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	369	-	369
Current tax liabilities	-	-	-	-	8	8
Other liabilities	10,405	5,871	-	2,240	339	18,855
Accrued expenses and prepaid income	-	-	-	453	413	866
Deferred tax liabilities	-	-	-	-	53	53
Provisions	-	-	-	-	72	72
Retirement benefit liabilities	-	-	-	-	21	21
Subordinated liabilities	-	-	-	429	-	429
Total	**134,587**	**5,871**	**303**	**153,580**	**906**	**295,247**

Note 40 *Classification of financial instruments, cont.*

Group			Financial assets at fair value through profit or loss					
31 Dec 2012, EURm	Loans and receivables	Held to maturity	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	30,004	-	-	-	-	-	-	30,004
Loans to central banks	285	-	524	-	-	-	-	809
Loans to credit institutions	29,184	-	6,834	-	-	-	-	36,018
Loans to the public	74,049	-	26,716	-	-	-	-	100,765
Interest-bearing securities	-	2,373	17,821	-	-	9,624	-	29,818
Financial instruments pledged as collateral	-	-	8,078	-	-	-	-	8,078
Shares	-	-	818	20	-	-	-	838
Derivatives	-	-	116,371	-	842	-	-	117,213
Fair value changes of the hedged items in portfolio hedge of interest rate risk	124	-	-	-	-	-	-	124
Investments in associated undertakings	-	-	-	-	-	-	79	79
Intangible assets	-	-	-	-	-	-	108	108
Property and equipment	-	-	-	-	-	-	96	96
Investment property	-	-	-	-	-	-	104	104
Deferred tax assets	-	-	-	-	-	-	37	37
Current tax assets	-	-	-	-	-	-	1	1
Retirement benefit assets	-	-	-	-	-	-	80	80
Other assets	1,745	-	-	8,370	-	-	205	10,320
Prepaid expenses and accrued income	353	-	-	-	-	-	616	969
Total	**135,744**	**2,373**	**177,162**	**8,390**	**842**	**9,624**	**1,326**	**335,461**

		Financial liabilities at fair value through profit or loss				
31 Dec 2012, EURm	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	17,625	-	0	57,041	-	74,666
Deposits and borrowings from the public	16,892	-	0	53,320	-	70,212
Debt securities in issue	8,251	-	0	40,748	-	48,999
Derivatives	115,437	-	399	-	-	115,836
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	637	-	637
Current tax liabilities	-	-	-	-	4	4
Other liabilities	5,151	5,802	-	3,194	92	14,239
Accrued expenses and prepaid income	-	-	-	422	524	946
Deferred tax liabilities	-	-	-	-	58	58
Provisions	-	-	-	-	83	83
Retirement benefit liabilities	-	-	-	-	50	50
Subordinated liabilities	-	-	-	514	-	514
Total	**163,356**	**5,802**	**399**	**155,876**	**811**	**326,244**

Note 40 *Classification of financial instruments, cont.*

Parent company			Financial assets at fair value through profit or loss					
31 Dec 2013, EURm	Loans and receivables	Held to maturity	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	30,904	-	-	-	-	-	-	30,904
Loans to central banks	94	-	563	-	-	-	-	657
Loans to credit institutions	33,995	-	6,568	-	-	-	-	40,563
Loans to the public	67,092	-	40,176	-	-	-	-	107,268
Interest-bearing securities	-	2,166	21,322	-	-	10,758	-	34,246
Financial instruments pledged as collateral	-	-	9,739	-	-	-	-	9,739
Shares	-	-	665	14	-	-	-	679
Derivatives	-	-	69,625	-	609	-	-	70,234
Fair value changes of the hedged items in portfolio hedge of interest rate risk	58	-	-	-	-	-	-	58
Investments in group undertakings	-	-	-	-	-	-	376	376
Investments in associated undertakings	-	-	-	-	-	-	34	34
Intangible assets	-	-	-	-	-	-	98	98
Property and equipment	-	-	-	-	-	-	74	74
Investment property	-	-	-	-	-	-	8	8
Deferred tax assets	-	-	-	-	-	-	2	2
Current tax assets	-	-	-	-	-	-	-	-
Retirement benefit assets	-	-	-	-	-	-	132	132
Other assets	1,377	-	-	6,606	-	-	250	8,233
Prepaid expenses and accrued income	317	-	-	-	-	-	69	386
Total	**133,837**	**2,166**	**148,658**	**6,620**	**609**	**10,758**	**1,043**	**303,691**

	Financial liabilities at fair value through profit or loss					
31 Dec 2013, EURm	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	22,333	-	-	56,982	-	79,315
Deposits and borrowings from the public	26,924	-	-	53,984	-	80,908
Debt securities in issue	8,119	-	-	39,011	-	47,130
Derivatives	66,806	-	303	-	-	67,109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	369	-	369
Current tax liabilities	-	-	-	-	4	4
Other liabilities	10,405	5,871	-	2,139	272	18,687
Accrued expenses and prepaid income	-	-	-	366	302	668
Deferred tax liabilities	-	-	-	-	-	-
Provisions	-	-	-	-	67	67
Retirement benefit liabilities	-	-	-	-	20	20
Subordinated liabilities	-	-	-	429	-	429
Total	**134,587**	**5,871**	**303**	**153,280**	**665**	**294,706**

Note 40 *Classification of financial instruments, cont.*

Parent company

31 Dec 2012, EURm	Loans and receivables	Held to maturity	Financial assets at fair value through profit or loss: Held for trading	Financial assets at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Non-financial assets	Total
Assets								
Cash and balances with central banks	30,004	-	-	-	-	-	-	30,004
Loans to central banks	285	-	524	-	-	-	-	809
Loans to credit institutions	34,629	-	6,834	-	-	-	-	41,463
Loans to the public	67,597	-	26,716	-	-	-	-	94,313
Interest-bearing securities	-	2,373	17,821	-	-	9,624	-	29,818
Financial instruments pledged as collateral	-	-	8,078	-	-	-	-	8,078
Shares	-	-	818	17	-	-	-	835
Derivatives	-	-	116,371	-	842	-	-	117,213
Fair value changes of the hedged items in portfolio hedge of interest rate risk	124	-	-	-	-	-	-	124
Investments in group undertakings	-	-	-	-	-	-	373	373
Investments in associated undertakings	-	-	-	-	-	-	34	34
Intangible assets	-	-	-	-	-	-	106	106
Property and equipment	-	-	-	-	-	-	59	59
Investment property	-	-	-	-	-	-	10	10
Deferred tax assets	-	-	-	-	-	-	31	31
Current tax assets	-	-	-	-	-	-	-	-
Retirement benefit assets	-	-	-	-	-	-	80	80
Other assets	1,715	-	-	8,370	-	-	193	10,278
Prepaid expenses and accrued income	342	-	-	-	-	-	435	777
Total	**134,696**	**2,373**	**177,162**	**8,387**	**842**	**9,624**	**1,321**	**334,405**

31 Dec 2012, EURm	Financial liabilities at fair value through profit or loss: Held for trading	Financial liabilities at fair value through profit or loss: Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Non-financial liabilities	Total
Liabilities						
Deposits by credit institutions	17,625	-	-	56,928	-	74,553
Deposits and borrowings from the public	16,892	-	-	53,332	-	70,224
Debt securities in issue	8,251	-	-	40,748	-	48,999
Derivatives	115,437	-	399	-	-	115,836
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	637	-	637
Current tax liabilities	-	-	-	-	4	4
Other liabilities	5,151	5,802	-	3,048	23	14,024
Accrued expenses and prepaid income	-	-	-	417	327	744
Deferred tax liabilities	-	-	-	-	-	-
Provisions	-	-	-	-	79	79
Retirement benefit liabilities	-	-	-	-	45	45
Subordinated liabilities	-	-	-	514	-	514
Total	**163,356**	**5,802**	**399**	**155,624**	**478**	**325,659**

Note 41 Assets and liabilities at fair value

Group

	31 Dec 2013		31 Dec 2012	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	30,904	30,904	30,004	30,004
Loans	149,546	149,607	137,592	137,816
Interest-bearing securities	34,246	34,252	29,818	29,823
Financial instruments pledged as collateral	9,739	9,739	8,078	8,078
Shares	680	680	838	838
Derivatives	70,234	70,234	117,213	117,213
Other assets	8,840	8,840	10,949	10,949
Prepaid expenses and accrued income	572	572	969	969
Total financial assets	**304,761**	**304,828**	**335,461**	**335,690**
Financial liabilities				
Deposits and debt instruments	207,465	208,094	193,877	193,215
Derivatives	67,109	67,109	115,836	115,836
Other liabilities	19,378	19,378	15,071	15,071
Accrued expenses and prepaid income	866	866	946	946
Subordinated liabilities	429	429	514	514
Total financial liabilities	**295,247**	**295,876**	**326,244**	**325,582**

Parent company

	31 Dec 2013		31 Dec 2012	
EURm	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and balances with central banks	30,904	30,904	30,004	30,004
Loans	148,489	148,547	136,585	136,804
Interest-bearing securities	34,246	34,252	29,818	29,823
Financial instruments pledged as collateral	9,739	9,739	8,078	8,078
Shares	679	679	835	835
Derivatives	70,234	70,234	117,213	117,213
Other assets	9,014	9,014	11,095	11,095
Prepaid expenses and accrued income	386	386	777	777
Total financial assets	**303,691**	**303,755**	**334,405**	**334,629**
Financial liabilities				
Deposits and debt instruments	207,353	207,982	193,776	193,114
Derivatives	67,109	67,109	115,836	115,836
Other liabilities	19,147	19,147	14,789	14,789
Accrued expenses and prepaid income	668	668	744	744
Subordinated liabilities	429	429	514	514
Total financial liabilities	**294,706**	**295,335**	**325,659**	**324,997**

For information about valuation of items measured at fair value on the balance sheet, see Note 1 and the section "Determination of fair values for items measured at fair value on the balance sheet" below. For information about valuation of items not measured at fair value on the balance sheet, see the section "Financial assets and liabilities not held at fair value on the balance sheet".

Assets and liabilities at fair value on the balance sheet

Group

Categorisation into the fair value hierarchy

31 Dec 2013, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	563	-	563
Loans to credit institutions	-	6,568	-	6,568
Loans to the public	-	40,176	-	40,176
Interest-bearing securities	21,985	9,880	215	32,080
Financial instruments pledged as collateral	5,998	3,741	-	9,739
Shares	236	-	444	680
Derivatives	52	68,553	1,629	70,234
Investment properties	-	9	104	113
Other assets	-	6,606	-	6,606
Prepaid expenses and accrued income	-	-	-	-
Total	**28,271**	**136,096**	**2,392**	**166,759**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	22,333	-	22,333
Deposits and borrowings from the public	-	26,924	-	26,924
Debt securities in issue	-	8,119	-	8,119
Derivatives	55	65,625	1,429	67,109
Other liabilities	8,680	7,595	1	16,276
Accrued expenses and prepaid income	-	-	-	-
Total	**8,735**	**130,596**	**1,430**	**140,761**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period.

31 Dec 2012, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	524	-	524
Loans to credit institutions	-	6,834	-	6,834
Loans to the public	-	26,716	-	26,716
Interest-bearing securities	12,978	14,190	277	27,445
Financial instruments pledged as collateral	7,242	836	0	8,078
Shares	311	-	527	838
Derivatives	42	115,241	1,930	117,213
Other assets	-	8,370	-	8,370
Prepaid expenses and accrued income	-	-	-	-
Total	**20,573**	**172,711**	**2,734**	**196,018**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	17,625	-	17,625
Deposits and borrowings from the public	-	16,892	-	16,892
Debt securities in issue	-	8,251	-	8,251
Derivatives	36	114,139	1,661	115,836
Other liabilities	4,759	6,194	-	10,953
Accrued expenses and prepaid income	-	-	-	-
Total	**4,795**	**163,101**	**1,661**	**169,557**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period

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Parent company

Categorisation into the fair value hierarchy

31 Dec 2013, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	563	-	563
Loans to credit institutions	-	6,568	-	6,568
Loans to the public	-	40,176	-	40,176
Interest-bearing securities	21,985	9,880	215	32,080
Financial instruments pledged as collateral	5,998	3,741	-	9,739
Shares	235	-	444	679
Derivatives	52	68,553	1,629	70,234
Investment properties		4	4	8
Other assets	-	6,606	-	6,606
Prepaid expenses and accrued income	-	-	-	-
Total	**28,270**	**136,091**	**2,292**	**166,653**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	22,333	-	22,333
Deposits and borrowings from the public	-	26,924	-	26,924
Debt securities in issue	-	8,119	-	8,119
Derivatives	55	65,625	1,429	67,109
Other liabilities	8,680	7,595	1	16,276
Accrued expenses and prepaid income	-	-	-	-
Total	**8,735**	**130,596**	**1,430**	**140,761**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period.

31 Dec 2012, EURm	Quoted prices in active markets for same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks	-	524	-	524
Loans to credit institutions	-	6,834	-	6,834
Loans to the public	-	26,716	-	26,716
Interest-bearing securities	12,978	14,190	277	27,445
Financial instruments pledged as collateral	7,242	836	0	8,078
Shares	308	-	527	835
Derivatives	42	115,241	1,930	117,213
Other assets	-	8,370	-	8,370
Prepaid expenses and accrued income	-	-	-	-
Total	**20,570**	**172,711**	**2,734**	**196,015**
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions	-	17,625	-	17,625
Deposits and borrowings from the public	-	16,892	-	16,892
Debt securities in issue	-	8,251	-	8,251
Derivatives	36	114,139	1,661	115,836
Other liabilities	4,759	6,194	-	10,953
Accrued expenses and prepaid income	-	-	-	-
Total	**4,795**	**163,101**	**1,661**	**169,557**

[1] All items are measured at fair value on a recurring basis at the end of each reporting period.

Determination of fair values for items measured at fair value on the balance sheet
Fair value measurements of assets and liabilities carried at fair value have been categorised under the three levels of the IFRS fair value hierarchy that reflects the observability and significance of inputs. The categorisation of these instruments is based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 in the fair value hierarchy consists of assets and liabilities valued using unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an on-going basis. This category includes listed derivatives, listed equities, government bonds in developed countries, and most liquid mortgage bonds and corporate bonds where direct tradable price quotes exist.

Level 2 in the fair value hierarchy consists of assets and liabilities that do not have directly quoted market prices available from active markets. The fair values are estimated using valuation techniques or valuation models based on market prices or rates prevailing at the balance sheet date and any unobservable inputs have had an insignificant impact on the fair values. This is the case for the majority of Nordea's OTC derivatives, securities purchased/sold under resale/repurchase agreements, securities borrowed/lent and other instruments where active markets supply the input to the valuation techniques or models. Investment properties are classified to level 2 if the parameters used to measure fair value of the investment property are derived from observable market data and any unobservable input has an insignificant impact on the fair values. These inputs may include prices per square meter derived from prices in observed transactions involving comparable or similar buildings in similar locations.

Level 3 in the fair value hierarchy consists of those types of assets and liabilities which fair values cannot be obtained directly from quoted market prices or indirectly using valuation techniques or models supported by observable market prices or rates. This is generally the case for investments in unlisted securities, private equity funds and hedge funds. This is generally also the case for more complex OTC derivatives, including OTC derivatives where less active markets supply input to the valuation techniques or models, certain complex or structured financial instruments such as CLNs and CDOs, and illiquid interest bearing securities. Complex valuation models are generally characterised by the use of unobservable and model specific parameters. Investment properties are classified to level 3 when unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date. An adjustment to a level 2 input, that is significant to the entire measurement, might result in a fair value measurement categorised within level 3 if the adjustment is a significant unobservable input.

All valuation models, both complex and simple models, make use of market parameters. These parameters comprise interest rates, volatilities, correlations etc. Some of these parameters are observable while others are not. For non-exotic currencies the interest rates are all observable, and the volatilities and the correlations of the interest rates and FX rates are observable up to a certain maturity. Volatilities and correlations are also observable for the most liquid equity instruments in the short end. For less liquid equity instruments, and for commodities, the option market is fairly illiquid, and hence the volatilities and correlations are unobservable. For each instrument the sensitivity towards unobservable parameters is measured. If the impact from unobservable parameters on the valuation is significant the instrument is categorised as level 3 in the fair value hierarchy.

For interest-bearing securities the categorisation into the three levels are based on the internal pricing methodology. These instruments can either be directly quoted in active markets (level 1) or measured using a methodology giving a quote based on observable inputs (level 2). Level 3 bonds are characterised by illiquidity.

For OTC derivatives valuation models are used for establishing fair value. For collateralised contracts OIS interest rates are used for discounting. These rates are observable in the market. The valuation is in addition based on several other market parameters, depending on the nature of the contract. Complex valuation models are used for more exotic OTC derivatives. The models are usually in-house developed, and based on assumptions about the behaviour of the underlying asset and statistical scenario analysis. As mentioned above OTC derivatives are generally categorised as level 2 in the fair value hierarchy and all significant model parameters are thus observable in active markets. For vanilla derivatives standard models like e.g. Black-Scholes are used for valuation.

Valuations of Private Equity Funds (PEF) and unlisted equity instruments are by nature more uncertain than valuations of more actively traded equity instruments. Emphasis is put on using a consistent approach across all assets and over time. The methods used are consistent with the guideline "International Private Equity and Venture Capital Valuation Guidelines" issued by EVCA (European Venture Capital Association). The EVCA guidelines are considered as best practice in the PEF industry. For US based funds, similar methods are applied.

Fair value of financial assets and liabilities are generally calculated as the theoretical net present value of the individual instruments, based on independently sourced market parameters as described above, and assuming no risks and uncertainties. This calculation is supplemented by a portfolio adjustment. The portfolio adjustment covers uncertainties associated with the valuation techniques, model assumptions and unobservable parameters as well as the portfolio's counterparty credit risk and liquidity risk. An important part of the portfolio adjustment serves to adjust the net open market risk exposures from mid-prices to ask or bid prices (depending on the net position). For different risk categories, exposures are aggregated and netted according to internal guidelines and aggregated market price information on bid-ask spreads are applied in the calculation. Spreads are updated on a regular basis.

The portfolio adjustment for uncertainties associated with model assumptions comprises two components (The calculation principles are defined as part of the internal approval process for valuation models):

- Benchmarking of the model output (market values) against market information or against results from alternative models, where available.
- Sensitivity calculations where unobservable parameters are changed to other reasonable values.

The portfolio adjustment for counterparty risk in OTC-derivatives is based on the current exposure towards each counterpart, the estimated potential future exposure as well as an estimate of the cost of hedging the counterparty risk. This cost of hedging is either based directly on market prices (where available) or on a theoretical calculation based on the internal credit rating of the counterpart.

Financial assets and liabilities with offsetting positions in market risk or credit risk are measured on the basis of the price that would be received to sell the net asset exposed to that particular risk or paid to transfer the net liability exposed to that particular risk.

Transfers between level 1 and 2

During the year, NBF transferred debt securities of EUR 3,097m (2,982m) from level 1 to level 2 and EUR 1,032m (997m) from level 2 to level 1 of the fair value hierarchy for financial assets and liabilities which are recorded at fair value. The reason for the transfers from level 1 to level 2 was that the instruments ceased to be actively traded during the year and fair values have now been obtained using valuation techniques with observable market inputs. The reason for the transfer from level 2 to level 1 was that the instruments has again been actively traded during the year and reliable quoted prices are obtained in the market.

Movements in level 3

Group

		Fair value gains/losses recognised in the income statement during the year			
31 Dec 2013, EURm	1 Jan 2013	Realised	Unrealised[1]	Purchases	Sales
Interest-bearing securities	277	4	71	96	-227
Shares	527	13	-16	38	-118
Derivatives (net assets and liabilities)	269	289	-69	-	-
Investment properties	94	0	0	28	-17
Other liabilities	-	-20	0	-	-

31 Dec 2013, EURm	Settlements	Issues	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2013
Interest-bearing securities	-6	-	-	-	-	215
Shares	-	-	-	-	-	444
Derivatives (net assets and liabilities)	-289	-	-	-	-	200
Investment properties	-	-	-	-	-1	104
Other liabilities	-608	608	22	-1	0	1

[1] Relates to those assets and liabilities held at the end of the reporting period.

Unrealised gains and losses relates to those assets and liabilities held at the end of the reporting period. During the period NBF transferred other liabilities of EUR 21m from level 2 to level 3. The reason for the transfer from level 2 to level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

Group

		Fair value gains/losses recognised in the income statement during the year			
31 Dec 2012, EURm	1 Jan 2012	Realised	Unrealised[1]	Purchases	Sales
Interest-bearing securities	208	-6	14	91	-36
Shares	650	-27	3	145	-292
Derivatives (net assets and liabilities)	-203	-263	472	0	0

31 Dec 2012, EURm	Settlements	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2012
Interest-bearing securities	6	-	-	-	277
Shares	-	-	-	46	527
Derivatives (net assets and liabilities)	263	-	-	-	269

[1] Relates to those assets and liabilities held at the end of the reporting period.

Unrealised gains and losses relates to those assets and liabilities held at the end of the reporting period. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

Parent company

31 Dec 2013, EURm	1 Jan 2013	Fair value gains/losses recognised in the income statement during the year		Purchases	Sales
		Realised	Unrealised[1]		
Interest-bearing securities	277	4	71	96	-227
Shares	527	13	-16	38	-118
Derivatives (net assets and liabilities)	269	289	-69	-	-
Investment properties	4	-	0	0	0
Other liabilities	-	-20	0	-	-

31 Dec 2013, EURm	Settlements	Issues	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2013
Interest-bearing securities	-6		-	-	-	215
Shares	-		-	-	-	444
Derivatives (net assets and liabilities)	-289		-	-	-	200
Investment properties	-	-	-	-	-	4
Other liabilities	-608	608	22	-1	-	1

[1] Relates to those assets and liabilities held at the end of the reporting period.

Unrealised gains and losses relates to those assets and liabilities held at the end of the reporting period. During the period NBF transferred other liabilities of EUR 21m from level 2 to level 3. The reason for the transfer from level 2 to level 3 was that observable market data was no longer available. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

Parent company

31 Dec 2012, EURm	1 Jan 2012	Fair value gains/losses recognised in the income statement during the year		Purchases	Sales
		Realised	Unrealised[1]		
Interest-bearing securities	208	-6	14	91	-36
Shares	650	-27	3	145	-292
Derivatives (net assets and liabilities)	-203	-264	472	-	-

31 Dec 2012, EURm	Settlements	Transfers into level 3	Transfers out from level 3	Translation differences	31 Dec 2012
Interest-bearing securities	6	-	-	-	277
Shares	-	-	-	46	527
Derivatives (net assets and liabilities)	264	-	-	-	269

[1] Relates to those assets and liabilities held at the end of the reporting period.

Unrealised gains and losses relates to those assets and liabilities held at the end of the reporting period. Fair value gains and losses in the income statement during the year are included in "Net result from items at fair value" (see Note 5). Assets and liabilities related to derivatives are presented net.

The valuation processes for fair value measurements in level 3

Financial instruments
Valuation principles in Nordea are determined in and approved by the Group Valuation Committee (GVC). GVC issues guiding policies to the business units on how to establish a robust valuation process and minimise the valuation uncertainty. The GVC also serves as escalation point.

The valuation process in Nordea consists of several steps. The first step is the initial end of day (EOD) marking of mid-prices. The mid-prices are either fixed by front office or received from external sources. The second step is the control part, which is performed by independent control units. The cornerstone in the control is the independent price verification (IPV). The IPV test comprises verification of the correctness of prices and other parameters used in the net present value (NPV) calculation, the adequacy of the valuation models, including an assessment of whether to use quoted prices or valuation models, and the reliability of the assumptions and parameters used in the fair value adjustments (FVA) covering mainly liquidity (bid/offer spread), model and credit risk adjustments.

The verification of the correctness of prices and other parameters is carried out daily. Third-party information, such as broker quotes and pricing services, is used as benchmark data in the verification. The quality of the benchmark data is assessed on a regular basis. This quality assessment is used in the measurement of the valuation uncertainty.

The FVAs and the deferrals of day 1 P/L on level 3 trades are calculated and reported on a monthly basis. The actual assessment of instruments in the fair value hierarchy is performed on a continuous basis.

Investment properties
For investment properties there are no active markets as the investment properties are not identical. When there are observable inputs available, those will be used to evaluate investment properties. Observable input are inputs that are developed using market data, such as publicly available information about actual events or transactions and that reflect the assumptions that market participants would use when pricing the asset or liability. When observable inputs are not available unobservable inputs are used to measure fair value to the extent that observable inputs are not available. Unobservable inputs are developed based on the best information available in the circumstances, which might include internal data as well.

Investment Properties have been valuated based on the observed comparable transactions, adjusted by an unobservable input as well as based on discounted cash flow transactions using discounted rate as an unobservable input. The variation range of discount rate has been between 6.6% and 18.0%.

Valuation techniques and inputs used in the fair value measurements in level 3

Group and parent company

31 Dec 2013, EURm	Fair value[1]	Valuation techniques
Shares		
Private equity funds	271	Net asset value[1]
Hedge funds	162	Net asset value[1]
Credit Funds	-	Net asset value/market consensus[1]
Other funds	-	Net asset value/Fund prices[1]
Other	11	-
Total[2]	**444**	

[1]The fair values are based on prices and net assets values delivered by external suppliers/custodians. The prices are fixed by the suppliers/custodians on the basis of the development in assets behind the investments. For private equity funds the dominant measurement methodology used by the suppliers/ custodians, is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by the EVCA (European Venture Capital Association).

[2]Effects of reasonably possible alternative assumptions are EURm -36/36 (-39/39).

Valuation techniques and inputs used in the fair value measurements in level 3

Group and parent company

31 Dec 2013, EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value[3]
Derivatives				
Interest rate derivatives	112	Option model	Correlations	-6/5
			Volatilities	
Equity derivatives	99	Option model	Correlations	-17/11
			Volatilities	
			Dividend	
Foreign exchange derivatives	103	Option model	Correlations	+/-0
			Volatilities	
Credit derivatives	-129	Credit derivatives model	Correlations	-7/9
			Recovery rates	
Other	15	Option model	Correlations	+/-0
			Volatilities	
Total	**200**			

31 Dec 2013, EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value[3]
Interest-bearing securities				
Municipalities and other public bodies	-	Discounted cash flows	Credit spread	-
Mortgage and other credit institutions[2]	200	Discounted cash flows	Credit spread	-19/19
Corporates	15	Discounted cash flows	Credit spread	-1/1
Other	-	-	-	-
Total	**215**			
Other liabilities	1	Discounted cash flows	Credit spread	-
Total	**1**			

31 Dec 2013, EURm	Fair value[4]	Valuation techniques	Unobservable input	Range of unobservable input
Investment properties				
Commercial real estates	10	Discounted cash flows	Discount rate	6.6%-18.0%
Residential and some commercial real estates	94	Comparable transactions with adjustments	-	
Total	**104**			

[3]Range of fair value for derivatives 31 Dec 2012 was EURm -24/20 and for interest-bearing securities EURm -23/23.
[4]Of which the parent company EUR 4m in respect of Residential and some commercial real estates.

The tables on previous page show, for each class of assets and liabilities categorised in level 3, the fair value, the valuation techniques used to estimate the fair value, significant unobservable inputs used in the valuation techniques and for financial assets and liabilities the fair value sensitivity to changes in key assumptions.

Fair value of assets and liabilities in level 3 are estimated using valuation techniques based on assumptions that are not supported by market observable prices or rates. There may be uncertainty about a valuation, resulting from the choice of valuation technique or model used, the assumptions embedded in those models, the extent to which inputs are not market observable, or as a result of other elements affecting the valuation technique. For financial instruments portfolio adjustments are applied to reflect such uncertainties and are deducted from the fair values produced by the models or other valuation techniques (for further information see Note G1 section 11 "Determination of fair value of financial instruments").

The column “range of fair value” and the footnote 3 in the tables above shows the sensitivity of the fair values of level 3 financial instruments to changes in key assumptions. Where the exposure to an unobservable parameter is offset across different instruments then only the net impact is disclosed in the table. The range disclosed are likely to be greater than the true uncertainty in fair value of these instruments, as it is unlikely in practice that all unobservable parameters would be simultaneously at the extremes of their ranges of reasonably possible alternatives. The disclosure is neither predictive nor indicative of future movements in fair value.

In order to calculate the sensitivity (range) in fair value of derivatives a range of different modelling approaches are applied to determine an uncertainty interval around the reported fair value. The different approaches applied target various aspects of derivatives pricing. Two common components of derivative valuation models are volatility of underlying risk factors and correlation between the relevant risk factors. Each of these is addressed by applying different assumptions to input and/or the choice of modelling approach. Besides these common factors a number of asset class specific factors are addressed. These include equity dividend expectations, recovery assumptions for credit derivatives and inflation expectations. The fair values of derivatives are presented as the net of assets and liabilities.

In order to calculate the sensitivity (range) in fair value of shares and interest-bearing securities the fair value was increased and decreased within a range of 5-10 percentage units which are assessed to be reasonable changes in market movements.

As the fair value measurement of investment properties is based on the comparable transactions in the market and adjusted by unobservable inputs and as it is based on the discounted cash flow transactions, the fair value measurement is sensitive for the changes in general interest rate levels as well as the economic growth.

Deferred Day 1 profit or loss

The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (day 1 profit) is deferred. For more information see, Note 1 "Accounting policies". The table below shows the aggregate difference yet to be recognised in the income statement at the beginning and end of the period and a reconciliation of changes in how this aggregated difference has been changed during the year (movement of deferred Day 1 profit).

	Group		Parent company	
	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012
Amount at beginning of year	-43	-47	-43	-47
Deferred profit/loss on new transactions	-11	-8	-11	-8
Recognised in the income statement during the year	13	12	13	12
Amount at end of year	**-41**	**-43**	**-41**	**-43**

Financial assets and liabilities not at fair value on the balance sheet

Group

31 Dec 2013, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	30,904	30,904	1
Loans	102,297	102,358	3
Interest bearing-securities	2,166	2,173	1, 2, 3
Other assets and Prepaid expenses and accrued income	1,734	1,734	3
Total	**137,101**	**137,169**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	150,887	151,517	3
Other liabilities and Accrued expenses and prepaid income	2,693	2,693	3
Total	**153,580**	**154,210**	

Parent

31 Dec 2013, EURm	Carrying amount	Fair value	Level in fair value hierarchy
Assets not held at fair value on the balance sheet			
Cash and balances with central banks	30,904	30,904	1
Loans	101,239	101,297	3
Interest bearing-securities	2,166	2,173	1, 2, 3
Other assets and Prepaid expenses and accrued income	1,694	1,694	3
Total	**136,003**	**136,068**	
Liabilities not held at fair value on the balance sheet			
Deposits and debt instruments	150,775	151,405	3
Other liabilities and Accrued expenses and prepaid income	2,505	2,505	3
Total	**153,280**	**153,910**	

Cash and balances with central banks
The fair value equals the carrying amount. The fair value is based on quoted prices in active markets for relevant currencies and therefore the fair value measurement is categorised into level 1 in the fair value hierarchy.

Loans
The fair value of "Loans to central banks", "Loans to credit institutions" and "Loans to the public" has been calculated as the carrying amount adjusted for fair value changes in interest rate risk. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rates in the portfolios. The fair value measurement is categorised into level 3 in the fair value hierarchy.

Interest bearing-securities
The fair value is EUR 2,173m, of which EUR 27m is categorised in level 1 and EUR 2,146m in level 2 of the fair value hierarchy. The measurement principles follow those for similar instruments that are held at fair value on the balance sheet.

Other assets and prepaid expenses and accrued income
The balance sheet items "Other assets" and "Prepaid expenses and accrued income" consist of short receivables, mainly accrued interest receivables. The fair value is therefore considered to equal the carrying amount and is categorised into level 3 in the fair value hierarchy.

Deposits and debt instruments
The fair value of ”Deposits by credit institutions”, “Deposits and borrowings from the public”, “Debt securities in issue” and “Subordinated liabilities” has been calculated as the carrying amount adjusted for fair value changes in interest rate risk and in own credit risk. The fair value is categorised into level 3 in the fair value hierarchy. The fair value changes related to interest rate risk is based on changes in relevant interest rates compared with corresponding nominal interest rate in the portfolios. The fair value changes in the credit risk is calculated as a difference between the credit spread in the nominal interest rate compared with the current spread that is observed in the market. This calculation is performed on an aggregated level for all long term issuance recognised in the balance sheet items “Debt securities in issue” and “Subordinated liabilities”. As the contractual maturity is short for “Deposits by credit institutions” and “Deposits and borrowing from the public” the changes in Nordea´s own credit risk related to these items is assumed not to be significant. This is also the case for short term issuances recognised in the balance sheet items “Debt securities in issue” and “Subordinated liabilities”.

Other liabilities and accrued expenses and prepaid income
The balance sheet items "Other liabilities" and "Accrued expenses and prepaid income" consist of short-term liabilities, mainly liabilities on securities settlement. The fair value is therefore considered to be equal to the carrying amount and is categorised into level 3 in the fair value hierarchy.

Note 42 Financial instruments set off on balance or subject to netting agreements

Group

31 Dec 2013, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	128,024	-58,022	70,002	-56,569	-	-4,359	9,074
Reverse repurchase agreements	47,307	-	47,307	-24,688	-22,201	-	419
Total	**175,331**	**-58,022**	**117,309**	**-81,257**	**-22,201**	**-4,359**	**9,493**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	124,005	-58,022	65,983	-56,569	-	-4,869	4,545
Repurchase agreements	49,257	-	49,257	-24,688	-20,894	-	3,675
Total	**173,262**	**-58,022**	**115,240**	**-81,257**	**-20,894**	**-4,869**	**8,220**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Group

31 Dec 2012, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	192,222	-76,704	115,518	-100,110	-	-4,265	11,143
Reverse repurchase agreements	34,075	-	34,075	-15,549	-18,297	-	228
Total	**226,297**	**-76,704**	**149,593**	**-115,659**	**-18,297**	**-4,265**	**11,371**

31 Dec 2012, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	190,351	-76,704	113,647	-100,110	-	-7,823	5,714
Repurchase agreements	34,518	-	34,518	-15,549	-18,880	-	89
Total	**224,869**	**-76,704**	**148,165**	**-115,659**	**-18,880**	**-7,823**	**5,803**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Parent company

31 Dec 2013, EURm	Gross recognised financial assets[1]	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	128,024	-58,022	70,002	-56,569	-	-4,359	9,074
Reverse repurchase agreements	47,307	-	47,307	-24,688	-22,201	-	419
Total	**175,331**	**-58,022**	**117,309**	**-81,257**	**-22,201**	**-4,359**	**9,493**

31 Dec 2013, EURm	Gross recognised financial liabilities[1]	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet[2]	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	124,005	-58,022	65,983	-56,569	-	-4,869	4,545
Repurchase agreements	49,257	-	49,257	-24,688	-20,894	-	3,675
Total	**173,262**	**-58,022**	**115,240**	**-81,257**	**-20,894**	**-4,869**	**8,220**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Parent company

31 Dec 2012, EURm	Gross recognised financial assets1	Gross recognised financial liabilities set off on the balance sheet	Net carrying amount on the balance sheet2	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral received	Cash collateral received	Net amount
Assets							
Derivatives	192,222	-76,704	115,518	-100,110	-	-4,265	11,143
Reverse repurchase agreements	34,075	-	34,075	-15,549	-18,297	-	228
Total	**226,297**	**-76,704**	**149,593**	**-115,659**	**-18,297**	**-4,265**	**11,371**

31 Dec 2012, EURm	Gross recognised financial liabilities1	Gross recognised financial assets set off on the balance sheet	Net carrying amount on the balance sheet2	Amounts not set off but subject to master netting agreements and similar agreements: Financial instruments	Financial collateral pledged	Cash collateral pledged	Net amount
Liabilities							
Derivatives	190,351	-76,704	113,647	-100,110	-	-7,823	5,714
Repurchase agreements	34,518	-	34,518	-15,549	-18,880	-	89
Total	**224,869**	**-76,704**	**148,165**	**-115,659**	**-18,880**	**-7,823**	**5,803**

[1] All amounts are measured at fair value.

[2] Reverse repurchase agreements and Securities borrowing agreements are on the balance sheet classified as Loans to central banks, Loans to credit institutions or Loans to the public. Repurchase agreements and Securities lending agreements are on the balance sheet classified as Deposits by credit institution or as Deposits and borrowings from the public.

Note 42 *Financial instruments set off on balance or subject to netting agreements, cont.*

Enforceable master netting arrangements and similar agreements
The fact that financial instruments are being accounted for on a gross basis on the balance sheet, would not imply that the financial instruments are not subject to master netting agreements or similar arrangements. Generally financial instruments (derivatives, repos and securities lending transactions), would be subject to master netting agreements, and as a consequence Nordea would be allowed to benefit from netting both in the ordinary course of business and in the case of default towards its counter parties, in any calculations involving counterparty credit risk. The reason why the netted exposures are not reflected under assets and liabilities on the balance sheet, would in most instances depend on the limited application of net settlement of financial transactions.

Note 43 Transferred assets and obtained collaterals

Transferred assets that are not derecognised in their entirety and associated liabilities
All assets transferred continue to be recognised on the balance sheet if Nordea is still exposed to changes in the fair value of the assets. This is the case for repurchase agreements and securities lending transactions.

Repurchase agreements are a form of collateralised borrowing where Nordea sells securities with an agreement to repurchase them at a later date at a fixed price. The cash received is recognised as a deposit (liability). Securities delivered under repurchase agreements are not derecognised from the balance sheet.

Securities lending transactions are transactions where Nordea lends securities it holds to a counterpart and receives a fee.

As both repurchase agreements and securities lending transactions results in the securities are returned to Nordea, all risks and rewards of the instruments transferred is retained by Nordea, although they are not available for Nordea during the period during which they are transferred. The counterpart in the transactions holds the securities as collateral, but has no recourse to other assets in Nordea.

The securities still reported on the balance sheet and the corresponding liabilities are measured at fair value.

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Repurchase agreements				
Interest-bearing securities	9,739	8,078	9,739	8,078
Total	**9,739**	**8,078**	**9,739**	**8,078**

Liabilities associated with the assets

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Repurchase agreements				
Deposits by credit institutions	3,085	2,975	3,085	2,975
Deposits and borrowings from the public	6,654	5,103	6,654	5,103
Total	**9,739**	**8,078**	**9,739**	**8,078**
Net	**0**	**0**	**0**	**0**

Obtained collaterals which are permitted to be sold or repledged
NBF obtains collaterals under reverse repurchase and securities borrowing agreements which, under the terms of the agreements, can be sold or repledged. The transactions are conducted under standard agreements employed by financial markets participants. Generally, the agreements require additional collateral to be provided if the value of the securities falls below a predetermined level. Under standard terms for most repurchase transactions, the recipient of collateral has an unrestricted right to sell or repledge it, subject to returning equivalent securities on settlement of the transactions. The fair value of the securities obtained as collateral under reverse repurchase and securities borrowing agreements are disclosed below.

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Reverse repurchase agreements				
Received collaterals which can be repledged or sold	45,944	33,447	45,944	33,447
- of which repledged or sold	39,068	14,855	39,068	14,855
Total	**45,944**	**33,447**	**45,944**	**33,447**

Note 44 Maturity analysis for assets and liabilities

Group

Expected maturity

		31 Dec 2013 Expected to be recovered or settled:			31 Dec 2012 Expected to be recovered or settled:		
EURm	Note	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and balances with central banks		30 904	-	30 904	30 004	-	30 004
Loans to central banks	13	657	-	657	809	-	809
Loans to credit institutions	13	21 070	14 040	35 110	19 779	16 239	36 018
Loans to the public	13	58 339	55 440	113 779	45 428	55 337	100 765
Interest-bearing securities	14	10 031	24 215	34 246	12 994	16 824	29 818
Financial instruments pledged as collateral	15	7 088	2 651	9 739	3 885	4 193	8 078
Shares	16	665	15	680	-	838	838
Derivatives	17	8 026	62 208	70 234	10 675	106 538	117 213
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	7	51	58	-1	125	124
Investments in group undertakings	19	-	-	0	-	-	0
Investments in associated undertakings	20	-	59	59	-	79	79
Intangible assets	21	3	97	100	-	108	108
Property and equipment	22, 23	2	92	94	-	96	96
Investment property	24	1	112	113	8	96	104
Deferred tax assets	12	4	1	5	-	37	37
Current tax assets	12	1	-	1	1	-	1
Retirement benefit assets	33	-	133	133	-	80	80
Other assets	25	8 273	4	8 277	3	10 317	10 320
Prepaid expenses and accrued income	26	572	-	572	889	80	969
Total assets		**145 643**	**159 118**	**304 761**	**124 474**	**210 987**	**335 461**
Deposits by credit institutions	27	73 991	5 435	79 426	68 173	6 493	74 666
Deposits and borrowings from the public	28	79 820	1 089	80 909	70 211	1	70 212
Debt securities in issue	29	25 648	21 482	47 130	28 645	20 354	48 999
Derivatives	17	8 810	58 299	67 109	11 810	104 026	115 836
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	25	344	369	-8	645	637
Current tax liabilities	12	8	-	8	-	4	4
Other liabilities	30	18 855	-	18 855	14 239	-	14 239
Accrued expenses and prepaid income	31	863	3	866	865	81	946
Deferred tax liabilities	12	39	14	53	-	58	58
Provisions	32	2	70	72	21	62	83
Retirement benefit liabilities	33	-	21	21	-	50	50
Subordinated liabilities	34	360	69	429	-1	515	514
Total liabilities		**208 421**	**86 826**	**295 247**	**193 955**	**132 289**	**326 244**

Parent company

Expected maturity

		31 Dec 2013 Expected to be recovered or settled:			31 Dec 2012 Expected to be recovered or settled:		
EURm	Note	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and balances with central banks		30 904	-	30 904	30 004	-	30 004
Loans to central banks	13	657	-	657	809	-	809
Loans to credit institutions	13	25 671	14 892	40 563	24 355	17 108	41 463
Loans to the public	13	54 647	52 621	107 268	41 775	52 538	94 313
Interest-bearing securities	14	10 031	24 215	34 246	12 994	16 824	29 818
Financial instruments pledged as collateral	15	7 088	2 651	9 739	3 885	4 193	8 078
Shares	16	665	14	679	-	835	835
Derivatives	17	8 026	62 208	70 234	10 675	106 538	117 213
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	7	51	58	-1	125	124
Investments in group undertakings	19	-	376	376	-	373	373
Investments in associated undertakings	20	-	34	34	-	34	34
Intangible assets	21	-	98	98	-	106	106
Property and equipment	22, 23	-	74	74	-	59	59
Investment property	24	-	8	8	-	10	10
Deferred tax assets	12	2	-	2	-	31	31
Current tax assets	12	-	-	-	-	-	-
Retirement benefit assets	33	-	132	132	-	80	80
Other assets	25	8 233	-	8 233	0	10 278	10 278
Prepaid expenses and accrued income	26	386	-	386	777	-	777
Total assets		**146 317**	**157 374**	**303 691**	**125 273**	**209 132**	**334 405**
Deposits by credit institutions	27	73 949	5 366	79 315	73 949	5 366	79 315
Deposits and borrowings from the public	28	79 819	1 089	80 908	79 819	1 089	80 908
Debt securities in issue	29	25 648	21 482	47 130	25 648	21 482	47 130
Derivatives	17	8 810	58 299	67 109	8 810	58 299	67 109
Fair value changes of the hedged items in portfolio hedge of interest rate risk	18	25	344	369	25	344	369
Current tax liabilities	12	4	-	4	4	-	4
Other liabilities	30	18 687	-	18 687	18 687	-	18 687
Accrued expenses and prepaid income	31	668	-	668	668	-	668
Deferred tax liabilities	12	-	-	-	-	-	-
Provisions	32	-	67	67	-	67	67
Retirement benefit liabilities	33	-	20	20	-	20	20
Subordinated liabilities	34	360	69	429	360	69	429
Total liabilities		**207 970**	**86 736**	**294 706**	**207 970**	**86 736**	**294 706**

Contractual undiscounted cash flows

Group

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing assets	36,850	67,487	26,151	67,676	41,783	**239,948**
Non interest bearing assets	-	-	-	-	80,423	**80,423**
Total assets	**36,850**	**67,487**	**26,151**	**67,676**	**122,206**	**320,370**
Interest bearing liabilities	41,808	110,698	28,689	21,628	7,964	**210,786**
Non interest bearing liabilities	-	-	-	-	96,866	**96,866**
Total liabilities	**41,808**	**110,698**	**28,689**	**21,628**	**104,830**	**307,652**
Derivatives, cash inflow	-	467,888	125,713	212,976	68,318	**874,896**
Derivatives, cash outflow	-	-469,864	-125,876	-212,411	-69,415	**-877,566**
Net exposure	**-**	**-1,975**	**-162**	**565**	**-1,097**	**-2,670**
Exposure	**-4,958**	**-45,186**	**-2,700**	**46,613**	**16,279**	**10,048**
Cumulative exposure	**-4,958**	**-50,144**	**-52,844**	**-6,230**	**10,048**	

31 Dec 2012, EURm[1]	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing assets	33,325	63,458	25,197	59,911	38,406	**220,296**
Non interest bearing assets	-	-	-	-	129,970	**129,970**
Total assets	**33,325**	**63,458**	**25,197**	**59,911**	**168,376**	**350,266**
Interest bearing liabilities	47,433	94,051	26,955	22,238	6,302	**196,979**
Non interest bearing liabilities	-	-	-	-	141,070	**141,070**
Total liabilities	**47,433**	**94,051**	**26,955**	**22,238**	**147,372**	**338,049**
Derivatives, cash inflow	-	502,103	185,362	373,663	167,094	**1,228,221**
Derivatives, cash outflow	-	-522,227	-184,337	-365,728	-166,886	**-1,239,177**
Net exposure	**-**	**-20,124**	**1,025**	**7,934**	**209**	**-10,956**
Exposure	**-14,108**	**-50,717**	**-733**	**45,608**	**21,212**	**1,261**
Cumulative exposure	**-14,108**	**-64,825**	**-65,558**	**-19,950**	**1,261**	

[1] The figures for 2012 have been restated

The table is based on contractual maturities for on balance sheet instruments. For derivatives, the expected cash inflows and outflows are disclosed for both derivative assets and derivative liabilities, as derivatives are managed on a net basis. In addition to the on balance sheet and derivative instruments, Nordea has credit commitments amounting to EUR 15,882m (15,956), which could be drawn on at any time.

NBF has also issued guarantees of EUR 14,323m (14,628) which may lead to future cash outflows if certain events occur.

Contractual undiscounted cash flows

Parent company

31 Dec 2013, EURm	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing assets	37,624	67,494	25,779	66,139	41,434	**238,470**
Non interest bearing assets	-	-	-	-	80,323	**80,323**
Total assets	**37,624**	**67,494**	**25,779**	**66,139**	**121,757**	**318,794**
Interest bearing liabilities	47,209	105,119	28,556	20,882	8,593	**210,360**
Non interest bearing liabilities	-	-	-	-	95,909	**95,909**
Total liabilities	**47,209**	**105,119**	**28,556**	**20,882**	**104,502**	**306,269**
Derivatives, cash inflow	-	467,888	125,713	212,976	68,318	**874,896**
Derivatives, cash outflow	-	-469,864	-125,876	-212,411	-69,415	**-877,566**
Net exposure	**-**	**-1,975**	**-162**	**565**	**-1,097**	**-2,670**
Exposure	**-9,584**	**-39,601**	**-2,939**	**45,821**	**16,158**	**9,855**
Cumulative exposure	**-9,584**	**-49,185**	**-52,124**	**-6,303**	**9,855**	

31 Dec 2012, EURm[1]	Payable on demand	Maximum 3 months	3-12 months	1-5 years	More than 5 years	**Total**
Interest bearing assets	30,627	66,552	24,928	58,074	37,265	**217,446**
Non interest bearing assets	-	-	-	-	129,917	**129,917**
Total assets	**30,627**	**66,552**	**24,928**	**58,074**	**167,182**	**347,363**
Interest bearing liabilities	47,450	93,946	26,928	22,209	6,298	**196,831**
Non interest bearing liabilities	-	-	-	-	140,111	**140,111**
Total liabilities	**47,450**	**93,946**	**26,928**	**22,209**	**146,410**	**336,942**
Derivatives, cash inflow	-	502,101	185,362	373,661	167,090	**1,228,214**
Derivatives, cash outflow	-	-522,224	-184,337	-365,718	-166,875	**-1,239,153**
Net exposure	**-**	**-20,123**	**1,025**	**7,944**	**215**	**-10,939**
Exposure	**-16,822**	**-47,517**	**-975**	**43,809**	**20,987**	**-519**
Cumulative exposure	**-16,822**	**-64,339**	**-65,314**	**-21,505**	**-519**	

[1] The figures for 2012 have been restated

Note 45 Related-party transactions

Shareholders with significant influence and close family members to key management personnel in Nordea Group as well as companies significantly influenced by key management personnel or by close family members to key management personnel in Nordea Group are considered to be related parties to Nordea. Included in this group of related parties are Sampo Oyj and Aegon Asset Management. If transactions with related companies are made in Nordea's and the related companies' ordinary course of business and on the same criteria and terms as those for comparable transactions with parties of similar standing, and if they did not involve more than normal risktaking, the transactions are not included in the table.

Group

	Nordea Group undertakings		Nordea Group associated undertakings		Other related parties	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Assets						
Loans	28,488	29,613	143	204	-	-
Interest-bearing securities	3,683	5,254	120	11	-	-
Financial instruments pledged as collateral	1,097	1,150	-	-	-	-
Derivatives	2,163	2,829	141	278	-	-
Other assets	1,259	630	-	-	-	-
Prepaid expenses and accrued income	23	411	-	-	-	-
Total assets	**36,713**	**39,887**	**404**	**493**	**-**	**-**
Liabilities						
Deposits	42,073	41,202	44	55	74	5
Debt securities in issue	1,243	975	11	39	-	-
Derivatives	2,795	3,344	34	4	-	-
Other liabilities	403	158	-	-	-	-
Accrued expenses and deferred income	261	202	-	-	-	-
Total liabilities	**46,775**	**45,881**	**89**	**98**	**74**	**5**
Off balance[1]	**203,052**	**219,010**	**5,662**	**8,085**	**-**	**-**

Group	31 Dec	31 Dec	31 Dec	31 Dec	31 Dec	31 Dec
EURm	2013	2012	2013	2012	2013	2012
Net interest income	128	85	3	3	-	-
Net fee and commission income	-649	-296	2	2	1	1
Net result from items at fair value	24	-276	9	81	-	-
Other operating income	9	26	-	-	-	-
Total operating expenses	-157	-95	-1	-	-	-
Profit before loan losses	**-645**	**-556**	**13**	**86**	**1**	**1**

[1] Including nominal values on derivatives.

Parent company	Group undertakings		Associated undertakings		Other related parties	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Assets						
Loans and receivables	5,775	5,674	143	171	-	-
Interest-bearing securities	-	-	-	-	-	-
Financial instruments pledged as collateral	-	-	-	-	-	-
Derivatives	-	-	9	9	-	-
Investments in associated undertakings	-	-	34	34	-	-
Investments in group undertakings	376	373	-	-	-	-
Other assets	4	4	-	-	-	-
Prepaid expenses and accrued income	4	7	-	-	-	-
Total assets	**6,159**	**6,058**	**186**	**214**	**-**	**-**

Note 45 *Related-party transactions, cont.*

Parent company

EURm	Group undertakings 31 Dec 2013	Group undertakings 31 Dec 2012	Associated undertakings 31 Dec 2013	Associated undertakings 31 Dec 2012	Other related parties 31 Dec 2013	Other related parties 31 Dec 2012
Liabilities						
Deposits	9	22	1	7	74	5
Debt securities in issue	-	-	-	35	-	-
Derivatives	-	-	-	0	-	-
Other liabilities	0	0	-	-	-	-
Accrued expenses and deferred income	0	2	-	-	-	-
Total liabilities	**9**	**24**	**1**	**42**	**74**	**5**
Off balance[1]	**651**	**519**	**174**	**191**	**-**	**-**

[1] Including nominal values on derivatives.

Parent company

EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Net interest income	35	66	2	3	-	0
Net fee and commission income	53	49	1	1	1	1
Net result from items at fair value	-	-	2	6	-	-
Other operating income	6	10	-	-	-	0
Total operating expenses	-28	-38	-	-	-	-
Profit before loan losses	**66**	**87**	**5**	**10**	**1**	**1**

The terms "group undertakings" and "associated undertakings" refer to group undertakings and associated undertakings of the Nordea Bank Finland Group. In addition to the parent company figures stated above, the parent company's assets included receivables, interest-bearing securities, derivatives and other assets from other Nordea group undertakings in the amount of EUR 36,579m (39,885), liabilities in the amount of EUR 46,588m (45,688), profit before loan losses in the amount of EUR -641m (-569) and off-balance sheet commitments in the amount of EUR 203,052m (218,491). Off balance sheet transactions with Nordea group associated undertakings amounted to EUR 5,488m (7,895) and corresponding balance sheet values of derivatives were EUR 132m (268) in assets and EUR 34m (4) in liabilities.

Compensations and loans and receivables to Key management personnel

Compensations and loans to Key management personnel are specified in Note 8.

Note 46 Mergers, acquisitions, disposals and dissolutions

Subsidiaries acquired during 2013	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
SIA Baltic Ipasums (Latvia)	Real estate activities	0	0

Other subsidiaries established during 2013	Number of companies	Total assets EURm	Profit/loss for the year as included in the Bank Group
Other companies	1	2	0

Subsidiaries sold during 2013	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
Lahden Aleksanterinkatu 19-21	Real estate company	5	0

Other subsidiaries sold during 2013	Number of companies	Total assets EURm	Profit/loss for the year as included in the Bank Group
Other companies	1	1	0

Subsidiaries merged during 2013	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
Fidenta Oy	Computer programming activities	4	2

Subsidiaries dissolved during 2013	Number of companies	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Associated undertakings dissolved during 2013	Line of business	Total assets EURm	Profit/loss for the year as included in the Bank Group
-	-	-	-

Note 47 Credit risk disclosure

Credit risk management and credit risk analysis is described in the Risk, Liquidity and Capital management section of the Board of Directors´ Report. Additional information on credit risk is also disclosed in the Capital and Risk management Report (Pillar 3) 2013, which is available on www.nordea.com.

Group

Exposure types, EURm	31 Dec 2013	31 Dec 2012
On-balance sheet items	153,299	159,345
Off-balance sheet items	15,301	14,675
Securities financing	1,740	1,120
Derivatives	18,698	31,580
Exposure At Default (EAD)	**189,038**	**206,720**

Tables presented in this Note, containing exposure, are presented as Exposure At Default (EAD). EAD is the exposure after applying credit conversion factors (CCF).

Link between credit risk exposure and the balance sheet
This section discloses the link between the loan portfolio as defined by accounting standards and exposure as defined in CRD III. The main differences are outlined in this section to illustrate the link between the different reporting methods.

Original exposure is the exposure before taking into account substitution effects stemming from credit risk mitigation, credit conversion factors (CCFs) for off-balance sheet exposure and allowances within the standardised approach. In this note, however, exposure is defined as exposure at default (EAD) for IRB exposure and exposure value for standardised exposure unless otherwise stated. In accordance with the CRD, credit risk exposure presented in this report, is divided between exposure classes where each exposure class is divided into exposure types as follows:

- On-balance sheet items
- Off-balance sheet items (e.g. guarantees and unutilised amounts of credit facilities)
- Securities financing (e.g. reversed repurchase agreements and securities lending)
- Derivatives

Items presented in the Annual Report, in accordance with the accounting standards, are divided as follows:

- On-balance sheet items (e.g. loans to central banks and to credit institutions, loans to the public, reversed repurchase agreements, positive fair value for derivatives and interest-bearing securities)
- Off-balance sheet items (e.g. guarantees and unutilised lines of credit)

The table below shows the link between the CRD credit risk exposure and items presented in the Annual Report.

On-balance sheet items
The following items have been excluded from the balance sheet, when calculating on-balance exposure in accordance with the CRD:

- Market risk related items in the trading book, such as certain interest-bearing securities and pledged instruments.
- Repos, derivatives and securities lending. These transactions are either included in the calculation of market risk in the trading book or reported as separate exposure types (derivatives or securities financing).
- Other, mainly allowances, intangible assets and deferred tax assets.

Off-balance sheet items
The following off-balance sheet items specified in the Annual Report are excluded when off-balance exposure is calculated in accordance with the CRD:

- Assets pledged as security for own liabilities and “Other assets pledged” (apart from leasing). These transactions are reported as securities financing (i.e. a separate exposure type)
- Derivatives

Derivatives and securities financing
Derivatives can be both on-balance sheet (i.e. positive fair value) and off-balance (i.e. nominal amounts) in accordance with accounting standards. However, in the CRD, the derivatives and securities financing are reported as separate exposure types. Also, re-purchase agreements and securities lending/borrowing transactions are in the balance sheet calculated based on nominal value. In the CRD calculations these exposure types are determined net of the collateral value.

On-balance sheet items
Group

31 Dec 2013, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Other	Balance sheet
Cash and balances with central banks	30,904				30,904
Interest-bearing securities and pledged instruments	17,912	26,073			43,985
Loans to central banks and credit institutions	28,636		7,131	0	35,767
Loans to the public	74,422		40,176	-820	113,779
Derivatives[1]			70,234		70,234
Intangible assets				100	100
Other assets and prepaid expenses	1,551	7,271	65	1,104	9,991
Total assets	**153,425**	**33,344**	**117,607**	**384**	**304,761**

31 Dec 2012, EURm	Original exposure	Items related to market risk	Repos, derivatives, securities lending	Other	Restate-ments[2]	Balance sheet
Cash and balances with central banks	30,004					30,004
Interest-bearing securities and pledged instruments	23,188	-21,159			6,451	37,896
Loans to central banks and credit institutions	29,468		-7,358	0		36,827
Loans to the public	74,814		-26,716	766		100,765
Derivatives[1]	0		-117,213			117,213
Intangible assets	0			-108		108
Other assets and prepaid expenses	2,060	-9,188	-55	-1,381	35	12,649
Total assets	**159,534**	**-30,347**	**-151,343**	**-723**	**6,487**	**335,461**

[1] Derivatives are included in banking and trading books, but not at book values. Counterparty risk in trading derivatives is included in the credit risk.
[2] The change in presentation of forward starting bonds has impacted the balance sheet (see Note 1), but has not impacted the capital adequacy calculations.

Off-balance sheet items
Group

31 Dec 2013, EURm	Credit risk in Basel II calculation
Contingent liabilities	15,836
Commitments	16,603
Total off-balance sheet items	**32,439**

31 Dec 2013, EURm	Credit risk in Basel II calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities and Checking accounts	13,435	4,676	18,111	31%	5,633
Loan commitments	2,767	259	3,026	26%	793
Guarantees	14,760		14,760	57%	8,415
Other	1,476		1,476	31%	459
Total	**32,439**	**4,935**	**37,374**		**15,301**

31 Dec 2012, EURm	Credit risk in Basel II calculation
Contingent liabilities	16,419
Commitments	16,589
Total off-balance sheet items	**33,008**

31 Dec 2012, EURm	Credit risk in Basel II calculation	Items not included in accounts	Original exposure	Average conversion factor	Exposure at default EAD
Credit facilities and Checking accounts	14,168	4,371	18,539	26%	4,784
Loan commitments	2,428	248	2,675	24%	653
Guarantees	15,279		15,279	58%	8,929
Other	1,134		1,134	27%	309
Total	**33,008**	**4,619**	**37,627**		**14,675**

The table below presents the distribution of collateral used in the capital adequacy calculation process. The table shows real estate to be the major part of the eligible collateral items in relative terms, also showing that residential real estate as collateral experienced the highest relative increase during the year. Real estate is commonly used as collateral for credit risk mitigation purposes. There is no certain concentration of real estate collateral to any region within the Nordic and Baltic countries. Other physical collateral consist of vessels, machinery, equipment and other movables. The relative share of financial collaterals decreased during the year due to the different treatment of financial collaterals in IMM approach.

Collateral distribution

Group

EURm	31 Dec 2013	31 Dec 2012
Financial Collateral	2%	13%
Receivables	2%	2%
Residential Real Estate	82%	76%
Commercial Real Estate	8%	5%
Other Physical Collateral	7%	4%

When Nordea sells protection in a CDO transaction, Nordea carries the risk of losses in the reference portfolio on the occurrence of a credit event. When Nordea buys protection in a CDO transaction, any losses in the reference portfolio, in which Nordea has not necessarily invested, triggered by a credit event is then carried by the seller of protection.

The risk from CDOs is hedged with a portfolio of CDSs. The risk positions are subject to various types of market risk limits, including VaR, and the CDO valuations are subject to fair value adjustments for model risk. These fair value adjustments are recognised in the income statement.

Collaterised Debt Obligations (CDO) - Exposure [1]

Group and parent company	31 Dec 2013		31 Dec 2012	
Nominals, EURm	Bought protection	Sold protection	Bought protection	Sold protection
CDOs, gross	1,266	1,587	1,833	2,314
Hedged exposures	965	966	1,442	1,444
CDOs, net[2]	**301**[3]	**621**[4]	**391**[3]	**870**[4]
- of which Equity	57	102	53	173
- of which Mezzanine	108	306	80	148
- of which Senior	136	213	258	549

[1] First-to-Default swaps are not classified as CDOs and are therefore not included in the table. Net bought protection amounts to EUR 47m (214) and net sold protection to EUR 18m (50). Both bought and sold protection are, to the predominant part, investment grade.

[2] Net exposure disregards exposure where tranches are completely identical in terms of reference pool attachment, detachment, maturity and currency.

[3] Of which investment grade EUR 184m (349) and sub investment grade EUR 115m (42).

[4] Of which investment grade EUR 411m (769) and sub investment grade EUR 273m (101) and not rated EUR 0m (0).

Restructured loans current year[1]

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Loans before restructuring, carrying amount	0	31	0	31
Loans after restructuring, carrying amount	0	0	0	0

[1] Loans classified as impaired that subsequently have improved and are not classified as impaired at the reporting date.

Assets taken over for protection of claims[1]

	Group		Parent company	
EURm	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Current assets, carrying amount:				
Land and buildings	108	93	108	93
Shares and other participations				
Other assets	3	4	0	0
Total	**111**	**97**	**108**	**93**

[1] In accordance with Nordea's policy for taking over assets for protection of claims, which is in compliance with the local Banking Business Acts, wherever Nordea is located. Assets, used as collateral for the loan, are generally taken over when the customer is not able to fulfil its obligations to Nordea.

The table below shows loans past due 6 days or more that are not considered impaired split by corporate and household customers. Past due loans to corporate customers that are not considered impaired were at end of 2013 EUR 251m down from EUR 316m one year ago, while past due loans for household customers increased to EUR 438m (405).

Past due loans, excl. impaired loans

	Group				Parent company			
	31 Dec 2013		31 Dec 2012		31 Dec 2013		31 Dec 2012	
EURm	Corporate customers	Household customers	Corporate customers	Household customers	Corporate customers	Household customers	Corporate customers	Household customers
6-30 days	92	215	110	183	34	194	37	163
31-60 days	70	144	62	144	37	101	23	94
61-90 days	30	71	26	68	18	51	17	47
>90 days	58	8	118	9	53	8	112	9
Total	**251**	**438**	**316**	**405**	**142**	**354**	**189**	**314**
Past due not impaired loans divided by loans to the public after allowances, %	0.34	1.15	0.50	1.08	0.20	1.00	0.32	0.91

The distribution of loans to corporate by size of loans, seen in the table below, shows a high degree of diversification where approximately 80% of the corporate volume represents loans up to EUR 50m per customer.

Loans to corporate customers, by size of loan

	Group				Parent company			
EURm	31 Dec 2013	%	31 Dec 2012	%	31 Dec 2013	%	31 Dec 2012	%
0-10	41,146	54.9	33,812	54.0	39,041	54.9	31,766	54.0
10-50	19,140	25.6	16,316	26.1	18,161	25.6	15,329	26.1
50-100	5,199	6.9	4,717	7.5	4,933	6.9	4,432	7.5
100-250	5,939	7.9	6,038	9.6	5,635	7.9	5,673	9.6
250-500	3,471	4.6	1,735	2.8	3,293	4.6	1,630	2.8
500-	0	0.0	0	0.0	0	0.0	0	0
Total	**74,895**	**100.0**	**62,618**	**100.0**	**71,064**	**100.0**	**58,830**	**100.0**

Interest-bearing securities

Group	31 Dec 2013			31 Dec 2012		
EURm	At fair value	At amortised cost	Total	At fair value	At amortised cost	Total
State and sovereigns	8,672		8,672	6,483		6,483
Municipalities and other public bodies	146		146	97		97
Mortgage institutions	12,353		12,353	9,004		9,004
Other credit institutions	8,600	2,166	10,766	10,476	2,373	12,849
Corporates	1,881		1,881	1,151		1,151
Corporates, sub-investment grade	428		428	234		234
Other	0		0	0		-
Total	**32,080**	**2,166**	**34,246**	**27,445**	**2,373**	**29,818**

Parent company	31 Dec 2013			31 Dec 2012		
EURm	At fair value	At amortised cost	Total	At fair value	At amortised cost	Total
State and sovereigns	8,672		8,672	6,483		6,483
Municipalities and other public bodies	146		146	97		97
Mortgage institutions	12,353		12,353	9,004		9,004
Other credit institutions	8,600	2,166	10,766	10,476	2,373	12,849
Corporates	1,881		1,881	1,151		1,151
Corporates, sub-investment grade	428		428	234		234
Other	0		-	0		-
Total	**32,080**	**2,166**	**34,246**	**27,445**	**2,373**	**29,818**

Note 48 Nordea shares

Nordea Bank Finland Plc does not possess own shares. During the year Nordea Bank Finland has bought and sold shares in its parent company Nordea Bank AB (publ) as part of its normal trading and market making activities. The trades are specified in the table enclosed.

Acquisitions

Month	Quantity	Average acq.price	Amount, EUR
January	69,189	7.72	528,605.85
February	456	8.24	3,757.44
March	65,884	8.97	602,862.87
April	177,806	8.58	1,539,078.41
May	117,103	9.65	1,132,049.86
June	8,455	8.50	70,010.90
July	2,638	9.04	24,116.90
August	134,187	9.51	1,278,093.26
September	46,997	9.01	420,291.23
October	229,419	8.91	2,086,514.32
November	131,899	9.19	1,210,670.81
December	83,942	9.12	752,058.39
	1,067,975		9,648,110.23

Sales

Month	Quantity	Average price	Amount, EUR
January	-284,570	7.57	-2,160,718.81
February	-11,725	8.51	-100,506.07
March	-113,091	8.97	-1,030,519.36
April	-115,124	8.63	-1,039,752.90
May	-124,125	9.43	-1,186,326.96
June	-3,006	9.17	-27,282.40
July	-8,600	8.86	-75,281.47
August	-105,453	9.53	-950,382.79
September	-124,270	9.05	-1,133,033.73
October	-262,302	9.22	-2,452,024.76
November	-68,353	9.36	-638,041.72
December	-97,207	9.16	-876,125.61
	-1,317,826		-11,669,996.57

The quota value of the Nordea Bank AB (publ) share is EUR 1.00. The trades had an insignificant effect on the shareholding and voting-power in Nordea Bank AB (publ). At year-end 2013 NBF owned 32,441 shares of the parent company.

The proposal of the Board of Directors to the Annual General Meeting

The parent company's distributable funds on 31 December 2013 were EUR 6,040,396,280.47, of which the profit for the year was EUR 780,036,821.89. The Board of Directors proposes that

1. a dividend of EUR 750,000,000.00 be paid
2. whereafter the distributable funds will be EUR 5,290,396,280.47.

Signatures of the Directors' report and of the Financial Statements:

Helsinki, 28 February 2014

Torsten Hagen Jørgensen

Casper von Koskull

Carl-Johan Granvik

Gunn Wærsted

Our auditors' report has been issued today.

Helsinki, 28 February 2014

KPMG OY AB

Marcus Tötterman
Authorised Public Accountant

Auditors' report

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

To the Annual General Meeting of Nordea Bank Finland Plc

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Nordea Bank Finland Plc for the year ended on 31 December 2013. The financial statements comprise both the consolidated and the parent company's statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's responsibility
Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company and the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Finnish Credit Institutions Act, the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion,

- both the consolidated and the parent company's financial statements give a true and fair view of their financial position, financial performance, and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland
- the information in the report of the Board of Directors is consistent with the information in the financial statements.

Other opinions
We support the adoption of the financial statements. The proposal by the Board of Directors regarding the treatment of distributable funds is in compliance with the Limited Liability Companies Act. We support that the Board of Directors of the parent company and the Managing Director be discharged from liability for the financial period audited by us.

Helsinki 28 February 2014

KPMG OY AB

Marcus Tötterman
Authorized Public Accountant in Finland

ANNEX 5
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF NBAB FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015

Income statement

EURm	Q3 2015	Q3 2014	Jan-Sep 2015	Jan-Sep 2014	Full year 2014
Operating income					
Interest income	*2,086*	*2,548*	*6,503*	*7,624*	*9,995*
Interest expense	*-814*	*-1,152*	*-2,634*	*-3,498*	*-4,513*
Net interest income	1,272	1,396	3,869	4,126	5,482
Fee and commission income	*975*	*922*	*3,016*	*2,794*	*3,799*
Fee and commission expense	*-258*	*-255*	*-759*	*-715*	*-957*
Net fee and commission income	717	667	2,257	2,079	2,842
Net result from items at fair value	222	291	1,267	1,058	1,425
Profit from companies accounted for under the equity method	18	7	36	20	18
Other operating income	24	398	66	440	474
Total operating income	**2,253**	**2,759**	**7,495**	**7,723**	**10,241**
Operating expenses					
General administrative expenses:					
Staff costs	-756	-731	-2,307	-2,398	-3,159
Other expenses	-303	-380	-1,030	-1,238	-1,656
Depreciation, amortisation and impairment charges of tangible and intangible assets	-49	-410	-144	-532	-585
Total operating expenses	**-1,108**	**-1,521**	**-3,481**	**-4,168**	**-5,400**
Profit before loan losses	**1,145**	**1,238**	**4,014**	**3,555**	**4,841**
Net loan losses	-112	-112	-337	-405	-534
Operating profit	**1,033**	**1,126**	**3,677**	**3,150**	**4,307**
Income tax expense	-253	-188	-863	-670	-950
Net profit for the period from continuing operations	**780**	**938**	**2,814**	**2,480**	**3,357**
Net profit for the period from discontinued operations, after tax	-	-	-	-25	-25
Net profit for the period	**780**	**938**	**2,814**	**2,455**	**3,332**
Attributable to:					
Shareholders of Nordea Bank AB (publ)	780	938	2,814	2,455	3,332
Non-controlling interests	-	-	-	-	-
Total	**780**	**938**	**2,814**	**2,455**	**3,332**
Basic earnings per share, EUR - Total operations	0.19	0.23	0.70	0.61	0.83
Diluted earnings per share, EUR - Total operations	0.19	0.23	0.70	0.61	0.83

Statement of comprehensive income

EURm	Q3 2015	Q3 2014	Jan-Sep 2015	Jan-Sep 2014	Full year 2014
Net profit for the period	**780**	**938**	**2,814**	**2,455**	**3,332**
Items that may be reclassified subsequently to the income statement					
Currency translation differences during the period	-762	193	-474	55	-1,039
Hedging of net investments in foreign operations:					
Valuation gains/losses during the period	419	-150	341	-55	435
Tax on valuation gains/losses during the period	-92	33	-75	12	-96
Available for sale investments:[1]					
Valuation gains/losses during the period, net of recycling	-61	46	-130	68	40
Tax on valuation gains/losses during the period	13	-10	29	-15	-8
Cash flow hedges:					
Valuation gains/losses during the period, net of recycling	10	42	74	-7	31
Tax on valuation gains/losses during the period	-3	-10	-17	1	-7
Items that may not be reclassified subsequently to the income statement					
Defined benefit plans:					
Remeasurement of defined benefit plans	-182	-205	91	-364	-518
Tax on remeasurement of defined benefit plans	42	48	-21	84	120
Other comprehensive income, net of tax[2]	**-616**	**-13**	**-182**	**-221**	**-1,042**
Total comprehensive income	**164**	**925**	**2,632**	**2,234**	**2,290**
Attributable to:					
Shareholders of Nordea Bank AB (publ)	164	925	2,632	2,234	2,290
Non-controlling interests	-	-	-	-	-
Total	**164**	**925**	**2,632**	**2,234**	**2,290**

[1] Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

[2] Of which EUR -m for Q3 2015 (Q3 2014: EUR -m, Jan-Dec 2014: EUR -12m) related to discontinued operations.

Balance sheet

EURm	30 Sep 2015	31 Dec 2014	30 Sep 2014
Assets			
Cash and balances with central banks	43,812	31,067	26,149
Loans to central banks	15,004	6,958	8,550
Loans to credit institutions	12,112	12,217	13,533
Loans to the public	349,337	348,085	359,816
Interest-bearing securities	86,659	87,110	93,192
Financial instruments pledged as collateral	11,475	12,151	9,419
Shares	40,129	39,749	38,689
Derivatives	89,812	105,119	93,025
Fair value changes of the hedged items in portfolio hedge of interest rate risk	172	256	241
Investments in associated undertakings	502	487	498
Intangible assets	3,063	2,908	3,011
Properties and equipment	554	509	527
Investment properties	3,087	3,227	3,451
Deferred tax assets	86	130	102
Current tax assets	137	132	246
Retirement benefit assets	111	42	324
Other assets	22,136	17,581	15,745
Prepaid expenses and accrued income	1,689	1,614	2,202
Total assets	**679,877**	**669,342**	**668,720**
Of which assets customer bearing the risk	*31,238*	*29,125*	*28,178*
Liabilities			
Deposits by credit institutions	63,920	56,322	57,875
Deposits and borrowings from the public	208,264	197,254	204,684
Liabilities to policyholders	53,547	51,843	51,519
Debt securities in issue	192,003	194,274	191,212
Derivatives	87,110	97,340	84,983
Fair value changes of the hedged items in portfolio hedge of interest rate risk	3,010	3,418	3,067
Current tax liabilities	356	368	548
Other liabilities	29,925	26,973	31,748
Accrued expenses and prepaid income	1,916	1,943	3,761
Deferred tax liabilities	1,009	983	837
Provisions	237	305	360
Retirement benefit obligations	449	540	692
Subordinated liabilities	8,147	7,942	7,648
Total liabilities	**649,893**	**639,505**	**638,934**
Equity			
Non-controlling interests	1	2	2
Share capital	4,050	4,050	4,050
Share premium reserve	1,080	1,080	1,080
Other reserves	-1,383	-1,201	-380
Retained earnings	26,236	25,906	25,034
Total equity	**29,984**	**29,837**	**29,786**
Total liabilities and equity	**679,877**	**669,342**	**668,720**
Assets pledged as security for own liabilities	184,153	163,041	181,127
Other assets pledged	10,404	11,265	9,087
Contingent liabilities	21,830	22,017	22,012
Credit commitments[1]	73,977	74,291	77,938
Other commitments	1,354	1,644	1,424

[1] Including unutilised portion of approved overdraft facilities of EUR 37,833m (31 Dec 2014: EUR 38,234m, 30 Sep 2014: EUR 40,709m).

Statement of changes in equity

	Attributable to shareholders of Nordea Bank AB (publ)									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 Jan 2015	**4,050**	**1,080**	**-1,313**	**6**	**113**	**-7**	**25,906**	**29,835**	**2**	**29,837**
Net profit for the period	-	-	-	-	-	-	2,814	2,814	-	2,814
Other comprehensive income, net of tax	-	-	-208	57	-101	70	-	-182	-	-182
Total comprehensive income	*-*	*-*	*-208*	*57*	*-101*	*70*	*2,814*	*2,632*	*-*	*2,632*
Share-based payments[2]	-	-	-	-	-	-	2	2	-	2
Dividend for 2014	-	-	-	-	-	-	-2,501	-2,501	-	-2,501
Disposal of own shares[3]	-	-	-	-	-	-	15	15	-	15
Other changes	-	-	-	-	-	-	-	-	-1	-1
Balance at 30 Sep 2015	**4,050**	**1,080**	**-1,521**	**63**	**12**	**63**	**26,236**	**29,983**	**1**	**29,984**

	Attributable to shareholders of Nordea Bank AB (publ)									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 Jan 2014	**4,050**	**1,080**	**-613**	**-18**	**81**	**391**	**24,236**	**29,207**	**2**	**29,209**
Net profit for the period	-	-	-	-	-	-	3,332	3,332	-	3,332
Other comprehensive income, net of tax	-	-	-700	24	32	-398	-	-1,042	-	-1,042
Total comprehensive income	*-*	*-*	*-700*	*24*	*32*	*-398*	*3,332*	*2,290*	*-*	*2,290*
Share-based payments[2]	-	-	-	-	-	-	16	16	-	16
Dividend for 2013	-	-	-	-	-	-	-1,734	-1,734	-	-1,734
Disposal of own shares[3]	-	-	-	-	-	-	56	56	-	56
Balance at 31 Dec 2014	**4,050**	**1,080**	**-1,313**	**6**	**113**	**-7**	**25,906**	**29,835**	**2**	**29,837**

	Attributable to shareholders of Nordea Bank AB (publ)									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Translation of foreign operations	Cash flow hedges	Available for sale investments	Defined benefit plans	Retained earnings	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 Jan 2014	**4,050**	**1,080**	**-613**	**-18**	**81**	**391**	**24,236**	**29,207**	**2**	**29,209**
Net profit for the period	-	-	-	-	-	-	2,455	2,455	-	2,455
Other comprehensive income, net of tax	-	-	12	-6	53	-280	-	-221	-	-221
Total comprehensive income	*-*	*-*	*12*	*-6*	*53*	*-280*	*2,455*	*2,234*	*-*	*2,234*
Share-based payments[2]	-	-	-	-	-	-	13	13	-	13
Dividend for 2013	-	-	-	-	-	-	-1,734	-1,734	-	-1,734
Disposal of own shares[3]	-	-	-	-	-	-	64	64	-	64
Balance at 30 Sep 2014	**4,050**	**1,080**	**-601**	**-24**	**134**	**111**	**25,034**	**29,784**	**2**	**29,786**

[1] Total shares registered were 4,050 million (31 Dec 2014: 4,050 million, 30 Sep 2014: 4,050 million).

[2] The total holding of own shares related to Long Term Incentive Programme (LTIP) is 11.7 million (31 Dec 2014: 15.9 million, 30 Sep 2014: 15.9 million).

[3] Refers to the change in the holding of own shares related to the Long Term Incentive Programme, trading portfolio and Nordea's shares within portfolio schemes in Denmark. The number of own shares at 30 Sep 2015 was 18.8 million (31 Dec 2014: 23.0 million, 30 Sep 2014: 22.7 million).

Cash flow statement, condensed - Total operations

EURm	Jan-Sep 2015	Jan-Sep 2014	Full year 2014
Operating activities			
Operating profit	3,677	3,150	4,307
Profit for the period from discontinued operations, after tax	-	-25	-25
Adjustments for items not included in cash flow	2,090	6,463	8,140
Income taxes paid	-840	-689	-966
Cash flow from operating activities before changes in operating assets and liabilities	4,927	8,899	11,456
Changes in operating assets and liabilities	6,849	-23,620	-22,280
Cash flow from operating activities	11,776	-14,721	-10,824
Investing activities			
Sale/acquisition of business operations	-	481	481
Properties and equipment	-106	-136	-183
Intangible assets	-278	-118	-271
Net investments in debt securities, held to maturity	-263	2,240	2,750
Other financial fixed assets	206	483	477
Cash flow from investing activities	-441	2,950	3,254
Financing activities			
Issued/amortised subordinated liabilities	-127	638	638
Divestment/repurchase of own shares incl change in trading portfolio	15	64	56
Dividend paid	-2,501	-1,734	-1,734
Cash flow from financing activities	-2,613	-1,032	-1,040
Cash flow for the period	**8,722**	**-12,803**	**-8,610**
Cash and cash equivalents at beginning of the period	**39,683**	**45,670**	**45,670**
Translation difference	1,788	1,957	2,623
Cash and cash equivalents at end of the period	**50,193**	**34,824**	**39,683**
Change	**8,722**	**-12,803**	**-8,610**

Cash and cash equivalents	30 Sep	30 Sep	31 Dec
The following items are included in cash and cash equivalents (EURm):	2015	2014	2014
Cash and balances with central banks	43,812	26,149	31,067
Loans to central banks	4,493	7,151	6,454
Loans to credit institutions	1,888	1,524	2,162
Assets held for sale	-	-	-
Total cash and cash equivalents	**50,193**	**34,824**	**39,683**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled:

- the central bank or the postal giro system is domiciled in the country where the institution is established.
- the balance on the account is readily available at any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

Exchange rates

EUR 1 = SEK	Jan-Sep 2015	Jan-Jun 2015	Jan-Sep 2014	Jan-Dec 2014
Income statement (average)	9.3707	9.3416	9.0421	9.1012
Balance sheet (at end of period)	9.4083	9.2150	9.1465	9.3930
EUR 1 = DKK				
Income statement (average)	7.4582	7.4564	7.4591	7.4548
Balance sheet (at end of period)	7.4598	7.4604	7.4431	7.4453
EUR 1 = NOK				
Income statement (average)	8.8109	8.6461	8.2776	8.3597
Balance sheet (at end of period)	9.5245	8.7910	8.1190	9.0420
EUR 1 = RUB				
Income statement (average)	66.4828	64.5730	48.0375	50.9996
Balance sheet (at end of period)	73.2416	62.3550	49.7653	72.3370

Business definitions

Return on equity
Net profit for the year excluding non-controlling interests as a percentage of average equity for the year. Average equity including net profit for the year and dividend until paid, non-controlling interests excluded.

Total shareholders return (TSR)
Total shareholders return measured as growth in the value of a shareholding during the year, assuming the dividends are reinvested at the time of the payment to purchase additional shares.

Risk-adjusted profit
Risk-adjusted profit is defined as total income minus total operating expenses, minus Expected losses and standard tax. In addition, Risk-adjusted profit excludes major non-recurring items.

Tier 1 capital
The Tier 1 capital of an institution consists of the sum of the Common equity tier 1 capital and Additional Tier 1 capital of the institution. Common equity tier 1 capital includes consolidated shareholders' equity excluding investments in insurance companies, proposed dividend, deferred tax assets, intangible assets in the banking operations, the full expected shortfall deduction (the negative difference between expected losses and provisions) and finally other deductions such as cash flow hedges.

Tier 1 capital ratio
Tier 1 capital as a percentage of risk exposure amount. The Common equity tier 1 capital ratio is calculated as Common equity tier 1 capital as a percentage of risk exposure amount.

Loan loss ratio
Net loan losses (annualised) divided by quarterly closing balance of loans to the public (lending).

Impairment rate, gross
Individually assessed impaired loans before allowances divided by total loans before allowances.

Impairment rate, net
Individually assessed impaired loans after allowances divided by total loans before allowances.

Total allowance rate
Total allowances divided by total loans before allowances.

Allowances in relation to impaired loans
Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.

Total allowances in relation to impaired loans (provisioning ratio)
Total allowances divided by total impaired loans before allowances.

Non-performing, not impaired
Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Expected losses
Expected losses reflect the normalised loss level of the individual loan exposure over a business cycle as well as various portfolios.

Economic capital
Economic Capital is Nordea's internal estimate of required capital and measures the capital required to cover unexpected losses in the course of its business with a certain probability. EC uses advanced internal models to provide a consistent measurement for Credit Risk, Market Risk, Operational Risk, Business Risk and Life Insurance Risk arising from activities in Nordea's various business areas. The aggregation of risks across the group gives rise to diversification effects resulting from the differences in risk drivers and the improbability that unexpected losses occur simultaneously.

RAROCAR
RAROCAR, % (Risk-adjusted return on capital at risk) is defined as Risk-adjusted profit in percentage of Economic capital.

ROCAR
ROCAR, % (Return on Capital at Risk) is defined as Net profit in percentage of Economic capital. For Business areas it is defined as Operating profit after standard tax in percentage of Economic capital.

For a list of further business definitions, see the Annual Report.

Nordea Bank AB (publ)

Income statement

EURm	Q3 2015	Q3 2014	Jan-Sep 2015	Jan-Sep 2014	Full year 2014
Operating income					
Interest income	*384*	*477*	*1,229*	*1,497*	*1,942*
Interest expense	*-253*	*-306*	*-780*	*-1,001*	*-1,293*
Net interest income	131	171	449	496	649
Fee and commission income	*248*	*267*	*809*	*810*	*1,093*
Fee and commission expense	*-70*	*-64*	*-208*	*-199*	*-273*
Net fee and commission income	178	203	601	611	820
Net result from items at fair value	35	15	109	106	186
Dividends	-	8	261	359	2,333
Other operating income	166	138	487	751	975
Total operating income	**510**	**535**	**1,907**	**2,323**	**4,963**
Operating expenses					
General administrative expenses:					
Staff costs	-270	-256	-830	-800	-1,070
Other expenses	-188	-204	-601	-664	-904
Depreciation, amortisation and impairment charges of tangible and intangible assets	-35	-164	-98	-229	-261
Total operating expenses	**-493**	**-624**	**-1,529**	**-1,693**	**-2,235**
Profit before loan losses	**17**	**-89**	**378**	**630**	**2,728**
Net loan losses	-65	-19	-91	-60	-98
Impairment of securities held as financial non-current assets	0	-	0	-	-15
Operating profit	**-48**	**-108**	**287**	**570**	**2,615**
Appropriations	-	-	-	-	-1
Income tax expense[1]	-84	0	-178	-12	-189
Net profit for the period	**-132**	**-108**	**109**	**558**	**2,425**

[1] Includes an adjustment related to prior years amounting to EUR 94m in Q2 2015.

Nordea Bank AB (publ)

Balance sheet

EURm	30 Sep 2015	31 Dec 2014	30 Sep 2014
Assets			
Cash and balances with central banks	68	931	566
Treasury bills	4,933	5,035	4,864
Loans to credit institutions	102,934	86,704	88,896
Loans to the public	44,790	39,809	41,753
Interest-bearing securities	12,083	11,321	11,864
Financial instruments pledged as collateral	202	43	459
Shares	4,684	6,061	6,287
Derivatives	5,672	5,981	4,965
Fair value changes of the hedged items in portfolio hedge of interest rate risk	1	1	-14
Investments in group undertakings	19,371	16,986	17,483
Investments in associated undertakings	7	7	7
Intangible assets	957	758	700
Properties and equipment	138	119	139
Deferred tax assets	7	14	27
Current tax assets	81	50	197
Other assets	2,547	3,727	1,533
Prepaid expenses and accrued income	841	884	1,018
Total assets	**199,316**	**178,431**	**180,744**
Liabilities			
Deposits by credit institutions	32,161	27,452	30,820
Deposits and borrowings from the public	57,986	49,367	50,051
Debt securities in issue	69,689	63,280	64,650
Derivatives	4,106	4,653	3,884
Fair value changes of the hedged items in portfolio hedge of interest rate risk	1,374	1,368	1,215
Current tax liabilities	15	4	6
Other liabilities	6,662	2,895	2,315
Accrued expenses and prepaid income	783	642	1,166
Deferred tax liabilities	0	0	0
Provisions	205	206	238
Retirement benefit obligations	172	171	171
Subordinated liabilities	7,905	7,728	7,416
Total liabilities	**181,058**	**157,766**	**161,932**
Untaxed reserves	**4**	**4**	**3**
Equity			
Share capital	4,050	4,050	4,050
Share premium reserve	1,080	1,080	1,080
Other reserves	-33	-5	1
Retained earnings	13,157	15,536	13,678
Total equity	**18,254**	**20,661**	**18,809**
Total liabilities and equity	**199,316**	**178,431**	**180,744**
Assets pledged as security for own liabilities	2,455	3,946	3,558
Other assets pledged	8,185	9,238	7,097
Contingent liabilities	72,149	71,103	70,087
Credit commitments[1]	26,064	23,824	25,317

[1] Including unutilised portion of approved overdraft facilities of EUR 14.717m (31 Dec 2014: EUR 14,114m, 30 Sep 2014: EUR 14.963m).

ANNEX 6
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF NBF FOR THE SIX MONTHS ENDED 30 JUNE 2015

Income statement

EURm	Note	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Operating income				
Interest income		*781*	*923*	*1,806*
Interest expense		*-254*	*-328*	*-617*
Net interest income		527	595	1,189
Fee and commission income		*382*	*400*	*794*
Fee and commission expense		*-355*	*-360*	*-719*
Net fee and commission income	3	27	40	75
Net result from items at fair value	4	786	556	970
Profit from companies accounted for under the equity method		2	1	3
Other operating income		47	27	41
Total operating income		**1,389**	**1,219**	**2,278**
Operating expenses				
General administrative expenses:				
Staff costs		-264	-296	-559
Other expenses		-202	-221	-433
Depreciation, amortisation and impairment charges of tangible and intangible assets		-14	-21	-92
Total operating expenses		**-480**	**-538**	**-1,084**
Profit before loan losses		**909**	**681**	**1,194**
Net loan losses	6	-55	-49	-60
Operating profit		**854**	**632**	**1,134**
Income tax expense		-198	-126	-232
Net profit for the period		**656**	**506**	**902**
Attributable to:				
Shareholders of Nordea Bank Finland Plc		656	506	902
Non-controlling interests		-	-	-
Total		**656**	**506**	**902**

Statement of comprehensive income

EURm	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Net profit for the period	**656**	**506**	**902**
Items that may be reclassified subsequently to the income statement			
Currency translation differences during the period	0	0	0
Available-for-sale investments[1]:			
-Valuation gains/losses during the period	-4	13	33
-Tax on valuation gains/losses during the period	1	-3	-7
Cash flow hedges:			
-Valuation gains/losses during the period	19	-27	8
-Tax on valuation gains/losses during the period	-4	5	-2
Items that may not be reclassified subsequently to the income statement			
Defined benefit plans:			
-Remeasurement of defined benefit plans	-58	-58	-104
-Tax on remeasurement of defined benefit plans	12	12	21
Other comprehensive income, net of tax	**-58**	**-58**	**-51**
Total comprehensive income	**714**	**448**	**851**
Attributable to:			
Shareholders of Nordea Bank Finland Plc	714	448	851
Non-controlling interests	-	-	-
Total	**714**	**448**	**851**

[1]Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

Balance sheet

EURm	Note	30 Jun 2015	31 Dec 2014	30 Jun 2014
Assets				
Cash and balances with central banks		39,511	28,846	23,038
Loans to central banks	7	4,300	300	1,663
Loans to credit institutions	7	44,956	35,051	44,117
Loans to the public	7	116,430	113,748	110,951
Interest-bearing securities		34,300	34,643	36,817
Financial instruments pledged as collateral		9,372	11,058	9,532
Shares		2,088	1,918	895
Derivatives		85,894	105,254	78,467
Fair value changes of the hedged items in portfolio hedge of interest rate risk		58	76	77
Investments in associated undertakings		39	39	37
Intangible assets		47	47	95
Properties and equipment		76	84	91
Investment property		1	2	2
Deferred tax assets		11	43	35
Current tax assets		1	0	0
Retirement benefit assets		86	25	133
Other assets		18,015	14,624	10,996
Prepaid expenses and accrued income		437	440	577
Total assets		**355,622**	**346,198**	**317,523**
Liabilities				
Deposits by credit institutions		113,979	87,368	87,323
Deposits and borrowings from the public		81,868	76,879	76,936
Debt securities in issue		37,256	48,472	44,782
Derivatives		88,120	102,876	73,287
Fair value changes of the hedged items in portfolio hedge of interest rate risk		490	773	672
Current tax liabilities		64	41	10
Other liabilities		22,549	18,577	23,771
Accrued expenses and prepaid income		631	804	850
Deferred tax liabilities		58	57	53
Provisions		74	85	101
Retirement benefit obligations		27	28	76
Subordinated liabilities		624	620	447
Total liabilities		**345,740**	**336,580**	**308,308**
Equity				
Non-controlling interests		-	-	1
Share capital		2,319	2,319	2,319
Share premium reserve		599	599	599
Other reserves		2,882	2,824	2,817
Retained earnings		4,082	3,876	3,479
Total equity		**9,882**	**9,618**	**9,215**
Total liabilities and equity		**355,622**	**346,198**	**317,523**
Assets pledged as security for own liabilities		42,134	43,426	36,368
Other assets pledged		5,772	5,017	6,721
Contingent liabilities		13,176	14,906	14,470
Credit commitments[1]		13,679	16,021	16,269
Other commitments		437	769	395

[1] Including unutilised portion of approved overdraft facilities of EUR 7,370m (31 Dec 2014: EUR 7,760m, 30 Jun 2014: EUR 11,012m).

Statement of changes in equity

	Attributable to shareholders of Nordea Bank Finland Plc									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale invest-ments	Other reserves	Defined benefit plans	Retained earnings	**Total**	**Non-control-ling interests**	**Total equity**
Balance at 1 Jan 2015	**2,319**	**599**	**-2**	**43**	**2,848**	**-65**	**3,876**	**9,618**	**-**	**9,618**
Net profit for the period							656	656		656
Other comprehensive income, net of tax			15	-3	-	46	0	58		58
Total comprehensive income			*15*	*-3*	-	*46*	*656*	*714*	-	*714*
Share-based payments							0	0		0
Dividend for 2014							-450	-450		-450
Balance at 30 Jun 2015	**2,319**	**599**	**13**	**40**	**2,848**	**-19**	**4,082**	**9,882**	**-**	**9,882**

	Attributable to shareholders of Nordea Bank Finland Plc									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale invest-ments	Other reserves	Defined benefit plans	Retained earnings	**Total**	**Non-control-ling interests**	**Total equity**
Balance at 1 Jan 2014	**2,319**	**599**	**-8**	**17**	**2,848**	**18**	**3,720**	**9,513**	**1**	**9,514**
Net profit for the period							902	902		902
Other comprehensive income, net of tax			6	26	-	-83	0	-51		-51
Total comprehensive income			*6*	*26*	-	*-83*	*902*	*851*	-	*851*
Share-based payments							2	2		2
Dividend for 2013							-750	-750		-750
Other changes					0		2	2	-1	1
Balance at 31 Dec 2014	**2,319**	**599**	**-2**	**43**	**2,848**	**-65**	**3,876**	**9,618**	**0**	**9,618**

[1] Total shares registered were 1,030.8 million (31 Dec 2014: 1,030.8 million, 30 Jun 2014: 1,030.8 million).

Statement of changes in equity, *continued*

	Attributable to shareholders of Nordea Bank Finland Plc									
			Other reserves:							
EURm	Share capital[1]	Share premium reserve	Cash flow hedges	Available-for-sale invest-ments	Other reserves	Defined benefit plans	Retained earnings	**Total**	**Non-control-ling interests**	**Total equity**
Balance at 1 Jan 2014	**2,319**	**599**	**-8**	**17**	**2,848**	**18**	**3,720**	**9,513**	**1**	**9,514**
Net profit for the period							506	506		506
Other comprehensive income, net of tax			-22	10	0	-46	0	-58		-58
Total comprehensive income			*-22*	*10*	*0*	*-46*	*506*	*448*	-	*448*
Share-based payments							2	2		2
Dividend for 2013							-750	-750		-750
Other changes							1	1		1
Balance at 30 Jun 2014	**2,319**	**599**	**-30**	**27**	**2,848**	**-28**	**3,479**	**9,214**	**1**	**9,215**

[1] Total shares registered were 1,030.8 million (31 Dec 2014: 1,030.8 million, 30 Jun 2014: 1,030.8 million).

Cash flow statement, condensed – Total operations

EURm	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Operating activities			
Operating profit	854	619	1,073
Operating profit for the period from transferred operations	-	13	61
Adjustments for items not included in cash flow	1,270	722	891
Income taxes paid	-158	-137	-218
Cash flow from operating activities before changes in operating assets and liabilities	1,966	1,217	1,807
Changes in operating assets and liabilities	12,308	-12,074	-13,327
Cash flow from operating activities	14,274	-10,857	-11,520
Investing activities			
Sale/acquisition of business operations	0	33	31
Properties and equipment	-13	-40	-47
Intangible assets	-6	-7	-20
Net investments in debt securities, held to maturity	0	1,620	2,183
Other financial fixed assets	1	-3	2
Cash flow from investing activities	-18	1,603	2,149
Financing activities			
Issued/amortised subordinated liabilities	4	18	191
Dividend paid	-450	-750	-750
Other changes	140	-35	-34
Cash flow from financing activities	-306	-767	-593
Cash flow for the period	**13,950**	**-10,021**	**-9,964**
Cash and cash equivalents at beginning of the period	**29,714**	**36,324**	**36,324**
Translation difference	-1,910	-312	-3,354
Cash and cash equivalents at end of the period	**45,574**	**26,615**	**29,714**
Change	**13,950**	**-10,021**	**-9,964**

Cash and cash equivalents	30 Jun	30 Jun	31 Dec
The following items are included in cash and cash equivalents (EURm):	2015	2014	2014
Cash and balances with central banks	39,511	23,039	28,846
Loans to credit institutions	6,063	3,576	868
Total cash and cash equivalents	**45,574**	**26,615**	**29,714**

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority, where the following conditions are fulfilled:
- the central bank or the postal giro system is domiciled in the country where the institution is established
- the balance on the account is readily available at any time.

Loans to credit institutions, payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

Notes to the financial statements

Note 1 Accounting policies

NBF's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of such standards by the International Financial Reporting Standards Interpretations Committee (IFRS IC), as endorsed by the EU Commission. In addition, certain rules in the Finnish Accounting Act, the Finnish Credit Institutions Act, the Financial Supervisory Authority's regulations and guidelines and the Decree of the Ministry of Finance on the financial statements and consolidated financial statements of credit institutions, have also been applied.

These statements are presented in accordance with IAS 34 "Interim Financial Reporting". The interim report is unaudited.

Changed accounting policies and presentation

The accounting policies, basis for calculations and presentation are, in all material aspects, unchanged in comparison with the 2014 Annual Report.

The following amendments published by the IASB were implemented on 1 January 2015 but have not had any significant impact on Nordea's financial statements:

- Amendments to IAS 19 "Defined benefit plans: Employee Contributions"
- Annual Improvements to IFRSs, 2010–2012 Cycle
- Annual Improvements to IFRSs, 2011–2013 Cycle
- IFRIC 21 "Levies"

IFRIC 21 "Levies"

The new interpretation IFRIC 21 "Levies", published by IASB was implemented on 1 January 2015. IFRIC 21 is an interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". IFRIC 21 clarifies that if a levy is triggered by operating as a bank at the end of the reporting period, the liability for the levy is not recognised prior that date.

Impact on capital adequacy from new or amended IFRS standards

IFRS 9 "Financial instruments"

IFRS 9 "Financial Instruments" covering classification and measurement, impairment and general hedging has been adopted by the IASB but has not yet been implemented by Nordea.

The changes in classification and measurement are not expected to have a significant impact on Nordea's income statement or balance sheet as the mixed measurement model will be maintained. Significant reclassifications between fair value and amortised cost or impact on the capital adequacy or large exposures are not expected, but this is naturally dependent on the financial instruments on Nordea's balance sheet at transition.

The impairment requirements in IFRS 9 are based on an expected loss model as opposed to the current incurred loss model in IAS 39. At transition, it is expected that the new requirements will have a negative impact on loan loss provisions, equity and capital adequacy, while we do not expect any significant impact over time. Nordea has not yet finalised any impact assessment.

The main change to the general hedging requirements is that the standard aligns hedge accounting more closely with the risk management activities. As Nordea generally uses macro (portfolio) hedge accounting Nordea's assessment is that the new requirements will not have any significant impact on Nordea's financial statements, capital adequacy or large exposures in the period of initial application.

IFRS 15 "Revenue form Contracts with Customers"

The IASB has also adopted IFRS 15 "Revenue from Contracts with Customers". The new standard has not yet been implemented by Nordea. It is not expected that the standard will have any significant impact on Nordea's financial statements, capital adequacy or large exposures in the period of initial application.

Other amendments to IFRS

Other amendments to IFRS are not assessed to have any significant impact on Nordea's financial statement, capital adequacy or large exposures in the period of initial application.

Note 2 Segment reporting

	Operating segments					
	Retail Banking		Wholesale Banking		Group Corporate Centre	
EURm	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Total operating income	844	826	669	586	34	24
Operating profit	439	351	560	485	5	-7
Loans to the public	54,405	53,155	61,970	57,471	1	-1
Deposits and borrowings from the public	34,276	33,655	41,220	41,281	6,095	2

	Total Operating segments		Reconciliation		Total Group	
EURm	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Total operating income	1,547	1,436	-158	-217	1,389	1,219
Operating profit	1,004	829	-150	-197	854	632
Loans to the public	116,376	110,625	54	326	116,430	110,951
Deposits and borrowings from the public	81,591	74,938	277	1,998	81,868	76,936

Break-down of Retail Banking

	Retail Banking Nordic[1]		Retail Banking Baltic countries[2]		Retail Banking Other[3]		**Retail Banking**	
EURm	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Total operating income	812	756	23	60	9	10	844	826
Operating profit	424	359	16	-9	-1	1	439	351
Loans to the public	45,965	45,066	1,517	1,446	6,923	6,643	54,405	53,155
Deposits and borrowings from the public	34,274	33,641	-	9	2	5	34,276	33,655

[1]Retail Banking Nordic includes banking operations in Finland
[2]Retail Banking Baltic countries include operations in Estonia, Latvia and Lithuania.
[3]Retail Banking Other includes the support areas Development & Projects, Distribution, Segments, Products and IT.

Note 2, continued

Break-down of Wholesale Banking

	Corporate & Institutional Banking		Shipping, Offshore & Oil Services	
EURm	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Total operating income	162	200	51	72
Operating profit	102	118	37	78
Loans to the public	8,480	9,829	3,122	4,205
Deposits and borrowings from the public	10,136	10,188	914	2,220

	Capital Markets unallocated		Wholesale Banking Other[4]		**Wholesale Banking**	
EURm	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Total operating income	404	264	52	50	669	586
Operating profit	381	247	40	42	560	485
Loans to the public	50,091	43,162	276	275	61,970	57,471
Deposits and borrowings from the public	30,069	28,495	100	378	41,220	41,281

[4]Wholesale Banking Other includes the area International Units and the support areas Transaction Products, Segment CIB and IT .

Reconciliation between total operating segments and financial statements

	Operating profit		Loans to the public		Deposits and borrowings from the public	
EURm	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Total Operating segments	1,004	829	116,376	110,625	81,591	74,938
Group functions[1] and unallocated items	-150	-197	54	326	277	1,998
Total	**854**	**632**	**116,430**	**110,951**	**81,868**	**76,936**

[1] Consists of Group Risk Management, Group Internal Audit, Group Identity & Communications, Group Human Resources and Group Executive Management.

Measurement of operating segments' performance

The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision Maker (CODM), as required by IFRS 8. In NBF the CODM has been defined as Group Executive Management.

Financial results are presented for the main business areas Retail Banking and Wholesale Banking, with a further breakdown on operating segments, and the operating segment Group Corporate Centre. Other operating segments below the quantitative thresholds in IFRS 8 are included in Other operating segments. Group functions and eliminations are shown separately as reconciling items.

Note 3 Net fee and commission income

EURm	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Asset management commissions	44	33	69
Life insurance	6	4	9
Brokerage, securities issues and corporate finance	41	34	75
Custody and issuer services	13	19	28
Deposits	1	2	5
Total savings and investments	105	92	186
Payments	98	101	198
Cards	64	63	128
Total payments and cards	162	164	326
Lending	45	66	129
Guarantees and documentary payments	53	61	120
Total lending related commissions	98	127	249
Other commission income	17	17	33
Fee and commission income	**382**	**400**	**794**
Savings and investments	-208	-184	-360
Payments	-4	-5	-11
Cards	-29	-29	-58
Other commission expenses[1]	-114	-142	-290
Fee and commission expenses	**-355**	**-360**	**-719**
Net fee and commission income	**27**	**40**	**75**

[1] Mainly consists of the guarantee commission fee paid to Nordea Bank AB (publ)

Note 4 Net result from items at fair value

EURm	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Equity related instruments	70	-116	342
Interest related instruments and foreign exchange gains/losses	672	565	235
Other financial instruments (including credit and commodities)	45	118	406
Investment properties	-1	-11	-13
Total	**786**	**556**	**970**

Note 5 Other expenses

EURm	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Information technology	-91	-92	-196
Marketing and representation	-8	-11	-22
Postage, transportation, telephone and office expenses	-17	-20	-38
Rents, premises and real estate expenses	-37	-48	-89
Other	-49	-50	-88
Total	**-202**	**-221**	**-433**

Note 6 Net loan losses

EURm	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Loan losses divided by class			
Realised loan losses	-	-	-2
Allowances to cover realised loan losses	-	-	2
Recoveries on previous realised loan losses	0	-	0
Provisions	-	0	0
Reversal of previous provisions	-	-	22
Loans to credit institutions	**0**	**0**	**22**
Realised loan losses	-70	-73	-114
Allowances to cover realised loan losses	52	80	127
Recoveries on previous realised loan losses	7	13	28
Provisions	-69	-120	-223
Reversal of previous provisions	27	59	101
Loans to the public	**-53**	**-41**	**-81**
Realised loan losses	-	-	-
Allowances to cover realised loan losses	-	-	-
Recoveries on previous realised loan losses	-	-	-
Provisions	-2	-9	-14
Reversal of previous provisions	0	1	13
Off-balance sheet items	**-2**	**-8**	**-1**
Total	**-55**	**-49**	**-60**

Key ratios

	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Loan loss ratio, basis points[1]	10	9	5
- of which individual	11	9	4
- of which collective	-1	-1	2

[1] Net loan losses (annualised) divided by closing balance of loans to the public (lending).

Note 7 Loans and impairment

EURm	Total 30 Jun 2015	31 Dec 2014	30 Jun 2014
Loans, not impaired	165,235	148,254	155,952
Impaired loans	1,060	1,480	1,427
- of which performing	436	823	783
- of which non-performing	624	657	644
Loans before allowances	**166,295**	**149,734**	**157,379**
Allowances for individually assessed impaired loans	-501	-516	-551
- of which performing	-253	-323	-342
- of which non-performing	-248	-193	-209
Allowances for collectively assessed impaired loans	-108	-119	-97
Allowances	**-609**	**-635**	**-648**
Loans, carrying amount	**165,686**	**149,099**	**156,731**

	Central banks and credit institutions			The public		
EURm	30 Jun 2015	31 Dec 2014	30 Jun 2014	30 Jun 2015	31 Dec 2014	30 Jun 2014
Loans, not impaired	49,256	35,351	45,781	115,979	112,903	110,171
Impaired loans	0	0	24	1,060	1,480	1,403
- of which performing	-	-	-	436	823	783
- of which non-performing	0	0	24	624	657	620
Loans before allowances	**49,256**	**35,351**	**45,805**	**117,039**	**114,383**	**111,574**
Allowances for individually assessed impaired loans	-	-	-25	-501	-516	-526
- of which performing	-	-	-	-253	-323	-342
- of which non-performing	-	-	-25	-248	-193	-184
Allowances for collectively assessed impaired loans	0	0	-	-108	-119	-97
Allowances	**0**	**0**	**-25**	**-609**	**-635**	**-623**
Loans, carrying amount	**49,256**	**35,351**	**45,780**	**116,430**	**113,748**	**110,951**

Allowances and provisions

EURm	30 Jun 2015	31 Dec 2014	30 Jun 2014
Allowances for items on the balance sheet	-609	-635	-648
Provisions for off balance sheet items	-32	-31	-38
Total allowances and provisions	**-641**	**-666**	**-686**

Key ratios

	30 Jun 2015	31 Dec 2014	30 Jun 2014
Impairment rate, gross[1], basis points	64	99	91
Impairment rate, net[2], basis points	34	64	56
Total allowance rate[3], basis points	37	42	41
Allowances in relation to impaired loans[4], %	47	35	39
Total allowances in relation to impaired loans[5], %	57	43	45
Non-performing, not impaired[6], EURm	131	28	22

[1] Individually assessed impaired loans before allowances divided by total loans before allowances.
[2] Individually assessed impaired loans after allowances divided by total loans before allowances.
[3] Total allowances divided by total loans before allowances.
[4] Allowances for individually assessed impaired loans divided by individually assessed impaired loans before allowances.
[5] Total allowances divided by total impaired loans before allowances.
[6] Past due loans, not impaired due to future cash flows (included in Loans, not impaired).

Note 8 Classification of financial instruments

EURm	Loans and receivables	Held to maturity	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Available for sale	Total
Financial assets							
Cash and balances with central banks	39,511						39,511
Loans to central banks			4,300				4,300
Loans to credit institutions	38,593		6,363				44,956
Loans to the public	66,339		50,091				116,430
Interest-bearing securities		67	25,273			8,960	34,300
Financial instruments pledged as collateral			9,372				9,372
Shares			2,080	8			2,088
Derivatives			85,072		822		85,894
Fair value changes of the hedged items in portfolio hedge of interest rate risk	58						58
Other assets	4,707			13,016			17,723
Prepaid expenses and accrued income	91						91
Total 30 Jun 2015	**149,299**	**67**	**182,551**	**13,024**	**822**	**8,960**	**354,723**
Total 31 Dec 2014	128,934	66	190,598	12,984	942	11,805	345,329
Total 30 Jun 2014	132,446	562	165,358	7,027	839	10,292	316,524

EURm	Held for trading	Designated at fair value through profit or loss	Derivatives used for hedging	Other financial liabilities	Total
Financial liabilities					
Deposits by credit institutions	33,799			80,180	113,979
Deposits and borrowings from the public	30,069			51,799	81,868
Debt securities in issue	7,778			29,478	37,256
Derivatives	87,823		297		88,120
Fair value changes of the hedged items in portfolio hedge of interest rate risk				490	490
Other liabilities	7,977	8,534		5,840	22,351
Accrued expenses and prepaid income				181	181
Subordinated liabilities				624	624
Total 30 Jun 2015	**167,446**	**8,534**	**297**	**168,592**	**344,869**
Total 31 Dec 2014	167,819	10,061	312	157,357	335,549
Total 30 Jun 2014	145,305	6,984	353	154,781	307,423

Note 9 Fair value of financial assets and liabilities

EURm	30 Jun 2015 Carrying amount	30 Jun 2015 Fair value	31 Dec 2014 Carrying amount	31 Dec 2014 Fair value
Financial assets				
Cash and balances with central banks	39,511	39,511	28,846	28,846
Loans	165,686	165,107	149,099	147,874
Interest-bearing securities	34,300	34,303	34,643	34,647
Financial instruments pledged as collateral	9,372	9,372	11,058	11,058
Shares	2,088	2,088	1,918	1,918
Derivatives	85,894	85,894	105,254	105,254
Fair value changes of the hedged items in portfolio hedge of interest rate risk	58	58	76	76
Other assets	18,276	18,276	14,864	14,862
Prepaid expenses and accrued income	437	437	440	440
Total	**355,622**	**355,046**	**346,198**	**344,975**
Financial liabilities				
Deposits and debt instruments	233,103	233,260	212,719	212,954
Derivatives	88,120	88,120	102,876	102,876
Fair value changes of the hedged items in portfolio hedge of interest rate risk	490	490	773	773
Other liabilities	22,772	22,772	18,788	18,787
Accrued expenses and prepaid income	631	631	804	804
Subordinated liabilities	624	624	620	620
Total	**345,740**	**345,897**	**336,580**	**336,814**

The determination of fair value is described in the Annual Report 2014, Note 40 "Assets and liabilities at fair value". The fair value for loans has been estimated by discounting the expected future cash flows with an assumed customer interest rate that would have been used on the market if the loans had been issued at the time of the measurement. The assumed customer interest rate is calculated as the benchmark interest rate plus the average margin on new lending in Retail Banking and Wholesale Banking respectively.

Note 10 Financial assets and liabilities at fair value on the balance sheet

Categorisation into the fair value hierarchy

EURm	Quoted prices in active markets for the same instrument (Level 1)	Valuation technique using observable data (Level 2)	Valuation technique using non-observable data (Level 3)	Total
Assets at fair value on the balance sheet[1]				
Loans to central banks		4,300		4,300
Loans to credit institutions		6,363		6,363
Loans to the public		50,091		50,091
Interest-bearing securities	13,259	20,902	72	34,233
Financial instruments pledged as collateral	4,375	4,997		9,372
Shares	1,684		404	2,088
Derivatives	183	84,063	1,648	85,894
Other assets		13,016		13,016
Total 30 Jun 2015	**19,501**	**183,732**	**2,124**	**205,357**
Total 31 Dec 2014	26,211	188,143	1,977	216,331
Liabilities at fair value on the balance sheet[1]				
Deposits by credit institutions		33,799		33,799
Deposits and borrowings from the public		30,069		30,069
Debt securities in issue		7,778		7,778
Derivatives	240	86,213	1,667	88,120
Other liabilities	6,638	9,873		16,511
Total 30 Jun 2015	**6,878**	**167,732**	**1,667**	**176,277**
Total 31 Dec 2014	4,176	172,378	1,638	178,192

[1] Are measured at fair value on a recurring basis at the end of each reporting period.

Determination of fair values for items measured at fair value on the balance sheet
For information about valuation techniques and inputs used in the fair value measurement, see the Annual Report 2014, Note 40 "Asset and liabilities at fair value".

Transfers between Level 1 and 2
During the period, NBF transferred interest-bearing securities (including such financial instruments pledged as collateral) of EUR 20m from Level 1 to Level 2 and EUR 16m from Level 2 to Level 1 of the fair value hierarchy. NBF also transferred derivative assets of EUR 9m from Level 1 to Level 2 and EUR 99m from Level 2 to Level 1 and derivative liabilities EUR 86m from Level 1 to Level 2 and EUR 137m from Level 2 to Level 1.The reason for the transfers from Level 1 to Level 2 was that the instruments ceased to be actively traded during the period and fair values have now been obtained using valuation techniques with observable market inputs. The reason for the transfer from Level 2 to Level 1 was that the instruments have again been actively traded during the period and reliable quoted prices are obtained in the market. Transfers have also occurred following the implementation of an improved and more granular classification approach. Transfers between levels are considered to have occurred at the end of the reporting period.

Movements in Level 3

EURm	1 Jan	Fair value gains/losses recognised in the income statement during the year: Realised	Unrealised	Purchases/ Issues	Sales
Interest-bearing securities	77	1	11	32	-46
Shares	453	-27	23		-45
Derivatives (net)	-191	46	-151		
Total 2015, net	**339**	**20**	**-117**	**32**	**-91**
Total 2014, net	964	-483	-363	115	-411

EURm	Settlements	Transfers into Level 3	Transfers out of Level 3	Translation differences	30 Jun
Interest-bearing securities	-1		-2		72
Shares					404
Derivatives (net)	-47	450	-126		-19
Total 2015, net	**-48**	**450**	**-128**	**-**	**457**
Total 2014, net	517	-	-	-	339

Unrealised gains and losses relate to those assets and liabilities held at the end of the reporting period. During the period NBF transferred derivatives (net) of EUR 450m from Level 2 to Level 3 and EUR -126m from Level 3 to Level 2. The reason for the transfer from Level 3 to Level 2 was that observable market data became available. The reason for the transfer from Level 2 to Level 3 was that observable market data was no longer available. Transfers have also occurred following the implementation of an improved and more granular classification approach. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the period are included in "Net result from items at fair value". Assets and liabilities related to derivatives are presented net.

The valuation processes for fair value measurements in Level 3
For information about valuation processes for fair value measurement in Level 3, see the Annual Report 2014 Note 40 "Assets and liabilities at fair value".

Deferred day 1 profit
The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (Level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (Day 1 profit) is deferred. For more information see the Annual Report 2014 Note 1 "Accounting policies". The table below shows the aggregate difference yet to be recognised in the income statement at the beginning and end of the period and a reconciliation of how this aggregated difference has changed during the period (movement of deferred Day 1 profit).

Deferred day 1 profit - Derivatives (net)

EURm	2015	2014
Opening balance at 1 Jan	-44	41
Deferred profit on new transactions	-10	7
Recognised in the income statement during the period	4	-7
Closing balance at 30 Jun	**-50**	**41**

Note 10, continued

Valuation techniques and inputs used in the fair value measurements in Level 3

EURm	Fair value	Valuation techniques	Unobservable input	Range of fair value[2]
Interest-bearing securities				
Mortgage and other credit institutions	72	Discounted cash flow	Credit spread	-6/6
Corporates	-			-
Other	-			-
Total 30 Jun 2015	**72**			**-13/13**
Total 31 Dec 2014	77			-7/7
Shares				
Private equity funds	278	Net asset value[1]		
Hedge funds	120	Net asset value[1]		
Other	6	-		
Total 30 Jun 2015	**404**			
Total 31 Dec 2014	453			
Derivatives, net				
Interest rate derivatives	134	Option model	Correlations Volatilities	-16/12
Equity derivatives	-156	Option model	Correlations Volatilities Dividend	-21/14
Foreign exchange derivatives	-34	Option model	Correlations Volatilities	+/-0
Credit derivatives	-6	Credit derivate model	Correlations Recovery rates	-10/11
Other	43	Option model	Correlations Volatilities	+/-0
Total 30 Jun 2015	**-19**			**-47/37**
Total 31 Dec 2014	-191			-40/30

[1] The fair values are based on prices and net assets values delivered by external suppliers/custodians. The prices are fixed by the suppliers/custodians on the basis of the development in assets behind the investments. For private equity funds the dominant measurement methodology, used by the suppliers/custodians, is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by the EVCA (European Venture Capital Association).
[2] The column “Range of fair value” shows the sensitivity of Level 3 financial instruments to changes in key assumptions. For more information see the Annual Report 2014, Note 40 "Assets and liabilities at fair value".

Note 11 Capital adequacy

Summary of items included in own funds

EURm	30 Jun 2015	31 Dec[3] 2014	30 Jun 2014
Calculation of own funds			
Equity in consolidated situation	9,226	9,618	8,708
Proposed/actual dividend		-450	
Common Equity Tier 1 capital before regulatory adjustments	9,226	9,168	8,708
Deferred tax assets			
Intangible assets	-47	-47	-95
IRB provisions shortfall (-)	-175	-237	-209
Deductions for investments in credit institutions (50%)			
Pension assets in excess of related liabilities[1]	-69	-16	-65
Other items, net	-230	-414	-303
Total regulatory adjustments to Common Equity Tier 1 capital	-521	-714	-672
Common Equity Tier 1 capital (net after deduction)	**8,705**	**8,454**	**8,036**
Additional Tier 1 capital before regulatory adjustments	550	550	
Total regulatory adjustments to Additional Tier 1 capital			
Additional Tier 1 capital	550	550	-
Tier 1 capital (net after deductions)	**9,255**	**9,004**	**8,036**
Tier 2 capital before regulatory adjustments	73	69	72
IRB provisions excess (+)			
Deductions for investments in credit institutions (50%)			
Deductions for investments in insurance companies			
Pension assets in excess of related liabilities			
Other items, net			
Total regulatory adjustments to Tier 2 capital	-	-	-
Tier 2 capital	73	69	72
Own funds (net after deductions)[2]	**9,328**	**9,073**	**8,108**

[1] Based on conditional FSA approval
[2] Own funds adjusted for IRB provision, i.e. adjusted own funds equal EUR 9,504m by 30 Jun 2015
[3] Including profit

Own funds including profit

EURm	30 Jun 2015	31 Dec 2014	30 Jun 2014
Common Equity Tier 1 capital, including profit	9,436	8,454	8,542
Total own funds, including profit	10,059	9,073	8,614

Note 11, continued

Minimum capital requirement and REA

EURm	30 Jun 2015 Minimum capital requirement	30 Jun 2015 REA	31 Dec 2014 Minimum capital requirement	31 Dec 2014 REA	30 Jun 2014 Minimum capital requirement	30 Jun 2014 REA
Credit risk	**2,897**	**36,212**	**3,059**	**38,231**	**3,105**	**38,808**
- of which counterparty credit risk	567	7,093	663	8,285	549	6,864
IRB	1,925	24,064	2,200	27,496	1,916	23,948
- of which corporate	1,085	13,564	1,358	16,976	1,205	15,067
- of which advanced	*722*	*9,026*	*488*	*6,103*	*426*	*5,326*
- of which foundation	*363*	*4,538*	*870*	*10,873*	*779*	*9,741*
- of which institutions	335	4,192	358	4,465	386	4,829
- of which retail	485	6,058	465	5,816	307	3,835
- of which secured by immovable property collateral	*205*	*2,556*	*184*	*2,300*	*221*	*2,763*
- of which other retail	*280*	*3,502*	*281*	*3,516*	*86*	*1,072*
- of which other	20	250	19	239	17	217
Standardised	972	12,148	859	10,735	1,189	14,860
- of which central governments or central banks	3	42	17	208	14	175
- of which regional governments or local authorities	13	165	14	170	10	131
- of which public sector entities	2	25	2	20	1	14
- of which multilateral development banks	0	0				
- of which international organisations						
- of which institutions	767	9,592	692	8,663	811	10,140
- of which corporate	89	1,114	79	995	86	1,070
- of which retail	33	416	32	395	219	2,734
- of which secured by mortgages on immovable properties					14	179
- of which in default	1	14	1	13	13	160
- of which associated with particularly high risk						
- of which covered bonds	4	43	12	145	9	115
- of which institutions and corporates with a short-term credit assessment						
- of which collective investments undertakings (CIU)						
- of which equity	5	56	4	54	4	58
- of which other items	55	681	6	72	7	85
Credit Value Adjustment Risk	**154**	**1,915**	**172**	**2,153**	**259**	**3,238**
Market risk	**490**	**6,131**	**443**	**5,536**	**676**	**8,452**
- of which trading book, Internal Approach	363	4,533	298	3,720	457	5,713
- of which trading book, Standardised Approach	122	1,531	135	1,690	207	2,590
- of which banking book, Standardised Approach	5	67	10	126	12	149
Operational risk	**338**	**4,229**	**366**	**4,579**	**366**	**4,579**
Standardised	338	4,229	366	4,579	366	4,579
Sub total	**3,879**	**48,487**	**4,040**	**50,499**	**4,406**	**55,078**
Adjustment for Basel I floor						
Additional capital requirement according to Basel I floor	1,009	12,610	862	10,776	215	2,690
Total	**4,888**	**61,097**	**4,902**	**61,275**	**4,621**	**57,768**

Note 11, continued

Minimum capital requirement and Capital Buffers

Percentage	Minimum capital requirement	Capital Buffers CCoB	CCyB	SII	SRB	Capital Buffers total	**Total**
Common Equity Tier 1 capital	4.5	2.5	0.1			2.6	**7.1**
Tier 1 capital	6	2.5	0.1			2.6	**8.6**
Own funds	8	2.5	0.1			2.6	**10.6**
EURm							
Common Equity Tier 1 capital	2,182	1,212	28			1,240	**3,422**
Tier 1 capital	2,909	1,212	28			1,240	**4,150**
Own funds	3,879	1,212	28			1,240	**5,119**

Common Equity Tier 1 available to meet Capital Buffers

Percentage points of REA	30 Jun 2015	31 Dec[1] 2014	30 Jun 2014
Common Equity Tier 1 capital	11.2	10.0	N/A

[1]Including profit of the period

Capital ratios

Percentage	30 Jun 2015	31 Dec 2014	30 Jun 2014
Common Equity Tier 1 capital ratio, including profit	19.5	16.7	15.5
Tier 1 ratio, including profit	20.6	17.8	15.5
Total capital ratio, including profit	20.7	18.0	15.6
Common Equity Tier 1 capital ratio, excluding profit	18.0	15.8	14.6
Tier 1 ratio, excluding profit	19.1	16.9	14.6
Total Capital ratio, excluding profit	19.2	17.0	14.7

Capital ratios including Basel I floor

Percentage	30 Jun 2015	31 Dec 2014	30 Jun 2014
Common Equity Tier 1 capital ratio, including profit	15.7	14.2	14.8
Tier 1 ratio, including profit	16.6	15.1	14.8
Total capital ratio, including profit	16.8	15.2	14.9
Common Equity Tier 1 capital ratio, excluding profit	14.5	13.4	13.9
Tier 1 ratio, excluding profit	15.4	14.3	13.9
Total Capital ratio, excluding profit	15.6	14.4	14.0

Leverage ratio

	30 Jun 2015	31 Dec[1] 2014	30 Jun 2014
Tier 1 capital, transitional definition, EURm	9,255	9,004	8,036
Leverage ratio exposure, EURm	296,425	269,431	258,952
Leverage ratio, percentage	3.1	3.3	3.1

[1]Including profit of the period

Note 11, continued

Credit risk exposures for which internal models are used, split by rating grade, 30 Jun 2015

	On-balance exposure, EURm	Off-balance exposure, EURm	Exposure value (EAD), EURm[1]	Of which EAD for off-balance, EURm	Exposure-weighted average risk weight:
Corporate, foundation IRB:	2,584	1,419	11,404	0	39.8
- of which rating grades 6	*151*	*58*	*3,339*		*15.9*
- of which rating grades 5	*443*	*228*	*3,197*		*28.8*
- of which rating grades 4	*811*	*468*	*3,264*	*0*	*56.3*
- of which rating grades 3	*562*	*332*	*947*	*0*	*83.3*
- of which rating grades 2	*71*	*56*	*118*		*133.9*
- of which rating grades 1	*24*	*15*	*26*		*159.7*
- of which unrated	*393*	*189*	*248*		*104.6*
- of which defaulted	*129*	*73*	*265*		*0.0*
Corporate, advanced IRB:	24,083	22,733	25,015	5,600	36.1
- of which rating grades 6	*4,715*	*2,110*	*5,036*	*907*	*9.3*
- of which rating grades 5	*3,117*	*7,891*	*4,776*	*1,940*	*22.5*
- of which rating grades 4	*10,763*	*9,356*	*10,546*	*2,013*	*39.4*
- of which rating grades 3	*3,530*	*2,238*	*3,008*	*476*	*58.9*
- of which rating grades 2	*631*	*621*	*445*	*177*	*99.1*
- of which rating grades 1	*147*	*23*	*115*	*6*	*101.0*
- of which unrated	*372*	*248*	*405*	*81*	*48.8*
- of which defaulted	*808*	*246*	*684*		*117.8*
Institutions, foundation IRB:	9,676	1,791	16,729	642	25.1
- of which rating grades 6	*3,127*	*419*	*4,760*	*321*	*18.4*
- of which rating grades 5	*6,433*	*452*	*10,698*	*119*	*23.1*
- of which rating grades 4	*40*	*493*	*1,017*	*94*	*51.1*
- of which rating grades 3	*42*	*263*	*206*	*76*	*115.0*
- of which rating grades 2	*28*	*143*	*31*	*25*	*189.4*
- of which rating grades 1	*0*	*13*	*3*	*3*	*244.6*
- of which unrated	*6*	*8*	*14*	*4*	*151.9*
- of which defaulted					
Retail, of which secured by real estate:	28,070	408	28,324	254	9.0
- of which scoring grades A	*12,785*	*171*	*12,895*	*110*	*3.2*
- of which scoring grades B	*9,269*	*95*	*9,329*	*60*	*6.4*
- of which scoring grades C	*3,963*	*88*	*4,015*	*52*	*13.2*
- of which scoring grades D	*1,377*	*45*	*1,404*	*27*	*24.0*
- of which scoring grades E	*0*	*5*	*3*	*3*	*67.0*
- of which scoring grades F	*214*	*1*	*215*	*1*	*68.9*
- of which not scored	*8*	*1*	*8*	*0*	*24.2*
- of which defaulted	*454*	*2*	*455*	*1*	*116.3*
Retail, of which other retail:	10,036	4,757	11,411	2,415	30.7
- of which scoring grades A	*1,146*	*2,441*	*2,197*	*1,228*	*7.4*
- of which scoring grades B	*1,954*	*1,087*	*2,236*	*534*	*14.3*
- of which scoring grades C	*1,716*	*499*	*1,723*	*275*	*24.4*
- of which scoring grades D	*1,904*	*333*	*1,903*	*191*	*30.5*
- of which scoring grades E	*1,582*	*157*	*1,603*	*91*	*32.0*
- of which scoring grades F	*1,371*	*80*	*1,332*	*43*	*46.1*
- of which not scored	*53*	*83*	*89*	*14*	*43.2*
- of which defaulted	*310*	*77*	*328*	*39*	*260.7*
Other non credit-obligation assets:	260	78	252	32	99.1

[1]Includes EAD for on-balance, off-balance, derivatives and securities financing.

NBF does not have the following IRB exposure classes: equity exposures, items representing securitisation positions, central governments and central banks, qualifying revolving retail.

Note 11, continued

Capital requirements for market risk, 30 June 2015

	Trading book, IM		Trading book, SA		Banking book, SA		Total	
	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement	REA	Capital requirement
Interest rate risk & other[1]	1,980	158	1,350	108			3,330	266
Equity risk	176	14	161	13			337	27
Foreign exchange risk	460	37			67	5	527	42
Commodity risk			20	1			20	1
Diversification effect	-716	-57					-716	-57
Stressed Value-at-Risk	1,512	121					1,512	121
Incremental Risk Measure	713	57					713	57
Comprehensive Risk Measure	408	33					408	33
Total	**4,533**	**363**	**1,531**	**122**	**67**	**5**	**6,131**	**490**

[1]Interest rate risk column Trading book IA includes both general and specific interest rate risk which is elsewhere referred to as interest rate VaR and credit spread VaR.

Note 12 Transferred operations

EURm	Jan-Jun 2014	Full year 2014
Net interest income	71	116
Net fee and commission income	17	49
Net result from items at fair value	-8	-7
Other operating income	1	1
Total operating income	**81**	**159**
Staff costs	-16	-30
Other expenses	-13	-19
Depreciation of tangible and intangible assets	-1	-1
Total operating expenses	**-30**	**-50**
Profit before loan losses	**51**	**109**
Net loan losses	-38	-48
Operating profit	**13**	**61**
Income tax expense	-1	-4
Net profit for the period	**12**	**57**

The table above shows the income statement impact of the sale of the operations in the Baltic countries as well as sale of the London and Frankfurt branches.

ANNEX 7
FORMS OF FINAL TERMS CONTAINED IN THE DECEMBER 2014 BASE PROSPECTUS

The following forms of final terms relate to the Terms and Conditions of the Notes contained in the Base Prospectus dated 19 December 2014, which are incorporated by reference into this Base Prospectus and will be used where Notes are issued on the basis of these Terms and Conditions.

FORMS OF FINAL TERMS FOR NOTES

MALLAR FÖR SLUTLIGA VILLKOR FÖR LÅN

Form of Final Terms for Certain Structured Notes with a denomination of less than €100,000 to be admitted to trading on the Main Securities Market of the Irish Stock Exchange and/or offered to the public in the EEA

Mall för Slutliga Villkor för Särskilda Strukturerade Lån med valörer om mindre än €100 000 som ska bli föremål för handel på Irish Stock Exchanges Main Securities Market och/eller erbjudas till allmänheten inom EES.

[IMPORTANT NOTICE

VIKTIGT MEDDELANDE

In accessing the attached final terms (the "Final Terms") you agree to be bound by the following terms and conditions.

Genom att ta del av de bilagda slutliga villkoren ("Slutliga Villkoren") godkänner du att bli bunden av följande villkor.

The information contained in the Final Terms may be addressed to and/or targeted at persons who are residents of particular countries only as specified in the Final Terms and/or in the Base Prospectus (as defined in the Final Terms) and is not intended for use and should not be relied upon by any person outside those countries and/or to whom the offer contained in the Final Terms is not addressed. **Prior to relying on the information contained in the Final Terms, you must ascertain from the Final Terms and/or the Base Prospectus whether or not you are an intended addressee of the information contained therein.**

Informationen i dessa Slutliga Villkor är endast adresserad till och/eller riktad till personer som bor i de särskilda länder som anges i de Slutliga Villkoren och/eller i Grundprospektet (definierat i de Slutliga Villkoren) och är inte ämnad för användning och ska inte förlitas på av någon person utanför de länderna och/eller till vilka erbjudandet i dessa Slutliga Villkor inte är adresserat. **Innan du förlitar dig på innehållet i dessa Slutliga Villkor måste du säkerställa att du är en avsedd adressat av informationen i de Slutliga Villkoren och/eller Grundprospektet.**

Neither the Final Terms nor the Base Prospectus constitutes an offer to sell or the solicitation of an offer to buy securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities law of any such jurisdiction.

Varken de Slutliga Villkoren eller Grundprospektet utgör ett erbjudande att sälja eller en inbjudan att köpa värdepapper i USA eller i någon annan jurisdiktion i vilka ett sådant erbjudande, inbjudan eller försäljning skulle vara olagligt innan de har registrerats, ett undantag från registrering har erhållits eller enligt annan bestämmelse under värdepapperslagarna i en sådan jurisdiktion.

The securities described in the Final Terms and the Base Prospectus have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons or to persons within the United States of America (as such terms are defined in Regulation S under the Securities Act ("**Regulation S**")). The securities described in the Final Terms will only be offered in offshore transactions to non-U.S. persons in reliance upon Regulation S.]

De värdepapper som beskrivs i de Slutliga Villkoren och i Grundprospektet har inte, och kommer inte, registreras i enlighet med U.S. Securities Act of 1933, såsom den har ändrats ("**Securities Act**") och får inte erbjudas eller säljas direkt eller indirekt inom USA eller till, för, eller till förmån för, amerikanska medborgare eller till personer i USA (såsom termerna definieras i Regulation S i Securities Act ("**Regulation S**")). De värdepapper som beskrivs i dessa Slutliga Villkor kommer endast erbjudas i offshore-transaktioner till icke-amerikanska medborgare i enlighet med Regulation S.

Final Terms dated [•]

Slutliga Villkor daterade [•]

[NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €15,000,000,000
Structured Note Programme

NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC
Utgivande av [Sammanlagt Nominellt Belopp av Tranch] [Namn på Lån]
under ett €15 000 000 000
Program för Strukturerade Lån

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (b) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so:

(a) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or

(b) in those Public Offer Jurisdictions mentioned in Paragraph 10 of Part B below, provided such person is one of the persons described in Paragraph 10 of Part B below [and which satisfies conditions set out therein] and that such offer is made during the Offer Period specified for such purpose therein.

[Grundprospektet som det hänvisas till nedan (som kompletteras av dessa Slutliga Villkor) har tagits fram under förutsättningen att, förutom såsom anges i punkten (b) nedan, varje erbjudande om Lån i varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet som har implementerat Prospektdirektivet (var och en benämnda en "**Relevant Medlemsstat**") kommer att göras under med stöd av ett undantag i Prospektdirektivet, såsom det har implementerats i den Medlemsstaten, från kravet på att publicera ett prospekt för erbjudanden om Lån. Följaktligen kan personer som lämnar eller som avser att lämna erbjudanden avseende Lånen göra det enbart:

(a) under omständigheter då ingen förpliktelse uppstår för Emittenten eller något Emissionsinstitut att publicera ett prospekt i enlighet med Artikel 3 i Prospektdirektivet eller att komplettera ett prospekt i enlighet med Artikel 16 i Prospektdirektivet, i bägge fall i samband med ett sådant erbjudande; eller:

(b) i de Erbjudande till Allmänheten – Jurisdiktioner som anges i punkt 11 av Del B nedan, under förutsättning att sådana personer är en av de personer som beskrivs i punkt 11 av Del B nedan [och som uppfyller de villkor som anges däri] och att erbjudandet görs under den Erbjudandeperiod som specificeras däri för sådant syfte.

With respect to any subsequent resale or final placement of Notes as provided in sub-paragraph (b) above, the Issuer consents to the use of the Base Prospectus and accepts responsibility for the content of the Base Prospectus. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Avseende varje senare återförsäljning eller slutlig placering av Lånen såsom anges i punkt (b) ovan, samtycker Emittenten användandet av Grundprospektet och accepterar ansvar för innehållet i Grundprospektet. Varken Emittenten eller något Emissionsinstitut har godkänt, eller godkänner, att några erbjudanden avseende Lånen görs under några andra omständigheter.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) provided, however, that all references in this document to the "**Prospectus Directive**" in relation to any Member State of the European Economic Area refer to Directive

2003/71/EC (as amended), and include any relevant implementing measure in the relevant Member State.][54]

Uttrycket "**Prospektdirektivet**" avser direktivet 2003/71/EG (med gjorda ändringar, inklusive 2010 års ändringsdirektiv 2010/73/EU) **dock att** alla hänvisningar i detta dokument till "Prospektdirektivet" i relation till varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet hänvisar till direktiv 2003/71/EG (med gjörda ändringar), och inkluderar varje relevant implementeringsåtgärd i den relevanta Medlemsstaten).][55]

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

[Grundprospektet som det hänvisas till nedan (som kompletteras av dessa Slutliga Villkor) har tagits fram under förutsättningen att varje erbjudande om Lån i varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet som har implementerat Prospektdirektivet (var och en benämnda en "**Relevant Medlemsstat**") kommer att göras med stöd av ett undantag i Prospektdirektivet, såsom det har implementerats i den Medlemsstaten, från kravet på att publicera ett prospekt för erbjudanden om Lån. Följaktligen kan personer som lämnar eller som avser att lämna erbjudanden avseende Lånen göra det enbart under omständigheter då ingen förpliktelse uppstår för Emittenten eller något Emissionsinstitut att publicera ett prospekt i enlighet med Artikel 3 i Prospektdirektivet eller att komplettera ett prospekt i enlighet med Artikel 16 i Prospektdirektivet, i bägge fall i samband med ett sådant erbjudande. Varken Emittenten eller något Emissionsinstitut har godkänt, eller godkänner, att några erbjudanden avseende Lånen görs under några andra omständigheter.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) **provided, however, that** all references in this document to the "**Prospectus Directive**" in relation to any Member State of the European Economic Area refer to Directive 2003/71/EC (as amended), and include any relevant implementing measure in the relevant Member State.][56]

Uttrycket "**Prospektdirektivet**" avser direktivet 2003/71/EG (med gjorda ändringar, inklusive 2010 års ändringsdirektiv 2010/73/EU) **under förutsättning, att** alla hänvisningar i detta dokument till "Prospektdirektivet" i relation till varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet hänvisar till direktiv 2003/71/EG (med gjorda ändringar), och inkluderar varje relevant implementeringsåtgärd i den relevanta Medlemsstaten).][57]

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54 Include this legend where a non-exempt offer of Notes is anticipated.

55 Inkludera detta avsnitt om ett icke-undantaget erbjudande av Lånen förväntas.

56 Include this legend where a non-exempt offer of Notes is NOT anticipated.

57 Inkludera detta avsnitt om ett icke-undantaget erbjudande av Lånen INTE förväntas.

PART A – CONTRACTUAL TERMS

DEL A – KONTRAKTUELLA VILLKOR

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the original base prospectus dated 19 December 2014 and which are incorporated by reference into the Base Prospectus dated 18 December 2015 [and the supplemental Base Prospectus dated [•]] [which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive[58]]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive[59]] and must be read in conjunction with the Base Prospectus. A summary of the Notes (which comprises the summary in the Base Prospectus as completed to reflect the provisions of these Final Terms) is annexed to these Final Terms. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the base prospectus supplement[s]] and these Final Terms are available for viewing during normal business hours at, and copies may be obtained from, the principal office of the Issuer [Smålandsgatan 17, SE-105 71 Stockholm, Sweden/Aleksis Kiven katu 9, 00020 Nordea, Helsinki, Finland.] and from www.nordea.com

Ord som används häri ska anses ha samma innebörd som i Villkoren ("**Villkoren**") som anges i det ursprungliga Grundprospektet daterat 19 december 2014 och som inkorporeras genom hänvisning till Grundprospektet daterat 18 december 2015 [och i supplement till Grundprospektet daterat [•]] [vilka/[et] [tillsammans] utgör ett grundprospekt ("**Grundprospektet**") i Prospektdirektivets mening[60]]. Det här dokumentet utgör de Slutliga Villkoren för Lånen som beskrivs häri [i enlighet med artikel 5.4 i Prospektdirektivet[61]] och måste läsas tillsammans med Grundprospektet. En sammanfattning av Lånen (innefattande sammanfattningen i Grundprospektet upprättad för att reflektera bestämmelserna i dessa Slutliga Villkor) är bilagt till dessa Slutliga Villkor. Fullständig information om Emittenten och erbjudandet om Lån kan endast fås genom dessa Slutliga Villkor och Grundprospektet (tillsammans med eventuella tillägg) i kombination. Grundprospektet [och tillägg till Grundprospektet] och kopior av dessa Slutliga Villkor finns tillgängliga för granskning under normal arbetstid och kopior kan erhållas från Emittentens huvudkontor på Smålandsgatan 17, 105 71 Stockholm, Sverige/Aleksis Kiven katu 9, 00020 Nordea, Helsingfors, Finland] och på www.nordea.com.

Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]

[Inkludera samtliga av följande som är tillämpliga eller ange "Inte Tillämpligt" (N/A). Notera att numreringen ska bibehållas såsom den har angetts nedan, även om "Inte Tillämpligt" har angetts för enkilda punkter (i vilket fall underpunkterna till sådana punkter som inte är tillgängliga kan raderas). Kursiv text är vägledning för att färdigställa de Slutliga Villkoren.]

I. GENERAL TERMS

ALLMÄNNA VILLKOR

1.	(i)	Issuer:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
	(i)	Emittent:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
2.	(i)	Series Number:	[•]

[58] Delete wording in square brackets for an unlisted, exempt offer.

[59] Delete wording in square brackets for an unlisted, exempt offer.

[60] Radera text inom hakparenteser för ett erbjudande som inte listas och är undantaget.

[61] Radera text inom hakparenteser för ett erbjudande som inte listas och är undantaget.

	(i) Serienummer:	[•]
	(ii) Tranche Number:	[•]
	(ii) Tranchenummer:	[•]
	[(iii) Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of series*] on [[*insert date*]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 58 below [which is expected to occur on or about [*insert date*]].]
	[(iii) Datum då Lånen blir fungibla:	[Inte Tillämpligt/Lånen ska konsolideras, bli en enda serie och vara utbytbara för handel med [*ange beskrivning av serier*] på [[*ange datum*]/Lånedatum/utbyte av Temporära Globala Lån för intressen i Permanenta Globala Lån, såsom beskrivs i punkt 58 nedan [vilket är beräknat att inträffa på eller runt omkring [*ange datum*]].]
3.	Specified Currency or Currencies:	[•]
	Angiven Valuta:	[•]
4.	Aggregate Principal Amount:	[•]
	Sammanlagt Kapitalbelopp:	[•]
	(i) Series:	[•]
	(i) Serie:	[•]
	(ii) Tranche:	[•]
	(ii) Tranche:	[•]
5.	Issue Price:	[[•] per cent. of the Aggregate Principal Amount of each Note [plus accrued interest from [*insert date*]]/ The Issue Price will be determined by the Issuer on a daily basis during the Offer Period (as defined below), based on the prevailing market price for the Notes. The Notes will be issued with an initial Issue Price of approximately [ ] per cent on the Issue Date].
	Pris:	[[•] procent av det Sammanlagda Kapitalbeloppet för varje Lån [plus upplupen ränta från [*datum*]]. / Priset avgörs av Emittenten på en daglig basis under Erbjudandeperioden (som definierat nedan) baserat på Lånens rådande marknadsvärde. Lånen kommer att utges till ett initialt Pris om [ ] procent på Lånedatumet.]
6.	(i) Specified Denominations:	[•]
	(i) Valörer:	[•]
	(ii) Calculation Amount:	[•]

	(ii)	Beräkningsbelopp:	[•]
7.	(i)	Issue Date:	[•]
	(i)	Lånedatum:	[•]
	(ii)	Interest Commencement Date:	[[*insert date*]/Issue Date/Not Applicable]
	(ii)	Startdatum för Ränta:	[[*datum*]/Lånedatum/Inte Tillämpligt]
8.	Redemption Date:		[[•]/[Interest Payment Date falling in or nearest to [•]]
	Återbetalningsdag:		[[•]/[Räntebetalningsdag som infaller i eller närmast [•]]
9.	Base Redemption Amount:		[[•]/Not Applicable]
	Basåterbetalningsbelopp:		[[•]/Inte Tillämpligt]
10.	Additional Amounts:		[Applicable/Not Applicable]
			[The Additional Amount(s) will be added to/subtracted from the Base Redemption Amount]
	Tilläggsbelopp:		[Tillämpligt/Inte Tillämpligt]
			[Tilläggsbeloppet/en kommer läggas till/subtraheras från Basåterbetalningsbeloppet]
11.	Minimum Redemption:		[Applicable/Not Applicable]
	Lägsta Återbetalning:		[Tillämpligt/Inte Tillämpligt]
	•	Minimum Redemption Amount:	[[•]/Not Applicable]
	•	Lägsta Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
12.	Maximum Redemption:		[Applicable/Not Applicable]
	Högsta Återbetalning:		[Tillämpligt/Inte Tillämpligt]
	•	Maximum Redemption Amount:	[[•]/Not Applicable]
	•	Högsta Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
13.	Business Day Convention:		[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day]
	Bankdagskonvention:		[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention]
14.	Currency Business Day Convention:		[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day]/[Not Applicable]
	Handelsdag Valutakonvention:		[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention]/[Inte Tillämpligt]

15.	Relevant Exchange:	[[•]/[As set out in the Conditions]]
	Relevant Börs:	[[•]/[Såsom framgår av Villkoren]]
16.	Scheduled Trading Day Convention:	[[Following Scheduled Trading Date Convention/Modified Following Scheduled Trading Day Convention/Preceding Scheduled Trading Day Convention]/[Not Applicable]]
	Planerad Handelsdagskonvention:	[Efterföljande Planerad Handelsdagskonvention/ Modifierad Efterföljande Planerad Handelsdagskonvention /Föregående Planerad Handelsdagskonvention]
II.	**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE]**	**[APPLICABLE/NOT APPLICABLE]**
	BESTÄMMELSER FÖR RÄNTA (OM NÅGON)	**[TILLÄMPLIGT/EJ TILLÄMPLIGT]**
		[Items 17-30 have been intentionally omitted][62]
		[Punkterna 17-30 har medvetet utelämnats][63]
17.	Interest Basis:	[[•] per cent. Fixed Rate]
	Räntebas:	[[•] procent Fast Ränta]
		[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/ [CIBOR]/[Nordea Own Funds Rate] +/– [•] per cent. Floating Rate]
		[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[Nordeas Upplåningsränta] +/– [•] procent Rörlig Ränta]
		[Inflation Linked]
		[Inflationslänkad]
		[Zero Coupon]
		[Nollkupong]
		[Rate Adjustment]
		[Räntejustering]
		[Coupon Bearing Notes]
		[Kupongbärande Lån]
		[Non-Tranched CLN Interest]
		[Non-Tranched CLN Ränta]
		[Tranched CLN Interest]
		[Tranched CLN Ränta]

[62] Include where interest provisions are marked as "Not Applicable"

[63] Att inkluderas då räntebestämmelser angivits som "Inte Tillämpligt"

[Nth to Default CLN Interest]

[Nth to Default CLN Ränta]

[Nth and Nth + 1 to Default CLN Interest]

[Nth and Nth + 1 to Default CLN Ränta]

[Capped Floor Float]

[Tak Golv Float]

[Cap Floor]

[Tak Golv]

[Cap Floor Spread]

[Tak Golv Spread]

[Range Accrual]

[Range Accrual]

[Range Accrual In/Out]

[Range Accrual In/Ut]

[Knockout Range Accrual]

[Knockout Range Accrual]

[Binary Cap/Floor]

[Binärt Tak/Golv]

[Binary Zero Coupon]

[Binär Nollkupong]

[Inverse Floater]

[Inverterad Floater]

[Autocallable Rate]

[Autocallable-nivå]

[Digital Long]

[Digital Long]

[Digital Short]

[Digital Short]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Short]

[Best of/Worst of Digital Short]

[Worst of Digital Memory Coupon 2]

[Worst of Digital Memory Coupon 2]

[Digital Podium Long]

[Digital Podium Lång]

[Digital Podium Short]

[Digital Podium Kort]

[Series of Digitals]

[Serier av Digitala]

[Cash Settled Swaption Straddle]

[Cash Settled Swaption Straddle]

[Power Cap/Floor]

[Power Tak/Golv]

[Compounding Floater]

[Compounding Floater]

[Lock-In 1]

[Lock-In 1]

[Lock-In 2]

[Lock-In 2]

[Snowball]

[Snowball]

[Accumulator]

[Ackumulator]

[Binary Accumulator]

[Binär Ackumulator]

[Contingent Cap/Floor]

[Betingat Tak/Golv]

[Dual Digital Cap]

[Dubbel Digital Tak]

[Dual Digital Floor]

[Dubbel Digital Golv]

[Binary Inflation Cap]

[Binärt Inflationstak]

		[Binary Inflation Floor] [Binärt Inflationsgolv] [Binary Inflation Range] [Binärt Inflationsspann] [Inflation Range Accrual] [Inflationsspann Periodiserad] [Inflation Cap/Floor] [Inflation Tak/Golv] [Inflation Straddle] [Inflation Ömsesidig] [Inflation Cap Floor Spread] [Inflation Tak Golv Spread] [ZC Inflation Cap Floor] [ZC Inflation Tak Golv] [Inflation Linker 1] [Inflationslänkad 1] [Inflation Linker 2] [Inflationslänkad 2] [Strip of Call Spreads] [Strip of Call Spreads] (further particulars specified below) (ytterligare detaljer specificerade nedan)
18.	Combination of Interest Bases: Kombination av Räntebaser:	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]
	(i) Method of Combination: Kombinationsmetod:	[Single Basket Addition/Multiple Basket Addition/Alternative Calculation] [Enskild Korgsammanslagning/Alternativ Uträkning]
	(ii) Relevant Condition(s) for determination of Interest Amount:	[Condition [•] will be applicable if Interest Barrier Level 1 is not exceeded on [any/the final] Interest Determination Date, Condition [•] will be applicable if Interest Barrier Level 1 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level 2 is not exceeded, Condition [•] will be applicable if Interest Barrier Level 2 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level [•] is not exceeded… Condition [•] will be applicable

		if Interest Barrier Level [•] is exceeded on [any/the final] Interest Determination Date/Condition(s) [•] and [•] are applicable.]
	Relevanta Villkor för bestämmande av Räntebelopp:	[Villkor [•] ska vara tillämpligt om Räntebarriärnivå 1 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå 2 inte överskrids, Villkor [•] ska vara tillämpligt om Räntebarriärnivå 2 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå [•] inte överskrids… Villkor [•] ska vara tillämpligt om Räntebarriärnivå [•] överskrids på [en/slutlig] Räntebestämningsdag/Villkor [•] och [•] är tillämpliga.] [Condition [•] in respect of Basket A, Condition [•] in respect of Basket B etc.] [Villkor [•] beträffande Korg A, Villkor [•] beträffande Korg B etc.]
	• [Interest Barrier Level 1:]	[•]
	• [Räntebarriärnivå 1:]	[•]
	• [Interest Barrier Level 2:]	[•]
	• [Räntebarriärnivå 2:]	[•]
	• [Interest Barrier Level 3:]	[•]
	• [Räntebarriärnivå 3:]	[•]
19.	Method of calculating Basket Return for the purposes of Interest determination:	[Basket Long Structure/Basket Short Structure [in respect of Basket A/B]/Not Applicable]
	Metod för att beräkna Korgavkastningen för Räntebestämning:	[Basket Long Struktur/Basket Short Struktur [avseende Korg A/B]/Inte Tillämpligt]
20.	**Interest Deferral**	[Applicable/Not Applicable]
	Uppskjuten Ränta	[Tillämpligt/Inte Tillämpligt]
21.	**Fixed Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Fast Ränta	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Rate:	[•] per cent. per annum
	(i) Räntesats:	[•] procent årligen
	(ii) Interest Payment Date(s):	[•] [in each year]
	(ii) Räntebetalningsdag(ar):	[•] [varje år]
	(iii) Interest Determination Date:	[[•]/Not Applicable]
	(iii) Räntebestämningsdag:	[[•]/Inte Tillämpligt]

(iv)	Fixed Interest Amount:	[•] per Note of [•] Denomination/Not Applicable
(iv)	Bestämt Räntebelopp:	[•] per Lån av Valören [•]/Inte Tillämpligt]
(v)	Details of Irregular Interest Amount(s):	[[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]/Not Applicable]
(v)	Bestämmelser för Oregelbundna Räntebelopp:	[[•] per Beräkningsbelopp, att betalas på Räntebetalningsdagen som infaller [i/på] [•]/[Inte Tillämpligt]
(vi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
(vi)	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
22.	**Floating Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Rörlig Ränta	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Payment Dates:	[•] [in each year]
(i)	Räntebetalningsdag(ar):	[•] [för varje år]
(ii)	Interest Determination Date:	[[•]/Not Applicable]
(ii)	Räntebestämningsdag:	[[•]/Inte Tillämpligt]
(iii)	Issuing Agent:	[Not Applicable/[•]]
(iii)	Administrerande Institut:	[Inte Tillämpligt/[•]
(iv)	Calculation Agent:	[Not Applicable/[•]]
(iv)	Beräkningsagent:	[Inte Tillämpligt/[•]]
(v)	Interest Base Rate:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[Nordea Own Funds Rate]]
(v)	Basränta:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[Nordeas Upplåningsränta]
(vi)	Designated Maturity:	[•]
(vi)	Avsedd Återbetalningsdag:	[•]
	• Alternative Designated Maturity	[[•]/Not Applicable/Applicable in respect of the [short/long/ [initial/final] interest period from (and including) [date] to (but excluding) [date]]
	• Alternativ Avsedd Återbetalningsdag	[[•]/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]
(vii)	Linear Interpolation:	[Applicable/Not Applicable/Applicable in respect of the [short/long/ [initial/final] interest period from (and including) [date] to (but excluding) [date]]]

(vii)	Linjär Interpolering:	[[•]/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]
	• Alternative Maturity 1	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 1	[[•]/Inte Tillämpligt]
	• Alternative Maturity 2	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 2	[[•]/Inte Tillämpligt]
(viii)	Screen Page:	[•]
(viii)	Skärmsida:	[•]
(ix)	Interest Margin(s):	[+/-][•] per cent. per annum
(ix)	Räntemarginal(er):	[+/-][•] procent årligen
(x)	FRN Participation Ratio:	[•] per cent.
(x)	FRN Deltagandegrad:	[•] procent
(xi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
(xi)	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xii)	Maximum Interest Rate:	[[•]/Not Applicable]
(xii)	Högsta Räntesats:	[[•]/Inte Tillämpligt]
(xiii)	Minimum Interest Rate:	[[•]/Not Applicable]
(xiii)	Lägsta Räntesats:	[[•]/Inte Tillämpligt]
23.	**Zero Coupon Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Nollkupongslån	[Tillämpligt/Inte tillämplig]
	Reference Yield:	[•] per cent. per annum
	Referensavkastning:	[•] procent årligen
24.	**Inflation-Linked Interest Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Inflationslänkade Räntebärande Lån	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]
(i)	Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt

21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]

(ii) Base Index/CPI:

(ii) Bas Index/CPI:

- Relevant date: [•]
- Relevant datum: [•]
- Relevant time: [•] [a.m./p.m.]
- Relevant tid: [•] [a.m./p.m.]

25. **Rate Adjustment Note Provisions** [Applicable/Not Applicable]

Bestämmelser för Kursjusterade Lån [Tillämpligt/Inte Tillämpligt]

Provisions relating to the adjustment of the Interest Rate: The Interest Basis will be [•] from [and including/but excluding] [•] to [and including/but excluding] the Interest Payment Date falling in [•], and [•] from [and including/but excluding] the Interest Payment Date falling in [•] up to ([and including/but excluding]) the Redemption Date.

Bestämmelser relaterade till justering av Räntesatsen: Räntebasen ska vara [•] från [och med/men exklusive] [•] till [och med/men exklusive] Räntebetalningsdagen som infaller [•], och [•] från [och med/men exklusive] Räntebetalningsdagen som infaller [•] till [och med/men exklusive] Återbetalningsdagen.

26. **Coupon Bearing Note Provisions** [Applicable/Not Applicable]

Bestämmelser för Kupongbärande Autocall-lån [Tillämpligt/Inte Tillämpligt]

(i) Valuation Date(s):

	Reference Asset **Referens-tillgång**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag Medelvärdesberäkningsdag**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
(i) Värderingsdag(ar):	[•]	[•]	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

		[•]	[Applicable /Not Applicable] [Tillämpligt /Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(ii)	Coupon Barrier Level(s):	[•]
(ii)	Kuponbarriärnivå(er):	[•]
(iii)	Interest Payment Date(s):	[•] in each year
(iii)	Räntebetalningsdag(ar):	[•] varje år
(iv)	Flat Coupon:	[Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(iv)	Flat Kupong:	[Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(v)	Memory Coupon:	[Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(v)	Memory Kupong:	[Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(vi)	Plus Flat Coupon:	[Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(vi)	Plus Flat Kupong:	[Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(vii)	Plus Memory Coupon:	[Applicable/ Not Applicable Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(vii)	Plus Memory Kupong:	[Tillämpligt/ Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(viii)	Coupon Rate(s):	[[•] if Coupon Barrier [•] is reached/Not Applicable]
(viii)	Kupongnivå(er):	[[•] om Kupongbarriär [•] uppnås/Inte Tillämpligt]
(ix)	Basket Rate:	[Applicable/Not Applicable]
(ix)	Korgnivå:	[Tillämpligt/Inte Tillämpligt]
(x)	Best of/Worst of Rate:	[Applicable/Not Applicable]
(x)	Best of/Worst of Kurs:	[Tillämpligt/Inte Tillämpligt]
(xi)	N:	[Applicable/Not Applicable]

(xi)	N:	[Tillämpligt/Inte Tillämpligt]
27.	**CLN Interest Provisions**	[Applicable/Not Applicable]
	Bestämmelser för CLN Ränta	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]
(i)	Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt 21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]
(ii)	Determination Date Exposure:	[Applicable/Not Applicable]
	• [Number of Business Days:	[[•]/The Observation Date shall be the relevant Interest Payment Date]
	• [Antal Bankdagar:]	[[•]/Observationsdagen ska vara den relevanta Räntebetalningsdagen]
(ii)	Bestämningsdag Exponering:	[Tillämpligt/Inte Tillämpligt]
(iii)	Weighted Average Exposure:	[Applicable/Not Applicable]
(iii)	Viktad Genomsnittlig Exponering:	[Tillämpligt/Inte Tillämpligt]
(iv)	Tranche Attachment Point:	[[•]/Not Applicable]
(iv)	Fästpunkt Tranche:	[[•]/Inte Tillämpligt]
(v)	Tranche Detachment Point:	[[•]/Not Applicable]
(v)	Avskiljningspunkt Tranche:	[[•]/Inte Tillämpligt]
(vi)	Fixed Recovery Value:	[[•]/Not Applicable]
(vi)	Fast Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
(vii)	Market Recovery Value:	[Applicable/Not Applicable]
(vii)	Marknadsåtervinningsvärde:	[Tillämpligt/Inte Tillämpligt]
(viii)	N:	[[•]/Not Applicable]
(viii)	N:	[[•]/Inte Tillämpligt]
(ix)	Observation Date(s):	[[•]/Not Applicable/the day falling [•] Business Days prior to each Interest Payment Date]
(ix)	Observationsdag(ar):	[[•]/Inte Tillämpligt/dagen som infaller [•] Bankdagar före varje Räntebetalningsdag]
(x)	Credit Event Ranked Basket Participation (Interest):	[Applicable/Not Applicable]
(x)	Kredithändelserankad Korgandel (Ränta):	[Tillämpligt/Inte Tillämpligt]

•	Credit Event Ranked Weight:	**Credit Event** (in order of occurrence) **Kredithändelse** (i kronologisk ordning)	**Weighting** **Viktning**
•	Kredithändelserankad vikt:	1	[•]%
		2	[•]%
		3	[•]%
		N	[•]%

(xi)	Possible Repudiation Moratorium Amount:	[Applicable/Not Applicable]
(xi)	Belopp för Potentiellt Avstående Moratorium:	[Tillämpligt/Inte Tillämpligt]
(xii)	Restructuring Amount:	[Applicable/Not Applicable]
(xii)	Belopp för Omläggning av Skulder:	[Tillämpligt/Inte Tillämpligt]
(xiii)	Replacement Reference Entity:	[Applicable/Not Applicable]
(xiii)	Belopp för Ersättande Referenstillgång:	[Tillämpligt/Inte Tillämpligt]
(xiv)	Obligation Acceleration Amount:	[Applicable/Not Applicable]
(xiv)	Belopp för Uppsägning av Åtagande:	[Tillämpligt/Inte Tillämpligt]
(xv)	Failure to Pay Amount:	[Applicable/Not Applicable]
(xv)	Belopp för Utebliven Betalning:	[Tillämpligt/Inte Tillämpligt]
(xvi)	Credit Events:	[[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration]/ Not Applicable]
(xvi)	Kredithändelser:	[[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförarande Myndighetsingripande/ Avstående/ Moratorium/ Uppsägning av Åtagande]/ Inte Tillämpligt]
(xvii)	Default Requirement:	[[•]/Not Applicable/As set out in the Conditions]
(xvii)	Defaultkrav:	[[•]/Inte Tillämpligt/Såsom framgår av Villkoren]

28.	**Digital Interest Provisions**		[Applicable/Not Applicable]
	Bestämmelser om Digital Ränta		[Tillämpligt/Inte Tillämpligt]
	(i)	Interest Determination Date:	[[•]/Not Applicable]
	(i)	Räntebestämningsdag:	[[•]/Inte Tillämpligt]

(ii)	Interest Payment Date(s):	[[•]/Not Applicable]
(ii)	Räntebalningsdag(ar):	[[•]/Inte Tillämpligt]
(iii)	Strike Level:	[[•]/Not Applicable]
(iii)	Lösenprisnivå:	[[•]/Inte Tillämpligt]
(iv)	Coupon:	[[•]/Not Applicable]
(iv)	Kupong:	[[•]/Inte Tillämpligt]
(v)	Coupon 2:	[[•]/Not Applicable]
(v)	Kupong 2:	[[•]/Inte Tillämpligt]
(vi)	N:	[[•]/Not Applicable]
(vi)	N:	[[•]/Inte Tillämpligt]
(vii)	Barrier Level:	[[•]/Not Applicable]
(vii)	Barriärnivå:	[[•]/Inte Tillämpligt]
(viii)	Basket Strike Level:	[[•]/Not Applicable]
(viii)	Korglösennivå:	[[•]/Inte Tillämpligt]
(ix)	Observation Date(s):	[[•]/Each Scheduled Trading Day up to and including the Interest Determination Date/Not Applicable]
(ix)	Observationsdag(ar):	[[•]/Varje Planerad Handelsdag fram till och med Räntebestämningsdagen/Inte Tillämpligt]
(x)	Valuation Time:	[[•]/Not Applicable]
(x)	Värderingstidpunkt:	[[•]/Inte Tillämpligt]

Reference Asset (Interest) **Referenstillgång (Ränta)**	**Valuation Time** **Värderingstidpunkt**
[•]	[•]
[•]	[•]
[•]	[•]

29.	**Additional Interest Provisions**		[Applicable/Not Applicable]
	Ytterligare Räntebestämmelser		[Tillämpligt/Inte Tillämpligt]
	(xliv)	Interest Determination Date:	[[•]/Not Applicable]
		Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(xlv)	Interest Payment Date(s):	[[•]/Not Applicable]
		Räntebetalningsdag(ar):	[[•]/Inte Tillämpligt]

(xlvi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xlvii)	Reference Rate:	[[•]/Not Applicable]
	Referensränta:	[[•]/Inte Tillämpligt]
(xlviii)	Reference Rate 2:	[[•]/Not Applicable]
	Referensränta 2:	[[•]/Inte Tillämpligt]
(xlix)	Spread:	[[•]/Not Applicable]
	Spread:	[[•]/Inte Tillämpligt]
(l)	Cap Strike:	[[•]/Not Applicable]
	Lösenpristak:	[[•]/Inte Tillämpligt]
(li)	Floor Strike:	[[•]/Not Applicable]
	Lösenprisgolv:	[[•]/Inte Tillämpligt]
(lii)	Cap Value:	[1/-1/0/Not Applicable]
	Takvärde:	[1/-1/0/Inte Tillämpligt]
(liii)	Floor Value:	[1/-1/0/Not Applicable]
	Golvvärde Value:	[1/-1/0/Inte Tillämpligt]
(liv)	Leverage (Cap):	[[•]/Not Applicable]
	Hävstång (Tak):	[[•]/Inte Tillämpligt]
(lv)	Leverage (Floor):	[[•]/Not Applicable]
	Hävstång (Golv):	[[•]/Inte Tillämpligt]
(lvi)	Cap Strike Upper:	[[•]/Not Applicable]
	Lösenpristak Högre:	[[•]/Inte Tillämpligt]
(lvii)	Cap Strike Lower:	[[•]/Not Applicable]
	Lösenpristak Lägre:	[[•]/Inte Tillämpligt]
(lviii)	Floor Strike Upper:	[[•]/Not Applicable]
	Lösenprisgolv Högre:	[[•]/Inte Tillämpligt]
(lix)	Floor Strike Lower:	[[•]/Not Applicable]
	Lösenprisgolv Lägre:	[[•]/Inte Tillämpligt]
(lx)	Strike Upper:	[[•]/Not Applicable]
	Lösenpris Högre:	[[•]/Inte Tillämpligt]

(lxi)	Strike Lower:	[[•]/Not Applicable]
	Lösenpris Lägre:	[[•]/Inte Tillämpligt]
(lxii)	Strike 2	[[•]/Not Applicable]
	Lösenpris 2	[[•]/Inte Tillämpligt]
(lxiii)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(lxiv)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(lxv)	W:	[[•]/Not Applicable]
	W:	[[•]/Inte Tillämpligt]
(lxvi)	X:	[[•]/Not Applicable]
	X:	[[•]/Inte Tillämpligt]
(lxvii)	Y:	[[•]/Not Applicable]
	Y:	[[•]/Inte Tillämpligt]
(lxviii)	Z:	[[•]/Not Applicable]
	Z:	[[•]/Inte Tillämpligt]
(lxix)	Maximum Interest Rate:	[[•]/Not Applicable]
	Högsta Räntesats:	[[•]/Inte Tillämpligt]
(lxx)	Gearing:	[[•]/Not Applicable]
	Gearing:	[[•]/Inte Tillämpligt]
(lxxi)	Coupon:	[[•]/Not Applicable]
	Kupong:	[[•]/Inte Tillämpligt]
(lxxii)	Coupon Barrier Level(s):	[[•]/Not Applicable] [The Autocall Condition will be satisfied if the Reference Rate [exceeds/equals/is below] the Coupon Barrier Level]
	Kupongbarriärnivå(er):	[[•]/Inte Tillämpligt] [Autocall-Villkoret uppfylls om Referenskursen [överstiger/är lika med/understiger] Kupongbarriärnivån]
(lxxiii)	Minimum Basket Return:	[[•]/Not Applicable]
	Minsta Korgavkastning:	[[•]/Inte Tillämpligt]
(lxxiv)	Gearing Payer:	[[•]/Not Applicable]
	Gearing Payer:	[[•]/Inte Tillämpligt]
(lxxv)	Gearing Receiver:	[[•]/Not Applicable]

	Gearing Receiver:	[[•]/Inte Tillämpligt]
(lxxvi)	Payer Strike:	[[•]/Not Applicable]
	Payer Strike:	[[•]/Inte Tillämpligt]
(lxxvii)	Receiver Strike:	[[•]/Not Applicable]
	Receiver Strike:	[[•]/Inte Tillämpligt]
(lxxviii)	Power Factor:	[[•]/Not Applicable]
	Powerfaktor	[[•]/Inte Tillämpligt]
(lxxix)	Fixed Rate:	[[•]/Not Applicable]
	Fast ränta:	[[•]/Inte Tillämpligt]
(lxxx)	Flag:	[[•]/Not Applicable]
	Flagga:	[[•]/Inte Tillämpligt]
(lxxxi)	Tenor:	[[•]/Not Applicable]
	Löptid:	[[•]/Inte Tillämpligt]
(lxxxii)	Gearing Cap:	[[•]/Not Applicable]
	Gearing Tak:	[[•]/Inte Tillämpligt]
(lxxxiii)	Gearing Floor:	[[•]/Not Applicable]
	Gearing Golv:	[[•]/Inte Tillämpligt]
(lxxxiv)	Inflation Index:	[[•]/Not Applicable]
	Inflationsindex:	[[•]/Inte Tillämpligt]
(lxxxv)	Valuation Date(s):	[[•]/Not Applicable]
	Värderingsdag(ar):	[[•]/Inte Tillämpligt]

Reference Asset (Interest) **Referenstillgång (Ränta)**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag(ar) Medelvärdes-beräkning**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	**[•]**	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

		]	
		[Applicable /Not Applicable]	[[•]/Not Applicable]
[•]	**[•]**	[Tillämplig t/Inte Tillämpligt]	[[•]/Inte Tillämpligt]

(lxxxvi) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset (Interest)	**Valuation Time**
Referenstillgång (Ränta)	**Värderingstidpunkt**
[•]	[•]
[•]	[•]
[•]	[•]

30. **Provisions relating to FX Components (Interest)** [Applicable/Not Applicable]

Bestämmelser rörande Valutakomponenter (Ränta) [[•]/Inte Tillämpligt]

FX Component (Interest): [Applicable/Not Applicable/Applicable to the following Interest Payment Dates: [•]]

Valutakomponent (Ränta): [Tillämpligt/Inte Tillämpligt/Tillämpligt avseende följande Räntebetalningsdagar: [•]]

- FX Rate (Interest): [[•]/Not Applicable]
- Valutakurs (Ränta): [[•]/Inte Tillämpligt]
- Initial FX Valuation Date(s) (Interest): [[•]/Not Applicable]
- Startdag Valuta (Ränta): [[•]/Inte Tillämpligt]
-

Reference Asset	**Initial FX Valuation Date(s) (Interest)**
Referenstillgång	**Startdag Valuta (Ränta)**
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Date(s) (Interest): [[•]/Not Applicable
- Värderingsdag Valuta [[•]/Inte Tillämpligt]

(Ränta):

Reference Asset Referenstillgång	FX Valuation Date(s) (Interest) Värderingsdag Valuta (Ränta)
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time (Interest): [[•]/Not Applicable]
- Värderingstidpunkt Valuta (Ränta): [[•]/Inte Tillämpligt]
- FX Factor (Interest) Long/Short: [FX Factor (Interest) Long/FX Factor (Interest) Short/Not Applicable]
- Valutafaktor (Ränta) Lång/Kort: Valutafaktor (Ränta) Lång/Valutafaktor (Ränta) Kort]/Inte Tillämpligt]
- Initial FX Rate (Interest): [[•]/As set out in the Base Prospectus]
- Valutastartkurs (Ränta): [[•]/Såsom framgår av Grundprospektet]
- Final FX Rate (Interest): [[•]/As set out in the Base Prospectus]
- Valutaslutkurs (Ränta): [[•]/Såsom framgår av Grundprospektet]

III. ADDITIONAL PROVISIONS RELATING TO REDEMPTION — **[APPLICABLE/NOT APPLICABLE]**
[Items 31 to 39 have been intentionally omitted][64]

YTTERLIGARE BESTÄMMELSER FÖR ÅTERBETALNING — **[TILLÄMPLIGT/INTE TILLÄMPLIGT]**
[Punkterna 31 till 39 har medvetet utelämnats][65]

31. Applicable performance structures: ["Basket Long" structure]

Tillämpliga strukturer för värdeutveckling: ["Basket Long" struktur]

["Basket Short" structure]

["Basket Short" struktur]

["Barrier outperformance" structure]

["Barriär outperformance" struktur]

["Barrier underperformance" structure]

["Barriär underperformance" struktur]

["Best of/Worst of Barrier Outperformance"

[64] Insert where additional redemption provisions are marked as Not Applicable.

[65] Att inkluderas då ytterligare bestämmelser för återbetalning angivits som Inte Tillämpligt.

structure]

["Best of/Worst of Barriär Outperformance" struktur]

["Best of/Worst of Barrier Underperformance" structure]

["Best of/Worst of Barriär Underperformance" struktur]

["Autocallable Structure Long"]

["Autocallstruktur Long"]

["Autocallable Structure Short"]

["Autocallstruktur Short"]

["Replacement Basket" structure]

["Ersättningskorg" struktur]

["Locally Capped Basket" structure]

["Lokalt Begränsad Korg" struktur]

["Rainbow Basket" structure]

["Rainbow" struktur]

["Booster Short" structure]

["Booster Kort" struktur]

["Booster Long" structure]

["Booster Long" struktur]

["Booster Risk Barrier Short" structure]

["Booster Risk Barriär Short" struktur]

["Booster Risk Barrier Long" structure]

["Booster Risk Barriär Long" struktur]

["Twin Win" structure]

["Twin Win" struktur]

["Bonus Booster Short" structure]

["Bonus Booster Short" struktur]

["Bonus Booster Long" structure]

["Bonus Booster Long" struktur]

["Cliquet" structure]

["Cliquet" struktur]

["Reverse Cliquet" structure]

["Omvänd Periodsumme" struktur]

["Replacement Cliquet" structure]

["Ersättning Periodsumme" struktur]

["Reverse Replacement Cliquet" structure]

["Omvänd Ersättande Periodsumme" struktur]

["Rainbow Replacement Cliquet" structure]

["Regnbåge Ersättande Periodsumme" struktur]

["Reverse Convertible" structure]

["Omvänd Konvertibel" struktur]

["Reverse Convertible Risk Barrier" structure]

["Omvänd Konvertibel Riskbarriär" struktur]

["Best of/Worst of Reverse Convertible" structure]

["Best of/Worst of Omvänd Konvertibel" struktur]

[Up and In Option]

[Up and In Option]

[Up and Out Option]

[Up and Out Option]

[Worst of Down and Out Basket Option]

[Worst of Down and Out Basket Option]

[Worst of Digital Memory Coupon 1]

[Worst of Digital Memory Kupong 1]

[Down and Out Basket Option]

[Down and Out Korg Option]

[Worst of Call Option]

[Worst of Call Option]

[Outperformance Option [Long against Short/Long Against Long]]

[Outperformance Option [Long against Short/Long Against Long]]

["Non-Tranched CLN" structure]

["Non-Tranched CLN" struktur]

["Tranched CLN" structure]

["Tranched CLN" struktur]

["Nth to Default CLN" structure]

["Nth to Default CLN" struktur]

["Nth and Nth + 1 Default CLN" structure]

["Nth and Nth + 1 Default CLN" struktur]

[Option CLN structure]

[Option CLN-struktur]

["Digital Long" structure]

["Digital Long" struktur]

["Digital Short" structure]

["Digital Kort" struktur]

["Worst of Digital Long" structure]

["Worst of Digital Long" struktur]

["Worst of Digital Short" structure]

["Worst of Digital Short" struktur]

["Series of Digitals" structure]

["Serier av Digitala"-struktur]

["Delta 1" structure]

["Delta 1" struktur]

["Inflation Linker 2"]

["Inflationslänkad 2"]

["Barrier Outperformance" Structure 2]

["Barrier Outperformance" Struktur 2]

["Barrier Underperformance" Structure 2]

["Barrier Underperformance" Struktur 2]

["Target Volatility" Structure]

["Eftersträvad Volatilitet" Struktur]

["Down and in Option" structure]

[“Down and in Option”-struktur]

["Booster Risk Barrier 2" structure]

[“Booster Risk Barrier 2”-struktur]

["Autocallable Rate" structure]

[“Autocallable-nivå”-struktur]

32. Method of calculating Basket Return for the purposes of applicable Performance Structure: [Basket Long Structure/Basket Short Structure/ Not Applicable] [Basket A: Basket Long/Short Structure] [Basket B: Basket Long/Short Structure]

Metod för att beräkna Korgavkastningen för tillämplig Värdeutvecklingsstruktur: [Basket Long Struktur/Basket Short Strutur/ Inte Tillämpligt] [Korg A: Basket Long/Short Struktur] [Korg B: Basket Long/Short Struktur]

33. Combination of structures: [Applicable/Not Applicable]

Kombinationer av strukturer: [Tillämpligt/Inte Tillämpligt]

(i) Method of Combination: [Addition/Subtraction/Alternative Calculation]

(i) Kombinationsmetod: [Sammanslagning/Subtraktion/Alternativ Uträkning]

(ii) Additional Amount Basket A: [Not Applicable/the [•] structure]

(ii) Tilläggsbelopp Korg A: [Inte Tillämpligt/[•] strukturen]

(iii) Additional Amount Basket B: [Not Applicable/the [•] structure]

(iii) Tilläggsbelopp Korg B: [Inte Tillämpligt/[•] strukturen]

(iv) Relevant Condition(s) for determination of Redemption Amount: [Condition [•] will be applicable if Barrier Level 1 is not exceeded on [any/the final] Valuation Date, Condition [•] will be applicable if Barrier Level 1 is exceeded on [any/the final] Valuation Date but Barrier Level 2 is not exceeded, Condition [•] will be applicable if Barrier Level 2 is exceeded on [any/the final] Valuation Date but Barrier Level [•] has not been exceeded Condition [•] will be applicable if Barrier Level [•] is exceeded on [any/the final] Valuation Date/Condition(s) [•] and [•] are applicable and the following Performance Percentages shall apply:

(iv) Relevanta Villkor för bestämmande av Återbetalningsbeloppet: [Villkor [•] ska vara tillämpligt om Barriärnivå 1 inte överskrids på [en/slutlig] Värderingsdag, Villkor [•] ska vara tillämpligt om Barriärnivå 1 överskrids på [en/slutlig] Värderingsdag men Barriärnivå 2 inte överskrids, Villkor [•], ska vara tillämpligt om Barriärnivå 2 överskrids på [en/slutlig] Värderingsdag men Barriärnivå [•] inte överskrids Villkor [•] ska vara tillämpligt om Barriärnivå [•] överskrids på [en/slutlig] Värderingsdag/Villkor [•] och [•] är tillämpliga och följade Värdeutvecklingsprocentsats ska tillämpas:

Basket **Korg**	**Performance Structure** **Värdeutecklingsstruktur**	**Performance Percentage** **Värdeutveckling Procent**
[Basket A/ single Basket]		
[Korg A/ enskild Korg]	[•]	[•]

[Basket B]		
[Korg B]	[•]	[•]
[Basket [•]]		
[Korg [•]]	[•]	[•]

34. **Performance structure-related items:** [Applicable/Not Applicable]

Värdeutvecklingsstruktur-relaterade punkter: [Tillämpligt/Inte Tillämpligt]

Dates and Times

Datum och tid

(i) Initial Valuation Date(s): [[•]/Not Applicable]

Startdag: [[•]/Inte Tillämpligt]

Reference Asset **Referens-tillgång**	**Initial Valuation Date(s)** **Startdag**	**Initial Valuation Date Averaging** **Startdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	[•]	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	[•]	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(ii) Valuation Date(s): [[•]/Not Applicable]

Värderingdag(ar): [[•]/Inte Tillämpligt]

[The relevant Valuation Date(s) for comparing the Baset Return to the [Initial Basket Level/Barrier Level 1/Barrier Level 2] are:]

[Relevant(a) Värderingsdag(ar) för att jämföra Korgavkastningen med [Korgs Startvärde/Barriärnivå

1/Barriärnivå 2] är:]

Reference Asset Referenstillgång	Valuation Date(s) Värderingsdag(ar)	Valuation Date Averaging Värderingsdag Medelvärdesberäkning	Averaging Dates relevant to applicable Valuation Date Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag
[•]	[•]	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	[•]	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(iii) Twin-Win Valuation Date(s): [•] if the Initial Basket Level is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 1 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 2 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level N is reached or exceeded on the relevant Valuation Date(s).

Twin-Win Värderingsdag(ar): [•] om Korgs Startvärde nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå 1 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå 2 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå N nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•].

(iv) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset Referenstillgång	Valuation Time Värderingstidpunkt
[•]	[•]
[•]	[•]

		[•]	[•]
(v)	Rebalancing Date:	[[•]/Not Applicable]	
	Ombalanseringsdag:	[[•]/Inte Tillämpligt]	
(vi)	Scheduled Redemption Date:	[[•]/Not Applicable]	
	Planerad Återbetalningsdag:	[[•]/Inte Tillämpligt]	
(vii)	Back Stop Date:	[[•]/Not Applicable]	
	Back Stop-Datum:	[[•]/Inte Tillämpligt]	
(viii)	Observation Date(s):	[[•]/Not Applicable]	
	Observationsdag(ar):	[[•]/Inte Tillämpligt]	

(ix) Observation Date Averaging:

	Reference Asset **Referenstillgång**	**Observation Date(s)** **Observationsdag(ar)**	**Observation Date Averaging** **Observationsdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Observation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Observationsdag**
Observationsdag Medelvärdesberäkning:	[•]	[•]	[Applicable /Not Applicable] [Tillämpligt /Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
	[•]	[•]	[Applicable /Not Applicable] [Tillämpligt /Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(x) Risk Barrier Observation Date(s):

	Reference Asset **Referenstillgång**	**Risk Barrier Observation Date(s)** **Riskbarriärobservationsdag(ar)**	**Risk Barrier Observation Date Averaging** **Riskbarriärobservationsdag Medelvärdesberäkning**	**Averaging Dates relevant to Risk Barrier Observation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Riskbarriärobservationsdag**
Riskbarriärobservationsdag(ar):	[•]	[•]	[Applicable /Not	[[•]/Not

				Applicable]	Applicable]
				[Tillämpligt /Inte Tillämpligt]	[[•]/Inte Tillämpligt]
				[Applicable /Not Applicable]	[[•]/Not Applicable]
		[•]	[•]	[Tillämpligt /Inte Tillämpligt]	[[•]/Inte Tillämpligt]

Amounts and Values

Belopp och Värden

(xlviii)	Participation Ratio:	[[•]/Not Applicable]
	Deltagandegrad:	[[•]/Inte Tillämpligt]
(xlix)	Participation Ratio 2:	[[•]/Not Applicable]
	Deltagandegrad 2:	[[•]/Inte Tillämpligt]
(l)	Participation Ratio 3:	[[•]/Not Applicable]
	Deltagandegrad 3:	[[•]/Inte Tillämpligt]
(li)	Initial Price:	[[•]/as set out in the Conditions]
	Startkurs:	[[•]/såsom framgår av Villkoren]
(lii)	Final Price:	[[•]/as set out in the Conditions]
	Slutkurs:	[[•]/såsom framgår av Villkoren]
(liii)	Basket Strike Level:	[[•]/Not Applicable]
	Korglösennivå:	[[•]/Inte Tillämpligt]
(liv)	Initial Basket Level:	[[•]/Not Applicable]/[•] in respect of Basket A and [•] in respect of Basket B
	Korg Startvärde:	[[•]/Inte Tillämpligt]/[•] för Korg A och [•] för Korg B
(lv)	Basket Floor:	[Applicable/Not Applicable]
	Korggolv:	[Tillämpligt/Inte Tillämpligt]
(lvi)	Minimum Basket Return:	[[•]/Not Applicable]
	Lägsta Korgavkastning:	[[•]/Inte Tillämpligt]
(lvii)	Basket Cap:	[Applicable/Not Applicable]
	Korgtak:	[Tillämpligt/Inte Tillämpligt]
(lviii)	Maximum Basket Return:	[[•]/Not Applicable]
	Maximal Korgavkastning:	[[•]/Inte Tillämpligt]

(lix) Reference Asset Floor: [Applicable/Not Applicable]

Referenstillgång Golv [Tillämpligt/Inte Tillämpligt]

(lx) Minimum Reference Asset Return: [Not Applicable/

Lägsta Referenstillgångsavkastningen: [Inte Tillämpligt

Reference Asset Referenstillgång	Minimum Reference Asset Return Lägsta Referenstillgångsavkastningen
[•]	[•]
[•]	[•]
[•]	[•]

]

(lxi) Reference Asset Cap: [Applicable/Not Applicable]

Referenstillgång Tak: [Tillämpligt/Inte Tillämpligt]

(lxii) Maximum Reference Asset Return: [Not Applicable/

Högsta Referenstillgångsavkastningen: [Inte Tillämpligt/

Reference Asset Referenstillgång	Maximum Reference Asset Return Högsta Referenstillgångsavkastningen
[•]	[•]
[•]	[•]
[•]	[•]

]

(lxiii) Barrier Level(s): [[•]/Not Applicable]

Barriärnivå(er): [[•]/Inte Tillämpligt]

(lxiv) Replacement Factor: [[•]/Not Applicable]

Ersättningsfaktor: [[•]/Inte Tillämpligt]

(lxv) Maximum Performance: [[•]/Not Applicable]

Maximal Avkastning: [[•]/Inte Tillämpligt]

(lxvi) Minimum Performance: [[•]/Not Applicable]

Minsta Avkastning: [[•]/Inte Tillämpligt]

(lxvii) Lock-in Level(s): [[•]/Not Applicable]

Lock-in Nivå/er: [[•]/Inte Tillämpligt]

- Locked-in Return(s) [Applicable/Not Applicable]

	• Lock-in Level [1/2/3 …n]	[•]
(lxviii)	Global Cap:	[[•]/Not Applicable]
	Globalt Tak:	[[•]/Inte Tillämpligt]
(lxix)	Global Floor:	[[•]/Not Applicable]
	Globalt Golv:	[[•]/Inte Tillämpligt]
(lxx)	Initial Coupon:	[[•]/Not Applicable]
	Initial Kupong:	[[•]/Inte Tillämpligt]
(lxxi)	Local Cap:	[[•]/Not Applicable]
	Lokalt Tak:	[[•]/Inte Tillämpligt]
(lxxii)	Local Floor:	[[•]/Not Applicable]
	Lokalt Golv:	[[•]/Inte Tillämpligt]
(lxxiii)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(lxxiv)	Outperformance Option:	[Applicable/Not Applicable]
	Outperformance Option:	[Tillämpligt/Inte Tillämpligt]
(lxxv)	Fixed Periodic Basket Return(s):	[[•]/Not Applicable]
	Fast Periodiserad Korgavkastning:	[[•]/Inte Tillämpligt]
(lxxvi)	Fixed Reference Asset Return(s):	[[•]/Not Applicable]
	Fast Referenstillgångsavkastning	[[•]/Inte Tillämpligt]
(lxxvii)	Coupon Barrier Level(s):	[[•]/Not Applicable]
	Kupong Barriärnivå(er):	[[•]/Inte Tillämpligt]
(lxxviii)	Coupon:	[[•]/Not Applicable]
	Kupong:	[[•]/Inte Tillämpligt]
(lxxix)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(lxxx)	I:	[[•]/Not Applicable]
	I:	[[•]/Inte Tillämpligt]
(lxxxi)	Inflation-Protected Principal:	[Applicable/Not Applicable]
	Inflationsskyddat Kapitalbelopp:	[Tillämplig/Inte Tillämpligt]
(lxxxii)	Fee Amount:	[[•]/Not Applicable]
	Avgifter:	[[•]/Inte Tillämpligt]

(lxxxiii)	Rebate:	[[•]/Not Applicable]
	Rabatt:	[[•]/Inte Tillämpligt]
(lxxxiv)	Target Volatility:	[[•]/Not Applicable]
	Eftersträvad Volatilitet:	[[•]/Inte Tillämpligt]
	• Minimum Adjustment Threshold:	[[•]/Not Applicable]
	• Lägsta Justeringströskel:	[[•]/Inte Tillämpligt]
	• Minimum Exposure:	[[•]/Not Applicable]
	• Minsta Exponering:	[[•]/Inte Tillämpligt]
	• Maximum Exposure:	[[•]/Not Applicable]
	• Högsta Exponering:	[[•]/Inte Tillämpligt]
	• Annualising Factor:	[[•]/Not Applicable]
	• Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
	• Second Annualising Factor:	[[•]/Not Applicable]
	• Andra Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
	• Initial Synthetic Index Value:	[[•]/Not Applicable]
	• Startvärde för Syntetiskt Index:	[[•]/Inte Tillämpligt]
	• Synthetic Index Strike Level:	[[•]/Not Applicable]
	• Syntetiska Index-strikenivån:	[[•]/Inte Tillämpligt]
	• Minimum Synthetic Index Return:	[[•]/Not Applicable]
	• Lägsta Syntetiska Index-avkastningen:	[[•]/Inte Tillämpligt]
	• Cash Rate:	[[•]/Not Applicable]
	• Kontanträntan:	[[•]/Inte Tillämpligt]
	• Cash Return Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
	• Kontant Återbetalning Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]

35.	**Strategy-related items**	[Applicable/Not Applicable/Applicable for the purposes of Condition [•] only]
	Strategirelaterade punkter	[Tillämplig/Inte Tillämpligt/Tillämpligt endast för Villkor [•]]
(i)	Best of/Worst of Modifier:	[Applicable/Not Applicable]
	Best of/Worst of Modifierare:	[Tillämplig/Inte Tillämpligt]
	• N:	[[•]/Not Applicable]
	• N:	[[•]/Inte Tillämpligt]
(ii)	TOM Cumulative Strategy:	[Applicable/Not Applicable]
	TOM Ackumulerande struktur:	[Tillämplig/Inte Tillämpligt]
	• Reference Rate:	[[•]/Not Applicable]
	• Referensränta:	[[•]/Inte Tillämpligt]
	• TOM Participation Ratio:	[[•]/Not Applicable]
	• TOM Deltagandegrad:	[[•]/Inte Tillämpligt]
	• Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
	• Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
	• TOM Commencement Date:	[•]
	• Startdatum för TOM	[•]
	• TOM End Date:	[•]
	• Slutdatum för TOM:	[•]
	• TOM Calculation Start Date:	[•] Scheduled Trading Days prior to the first Scheduled Trading Day in each calendar month
	• TOM Inledande Beräkningsdag:	[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation Start Date Averaging **TOM Inledande Beräkningsdag Medelvärdes-beräkning**	**Averaging Dates relevant to applicable TOM Calculation Start Date** **Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Inledande Beräkningsdag**
[Applicable/Not	[[•] Scheduled Trading Days prior to the first

Applicable] [Tillämplig/Inte Tillämpligt]	Scheduled Trading Day in each calendar month /Not Applicable] [[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad/ Inte Tillämpligt]

- TOM Calculation End Date: [•] Scheduled Trading Days following the first Scheduled Trading Day in each calendar month
- TOM Slutlig Beräkningsdag: [•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation End Date Averaging **TOM Slutlig Beräkningsdag Medelvärdes-beräkning**	**Averaging Dates relevant to applicable TOM Calculation End Date** **Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Slutlig Beräkningsdag**
[Applicable/Not Applicable] [Tillämplig/Inte Tillämpligt]	[[•] Scheduled Trading Days following the first Scheduled Trading Day in each calendar month /Not Applicable] [[•] Planerade Handelsdagar efter första Planerade Handelsdagen i varje månad/ Inte Tillämpligt]

- TOM Final Value Averaging: [Applicable/Not Applicable]
- TOM Slutvärde Medelvärdesberäkning: [Tillämplig/Inte Tillämpligt]
- TOM Final Value Averaging Dates: [The TOM Valuation Dates falling on [•] and [•]/Not Applicable]
- TOM Slutvärde Medelvärdesberäknings-dagar: [De TOM-Värderingsdagar som infaller den [•] och [•]/Inte Tillämpligt]
- Final TOM Period Performance Averaging: [Applicable/Not Applicable]
- Slutlig TOM-Period-Värdeutveckling Medelvärdesberäkning: [Tillämplig/Inte Tillämpligt]
- N: [[●]/Not Applicable]
- N: [[•]/Inte Tillämpligt]

(iii)	Lookback Initial Price Modifier:	[Applicable/Not Applicable]
	Lookback Startkurs Modifierare:	[Tillämplig/Inte Tillämpligt]
(iv)	Lookback Final Price Modifier:	[Applicable/Not Applicable]
	Lookback Slutkurs Modifierare:	[Tillämplig/Inte Tillämpligt]
(v)	Lookback Return:	[Basket Return/Reference Assets Return/Not Applicable]
	Lookback-Avkastning:	[Korgavkastning/Referenstillgångsavkastning/Inte Tillämpligt]
(vi)	Lookback Factor:	[Minimum/Maximum/Not Applicable]
	Lookback-Faktor:	[Minsta/Högsta/Inte Tillämpligt]
(vii)	Lock-in Modifier:	[Applicable. The relevant Lock-in Levels are specified in paragraph 34 above/Not Applicable]
	Lock-in Modifier:	[Tillämpligt. De relevanta Lock-in-Nivåerna är specificerade i punkten 34 ovan/Inte Tillämpligt]
(viii)	Lock-in Basket Floor:	[Applicable/Not Applicable]
	Lock-in Korggolv:	[Tillämplig/Inte Tillämpligt]

36. **Provisions relating to FX Components** [Applicable/Not Applicable]

Bestämmelser för Valutakomponenter [Tillämplig/Inte Tillämpligt]

(i)	FX Component - Basket:	[Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]
	Valutakomponent - Korg:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Kortavkastningen är positiv/Tillämpligt om Korgavkastningen är negativ]

- FX Rate: [•]/Not Applicable
- Valutakurs: [•]/Inte Tillämpligt
- Initial FX Valuation Date: [Not Applicable]
- Startdag Valuta: [Inte Tillämpligt]

[Reference Asset	**Initial FX Valuation Date(s)**
[Referenstillgång	**Startdag Valuta**
[•]	[•]
[•]	[•]
[•]	[•]

- FX Valuation Date:

Reference Asset	**FX Valuation Date(s)**

- Värderingsdag Valuta:

Referenstillgång	Värderingsdag Valuta
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time: [[•]/Not Applicable]
- Värderingstidpunkt Valuta: [[•]/Inte Tillämpligt]
- FX Factor Long/Short: [FX Factor – Long/FX Factor – Short/Not Applicable]
- Valutafaktor Long/Short: [Valutafaktor – Long/Valutafaktor – Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Valutastartkurs: [[•]/Såsom framgår av Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Valutaslutkurs: [[•]/Såsom framgår av Grundprospektet]

(ii) FX Component - Reference Asset: [Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]

Valutakomponent - Referenstillgång: [Tillämpligt/Inte Tillämpligt/Tillämpligt om den Korgavkastningen är positiv/Tillämpligt om summan av Korgavkastningen är negativ]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]
- Initial FX Valuation Date:

[Reference Asset	Initial FX Valuation Date(s)

- Startdag Valuta:

Referenstillgång	Startdag Valuta
[•]	[•]
[•]	[•]
[•]	[•]

- FX Valuation Date(s):

Reference Asset	FX Valuation Date(s)

- Värderingsdag Valuta:

Referenstillgång	Värderingsdag Valuta
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time: [[•]/Not Applicable]

•	Värderingstidpunkt Valuta:	[[•]/Inte Tillämpligt]
•	FX Factor Long/Short:	[FX Factor – Long/FX Factor – Short/Not Applicable]
•	Valutafaktor Long/Short:	[Valutafaktor – Long/Valutafaktor – Short/Inte Tillämpligt]
•	Initial FX Rate:	[[•]/As set out in the Base Prospectus]
•	Valutastartkurs:	[[•]/Såsom framgår av Grundprospektet]
•	Final FX Rate:	[[•]/As set out in the Base Prospectus]
•	Valutaslutkurs:	[[•]/Såsom framgår av Grundprospektet]

37.	**Provisions relating to Inflation-Linked Notes:**		[Applicable/Not Applicable]
	Bestämmelser för Inflationslänkade Lån		[Tillämpligt/Inte Tillämpligt]
	(i)	Inflation-Protected Principal:	[[•]/Not Applicable]
		Inflationsskyddat Kapital:	[[•]/Inte Tillämpligt]
	(ii)	Inflation Rate:	[[•]/Not Applicable]
		Inflationstakt:	[[•]/Inte Tillämpligt]
	(iii)	Final CPI:	[[•]/Not Applicable]
		Slutlig KPI:	[[•]/Inte Tillämpligt]
38.	**Provisions relating to Credit Linked Notes:**		[Applicable/Not Applicable]
	Bestämmelser för Kreditlänkade Lån		[Tillämpligt/Inte Tillämpligt]
	(i)	Observation Start Date:	[[•]/Not Applicable]
		Observationsstartdatum:	[[•]/Inte Tillämpligt]
	(ii)	Observation End Date:	[[•]/Not Applicable]
		Observationsslutdatum:	[[•]/Inte Tillämpligt]
	(iii)	Portfolio Exposure:	[[•]/Not Applicable]
		Portföljexponering:	[[•]/Inte Tillämpligt]
	(iv)	Fixed Recovery Value:	[[•]/Not Applicable]
		Fast Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
	(v)	Market Recovery Value:	[Applicable/Not Applicable]
		Marknadsåterbetalningsbelopp:	[Tillämpligt/Inte Tillämpligt]
	(vi)	Tranche Attachment Point:	[[•]/Not Applicable]
		Fästpunkt Tranch:	[[•]/Inte Tillämpligt]

(vii)	Tranche Detachment Point:	[[•]/Not Applicable]
	Avskiljningspunkt Tranch:	[[•]/Inte Tillämpligt]
(viii)	Restructuring Amount:	[[•]/Not Applicable]
	Omläggning av Skulder – Belopp:	[[•]/Inte Tillämpligt]
(ix)	Replacement Reference Entity:	[Applicable/Not Applicable]
	Ersättande Referensenhet:	[Tillämpligt/Inte Tillämpligt]
(x)	Obligation Acceleration Amount:	[[•]/Not Applicable]
	Uppsägning av Åtagande – Belopp:	[[•]/Inte Tillämpligt]
(xi)	Failure to Pay Amount:	[[•]/Not Applicable]
	Utebliven Betalning – Belopp:	[[•]/Inte Tillämpligt]
(xii)	Default Requirement:	[[•]/Not Applicable/As set out in the Conditions]
	Defaultkrav:	[[•]/Såsom framgår av Grundprospektet]
(xiii)	Credit Events:	[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration/Not Applicable]
	Kredithändelser:	[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförfarande/ Myndighetsingripande/ Avstående/Moratorium/ Uppsägning av Åtagande/ Inte Tillämpligt]
(xiv)	Target Redemption Amount:	[[•]/Not Applicable]
	Eftersträvat Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
(xv)	Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
(xvi)	Credit Event Ranked Basket Participation:	[Applicable/Not Applicable]
	Kredithändelserankad Korgandel:	[Tillämpligt/Inte Tillämpligt]

	Credit Event (*in order of occurrence*) **Kredithändelse** (*i kronologisk ordning*)	**Weighting** **Viktning**
• Credit Event Ranked Weight: • Kredithändelserankad vikt:	1	[•]%
	2	[•]%
	3	[•]%
	N	[•]%

(xvii)	Scheduled Redemption Date:	[[•]/Not Applicable]

	Planerad Återbetalningsdag:	[[•]/Inte Tillämpligt]
(xviii)	Back Stop Date:	[[•]/Not Applicable]
	Back Stop-Datum:	[[•]/Inte Tillämpligt]
(xix)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xx)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xxi)	Factor 1:	[[•]/Not Applicable]
	Faktor 1:	[[•]/Inte Tillämpligt]
(xxii)	Factor 2:	[[•]/Not Applicable]
	Faktor 2:	[[•]/Inte Tillämpligt]
(xxiii)	Factor 3:	[[•]/Not Applicable]
	Faktor 3:	[[•]/Inte Tillämpligt]
(xxiv)	Factor 4:	[[•]/Not Applicable]
	Faktor 4:	[[•]/Inte Tillämpligt]
(xxv)	Strike 1:	[[•]/Not Applicable]
	Strike 1:	[[•]/Inte Tillämpligt]
(xxvi)	Strike 2:	[[•]/Not Applicable]
	Strike 2:	[[•]/Inte Tillämpligt]
(xxvii)	Strike 3:	[[•]/Not Applicable]
	Strike 3:	[[•]/Inte Tillämpligt]
(xxviii)	Strike 4:	[[•]/Not Applicable]
	Strike 4:	[[•]/Inte Tillämpligt]
(xxix)	Indicator 1:	[[•]/Not Applicable]
	Indikator 1:	[[•]/Inte Tillämpligt]
(xxx)	Indicator 2:	[[•]/Not Applicable]
	Indikator 2:	[[•]/Inte Tillämpligt]
(xxxi)	Indicator 3:	[[•]/Not Applicable]
	Indikator 3:	[[•]/Inte Tillämpligt]
(xxxii)	Indicator 4:	[[•]/Not Applicable]
	Indikator 4:	[[•]/Inte Tillämpligt]

39.	**Provisions relating to Fund Linked Notes:**	[Applicable/Not Applicable]
	Bestämmelser för Fondlänkade Lån	[Tillämpligt/Inte Tillämpligt]
	(i) Fund:	[[•]/Not Applicable]
	Fond:	[[•]/Inte Tillämpligt]
	(ii) Fund Manager:	[[•]/Not Applicable]
	Fondförvaltare:	[[•]/Inte Tillämpligt]
	(iii) Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
IV.	**INSTALMENT AND EARLY REDEMPTION**	**[APPLICABLE/NOT APPLICABLE]**
	AVBETALNING OCH FÖRTIDA INLÖSEN	**[TILLÄMPLIGT/INTE TILLÄMPLIGT]**
		[Items 40-45 have been intentionally omitted][66]
		[Punkterna 40-45 har medvetet utelämnats]
40.	Instalment Redemption	[[•]/Not Applicable]
	Avbetalning	[[•]/Inte Tillämpligt]
	(i) Instalment Amount:	[[•] per Calculation Amount/Not Applicable]
	(i) Avbetalningsbelopp:	[[•] per Beräkningsbelopp/Inte Tillämpligt]
	(ii) Instalment Date(s):	[[•]/Not Applicable]
	(ii) Avbetalningsdatum:	[[•]/Inte Tillämpligt]
41.	Optional Early Redemption (Call)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Call)	[Tillämpligt/Inte Tillämpligt]
	(i) Early Redemption Date(s):	[[•]/Not Applicable]
	(i) Förtida Återbetalningsdatum:	[[•]/Inte Tillämpligt]
	(ii) Early Redemption Amount(s) of each Note:	[•] per Calculation Amount
	(ii) Förtida Återbetalningsbelopp per Lån:	[•] per Beräkningsbelopp
42.	Optional Early Redemption (Put)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Put)	[Tillämpligt/Inte Tillämpligt]
	(i) Early Redemption Date(s):	[[•]/Not Applicable]
	(i) Förtida Återbetalningsdatum:	[[•]/Inte Tillämpligt]
	(ii) Early Redemption Amount(s) of	[•] per Calculation Amount

[66] Include where instalment and early redemption provisions are marked as "Not Applicable"

	each Note:	
	(ii) Förtida Återbetalningsdatum:	[•]
43.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:	[•] per Calculation Amount
	Förtida Återbetalningsbelopp per Beräkningsbelopp att betalas vid återbetalning av skatteskäl	[•] per Calculation Amount
44.	Early Redemption Date(s) of Notes with "Autocallable" or "Autocallable Rate" performance structure:	[[•]/Not Applicable]
	Förtida Återbetalningsdatum för Lån med "Autocallable" eller ”Autocallable-nivå” värdeutecklingsstruktur	[[•]/Inte Tillämpligt]
	• Call Barrier Level:	[[•]/Not Applicable]
	• Inlösenbarriärnivå:	[[•]/Inte Tillämpligt]
45.	Payment of Unwind Amount on Early Redemption:	[Applicable/Not Applicable]
	Betalning av Korrigeringsbelopp vid Förtida Återbetalning:	[Tillämpligt/Inte Tillämpligt]

V. PROVISIONS APPLICABLE TO DISRUPTION, ADJUSTMENTS AND OTHER EXTRAORDINARY EVENTS.

BESTÄMMELSER TILLÄMPLIGA FÖR AVBROTT, JUSTERINGAR OCH ANDRA EXTRAORDINÄRA HÄNDELSER.

46.	Change in Law:	[As set out in the Conditions/Not Applicable]
	Ändring av Lag:	[Såsom framgår av Villkoren/Inte Tillämpligt]
47.	Increased Costs of Hedging:	[As set out in the Conditions/Not Applicable]
	Ökade Riskhanteringskostnader:	[Såsom framgår av Villkoren/Inte Tillämpligt]
48.	Hedging Disruption:	[As set out in the Conditions/Not Applicable]
	Störning av Riskhantering:	[Såsom framgår av Villkoren/Inte Tillämpligt]
49.	Market Disruption:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott:	[Såsom framgår av Villkoren/Inte Tillämpligt]
50.	Market Disruption Commodity:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
51.	Disruption Currency:	[As set out in the Conditions/Not Applicable]
	Valutastörning:	[Såsom framgår av Villkoren/Inte Tillämpligt]
52.	Calculation Adjustment:	[As set out in the Conditions/Not Applicable]
	Beräkningsjustering:	[Såsom framgår av Villkoren/Inte Tillämpligt]

53.	Corrections:	[As set out in the Conditions/Not Applicable]
	Korrigeringar:	[Såsom framgår av Villkoren/Inte Tillämpligt]
54.	Correction Commodity:	[As set out in the Conditions/Not Applicable]
	Korrigering Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
55.	Correction Currency:	[As set out in the Conditions/Not Applicable]
	Korrigeringar Valuta:	[Såsom framgår av Villkoren/Inte Tillämpligt]
56.	Extraordinary Events:	[As set out in the Conditions/Not Applicable]
	Extraordinära Händelser	[Såsom framgår av Villkoren/Inte Tillämpligt]
57.	Rate Option Fall Back:	[As set out in the Conditions/Not Applicable]
	Ränteoption Fallback:	[Såsom framgår av Villkoren/Inte Tillämpligt]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

GENERELLA BESTÄMMELSER FÖR LÅNEN

58.	Form of Notes:	[Bearer Notes:]
	Typ av Lån:	[Fysiska Lån:]
		[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot ett Permanent Globalt Lån vilket är utbytbart mot Definitiva Lån vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Temporary Global Note exchangeable for Definitive Notes]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån]
		[Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån med [•] dagars varsel/vid var tid/vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Swiss Franc Notes]
		[Lån i Schweiziska Franc]
		[Registered Notes:]
		[Registrerade Lån:]
		Global Registered Note registered in the name of a nominee for [a common depositary for Euroclear and

		Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is held under the New Safekeeping Structure)] Globalt Registrerat Lån registrerat i förvaltares namn för [en "common depositary" för Euroclear och Clearstream, Luxembourg/en "common safekeeper" för Euroclear och Clearstream, Luxembourg (som hålls under den Nya Förvaringsstrukturen)] [VP Notes] [VP Lån] [The Notes are VP Notes in uncertificated and dematerialised book entry form] [Lånen är VP Lån i dematerialiserad och kontoförd form] [VPS Notes]: [VSP Lån]: [The Notes are VPS Notes in uncertificated and dematerialised book entry form] [Lånen är VPS Lån i dematerialiserad och kontoförd form] [Swedish Notes] [Svenska Lån] [The Notes are Swedish Notes in uncertificated and dematerialised book entry form] [Lånen är Svenska Lån i dematerialiserad och kontoförd form] [Finnish Notes] [Finska Lån] [The Notes are Finnish Notes in uncertificated and dematerialised book entry form] [Lånen är Finska Lån i dematerialiserad och kontoför form]
59.	New Global Note:	[Yes] [No]
	Nytt Globalt Lån:	[Ja] [Nej]
60.	Additional Financial Centre(s) or other special provisions relating to payment dates:	[[•]/Not Applicable]
	Ytterligare Finansiella Center eller andra särskilda bestämmelser relaterade till betalningsdatum:	[[•]/Inte Tillämpligt]

61.	Calculation Agent:	[[•]/Not Applicable]
	Beräkningsagent:	[[•]/Inte Tillämpligt]
62.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No.]
	Talonger för framtida Kuponger eller Kvitton som ska fästas vid Definitiva Lån (och datum då sådana Talonger förfaller):	[Ja/Nej.]
63.	Governing Law:	[English Law/ Finnish Law/ Swedish Law/ Norwegian Law/ Danish Law]
	Gällande Lag:	[Engelsk Lag/ Finsk Lag/ Svensk Lag/ Norsk Lag/ Dansk Lag]

[PURPOSE OF FINAL TERMS

[SYFTE MED SLUTLIGA VILLKOR

These Final Terms comprise the final terms required for the issue [and admission to trading on the regulated market of the Irish Stock Exchange] of the Notes described herein pursuant to the €15,000,000,000 Structured Note Programme of Nordea Bank AB (publ) and Nordea Bank Finland Plc.

Dessa Slutliga Villkor omfattar de slutliga villkor som erfordras för utgivandet [och upptagande till handel på den reglerade marknaden vid Irish Stock Exchange av Lånen som beskrivs häri enligt det €15 000 000 000 Strukturerade Lån Programmet med Nordea Bank AB (publ) och Nordea Bank Finland Plc. som emittent]

RESPONSIBILITY

ANSVAR

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Emittenten åtar sig ansvar för den informationen som innefattas i dessa Slutliga Villkor. [*Relevant information från tredje man*] har hämtats från [*specificera källa*]. Emittenten bekräftar att sådan information har återgivits korrekt och att, såvitt Emittenten känner till, och har möjlighet att bekräfta genom information som publicerats av [*specificera källa*], inga fakta har utelämnats som skulle innebära att den återgivna informationen är felaktig eller misvisande.

Signed on behalf of [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

Undertecknas för [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

By: .....

Duly authorised

Av: .....
Behörigen utsedd

PART B – OTHER INFORMATION

DEL B – ÖVRIG INFORMATION

1.	**LISTING AND ADMISSION TO TRADING**	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application will be made for the Notes to be listed on the SIX Swiss Exchange. Application has been made for the Notes to be admitted to trading on [SIX Structured Products (formerly Scoach Switzerland)] [in the case of derivatives]/[the SIX Swiss Exchange] [in the case of bonds] with effect from [•]/other.] The last trading day is expected to be on [•].] [Not Applicable.]
	LISTNING OCH UPPTAGANDE TILL HANDEL	[Ansökan har gjorts av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid Irish Stock Exchange/Nasdaq Stockholm/Nasdaq OMX Helsinki] samt handlas från och med [•].] [Ansökan förväntas ges in av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq OMX Helsinki] samt handlas från och med [•].] [Ansökan ska göras för att Lånen ska listas på SIX Swiss Exchange. Ansökan har gjorts för att Lånen ska tas upp till handel på [SIX Structured Products (för detta Scoach Schweiz)] [såvitt avser derivat]/[SIX Swiss Exchange] [såvitt avser obligationer] samt handlas från och med [•]/annat]. Sista handelsdag beräknas vara [•].] [Inte Tillämpligt].
2.	**RATINGS**	The Notes to be issued have not been rated.
	BETYG	Lånen som ska emitteras har inte givits något kreditbetyg.

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

INTRESSEN FRÅN FYSISKA OCH JURIDISKA PERSONER SOM ÄR INVOLVERADE I EMISSIONEN/ERBJUDANDET

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."] (*Amend as appropriate if there are other interests)*

[(When adding any other description, consideration should be given as to whether such matters

described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

Inkludera beskrivning av alla intressen, inklusive intressekonflikter, vilka är av materiell betydelse för emissionen/erbjudandet, som beskriver de personer som är involverade och vilken typ av intresse det rör sig om.

"Utöver beskrivningen i ["Teckning och Försäljning"], har, såvitt Emittenten känner till, ingen person som är involverad i erbjudandet av Lånen något väsentligt intresse i erbjudandet."] (*Ändras om det finns andra intressen*)

[(När någon annan beskrivning läggs till, ska det övervägas om sådana beskrivningar utgör sådana "nya omständigheter" som aktualiserar behovet av ett tillägg till Prospektet under Artikel 16 i Prospektdirektivet.)]

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

SKÄL FÖR ERBJUDANDET, BERÄKNADE NETTOLIKVID OCH TOTALA KOSTNADER

[(i)	Reasons for the offer:	[•]
[(i)	Skäl för erbjudandet:	[•]
[(ii)]	Estimated net proceeds:	[•]
[(ii)]	Beräknad nettolikvid:	[•]
[(iii)]	Estimated total expenses:	[•]
[(iii)]	Beräknade totala kostnader:	[•]

5. **[*Fixed Rate Notes only* – YIELD**

[*Lån med Fast Ränta enbart* - AVKASTNING

Indication of yield:	[•]
Indikation om avkastning:	[•]

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

[*Lån med Rörlig Ränta enbart* – HISTORISKA RÄNTENIVÅER

Details of historic [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR] rates can be obtained from [Reuters].]

Uppgifter om historiska nivåer avseende [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR] kan erhållas från [Reuters].]

7. ***[Index-linked or other variable-linked notes only* – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, AND OTHER INFORMATION CONCERNING THE UNDERLYING**

***Indexlänkade eller andra variabellänkade lån endast* – VÄRDEUTVECKLING FÖR INDEX/FORMULA/ANDRA VARIABLER, OCH ANNAN INFORMATION OM DET UNDERLIGGANDE**

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.[67]*]*

Uppgifter om när tidigare och framtida värdeutveckling och volatilitet av index/formula/andra variabler kan erhållas.[68]*]*

Basket **Korg**	**Reference Asset(s)** **Referenstillgång(ar)**	**Basket Participation** **Korgandel**	**Stock Exchange and Options or Futures Exchange** **Aktiebörs och Options- eller Terminsbörs**	**Initial Price** **Startkurs**	**Strike Level** **Lösenprisnivå**	**Source for past and future performance data** **Källa för historisk och framtida prestationsdata**
[Basket A] [/Single Basket] [Korg A] [/Enskild Korg]	[●]	[●]	[●]	[●]/ [As determined in accordance with the Conditions set out in the Base Prospectus] [●]/ [Bestämd i enlighet med villkoren i Grundprospektet]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]	[●]

Basket **Korg**	**Reference Entity(ies) (Interest)/ Reference Entity(ies)/ Reference Entity(ies) (Index)** **Referensenhet(er) (Ränta)/ Referensenhet(er)/Referensenhet(er) (Index)**	**Basket Participation (Interest)/ Basket Participation** **Korgandel (Ränta)/Korgandel**	**Observation Start Date** **Startdatum för Observation**	**Observation End Date** **Slutdatum för Observation**	**Source for past and future performance data** **Källa för historiska och framtida prestationsdata**
[Basket A] [Korg A]	[●]	[●]	[●]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information][69].

[67] Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

[68] Erfordras för derivatvärdepapper till vilka Annex XII i Prospektdirektivsförordningen är tillämpligt.

[69] Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

Emittenten [avser att tillhandahålla information efter emissionen [*specificera vilket information som kommer rapporteras och var den går att ta del av*]] [avser inte att tillhandahålla någon information efter emissionen.] [70].

8. **FURTHER DETAILS OF BASKET PARTICIPATION**

YTTERLIGARE UPPGIFTER FÖR KORGANDEL

Basket Participation (Interest):

Korgandel (Ränta):

- Fixed Basket Participation (Interest): [Applicable/Not Applicable]
- Fast Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** *(Bäst värdeutveckling först)*	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket Participation (Interest): [Applicable/Not Applicable]
- Ersättande Periodsumme Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation (Interest): [Applicable/Not Applicable]
- Korgandel Momentum (Ränta): [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

[70] Erfordras för derivatvärdepapper till vilka Annex XII till Prospektdirektivsförordningen är tillämpligt.

Basket Participation:

Korgandel:

- Fixed Basket Participation: [Applicable/Not Applicable]
- Fast Korgandel: [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation: [Applicable/Not Applicable]
- Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** (*Bäst värdeutveckling först*)	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket Participation: [Applicable/Not Applicable]
- Ersättande Periodsumme Korgandel: [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation: [Applicable/Not Applicable]
- Korgandel Momentum: [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation: [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

9. **OPERATIONAL INFORMATION**

OPERATIONELL INFORMATION

ISIN Code: [•]

ISIN Kod: [•]

Common Code: [•]

[Swiss Security Number: [•]]

[Schweiziskt Säkerhetsnummer: [•]]

[Intended to be held in a manner which would allow Eurosystem eligibility: [Yes][No]

[Avsedd att hållas på ett sätt som skulle möjliggöra Eurosystem-tillgängligthet]	[Ja] [Nej]

[Note that the designation "yes" means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][71] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

[Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common Safekeeper]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][72]

[Notera att valet "ja" innebär att Lånen är avsedda att från utgivandet förvaras vid någon ICSD som "common safekeeper" [och förvaltarregistreradevid den ICSD som är "common safekeeper",] [73] och innebär inte nödvändigtvis att Lånen kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags kredithantering av Eurosystem, varken vid utgivandet eller vid var annan tid under deras livstid. Sådant erkännande kommer vara avhängigt uppfyllandet av Eurosystems användbarhetskriterier.]

[Även om valet "nej" har gjorts vid datumet för dessa Slutliga Villkor, kan Lånen förvaras hos en ICSD som "common safekeeper" [och förvaltarregistreras av den ICSD som är "common safekeeper"], om Eurosystems kriterier för tillgänglighet ändrats framöver på ett sådant sätt att Lånen uppfyller dem. Notera att detta inte nödvändigtvis innebär att Lånen då kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags

[71] Insert this text for registered notes.

[72] Include this text if "yes" is selected, in which case bearer Notes must be issued in NGN form.

[73] Inkludera denna text för registrerade lån.

	kredithantering av Eurosystem vid någon tid under deras livstid. Sådant erkännande kommer vara avhängigt att ECB är tillfredsställda med Eurosystems användbarhetskriterier.] [74]
Clearing system(s) [and identification number, if applicable]:	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Clearingsystem [och identifikationsnummer, om tilläpligt]:	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Name(s) and address(es) of additional [Paying Agent(s) / VP Issuing Agent(s) / VPS Paying Agent(s) / Swedish Issuing Agent(s) / Swiss Paying Agent(s)] (if any):	Not applicable / *Give name and address*
Namn och adress till ytterligare [Betalningsagent / VP-Administrerande Institut / VPS-Betalningsagent / Svenskt Administrerande Institut / Schweizisk Betalningsagent] (om någon)	Inte tillämpligt / *Ange namn och adress*

10. **DISTRIBUTION**

DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(i)	Distributionsmetod:	[Syndikerat/Icke-Syndikerat]
(ii)	If syndicated:	[Not Applicable]
(ii)	Om syndikerat:	[Inte Tillämpligt]
(a)	Names and addresses of Managers and underwriting commitments:	[•]
(a)	Namn och adresser till Managers och åtaganden avseende underwriting:	[•]
(b)	Date of subscription agreement:	[•]
(b)	Datum för teckningsavtal:	[•]
(c)	Stabilising Manager(s) (if any):	[Not Applicable/[•]]
(c)	Stabiliserande Manager(s) (om några):	[Inte Tillämpligt/[•]]

[74] Inkludera denna text om “ja" anges, i vilket fall Innehavarlån måste vara emitterade i NGN-form.

(iii)	If non-syndicated, name and address of Dealer:	[Not Applicable]
(iii)	Om icke-syndikerat, namn och adress till Försäljare:	[Inte Tillämpligt]
	(a) Name and address of Dealer:	[•]
	(a) Namn och adress till Försäljare:	[•]
	(b) Date of subscription agreement:	[•]
	(b) Datum för avtal om tecknande:	[•]
(iv)	Indication of the overall amount of the underwriting commission and of the placing commission:	[•] per cent. of the Aggregate Nominal Amount
(iv)	Indikation om det sammanlagda beloppet av kommission för underwriting och placering	[•] procent av det Sammanlagda Nominella Beloppet
(v)	U.S. Selling Restrictions:	[TEFRA C/TEFRA D/Not Applicable]
(v)	Försäljningsrestriktioner USA:	[TEFRA C/TEFRA D/Inte Tillämpligt] [(In the case of Swiss Franc Notes) – TEFRA D in accordance with usual Swiss practice] [(För Lån i Schweiziska Franc) – TEFRA D i enlighet med Schweizisk sedvanlig praxis]
(vi)	Public Offer:	[The Issuer does not consent to the use of the Base Prospectus in connection with a Public Offer of the Notes by any person.] [The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Notes during the period from and including *[specify date]* to but excluding *[specify date]* (the "**Offer Period**") in *[specify relevant Member State(s) – which must be jurisdictions where the Base Prospectus and any supplements have been passported*] ("**Public Offer Jurisdictions**") by any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) and which has agreed to comply with the Authorised Offeror Terms set out in the Base Prospectus [and the additional following conditions: [*set out clear and objective conditions*]. The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Notes during the period from and including *[specify*

date] to but excluding *[specify date]* (the "**Offer Period**") by [*insert names of financial intermediaries*] specified in *[specify relevant Member State(s) – which must be jurisdictions where the Base Prospectus and any supplements have been passported*] ("**Public Offer Jurisdictions**") [and subject to the Authorised Offeror Terms set out in the Base Prospectus and the following conditions: [*set out clear and objective conditions*], for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC).

(vi) Erbjudande till Allmänheten: [Emittenten samtycker inte till användning av Grundprospektet i samband med ett Erbjudande till Allmänheten av Lånen från någon person.]

[Emittenten samtycker till användandet av Grundprospektet i samband med ett Erbjudande till Allmänheten av Lånen under perioden från och med [*ange datum*] till, men exklusive, [*ange datum*] ("**Erbjudandeperioden**") {XE "Erbjudandeperioden"}") i [*ange relevant(a) Medlemsstat(er) – vilka måste vara jurisdiktioner dit Grundprospektet och eventuella tillägg har passporterats*] (**Erbjudande till Allmänheten - Jurisdiktioner** { XE "Erbjudande till Allmänheten - Jurisdiktioner" }") av någon finansiell mellanhand som är auktoriserad att göra sådana erbjudanden under Direktivet om Marknader för Finansiella Instrument (Direktiv 2004/39/EG) och som har åtagit sig att följa villkoren för Auktoriserade Säljare som framställts i Grundprospektet [och de följande ytterligare villkoren: [*ange tydliga och objektiva villkor*].

[Emittenten sammtycker till användandet av Grundprospektet i samband med ett Erbjudande till Allmänheten av Lånen under perioden från och med [*ange datum*] till, men exklusive, [*ange datum*] ("**Erbjudandeperioden**") {XE "Erbjudandeperioden"}") av [*ange namn på finansiella mellanhänder*] specificerade i [*ange relevant(a) Medlemsstat(er) – vilka måste vara jurisdiktioner dit Grundprospektet och eventuella tillägg har passporterats*] (**Erbjudande till Allmänheten - Jurisdiktioner** { XE " Erbjudande till Allmänheten - Jurisdiktioner" }") [i enlighet med villkoren för Auktoriserade Säljare och följande villkor: [*ange tydliga och objektiva villkor*], under förutsättning att de är auktoriserade att göra sådana erbjudanden under Direktivet om Marknader för Finansiella Instrument (Direktiv 2004/39/EG).

11. TERMS AND CONDITIONS

VILLKOR

Offer Price:	[•]
Pris för Erbjudandet:	[•]
Conditions to which the offer is subject:	[Not Applicable/[•]] [The Issuer reserves its rights to cancel the offer under the following circumstances; (d) if the aggregate principal amount of Notes subscribed on or before [*insert date*] is less than [*insert amount*]; (e) if the [*insert relevant variable*] cannot be set at [*relevant value corresponding to the indicated minimum value];* or (f) if any event of an economic, financial or political nature occurs and which may jeopardise a successful offer, as determined by the Issuer]. [The Issuer may also replace any Reference Asset listed in the table(s) above at any time on or prior to [*insert date*] with a comparable type of underlying Reference Asset].
Villkor för erbjudandet:	[Inte Tillämpligt/[•]] [Emittenten förbehåller sig rätten att dra tillbaka erbjudandet under följande omständigheter; (d) om det sammanlagda beloppet av Lån som tecknats på eller före [*ange datum*] är lägre än [*ange belopp*]; (e) om [*ange relevant variabel*] inte kan anges till [*relevant värde som korresponderar till det indikerade lägsta värdet*]; eller (f) om någon händelse av ekonomisk, finansiell eller politisk natur inträffar och som kan äventyra ett framgångsrikt erbjudande, enligt Emittentens bedömning]. [Emittenten kan också ersätta varje Referenstillgång som listas i tabellerna ovan vid var tid på eller före [*ange datum*] med en jämförbar typ av underliggande Referenstillgång.
Description of the application process:	[Not Applicable/[•]]
Beskrivning av ansökningsprocessen:	[Inte Tillämpligt/[•]]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/[•]]

Beskrivning av möjligheten att reducera antalet teckningar och metod för att återbetala överstigande belopp som har betalats av kandidater.	[Inte Tillämpligt/[•]]
Details of the minimum and/or maximum amount of application:	[Not Applicable/[•]]
Uppgifter om det minsta och/eller högsta antalet ansökningar:	[Inte Tillämpligt/[•]]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/[•]]
Uppgifter om metoden och tidsbegränsningar för att betala och leverera Lånen:	[Inte Tillämpligt/[•]]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/[•]]
Metod för och datum när resultat av erbjudandet kommer offentliggöras till allmänheten:	[Inte Tillämpligt/[•]]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/[•]]
Procedur för att utnyttja rättigheter för förköpsrätt, förhandling av teckningsrätter och behandling av teckningsrätter som inte har utnyttjats:	[Inte Tillämpligt/[•]]
whether tranche(s) have been reserved for certain countries:	[Not Applicable/[•]]
huruvida trancher har reserverats för särskilda länder:	[Inte Tillämpligt/[•]]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/[•]]
Process för att underrätta kandidater om det tilldelade belopp och om handel kan komma att påbörjas före det att underrättelse har skett:	[Inte Tillämpligt/[•]]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable/[In connection with the issuance of this type of notes, the Issuer incurs costs for, among other things, production, distribution, licences, stock exchange listing and risk management. In order to cover these costs, the Issuer charges brokerage fees and commission. The commission is included in the price and will amount to a maximum of [ ] per cent per year, calculated on the price of the Notes].

Belopp av utgifter och skatter som särskilt kan tas ut av tecknare eller köpare:	[Inte Tillämpligt/[I samband med utgivningen av denna typ av Lån har Emittenten kostnader för bland annat produktion, distribution, licenser, börsnotering och riskhantering. För att täcka dessa kostnader tar Emittenten ut courtage och arrangörsarvode. Arrangörsarvodet inkluderas i priset och uppgår maximalt till [ ] procent per år, beräknat på Lånets pris].
Name(s) and address(es), to the extent known to the Issuer, of the Authorised Offerors in the various countries where the offer takes place.	[None/[•]] [Address: [[•]]
Namn och adress(er), i den utsträckning som Emittenten känner till, till Auktoriserade Säljare i de olika länder där erbjudanden sker.	[Inget/[•]] [Adress: [[•]]

12. [***Swiss Franc Notes only*** **– DOCUMENTS AVAILABLE**

[***Lån i Schweiziska Franc enbart*** **–TILLGÄNGLIGA DOKUMENT**

Copies of the Final Terms and the Base Prospectus are available [at UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Switzerland (tel: +41 44 239 47 03, fax: +41 44 239 21 11 or email: swiss-prospectus@ubs.com) / from the offices of Credit Suisse AG at Uetlibergstrasse 231, 8070 Zürich, Switzerland].]

Kopior av de Slutliga Villkoren och Grundprospektet finns tillgängligt [vid UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Schweiz (tel: +41 44 239 47 03, fax: +41 44 239 21 11 eller epost: swiss-prospectus@ubs.com) / från Credit Suisse AG kontor vid Uetlibergstrasse 231, 8070 Zürich, Schweiz].]

13. [***Swiss Franc Notes only*** **– REPRESENTATIVE**

[*Lån i Schweiziska Franc enbart* – REPRESENTANT

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, [•] has been appointed by the Issuer as representative to lodge the listing application with the Admission Board of the SIX Swiss Exchange.]

I enlighet med Artikel 43 i Reglerna för Listning från SIX Swiss Exchange, har [•] utsetts av Emittenten som representant att genomföra ansökningen om notering hos SIX Swiss Exchanges Admission Board.]

14. [***Swiss Franc Notes only*** **– NO MATERIAL ADVERSE CHANGE / MATERIAL CHANGES SINCE THE MOST RECENT ANNUAL FINANCIAL STATEMENTS**

[*Lån i Schweiziska Franc enbart* – REPRESENTANT – INGEN VÄSENTLIG NEGATIV FÖRÄNDRING / VÄSENTLIGA FÖRÄNDRINGAR SEDAN DEN SENASTE ÅRSREDOVISNINGEN

Except as disclosed in the Base Prospectus, there has been no material adverse change in the financial condition or operations of the Issuer since [31 December 2013], which would materially affect its ability to carry out its obligations under the Notes.]

Förutom såsom redogjorts för i Grundprospektet, har det inte skett någon väsentlig negativ förändring i Emittentens ekonomiska situation eller verksamhet sedan [31 December 2013], som väsentligen kan påverka dess möjligheter att uppfylla sina förpliktelser under Lånen.]

15. [***Swiss Franc Notes only*** **– LISTING/TRADING INFORMATION**

[*Lån i Schweiziska Franc enbart* – LISTNING/HANDELSINFORMATION

(a) Trading Size and Ratio: [minimum and maximum trading size and the standard exercise ratio]

(a) Handelsstorlek och Förhållande: [minsta och högsta handelsstorlek och standard för utövandeförhållande]

(b) First Trading Day: [first trading day]

(b) Första Handelsdag: [första handelsdag]

(c) Last Trading Day and Time: [last trading day as well as (in the case of derivatives) the time of day at which trading shall cease]

(c) Sista Handelsdag och -tidpunkt: [sista handelsdagen såväl som (om derivat) tidpunkten på den dag handel ska upphöra]

(d) [(In the case of derivatives) Capital Protection: [Capital protection [specify] / no capital protection]]

(d) [(om derivat) Kapitalskydd: [Kapitalskydd [specificera] / inget kapitalskydd]]

(e) [(In the case of derivatives) Type of quoting: [the Notes are traded or quoted including accrued interest (dirty trading)] [accrued interest is shown separately (clean trading)]]

(e) [(Om derivat) Typ av återgivning: [Lånen handlas och återges inklusive upplupen ränta (dirty trading)] [upplupen ränta visas separat (clean trading)]]

16. [***Swiss Franc Notes only*** **– INFORMATION RELATING TO UNDERLYINGS**

[***Lån i Schweiziska Franc enbart*** **– INFORMATION AVSEENDE UNDERLIGGANDE**

[insert the information on the underlying instruments required by section 4 of scheme F (for derivatives) and the tax information in relation to a purchase of underlying instruments required by section 3.2.12 of scheme F (for derivatives) of the SIX Swiss Exchange (for derivatives) in respect to Notes to be listed on the SIX Swiss Exchange, to the extent such information is not already included elsewhere in the Final Terms.]

[för in den information om de underliggade instrumenten som krävs enligt avsnitt 2 i investeringsplan F och den skatteinformation för ett köp av underliggande instrument som krävs enligt avsnitt 3.2.12 i investeringsplan F (för derivat) för SIX Swiss Exchange (för derivat) beträffande Lån som ska listas på SIX Swiss Exchange, såvida sådan information inte redan inkluderats på annan plats i Slutliga Villkor.

17. [***Swiss Franc Notes only*** **– ADDITIONAL INFORMATION**

[***Lån i Schweiziska Franc enbart*** **– YTTERLIGARE INFORMATION**

Fees charged by the Issuer to the Noteholders post issuance: [none] [give details]

Avifter som tas ut av Emittenten från Innehavare efter emission: [inga] [infoga detaljer]

ANNEX TO THE FINAL TERMS – SUMMARY OF THE ISSUE

BILAGA TILL DE SLUTLIGA VILLKOREN – SAMMANFATTNING AV EMISSIONEN

[*Base Prospectus summary to be inserted and the options given as placeholders in the summary to be completed in respect of the Notes being issued.*]

[*Grundprospektets sammanfattning ska infogas och de val som har angetts som hakparenteser i sammanfattningen ska kompletteras för de Lån som ska emitteras.*]

Form of Final Terms for Certain Structured Notes with a denomination of at least €100,000 to be admitted to trading on the Main Securities Market of the Irish Stock Exchange

Mall för Slutliga Villkor för Särskilda Strukturerade Lån med valörer om minst €100 000 som ska bli föremål för handel på Irish Stock Exchanges Main Securities Market.

[IMPORTANT NOTICE

VIKTIGT MEDDELANDE

In accessing the attached final terms (the "Final Terms") you agree to be bound by the following terms and conditions.

Genom att ta del av de bilagda slutliga villkoren ("Slutliga Villkoren") godkänner du att bli bunden av följande villkor.

The information contained in the Final Terms may be addressed to and/or targeted at persons who are residents of particular countries only as specified in the Final Terms and/or in the Base Prospectus (as defined in the Final Terms) and is not intended for use and should not be relied upon by any person outside those countries and/or to whom the offer contained in the Final Terms is not addressed. **Prior to relying on the information contained in the Final Terms, you must ascertain from the Final Terms and/or the Base Prospectus whether or not you are an intended addressee of the information contained therein.**

Informationen i dessa Slutliga Villkor är endast adresserad till och/eller riktad till personer som bor i de särskilda länder som anges i de Slutliga Villkoren och/eller i Grundprospektet (definierat i de Slutliga Villkoren) och är inte ämnad för användning och ska inte förlitas på av någon person utanför de länderna och/eller till vilka erbjudandet i dessa Slutliga Villkor inte är adresserat. **Innan du förlitar dig på innehållet i dessa Slutliga Villkor måste du säkerställa att du är en avsedd adressat av informationen i de Slutliga Villkoren och/eller Grundprospektet.**

Neither the Final Terms nor the Base Prospectus constitutes an offer to sell or the solicitation of an offer to buy securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities law of any such jurisdiction.

Varken de Slutliga Villkoren eller Grundprospektet utgör ett erbjudande att sälja eller en inbjudan att köpa värdepapper i USA eller i någon annan jurisdiktion i vilka ett sådant erbjudande, inbjudan eller försäljning skulle vara olagligt innan de har registrerats, ett undantag från registrering har erhållits eller enligt annan bestämmelse under värdepapperslagarna i en sådan jurisdiktion.

The securities described in the Final Terms and the Base Prospectus have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons or to persons within the United States of America (as such terms are defined in Regulation S under the Securities Act ("**Regulation S**")). The securities described in the Final Terms will only be offered in offshore transactions to non-U.S. persons in reliance upon Regulation S.]

De värdepapper som beskrivs i de Slutliga Villkoren och i Grundprospektet har inte, och kommer inte, registreras i enlighet med U.S. Securities Act of 1933, såsom den har ändrats ("**Securities Act**") och får inte erbjudas eller säljas direkt eller indirekt inom USA eller till, för, eller till förmån för, amerikanska medborgare eller till personer i USA (såsom termerna definieras i Regulation S i Securities Act ("**Regulation S**")). De värdepapper som beskrivs i dessa Slutliga Villkor kommer endast erbjudas i offshore-transaktioner till icke-amerikanska medborgare i enlighet med Regulation S.

Final Terms dated [•]

Slutliga Villkor daterade [•]

[NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €15,000,000,000
Structured Note Programme

NORDEA BANK AB (PUBL) / NORDEA BANK FINLAND PLC
Utgivande av [Sammanlagt Nominellt Belopp av Tranch] [Namn på Lån]
under ett €15 000 000 000
Program för Strukturerade Lån

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Grundprospektet som det hänvisas till nedan (som kompletteras av dessa Slutliga Villkor) har tagits fram under förutsättningen att varje erbjudande om Lån i varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet som har genomfört Prospektdirektivet (var och en benämnda en "**Relevant Medlemsstat**") kommer att göras med stöd av ett undantag i Prospektdirektivet, såsom det har genomförts i den Medlemsstaten, från kravet på att publicera ett prospekt för erbjudanden om Lån. Följaktligen kan personer som lämnar eller som avser att lämna erbjudanden avseende Lånen göra det enbart under omständigheter då ingen förpliktelse uppstår för Emittenten eller något Emissionsinstitut att publicera ett prospekt i enlighet med Artikel 3 i Prospektdirektivet eller att komplettera ett prospekt i enlighet med Artikel 16 i Prospektdirektivet, i bägge fall i samband med ett sådant erbjudande. Varken Emittenten eller något Emissionsinstitut har godkänt, eller godkänner, att några erbjudanden avseende Lånen görs under några andra omständigheter.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) **provided, however, that** all references in this document to the "Prospectus Directive" in relation to any Member State of the European Economic Area refer to Directive 2003/71/EC (as amended), and include any relevant implementing measure in the relevant Member State.]

Uttrycket "**Prospektdirektivet**" avser direktivet 2003/71/EG (med gjorda ändringar, inklusive 2010 års ändringsdirektiv 2010/73/EU) **dock att** alla hänvisningar i detta dokument till "Prospektdirektivet" i relation till varje Medlemsstat i det Europeiska Ekonomiska Samarbetsområdet hänvisar till direktiv 2003/71/EG (med gjörda ändringar), och inkluderar varje relevant implementeringsåtgärd i den relevanta Medlemsstaten).]

PART A – CONTRACTUAL TERMS

DEL A – KONTRAKTUELLA VILLKOR

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the original base prospectus dated 19 December 2014 and which are incorporated by reference into the Base Prospectus dated 18 December 2015 [and the supplemental Base Prospectus dated [•]] [which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive[75]]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive[76]] and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the base prospectus supplement[s]] and these Final Terms are available for viewing during normal business hours at, and copies may be obtained from, the principal office of the Issuer [Smålandsgatan 17, SE-105 71 Stockholm, Sweden/Aleksis Kiven katu 9, 00020 Nordea, Helsinki, Finland.] and from www.nordea.com

Ord som används häri ska anses ha samma innebörd som i Villkoren ("**Villkoren**") som anges i det ursprungliga Grundprospektet daterat 19 december 2014 och som inkorporeras genom hänvisning till Grundprospektet daterat 18 december 2015 [och i tillägg till Grundprospektet daterat [•]] [vilka/[et] [tillsammans] utgör ett grundprospekt ("**Grundprospektet**") i Prospektdirektivets mening[77]]. Det här dokumentet utgör de Slutliga Villkoren för Lånen som beskrivs häri [i enlighet med artikel 5.4 i Prospektdirektivet[78]] och måste läsas tillsammans med Grundprospektet. Fullständig information om Emittenten och erbjudandet om Lån kan endast fås genom dessa Slutliga Villkor och Grundprospektet (tillsammans med eventuella tillägg) i kombination. Grundprospektet [och tillägg till Grundprospektet] och kopior av dessa Slutliga Villkor finns tillgängliga för granskning under normal arbetstid och kopior kan erhållas från Emittentens huvudkontor på [Smålandsgatan 17, 105 71 Stockholm, Sverige/Aleksis Kiven katu 9, 00020 Nordea, Helsinki, Finland] och på www.nordea.com.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]

[Inkludera samtliga av följande som är tillämpliga eller ange "Inte Tillämpligt" (N/A). Notera att numreringen ska bibehållas såsom den har angetts nedan, även om "Inte Tillämpligt" har angetts för enkilda punkter (i vilket fall underpunkterna till sådana punkter som inte är tillgängliga kan raderas). Kursiv text är vägledning för att färdigställa de Slutliga Villkoren.]

I. GENERAL TERMS

ALLMÄNNA VILLKOR

1.	(i)	Issuer:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
	(i)	Emittent:	[Nordea Bank AB (publ) / Nordea Bank Finland Plc]
2.	(i)	Series Number:	[•]
	(i)	Serienummer:	[•]
	(ii)	Tranche Number:	[•]

[75] Delete wording in square brackets for an unlisted issuance.

[76] Delete wording in square brackets for an unlisted issuance.

[77] Radera text inom hakparenteser för ett erbjudande som inte listas.

[78] Radera text inom hakparenteser för ett erbjudande som inte listas.

	(ii) Tranchenummer:	[•]
	[(iii) Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of series*] on [[*insert date*]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 58 below [which is expected to occur on or about [*insert date*]].]
	[(iii) Datum då Lånen blir fungibla:	[Inte Tillämpligt/Lånen ska konsolideras, bli en enda serie och vara utbytbara för handel med [*ange beskrivning av serier*] på [[*ange datum*]/Lånedatum/utbyte av Temporära Globala Lån för intressen i Permanenta Globala Lån, såsom beskrivs i punkt 58 nedan [vilket är beräknat att inträffa på eller runt omkring [*ange datum*]].]
3.	Specified Currency or Currencies:	[•]
	Angiven Valuta:	[•]
4.	Aggregate Principal Amount:	[•]
	Sammanlagt Kapitalbelopp:	[•]
	(i) Series:	[•]
	(i) Serie:	[•]
	(ii) Tranche:	[•]
	(ii) Tranche:	[•]
5.	Issue Price:	[[•] per cent. of the Aggregate Principal Amount of each Note [plus accrued interest from [*insert date*]]/ The Issue Price will be determined by the Issuer on a daily basis during the Offer Period (as defined below), based on the prevailing market price for the Notes. The Notes will be issued with an initial Issue Price of approximately [ ] per cent on the Issue Date].
	Pris:	[[•] procent av det Sammanlagda Kapitalbeloppet för varje Lån [plus upplupen ränta från [*datum*]]. / Priset avgörs av Emittenten på en daglig basis under Erbjudandeperioden (som definierat nedan) baserat på Lånens rådande marknadsvärde. Lånen kommer att utges till ett initialt Pris om [ ] procent på Lånedatumet.]
6.	(i) Specified Denominations:	[•]
	(i) Valörer:	[•]
	(ii) Calculation Amount:	[•]
	(ii) Beräkningsbelopp:	[•]
7.	(i) Issue Date:	[•]

	(i) Lånedatum:	[•]
	(ii) Interest Commencement Date:	[[*insert date*]/Issue Date/Not Applicable]
	(ii) Startdatum för Ränta:	[[*datum*]/Lånedatum/Inte Tillämpligt]
8.	Redemption Date:	[[•]/[Interest Payment Date falling in or nearest to [•]]
	Återbetalningsdag:	[[•]/[Räntebetalningsdag som infaller i eller närmast [•]]
9.	Base Redemption Amount:	[[•]/Not Applicable]
	Basåterbetalningsbelopp:	[[•]/Inte Tillämpligt]
10.	Additional Amounts:	[Applicable/Not Applicable]
		[The Additional Amount(s) will be added to/subtracted from the Base Redemption Amount]
	Tilläggsbelopp:	[Tillämpligt/Inte Tillämpligt]
		[Tilläggsbeloppet/en kommer läggas till/subtraheras från Basåterbetalningsbeloppet]
11.	Minimum Redemption	[Applicable/Not Applicable]
	Lägsta Återbetalning	[Tillämpligt/Inte Tillämpligt]
	• Minimum Redemption Amount	[[•]/Not Applicable]
	• Lägsta Återbetalningsbelopp	[[•]/Inte Tillämpligt]
12.	Maximum Redemption	[Applicable/Not Applicable]
	Högsta Återbetalning	[Tillämpligt/Inte Tillämpligt]
	• Maximum Redemption Amount	[[•]/Not Applicable]
	• Högsta Återbetalningsbelopp	[[•]/Inte Tillämpligt]
13.	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day]
	Bankdagskonvention:	[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention]
14.	Currency Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day]/[Not Applicable]
	Handelsdag Valutakonvention:	[Efterföljande Bankdagskonvention /Modifierad Efterföljande Bankdagskonvention /Föregående Bankdagskonvention]/[Inte Tillämpligt]
15.	Relevant Exchange:	[[•]/[As set out in the Conditions]]
	Relevant Börs:	[[•]/[Såsom framgår av Villkoren]]
16.	Scheduled Trading Day Convention:	[[Following Scheduled Trading Date

		Convention/Modified Following Scheduled Trading Day Convention/Preceding Scheduled Trading Day Convention]/[Not Applicable]]
	Planerad Handelsdagskonvention:	[Efterföljande Planerad Handelsdagskonvention/ Modifierad Efterföljande Planerad Handelsdagskonvention /Föregående Planerad Handelsdagskonvention]
II.	**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**	**[APPLICABLE/NOT APPLICABLE]**
	BESTÄMMELSER FÖR RÄNTA (OM NÅGON)	**[TILLÄMPLIGT/EJ TILLÄMPLIGT]**
		[Items 17- 30 have been intentionally omitted][79]
		[Punkterna 17-30 har medvetet utelämnats][80]
17.	Interest Basis:	[[•] per cent. Fixed Rate]
	Räntebas:	[[•] procent Fast Ränta]
		[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/ [CIBOR]/[Nordea Own Funds Rate] +/– [•] per cent. Floating Rate]
		[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/ [CIBOR]/[Nordeas Upplåningsränta] +/– [•] procent Rörlig Ränta]
		[Inflation Linked]
		[Inflationslänkad]
		[Zero Coupon]
		[Nollkupong]
		[Rate Adjustment]
		[Räntejustering]
		[Coupon Bearing Notes]
		[Kupongbärande Lån]
		[Non-Tranched CLN Interest]
		[Non-Tranched CLN Ränta]
		[Tranched CLN Interest]
		[Tranched CLN Ränta]
		[Nth to Default CLN Interest]
		[Nth to Default CLN Ränta]

[79] Include where interest provisions are marked as "Not Applicable"

[80] Att inkluderas då räntebestämmelser angivits som "Inte Tillämpligt"

[Nth and Nth + 1 to Default CLN Interest]

[Nth and Nth + 1 to Default CLN Ränta]

[Capped Floor Float]

[Tak Golv Float]

[Cap Floor]

[Tak Golv]

[Cap Floor Spread]

[Tak Golv Spread]

[Range Accrual]

[Range Accrual]

[Range Accrual In/Out]

[Range Accrual In/Ut]

[Knockout Range Accrual]

[Knockout Range Accrual]

[Binary Cap/Floor]

[Binärt Tak/Golv]

[Binary Zero Coupon]

[Binär Nollkupong]

[Inverse Floater]

[Inverterad Floater]

[Autocallable Rate]

[Autocall Swap]

[Digital Long]

[Digital Long]

[Digital Short]

[Digital Short]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Long]

[Best of/Worst of Digital Short]

[Best of/Worst of Digital Short]

[Worst of Digital Memory Coupon 2]

[Worst of Digital Memory Coupon 2]

[Digital Podium Long]

[Digital Podium Lång]

[Digital Podium Short]

[Digital Podium Kort]

[Series of Digitals]

[Serier av Digitala]

[Cash Settled Swaption Straddle]

[Cash Settled Swaption Straddle]

[Power Cap/Floor]

[Power Tak/Golv]

[Compounding Floater]

[Compounding Floater]

[Lock-In 1]

[Lock-In 1]

[Lock-In 2]

[Lock-In 2]

[Snowball]

[Snowball]

[Accumulator]

[Ackumulator]

[Binary Accumulator]

[Binär Ackumulator]

[Contingent Cap/Floor]

[Betingat Tak/Golv]

[Dual Digital Cap]

[Dubbel Digital Tak]

[Dual Digital Floor]

[Dubbel Digital Golv]

[Binary Inflation Cap]

[Binärt Inflationstak]

[Binary Inflation Floor]

[Binärt Inflationsgolv]

		[Binary Inflation Range] [Binärt Inflationsspann] [Inflation Range Accrual] [Inflationsspann Periodiserad] [Inflation Cap/Floor] [Inflation Tak/Golv] [Inflation Straddle] [Inflation Ömsesidig] [Inflation Cap Floor Spread] [Inflation Tak Golv Spread] [ZC Inflation Cap Floor] [ZC Inflation Tak Golv] [Inflation Linker 1] [Inflationslänkad 1] [Inflation Linker 2] [Inflationslänkad 2] [Strip of Call Spreads] [Strip of Call Spreads] (further particulars specified below) (ytterligare detaljer specificerade nedan)
18.	Combination of Interest Bases: Kombination av Räntebaser:	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]
	(i) Method of Combination: Kombinationsmetod:	[Single Basket Addition/Multiple Basket Addition/Alternative Calculation] [Enskild Korgsammanslagning/Alternativ Uträkning]
	(ii) Relevant Condition(s) for determination of Interest Amount:	[Condition [•] will be applicable if Interest Barrier Level 1 is not exceeded on [any/the final] Interest Determination Date, Condition [•] will be applicable if Interest Barrier Level 1 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level 2 is not exceeded, Condition [•] will be applicable if Interest Barrier Level 2 is exceeded on [any/the final] Interest Determination Date but Interest Barrier Level [•] is not exceeded Condition [•] will be applicable if Interest Barrier Level [•] is exceeded on [any/the final] Interest Determination Date/Condition(s) [•] and [•] are

		applicable.]
	Relevanta Villkor för bestämmande av Räntebelopp:	[Villkor [•] ska vara tillämpligt om Räntebarriärnivå 1 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå 2 inte överskrids, Villkor [•] ska vara tillämpligt om Räntebarriärnivå 2 överskrids på [en/slutlig] Räntebestämningsdag men Räntebarriärnivå [•] inte överskrids Villkor [•] ska vara tillämpligt om Räntebarriärnivå [•] överskrids på [en/slutlig] Räntebestämningsdag/Villkor [•] och [•] är tillämpliga.] [Condition [•] in respect of Basket A/Condition [•] in respect of Basket B etc.] [Villkor [•] beträffande Korg A/Villkor [•] beträffande Korg B etc.]
	• [Interest Barrier Level 1:]	[•]
	• [Räntebarriärnivå 1:]	[•]
	• [Interest Barrier Level 2:]	[•]
	• [Räntebarriärnivå 2:]	[•]
	• [Interest Barrier Level 3:]	[•]
	• [Räntebarriärnivå 3:]	[•]
19.	Method of calculating Basket Return for the purposes of Interest determination:	[Basket Long Structure/Basket Short Structure [in respect of Basket A/B]/Not Applicable]
	Metod för att beräkna Korgavkastningen för Räntebestämning:	[Basket Long Struktur/Basket Short Struktur [avseende Korg A/B]/Inte Tillämpligt]
20.	**Interest Deferral**	[Applicable/Not Applicable]
	Uppskjuten Ränta	[Tillämpligt/Inte Tillämpligt]
21.	**Fixed Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Fast Ränta	[Tillämpligt/Inte Tillämpligt]
	(i) Interest Rate:	[•] per cent. per annum
	(i) Räntesats:	[•] procent årligen
	(ii) Interest Payment Date(s):	[•] [in each year]
	(ii) Räntebetalningsdag(ar):	[•] [varje år]
	(iii) Interest Determination Date:	[[•]/Not Applicable]
	(iii) Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(iv) Fixed Interest Amount:	[•] per Note of [•] Denomination/Not applicable.
	(iv) Bestämt Räntebelopp:	[•] per Lån av Valören [•]/Inte Tillämpligt]
	(v) Details of Irregular Interest	[[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]/Not

	Amount(s):	Applicable]
(v)	Bestämmelser för Oregelbundna Räntebelopp:	[[•] per Beräkningsbelopp, att betalas på Räntebetalningsdagen som infaller [i/på] [•]/[Inte Tillämpligt]
(vi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
(vi)	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
22.	**Floating Rate Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Rörlig Ränta	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Payment Dates:	[•] [in each year]
(i)	Räntebetalningsdag(ar):	[•] [i varje år]
(ii)	Interest Determination Date:	[[•]/Not Applicable]
(ii)	Räntebestämningsdag:	[[•]/Inte Tillämpligt]
(iii)	Issuing Agent:	[Not Applicable/[•]]
(iii)	Administrerande Institut:	[Inte Tillämpligt/[•]
(iv)	Calculation Agent:	[Not Applicable/[•]]
(iv)	Beräkningsagent:	[Inte Tillämpligt/[•]]
(v)	Interest Base Rate:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[Nordea Own Funds Rate]]
(v)	Basränta:	[[EURIBOR]/[LIBOR]/[STIBOR]/[NIBOR]/[CIBOR]/[Nordeas Upplåningsränta]
(vi)	Designated Maturity:	[•]
(vi)	Avsedd Återbetalningsdag:	[•]
	• Alternative Designated Maturity	[[•]/Not Applicable/Applicable in respect of the [Short/Long] [initial/final] interest period from (and including) [*date*] to (but excluding) [*date*]].
	• Alternativ Avsedd Återbetalningsdag	[[•]/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]
(vii)	Linear Interpolation:	[Applicable/Not Applicable/Applicable in respect of the [Short/Long] [initial/final] interest period from (and including) [*date*] to (but excluding) [*date*]].
(vii)	Linjär Interpolering:	[Tillämpligt/Inte Tillämpligt/ Tillämpligt såvitt avser den [korta/långa]/ [första/sista] ränteperioden från (och med) [datum] till (men exklusive) [datum]]

	• Alternative Maturity 1	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 1	[[•]/Inte Tillämpligt]
	• Alternative Maturity 2	[[•]/Not Applicable]
	• Alternativ Återbetalningsdag 2	[[•]/Inte Tillämpligt]
(viii)	Screen Page:	[•]
(viii)	Skärmsida:	[•]
(ix)	Interest Margin(s):	[+/-][•] per cent. per annum
(ix)	Räntemarginal(er):	[+/-][•] procent årligen
(x)	FRN Participation Ratio	[•] per cent.
(x)	FRN Deltagandegrad	[•] procent
(xi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
(xi)	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xii)	Maximum Interest Rate:	[[•]/Not Applicable]
(xii)	Högsta Räntesats:	[[•]/Inte Tillämpligt]
(xiii)	Minimum Interest Rate:	[[•]/Not Applicable]
(xiii)	Lägsta Räntesats:	[[•]/Inte Tillämpligt]
23.	**Zero Coupon Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Nollkupongslån	[Tillämpligt/Inte tillämplig]
	Reference Yield:	[•] per cent. per annum
	Referensavkastning:	[•] procent årligen
24.	**Inflation-Linked Interest Note Provisions**	[Applicable/Not Applicable]
	Bestämmelser för Inflationslänkade Räntebärande Lån	[Tillämpligt/Inte Tillämpligt]
(i)	Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]
(i)	Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt 21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]

(ii) Base Index/CPI:

(ii) Bas Index/CPI:

- Relevant date: [•]
- Relevant datum: [•]
- Relevant time: [•] [a.m./p.m.]
- Relevant tid: [•] [a.m./p.m.]

25. **Rate Adjustment Note Provisions** [Applicable/Not Applicable]

Bestämmelser för Kursjusterade Lån [Tillämpligt/Inte Tillämpligt]

Provisions relating to the adjustment of the Interest Rate: The Interest Basis will be [•] from [and including/but excluding] [•] to [and including/but excluding] the Interest Payment Date falling in [•], and [•] from [and including/but excluding] the Interest Payment Date falling in [•] up to ([and including/but excluding]) the Redemption Date.

Bestämmelser relaterade till justering av Räntesatsen: Räntebasen ska vara [•] från [och med/men exklusive] [•] till [och med/men exklusive] Räntebetalningsdagen som infaller [•], och [•] från [och med/men exklusive] Räntebetalningsdagen som infaller [•] till [och med/men exklusive] Återbetalningsdagen.

26. **Coupon Bearing Note Provisions** [Applicable/Not Applicable]

Bestämmelser för Kupongbärande Autocall-lån [Tillämpligt/Inte Tillämpligt]

(i) Valuation Date(s):

(i) Värderingsdag(ar):

Reference Asset **Referens-tillgång**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag Medelvärdesberäkningsdag**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	**[•]**	[Applicable/Not Applicable] [Tillämpligt/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	**[•]**	[Applicable/Not Applicable] [Tillämpligt	[[•]/Not Applicable] [[•]/Inte Tillämpligt

		/Inte Tillämpligt]]
(ii)	Coupon Barrier Level(s):	[•]
(ii)	Kuponbarriärnivå(er):	[•]
(iii)	Interest Payment Date(s):	[•] in each year
(iii)	Räntebetalningsdag(ar):	[•] varje år
(iv)	Flat Coupon:	[Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(iv)	Flat Kupong:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(v)	Memory Coupon:	[Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(v)	Memory Kupong:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(vi)	Plus Flat Coupon:	[Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(vi)	Plus Flat Kupong:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(vii)	Plus Memory Coupon:	[Applicable/Not Applicable/Applicable if Coupon Barrier [•] is reached [and Coupon Barrier [•] is not reached]]
(vii)	Plus Memory Kupong:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Kupongbarriär [•] uppnås [och Kupongbarriär [•] inte uppnås]]
(viii)	Coupon Rate(s):	[[•] if Coupon Barrier [•] is reached/Not Applicable]
(viii)	Kupongnivå(er):	[[•] om Kupongbarriär [•] uppnås/Inte Tillämpligt]
(ix)	Basket Rate:	[Applicable/Not Applicable]
(ix)	Korgnivå:	[Tillämpligt/Inte Tillämpligt]
(x)	Best of/Worst of Rate:	[Applicable/Not Applicable]
(x)	Best of/Worst of Kurs:	[Tillämpligt/Inte Tillämpligt]
(xi)	N:	[[•]/Not Applicable]
(xi)	N:	[[•]/Inte Tillämpligt]

27.	**CLN Interest Provisions**	[Applicable/Not Applicable]	
	Bestämmelser för CLN Ränta	[Tillämpligt/Inte Tillämpligt]	
	(i) Interest Rate:	[Fixed Rate Note Provisions (further details specified in paragraph 21)/Floating Rate Note Provisions (further details specified in paragraph 22)]	
	(i) Räntesats:	[Bestämmelser om Lån med Fast Ränta (ytterligare detaljer specificerade i punkt 21)/Bestämmelser om Lån med Rörlig Ränta (ytterligare detaljer specificerade i punkt 22)]	
	(ii) Determination Date Exposure:	[Applicable/Not Applicable]	
	• [Number of Business Days:	[[•]/The Observation Date shall be the relevant Interest Payment Date]]	
	• [Antal Bankdagar:	[[•]/Observationsdagen ska vara den relevanta Räntebetalningsdagen]]	
	(ii) Bestämningsdag Exponering:	[Tillämpligt/Inte Tillämpligt]	
	(iii) Weighted Average Exposure:	[Applicable/Not Applicable]	
	(iii) Viktad Genomsnittlig Exponering:	[Tillämpligt/Inte Tillämpligt]	
	(iv) Tranche Attachment Point	[[•]/Not Applicable]	
	(iv) Fästpunkt Tranche:	[[•]/Inte Tillämpligt]	
	(v) Tranche Detachment Point:	[[•]/Not Applicable]	
	(v) Avskiljningspunkt Tranche:	[[•]/Inte Tillämpligt]	
	(vi) Fixed Recovery Value:	[[•]/Not Applicable]	
	(vi) Fast Återbetalningsbelopp:	[[•]/Inte Tillämpligt]	
	(vii) Market Recovery Value:	[Applicable/Not Applicable]	
	(vii) Marknadsåtervinningsvärde:	[Tillämpligt/Inte Tillämpligt]	
	(viii) N:	[[•]/Not Applicable]	
	(viii) N:	[[•]/Inte Tillämpligt]	
	(ix) Observation Date(s):	[[•]/Not Applicable/the day falling [•] Business Days prior to each Interest Payment Date]	
	(ix) Observationsdag(ar):	[[•]/Inte Tillämpligt/dagen som infaller [•] Bankdagar före varje Räntebetalningsdag]	
	(x) Credit Event Ranked Basket Participation (Interest):	[Applicable/Not Applicable]	
	(x) Kredithändelserankad Korgandel (Ränta):	[Tillämpligt/Inte Tillämpligt]	
	• Credit Event Ranked	**Credit Event** (*in order*	**Weighting**

		Weight:	*of occurrence*)
			Kredithändelse (*i kronologisk ordning*) / **Viktning**
	•	Kredithändelserankad vikt:	1 [•]%
			2 [•]%
			3 [•]%
			N [•]%
(xi)		Possible Repudiation Moratorium Amount:	[Applicable/Not Applicable]
(xi)		Belopp för Potentiellt Avstående Moratorium:	[Tillämpligt/Inte Tillämpligt]
(xii)		Restructuring Amount:	[Applicable/Not Applicable]
(xii)		Belopp för Omläggning av Skulder:	[Tillämpligt/Inte Tillämpligt]
(xiii)		Replacement Reference Entity:	[Applicable/Not Applicable]
(xiii)		Belopp för Ersättande Referenstillgång:	[Tillämpligt/Inte Tillämpligt]
(xiv)		Obligation Acceleration Amount:	[Applicable/Not Applicable]
(xiv)		Belopp för Uppsägning av Åtagande:	[Tillämpligt/Inte Tillämpligt]
(xv)		Failure to Pay Amount:	[Applicable/Not Applicable]
(xv)		Belopp för Utebliven Betalning:	[Tillämpligt/Inte Tillämpligt]
(xvi)		Credit Events:	[[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration]/ Not Applicable]
(xvi)		Kredithändelser:	[[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförarande Myndighetsingripande/ Avstående/ Moratorium/ Uppsägning av Åtagande]/ Inte Tillämpligt]
(xvii)		Default Requirement:	[[•]/Not Applicable]
(xvii)		Defaultkrav:	[[•]/Inte Tillämpligt]
28.	**Digital Interest Provisions**		[Applicable/Not Applicable]
	Bestämmelser om Digital Ränta		[Tillämpligt/Inte Tillämpligt]
(i)		Interest Determination Date:	[[•]/Not Applicable]
(i)		Räntebestämningsdag:	[[•]/Inte Tillämpligt]
(ii)		Interest Payment Date(s):	[[•]/Not Applicable]

(ii)	Räntebalningsdag(ar):	[[•]/Inte Tillämpligt]
(iii)	Strike Level:	[[•]/Not Applicable]
(iii)	Lösenprisnivå:	[[•]/Inte Tillämpligt]
(iv)	Coupon:	[•]
(iv)	Kupong:	[•]
(v)	Coupon 2:	[[•]/Not Applicable]
(v)	Kupong 2:	[[•]/Inte Tillämpligt]
(vi)	N:	[[•]/Not Applicable]
(vi)	N:	[[•]/Inte Tillämpligt]
(vii)	Barrier Level:	[[•]/Not Applicable]
(vii)	Barriärnivå:	[[•]/Inte Tillämpligt]
(viii)	Basket Strike Level:	[[•]/Not Applicable]
(viii)	Korglösennivå:	[[•]/Inte Tillämpligt]
(ix)	Observation Date(s):	[[•]/Each Scheduled Trading Day up to and including the Interest Determination Date/Not Applicable]
(ix)	Observationsdag(ar):	[[•]/Varje Planerad Handelsdag fram till och med Räntebestämningsdagen/Inte Tillämpligt]
(x)	Valuation Time:	[[•]/Not Applicable]
(x)	Värderingstidpunkt:	[[•]/Inte Tillämpligt]

Reference Asset (Interest) **Referenstillgång (Ränta)**	**Valuation Time** **Värderingstidpunkt**
[•]	**[•]**
[•]	**[•]**
[•]	**[•]**

29.	**Additional Interest Provisions**		[Applicable/Not Applicable]
	Ytterligare Räntebestämmelser		[Tillämpligt/Inte Tillämpligt]
	(xliv)	Interest Determination Date:	[[•]/Not Applicable]
		Räntebestämningsdag:	[[•]/Inte Tillämpligt]
	(xlv)	Interest Payment Date(s):	[[•]/Not Applicable]
		Räntebalningsdag(ar):	[[•]/Inte Tillämpligt]
	(xlvi)	Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]

	Dagberäkningsmetod:	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
(xlvii)	Reference Rate:	[[•]/Not Applicable]
	Referensränta:	[[•]/Inte Tillämpligt]
(xlviii)	(Reference Rate 2:	[[•]/Not Applicable]
	Referensränta 2:	[[•]/Inte Tillämpligt]
(xlix)	Spread:	[[•]/Not Applicable]
	Spread:	[[•]/Inte Tillämpligt]
(l)	Cap Strike:	[[•]/Not Applicable]
	Lösenpristak:	[[•]/Inte Tillämpligt]
(li)	Floor Strike:	[[•]/Not Applicable]
	Lösenprisgolv:	[[•]/Inte Tillämpligt]
(lii)	Cap Value:	[1/-1/0/Not Applicable]
	Takvärde:	[1/-1/0/Inte Tillämpligt]
(liii)	Floor Value:	[1/-1/0/Not Applicable]
	Golvvärde Value:	[1/-1/0/Inte Tillämpligt]
(liv)	Leverage (Cap):	[[•]/Not Applicable]
	Hävstång (Tak):	[[•]/Inte Tillämpligt]
(lv)	Leverage (Floor):	[[•]/Not Applicable]
	Hävstång (Golv):	[[•]/Inte Tillämpligt]
(lvi)	Cap Strike Upper:	[[•]/Not Applicable]
	Lösenpristak Högre:	[[•]/Inte Tillämpligt]
(lvii)	Cap Strike Lower:	[[•]/Not Applicable]
	Lösenpristak Lägre:	[[•]/Inte Tillämpligt]
(lviii)	Floor Strike Upper:	[[•]/Not Applicable]
	Lösenprisgolv Högre:	[[•]/Inte Tillämpligt]
(lix)	Floor Strike Lower:	[[•]/Not Applicable]
	Lösenprisgolv Lägre:	[[•]/Inte Tillämpligt]
(lx)	Strike Upper:	[[•]/Not Applicable]
	Lösenpris Högre:	[[•]/Inte Tillämpligt]
(lxi)	Strike 2	[[•]/Not Applicable]
	Lösenpris 2	[[•]/Inte Tillämpligt]

(lxii)	Strike Lower:	[[•]/Not Applicable]
	Lösenpris Lägre:	[[•]/Inte Tillämpligt]
(lxiii)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(lxiv)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(lxv)	W:	[[•]/Not Applicable]
	W:	[[•]/Inte Tillämpligt]
(lxvi)	X:	[[•]/Not Applicable]
	X:	[[•]/Inte Tillämpligt]
(lxvii)	Y:	[[•]/Not Applicable]
	Y:	[[•]/Inte Tillämpligt]
(lxviii)	Z:	[[•]/Not Applicable]
	Z:	[[•]/Inte Tillämpligt]
(lxix)	Maximum Interest Rate:	[[•]/Not Applicable]
	Högsta Räntesats:	[[•]/Inte Tillämpligt]
(lxx)	Gearing:	[[•]/Not Applicable]
	Gearing:	[[•]/Inte Tillämpligt]
(lxxi)	Coupon:	[[•]/Not Applicable]
	Kupong:	[[•]/Inte Tillämpligt]
(lxxii)	Coupon Barrier Level(s):	[[•]/Not Applicable] [The Autocall Condition will be satisfied if the Reference Rate [exceeds/equals/is below] the Coupon Barrier Level]
	Kupongbarriärnivå(er):	[[•]/Inte Tillämpligt] [Autocall-Villkoret uppfylls om Referenskursen [överstiger/är lika med/understiger] Kupongbarriärnivån]
(lxxiii)	Minimum Basket Return:	[[•]/Not Applicable]
	Minsta Korgavkastning:	[[•]/Inte Tillämpligt]
(lxxiv)	Gearing Payer:	[[•]/Not Applicable]
	Gearing Payer:	[[•]/Inte Tillämpligt]
(lxxv)	Gearing Receiver:	[[•]/Not Applicable]
	Gearing Receiver:	[[•]/Inte Tillämpligt]
(lxxvi)	Payer Strike:	[[•]/Not Applicable]

	Payer Strike:	[[•]/Inte Tillämpligt]
(lxxvii)	Receiver Strike:	[[•]/Not Applicable]
	Receiver Strike:	[[•]/Inte Tillämpligt]
(lxxviii)	Power Factor:	[[•]/Not Applicable]
	Powerfaktor	[[•]/Inte Tillämpligt]
(lxxix)	Fixed Rate:	[[•]/Not Applicable]
	Fast ränta:	[[•]/Inte Tillämpligt]
(lxxx)	Flag:	[[•]/Not Applicable]
	Flagga:	[[•]/Inte Tillämpligt]
(lxxxi)	Tenor:	[[•]/Not Applicable]
	Löptid:	[[•]/Inte Tillämpligt]
(lxxxii)	Gearing Cap:	[[•]/Not Applicable]
	Gearing Tak:	[[•]/Inte Tillämpligt]
(lxxxiii)	Gearing Floor:	[[•]/Not Applicable]
	Gearing Golv:	[[•]/Inte Tillämpligt]
(lxxxiv)	Inflation Index:	[[•]/Not Applicable]
	Inflationsindex:	[[•]/Inte Tillämpligt]
(lxxxv)	Valuation Date(s):	[[•]/Not Applicable]
	Värderingsdag(ar):	[[•]/Inte Tillämpligt]

Reference Asset (Interest) **Referenstillgång (Ränta)**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag(ar) Medelvärdes-beräkning**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	**[•]**	[Applicable/Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	**[•]**	[Applicable/Not	[[•]/Not

	Applicable]	Applicable]
	[Tillämplig t/Inte Tillämpligt]	[[•]/Inte Tillämpligt]

(lxxxvi) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset (Interest) **Referenstillgång (Ränta)**	**Valuation Time** **Värderingstidpunkt**
[•]	**[•]**
[•]	**[•]**
[•]	**[•]**

30. **Provisions relating to FX Components (Interest)**

Bestämmelser för Valutakomponenter (Ränta)

FX Component (Interest): [Applicable/Not Applicable/Applicable to the following Interest Payment Dates: [•]]

Valutakomponent (Ränta): [Tillämpligt/Inte Tillämpligt/Tillämpligt om på följande Räntebetalningsdagar: [•]]

- FX Rate (Interest): [[•]/Not Applicable]
- Valutakurs (Ränta): [[•]/Inte Tillämpligt]
- Initial FX Valuation Date(s) (Interest): [[•]/Not Applicable]
- Startdag Valuta (Ränta): [[•]/Inte Tillämpligt]
-

Reference Asset **Referenstillgång**	**Initial FX Valuation Date(s) (Interest)** **Startdag Valuta (Ränta)**
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Date(s) (Interest): [[•]/Not Applicable
- Värderingsdag Valuta (Ränta): [[•]/Inte Tillämpligt]

	Reference Asset Referenstillgång	FX Valuation Date(s) (Interest) Värderingsdag Valuta (Ränta)
	[•]	[•]
	[•]	[•]
	[•]	[•]]

- FX Valuation Time (Interest): [[•]/Not Applicable]
- Värderingstidpunkt Valuta (Ränta): [[•]/Inte Tillämpligt]
- FX Factor (Interest) Long/Short: [FX Factor (Interest) Long/FX Factor (Interest) Short/Not Applicable]
- Valutafaktor Long/Short: [Valutafaktor (Ränta) – Long/Valutafaktor (Ränta) – Short/Inte Tillämpligt]
- Initial FX Rate (Interest): [[•]/As set out in the Base Prospectus]
- Valutastartkurs (Ränta): [[•]/Såsom framgår av Grundprospektet]
- Final FX Rate (Interest): [[•]/As set out in the Base Prospectus]
- Valutaslutkurs (Ränta): [[•]/Såsom framgår av Grundprospektet]

III. ADDITIONAL PROVISIONS RELATING TO REDEMPTION **[APPLICABLE/NOT APPLICABLE]**

[Items 31 to 39 have been intentionally omitted][81]

YTTERLIGARE BESTÄMMELSER FÖR ÅTERBETALNING **[TILLÄMPLIGT/INTE TILLÄMPLIGT]**
[Punkterna 31 till 39 har medvetet utelämnats][82]

31. Applicable performance structures: ["Basket Long" structure]

Tillämpliga strukturer för värdeutveckling: ["Basket Long" struktur]

["Basket Short" structure]

["Basket Short" struktur]

["Barrier outperformance" structure]

["Barriär outperformance" struktur]

["Barrier underperformance" structure]

["Barriär underperformance" struktur]

["Best of/Worst of Barrier Outperformance" structure]

[81] Insert where additional redemption provisions are marked as Not Applicable.

[82] Att inkluderas då ytterligare bestämmelser för återbetalning angivits som Inte Tillämpligt.

["Best of/Worst of Barriär Outperformance" struktur]

["Best of/Worst of Barrier Underperformance" structure]

["Best of/Worst of Barriär Underperformance" struktur]

["Autocallable Structure Long"]

["Autocallstruktur Long"]

["Autocallable Structure Short"]

["Autocallstruktur Short"]

["Replacement Basket" structure]

["Ersättningskorg" struktur]

["Locally Capped Basket" structure]

["Lokalt Begränsad Korg" struktur]

["Rainbow Basket" structure]

["Rainbow" struktur]

["Booster Short" structure]

["Booster Kort" struktur]

["Booster Long" structure]

["Booster Long" struktur]

["Booster Risk Barrier Short" structure]

["Booster Risk Barriär Short" struktur]

["Booster Risk Barrier Long" structure]

["Booster Risk Barriär Long" struktur]

["Twin Win" structure]

["Twin Win" struktur]

["Bonus Booster Short" structure]

["Bonus Booster Short" struktur]

["Bonus Booster Long" structure]

["Bonus Booster Long" struktur]

["Cliquet" structure]

["Cliquet" struktur]

["Reverse Cliquet" structure]

["Omvänd Periodsumme" struktur]

["Replacement Cliquet" structure]

["Ersättning Periodsumme" struktur]

["Reverse Replacement Cliquet" structure]

["Omvänd Ersättande Periodsumme" struktur]

["Rainbow Replacement Cliquet" structure]

["Regnbåge Ersättande Periodsumme" struktur]

["Reverse Convertible" structure]

["Omvänd Konvertibel" struktur]

["Reverse Convertible Risk Barrier" structure]

["Omvänd Konvertibel Riskbarriär" struktur]

["Best of/Worst of Reverse Convertible" structure]

["Best of/Worst of Omvänd Konvertibel" struktur]

[Up and In Option]

[Up and In Option]

[Up and Out Option]

[Up and Out Option]

[Worst of Down and Out Basket Option]

[Worst of Down and Out Basket Option]

[Down and Out Basket Option]

[Down and Out Korg Option]

[Worst of Digital Memory Coupon 1]

[Worst of Digital Memory Kupong 1]

[Worst of Call Option]

[Worst of Call Option]

[Outperformance Option [Long Against Short/Long Against Long]]

[Outperformance Option [Long Against Short/Long Against Long]]

["Non-Tranched CLN" structure]

["Non-Tranched CLN" struktur]

["Tranched CLN" structure]

["Tranched CLN" struktur]

["Nth to Default CLN" structure]

["Nth to Default CLN" struktur]

["Nth and Nth + 1 Default CLN" structure]

["Nth and Nth + 1 Default CLN" struktur]

["Option CLN" structure]

["Option CLN"-struktur]

["Digital Long" structure]

["Digital Long" struktur]

["Digital Short" structure]

["Digital Kort" struktur]

["Worst of Digital Long" structure]

["Worst of Digital Long" struktur]

["Worst of Digital Short" structure]

["Worst of Digital Short" struktur]

["Series of Digitals" structure]

["Serier av Digitala"-struktur]

["Delta 1" structure]

["Delta 1" struktur]

[Inflation Linker 2]

[Inflationslänkad 2]

["Barrier Outperformance" Structure 2]

["Barrier Outperformance" Struktur 2]

["Barrier Underperformance" Structure 2]

["Barrier Underperformance" Struktur 2]

["Target Volatility" Structure]

["Eftersträvad Volatilitet" Struktur]

["Down and in Option" structure]

[“Down and in Option”-struktur]

["Booster Risk Barrier 2" structure]

[“Booster Risk Barrier 2”-struktur]

["Autocallable Rate" structure]

[“Autocallable-nivå-struktur]

32.	Method of calculating Basket Return for the purposes of applicable Performance Structure:		[Basket Long Structure/Basket Short Structure/ Not Applicable] Basket A: Basket Long/Short Structure] [Basket B: Basket Long/Short Structure]
	Metod för att beräkna Korgavkastningen för tillämplig Värdeutvecklingsstruktur:		[Basket Long Struktur/Basket Short Strutur/ Inte Tillämpligt] [Korg A: Basket Long/Short Struktur] [Korg B: Basket Long/Short Struktur]
33.	Combination of structures:		[Addition/Alternative Calculation]
	Kombinationer av strukturer:		[Sammanslagning/Alternativ Uträkning]
	(v)	Method of Combination:	[Addition/Subtraction/Alternative Calculation]
		Kombinationsmetod:	[Sammanslagning/Subtraktion/Alternativ Uträkning]
	(vi)	Additional Amount Basket A:	[Not Applicable/the [•] structure]
		Tilläggsbelopp Korg A:	[Inte Tillämpligt/[•] strukturen]
	(vii)	Additional Amount Basket B:	[Not Applicable/the [•] structure]
		Tilläggsbelopp Korg B:	[Inte Tillämpligt/[•] strukturen]
	(viii)	(Relevant Condition(s) for determination of Redemption Amount:	[Condition [•] will be applicable if Barrier Level 1 is not exceeded on [any/the final] Valuation Date, Condition [•] will be applicable if Barrier Level 1 is exceeded on [any/the final] Valuation Date but Barrier Level 2 is not exceeded, Condition [•] will be applicable if Barrier Level 2 is exceeded on [any/the final] Valuation Date but Barrier Level [•] has not been exceeded… Condition [•] will be applicable if Barrier Level [•] is exceeded on [any/the final] Valuation Date/Condition(s) [•] and [•] are applicable and the following Performance Percentages shall apply:
		Relevanta Villkor för bestämmande av Återbetalningsbeloppet:	[Villkor [•] ska vara tillämpligt om Barriärnivå 1 inte överskrids på [en/slutlig] Värderingsdag, Villkor [•] ska vara tillämpligt om Barriärnivå 1 överskrids på [en/slutlig] Värderingsdag men Barriärnivå 2 inte överskrids, Villkor [•], ska vara tillämpligt om Barriärnivå 2 överskrids på [en/slutlig] Värderingsdag men Barriärnivå [•] inte överskrids… Villkor [•] ska vara tillämpligt om Barriärnivå [•] överskrids på [en/slutlig] Värderingsdag/Villkor [•] och [•] är tillämpliga och följade Värdeutvecklingsprocentsats ska tillämpas:

Basket Korg	Performance Structure Värdeutecklingsstruktur	Performance Percentage Värdeutvecklingsstruktur Procent
[Basket A/Single Basket]		
[Korg A/Enskild Korg]	[•]	[•]
[Basket B]		
[Korg B]	[•]	[•]
[Basket [•]]		
[Korg [•]]	[•]	[•]

34. **Performance structure-related items:** [Applicable/Not Applicable]

Värdeutvecklingsstruktur-relaterade punkter: [Tillämpligt/Inte Tillämpligt]

Dates and Times

Datum och tid

(xlviii) Initial Valuation Date(s): [[•]Not Applicable]

Startdag: [[•]Inte Tillämpligt]

Reference Asset Referens-tillgång	Initial Valuation Date(s) Startdag	Initial Valuation Date Averaging Startdag Medelvärdesberäkning	Averaging Dates relevant to applicable Valuation Date Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag
[•]	**[•]**	[Applicable/Not Applicable] [Tillämplig/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

[•]	**[•]**	[Applicable /Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(xlix) Valuation Date(s): [[•]/Not Applicable]

Värderingdag(ar): [[•]/Inte Tillämpligt]

[The relevant Valuation Date(s) for comparing the Baset Return to the [Initial Basket Level/Barrier Level 1/Barrier Level 2] are:]

[Relevant(a) Värderingsdag(ar) för att jämföra Korgavkastningen med [Korgs Startvärde/Barriärnivå 1/Barriärnivå 2] är:]

Reference Asset **Referenstillgång**	**Valuation Date(s)** **Värderingsdag(ar)**	**Valuation Date Averaging** **Värderingsdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Valuation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Värderingsdag**
[•]	[•]	[Applicable /Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
[•]	[•]	[Applicable /Not Applicable] [Tillämplig t/Inte Tillämpligt]	[[•]/Not Applicable] [[•]/Inte Tillämpligt]

(l) Twin-Win Valuation Date(s): [•] if the Initial Basket Level is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 1 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level 2 is reached or exceeded on the relevant Valuation Date(s), [•] if Barrier Level N is reached or exceeded on the relevant Valuation Date(s).

Twin-Win Värderingsdag(ar): [•] om Korgs Startvärde nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om

Barriärnivå 1 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå 2 nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•] om Barriärnivå N nåtts eller överskridits på den eller de relevanta Värderingsdagarna, [•].

(li) Valuation Time: [[•]/Not Applicable]

Värderingstidpunkt: [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**Valuation Time** **Värderingstidpunkt**
[•]	[•]
[•]	[•]
[•]	[•]

(lii) Rebalancing Date: [[•]/Not Applicable]

Ombalanseringsdag: [[•]/Inte Tillämpligt]

(liii) Scheduled Redemption Date: [[•]/Not Applicable]

Planerad Återbetalningsdag: [[•]/Inte Tillämpligt]

(liv) Back Stop Date: [[•]/Not Applicable]

Back Stop-Datum: [[•]/Inte Tillämpligt]

(lv) Observation Date(s): [[•]/Not Applicable]

Observationsdag(ar): [[•]/Inte Tillämpligt]

(lvi) Observating Date Averaging: [[•]/Not Applicable]

Observationsdag Medelvärdesberäkning: [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**Observation Date(s)** **Observationsdag(ar)**	**Observation Date Averaging** **Observationsdag Medelvärdesberäkning**	**Averaging Dates relevant to applicable Observation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Observationsdag**
		[Applicable /Not Applicable]	[[•]/Not Applicable]

[•]	[•]	[Tillämplig t/Inte Tillämpligt]	[[•]/Inte Tillämpligt]
		[Applicable /Not Applicable]	[[•]/Not Applicable]
[•]	[•]	[Tillämplig t/Inte Tillämpligt]	[[•]/Inte Tillämpligt]

(lvii) Risk Barrier Observation Date(s):

Riskbarriärobservationsdag(ar):

Reference Asset **Referenstillgång**	**Risk Barrier Observation Date(s)** **Riskbarriärobservationsdag(ar)**	**Risk Barrier Observation Date Averaging** **Riskbarriärobservationsdag Medelvärdesberäkning**	**Averaging Dates relevant to Risk Barrier Observation Date** **Medelvärdesberäkningsdagar som är relevanta för tillämplig Riskbarriärobservationsdag**
[•]	[•]	[Applicable /Not Applicable]	[[•]/Not Applicable]
		[Tillämplig t/Inte Tillämpligt]	[[•]/Inte Tillämpligt]
[•]	[•]	[Applicable /Not Applicable]	[[•]/Not Applicable]
		[Tillämplig t/Inte Tillämpligt]	[[•]/Inte Tillämpligt]

Amounts and Values

Belopp och Värden

(lviii) Participation Ratio: [[•]/Not Applicable]

Deltagandegrad: [[•]/Inte Tillämpligt]

(lix) Participation Ratio 2: [[•]/Not Applicable]

Deltagandegrad 2: [[•]/Inte Tillämpligt]

(lx) Participation Ratio 3: [[•]/Not Applicable]

Deltagandegrad 3: [[•]/Inte Tillämpligt]

(lxi) Initial Price: [[•]/as set out in the Conditions]

Startkurs: [[•]/såsom framgår av Villkoren]

(lxii) Final Price: [[•]/as set out in the Conditions]

Slutkurs: [[•]/såsom framgår av Villkoren]

(lxiii) Initial Basket Level: [[•]/Not Applicable]/[•] in respect of Basket A and [•] in respect of Basket B

Korg Startvärde: [[•]/Inte Tillämpligt]/[•] för Korg A och [•] för Korg B

(lxiv) Basket Strike Level: [[•]/Not Applicable]

Korglösennivå: [[•]/Inte Tillämpligt]

(lxv) Basket Floor: [Applicable/Not Applicable]

Korggolv: [Tillämpligt/Inte Tillämpligt]

(lxvi) Minimum Basket Return: [[•]/Not Applicable]

Lägsta Korgavkastning: [[•]/Inte Tillämpligt]

(lxvii) Basket Cap: [[•]/Not Applicable]

Korgtak: [[•]/Inte Tillämpligt]

(lxviii) Maximum Basket Return: [[•]/Not Applicable]

Maximal Korgavkastning: [[•]/Inte Tillämpligt]

(lxix) Reference Asset Floor: [Applicable/Not Applicable]

Referenstillgång Golv: [Tillämpligt/Inte Tillämpligt]

(lxx) Minimum Reference Asset Return: [Not Applicable/

Lägsta Referenstillgångsavkastning:

Reference Asset Referenstillgång	Minimum Reference Asset Return Lägsta Referenstillgångsavkastning
[•]	[•]
[•]	[•]
[•]	[•]

]

(lxxi) Reference Asset Cap: [Applicable/Not Applicable]

Referenstillgång Tak: [Tillämpligt/Inte Tillämpligt]

(lxxii) Maximum Reference Asset [Not Applicable/

Return:

Högsta Referenstillgångsavkastning:

Reference Asset Referenstillgång	Maximum Reference Asset Return Högsta Referenstillgångs avkastning
[•]	[•]
[•]	[•]
[•]	[•]

]

(lxxiii)	Barrier Level(s):	[[•]/Not Applicable]
	Barriärnivå(er):	[[•]/Inte Tillämpligt]
(lxxiv)	Replacement Factor:	[[•]/Not Applicable]
	Ersättningsfaktor:	[[•]/Inte Tillämpligt]
(lxxv)	Maximum Performance:	[[•]/Not Applicable]
	Maximal Avkastning:	[[•]/Inte Tillämpligt]
(lxxvi)	Minimum Performance:	[[•]/Not Applicable]
	Minsta Avkastning:	[[•]/Inte Tillämpligt]
(lxxvii)	Lock-in Level(s):	[[•]/Not Applicable]
	Lock-in Nivå/er:	[[•]/Inte Tillämpligt]
	• Locked-in Return(s)	[Applicable/Not Applicable]
	• Locked-in Avkastning(ar)	[Tillämpligt/Inte Tillämpligt]
	• Lock-in Level [1/2/3 … n]	[•]
	• Lock-in Nivå [1/2/3 … n]	[•]
(lxxviii)	Global Cap:	[[•]/Not Applicable]
	Globalt Tak:	[[•]/Inte Tillämpligt]
(lxxix)	Global Floor:	[[•]/Not Applicable]
	Globalt Golv:	[[•]/Inte Tillämpligt]
(lxxx)	Initial Coupon:	[[•]/Not Applicable]
	Initial Kupong:	[[•]/Inte Tillämpligt]
(lxxxi)	Local Cap:	[[•]/Not Applicable]
	Lokalt Tak:	[[•]/Inte Tillämpligt]

(lxxxii)	Local Floor:	[[•]/Not Applicable]
	Lokalt Golv:	[[•]/Inte Tillämpligt]
(lxxxiii)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(lxxxiv)	Outperformance Option:	[Applicable/Not Applicable]
	Outperformance Option:	[Tillämpligt/Inte Tillämpligt]
(lxxxv)	Fixed Periodic Basket Return(s):	[[•]/Not Applicable]
	Fast Periodiserad Korgavkastning:	[[•]/Inte Tillämpligt]
(lxxxvi)	Fixed Reference Asset Return(s):	[[•]/Not Applicable]
	Fast Referenstillgångsavkastning:	[[•]/Inte Tillämpligt]
(lxxxvii)	Coupon Barrier Level(s):	[[•]/Not Applicable]
	Kupong Barriärnivå(er):	[[•]/Inte Tillämpligt]
(lxxxviii)	Coupon:	[[•]/Not Applicable]
	Kupong:	[[•]/Inte Tillämpligt]
(lxxxix)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xc)	I:	[[•]/Not Applicable]
	I:	[[•]/Inte Tillämpligt]
(xci)	Inflation-Protected Principal:	[Applicable/Not Applicable]
	Inflationsskyddat Kapitalbelopp:	[Tillämplig/Inte Tillämpligt]
(xcii)	Fee Amount:	[[•]/Not Applicable]
	Avgifter:	[[•]/Inte Tillämpligt]
(xciii)	Rebate:	[[•]/Not Applicable]
	Rabatt:	[[•]/Inte Tillämpligt]
(xciv)	Target Volatility:	[[•]/Not Applicable]
	Eftersträvad Volatilitet:	[[•]/Inte Tillämpligt]
	• Minimum Adjustment Threshold	[[•]/Not Applicable]
	• Lägsta Justeringströskel:	[[•]/Inte Tillämpligt]
	• Minimum Exposure:	[[•]/Not Applicable]
	Minsta Exponering:	[[•]/Inte Tillämpligt]
	• Maximum Exposure:	[[•]/Not Applicable]

	Högsta Exponering:	[[•]/Inte Tillämpligt]
•	Annualising Factor:	[[•]/Not Applicable]
	Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
•	Second Annualising Factor:	[[•]/Not Applicable]
•	Andra Årsberäkningsfaktor:	[[•]/Inte Tillämpligt]
•	Initial Synthetic Index Value	[[•]/Not Applicable]
•	Startvärde för Syntetiskt Index	[[•]/Inte Tillämpligt]
•	Synthetic Index Strike Level	[[•]/Not Applicable]
•	Syntetiska Index-strikenivån	[[•]/Inte Tillämpligt]
•	Minimum Synthetic Index Return:	[[•]/Not Applicable]
•	Lägsta Syntetiska Index-avkastningen	[[•]/Inte Tillämpligt]
•	Cash Rate	[[•]/Not Applicable]
•	Kontanträntа	[[•]/Inte Tillämpligt]
•	Cash Return Day Count Fraction:	[[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
•	Kontant Återbetalning Dagberäkningsmetod	[[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]

35.	**Strategy-related items**	[Applicable/Not Applicable]
	Strategirelaterade punkter	[Tillämplig/Inte Tillämpligt]
	(i) Best of/Worst of Modifier	[Applicable/Not Applicable/Applicable for the purposes of Condition [•] only]
	Best of/Worst of Modifierare	[Tillämplig/Inte Tillämpligt/Tillämpligt endast för Villkor [•]]
	• N:	[[•]/Not Applicable]
	• N:	[[•]/Inte Tillämpligt]
	(ii) TOM Cumulative Strategy:	[Applicable/Not Applicable]
	TOM Ackumulerande struktur:	[Tillämplig/Inte Tillämpligt]
	• Reference Rate:	[[•]/Not Applicable]

- Referensränta: [[•]/Inte Tillämpligt]
- TOM Participation Ratio: [[•]/Not Applicable]
- TOM Deltagandegrad: [[•]/Inte Tillämpligt]
- Day Count Fraction: [[Actual/Actual (ICMA/ISDA)] / [Actual/365 (Fixed)] / [Actual 365 (Sterling)] / [Actual/360] / [30/360] / [30E/360]]
- Dagberäkningsmetod: [[Faktisk/Faktisk (ICMA/ISDA)] / [Faktisk/365 (Fast)] / [Faktisk 365 (Sterling)] / [Faktisk/360] / [30/360] / [30E/360]]
- TOM Commencement Date: [•]
- Startdatum för TOM: [•]
- TOM End Date: [•]
- Slutdatum för TOM: [•]
- TOM Calculation Start Date: [•] Scheduled Trading Days preceding the first Scheduled Trading Day in each calendar month
- TOM Inledande Beräkningsdag: [•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation Start Date Averaging **TOM Inledande Beräkningsdag Medelvärdes-beräkning**	**Averaging Dates relevant to applicable TOM Calculation Start Date** **Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Inledande Beräkningsdag**
[Applicable/Not Applicable]	[[•] Scheduled Trading Days prior to the first Scheduled Trading Day in each calendar month /Not Applicable]
[Tillämplig/Inte Tillämpligt]	[[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad/Inte Tillämpligt]

- TOM Calculation End Date: [•] Scheduled Trading Days following the first Scheduled Trading Day in each calendar month
- TOM Slutlig Beräkningsdag: [•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad

TOM Calculation End Date Averaging	**Averaging Dates relevant to applicable TOM Calculation End**

			TOM Slutlig Beräkningsdag Medelvärdes-beräkning	Date Medelvärdes-beräkningsdagar som är relevanta för tillämplig TOM Slutlig Beräkningsdag
			[Applicable/Not Applicable] [Tillämplig/Inte Tillämpligt]	[[•] Scheduled Trading Days prior to the first Scheduled Trading Day in each calendar month /Not Applicable] [[•] Planerade Handelsdagar innan första Planerade Handelsdagen i varje månad/ Inte Tillämpligt]
	•	TOM Final Value Averaging:	[Applicable/Not Applicable]	
	•	TOM Slutvärde Medelvärdesberäkning:	[Tillämplig/Inte Tillämpligt]	
	•	TOM Final Value Averaging Dates:	[The TOM Valuation Dates falling on [•] and [•]/Not Applicable]	
	•	TOM Slutvärde Medelvärdesberäknings-dagar:	[De TOM-Värderingsdagar som infaller den [•] och [•]/Inte Tillämpligt]	
	•	Final TOM Period Performance Averaging:	[Applicable/Not Applicable]	
	•	Slutlig TOM-Period-Värdeutveckling Medelvärdesberäkning:	[Tillämplig/Inte Tillämpligt]	
	•	N:	[[●]/Not Applicable]	
	•	N:	[Tillämplig/Inte Tillämpligt]	
(iii)	Lookback Initial Price Modifier:		[Applicable/Not Applicable]	
	Lookback Startkurs Modifierare		[Tillämplig/Inte Tillämpligt]	
(iv)	Lookback Final Price Modifier:		[Applicable/Not Applicable]	
	Lookback Slutkurs Modifierare		[Tillämplig/Inte Tillämpligt]	
(v)	Lookback Return:		Basket Return/Reference Asset return/Not Applicable	
	Lookback-Avkastning:		Korgavkastning/Referenstillgångsavkastning/Inte Tillämpligt	
(vi)	Lookback Factor:		[Minimum/Maximum/Not Applicable]	

	Lookback-Faktor:	[Minsta/Högsta/Inte Tillämpligt]
(vii)	Lock-in Modifier:	[Applicable. The relevant Lock-in Levels are specified in paragraph 34 above/Not Applicable]
	Lock-in Modifier:	[Tillämpligt. De relevanta Lock-in-Nivåerna är specificerade i punkten 34 ovan/Inte Tillämpligt]
(viii)	Lock-in Basket Floor:	[Applicable/Not Applicable]
	Lock-in Korggolv:	[Tillämplig/Inte Tillämpligt]

36. **Provisions relating to FX Components**

Bestämmelser för Valutakomponenter

(i)	FX Component - Basket:	[Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]
	Valutakomponent - Korg:	[Tillämpligt/Inte Tillämpligt/Tillämpligt om Kortavkastningen är positiv/Tillämpligt om Korgavkastningen är negativ]
	• FX Rate:	[[•]/Not Applicable
	• Valutakurs:	[[•]/Inte Tillämpligt
	• Initial FX Valuation Date:	[[•]/Not Applicable]
	• Startdag Valuta:	[[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**Initial FX Valuation Date(s)** **Startdag Valuta**
[•]	[•]
[•]	[•]
[•]	[•]]

	• FX Valuation Date(s):	[[•]/Not Applicable
	• Värderingsdag(ar) Valuta	[[•]/Inte Tillämpligt

Reference Asset **Referenstillgång**	**FX Valuation Date(s)** **Värderingsdag Valuta**
[•]	[•]
[•]	[•]
[•]	[•]]

	• FX Valuation Time:	[[•]/Not Applicable]
	• Värderingstidpunkt Valuta	[[•]/Inte Tillämpligt]

- FX Factor Long/Short: [FX Factor-Long/FX Factor–Short/Not Applicable]
- Valutafaktor Long/Short: [Valutafaktor–Long/Valutafaktor–Short/Inte Tillämpligt]
- Initial FX Rate: [[•]/As set out in the Base Prospectus]
- Valutastartkurs: [[•]/Såsom framgår av Grundprospektet]
- Final FX Rate: [[•]/As set out in the Base Prospectus]
- Valutaslutkurs: [[•]/Såsom framgår av Grundprospektet]

(ii) FX Component - Reference Asset: [Applicable/Not Applicable/Applicable if the Basket Return is positive/Applicable if the Basket Return is negative]

Valutakomponent - Referenstillgång: [Tillämpligt/Inte Tillämpligt/Tillämpligt om den Korgavkastningen är positiv/Tillämpligt om summan av Korgavkastningen är negativ]

- FX Rate: [[•]/Not Applicable]
- Valutakurs: [[•]/Inte Tillämpligt]
- Initial FX Valuation Date: [[•]/Not Applicable]
- Startdag Valuta: [[•]/Inte Tillämpligt]

[Reference Asset **Referenstillgång**	**Initial FX Valuation Date(s)** **Startdag Valuta**
[•]	[•]
[•]	[•]
[•]	[•]

- FX Valuation Date(s): [[•]/Not Applicable]
- Värderingsdag Valuta: [[•]/Inte Tillämpligt]

Reference Asset **Referenstillgång**	**FX Valuation Date(s)** **Värderingsdag Valuta**
[•]	[•]
[•]	[•]
[•]	[•]]

- FX Valuation Time: [[•]/Not Applicable]
- Värderingstidpunkt Valuta: [[•]/Inte Tillämpligt]
- FX Factor Long/Short: [FX Factor-Long/FX Factor–Short/Not Applicable]

	• Valutafaktor Long/Short:	[Valutafaktor-Long/Valutafaktor-Short/Inte Tillämpligt]
	• Initial FX Rate:	[[•]/As set out in the Base Prospectus]
	• Valutastartkurs:	[[•]/Såsom framgår av Grundprospektet]
	• Final FX Rate:	[[•]/As set out in the Base Prospectus]
	• Valutaslutkurs:	[[•]/Såsom framgår av Grundprospektet]
37.	**Provisions relating to Inflation-Linked Notes:**	[Applicable/Not Applicable]
	Bestämmelser för Inflationslänkade Lån	[Tillämpligt/Inte Tillämpligt]
	(i) Inflation-Protected Principal:	[[•]/Not Applicable]
	Inflationsskyddat Kapital:	[[•]/Inte Tillämpligt]
	(ii) Inflation Rate:	[[•]/Not Applicable]
	Inflationstakt:	[[•]/Inte Tillämpligt]
	(iii) Final CPI:	[[•]/Not Applicable]
	Slutlig KPI:	[[•]/Inte Tillämpligt]
38.	**Provisions relating to Credit Linked Notes:**	[Applicable/Not Applicable]
	Bestämmelser för Kreditlänkade Lån	[Tillämpligt/Inte Tillämpligt]
	(i) Observation Start Date:	[[•]/Not Applicable]
	Observationsstartdatum:	[[•]/Inte Tillämpligt]
	(ii) Observation End Date:	[[•]/Not Applicable]
	Observationsslutdatum:	[[•]/Inte Tillämpligt]
	(iii) Portfolio Exposure:	[[•]/Not Applicable]
	Porffölјexponering:	[[•]/Inte Tillämpligt]
	(iv) Fixed Recovery Value:	[[•]/Not Applicable]
	Fast Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
	(v) Market Recovery Value:	[Applicable/Not Applicable]
	Marknadsåterbetalningsbelopp:	[Tillämpligt/Inte Tillämpligt]
	(vi) Tranche Attachment Point:	[[•]/Not Applicable]
	Fästpunkt Tranch:	[[•]/Inte Tillämpligt]
	(vii) Tranche Detachment Point:	[[•]/Not Applicable]
	Avskiljningspunkt Tranch:	[[•]/Inte Tillämpligt]
	(viii) Restructuring Amount:	[[•]/Not Applicable]

	Omläggning av Skulder – Belopp:	[[•]/Inte Tillämpligt]
(ix)	Replacement Reference Entity:	[Applicable/Not Applicable]
	Ersättande Referensenhet:	[Tillämpligt/Inte Tillämpligt]
(x)	Obligation Acceleration Amount:	[[•]/Not Applicable]
	Uppsägning av Åtagande – Belopp:	[[•]/Inte Tillämpligt]
(xi)	Failure to Pay Amount:	[[•]/Not Applicable]
	Utebliven Betalning – Belopp:	[[•]/Inte Tillämpligt]
(xii)	Default Requirement:	[[•]/Not Applicable]
	Defaultkrav:	[[•]/Inte Tillämpligt]
(xiii)	Credit Events:	[Failure to Pay/ Restructuring/ Bankruptcy/ Governmental Intervention/ Repudiation/ Moratorium/ Obligation Acceleration]/Not Applicable]
	Kredithändelser:	[Utebliven Betalning/ Omläggning av Skulder/ Insolvensförfarande/ Myndighetsingripande/ Avstående/Moratorium/ Uppsägning av Åtagande]/ Inte Tillämpligt]
(xiv)	Target Redemption Amount:	[[•]/Not Applicable]
	Eftersträvat Återbetalningsbelopp:	[[•]/Inte Tillämpligt]
(xv)	Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
(xvi)	Credit Event Ranked Basket Participation:	[Applicable/Not Applicable]
	Kredithändelserankad Korgandel:	[Tillämpligt/Inte Tillämpligt]

	Credit Event (*in order of occurrence*) **Kredithändelse** (*i kronologisk ordning*)	**Weighting** **Viktning**
• Credit Event Ranked Weight: • Kredithändelserankad vikt:	1	[•]%
	2	[•]%
	3	[•]%
	N	[•]%

(xvii)	Scheduled Redemption Date:	[[•]/Not Applicable]
	Planerad Återbetalningsdag:	[[•]/Inte Tillämpligt]
(xviii)	Back Stop Date:	[[•]/Not Applicable]

	Back Stop-Datum:	[[•]/Inte Tillämpligt]
(xix)	N:	[[•]/Not Applicable]
	N:	[[•]/Inte Tillämpligt]
(xx)	K:	[[•]/Not Applicable]
	K:	[[•]/Inte Tillämpligt]
(xxi)	Factor 1:	[[•]/Not Applicable]
	Faktor 1:	[[•]/Inte Tillämpligt]
(xxii)	Factor 2:	[[•]/Not Applicable]
	Faktor 2:	[[•]/Inte Tillämpligt]
(xxiii)	Factor 3:	[[•]/Not Applicable]
	Faktor 3:	[[•]/Inte Tillämpligt]
(xxiv)	Factor 4:	[[•]/Not Applicable]
	Faktor 4:	[[•]/Inte Tillämpligt]
(xxv)	Strike 1:	[[•]/Not Applicable]
	Strike 1:	[[•]/Inte Tillämpligt]
(xxvi)	Strike 2:	[[•]/Not Applicable]
	Strike 2:	[[•]/Inte Tillämpligt]
(xxvii)	Strike 3:	[[•]/Not Applicable]
	Strike 3:	[[•]/Inte Tillämpligt]
(xxviii)	Strike 4:	[[•]/Not Applicable]
	Strike 4:	[[•]/Inte Tillämpligt]
(xxix)	Indicator 1:	[[•]/Not Applicable]
	Indikator 1:	[[•]/Inte Tillämpligt]
(xxx)	Indicator 2:	[[•]/Not Applicable]
	Indikator 2:	[[•]/Inte Tillämpligt]
(xxxi)	Indicator 3:	[[•]/Not Applicable]
	Indikator 3:	[[•]/Inte Tillämpligt]
(xxxii)	Indicator 4:	[[•]/Not Applicable]
	Indikator 4:	[[•]/Inte Tillämpligt]

39. **Provisions relating to Fund Linked Notes**: [Applicable/Not Applicable]

Bestämmelser för Fondlänkade Lån [Tillämpligt/Inte Tillämpligt]

(i) Fund: [[•]/Not Applicable]

	Fond:	[[•]/Inte Tillämpligt]
(ii)	Fund Manager:	[[•]/Not Applicable]
	Fondförvaltare:	[[•]/Inte Tillämpligt]
(iii)	Back Stop Date:	[[•]/Not Applicable]
	Back-Stop Datum:	[[•]/Inte Tillämpligt]
IV.	**INSTALMENT AND EARLY REDEMPTION**	**[APPLICABLE/NOT APPLICABLE]**
	AVBETALNING OCH FÖRTIDA INLÖSEN	**[TILLÄMPLIGT/INTE TILLÄMPLIGT]**
		[Items 40-45 have been intentionally omitted][83]
		[Punkterna 40-45 har medvetet utelämnats][84]
40.	Instalment Redemption	[Applicable/Not Applicable]
	Avbetalning:	[Tillämpligt/Inte Tillämpligt]
(i)	Instalment Amount:	[[•] per Calculation Amount/Not Applicable]
(i)	Avbetalningsbelopp:	[[•] per Beräkningsbelopp/Inte Tillämpligt]
(ii)	Instalment Date(s):	[[•]/Not Applicable]
(ii)	Avbetalningsdatum:	[[•]/Inte Tillämpligt]
41.	Optional Early Redemption (Call)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Call)	[Tillämpligt/Inte Tillämpligt]
(i)	Early Redemption Date(s):	[•]
(i)	Förtida Återbetalningsdatum:	[•]
(ii)	Early Redemption Amount(s) of each Note:	[•] per Calculation Amount
(ii)	Förtida Återbetalningsbelopp per Lån:	[•] per Beräkningsbelopp
42.	Optional Early Redemption (Put)	[Applicable/Not Applicable]
	Frivillig Förtida Återbetalning (Put)	[Tillämpligt/Inte Tillämpligt]
(i)	Early Redemption Date(s):	[•]
(i)	Förtida Återbetalningsdatum:	[•]
(ii)	Early Redemption Amount(s) of each Note:	[•] per Calculation Amount
(ii)	Förtida Återbetalningsdatum:	[•]

[83] Include where instalment and early redemption provisions are marked as "Not Applicable"

[84] Att inkluderas då bestämmelser om avbetalning och förtida inlösen angivits som "Inte Tillämpligt"

43.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:	[•] per Calculation Amount
	Förtida Återbetalningsbelopp per Beräkningsbelopp att betalas vid återbetalning av skatteskäl	[•] per Calculation Amount
44.	Early Redemption Date(s) of Notes with "Autocallable" or "Autocallable Rate" performance structure:	[[•]/Not Applicable]
	Förtida Återbetalningsdatum för Lån med "Autocallable" eller "Autocallable-nivå" värdeutecklingsstruktur	[[•]/Inte Tillämpligt]
	• Call Barrier Level:	[[•]/Not Applicable]
	• Inlösenbarriärnivå:	[[•]/Inte Tillämpligt]
45.	Payment of Unwind Amount on Early Redemption:	[Applicable/Not Applicable]
	Betalning av Korrigeringsbelopp vid Förtida Återbetalning:	[Tillämpligt/Inte Tillämpligt]

V. PROVISIONS APPLICABLE TO DISRUPTION, ADJUSTMENTS AND OTHER EXTRAORDINARY EVENTS

BESTÄMMELSER TILLÄMPLIGA FÖR AVBROTT, JUSTERINGAR OCH ANDRA EXTRAORDINÄRA HÄNDELSER

46.	Change in Law:	[As set out in the Conditions/Not Applicable]
	Ändring av Lag:	[Såsom framgår av Villkoren/Inte Tillämpligt]
47.	Increased Costs of Hedging:	[As set out in the Conditions/Not Applicable]
	Ökade Riskhanteringskostnader:	[Såsom framgår av Villkoren/Inte Tillämpligt]
48.	Hedging Disruption:	[As set out in the Conditions/Not Applicable]
	Störning av Riskhantering:	[Såsom framgår av Villkoren/Inte Tillämpligt]
49.	Market Disruption:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott:	[Såsom framgår av Villkoren/Inte Tillämpligt]
50.	Market Disruption Commodity:	[As set out in the Conditions/Not Applicable]
	Marknadsavbrott Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
51.	Disruption Currency:	[As set out in the Conditions/Not Applicable]
	Valutastörning:	[Såsom framgår av Villkoren/Inte Tillämpligt]
52.	Calculation Adjustment:	[As set out in the Conditions/Not Applicable]
	Beräkningsjustering:	[Såsom framgår av Villkoren/Inte Tillämpligt]
53.	Corrections:	[As set out in the Conditions/Not Applicable]

	Korrigeringar:	[Såsom framgår av Villkoren/Inte Tillämpligt]
54.	Correction Commodity:	[As set out in the Conditions/Not Applicable]
	Korrigering Råvaror:	[Såsom framgår av Villkoren/Inte Tillämpligt]
55.	Correction Currency:	[As set out in the Conditions/Not Applicable]
	Korrigeringar Valuta:	[Såsom framgår av Villkoren/Inte Tillämpligt]
56.	Extraordinary Events:	[As set out in the Conditions/Not Applicable]
	Extraordinära Händelser	[Såsom framgår av Villkoren/Inte Tillämpligt]
57.	Rate Option Fallback:	[As set out in the Conditions/Not Applicable]
	Ränteoption Fallback	[Såsom framgår av Villkoren/Inte Tillämpligt]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

GENERELLA BESTÄMMELSER FÖR LÅNEN

58.	Form of Notes:	[Bearer Notes:]
	Typ av Lån:	[Fysiska Lån:]
		[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot ett Permanent Globalt Lån vilket är utbytbart mot Definitiva Lån vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Temporary Global Note exchangeable for Definitive Notes]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån]
		[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporärt Globalt Lån utbytbart mot Definitiva Lån vid de begränsade omständigheter som anges i Permanent Globalt Lån]
		[Swiss Franc Notes]
		[Lån i Schweiziska Franc]
		[Registered Notes:]
		[Registrerade Lån:]
		Global Registered Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is held under the New

		Safekeeping Structure)] Globalt Registrerat Lån registrerat i förvaltares namn för [en "common depositary" för Euroclear och Clearstream, Luxembourg/en "common safekeeper" för Euroclear och Clearstream, Luxembourg (som hålls under den Nya Förvaringsstrukturen)] [VP Notes] [VP Lån] [The Notes are VP Notes in uncertificated and dematerialised book entry form] [Lånen är VP Lån i dematerialiserad och kontoförd form] [VPS Notes]: [VSP Lån]: [The Notes are VPS Notes in uncertificated and dematerialised book entry form] [Lånen är VPS Lån i dematerialiserad och kontoförd form] [Swedish Notes] [Svenska Lån] [The Notes are Swedish Notes in uncertificated and dematerialised book entry form] [Lånen är Svenska Lån i dematerialiserad och kontoförd form] [Finnish Notes] [Finska Lån] [The Notes are Finnish Notes in uncertificated and dematerialised book entry form] [Lånen är Finska Lån i dematerialiserad och kontoför form]
59.	New Global Note: Nytt Globalt Lån:	[Yes] [No] [Ja] [Nej]
60.	Additional Financial Centre(s) or other special provisions relating to payment dates: Ytterligare Finansiella Center eller andra särskilda bestämmelser relaterade till betalningsdatum:	[[•]/Not Applicable] [[•]/Inte Tillämpligt]
61.	Calculation Agent:	[[•]/Not Applicable]

	Beräkningsagent:	[[•]/Inte Tillämpligt]
62.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No.]
	Talonger för framtida Kuponger eller Kvitton som ska fästas vid Definitiva Lån (och datum då sådana Talonger förfaller):	[Ja/Nej.]
63.	Governing Law:	[English Law/ Finnish Law/ Swedish Law/ Norwegian Law/ Danish Law]
	Gällande Lag:	[Engelsk Lag/ Finsk Lag/ Svensk Lag/ Norsk Lag/ Dansk Lag]

[PURPOSE OF FINAL TERMS

[SYFTE MED SLUTLIGA VILLKOR

These Final Terms comprise the final terms required for the issue [and admission to trading on the regulated market of the Irish Stock Exchange] of the Notes described herein pursuant to the €15,000,000,000 Structured Note Programme of Nordea Bank AB (publ) and Nordea Bank Finland Plc.

Dessa Slutliga Villkor omfattar de slutliga villkor som erfordras för utgivandet [och upptagande till handel på den reglerade marknaden vid Irish Stock Exchange av Lånen som beskrivs häri enligt det €15 000 000 000 Strukturerade Lån Programmet med Nordea Bank AB (publ) och Nordea Bank Finland Plc. som emittent]

RESPONSIBILITY

ANSVAR

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Emittenten åtar sig ansvar för den informationen som innefattas i dessa Slutliga Villkor. [*Relevant information från tredje man*] har hämtats från [*specificera källa*]. Emittenten bekräftar att sådan information har återgivits korrekt och att, såvitt Emittenten känner till, och har möjlighet att bekräfta genom information som publicerats av [*specificera källa*], inga fakta har utelämnats som skulle innebära att den återgivna informationen är felaktig eller misvisande.

Signed on behalf of [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

Undertecknas för [Nordea Bank AB (publ)/Nordea Bank Finland Plc]:

By: .....

Duly authorised

Av: .....

Behörigen utsedd

PART B – OTHER INFORMATION

DEL B – ÖVRIG INFORMATION

1.	**LISTING AND ADMISSION TO TRADING**	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the official list and to trading on the [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] with effect from [•].] [Application will be made for the Notes to be listed on the SIX Swiss Exchange. Application has been made for the Notes to be admitted to trading on [SIX Structured Products (formerly Scoach Switzerland)] [in the case of derivatives]/[the SIX Swiss Exchange] [in the case of bonds] with effect from [•]/other.] The last trading day is expected to be on [•].] [Not Applicable.]
	LISTNING OCH UPPTAGANDE TILL HANDEL	[Ansökan har gjorts av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] samt handlas från och med [•].] [Ansökan förväntas ges in av Emittenten (eller på dennes vägnar) för att Lånen ska listas på den officiella listan vid [Irish Stock Exchange/Nasdaq Stockholm/Nasdaq Helsinki] samt handlas från och med [•].] [Ansökan ska göras för att Lånen ska listas på SIX Swiss Exchange. Ansökan har gjorts för att Lånen ska tas upp till handel på [SIX Structured Products (före detta Scoach Schweiz)] [såvitt avser derivat]/[SIX Swiss Exchange] [såvitt avser obligationer] samt handlas från och med [•]/annat]. Sista handelsdag beräknas vara [•].] [Inte Tillämpligt].
2.	**RATINGS**	The Notes to be issued have not been rated:
	BETYG	Lånen som ska emitteras har inte givits något kreditbetyg.

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

INTRESSEN FRÅN FYSISKA OCH JURIDISKA PERSONER SOM ÄR INVOLVERADE I EMISSIONEN/ERBJUDANDET

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."] (*Amend as appropriate if there are other interests)*

[(When adding any other description, consideration should be given as to whether such matters

described constitute "significant new factors" and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

Inkludera beskrivning av alla intressen, inklusive intressekonflikter, vilka är av materiell betydelse för emissionen/erbjudandet, som beskriver de personer som är involverade och vilken typ av intresse det rör sig om.

"Utöver beskrivningen i ["Teckning och Försäljning"], har, såvitt Emittenten känner till, ingen person som är involverad i erbjudandet av Lånen något väsentligt intresse i erbjudandet."] (*Ändras om det finns andra intressen*)

[(När någon annan beskrivning läggs till, ska det övervägas om sådana beskrivningar utgör sådana "nya omständigheter" som aktualiserar behovet av ett tillägg till Prospektet under Artikel 16 i Prospektdirektivet.)]

4. **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

SKÄL FÖR ERBJUDANDET, BERÄKNADE NETTOLIKVID OCH TOTALA KOSTNADER

[(i)	Reasons for the offer	[•]
[(i)	Skäl för erbjudandet:	[•]
[(ii)]	Estimated net proceeds:	[•]
[(ii)]	Beräknad nettolikvid:	[•]
[(iii)]	Estimated total expenses in relation to admission to trading::	[•]
[(iii)]	Beräknade totala kostnader i anslutning till upptagande till handel:	[•]

5. **[*Fixed Rate Notes only* – YIELD**

[*Lån med Fast Ränta enbart* - AVKASTNING

Indication of yield:	[•]
Indikation om avkastning:	[•]

6. **[*Floating Rate Notes only* - HISTORIC INTEREST RATES**

[*Lån med Rörlig Ränta enbart* - HISTORISKA RÄNTENIVÅER

Details of historic [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR] rates can be obtained from [Reuters].]

Uppgifter om historiska nivåer avseende [LIBOR/EURIBOR/STIBOR/NIBOR/CIBOR] kan erhållas från [Reuters].]

7. ***[Index-linked or other variable-linked notes only* – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

***[Indexlänkade eller andra variabellänkade lån endast* – VÄRDEUTVECKLING FÖR INDEX/FORMULA/ANDRA VARIABLER, FÖRKLARING AV EFFEKTEN PÅ**

VÄRDET AV INVESTERINGEN OCH ASSOCIERADE RISKER OCH ANNAN INFORMATION OM DET UNDERLIGGANDE

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained.[85]*]*

Uppgifter om när tidigare och framtida värdeutveckling och volatilitet av index/formula/andra variabler kan erhållas.[86]*]*

Basket **Korg**	**Reference Asset(s)** **Referenstillgång(ar)**	**Basket Participation** **Korgandel**	**Stock Exchange and Options or Futures Exchange** **Aktiebörs och Options- eller Terminsbörs**	**Initial Price** **Startkurs**	**Strike Level** **Lösenprisnivå**	**Source for past and future performance data** **Källa för historisk och framtida prestationsdata**
[Basket A] [/Single Basket] [Korg A] [/Enskild Korg]	[●]	[●]	[●]	[●]/ [As determined in accordance with the Conditions set out in the Base Prospectus] [●]/ [Bestämd i enlighet med villkoren i Grundprospektet]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]	[●]

Basket **Korg**	**Reference Entity(ies) (Interest)/ Reference Entity(ies)/Reference Entity(ies) (Index)** **Referens-enhet(er) (Ränta)/ Referens-enhet(er)/Referensenhet(er) (Index)**	**Basket Participation (Interest)/ Basket Participation** **Korgandel (Ränta)/Korgandel**	**Observation Start Date** **Startdatum för Observation**	**Observation End Date** **Slutdatum för Observation**	**Source for past and future performance data** **Källa för historiska och framtida prestationsdata**
[Basket A] [Korg A]	[●]	[●]	[●]	[●]	[●]
[Basket B] [Korg B]	[●]	[●]	[●]	[●]	[●]

The Issuer [intends to provide post-issuance information [*specify what information will be reported and where it can be obtained*]] [does not intend to provide post-issuance information][87].

85 Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

86 Erfordras för derivatvärdepapper till vilka Annex XII i Prospektdirektivsförordningen är tillämpligt.

87 Required for derivative securities to which Annex XII to the Prospectus Directive Regulation applies.

Emittenten [avser att tillhandahålla information efter emissionen [*specificera vilket information som kommer rapporteras och var den går att ta del av*]] [avser inte att tillhandahålla någon information efter emissionen.] [88].

8. **FURTHER DETAILS OF BASKET PARTICIPATION**

YTTERLIGARE UPPGIFTER FÖR KORGANDEL

Basket Participation (Interest):

Korgandel (Ränta)

- Fixed Basket Participation (Interest): [Applicable/Not Applicable]
- Fast Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** *(Bäst värdeutveckling först)*	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket Participation (Interest): [Applicable/Not Applicable]
- Ersättande Periodsumme Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation (Interest): [Applicable/Not Applicable]
- Korgandel Momentum (Ränta): [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation (Interest): [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel (Ränta): [Tillämpligt/Inte Tillämpligt]

Basket Participation:

Korgandel:

[88] Erfordras för derivatvärdepapper till vilka Annex XII till Prospektdirektivsförordningen är tillämpligt.

- Fixed Basket Participation: [Applicable/Not Applicable]
- Fast Korgandel: [Tillämpligt/Inte Tillämpligt]
- Rainbow Basket Participation: [Applicable/Not Applicable]
- Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

Ranking (*Best performing first*) **Ranking** *(Bäst värdeutveckling först)*	**Weighting** **Viktning**
1	[•]%
2	[•]%
3	[•]%
N	[•]%

- Replacement Cliquet Basket Participation: [Applicable/Not Applicable]
- Ersättande Periodsumme Korgandel: [Tillämpligt/Inte Tillämpligt]
- Momentum Basket Participation: [Applicable/Not Applicable]
- Korgandel Momentum: [Tillämpligt/Inte Tillämpligt]
- Accumulating Rainbow Basket Participation: [Applicable/Not Applicable]
- Ackumulerande Rainbow Korgandel: [Tillämpligt/Inte Tillämpligt]

9. **OPERATIONAL INFORMATION**

OPERATIONELL INFORMATION

ISIN Code:	[•]
ISIN Kod:	[•]
Common Code:	[•]
[Swiss Security Number:	[•]]
[Schweiziskt Säkerhetsnummer:	[•]]
[Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No]
[Avsedd att hållas på ett sätt som skulle möjliggöra Eurosystem-tillgängligthet]	[Ja] [Nej]
	[Note that the designation "yes" means that the Notes are intended upon issue to be deposited with

one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][89] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

[Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common Safekeeper]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][90]

[Notera att valet "ja" innebär att Lånen är avsedda att från utgivandet förvaras vid någon ICSD som "common safekeeper" [och förvaltarregistreradevid den ICSD som är "common safekeeper",] [91] och innebär inte nödvändigtvis att Lånen kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags kredithantering av Eurosystem, varken vid utgivandet eller vid var annan tid under deras livstid. Sådant erkännande kommer vara avhängigt uppfyllandet av Eurosystems användbarhetskriterier.]

[Även om valet "nej" har gjorts vid datumet för dessa Slutliga Villkor, kan Lånen förvaras hos en ICSD som "common safekeeper" [och förvaltarregistreras av den ICSD som är "common safekeeper"], om Eurosystems kriterier för tillgänglighet ändrats framöver på ett sådant sätt att Lånen uppfyller dem. Notera att detta inte nödvändigtvis innebär att Lånen då kommer erkännas som användbara säkerheter för Eurosystems monetära policy och intradags kredithantering av Eurosystem vid någon tid under deras livstid. Sådant erkännande kommer vara avhängigt att ECB är tillfredsställda med Eurosystems användbarhetskriterier.] [92]

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[89] Insert this text for registered notes.

[90] Include this text if "yes" is selected, in which case bearer Notes must be issued in NGN form.

[91] Inkludera denna text för registrerade lån.

[92] Inkludera denna text om “ja" anges, i vilket fall Innehavarlån måste vara emitterade i NGN-form.

Clearing system(s) [and identification number, if applicable]:	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Clearingsystem [och identifikationsnummer, om tilläpligt]	Euroclear / Clearstream, Luxembourg / Euroclear Finland / Euroclear Sweden / VP / VPS / SIS
Name(s) and address(es) of additional [Paying Agent(s) / VP Issuing Agent(s) / VPS Paying Agent(s) / Swedish Issuing Agent(s) / Swiss Paying Agent(s)] (if any):	Not applicable / *Give name and address*
Namn och adress till ytterligare [Betalningsagent / VP-Administrerande Institut / VPS-Betalningsagent / Svenskt Administrerande Institut / Schweizisk Betalningsagent] (om någon)	Inte tillämpligt / Ange namn och adress

10. **DISTRIBUTION**

DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(i)	Distributionsmetod:	[Syndikerat/Icke-Syndikerat]
(ii)	If syndicated:	[Not Applicable]
(ii)	Om syndikerat:	[Inte Tillämpligt]
(a)	Names and addresses of Managers and underwriting commitments:	[•]
(a)	Namn och adresser till Managers och åtaganden avseende underwriting:	[•]
(b)	Date of subscription agreement:	[•]
(b)	Datum för teckningsavtal:	[•]
(c)	Stabilising Manager(s) (if any):	[Not Applicable/[•]]
(c)	Stabiliserande Manager(s) (om några):	[Inte Tillämpligt/[•]]
(iii)	If non-syndicated, name and address of Dealer:	[Not Applicable]
(iii)	Om icke-syndikerat, namn och adress till Försäljare:	[Not Applicable]
(a)	Name and address of Dealer:	[•]

(a)	Namn och adress till Försäljare:	[•]
(b)	Date of subscription agreement:	[•]
(b)	Datum för avtal om tecknande:	[•]
(iv)	U.S. Selling Restrictions:	[TEFRA C/TEFRA D/Not Applicable]
(iv)	Försäljningsrestriktioner USA:	[TEFRA C/TEFRA D/Inte Tillämpligt] [(In the case of Swiss Franc Notes) – TEFRA D in accordance with usual Swiss practice] [(För Lån i Schweiziska Franc) – TEFRA D i enlighet med Schweizisk sedvanlig praxis]

11. **TERMS AND CONDITIONS**

VILLKOR

Offer Price:	[•]
Pris för Erbjudandet:	[•]
Conditions to which the offer is subject:	[Not Applicable/[•]] [The Issuer reserves its rights to cancel the offer under the following circumstances; (a) if the aggregate principal amount of Notes subscribed on or before [*insert date*] is less than [*insert amount*]; (b) if the [*insert relevant variable*] cannot be set at [*relevant value corresponding to the indicated minimum value];* or (c) if any event of an economic, financial or political nature occurs and which may jeopardise a successful offer, as determined by the Issuer]. [The Issuer may also replace any Reference Asset listed in the table(s) above at any time on or prior to [*insert date*] with a comparable type of underlying Reference Asset].
Villkor för erbjudandet:	[Inte Tillämpligt/[•]] [Emittenten förbehåller sig rätten att dra tillbaka erbjudandet under följande omständigheter; (a) om det sammanlagda beloppet av Lån som tecknats på eller före [*ange datum*] är lägre än [*ange belopp*]; (b) om [*ange relevant variabel*] inte kan anges till [*relevant värde som korresponderar till*

det indikerade lägsta värdet]; eller

(c) om någon händelse av ekonomisk, finansiell eller politisk natur inträffar och som kan äventyra ett framgångsrikt erbjudande, enligt Emittentens bedömning].

[Emittenten kan också ersätta varje Referenstillgång som listas i tabellerna ovan vid var tid på eller före [*ange datum*] med en jämförbar typ av underliggande Referenstillgång.

Description of the application process:	[Not Applicable/[•]]
Beskrivning av ansökningsprocessen:	[Inte Tillämpligt/[•]]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/[•]]
Beskrivning av möjligheten att reducera antalet teckningar och metod för att återbetala överstigande belopp som har betalats av kandidater.	[Inte Tillämpligt/[•]]
Details of the minimum and/or maximum amount of application:	[Not Applicable/[•]]
Uppgifter om det minsta och/eller högsta antalet ansökningar:	[Inte Tillämpligt/[•]]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/[•]]
Uppgifter om metoden och tidsbegränsningar för att betala och leverera Lånen:	[Inte Tillämpligt/[•]]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/[•]]
Metod för och datum när resultat av erbjudandet kommer offentliggöras till allmänheten:	[Inte Tillämpligt/[•]]
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	[Not Applicable/[•]]
Kategorier av potentiella investerare till vilka Lånen erbjuds och huruvida trancher har reserverats för särskilda länder:	[Inte Tillämpligt/[•]]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/[•]]

Process för att underrätta kandidater om det tilldelade belopp och om handel kan komma att påbörjas före det att underrättelse har skett:	[Inte Tillämpligt/[•]]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/[•]] [Address: [[•]]
Namn och adress(er), i den utsträckning som Emittenten känner till, till placerare i de olika länder där erbjudanden tar plats.	[Inget/[•]] [Adress: [[•]]

12. [***Swiss Franc Notes only*** **- DOCUMENTS AVAILABLE**

[***Lån i Schweiziska Franc enbart*** **- DOKUMENT TILLGÄNGLIGA**

Copies of the Final Terms and the Base Prospectus are available [at UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Switzerland (tel: +41 44 239 47 03, fax: +41 44 239 21 11 or email: swiss-prospectus@ubs.com) / from the offices of Credit Suisse AG at Uetlibergstrasse 231, 8070 Zürich, Switzerland].]

Kopior av de Slutliga Villkoren och Grundprospektet finns tillgängligt [vid UBS AG, Prospectus Library, P.O. Box, CH-8098 Zürich, Schweiz (tel: +41 44 239 47 03, fax: +41 44 239 21 11 eller epost: swiss-prospectus@ubs.com) / från Credit Suisse AG kontor vid Uetlibergstrasse 231, 8070 Zürich, Schweiz].]

13. [***Swiss Franc Notes only*** **- REPRESENTATIVE**

[*Lån i Schweiziska Franc enbart* - REPRESENTANT

In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, [•] has been appointed by the Issuer as representative to lodge the listing application with the Admission Board of the SIX Swiss Exchange.]

I enlighet med Artikel 43 i Reglerna för Listning från SIX Swiss Exchange, har [•] utsetts av Emittenten som representant att genomföra ansökningen om notering hos SIX Swiss Exchanges Admission Board.]

14. [***Swiss Franc Notes only*** **- NO MATERIAL ADVERSE CHANGE / MATERIAL CHANGES SINCE THE MOST RECENT ANNUAL FINANCIAL STATEMENTS**

[*Lån i Schweiziska Franc enbart* - INGEN VÄSENTLIG NEGATIV FÖRÄNDRING / VÄSENTLIGA FÖRÄNDRINGAR SEDAN DEN SENASTE ÅRSREDOVISNINGEN

Except as disclosed in the Base Prospectus, there has been no material adverse change in the financial condition or operations of the Issuer since [31 December 2013], which would materially affect its ability to carry out its obligations under the Notes.]

Förutom såsom redogjorts för i Grundprospektet, har det inte skett någon väsentlig negativ förändring i Emittentens ekonomiska situation eller verksamhet sedan [31 December 2013], som väsentligen kan påverka dess möjligheter att uppfylla sina förpliktelser under Lånen.]

15. [***Swiss Franc Notes only*** **- LISTING/TRADING INFORMATION**

[*Lån i Schweiziska Franc enbart* - LISTNING/HANDELSINFORMATION

(a) Trading Size and Ratio: [minimum and maximum trading size and the standard exercise ratio]

(a) Handelsstorlek och Förhållande: [minsta och högsta handelsstorlek och standard för utövandeförhållande]

(b) First Trading Day: [first trading day]

(b) Första Handelsdag: [första handelsdag]

(c) Last Trading Day and Time: [last trading day as well as (in the case of derivatives) the time of day at which trading shall cease]

(c) Sista Handelsdag och -tidpunkt: [sista handelsdagen såväl som (om derivat) tidpunkten på den dag handel ska upphöra]

(d) [(In the case of derivatives) Capital Protection: [Capital protection [specify] / no capital protection]]

(d) [(Om derivat) Kapitalskydd: [Kapitalskydd [specificera] / inget kapitalskydd]]

(e) [(In the case of derivatives) Type of quoting: [the Notes are traded or quoted including accrued interest (dirty trading)] [accrued interest is shown separately (clean trading)]]

(e) [(Om derivat) Typ av återgivning: [Lånen handlas och återges inklusive upplupen ränta (dirty trading)] [upplupen ränta visas separat (clean trading)]]

16. [***Swiss Franc Notes only*** **– INFORMATION RELATING TO UNDERLYINGS**

[***Lån i Schweiziska Franc enbart*** **– INFORMATION AVSEENDE UNDERLIGGANDE**

[insert the information on the underlying instruments required by section 4 of scheme F (for derivatives) and the tax information in relation to a purchase of underlying instruments required by section 3.2.12 of scheme F (for derivatives) of the SIX Swiss Exchange (for derivatives) in respect of Notes to be listed on the SIX Swiss Exchange, to the extent such information is not already included elsewhere in the Final Terms.]

[för in den information om de underliggade instrumenten som krävs enligt avsnitt 2 i investeringsplan F och den skatteinformation för ett köp av underliggande instrument som krävs enligt avsnitt 3.2.12 i investeringsplan F (för derivat) för SIX Swiss Exchange (för derivat) beträffande Lån som ska listas på SIX Swiss Exchange, såvida sådan information inte redan inkluderats på annan plats i Slutliga Villkor.

17. [***Swiss Franc Notes only*** **– ADDITIONAL INFORMATION**

[***Lån i Schweiziska Franc enbart*** **– YTTERLIGARE INFORMATION**

Fees charged by the Issuer to the Noteholders post issuance: [none] [give details]

Avifter som tas ut av Emittenten från Innehavare efter emission: [inga] [infoga detaljer]

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