

MIFID II INFORMATION CIRCULAR

Relating to potential issues of securities

As of 3 January 2018, Swedbank is subject to the obligations and provisions of Directive 2014/65/EU (“MiFID II”). MiFID II sets out additional requirements with regard to the information we are obliged to provide to issuer clients. This includes, inter alia, information regarding financing alternatives and related costs, timing and the process on pricing and placing, targeted investors, departments involved, information barriers and allocation. Set out below is therefore information pursuant to these requirements, which will be of relevance for you and any potential issue of securities.

FINANCING ALTERNATIVES AND RELATED COSTS

Swedbank is a bank with a broad range of investment services (including departments of stock broking, corporate finance and research) and financial services, which offers various financing alternatives, such as ordinary credits, syndicated loans and the issuance of bonds, equity or hybrid capital. Note that there may be other financing alternatives not offered by Swedbank which might be appropriate for you and that such alternatives are not taken into consideration by Swedbank when providing advice on corporate finance strategy and when offering underwriting or placing of financial instruments.

For services related to the issuing of securities (and other alternative financing alternatives), Swedbank will charge transaction fees based on the size and complexity of the matter. The fee can, depending on the transaction, be set as a fixed amount, a fixed percentage of the transaction value, and/or a discretionary fee based on your satisfaction with the transaction. The fees are typically, but not always, success fees, i.e. payable upon the completion of the transaction. Other types of fees, such as monthly retainers, or fees triggered by certain events, such as the announcement of the transaction, are also used in the market on a case-by-case basis.

TIMING AND THE PROCESS ON PRICING AND PLACING

If Swedbank will perform a transaction with you, Swedbank will provide advice, for example, on documentation, timing, strategy, roadshows, investor meetings and investor presentations, communication to the market and, in connection with the final transaction, more detailed pricing advice and strategy for book building in order to achieve your success criteria.

In conjunction with a placing, Swedbank will provide advice on the pricing and placing of the offer through a structured process. Depending on the nature and the size of the offering, Swedbank will base its pricing recommendations on the order book, general market sentiment, current information flow, trading activities and relevant comparisons with other recent and relevant offerings. In placings where a longer preparation phase is needed, Swedbank will market the placing and gather feedback on the demand for the financial instruments. Such information is used for discussion purposes and to recommend a price or a price range and, where applicable, an allocation proposal prior to the commencement of book building/publication of an offer document. The final price of the issue is based on a book building process (similar to an auction). In a placing where the preparation phase is limited, Swedbank will provide a price recommendation based on the order book.

When appropriate and in agreement with you, Swedbank may provide stabilization measures, including the hedging of positions arising from such measures.

TARGETED INVESTORS

A discussion on investors suitable to be targeted in a placing will be discussed between you and Swedbank, based on your preferences and Swedbank’s position and knowledge of the market. If not otherwise agreed between the Manager and the Client later in the process, the target market for the securities will mainly be (i) eligible counterparties and; and (ii) professional clients.

DEPARTMENTS INVOLVED

To provide an effective transaction and relevant advice on the price and allocations, Swedbank will customize the team and experts needed for each issue.

The following functions are often included: Debt- or Equity Capital Market originators, syndicate members, your client executive from Large Corporates and Institutions, representative from Credit Research, one or more manager director, vice president, associates and/or analysts from the Debt- or Equity Capital Market department and representatives from the Legal department.

INFORMATION BARRIERS

Conflicts of interest may arise when Swedbank, on behalf of an issuer, places relevant financial instruments with Swedbank’s investor clients or with its own proprietary book. To manage potential or actual conflicts of interest, Swedbank uses effective information barriers, e.g. Chinese walls and a hierarchical separation. The information barriers prevent the flow of information from one part of the business to another.

ALLOCATION

Swedbank and you will agree upon the allocation of financial instruments in an offering, with you making the final decision. An allocation proposal will be made by Swedbank after the subscription period has ended and shall follow the Swedbank’s allocation policy, which can be found on <https://www.swedbank.no/om-swedbank/vilkar.html>.

The investors to whom Swedbank proposes allocation of securities may also be clients of Swedbank or have other relationships with Swedbank. Swedbank will not promote, however, any allocation incentivized by fees or volumes of business for unrelated services, any allocation in consideration of the future or past award of corporate finance business, or any allocation expressly or implicitly conditional on the receipt of future orders or other services. In the case Swedbank underwrites an offering or otherwise guarantees a price in connection with an offering, Swedbank will take into account its prudential responsibilities to manage its risk properly when determining allocations and their manner and timing.