



## SCANIA CV AB (publ)

*(incorporated with limited liability under the laws of Sweden)*

**€7,000,000,000**

### **Euro Medium Term Note Programme**

**unconditionally and irrevocably guaranteed by**

**SCANIA AB (publ)**

*(incorporated with limited liability under the laws of Sweden)*

On 23 November 2001, Scania CV AB (publ) (the **Issuer**) established a Euro Medium Term Note Programme (the **Programme**) and issued a Base Prospectus on that date describing the Programme. Any Notes (as defined below) issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions described herein. This does not affect Notes issued prior to the date of this Base Prospectus.

Under this Programme the Issuer may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

The payments of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by Scania AB (publ) (the **Guarantor**).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €7,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “*Risk Factors*”.

This Base Prospectus has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**). The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or Guarantor or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange’s regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. This Base Prospectus will be available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) for a period of ten years from the date hereof.

References in this Base Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange’s regulated market and have been admitted to the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange’s regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid until 31 October 2023, being 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the **EEA**) and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. References in this Base Prospectus to **Exempt Notes** are to Notes for which no prospectus is required to be published under the Prospectus Regulation. The CSSF has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will (other than in the case of Exempt Notes, as defined above) be set out in a final terms document (the **Final Terms**) which will be filed with the CSSF. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). In the case of Exempt Notes, notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the **Pricing Supplement**).

The Programme provides that Notes may be listed, or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer, the Guarantor and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or any U.S. State securities laws and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

The Issuer, the Guarantor and the Programme have been rated BBB (long term borrowing) by S&P Global Ratings Europe Limited (**S&P**). S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such, S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. In general, European regulated investors are restricted from using a rating for regulatory purposes unless such ratings are issued by a credit rating agency established in the European Union and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. S&P is not established in the United Kingdom but the Issuer, Guarantor and Programme ratings issued by S&P have been endorsed by S&P Global Ratings UK Limited in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (the **UK CRA Regulation**) and has not been withdrawn. As such, the ratings issued by S&P may be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Programme. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms (or Pricing Supplement, in the case of Exempt Notes). Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union or the United Kingdom and registered under the CRA Regulation and/or the UK CRA Regulation will be disclosed in the relevant Final Terms (or Pricing Supplement, in the case of Exempt Notes). A 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.

Amounts payable under the Notes may be calculated by reference to one or more benchmarks (the **Programme Benchmarks**) for the purposes of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016 (as amended, the **Benchmarks Regulation**). If any such reference rate does constitute such a benchmark, the Final Terms (or Pricing Supplement, as the case may be) will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority's (**ESMA**) pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms (or Pricing Supplement, as the case may be). The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms (or Pricing Supplement, as the case may be) to reflect any change in the registration status of the administrator.

*Arranger*

**Deutsche Bank**

*Dealers*

**Danske Bank  
SEB**

**Deutsche Bank  
Swedbank AB**

## IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus in respect of all Notes other than Exempt Notes issued under the Programme for the purposes of Article 8 of the Prospectus Regulation. When used in this Base Prospectus, “Prospectus Regulation” means Regulation (EU) 2017/1129 and “UK Prospectus Regulation” means Regulation (EU) 2017/1159 as it forms part of UK domestic law by virtue of the EUWA.

The Issuer and the Guarantor accept responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Certain information under the heading “*Rating*” in the “*Overview of the Programme*” section has been extracted from the website of S&P. Each of the Issuer and the Guarantor 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 S&P, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see “*Documents Incorporated by Reference*”). This Base Prospectus shall be read and construed on the basis that those documents are incorporated and form part of this Base Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*”), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer or the Guarantor in connection with the Programme or for any other statement, made or purported to be made by a Dealer or on its behalf in connection with the Issuer, the Guarantor, or the issue and offering of any Notes and accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement.

None of the Dealers accept any responsibility for any social, environmental and sustainability assessment of any Notes issued as Green Bonds or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such “green” or similar labels. None of the Dealers are responsible for the use of proceeds for any Notes issued as Green Bonds, nor the impact or monitoring of such use of proceeds. No representation or assurance is given by the Dealers as to the suitability or reliability of any opinion or certification of any third party made available in connection with an issue of Notes issued as Green Bonds, nor is any such opinion or certification a recommendation by any Dealer to buy, sell or hold any such Notes. In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated “green” or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any of the Dealers.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Guarantor or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue

of any Notes constitutes an offer or invitation by or on behalf of the Issuer or the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Issuer and/or the Guarantor is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Programme or to advise any investor in the Notes issued under the Programme of any information coming to their attention.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Guarantor and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the EEA (including Sweden, Belgium and France), the United Kingdom, Singapore and Japan, see “*Subscription and Sale*”.

This Base Prospectus has been prepared on a basis that would permit an offer of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) only in circumstances where there is an exemption from the obligation under the Prospectus Regulation to publish a prospectus. As a result, any offer of Notes in any Member State of the EEA must be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer of Notes in that Member State may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

**IMPORTANT – EEA RETAIL INVESTORS** – If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**IMPORTANT – UK RETAIL INVESTORS** – If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) includes a legend entitled “Prohibition of Sales to UK Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (FSMA) and any rules or regulations made under the FSMA to implement

Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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

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

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

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

**Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the SFA) – Unless otherwise stated in the Final Terms or Pricing Supplement (as applicable), all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).**

## PRESENTATION OF INFORMATION

In this Base Prospectus, all references to:

- U.S. dollars, U.S.\$ and \$ refer to United States dollars;
- SEK refer to Swedish Kronor;
- BRL refer to the Brazilian real;
- Sterling, GBP and £ refer to pounds sterling;
- RUB refer to Russian Rouble; and
- euro, Euro, EUR and € refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended.

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

## STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

## SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- i. has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- ii. has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- iii. has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- iv. understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- v. is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

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## OVERVIEW OF THE PROGRAMME

*The following description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement).*

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

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” below shall have the same meanings in this description.

<b>Issuer:</b>	Scania CV AB (publ)
<b>Issuer Legal Entity Identifier (LEI):</b>	529900BZYSUQLQSPNR07
<b>Guarantor:</b>	Scania AB (publ)
<b>Guarantor Legal Entity Identifier (LEI):</b>	52990000AKKX75BMWB43
<b>Description:</b>	Euro Medium Term Note Programme
<b>Arranger:</b>	Deutsche Bank Aktiengesellschaft
<b>Dealers:</b>	Danske Bank A/S Deutsche Bank Aktiengesellschaft Skandinaviska Enskilda Banken AB (publ) Swedbank AB (publ) and any other Dealers appointed in accordance with the Programme Agreement.
<b>Certain Restrictions:</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale</i> ”) including the following restrictions applicable at the date of this Base Prospectus.
<b>Notes having a maturity of less than one year:</b>	Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of prohibition on accepting deposits contained in Section 19 FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “ <i>Subscription and Sale</i> ”.  Under the Prospectus Regulation, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions stated therein.
<b>Issuing and Principal Paying Agent:</b>	Deutsche Bank AG, London Branch
<b>Programme Size:</b>	€7,000,000,000 (or its equivalent in other currencies calculated as described under “ <i>Overview of the Programme</i> ”) outstanding at any time. The Issuer and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
<b>Distribution:</b>	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.



<b>Currencies:</b>	Subject to any applicable legal or regulatory restrictions, Notes may be denominated in any other currency agreed between the Issuer and the relevant Dealer.
<b>Maturities:</b>	Such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency. See also “ <i>Notes with a maturity of less than one year</i> ” above.
<b>Issue Price:</b>	Notes will be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<b>Form of Notes:</b>	The Notes will be issued in bearer form as described in “ <i>Form of the Notes</i> ”.
<b>Fixed Rate Notes:</b>	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
<b>Floating Rate Notes:</b>	<p>Floating rate Notes will bear interest at a rate determined on the basis of a reference rate set out in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.</p> <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p> <p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.</p>
<b>Benchmark Event:</b>	If a Benchmark Event occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark specified in the relevant Final Terms, then such rate of interest may be substituted (subject to certain conditions) with a successor or alternative rate with the application of an adjustment spread (which could be positive, negative or zero) and with consequent amendment to the terms of such Series of Notes as described in the Terms and Conditions.
<b>Zero Coupon Notes:</b>	Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.
<b>Redemption:</b>	<p>The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.</p> <p>Unless previously redeemed or purchased and cancelled, each Note which is not an Exempt Note will be redeemed by the Issuer at least at 100 per cent. of its nominal value on its scheduled maturity date.</p> <p>Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see “<i>Certain Restrictions –Notes having a maturity of less than one year</i>” above.</p>
<b>Denomination of Notes:</b>	Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer and as indicated in the applicable Final Terms

save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “*Certain Restrictions –Notes having a maturity of less than one year*” above and save that the minimum denomination of each Note (other than an Exempt Note) will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

**Taxation:** All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction, subject as provided in Condition 7. In the event that any such deduction is made, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances provided in Condition 7, be required to pay additional amounts to cover the amounts so deducted.

**Negative Pledge:** The terms of the Notes will contain a negative pledge provision as further described in Condition 3.

**Cross Default:** The terms of the Notes will contain a cross default provision as further described in Condition 9.

**Status of the Notes:** The Notes will constitute direct, unconditional, unsubordinated and, subject to the provisions of Condition 3, unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

**Rating:** The Programme has been rated BBB by S&P. According to S&P an obligation rated ‘BBB’ exhibits adequate protection parameters, however, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes) and will not necessarily be the same as the rating assigned to the Programme.

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.

**Guarantee:** The Notes will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under such Guarantee will be direct, unconditional and, subject to the provisions of Condition 3 unsecured obligations of the Guarantor and will rank *pari passu* and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.

**Approval, listing and admission to trading:** Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made for Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange’s regulated market. The Notes may be listed or admitted to trading on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer in relation to each Series.

Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes) will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges or markets.

Notes issued under the Programme which are to be admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation may not carry the right to acquire shares (or transferable securities equivalent to shares) issued by the Issuer or by any entity belonging to the Issuer's group.

**Governing Law:**

The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and construed in accordance with, English law.

**Selling Restrictions:**

There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including France, Belgium and Sweden), the United Kingdom, Singapore and Japan, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "*Subscription and Sale*".

## RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer and the Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Notes or under the Guarantee. There is a wide range of factors which individually or together could result in the Issuer and the Guarantor becoming unable to make all payments due. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer and the Guarantor may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the Issuer's and the Guarantor's control. The Issuer and the Guarantor have identified in this Base Prospectus a number of factors which could materially adversely affect their businesses and ability to make payments due.

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

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

### **FACTORS THAT MAY AFFECT EACH OF THE ISSUER'S AND THE GUARANTOR'S ABILITY TO FULFIL THEIR OBLIGATIONS UNDER THE NOTES AND THE GUARANTEE**

Risks are a natural feature of business operations and entrepreneurship, but they may have a negative impact on the Issuer, the Guarantor and all of its Subsidiaries (together, **Scania**), directly affecting business operations and Scania's reputation.

#### **Strategic risks**

##### ***Russian Invasion of Ukraine***

On 24 February 2022, Russia began a military invasion of Ukraine. This resulted in export restrictions and sanctions that changed the general business situation in Russia and Belarus. Scania therefore decided to stop deliveries of trucks and parts to Russia and halted production at its St Petersburg plant. In 2021, 6 per cent. of Scania's total sales revenue was generated in Russia and less than 1 per cent. of Scania's total sales revenue was generated in Ukraine. The Group announced its intention on 13 September 2022 to dispose of its business operations in Russia and, as of 30 September 2022, the Group has made a write-down for Russia amounting to SEK 5.8 billion during the third quarter of 2022 related to the planned disposal. The sale is expected to be completed within a year, and is subject to approval by Russian authorities. The Group has in total made write-downs for Russia amounting to SEK 6.4 billion as of 30 September 2022 and the nine-month period then ended. As at 30 September 2022, five of Scania's six subsidiaries in Russia have been classified as a disposal group held for sale and the total assets held for sale for these entities amounted to SEK 5.2 billion. This has had a negative impact on the Group's third quarter 2022 results.

Scania continues to monitor the impact which the conflict could have on its operations, the markets in which it operates and more broadly on the macro-economic outlook. The prolongation of the conflict and resulting geopolitical tensions, sanctions against Russia and Belarus and counter-sanctions and political uncertainty could lead to decreased demand in the short and medium term in several important markets for Scania, leading to decreased sales of vehicles and services and also price pressure on new and used vehicles and may negatively impact the ability of the supplier network to deliver components leading to shut downs and increased costs in Scania's global production system. Other risks include (i) impairment of goodwill and other intangible assets; (ii) customers, particularly those whose businesses are dependent on Russian companies, facing financial problems having a reduced ability to pay outstanding receivables due to Scania; (iii) increases in commodity and energy prices leading to increased operational costs for Scania and (iv) the disposal (sale) of the Scania's business operations in Russia not proceeding as planned due to, for instance, increased sanctions, other regulatory factors such as not obtaining regulatory approval of the sale, and/or increased limitations in Russia-related payments leading to increased impairment and/or increased restriction of assets for an uncertain period of time. The materialisation of any of the above risks could have a material adverse effect on Scania's business, its results of operation and financial condition.

##### ***Other Geopolitical risks including Brexit, sanctions and trade barriers***

Scania operates in diverse markets, some of which are subject to political volatility, conflict and significant human rights risk. This presents risk in terms of changes in foreign trade policy and trade barriers, as well as governments or international bodies imposing sanctions on countries, goods and services, or persons which may impede Scania's ability to do business. Furthermore, failure to comply with any sanctions could result in significant fines and penalties as well as considerable reputational damage. As a global company there can be no assurances that Scania will be able to adapt its operations to comply with such disruptions in the markets in which it operates or that it will be able to successfully manage conflicting sanction regulations. Failure to effectively

manage any of the above risks could have a material adverse effect on Scania's business, its results of operation and financial condition.

In recent years, the United States, the EU and China, have imposed tariffs on imports of raw materials including steel and aluminium. Any further tariff measures imposed on cars, raw materials or products that are important for Scania's operations, may lead to higher prices on cars or the raw material or product in question, which Scania may be unable to pass on to consumers. Escalating trade barriers may affect the whole automotive industry as well as world economy more generally including key economic factors, such as GDP growth rates, employment levels, interest rates and inflation, in a negative manner. The increased polarisation in the global economy may drive further differentiation between regions and increased protectionism. This could increase costs for Scania with an adverse impact on profitability. Following the UK's departure from the EU (**Brexit**), a transition period lasted until 31 December 2020. On 24 December 2020, an agreement in principle was reached in relation to the EU-UK Trade and Cooperation Agreement (the **Trade and Cooperation Agreement**), to govern the future relations between the EU and the UK following the end of the transition period. The Trade and Cooperation Agreement was provisionally applicable from 1 January 2021 until 30 April 2021 and formally entered into force on 1 May 2021, however some uncertainty remains about the nature of the relationship between the UK and the EU in the future. This poses a risk to Scania's current operating model both from the current uncertainties and potential future business interruptions due to suppliers facing challenges in delivering to and from the UK, which could have a material adverse effect on Scania's results of operation and financial condition.

### ***Development of COVID-19***

2020 was a year heavily impacted by the corona virus outbreak (**COVID-19**) which continued in 2021 and into 2022. Scania was impacted by the closure of production and considerably lower vehicle volumes. After the summer 2020 truck business recovered, the bus and coach business continued at lower levels. In financial services, the re-scheduling of financial contracts increased during the first two quarters in 2020. During the third and fourth quarters of 2020, the re-scheduling returned to normal levels and the vast majority of customers returned to previous payment plans.

In 2021, COVID-19-related factory closures, together with extreme weather and surging demand, created a severe shortage in the supply of semiconductors, with the automotive industry particularly affected by the crisis. The shortage led to production delays for Scania, and knock-on impacts for Scania's customers. Although Scania is working hard to get production back on track, the crisis remains an ongoing challenge for the industry, with some disruption likely to continue for the foreseeable future.

There are indications that COVID-19 has affected patterns of urbanisation. It is possible that the new post-pandemic model of hybrid working will lead to a fall in the population of large cities, particularly in developed countries, driving the growth of second-tier cities and semi-urban areas. These trends pose risks for the transport industry including Scania, and affect what the future of transport may look like.

During 2020 Scania continuously assessed the impact of the COVID-19 outbreak and continued in 2021 and the first half of 2022 to assess potential impacts on future development and/or risks that can affect the future financial position. The constantly evolving nature of the COVID-19 pandemic makes it difficult to predict the ultimate adverse impact of COVID-19 on Scania. There is considerable uncertainty around the long-term effects on the global economy. Mutations and new strains of COVID-19, capacity in local health care systems and the progress of the vaccine programmes worldwide remain volatile factors. Further outbreaks of COVID-19 and the measures that different countries take to handle such outbreaks could lead to (i) decreased market demand in the short term and medium term, leading to decreased sales of vehicles and services and also price pressure on new and used vehicles which, in turn, also can lead to needs to make write-downs in vehicle inventory and changed estimates of residual value on buy-back commitments; (ii) the global supplier network could be unable to deliver components and articles, leading to shorter or longer periods of shut down of Scania's global production system; (iii) customers facing financial problems leading to deteriorating ability to pay outstanding receivables to Scania and (iv) impairment of goodwill and other intangible assets. Consequently, COVID-19 continues to present material uncertainty and risk and could have adverse effects on the Group's revenues, net assets, cash flows, financial condition and results of operations.

### ***Business development risks***

The transport industry is facing new technologies, business models, competitors, and global trends such as digitalisation which combined create a highly disruptive environment. These factors are transforming Scania from a heavy commercial vehicle manufacturer into a provider of transport and logistics solutions. This presents risk related to Scania's ability to respond to specific customer needs with tailored products and services, and the availability of technological innovations that respond to the major trends of the industry (i.e. Connected, Autonomous and Electrified vehicles) and to effectively compete with new technology and new and existing competitors in the market.

There is a risk that Scania's research and development activities will not be enough to achieve their planned objectives, including as a result of unresolved technological barriers, systems failures or human errors in calculating or monitoring the success of the technologies, or that competitors or joint ventures set up by competitors will develop solutions or technologies preferred by customers and will be able to manufacture the resulting products more rapidly, in larger quantities, with a higher quality and/or at a lower cost. This could lead to increased demand for the products of such competitors and result in a loss of market share for Scania. There is also a risk that the money invested in researching and developing new technologies will, to a considerable extent, have been spent in vain if the technologies developed or the products derived therefrom are unsuccessful in the market or if competitors have developed better or less expensive products. It is possible that Scania could then be compelled to make new investments in researching and developing other technologies to maintain existing market share or to regain the market share lost to competitors

The development of new products also presents new risks, for example, the complex supply chain related to battery production for battery-powered vehicles involve increased social risks for example human rights violations, labour issues and discrimination. In the event that any such risk materialises, this could result in criminal and civil liabilities for Scania as well as significant reputational damage. The development of new products can also present risks related to the availability of the raw material needed for these products.

The success of Scania's new products and services programmes also depends on a number of other factors, including the economy, competition, customer acceptance and the strength of Scania's importer and dealer networks. There can be no assurance that Scania will be able to introduce and market its new products and services successfully to both current and prospective customers. Any failure to innovate and respond effectively to the evolving market and competition could lead to a loss of market share which could have a material adverse effect on Scania's results of operation and financial condition.

#### ***Business model and strategy related risks***

There is a risk that Scania's current business model and strategy will not support Scania to protect, create value or to further strengthen the value proposition for stakeholders and/or Scania's commitment to climate and people. It is important to consider aspects of uncertainty, complexity and volatility in order to stay relevant to the society, customer, capital market and other stakeholders which the Group serves, today and in the future. If Scania's strategy fails to deliver the goals set or Scania fails to anticipate and adapt to the changes in the world around us, it may have material adverse effects on Scania's business, results of operations and financial condition.

In the future, Scania expects to rely to a greater extent on partnerships and collaborative arrangements for its strategic development.

#### ***Corporate governance and policy-related risks***

Scania's success is dependent on the good reputation and image of its brand. To this end, Scania must earn customers' confidence by providing products and services that meet customer demand and appeal to customers' preferences, including with respect to sustainability, innovation, quality, reliability and value (total cost of ownership). This also includes Scania's ability to adapt to the ESG/non-financial reporting landscape. All of the above requires management to make the right strategic bets and invest in technologies, products and services that continue to meet customers' requirements. Within Scania, this requires the sharing of knowledge and information through appropriate management structures and processes. Furthermore, suitable policies, guidelines, trainings and advice need to be implemented. If Scania fails to implement the correct processes and management structures, Scania may be unable to anticipate customer demand which could materially affect Scania's brand and financial results.

In addition to that, Scania's ability to achieve the relevant targets is also dependent on assumptions relating to a number of external factors, including development of the market for trucks and buses, political, legal, fiscal, market and economic conditions, regulatory developments in the commercial vehicle industry, and tariff and wage increases, all of which are difficult to predict and are beyond Scania's control. These assumptions may prove to be inaccurate. If Scania fails this may have a material adverse effect on its business, results of operation and financial condition.

There is also a risk that Scania's internal controls, procedures, compliance systems and risk management systems may prove to be inadequate to prevent and discover previous or future breaches of laws and regulations and generally to manage risks.

#### ***Climate transition risks***

With a central role in the transport ecosystem globally, Scania is exposed to risks stemming from the transition towards a low carbon economy. The transition risks identified by Scania include risks relating to technological change, such as the transition to battery electric vehicles, the cost of the transition to lower emissions technologies, customer expectations and availability of components and raw materials, as well as risks that policy

actions such as CO<sub>2</sub>-emission legislation, carbon pricing, alternative infrastructure development (including charging infrastructure and renewable energy supply and availability of biofuels) and that other climate regulations do not go hand in hand with technology developments. The risks also include the ability to adapt to new ways of working with circularity, a matter that considered as a key enabler for decarbonisation and for Scania's efforts to drive the shift towards a sustainable transport system. For Scania, circularity involves every aspect of the business, including the need to reconsider the design and manufacturing of products, impact and knowledge of the value chain as well as development of new business models. Should Scania fail to adapt to these changes, this may have material adverse impact on Scania's business, operational results and financial condition.

In the European Union, CO<sub>2</sub> monitoring regulations are already in effect or will become effective in the future, depending on vehicle configuration, requiring heavy truck manufacturers, including Scania, to use a standard methodology to monitor carbon emissions and report them to authorities in EU member states. In further pursuit of the European Union's goals under the Paris Agreement, the European Commission in 2018 proposed its first-ever regulation of CO<sub>2</sub> emissions by heavy-duty vehicles. In 2019, representatives of the European Commission, the European Parliament and the European Council reached a political agreement on a new regulation targeting a 15 per cent. reduction in CO<sub>2</sub> emissions by trucks above 16 tons by 2025 and a 30 per cent. reduction by 2030, each compared to the benchmark time period of 1 July 2019 to 30 June 2020. The regulation contemplates very significant financial penalties per additional gram of CO<sub>2</sub> for trucks which exceed baseline CO<sub>2</sub> emissions. The reduction target for year 2030 is to be reviewed during 2022 and the required reduction is likely to increase. The possibilities to meet increased targets highly depend on enabling conditions such as deployment of charging infrastructure. A significant increase in the reduction requirement could be costly and challenging to implement and there can be no assurance that Scania would be able to comply with it in a timely and commercially viable manner.

In particular, Scania's ability to comply with quotas for zero- and low-emission trucks will depend on a number of factors relating to the market acceptance of zero- and low-emission vehicles over which Scania has limited or no control, including, in particular, the development of a widely-available charging infrastructure for electric trucks and road toll reform, as well as other factors such as governmental policies and regulations supporting the development of electric vehicles, for example commercially viable regulations governing testing and type approval for zero- and low-emission vehicles, and the availability of financial incentives for the purchase of zero- and low-emission vehicles. In the event of non-compliance with the proposed regulation, the financial penalties could have a material adverse effect on Scania's results of operations, financial position, reputation and prospects.

## **Business risks**

### ***Market and competition risks***

The demand for Scania's products is mainly driven by transport needs and also by a certain replacement need for vehicles to maintain high availability and low lifecycle cost of the vehicles. Variations in world financial markets can have a large or small impact on real economic cycles and, in turn, for Scania, an impact on the demand for its products. Since commercial vehicles are capital investments, demand is not only affected by need but also by the availability and cost of the capital that must be invested. Markets may temporarily slow down or plateau and local currencies may lose some of their value as a result. The status of public finances and the extent of fiscal austerity programmes in different countries may have a negative impact on demand for Scania's products. In individual markets, substantial changes can occur in the business environment, such as the introduction of or increase in customs duties and taxes, the introduction or ending of stimulus measures, and a change in the requirements for vehicle specifications. The imposition of economic sanctions against certain countries can also reduce the potential for marketing Scania's products. In addition, different countries' legal systems may have features that affect Scania's ability to carry out operations and sales.

Furthermore, competition is intense among manufacturers of heavy trucks, buses and engines. Scania's products and services face substantial competition from products and services provided by others, and such competition may have a significant impact on the price Scania receives for its products and services and on Scania's future sales volumes. Aggressive pricing policies, the introduction of new products by competitors, or pricing pressure in the aftersales business can make it more difficult to achieve expected prices. Furthermore, the current energy challenge related both to access and to the price of energy, impacts Scania on different levels and with different stakeholders for example in production, with suppliers and customers. Whilst Scania is working both internally and externally in close collaboration with customers and suppliers to monitor to navigate the current global energy situation, it remains challenging for Scania's business. This might result in lower revenue, failure to achieve the products' planned profitability, or lower market shares. Many of Scania's competitors may have greater financial, marketing and operating resources than Scania, as well as broader geographical markets,

particularly in North America. There can be no assurance that Scania will be able to compete successfully in the future which could have a material adverse effect on its results of operations and financial position.

Operations in Latin American countries expose Scania to certain risks, including product price volatility, tax liabilities, government regulations, political instability, local economic conditions (including high and generally unpredictable levels of inflation), currency fluctuations and local labour conditions. In addition, Scania currently maintains substantial cash balances in Latin America. The governments in Brazil and Argentina have exercised and continue to exercise substantial influence over many aspects of their respective economies, and have imposed various policies designed to manage their economies. Government-imposed import tariffs have also significantly limited the supply of imported vehicles, thereby increasing the importance of locating manufacturing operations within those countries. Government actions in the future could have a significant effect on economic conditions and the demand for heavy vehicles in Brazil and Argentina. Variations in economic conditions could influence the demand and prices received for Scania's heavy vehicles and, accordingly, the results from its operations in these countries.

### ***Risks in the sales and services network***

In the major markets, distributors are mainly owned by Scania. Apart from the risks to sales volumes that are linked to the market risks described above, there are commercial risks in the sales and services network for various types of contracted services, as well as in relation to repurchase obligations and used vehicle prices. Repair and maintenance contracts are one important element of the sales and services business. They help to ensure that customers maximise use of their vehicle (uptime) while using the workshops' resources efficiently, thereby helping to strengthen customer loyalty. These contracts are often tied to prices that have been worked out in advance, so there are risks relating to price and handling. As a result of repurchase obligations and trade-ins, the sales and services organisation handles a large volume of used trucks and buses, and prices and sales figures can vary over economic cycles.

Even though most distributors are owned by Scania, there are independent dealers. These sometimes suffer problems that may have an adverse effect on Scania's operations. There could be shortcomings in management or limitations on how much can be invested, or problems relating to generational changes in family businesses. If the problems prove to be more than short-term ones, Scania may decide to replace dealers or take over the business. Scania continuously maintains close contact with its independent dealers, however there can be no assurance that Scania will be able to spot early warning signs where independent dealers suffer problems. Problems with independent dealers could result in disruptions to the supply chain or a fall in service levels or sales which could have a material adverse effect on Scania's results of operations and financial performance.

### ***Cyber risks including IT and information risks and data privacy***

Scania relies on information technology. For Scania, it is crucial to handle information in a way that enables operations to share and process it efficiently and reliably, both within the company and when working together with customers, suppliers and other business partners.

Digital information, systems and infrastructure may be negatively impacted because of accidents, disasters, technical damage, outdated technology, or cyber attacks including phishing scams or malware.

If not properly managed Scania might be exposed to the risk of information being revealed to unauthorised person(s) or intentionally/unintentionally changed, corrupted or lost. Furthermore, Scania is subject to data protection regulations with respect to, among other things, the use and disclosure of personal data, and the confidentiality, integrity, and availability of such information. If Scania fails to comply with these regulations, this could result in claims for damages and other liabilities, significant fines and other penalties, and the loss of customers and reputation which could have a material adverse effect on Scania's results of operation and financial condition.

Scania is also impacted by the increase in the external cyber threat level, both in existing business and also for future products, and the need to be in compliance with new regulations within the area.

### ***Supply chain risks***

Scania relies on a global network of suppliers for sourcing raw materials, parts and components used in the manufacture of its vehicles. Accordingly, Scania is exposed to disruptions in the supply chain and its ability to procure supplies in a cost-effective and timely manner or at all is subject to various factors, some of which are not within Scania's control. If one or more suppliers are unable or unwilling to fulfil delivery obligations, for example due to supply shortages, labour strikes, capacity allocation to other customers, or financial distress of the supplier, Scania might face the risk of production downtime, increased production costs, delays and loss of customer confidence.

The shortage of semiconductors and other components is currently impacting the entire industry. In particular, supply shortages of semiconductors were Scania's main supply chain issue in 2021. Supply chain issues



are expected to continue due to the shortages of electrical components and the impact of COVID-19 on general supplier capacity, causing longer lead times and delays in production.

Furthermore, with a more global supply chain there are sustainability risks such as adverse effects on the environment, health and safety, human rights and business ethics in Scania's business operations. A deterioration in demand for Scania's products and a lack of access to sufficient financial arrangements for Scania's supply chain could impair the timely availability of components. In addition, if one or more of the other global manufacturers of heavy trucks, buses and engines were to become insolvent, this would have an adverse impact on the supply chains and may further adversely affect Scania's business, results of operations and financial condition.

#### ***Production risks***

An unforeseen disruption of a production facility represents a risk and may be caused by a number of incidents — for example power failure, equipment failure, fires, floods, social unrest or terrorist activity, infectious diseases, labour difficulties, or other operational problems.

The cyclical nature of demand for Scania's products has at times resulted and may in the future result in temporary constraints upon Scania's ability to produce the quantities necessary to fulfil orders in a timely manner. In particular, a sharp increase in order intake in a period can exceed the capability of Scania and its suppliers to satisfy fully the growing demand for Scania's products in certain markets. A prolonged delay in Scania's ability to fulfil orders on a timely basis at a time when Scania's competitors are not experiencing the same difficulty could adversely affect Scania's market share in certain markets.

#### ***Physical Climate risks including natural hazards***

As Scania and its suppliers are located all over the world, Scania is exposed to physical risks, resulting from extreme weather conditions, floods, heat or water stress and other natural hazards that could damage physical assets such as buildings and infrastructure. It is hard to predict the frequency and impact of natural disasters. However with changing climate due to global warming, extreme weather situations are expected to be more frequently occurring as well as the weather patterns to be changing in certain areas.

Natural hazards are an important consideration when dealing with risks in existing business, as well as when deciding on new locations for business and suppliers. Substantial increases in costs or a significant delay or sustained interruption in the supply of key items and/or raw materials sourced from areas affected by disasters or accidents could adversely affect Scania's ability to maintain its current and expected levels of production, and therefore negatively affect Scania's revenue and increase its operating expenses. There can be no assurance that failures in the supply chain will not occur. Any such failures may impact adversely on Scania's financial position.

#### ***Product liability and product launch risks***

The introduction of a new product to the market can include a liability risk. Scania's objective is to develop products that are reliable and safe for the user, the general public and the environment and Scania spends substantial resources to ensure that it complies with governmental safety regulations, mobile source emissions regulations and other standards. There can be no assurances however that Scania will always be in compliance with all such regulations and standards. Compliance with governmental standards does not necessarily prevent individual or class actions, which can entail significant cost and risk. Accordingly, Scania may become subject to product liability claims, which could harm its business, results of operations and financial condition. The vehicular industry experiences significant product liability claims, and Scania faces inherent risk of exposure to claims in the event that its vehicles do not perform as expected or malfunction resulting in personal injury or death. As commercial vehicles become increasingly complex, including as a result of digitalisation of components and communications among such components, the risk of vehicle defects increases. As Scania employs a modular component concept in the production of vehicles, Scania's risk with respect to product defects is further increased because individual components are used in a number of different vehicle types and models. Moreover, the adoption of new technologies (many of which are still being refined for use in the transportation industry), including autonomous driving technologies and electric vehicles powered by lithium-ion batteries, may increase Scania's exposure to vehicle defects and product liability.

A successful product liability claim against Scania could require it to pay a substantial monetary award. Moreover, a product liability claim could generate substantial negative publicity about Scania's vehicles and business, thereby adversely affecting its reputation and inhibiting or preventing the commercialisation of future vehicles, which could have a material adverse effect on Scania's brand, business and results of operations (should the provisions not cover the actual claim). Any of these events could have a material adverse effect on the Group's business, results of operations and financial condition.

## ***People and Competence***

Scania believes that its growth and future success depends in large part on the skills of its employees, talented individuals are needed in all of Scania's business areas. In a business environment that is characterised by fierce competition, disruptive change and talent shortage, for its future success, Scania is dependent on its ability to attract and recruit employees with the right expertise, and retain and engage the workforce to ensure that the company's operations can deliver the required product and service quality. Particularly challenging is the recruitment of qualified local service personnel to work in Scania workshops globally, as well as software developers and engineers.

In addition, the technology shift towards connected, autonomous and electrified vehicles will require a shift in competence. Scania must act proactively and identify future needs before they occur. Some of the important risks from a people management perspective that may affect deliveries include lack of candidates with the right, or business critical expertise and recruitment error.

If Scania fails to attract, train and retain qualified personnel that it needs in its operations, Scania may be unable to expand its business in line with its strategy and compete for new, and keep existing, consumers, which could have a material adverse effect on Scania's business, results of operations and financial condition.

## **Legal & Compliance risks**

### ***Legal actions and administrative proceedings***

Scania is affected by legal proceedings as a consequence of its operating activities. This includes alleged breaches of contract, non-delivery of goods or services, product liability, patent infringement or infringements related to other intellectual property, or alleged violations of laws and regulations in force, any of which could result in costly legal disputes and/or considerable financial judgements against Scania which could materially adversely affect its business. Even if disputes of this kind are decided in a favourable way without adverse economic consequences, they may still adversely affect Scania's reputation which could damage Scania's business, its results of operation and financial condition.

In a decision made public by the EC on 27 September 2017, Scania was fined EUR 880.5 million for violating EU competition laws through alleged participation in a cartel with all other European truck manufacturers. Scania filed an appeal against the EC decision in its entirety on 11 December 2017 and on 4 January 2018 Scania provided the EC with a bank guarantee as security for payment of fines according to the EC decision pending the outcome of the appeal trials. The General Court rendered its judgement on 2 February 2022, dismissing Scania's appeal entirely and upholding the full amount of fines as set by the EC. This caused Scania to increase its provision as of 31 December 2021 to EUR 880.5 million plus accrued interest, while evaluating a further appeal to the European Court of Justice as the EU's court of last instance. Such appeal was subsequently filed on 8 April 2022. Pending the outcome of this final appeal, Scania also decided to pay the EC the full amount of fines plus accrued interest to alleviate itself of the costs for upholding the bank guarantee as security. Such payment of fines was settled on 12 April 2022 in the total amount of EUR 937 million. Scania is also the subject of related civil claims by direct or indirect customers of Scania, and may face additional similar claims.

In addition, Scania's operations include the provision of financing and insurance services, which have to comply with the rules set out by financial services authorities. Non-compliance with these rules can lead to penalties or even the revocation of operating licences.

### ***Contracts and rights***

Administration of contracts, essential rights and legal risks occur in the normal course of operations. Scania's operations include a wide variety of intangible licensing agreements, patents and other intellectual property rights. In the ordinary course of its business, Scania also concludes numerous commercial and financial contracts, which is normal for a company of Scania's scale and type. Scania's operations are not dependent on any single commercial or financial contract, patent, licensing agreement or similar right however breaches of contract or a failure to deliver under a material contract (either by Scania or any of its counterparties) could result in a degree of business interruption which could have a material adverse effect on Scania's operations and financial condition.

### ***New and changed laws and regulations***

Scania's products are subject to comprehensive and constantly changing laws, regulations and policies throughout the world. Different countries' legal systems and major changes in laws and regulation (for example sustainability reporting requirements, environmental laws, safety standards, trade laws, and export control regulations with extraterritorial effect) may have features that threaten the comprehensive position and its capacity to efficiently conduct business as well as the capacity to consummate important transactions, enforce contractual agreements or complement specific strategies and activities.

For climate related laws and regulations, see section “*Climate transition risks*” above.

### ***Business ethics and compliance risks***

Due to range of its international operations, Scania is exposed to economic sanctions laws and regulations, trade barriers, local content requirements and import and export licensing requirements in the jurisdictions in which it operates.

Scania is also required to address anti-money laundering, anti-corruption and adherence to applicable competition laws in a systematic and transparent way. Scania’s operations also include the provision of financing and insurance services, which must comply with the rules set out by financial supervisory authorities in the jurisdictions in which Scania operates. Failure to comply with such legal and regulatory obligations, including by the institution of robust systems to do so, could result in significant fines, civil and criminal liability penalties or even, in respect of financing operating, the revocation of operating licences, which could have a negative impact on Scania’s reputation, results of operation and financial condition.

The diesel emissions standard violations at Volkswagen AG has led to a review and ongoing reforms of internal controls, the compliance system and company culture within the Volkswagen Group, including the TRATON GROUP. If these reforms are not successfully implemented and future material compliance failures occur, the Volkswagen Group, including the TRATON GROUP, could be exposed to significant adverse consequences which could have a material adverse effect on its results of operations.

### ***Human rights risks***

Scania encounters contexts with human rights risks throughout the value chain. In markets where legislation or enforcement of regulations related to human rights are not in line with global standards, Scania must take measures to uphold human right standards and mitigate the risk to cause, contribute or be linked to human rights abuse. The COVID-19 pandemic has caused, and may continue to cause economic downturn, pressure on social safety systems and social unrest affecting the context for human rights. This means that there is an increase in human rights risk level in certain markets where Scania operates, or where Scania has suppliers. World events escalating conflicts and human rights abuse makes this reality even more complex. This is an area which is impacted by legal development for human rights due diligence and expectation on companies to disclose information on identified and assessed real and potential impacts in our own operations, supply chain, business relationships and sales as well as the appropriate and effective system of risk management to handle these impacts.

## **Financial risks**

### ***Ratings risk related to the TRATON Group and the Volkswagen Group (refinancing risk)***

As a consequence of Scania being a fully owned subsidiary of TRATON SE which, in turn, is a majority owned subsidiary of Volkswagen AG, Scania is also potentially affected by changes in credit ratings for both TRATON SE and Volkswagen AG. TRATON SE is rated ‘BBB’ (Issuer credit rating) by S&P, as of the date of this Base Prospectus. S&P’s ratings methodology dictates that TRATON SE’s issuer credit rating shall be limited to the higher of (i) its stand-alone credit rating, and (ii) a rating corresponding to one notch lower than Volkswagen AG’s. TRATON SE’s issuer credit rating can never be higher than Volkswagen’s and Scania’s issuer credit rating can never be higher than TRATON SE’s issuer credit rating. Any downgrade by S&P of Volkswagen AG or TRATON SE’s credit ratings therefore may result in a downgrade by S&P of Scania AB’s issuer credit rating. Financial risks are managed in accordance with the financial policy adopted annually by Scania AB’s board of directors.

### ***Credit risk***

Credit risk is the risk that the counterparty in a transaction will not fulfil its contractual payment obligations and that any collateral will not cover the company’s claim thereby creating a loss for Scania. The majority of the credit risk for Scania is related to receivables from customers. There is a risk that measures undertaken to counter the Group’s credit risk will not be sufficient or effective, and the Group may fail to successfully implement and manage any hedging arrangements, which could have a material adverse effect on its business, results of operations and financial condition.

### ***Credit risk in Vehicles and Services***

In the Vehicles and Services segment, carried receivables before provisions for bad debts from customers totalled SEK 10,166 million in 2021 (compared to SEK 8,506 million in 2020), most of which consisted of receivables from independent dealerships and end customers. The total estimated fair value of collateral in 2021 was SEK 1,143 million (compared to SEK 1,163 million in 2020). Most of the collateral consisted of repossession rights and bank guarantees. During 2021, collateral valued at SEK 307 million was obtained (compared to SEK 376 million in 2020).

**Timing analysis of portfolio assets past due but not recognised as impairment losses**

	Past-due payments 2021	Past-due payments 2020
< 30 days	723	783
30-90 days	235	441
91-180 days	195	66
>180 days	206	24
<b>Total</b>	<b>1,359</b>	<b>1,314</b>

(All figures in the table above are in SEK million.)

Provisions for bad debts amounted to SEK 508 million in 2021 (compared to SEK 492 million in 2020), equivalent to 5.4 per cent. of total receivables (compared to 6.4 per cent. in 2020). Bad debt expense amounted to SEK 54 million in 2021 (compared to SEK 167 million in 2020). Provisions for bad debts changed as follows:

Provisions for bad debts	2021	2020
Provisions, 1 January	492	455
Provisions for potential losses	126	198
Withdrawals due to actual credit losses	-114	-122
Currency rate effect	10	-33
Other	-6	-6
<b>Total</b>	<b>508</b>	<b>492</b>

(All figures in the table above are in SEK million.)

**Credit risk in Financial Services**

The credit portfolio including operating leases in the Financial Services segment can be seen in the table below:

Credit portfolio	2021	2020
Exposure	110,198	96,952
– of which, operating leases	16,977	17,917
Credit risk reserve	1,339	-1,519
Carrying amount	108,859	95,433
– of which, operating leases	16,730	17,675

(All figures in the table above are in SEK million.)

To maintain a controlled level of credit risk in the segment, the process of issuing credit is supported by a credit policy as well as credit instructions. Credit risks are limited by active credit assessment, management of the loan portfolio and its underlying assets, as well as an intensive focus and constructive dialogue with those customers who do not follow the agreed payment plan. Collateral in Financial Services operations mainly exists in the form of the possibility of repossessing the financed assets. The portfolio mainly consists of financing of trucks, buses and trailers for small and medium-sized companies.

**Timing analysis of portfolio assets**

	2021			2020		
Past due but not recognised as impairment losses	Past-due payments	Total exposure <sup>1</sup>	Estimated fair value of collateral	Past-due payments	Total exposure <sup>1</sup>	Estimated fair value of collateral
< 30 days	104	3,658	3,629	73	3,119	2,925
30-90 days	95	1,648	1,592	85	1,563	1,441
<b>Past due and recognised as impairment losses</b>						
91-180 days	39	498	405	71	511	480
> 180 days	122	383	375	174	684	599
Inactive contracts	220	521	342	197	744	424
<b>Total</b>	<b>580</b>	<b>6,708</b>	<b>6,343</b>	<b>600</b>	<b>6,621</b>	<b>5,869</b>

(All figures in the table above are in SEK million.)

A description of credit risk exposure can be seen in the table below:

<sup>1</sup> Exposure is defined as maximum potential loss, without regard to the value of any collateral.

<b>Concentration of credit risk</b>	<b>Number of customers</b>	<b>Per cent. of total number of customers</b>	<b>Per cent. of portfolio value</b>
On 31 December 2021			
Exposure < 15 SEK million	45,051	97.8	67.1
Exposure 15-50 SEK million	774	1.7	16.2
Exposure > 50 SEK million	250	0.5	16.7
<b>Total</b>	<b>46,075</b>	<b>100.0</b>	<b>100.0</b>

*(All figures in the table above are in SEK million.)*

Accounts with past-due receivables ordinarily lead to relatively quick repossession of the item being financed. Renegotiation only occurs in those cases where, after a new credit evaluation, Financial Services deems the customer's payment problems to be of a short-term, temporary nature and where renegotiation can take place without greatly worsening its risk position.

The renegotiation of financing contracts increased sharply in the first and second quarters of 2020 due to the effect of the pandemic on societies and transport systems. During the third and fourth quarters of 2020, the renegotiations returned to normal levels and the vast majority of customers returned to previous payment plans. The carrying amount of the financial assets, whose terms had been renegotiated, amounted to SEK 16,312 million at 31 December 2021 (2020: SEK 22,554 million). Contracts are regarded as bad debts when payment is more than 90 days past due or when there is information that causes Scania to terminate the contracts early. The resale market for repossessed and used vehicles functioned well during 2021. During the year 2021, 955 financed vehicles were repossessed (2020:1,652). At year-end, the number of repossessed but not yet sold vehicles amounted to 141 (2020: 248), with a total carrying amount of SEK 66 million (2020: SEK 103 million). Repossessed vehicles are sold off by means of a new financing contract with another customer, direct sale to an end customer or sale via Scania's dealership network. Provisions for bad debts changed as follows:

<b>Provisions for bad debts (mSEK)</b>	<b>2021</b>	<b>2020</b>
Provisions, 1 January	1,519	1,243
Provision for potential losses	-71	657
Withdrawals due to actual credit losses	-134	-242
Exchange rate differences	25	-139
Provisions, 31 December	1,339	1,519
Provisions as percentage of gross portfolio	1.2	1.6

The year's expenses for actual and potential credit losses amounted to SEK 130 million. (2020: SEK 730 million).

In 2021, a few customers have been granted additional rescheduling of their contracts. The majority of these customers belong to the passenger transport segment, which is still significantly affected by COVID-19 restrictions related to tourism and travelling. At the end of 2021, approximately 12 per cent. of the total exposure in the passenger transport segment was under moratoria or payment holiday. The equivalent share of rescheduling for the total portfolio was less than 2 per cent. The credit loss allowance of SEK 360 million, which was added in 2020, remains unchanged as at 31 December 2021, considering the impact from measures taken by policymakers, such as payment moratoria and payment holidays or expansive fiscal and monetary policies. During 2020 the Vehicles and Services segment applied a risk premium of 20 per cent. based on the valuation allowance by means of which the expected credit loss (ECL) on trade receivables due to COVID-19. This resulted in an increased loss allowance of SEK 18 million for the full year 2020. From the second quarter 2021 the risk premium has ceased.

#### ***Other credit risks at Scania***

The administration of the financial credit risks that arise primarily in corporate treasury operations, among other things when investing liquidity and in derivatives trading, is regulated in Scania's Financial Policy. Transactions occur only within established limits and with selected, creditworthy counterparties. "Creditworthy counterparty" means that the counterparty has received an approved credit rating from the credit ratings agencies S&P and/or Moody's. To reduce credit risk, the volume of exposure allowed per counterparty is limited, depending on the counterparty's credit rating. To further limit credit risk, Scania has entered into International Swaps and Derivatives Association (ISDA) netting contracts with all of its counterparties.

The corporate treasury unit is responsible for ensuring compliance with the rules of Scania's Financial Policy. As at 31 December 2021, net exposure to counterparty risk related to derivatives trading amounted to SEK 978 million (2020: SEK 2,686 million); estimated gross exposure to counterparty risks related to derivatives trading totalled SEK 1,661 million (2020: SEK 3,391 million); and estimated gross exposure to cash and cash equivalents and short-term investments amounted to SEK 26,636 million (2020: SEK 32,322 million). Short-term investments are mainly deposited with TRATON.

As at 31 December 2020, Scania had short-term investments worth SEK 20,804 million (2020: SEK 25,256 million), of which SEK 20,482 million (2020: SEK 25,253 million) consists of investments with a maturity of less than 90 days and SEK 322 million (2020: SEK 3 million) consisted of investments with a maturity of 91–365 days. As at 31 December 2020, in addition to short-term investments, Scania had bank balances worth SEK 8,830 million (2020: SEK 7,066 million).

### **Currency risk**

Currency risk is the risk of negative effects on earnings and balance sheet items denominated in foreign currency, due to currency movements. Revenue, expenses, assets and liabilities in a functional currency other than the reporting currency of the parent company Scania AB (SEK) are translated at the average exchange rate during the year and the exchange rate on the balance sheet date, respectively. The effect that arises because the exchange rate on the balance sheet date is changed from the beginning of the year and the average exchange rate of the year deviates from the balance sheet rate is recognised in the translation reserve in other comprehensive income (translation effect).

During 2021, 95 per cent. (2020: 94 per cent.) of Scania's sales occurred in countries outside Sweden. Since a large proportion of production occurs in Sweden, at costs denominated in Swedish kronor, this means that Scania has large net inflows of foreign currencies. Total currency exposure in Scania's operating income amounted to about SEK 52,400 million in 2021 (2020: SEK 35,800 million). The largest currencies in this flow were EUR, RUB, GBP and USD. Based on revenue and expenses in foreign currencies during 2021, a one percentage point change in the Swedish kronor against other currencies, excluding currency hedges, had an impact on operating income of about SEK 524 million (compared to SEK 358 million in 2020) on an annual basis. In Vehicles and Services, the total negative currency rate effects in 2021 amounted to SEK 1,409 million (compared to SEK -1,762 million in 2020).

According to 'Scania Group Policy – Treasury', the CFO has a mandate to approve hedging of up to 75 per cent. of anticipated exposure by currency up to six months. The CEO has a mandate to approve hedging of up to 50 per cent. of anticipated exposure by currency for a period from above six months up to 12 months. When currency risks are hedged, currencies are mainly sold by means of forward contracts, but currency options may also be used. As at 31 December 2021, no future currency flows were hedged.

To ensure efficiency and risk control, borrowings in Scania's subsidiaries largely occur through the corporate treasury unit, mainly in EUR and SEK, and are then transferred to subsidiaries in the form of internal loans in their local currencies. By means of derivative contracts, corporate-level borrowings are converted to lending currencies. In Financial Services, assets should be financed by liabilities in the same currency. Scania's borrowings in various currencies excluding and including currency derivatives can be seen in the table "Borrowings" in the section "Interest rate risk" below.

At the end of 2021, Scania's net assets in foreign currencies amounted to SEK 33,200 million (compared to SEK 27,400 million in 2020). The net foreign assets of subsidiaries are normally not hedged. However, to the extent subsidiaries have significant net monetary assets in functional currencies, they may be hedged. At year-end 2021, no foreign net assets were hedged.

### **Interest rate risk**

Interest rate risk is the risk of negative effects on interest income and expenses due to movements in interest rates. Changes in market interest rates may adversely affect cash flow or the fair market value of financial assets and liabilities. For Scania's assets and liabilities that carry variable interest rates, a change in market interest rates has a direct effect on cash flow, while for fixed-interest assets and liabilities, the fair value of the portfolio is affected instead. Scania's total borrowing portfolio amounted to SEK 94,604 million at year-end 2021 (compared to SEK 91,205 million at year-end 2020). To manage interest rate risks, Scania primarily uses interest rate derivatives in the form of interest rate swap agreements but Scania may nonetheless be adversely affected by the impact of changes in interest rates.

At year-end 2021, Scania's interest-bearing assets mainly consisted of assets in Financial Services and of short-term investments and cash and cash equivalents. Interest-bearing liabilities consisted mainly of loans, to a great extent intended to fund lending in Financial Services operations and to a lesser extent to fund working capital in Vehicles and Services

### **Interest rate risk in Vehicles and Services**

Borrowings in Vehicles and Services are mainly used for funding of working capital. To match the turnover rate of working capital, a short interest rate refixing period is used in the borrowing portfolio. Scania's policy concerning interest rate risks in the Vehicles and Services segment is that the interest rate refixing period on its net debt should normally be within 0–6 month range, but that divergences are allowed up to 24 months. The Board of Directors approves maturities of more than 24 months. As at 31 December 2021, net cash in Vehicles

and Services was SEK 25,520 million (2020: SEK 21,824 million). The borrowing portfolio amounted to SEK 5,526 million (2020: SEK 9,765 million). Short-term investments and cash and cash equivalents amounted to SEK 31,046 million (2020: SEK 31,589 million) and the average interest rate refixing period on these assets was less than two months (2020: less than two months).

Given the same loan liabilities, short-term investments, cash and cash equivalents and interest rate refixing periods as at year-end 2021, a change in market interest rates of 100 basis points (1 percentage point) would change the interest income in Vehicles and Services by about SEK 260 million (2020: SEK 315 million) on an annual basis.

### **Interest rate risk in Financial Services**

Scania's financial policy regarding interest rate risks in the Financial Services segment is that assets and liabilities should match in terms of interest rates and maturity periods. Interest rate refixing related to the credit portfolio and borrowing in Financial Services had the following structure as of 31 December 2021 and 2020:

<b>Interest rate refixing in Financial Services, 31 December 2021</b>	<b>Interest-bearing Portfolio<sup>2</sup></b>	<b>Interest- bearing liabilities<sup>3</sup></b>
2022	52,744	51,324
2023	23,523	22,284
2024	16,795	15,941
2025	9,728	5,789
2026	4,334	1,106
2027 and later	1,735	656
<b>Total</b>	<b>108,859</b>	<b>97,100</b>

<b>Interest rate refixing in Financial Services, 31 December 2020</b>	<b>Interest-bearing Portfolio<sup>4</sup></b>	<b>Interest- bearing liabilities<sup>5</sup></b>
2021	47,906	47,262
2022	20,265	19,359
2023	14,422	13,169
2024	8,096	4,933
2025	3,372	964
2026 and later	1,372	557
<b>Total</b>	<b>95,433</b>	<b>86,244</b>

Please note that all figures in the table above are in SEK million.

<b>Borrowings, 31 December 2021</b>	<b>Borrowings including currency swap agreements</b>	<b>Borrowings excluding currency swap agreements</b>
EUR	53,704	46,594
BRL	5,724	3,148
GBP	5,249	3,051
RUB	4,952	43
USD	3,369	858
CLP	2,732	1,697
ZAR	2,456	1,729
KRW	2,446	49
NOK	1,725	4,515
DKK	1,571	
CHF	1,570	48
AUD	1,426	
THB	842	
SEK	2,456	30,193
Other currencies	3,997	2,294
<b>Total<sup>6</sup></b>	<b>94,220</b>	<b>94,220</b>
Accrued interest	384	384
<b>Total</b>	<b>94,604</b>	<b>94,604</b>

<sup>2</sup> Including operating leases.

<sup>3</sup> Including the effect of interest rate derivatives. Other funding consists mostly of equity.

<sup>4</sup> Including operating leases.

<sup>5</sup> Including the effect of interest rate derivatives. Other funding consists mostly of equity.

<sup>6</sup> Total borrowings excluded SEK 384 million (compared to SEK 361 million in 2020) related to accrued interest.

Please note that all figures in the table above are in SEK million.

### **Liquidity risk**

Liquidity risk is the risk that Scania may be unable to meet ongoing financial obligations on time. The Group is exposed to the risk that financing of the Group's capital requirements and refinancing of existing borrowings becomes more difficult, costly or impossible which may in turn arise from matters outside of its control, such as a credit crisis or severe adverse economic conditions in the countries in which the Group operates.

If Scania is not able to meet ongoing financial obligations on time, it could have a material adverse effect on the Group's business, results of operations and financial condition. At the end of 2021, Scania's liquidity reserve, consisting of guaranteed credit facilities, cash and cash equivalents and short-term investments, amounted to SEK 52,721 million (compared to SEK 61,391 million in 2020).

There is a risk that extensive decreases in the Group's creditworthiness or profitability, significant increases in interest rates and considerable decreases in the availability of credit or the tightening of terms required by lenders would limit the Group's access to capital, including its ability to issue additional debt and equity, and that the Group may therefore not be able to meet its payment obligations, including under the Notes.

### **Price volatility**

The prices for heavy trucks, buses and engines in certain markets, including service for these products, have at times experienced sharp changes over short periods of time. This volatility is caused by many factors, including volatility in underlying economic conditions, short-term fluctuations in demand, changes in import regulations, shortages of certain supplies, price volatility in raw materials and increased competition. There can be no assurance that such price volatility will not continue or that price volatility will not begin in markets which to date have not experienced such volatility. In the shift to producing more electric vehicles, Scania is becoming increasingly dependent on batteries. Scania is thereby signing contracts on battery purchases even though the battery market is still relatively undeveloped. Price volatility could adversely affect Scania's results of operations. Continued price volatility in certain markets could adversely affect Scania's results of operations in a particular period.

### **Financial reporting**

As part of TRATON, which is a stand-alone publicly listed entity since 28 June 2019, there is no guarantee that Scania's accounting, controlling and legal or other corporate administrative functions will be without incorrect and incompleteness and might cause significant expenditures, exposure to legal, regulatory or civil cost and penalties as well as reputational disadvantages.

### **Material risks and uncertainty factors in financial reporting**

The risks that have the greatest impact on financial reporting for Scania are summarised as follows:

(a) Sales transactions that include repurchase with obligations

Scania delivers approximately 9 per cent. of its vehicles with repurchase obligations, where Scania thus has residual value exposure. There is also residual value exposure for short-term rental vehicles with an estimated residual value.

If there are major downturns in the market value of used vehicles, this increases the risk of future losses when divesting the returned vehicles. When a residual value guarantee is deemed likely to result in a future loss, the depreciation of the vehicle is adjusted accordingly.

Changes in market value may also cause an impairment loss in used vehicle inventories, since these are recognised at the lower of cost and estimated net realisable value.

At the end of 2021, obligations related to residual value or repurchase amounted to about SEK 18,467 million (compared to SEK 19,079 million in 2020).

(b) Credit risks

In its Financial Services operations, Scania has an exposure in the form of contractual payments. At the end of 2021, these amounted to SEK 108,859 million (compared to SEK 95,422 million in 2020). In all essential respects, Scania has collateral in the form of the right to repossess the underlying vehicle. Where the market value of the collateral does not cover the exposure to the customer, Scania has a risk of loss. At year-end 2021, the reserve for doubtful receivables in Financial Services operations amounted to SEK 1,339 million (compared to SEK 1,519 million at year-end 2020).



### ***Tax risks***

The Group is subject to taxes in Sweden and other foreign jurisdictions where the Group operates. The Group's future effective tax rates are affected by the mix of earnings in countries where the Group operates with differing tax rates. Furthermore, changes in corporation or other taxes (including withholding taxes) or changes in tax laws or their interpretation may impact the Group's future effective tax rate. Any of these changes could have a material adverse effect on the Group's tax cost.

Scania and its subsidiaries are the subject of a number of tax cases, as a consequence of Scania's operating activities. These cases mainly relate to the areas of financial expenses and indirect taxes. None of these cases are deemed capable of resulting in a claim that would substantially affect Scania's financial position. Tax risks above a certain level are reported regularly to management. If Scania fails to comply with tax regulations and receives claims for damages, significant fines or other penalties, the loss of customers and reputation could have a material adverse effect on Scania's results of operation and financial condition.

Any significant adverse outcome of any such tax examination and/or tax investigation, and/or any other increased or additional tax liabilities for the Group, could affect the Issuer's and the Guarantor's ability to fulfil its respective obligations under Notes issued under the Programme.

### ***Inadequate insurance coverage***

There can be no assurance that the insurance coverage that Scania maintains is sufficient to cover all risks associated with the operation of its business, such as coverage for people, property, assets and liabilities, in accordance with the Treasury Policy. Furthermore, it is not possible to insure fully against all risks.

Customary Group insurance policies to protect the Group's goods shipments, assets and liabilities are arranged in accordance with Scania's Treasury Policy. There can be no assurance that any claim under Scania's insurance policies will be honoured fully or timely, that Scania's insurance coverage will be sufficient in any respect or that its insurance premiums will not increase substantially. Accordingly, to the extent that Scania suffers loss or damage that is not covered by insurance or which exceeds the Group's insurance coverage, or have to pay higher insurance premiums, it may have a material adverse effect on Scania's business, result of operations and financial condition.

### ***Pension risks***

The Group has substantial pension and other similar employee benefits-related obligations and is subject to risks related to the development of these obligations and to funding requirements of its pension and other post-employment benefit plans. In the actuarial methods that are used to establish Scania's pension liabilities, a number of assumptions are highly important. The most critical assumption is related to the discount rate on the obligations. Other vital assumptions are average life expectancy and average duration of the obligations. A higher discount rate decreases the recognised pension liability. In calculating the Swedish pension liability, the discount rate used was 2.0 per cent. (2020: 1.25 per cent.). If the Issuer fails to manage and control its pension risk, the Issuer could become unable to meet its obligations, including those under the Notes.

## **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME**

### **Risks related to the structure of a particular issue of Notes**

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

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

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

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

***Notes which are issued with variable interest rates or which are structured to include a multiplier or other leverage factor are likely to have more volatile market values than more standard securities***

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 securities that do not include those features.

***Inverse Floating Rate Notes will have more volatile market values than conventional 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 EURIBOR. The market values of those 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.

***If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned***

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market and the market value of such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert 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 Fixed/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. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant notes.

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

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

## **Risks related to Notes generally**

Set out below is a description of material risks related to the Notes generally:

### ***Impact of parent ratings***

As mentioned previously (See “*Risk Factors – Ratings risk related to the TRATON Group and the Volkswagen Group*”, above), any downgrade by S&P of TRATON’s or Volkswagen’s credit rating may result in a downgrade by S&P of the credit rating of the Notes or Scania. Any change in the credit rating of Scania could adversely affect the price at which Notes are traded in the market, which may cause loss.

### ***The conditions of the Notes contain provisions which may permit their modification without the consent of all investors***

The conditions of the Notes contain provisions for calling meetings (including by way of conference call or by use of a videoconference platform) of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically and including those Noteholders who voted in a manner contrary to the majority.

### ***The value of the Notes could be adversely affected by a change in English law or administrative practice***

The conditions of the Notes and any non-contractual obligations arising out of or in connection with such Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus. Potential investors should note that and any such change in applicable law or administrative practice may have an adverse impact on the secondary market value of the Notes.

### ***Enforceability of judgments***

The UK left the EU on 31 January 2020 and the transitional period agreed in the withdrawal agreement during which EU law continued to apply in the UK, expired on 31 December 2020.

As of the date hereof, the only treaty providing for reciprocal recognition and enforcement of judgments rendered in connection with civil and commercial disputes between the United Kingdom and Sweden is the Hague Convention of 30 June 2005 on Choice of Court Agreements (the **Hague Convention**). Pursuant to the provisions of the Hague Convention, a judgment entered against a Swedish entity in the courts of a Contracting State (as defined in the Hague Convention) and which is enforceable in such Contracting State, will be directly enforceable in Sweden only upon the satisfaction of certain requirements, one of which is that the relevant judgment relates to an agreement which includes an exclusive choice of court provision (as described in the Hague Convention). As such, a judgement entered against the Issuer based on an asymmetric jurisdiction clause (i.e. a jurisdiction clause which is non-exclusive), as is the case in relation to the terms and conditions of the Notes, would fall outside of the application of the Hague Convention. Absent any agreement, treaty or other instrument on mutual recognition and enforcement of judgments applicable in relation to the Notes between the UK and Sweden, a final judgment in civil or commercial matters relating to the Notes obtained in the courts of England against the Issuer, will, in principle, neither be recognised nor enforceable in Sweden. However, if a Noteholder brings a new action in a competent court in Sweden, the final judgment rendered in an English court may be submitted to the Swedish court, but will only be regarded as evidence of the outcome of the dispute to which it relates, and the Swedish court has full discretion to rehear the dispute ab initio. Any retrial on a judgment's merits could therefore significantly delay or prevent the enforcement by Noteholders of the Issuer's obligations under the Notes.

### ***Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued***

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

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

### ***The Reform and Regulation of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"***

Interest rates and indices which are deemed to be "benchmarks" (including the Programme Benchmarks) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause the relevant benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

The Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a Programme Benchmark, in particular, if the methodology or other terms of the relevant Programme Benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The euro risk free-rate working group has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may have (without limitation) the following effects on certain benchmarks (including the Programme Benchmarks): (i) discouraging market participants from continuing to administer or contribute to the “benchmark”; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon a Programme Benchmark.

The conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Event (as defined in the Conditions of the Notes) occurs in respect of an Original Reference Rate or other relevant reference rate and/or any page on which such benchmark may be published (or any other successor service) becomes unavailable. Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Rate (both as defined in the conditions of the Notes) with the application of an Adjustment Spread (which could be positive, negative or zero) and may include amendments to the conditions of the Notes to ensure the proper operation of the new benchmark, all as determined by an Independent Adviser (acting in good faith and in a commercially reasonable manner) and as more fully described at Condition 4(b)(vi). It is possible that the adoption of a Successor Rate or Alternative Rate, including any Adjustment Spread, may result in any Notes linked to or referencing an Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate were to continue to apply in its current form. There is also a risk that the relevant fallback provisions may not operate as expected or intended at the relevant time.

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes linked to or referencing a Programme Benchmark.

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

The Final Terms (or, in the case of Exempt Notes, Pricing Supplement) relating to any specific Tranche of Notes may provide that it will be the Issuer’s intention to apply the proceeds from an offer of those Notes specifically for projects and activities that promote climate-friendly and/or other environmental purposes (either in those words or otherwise) (**Green Projects**). Prospective investors should have regard to the information in the relevant Final Terms (or, in the case of Exempt Notes, Pricing Supplement) regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer or the Guarantor that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, Green Projects). Furthermore, it should be noted that the definition (legal, regulatory or otherwise) of, and market consensus as to what constitutes, a “green”, “sustainable”, “social” or an equivalently-labelled project continues to evolve (including as a result of the introduction of the EU Taxonomy (as defined below) and similar classification schemes in other jurisdictions), and such Green Projects may not reflect these developments. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such “green”, “sustainable”

or other equivalently-labelled performance objectives (including Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the so called **EU Taxonomy**) or Regulation (EU) 2020/852 as it forms part of domestic law in the United Kingdom by virtue of the EUWA) or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects.

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

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

While it is the intention of the Issuer to apply the proceeds of any Notes so specified for Green Projects in, or substantially in, the manner described in the relevant Final Terms (or, in the case of Exempt Notes, Pricing Supplement), there can be no assurance that the relevant intended project(s) or use(s) the subject of, or related to, any Green Projects will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally disbursed for the specified Green Projects. Nor can there be any assurance that such Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes and the Guarantor will assume no obligations as a result of any such event or failure by the Issuer in this regard.

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

### **Risks related to the market generally**

Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

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

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, or have been structured to meet the

investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

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

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee 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 (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

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

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

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

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

One or more independent credit rating agencies may assign credit ratings to the Issuer, the Guarantor or the Notes. The ratings may not reflect the potential impact of all risks related to the structure of the Notes, the market for the Notes, the additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. The Issuer may also decide not to maintain a credit rating.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by a EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment which may impact the value of the Notes and any secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the CSSF shall be incorporated by reference in, and to form part of, this Base Prospectus:

- (a) the sections indicated in the cross-reference table below of the annual reports for the financial years ended 31 December 2021 and 31 December 2020 of the Issuer are available at <http://dl.bourse.lu/dlp/108ebc2cc7ad5e48678da6462e24d0dd9e> and <http://dl.bourse.lu/dlp/10bf823b6aea26421b94c772da34d76cf0> respectively;
- (b) the sections indicated in the cross-reference table below of the annual reports for the financial years ended 31 December 2021 and 31 December 2020 of the Guarantor are available at <http://dl.bourse.lu/dlp/10234ef52b31f74cc29b0e54096299b275> and <http://dl.bourse.lu/dlp/108eb7d85768784eb78bd69e4eb151923c> respectively and at <https://www.scania.com/group/en/home/investors/financial-reports/annual-reports.html>;
- (c) the sections indicated in the cross-reference table below of the unaudited interim report for the nine months ended 30 September 2022 of the Guarantor available at <https://dl.bourse.lu/dlp/101f22a07398bc4dc5bf086d72b1484308> and at <https://www.scania.com/group/en/home/investors/financial-reports/interim-reports.html>;
- (d) the sections indicated in the cross reference table below of the unaudited interim report for the six months ended 30 June 2022 of the Issuer available at <https://dl.bourse.lu/dlp/10b45d7619622644379635c5386876f5bd>;
- (e) the sections indicated in the cross reference table below of the auditor reports for the financial years ended 31 December 2021 and 31 December 2020 of the Issuer, available at <http://dl.bourse.lu/dlp/101279ad627d0348ec8b62984a11c9fc78> and at <http://dl.bourse.lu/dlp/10ce2767d61d70400e9cb562c08dc504ab>;
- (f) the Terms and Conditions of the Notes contained in the Base Prospectus dated 17 June 2021 (pages 57 to 80) available at <http://dl.bourse.lu/dlp/1026048510667646c597b69b0cae80fff8>;
- (g) the Terms and Conditions of the Notes contained in the Base Prospectus dated 24 June 2020 (pages 57 to 82) available at <http://dl.bourse.lu/dlp/107f5447858c84449d96a2b2bf89b22fef>;
- (h) the Terms and Conditions of the Notes contained in the Base Prospectus dated 3 July 2019 (pages 53 to 78) available at <http://dl.bourse.lu/dlp/109709eacd62ca4c1db4aa13206f9004ab>;
- (i) the Terms and Conditions of the Notes contained in the Base Prospectus dated 13 June 2018 (pages 51 to 71) available at <http://dl.bourse.lu/dlp/1055a72f0c5f2e4f4ba23a53e9910e54d7>; and
- (j) the Terms and Conditions of the Notes contained in the Base Prospectus dated 16 June 2017 (pages 50 to 71) available at <http://dl.bourse.lu/dlp/10314cf4c6aae44714b36a50d9e0759b77>.

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

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

Cross Reference Table (page)								
	Issuer					Guarantor		
	Annual Report 2020	Auditor Report 2020	Annual Report 2021	Auditor Report 2021	Q2 Unaudited Interim Report 2022	Annual Report 2020	Annual Report 2021	Q3 Unaudited Interim Report 2022
Consolidated Income Statement	23-24	-	24	-	7	58	63	7
Consolidated Balance Sheet	25-26	-	25-26	-	8	59	64	9
Consolidated Statement of Changes in Equity	27	-	27	-	9	60	65	10
Consolidated Cash Flow Statement	28	-	28	-	10	61	66	11
Notes to the Consolidated Financial Statements	34-93	-	29-94	-	11, 16-17	62-116	67-122	12, 15-19
Non-consolidated Income Statement	29	-	95	-	13	117	123	14
Non-consolidated Balance Sheet	30-31	-	96-97	-	14	117	123	14
Non-consolidated Statement of Changes in Equity	32	-	98	-	15	118	124	14
Non-consolidated Cash Flow Statement	33	-	99	-	-	118	124	-
Notes to the Non-consolidated Financial Statements	94-109	-	100-116	-	-	119-120	125-126	-
Auditors' Report in respect of the Consolidated and Non-consolidated Financial Statements	-	1-4	-	1-4	-	121-124	127-130	-
Key Financial Ratios and Figures	21	-	22-23	-	12	125-127	131-133	20
Definitions	20	-	23	-	12	128	134	20
Reconciliation	-	-	-	-	12	-	-	21



Any non-incorporated parts of a document referred to herein (which, for the avoidance of doubt, means any parts not listed in the cross-reference list above) are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

Any documents which are themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus will not form part of this Base Prospectus.

## FORM OF THE NOTES

Any reference in this section to “applicable Final Terms” shall be deemed to include a reference to “applicable Pricing Supplement” where relevant.

Each Tranche of Notes will be in bearer form and will initially be issued in the form of a temporary global note (a **Temporary Global Note**) or, if so specified in the applicable Final Terms, a permanent Global Note (a **Permanent Global Note** and, together with a Temporary Global Note, each a **Global Note**) which, in either case, will:

- (a) if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); and
- (b) if the Global Notes are not intended to be issued in NGN Form be delivered on or prior to the original issue date of the Tranche to a common depository (the **Common Depository**) for, Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series or (ii) for definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Global Note (if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Notes (other than Temporary Global Notes), and interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

“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.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Notes.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

## General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 9. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then from 8.00 p.m. (London time) on such day holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the **Deed of Covenant**) dated 3 July 2019 and executed by the Issuer.

The Issuer and the Guarantor may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event, other than where such Notes are Exempt Notes, a new Base Prospectus or a supplement to the Base Prospectus, if appropriate will be made available which will describe the effect of the agreement reached in relation to such Notes.

## APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes issued under the Programme.

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]<sup>7</sup>

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

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

**[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (the “SFA”)** – The Notes are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and [Excluded Investment Products]/[Specified Investment Products] (as defined in

<sup>7</sup> Legend to be included on the front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

[Date]

## SCANIA CV AB (publ)

Issuer Legal entity identifier (LEI): 529900BZYSUQLQSPNR07  
**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] [Green Bonds]  
Guaranteed by Scania AB (publ)**  
Guarantor Legal entity identifier (LEI): 52990000AKKX75BMW43  
**under the €7,000,000,000**  
**Euro Medium Term Note Programme**

### PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the Base Prospectus dated 31 October 2022 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus (the **Base Prospectus**) for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been and the Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the Base Prospectus dated [17 June 2021 / 24 June 2020 / 3 July 2019 / 13 June 2018 / 16 June 2017] which are incorporated by reference in the Base Prospectus dated 31 October 2022 [as supplemented by the supplement[s] dated [date] [and [date]]] and are attached hereto. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and must be read in conjunction with the Base Prospectus dated 31 October 2022 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**), including the Conditions incorporated by reference in the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been and the Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

*[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 or subparagraphs. Italics denote directions for completing the Final Terms.]*

1.
  - (a) Series Number: [ ]
  - (b) Tranche Number: [ ]
  - (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with *[provide issue amount/ISIN/maturity date/issue date of earlier Tranches]* on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [date]] [Not Applicable]
2. Specified Currency or Currencies: [ ]
3. Aggregate Nominal Amount:
  - (a) Series: [ ]
  - (b) Tranche: [ ]

<sup>8</sup> Insert “prescribed capital market products” and “Excluded Investment Products” or, if not, amend Singapore product classification.

<sup>9</sup> Relevant Dealer(s) to consider whether it/they have received the necessary Singapore product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

4. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. (a) Specified Denominations: [ ]  
[ ]  
(N.B. Notes must have a minimum denomination of €100,000 (or equivalent))  
(Note – Where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed: “[€100,000] and integral multiples of €1,000 in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)
- (b) Calculation Amount (in relation to calculation of interest in global form see Conditions):  
(Applicable to Notes in definitive form) [ ]  
(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)
6. (c) Issue Date: [ ]  
(d) Interest Commencement Date: [Specify/Issue Date/Not Applicable]  
(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)
7. Maturity Date: [Fixed rate/Zero Coupon Notes – specify date/ Specify date or for Floating Rate Notes – Interest Payment Date falling in or nearest to [specify month and year]]
8. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] month  
[EURIBOR/STIBOR/NIBOR/CIBOR/MOSPRIME/JIBAR/WIBOR/PRIBOR/KORIBOR/RIGIBOR/TRLIBOR] +/- [ ] per cent.  
Floating Rate]  
[Zero coupon]  
(See paragraph [13] [14] [15] below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [par/[above par] per cent. of their nominal amount]
10. Change of Interest Basis [Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 13 and 14 below and identify there] [Not Applicable]
11. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Issuer Par Call]  
[Clean-up Call]  
[(See paragraph [17] [18] [19] [20] below)]  
[Not Applicable]
12. [Date [Board] approval for issuance of Notes [and Guarantee] obtained: [ ] [and [ ], respectively]]  
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date
- (c) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [ ] per Calculation Amount
- (d) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[ ] per Calculation Amount, payable on the Interest Payment Date facility [in/on] [ ]]  
[Not Applicable]
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[ ] in each year] [Not Applicable]  
*[Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon]*
14. Floating Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- (c) Additional Business Centre(s): [ ] [Not Applicable]
- (d) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): [ ] [Not Applicable] (the **Calculation Agent**)
- (e) Screen Rate Determination:
- Reference Rate: [ ] month [EURIBOR STIBOR/NIBOR/CIBOR/MOSPRIME/JIBAR/WIBOR/PRIBOR/KORIBOR/RIGIBOR/TRLIBOR]
  - Relevant Financial Centre: [Brussels/Stockholm/Oslo/Copenhagen/Moscow/Johannesburg/Warsaw/Prague/Seoul/Riga/Istanbul]
  - Interest Determination Date(s): [ ] Relevant Financial Centre time  
*(Second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR)*
  - Relevant Screen Page: [ ]  
*(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
  - Relevant Time: [ ]
- (f) Linear Interpolation [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear

- (g) Margin(s): Interpolation (*specify for each short or long interest period*)  
 [+/-] [ ] per cent. per annum
- (h) Minimum Rate of Interest: [ ] per cent. per annum
- (i) Maximum Rate of Interest: [ ] per cent. per annum
- (j) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]

- [Actual/365 (Fixed)]  
 [Actual/365 (Sterling)]  
 [Actual/360]  
 [30/360] [360/360] [Bond Basis]  
 [30E/360] [Eurobond Basis]  
 30E/360 (ISDA)  
 [Applicable/Not Applicable]  
 (*If not applicable, delete the remaining subparagraphs of this paragraph*)
15. Zero Coupon Note Provisions
- (a) Accrual Yield: [ ] per cent. per annum
- (b) Reference Price: [ ]
- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360] [Actual/360] [Actual/365]

## PROVISIONS RELATING TO REDEMPTION

16. Notice Periods for Condition 6(b): Minimum period: [ ] days  
 Maximum period: [ ] days
17. Issuer Call: [Applicable/Not Applicable]  
 (*If not applicable, delete the remaining subparagraphs of this paragraph*)  
 [ ]
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [[ ] per Calculation Amount][Spens Amount][Make-whole Amount]
- (i) [Reference Bond: [ ]]
- (ii) Redemption Margin: [ ]
- (iii) Quotation Time: [ ]]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [ ]
- (ii) Maximum Redemption Amount: [ ]
- (d) Notice periods: Minimum period: [ ] days  
 Maximum period: [ ] days  
 (*N.B. when setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of five clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent*)
18. Issuer Par Call: [Applicable/Not Applicable]  
 (*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (a) Par Call Period: From (and including [ ]) (the **Par Call Period Commencement Date**) to (but excluding) the Maturity Date
- (b) Notice periods: Minimum period: [ ] days  
 Maximum period: [ ] days



*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)*

**19. Investor Put:**

[Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(a) Optional Redemption Date(s): [ ]

(b) Optional Redemption Amount: [ ] per Calculation Amount

*(N.B. If the Optional Redemption Amount is other than a specified amount per Calculation Amount, the Notes will need to be Exempt Notes)*

(c) Notice periods: Minimum period: [ ] days

Maximum period: [ ] days

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)*

**20. Clean-up Call**

[Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

Notice Periods: Minimum period: [ ] days

Maximum period: [ ] days

**21. Final Redemption Amount:**

[ ] per Calculation Amount

*(Notes must be redeemed at 100 per cent. of their nominal value or, if so agreed between the Issuer and the relevant Dealer, at a higher amount)*

**22. Early Redemption Amount payable on redemption for taxation reasons or on event of default:**

[ ] per Calculation Amount

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

**23. (a) Form of Notes:**

[Temporary Global Note exchangeable for a Permanent Global Note on or after the Exchange Date, which is exchangeable for Definitive Notes upon an Exchange Event]

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]

*(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of*

*[€1,000] in excess thereof up to and including [€199,000].” Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)*  
[Yes] [No]

- (b) New Global Note  
24. Additional Financial Centre(s):

[Not Applicable/give details]  
*(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which subparagraphs 14(c) relates)*

25. Talons for future Coupons to be attached to Definitive Notes:

[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made /No]

### THIRD PARTY INFORMATION

[[*Relevant third party information*] has been extracted from [*specify source*]. Each of the Issuer and the Guarantor 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.]

Signed on behalf of the Issuer:

By: .....

Signed on behalf of Scania CV AB (*publ*)

By: .....

Signed on behalf of Scania CV AB (*publ*)

Signed on behalf of the Guarantor:

By: .....

Signed on behalf of Scania AB (*publ*)

By: .....

Signed on behalf of Scania AB (*publ*)

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange’s regulated market and listing on the Official List of the Luxembourg Stock Exchange with effect from [ ].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Luxembourg Stock Exchange’s regulated market and listing on the Official List of the Luxembourg Stock Exchange] with effect from [ ].]  
*(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

- Ratings: [Not Applicable]/[The Notes to be issued [have been]/[are expected to be]] rated/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:  
[insert details] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms]:  
Each of [defined terms] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended, the **CRA Regulation**).]  
[Each of [defined terms] is established in the [United Kingdom] and is registered under Regulation (EC) No. 1060/2009 (as amended) as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **UK CRA Regulation**).]  
[Need to include a brief explanation of the meaning of the ratings if this has been previously publishes by the rating provider]  
*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

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

[Save for the fees [of [insert relevant fee disclosure]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business – *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 Base Prospectus under Article 23 of the Prospectus Regulation.)]*

- 4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**
- (i) Reasons for the offer: [Green Bonds] [See “*Use of Proceeds*” in the Base Prospectus/give details]  
(See “*Use of Proceeds*” in the Base Prospectus – if reasons for offer different from what is disclosed in the Base Prospectus, give details)
- (ii) Estimated net proceeds: [ ]
- 5. YIELD (Fixed Rate Notes only)**  
Indication of yield: [ ]
- 6. OPERATIONAL INFORMATION**
- (i) ISIN Code: [ ]
- (ii) Common Code: [ ]
- (iii) CFI: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]
- (iv) FISN: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]
- (v) Benchmarks Regulation: Article 29(2) statement on benchmarks: [Not Applicable]  
[Applicable: Amounts payable under the Notes are calculated by reference to [EURIBOR/STIBOR/NIBOR/CIBOR/MOSP RIME/JIBAR/WIBOR/PRIBOR/KORIBOR/RIGIBOR/TRLIBOR], which [is/are] provided by [*insert name[s] of the administrator[s] – if more than one specify in relation to each relevant benchmark*]. [As at the date of this Final Terms, [*insert name[s] of the administrator[s]*] [is/are] [not] included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011).]/[As far as the Issuer is aware, as at the date hereof, [EURIBOR/STIBOR/NIBOR/CIBOR/MOSP RIME/JIBAR/WIBOR/PRIBOR/KORIBOR/RIGIBOR/TRLIBOR] does not fall within the scope of Regulation (EU) No 2016/1011] [*repeat as necessary*]]
- (vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking SA and the relevant identification number(s) and address(es): [Not Applicable/give name(s), number(s) and addresses(es)]
- (vii) Delivery: Delivery [against/free of] payment
- (viii) Names and addresses of additional Paying Agent(s) (if any): [ ] [Not Applicable]
- (ix) Deemed delivery of clearing system notices for the purposes of Condition 13: Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the [second] [business] day

after the day on which it was given to Euroclear and Clearstream, Luxembourg.

- (x) Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

## 7. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-Syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iii) Stabilisation Manager (if any): [Not Applicable/*give name*]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]
- (v) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (vi) Prohibition of Sales to EEA Investors: [Applicable/Not Applicable]  
*(If Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*
- (vii) Prohibition of Sales to UK Investors [Applicable/Not Applicable]  
*(If Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*
- (viii) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]  
*(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)*

**8. PROVISIONS RELATING TO GREEN BONDS**

- (i) Green Bonds [Yes/No]
- (ii) [Reviewer(s):] [Name of sustainability rating agency(ies)  
[and name of third party assurance agent] and  
[give details of compliance opinion(s) and  
availability]
- (iii) [Date of third party opinion(s):] [Not Applicable/give details]

## APPLICABLE PRICING SUPPLEMENT

### Exempt Notes of any Denomination

*Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes, whatever the denomination of those Notes, issued under the Programme.*

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]<sup>10</sup>

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

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

**[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (the “SFA”)** – The Notes are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and [Excluded Investment Products]/[Specified Investment Products] (as defined in

<sup>10</sup> Legend to be included on the front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]<sup>1112</sup>

**[THE CSSF HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT]**

[Date]

## **SCANIA CV AB (publ)**

Issuer Legal entity identifier (LEI): 529900BZYSUQLQSPNR07

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] [Green Bonds]**

**Guaranteed by Scania AB (publ)**

Guarantor Legal entity identifier (LEI): 52990000AKKX75BMWB43

**under the €7,000,000,000**

**Euro Medium Term Note Programme**

## **PART A – CONTRACTUAL TERMS**

[Any person making or intending to make an offer 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 either of Article 3 of [Regulation (EU) 2017/1129 (the **Prospectus Regulation**)]/[the Prospectus Regulation] or section 85 of the FSMA or to supplement a prospectus pursuant to either of Article 23 of the Prospectus Regulation or Article 23 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of [the European Union (Withdrawal) Act 2018]/ [EUWA] (the **UK Prospectus Regulation**), in each case, in relation to such offer.]<sup>13</sup>

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Base Prospectus dated 31 October 2022 [as supplemented by the supplement[s] dated [date[s]]] (the **Base Prospectus**). Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. Copies of the Base Prospectus may be obtained from Deutsche Bank Luxembourg SA at 2, Boulevard Konrad Adenauer, 1115 Luxembourg, Grand Duchy of Luxembourg.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the Base Prospectus [dated [original date] [and the supplement dated [date]]] which are incorporated by reference in the Base Prospectus].<sup>14</sup>

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]*

*[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination [must/may need to] be £100,000 or its equivalent in any other currency.]*

- |        |  |                |  |
|--------|--|----------------|--|
| 1. (a) | Issuer:  | [            ] |  |
| (b)    | Guarantor:   | [            ] |  |
| 2.     | Series Number:   | [            ] |  |
| (a)    | Tranche Number:  | [            ] |  |
| (b)    | Date on which the Notes will be consolidated and form a single Series: |                | The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [date]][Not Applicable] |

<sup>11</sup> Insert “prescribed capital market products” and “Excluded Investment Products” or, if not, amend Singapore product classification.

<sup>12</sup> Relevant Dealer(s) to consider whether it/they have received the necessary Singapore product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

<sup>13</sup> Include relevant legend wording here for the EEA and UK if the “Prohibition of Sales” legend and related selling restriction for that regime are not included/not specified to be “Applicable” (because the Notes do not constitute “packaged” products, or a key information document will be prepared under that regime).

<sup>14</sup> Only include this language where it is a fungible issue and the original Tranche was issued under a Base Prospectus with a different date.



3. Specified Currency or Currencies: [ ]
4. Aggregate Nominal Amount: [ ]
- (a) Series: [ ]
- (b) Tranche: [ ]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
6. (a) Specified Denominations: [ ]
- (b) Calculation Amount (in relation to calculation of interest in global form see Conditions): [ ]
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (a) Issue Date: [ ]
- (b) Interest Commencement Date: [*specify*/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [*Specify date* or for *Floating Rate Notes* - Interest Payment Date falling in or nearest to [*specify month and year*]]
9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[*specify Reference Rate*] +/- [ ] per cent. Floating Rate]  
[Zero Coupon]  
[*specify other*]  
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]  
[*specify other*]
11. Change of Interest Basis or Redemption/Payment Basis: [*Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis*][Not Applicable]
12. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Issuer Par Call]  
[Clean-up call]  
[(further particulars specified below)]  
[Not Applicable]
13. (a) Status of the Notes: Senior
- (b) Status of the Guarantee: Senior
- (c) [Date [Board] approval for issuance of Notes [and Guarantee] obtained: [ ] [and [ ]], respectively]]
- (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)*
14. **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**  
Fixed Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date

- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date  
(Amend appropriately in the case of irregular coupons)
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
(Applicable to Notes in definitive form.)
- (d) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]  
(Applicable to Notes in definitive form.)
- (e) Day Count Fraction: [30/360/Actual/Actual (ICMA)/specify other]
- (f) [Determination Date(s): [ ] in each year][Not Applicable]  
(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)  
[None/Give details]
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes: [None/Give details]
15. Floating Rate Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/Specified Interest Payment Dates: [ ]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/[specify other]]
- (c) Additional Business Centre(s): [ ]
- (d) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): [ ] (the **Calculation Agent**)
- (e) Screen Rate Determination:
- Reference Rate: [ ] month  
[EURIBOR/STIBOR/NIBOR/CIBOR/MOSPRIME/JIBAR/WIBOR/PRIBOR/KORIBOR/RIGIBOR/TRLIBOR/specify other Reference Rate].
  - Relevant Financial Centre: [Brussels/Stockholm/Oslo/Copenhagen/Moscow/Johannesburg/Warsaw/Prague/Seoul/Riga/Istanbul/ specify other Relevant Financial Centre]
  - Interest Determination Date(s): [ ]  
(Second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR)
  - Relevant Screen Page: [ ]  
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
  - Relevant Time: [ ] Relevant Financial Centre time
- (f) Linear Interpolation [Not Applicable/ Applicable – the Rate of Interest for the [long/short] [ first/last] Interest

- Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)
- (g) Margin(s): [ +/- ] [ ] per cent. per annum
- (h) Minimum Rate of Interest: [ ] per cent. per annum
- (i) Maximum Rate of Interest: [ ] per cent. per annum
- (j) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] 30E/360 (ISDA) Other] (See Condition 4 for alternatives)
- (k) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Notes, if different from those set out in the Conditions: [ ]

**16. Zero Coupon Note Provisions**

- [Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: [ ] per cent. per annum
- (b) Reference Price: [ ]
- (c) Any other formula/basis of determining amount payable for Zero Coupon Notes which are Exempt Notes: [ ]
- (d) Day Count Fraction in relation to Early Redemption Amounts: [30/360] [Actual/360] [Actual/365]

**PROVISIONS RELATING TO REDEMPTION**

- 17. Notice periods for Condition 6(b):** Minimum period: [ ] days  
Maximum period: [ ] days
- 18. Issuer Call:** [Applicable/Not Applicable] (If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount][Spens Amount][Make-whole Amount]
- (i) [Reference Bond: [ ]
- (ii) Redemption Margin: [ ]
- (iii) Quotation Time: [ ]
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [ ]
- (ii) Maximum Redemption Amount: [ ]

- (d) Notice periods:
- Minimum period: [ ] days  
Maximum period: [ ] days
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of five clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent )*
- 19. Issuer Par Call:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Par Call Period: From (and including [ ]) (the **Par Call Period Commencement Date**) to (but excluding) the Maturity Date
- Notice periods:
- Minimum period: [ ] days  
Maximum period: [ ] days
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)*
- 20. Investor Put:** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
- (c) Notice periods:
- Minimum period: [ ] days  
Maximum period: [ ] days
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)*
- 21. Clean-up Call** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- Notice Periods: Minimum period: [ ] days

22. Final Redemption Amount: Maximum period: [ ] days  
 [[ ] per Calculation Amount/*specify other/see Appendix*]
23. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(f):  
 [[ ] per Calculation Amount/*specify other/see Appendix*]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of Notes:  
 (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event]  
 [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]  
 [Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]  
 [Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005.]  
*(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves.)*  
 [Yes][No]
- (b) New Global Note:  
 25. Additional Financial Centre(s): [Not Applicable/*give details*]  
*(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub paragraph 15(c) relates)*
26. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]  
 [Not Applicable/*give details*]
27. Other terms or special conditions: [Not Applicable/*give details*]

**RESPONSIBILITY**

Each of the Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement. *[[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.

Signed on behalf of the Issuer:

By: ..... By: .....  
 Signed on behalf of Scania CV AB (*publ*) Signed on behalf of Scania CV AB (*publ*)

Signed on behalf of the Guarantor:

By: ..... By: .....

Signed on behalf of Scania AB (*publ*)

Signed on behalf of Scania AB (*publ*)

## PART B – OTHER INFORMATION

### 1. RATINGS

Ratings:

[Not Applicable]/[The Notes to be issued [[have been]/[are expected to be]] rated [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies)*]

Each of [defined terms] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended, the **CRA Regulation**).

[Each of [defined terms] is established in the [United Kingdom] and is registered under Regulation (EC) No. 1060/2009 (as amended) as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **UK CRA Regulation**).

*(The above disclosure is only required if the ratings of the Notes are different to those stated in the Base Prospectus)*

### 2. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of [*insert relevant fee disclosure*]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business – *Amend as appropriate if there are other interests*]

### 3. USE OF PROCEEDS (*Only relevant for Green Bonds*)

[The proceeds of the issue will be applied by the Issuer for Green Bonds.] [Not Applicable]

### 4. OPERATIONAL INFORMATION

(i) ISIN: [ ]

(ii) Common Code: [ ]

(iii) CFI: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available

(iv) FISN: [See/[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available

(v) Benchmarks Regulation: Article 29(2) statement on benchmarks: [Not Applicable]  
[Applicable: Amounts payable under the Notes are calculated by reference to [*insert name[s] of benchmark(s)*], which [is/are] provided by [*insert name[s] of the administrator[s]* – *if more than one specify in relation to each relevant benchmark*]. [As at the date of this Pricing Supplement, [*insert name[s] of the administrator[s]*] [is/are] [not] included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011).] / [As far as the Issuer is aware, as at the date hereof, [*insert name[s] of benchmark(s)*] does not fall within the scope of

- Regulation (EU) No 2016/1011] [*repeat as necessary*]]  
 [Not Applicable/*give name(s) and number(s)*]
- (vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream, Luxembourg SA and the relevant identification number(s):
- (vii) Delivery: Delivery [against/free of] payment  
 [ ]
- (viii) Names and addresses of additional Paying Agent(s) (if any):
- (ix) Deemed delivery of clearing system notices for the purposes of Condition 13: Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the [second] [business] day after the day on which it was given to Euroclear and Clearstream, Luxembourg.
- (x) [Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/ [No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, 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. 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.]]

## 5. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-Syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/*give name*]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]
- (v) U.S. Selling Restrictions: Reg. S Compliance Category 2; [TEFRA D/TEFRA C/TEFRA not applicable]
- (vi) Prohibition of Sales to EEA Investors [Applicable/Not Applicable]  
*(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*
- (vii) Prohibition of Sales to UK Investors [Applicable/Not Applicable]  
*(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be*



*prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*

- (viii) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]  
*(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)*
- (ix) Additional selling restrictions: [Not Applicable/give details]

**6. PROVISIONS RELATING TO GREEN BONDS**

- (i) Green Bonds [Yes/No]
- (ii) [Reviewer(s):] [Name of sustainability rating agency(ies) [and name of third party assurance agent] and [give details of compliance opinion(s) and availability]
- (iii) [Date of third party opinion(s):] [Not Applicable/give details]

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Applicable Final Terms" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by Scania CV AB (publ) (the **Issuer**) pursuant to the Agency Agreement (as defined below).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note; and
- (c) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement dated 31 October 2022 (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) and made between the Issuer, Scania AB (publ) (the **Guarantor**) as guarantor, Deutsche Bank AG, London Branch, as issuing and principal paying agent (the **Principal Paying Agent**, which expression shall include any successor principal paying agent) and the other paying agents named therein (together with the Principal Paying Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents). The Principal Paying Agent, the Calculation Agent (if any is specified in the applicable Final Terms) and the Paying Agents, together referred to as the **Agents**.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the **Conditions**) or, if this Note is a Note which is neither admitted to trading on (i) a regulated market in the European Economic Area or (ii) a UK regulated market as defined in (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, nor offered in (i) the European Economic Area or (ii) the United Kingdom in circumstances where a prospectus is required to be published under the Prospectus Regulation or the Financial Services and Markets Act, 2000 as the case may be (an **Exempt Note**), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. Any reference in the Conditions to **applicable Final Terms** shall be deemed to include a reference to **applicable Pricing Supplement** where relevant. The expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

Interest bearing definitive Notes have interest coupons (**Coupons**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The payment of all amounts in respect of this Note have been guaranteed by the Guarantor pursuant to a guarantee (such guarantee as modified and/or supplemented and/or restated from time to time, the **Guarantee**) dated 29 April 2013 and executed by the Guarantor. The original of the Guarantee is held by the Principal Paying Agent on behalf of the Noteholders and the Couponholders at its specified office.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant dated 3 July 2019 (such Deed of Covenant as amended and/or supplemented and/or restated from time to time, the **Deed of Covenant**) and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement, the Guarantee and the Deed of Covenant are available (i) for inspection or collection during normal business hours at the specified office of each of the Paying Agents or (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agents or the Issuer and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent or the Issuer, as the case may be. If the Notes are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). If this Note is an Exempt Note, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Guarantee, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

## 1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denomination (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, the Guarantor and the Paying Agents will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Guarantor and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly. Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

## 2. STATUS OF THE NOTES AND THE GUARANTEE

### (a) *Status of the Notes*

The Notes and any relative Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

(b) *Status of the Guarantee*

The obligations of the Guarantor under the Guarantee are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.

**3. NEGATIVE PLEDGE**

- (a) (i) Subject to Condition 3(a)(i), so long as any of the Notes remain outstanding, neither the Issuer nor the Guarantor shall, and the Issuer and the Guarantor shall procure that none of their respective Subsidiaries shall, create or permit to subsist any mortgage, pledge, lien, charge or other security interest upon the whole or any part of their respective present or future undertakings, assets or revenues (including any uncalled capital), to secure any (i) existing or future Relevant Indebtedness of the Issuer or the Guarantor or (ii) guarantee or indemnity given by the Issuer or the Guarantor in respect of any existing or future Relevant Indebtedness of a third party, without in any such case at the same time according to the Notes either (x) the same security as is granted to or is outstanding in respect of such Relevant Indebtedness or (y) such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.
- (ii) Nothing in this Condition 3(a) shall prevent the Issuer, the Guarantor or their respective Subsidiaries from creating or permitting to subsist any Security Interest upon, or with respect to, any of its present or future assets or revenues or any part thereof which is created pursuant to any securitisation, asset backed financing or like arrangement and whereby all payment obligations in respect of the Relevant Indebtedness or any guarantee of or indemnity in respect of the Relevant Indebtedness, as the case may be, secured by such Security Interest or having the benefit of such secured guarantee or other indemnity, are to be discharged solely from such assets or revenues, if the total of such aggregate Relevant Indebtedness and the aggregate Borrowed Monies Indebtedness referred to in Condition 3(c) below does not exceed 20 per cent. of the consolidated total assets of the Guarantor and its Subsidiaries (determined in accordance with accounting principles generally accepted and adopted in Sweden).
- (b) Without prejudice to Condition 3(a) and subject to Condition 3(c), so long as any of the Notes remain outstanding, neither the Issuer nor the Guarantor shall, and the Issuer and the Guarantor shall procure that none of their respective Subsidiaries will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) in respect of Borrowed Monies Indebtedness without (a) at the same or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.
- (c) Condition 3(b) does not apply to any Security Interest securing Borrowed Monies Indebtedness if the aggregate Borrowed Monies Indebtedness secured by all such Security Interests does not exceed 20 per cent. of the consolidated total assets of the Guarantor and its Subsidiaries (determined in accordance with accounting principles generally accepted and adopted in Sweden).

In these Conditions:

**Borrowed Monies Indebtedness** of any person means:

- (i) any obligations of that person for borrowed money,
- (ii) any indebtedness under any acceptance credit opened on behalf of that person,
- (iii) any indebtedness of that person under any bond, debenture, note or similar instrument,
- (iv) any indebtedness under any bill of exchange on which that person is liable,
- (v) any indebtedness of that person in respect of any interest rate or currency swap or forward currency sale or purchase or other form of interest or currency hedging transaction (including without limit caps, collars and floors),
- (vi) any indebtedness of that person under any finance lease,

- (vii) any indebtedness (actual or contingent) of that person under any guarantee, bond, security, indemnity or other agreement in respect of any Borrowed Monies Indebtedness of any other person,
- (viii) any indebtedness (actual or contingent) under any instrument entered into for the purpose of raising finance, and
- (ix) any indebtedness of that person in respect of a liability to reimburse a purchaser of any receivables sold or discounted in the event that any amount of those receivables is not paid;

**Relevant Indebtedness** means any loan or other indebtedness in the form of, or represented or evidenced by, notes, bonds, debentures or other securities which are, or are to be, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market;

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

**Subsidiary** means any entity from time to time of which a person (i) has direct or indirect control or (ii) owns directly or indirectly more than 50 per cent. of the share capital or similar right of ownership; and

**control** for this purpose means the power to direct the management and the policies of the entity, whether through the ownership of voting capital, by control or otherwise.

#### 4. INTEREST

##### (a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date. For so long as any of the Fixed Rate Notes is represented by a Global Note, interest will be calculated on the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note. In respect of each definitive Fixed Rate Note, interest will be calculated on its outstanding nominal amount.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Terms and Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:

- (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
- (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
  - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (iii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In these Terms and Conditions:

**Determination Period** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

(b) *Interest on Floating Rate Notes*

(i) **Interest Payment Dates**

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls on the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Terms and Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B), the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which

falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, **Business Day** means:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (B) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open; and
- (C) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

**(ii) Rate of Interest**

The Rate of Interest payable in respect of Floating Rate Notes for each interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a per cent. rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Relevant Time (as specified in the applicable Final Terms) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of subclause 4(b)(ii)(A), no offered quotation appears or, in the case of subclause 4(b)(ii)(B), fewer than three offered quotations appear, in each case as at the Relevant Time, the Reference Banks Agent shall request each of the Reference Banks to provide the Reference Banks Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Reference Banks Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin

(if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable.

If on any Interest Determination Date one only or none of the Reference Banks provides the Reference Banks Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent or the Calculation Agent, as applicable, determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Reference Banks Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Stockholm inter-bank market (if the Reference Rate is STIBOR), the Oslo inter-bank market (if the Reference Rate is NIBOR), the Copenhagen inter-bank market (if the Reference Rate is CIBOR), the Moscow inter-bank market (if the Reference Rate is MOSPRIME), the Johannesburg inter-bank market (if the Reference Rate is JIBAR), the Warsaw inter-bank market (if the Reference Rate is WIBOR), the Prague inter-bank market (if the Reference Rate is PRIBOR), the Seoul inter-bank market (if the Reference Rate is KORIBOR), the Riga inter-bank market (if the Reference Rate is RIGIBOR), or the Ankara inter-bank market (if the Reference Rate is TRLIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as applicable, with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Relevant Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Principal Paying Agent or the Calculation Agent, as applicable, it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Stockholm inter-bank market (if the Reference Rate is STIBOR), the Oslo inter-bank market (if the Reference Rate is NIBOR), the Copenhagen inter-bank market (if the Reference Rate is CIBOR), the Moscow inter-bank market (if the Reference Rate is MOSPRIME), the Johannesburg inter-bank market (if the Reference Rate is JIBAR), the Warsaw inter-bank market (if the Reference Rate is WIBOR), the Prague inter-bank market (if the Reference Rate is PRIBOR), the Seoul inter-bank market (if the Reference Rate is KORIBOR), the Riga inter-bank market (if the Reference Rate is RIGIBOR), or the Ankara inter-bank market (if the Reference Rate is TRLIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

For the purposes of these Conditions:

**Reference Banks Agent** means an independent investment bank, commercial bank or stockbroker appointed by the Issuer;

**Reference Rate** shall mean (i) EURIBOR, (ii) STIBOR, (iii) NIBOR, (iv) CIBOR, (v) MOSPRIME, (vi) JIBAR, (vii) WIBOR, (viii) PRIBOR, (ix) KORIBOR, (x) RIGIBOR, or (xi) TRLIBOR, in each case for the relevant period, as specified in the applicable Final Terms.

**Relevant Financial Centre** shall mean Brussels, in the case of a determination of EURIBOR, Stockholm, in the case of a determination of STIBOR, Oslo, in the case of a determination of NIBOR, Copenhagen, in the case of a determination of CIBOR, Moscow, in the case of a determination of MOSPRIME, Johannesburg, in the case of a determination of JIBAR, Warsaw, in the case of a determination of WIBOR, Prague, in the case of a determination of PRIBOR, Seoul, in the case of a determination of KORIBOR, Riga, in the case of a determination of



RIGIBOR and Istanbul, in the case of a determination of TRLIBOR, as specified in the applicable Final Terms.

**Relevant Time** shall mean the time in the Relevant Financial Centre as of which any rate is to be determined as specified in the applicable Final Terms.

**(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest***

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

**(iv) *Determination of Rate of Interest and calculation of Interest Amounts***

The Principal Paying Agent or the Calculation Agent, as applicable, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent or the Calculation Agent, as applicable, will calculate the amount of interest (the Interest Amount) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4(b):

- (i) if “Actual/Actual(ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

**Y1** is the year, expressed as a number, in which the first day of the Interest Period falls;

**Y2** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**M1** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**M2** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**D1** is the first calendar day, expressed as a number, of the Interest Period, unless such number is 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 Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

**Y1** is the year, expressed as a number, in which the first day of the Interest Period falls;

**Y2** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**M1** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**M2** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**D1** is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

**D2** is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

**Y1** is the year, expressed as a number, in which the first day of the Interest Period falls;

**Y2** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**M1** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**M2** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**D1** is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(v) ***Linear Interpolation***

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available

next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period, provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as the Issuer in consultation with an Independent Adviser (as defined in Condition 4(b)(vi) below) determines appropriate and notifies to it.

**Designated Maturity** means the period of time designated in the Reference Rate.

**(vi) Benchmark Event**

Notwithstanding the provisions above in this Condition 4(b), if the Issuer, in consultation with the party responsible for determining the Rate of Interest (being the Principal Paying Agent, the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), determines that a Benchmark Event occurs in relation to an Original Reference Rate at any time when the Conditions provide for any Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply:

- (A) the Issuer shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine (acting in good faith and in a commercially reasonable manner) a Successor Rate, failing which an Alternative Rate and in either case, an Adjustment Spread (if any) and any Benchmark Amendments (each as defined and as further described below) no later than five Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the **IA Determination Cut-off Date**) for purposes of determining the Rate of Interest applicable to the Notes for such next succeeding Interest Period and for all future Interest Periods (subject to the subsequent operation of this Condition 4(b)(vi) during any other future Interest Period(s));
- (B) if the Independent Adviser (acting in good faith and in a commercially reasonable manner) determines that:
  - (1) there is a Successor Rate, then such Successor Rate (as adjusted by the applicable Adjustment Spread as provided in Condition 4(b)(vi)(C)) shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent further operation of this Condition 4(b)(vi)); or
  - (2) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate (as adjusted by the applicable Adjustment Spread as provided in Condition 4(b)(vi)(C)) shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the further operation of this Condition 4(b)(vi));
- (C) if a Successor Rate or Alternative Rate is determined in accordance with Condition 4(b)(vi)(B), the Independent Adviser acting in good faith and in a commercially reasonable manner shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable), subject to the subsequent further operation and adjustment as provided in this Condition 4(b)(vi);
- (D) if any Successor Rate, Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 4(b)(vi) and the Independent Adviser acting in good faith determines (i) that amendments to these Conditions (including, without limitation, amendments to the definitions of Day Count Fraction, Business Days or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or (in either case) Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the

Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(b)(vi), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, the Principal Paying Agent, the Paying Agents and the Calculation Agent shall (at the Issuer's expense and direction), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments required to the Agency Agreement and these Conditions.

In connection with any such variation in accordance with this Condition 4(b)(vi), the Issuer shall comply with the rules of any stock exchange or other relevant authority on or by which the Notes are for the time being listed or admitted to trading; and

- (E) the Issuer shall promptly notify the party responsible for determining the Rate of Interest (being the Principal Paying Agent, the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), the Principal Paying Agent, the Paying Agents and, in accordance with Condition 13 (Notices), the Noteholders of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 4(b)(vi). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

Without prejudice to the obligations of the Issuer under this Condition 4(b)(vi), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(ii) will continue to apply unless and until the party responsible for determining the Rate of Interest (being the Principal Paying Agent, the Calculation Agent or such other party specified in the applicable Final Terms, as applicable) has been notified of the Successor Rate or the Alternative Rate (as the case may be), or, in either case, the applicable Adjustment Spread and Benchmark Amendments (if applicable), in accordance with Condition 4(b)(vi)(E).

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, the Issuer is unable to appoint an Independent Adviser or no Successor Rate or Alternative Rate (as applicable) or, in either case, applicable Adjustment Spread is determined and notified to the Principal Paying Agent or the Calculation Agent (as applicable) pursuant to this provision prior to the IA Determination Cut-off Date, the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided elsewhere in these Conditions will continue to apply to such determination.

For the purposes of this Condition 4(b)(vi):

**Adjustment Spread** means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser acting in good faith determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation or option has been made (or made available), or in the case of an Alternative Rate) the Independent Adviser acting in good faith determines is recognised or acknowledged as being in customary usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (C) (if no such customary market usage is recognised or acknowledged) the Independent Adviser acting in good faith determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be); or

- (D) (if no such industry standard is recognised or acknowledged) the Independent Adviser acting in good faith determines to be appropriate to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Reference Rate (as the case may be);

**Alternative Rate** means an alternative to the Original Reference Rate which the Independent Adviser acting in good faith determines in accordance with Condition 4(b)(vi)(B) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes or, if the Independent Adviser determines there is no such rate, such other rate as the Independent Adviser acting in good faith determines is most comparable to the Original Reference Rate;

**Benchmark Amendments** has the meaning given to it in Condition 4(b)(vi)(D);

**Benchmark Event** means:

- (A) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing permanently to be calculated, administered and published; or
- (B) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the date specified in (B)(i); or
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued; or
- (D) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (D)(i);
- (E) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (e)(i) above;
- (F) it has or will prior to the next Interest Determination Date become unlawful for any Paying Agent, the Principal Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable); or
- (G) the later of (i) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is or will, on or before a date specified, be no longer representative and (ii) the date falling six months prior to the specified date referred to in (G)(i);

**Independent Adviser** means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, an Independent Adviser appointed pursuant to this Condition 4(b)(vi) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 4(b)(vi);

**Original Reference Rate** means the originally-specified Reference Rate used to determine the relevant Rate of Interest (or any component part thereof) in respect of any Interest Periods(s) (provided that if, following one or more Benchmark Events, such originally-specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs

in respect of such Successor Rate or Alternative Rate, the term “Original Reference Rate” shall include any such Successor Rate of Alternative Rate);

**Relevant Nominating Body** means, in respect of an Original Reference Rate:

- (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof; and

**Successor Rate** means a successor to or replacement of the Original Reference Rate or, where a Successor Rate or an Alternative Rate has been determined pursuant to Condition 4(b)(vi)(B), such Successor Rate or Alternative Rate, as applicable, which is formally recommended or formally provided as an option for parties to adapt, by any Relevant Nominating Body.

**(vii) Notification of Rate of Interest and Interest Amounts**

The Principal Paying Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed by no later than the first day of each Interest Period and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

**(viii) Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b) by the Principal Paying Agent or the Calculation Agent, as applicable, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Principal Paying Agent, the other Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or the Calculation Agent, as applicable, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

**(c) Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

**5. PAYMENTS**

**(a) Method of payment**

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial

centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively); and

- (ii) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto.

(b) *Presentation of definitive Notes and Coupons*

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A Long Maturity Note is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

(c) *Payments in respect of Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

(d) *General provisions applicable to payments*

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of

a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer or the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

(e) *Payment Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 8) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) in the case of Notes in definitive form only, in the relevant place of presentation; and
  - (B) in each Additional Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (ii) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open,
- (iii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(f) *Interpretation of principal and interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes; and
- (v) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

## 6. REDEMPTION AND PURCHASE

(a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) *Redemption for tax reasons*



The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Principal Paying Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Principal Paying Agent to make available at its specified office to the Noteholders (i) a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) *Redemption at the option of the Issuer (Issuer Call)*

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Where the Optional Redemption Amount is Spens Amount or Make-whole Amount, any such notice of redemption may, at the Issuer's discretion, be subject to one or more conditions precedent, in which case such notice shall state that, in the Issuer's discretion, the Optional Redemption Date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date, or by the Optional Redemption Date so delayed. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

The Optional Redemption Amount will either be the specified percentage of the nominal amount of the Notes stated in the applicable Final Terms or, if either Spens Amount or Make-whole Amount is specified in the applicable Final Terms, will be:

- (i) if Spens Amount is specified as being applicable in the applicable Final Terms, the higher of (i) 100 per cent. of the nominal amount outstanding of the Notes to be redeemed and (ii) the nominal amount outstanding of the Notes to be redeemed multiplied by the price, as reported to the Issuer by the Determination Agent, at which the gross redemption yield to maturity on such Notes on the Reference Date is equal to the Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time on the Reference Date of the Reference Bond, plus the Redemption Margin; or

- (ii) if Make-whole Amount is specified as applicable in the applicable Final Terms, the higher of (i) 100 per cent. of the nominal amount outstanding of the Notes to be redeemed and (ii) the sum of the present values of the nominal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Notes (exclusive of interest accrued to the date of redemption) and such present values shall be calculated by discounting such amounts to the date of redemption on an annual basis (based on the Day Count Fraction specified in the applicable Final Terms) at the Reference Bond Rate, plus the Redemption Margin, all as determined by the Determination Agent.

In this Condition 6(c):

**DA Selected Bond** means a government security or securities (which if the Specified Currency is euro, will be a German *Bundesobligationen*) selected by the Determination Agent as having an actual or interpolated maturity comparable with the remaining term of the Notes, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the remaining term of the Notes;

**Determination Agent** means a leading investment bank or financial institution of international standing selected by the Issuer;

**Gross Redemption Yield** means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields", page 4, Section One: Price/Yield Formulae "Conventional Gilts"; "Double dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date" (published 8 June 1998, as amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent;

**Quotation Time** shall be as set out in the applicable Final Terms;

**Redemption Margin** shall be as set out in the applicable Final Terms;

**Reference Bond** shall be as set out in the applicable Final Terms or the DA Selected Bond;

**Reference Bond Price** means, with respect to any date of redemption, (a) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, (b) if the Determination Agent obtains fewer than four but more than one such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations, (c) if the Determination Agent obtains only one such Reference Government Bond Dealer Quotation, such quotation so obtained, or (d) if no Reference Government Bond Dealer Quotations are provided, the price determined by the Determination Agent (or failing which the Issuer, in consultation with the Determination Agent), acting in a commercially reasonable manner, at such time and by reference to such sources as it deems appropriate;

**Reference Bond Rate** means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

**Reference Date** will be set out in the relevant notice of redemption;

**Reference Government Bond Dealer** means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

**Reference Government Bond Dealer Quotations** means, with respect to each Reference Government Bond Dealer and any date of redemption, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time on the Reference Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer; and

**Remaining Term Interest** means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term to maturity of such Note (or, if Issuer Par Call is specified as being applicable in the applicable Final Terms, the remaining term up to the Par Call

Period Commencement Date) determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 6(c).

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg) (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion); in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

(d) *Redemption at the option of the Issuer (Issuer Par Call)*

If Issuer Par Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and specify the date fixed for redemption), redeem the Notes then outstanding in whole, but not in part, at any time during the Par Call Period specified as being applicable in the applicable Final Terms, at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date fixed for redemption.

(e) *Redemption at the option of the Noteholders (Investor Put)*

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and the Put Notice must be accompanied by, if this Note is in definitive form, this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on their instruction by Euroclear, Clearstream, Luxembourg or any common depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 9.

(f) *Clean-up call*

If Clean-up Call is specified as being applicable in the applicable Final Terms, in the event that 75 per cent. or more in principal amount of the Notes initially issued (which shall include, for these purposes, any further Notes issued pursuant to Condition 15 (*Further Issues*)) have been redeemed pursuant to Conditions 6(e) (*Redemption at the option of the Noteholders (Investor Put)*) or purchased and cancelled pursuant to Condition 6(h) (*Purchases*), the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Paying Agent and the Noteholders in accordance with Condition 13 (*Notices*), redeem or, at the Issuer's option, purchase (or procure the purchase of) all but not some only of, the Notes then outstanding at their

principal amount together with interest accrued to but excluding the date of such redemption. The notice referred to in the preceding sentence shall be irrevocable and shall specify the date fixed for redemption.

(g) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 9:

- (i) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount; and
- (ii) each Zero Coupon Note will be redeemed at its Early Redemption Amount calculated in accordance with the following formula:

Early Redemption Amount =  $RP \times (1 + AY)^y$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

**y** is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(h) *Purchases*

The Issuer, the Guarantor or any Subsidiary of the Issuer or the Guarantor may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor, surrendered to any Paying Agent for cancellation.

(i) *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

(j) *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), (d), (e) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (ii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## 7. TAXATION

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer or the Guarantor will be made 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 any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which

would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of the holder having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(e)); or
- (c) presented for payment 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
- (d) presented for payment in Sweden.

As used herein:

- (i) Tax Jurisdiction means Sweden or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) the Relevant Date means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## 8. PRESCRIPTION

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

## 9. EVENTS OF DEFAULT

If any one or more of the following events (each an **Event of Default**) shall occur and be continuing:

- (i) if default is made in the payment in the Specified Currency of any principal or interest due in respect of the Notes or any of them provided that in the case of the Issuer, if the reason for the failure is a technical or administrative error, there will only be an Event of Default if the Issuer fails to make payment within three Business Days (in the case of payment of principal) and seven Business Days (in the case of payment of interest) of the due date; or
- (ii) if the Issuer or the Guarantor fails to perform or observe any of its other material obligations under these Conditions or the Guarantee and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on the Issuer or the Guarantor (as the case may be) of notice requiring the same to be remedied; or
- (iii) if any Borrowed Monies Indebtedness of the Issuer, the Guarantor or a Principal Subsidiary:
  - (a) is not paid or repaid when due or within any applicable grace period; or
  - (b) becomes capable of being declared due and payable before its stated date of payment by virtue of an event or circumstance which is material to the financial position of the Issuer, the Guarantor or a Principal Subsidiary or, in the case of the Issuer or the Guarantor, their ability to perform their payment obligations under this Agreement; or
  - (c) becomes due and payable before its stated date of payment, and is not then paid within three Business Days,

provided that the amount of Borrowed Monies Indebtedness referred to in subparagraph (i), (ii) or (iii) above individually or in the aggregate exceeds 1 per cent. of the consolidated total assets of the Guarantor and its Subsidiaries (determined in accordance with accounting principles generally accepted and adopted in Sweden); or

- (iv) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, the Guarantor or any of its Principal Subsidiaries, save for the purposes of reorganisation on terms approved by an Extraordinary Resolution of the Noteholders; or
- (v) if the Issuer, the Guarantor or any of its Principal Subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (vi) if (i) proceedings are initiated against the Issuer, the Guarantor or any of its Principal Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, the Guarantor or any of its Principal Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrance takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them and (ii) in any case (other than the appointment of an administrator) is not discharged within 30 days; or
- (vii) if the Issuer, the Guarantor or any of its Principal Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (viii) any event which under the laws of Sweden has an analogous effect to any of the events referred to in paragraphs (iv) to (vi) above; or
- (ix) if at any time any act, condition or thing required to be done, fulfilled or performed in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it under and in respect of the Notes and the Guarantee, (ii) to ensure that those obligations are legal, valid, binding and enforceable or (iii) to make the Notes and the Coupons and the Guarantee admissible in evidence in Sweden is not done, fulfilled or performed; or
- (x) if at any time it is or becomes unlawful for the Issuer or the Guarantor to perform or comply with any or all of their respective obligations under or in respect of the Notes or the Guarantee or any of the obligations of the Issuer or the Guarantor thereunder are not or cease to be legal, valid and binding; or
- (xi) the Issuer ceases to be a subsidiary wholly owned and controlled, directly or indirectly, by the Guarantor; or
- (xii) the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect,

then any holder of a Note may, by written notice to the Issuer at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, declare any Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 6(f)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

In these Conditions:

**Principal Subsidiary** means any Subsidiary of the Guarantor whose consolidated total assets are greater than 10 per cent. of the consolidated total assets of the Guarantor and its subsidiaries. This will be calculated on the basis of the then most recent annual audited consolidated accounts of the Guarantor and its subsidiaries. If there is any dispute as to whether a particular Subsidiary is or is not a Principal Subsidiary, a report by the auditors for the time being of the Guarantor shall, in the absence of manifest error, be conclusive and binding. For the purposes of this definition, references to consolidated total assets will be determined in accordance with accounting principles generally accepted and adopted in Sweden and, where a Subsidiary does not itself have any Subsidiaries, any reference to “consolidated” shall be ignored. In addition, the following will apply if certain events occur after the date of the balance sheet in the most recent audited consolidated accounts (the **Accounts**):

<b>Event</b>	<b>Consequence</b>
Acquisition or disposal of a Subsidiary	The Accounts will be adjusted to reflect this acquisition or disposal. For this purpose the most recent audited consolidated accounts of the Subsidiary which has been acquired or disposed of will be used.
Transfer by a Principal Subsidiary of all or substantially all of its assets to another Subsidiary	The transferee will become a Principal Subsidiary and the transferor will cease to be a Principal Subsidiary.
Intra-group transfer or reorganisation	The Accounts will be adjusted to reflect the transfer or reorganisation. For this purpose the most recent audited accounts of Subsidiaries involved in the transfer or reorganisation will be used.

The consequences described above will only apply to the date of publication of the next audited consolidated accounts.

## **10. REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## **11. AGENTS**

The initial Agents are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent; and
- (b) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority); and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer or the Guarantor is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(d). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 13.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

## **12. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

## **13. NOTICES**

All notices regarding the Notes will be deemed to be validly given if published (i) in a leading English language daily newspaper of general circulation in London and (ii) if and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg and/or the Luxembourg Stock Exchange's website, www.bourse.lu. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and the *Luxemburger Wort* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange (or any other relevant authority) on which the Notes are for the time being listed or

by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such websites the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on such day as is specified in the applicable Final Terms after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### **14. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER**

The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons the Guarantee or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer, or the Guarantor or Noteholders holding not less than ten per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Guarantee (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Principal Paying Agent) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification (except as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not in the sole opinion of the Issuer prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

#### **15. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in



all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

#### **16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

#### **17. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

*(a) Governing law*

The Agency Agreement, the Guarantee, the Deed of Covenant, the Notes and the Coupons and any non-contractual obligations arising out of or in connection therewith, are governed by, and construed in accordance with, English law.

*(b) Submission to jurisdiction*

(i) Subject to Condition 17(b)(iii) below, the English courts are to have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a **Dispute**) and accordingly each of the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(ii) For the purposes of this Condition 17(b), the Issuer and the Guarantor irrevocably waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute and hereby further irrevocably agrees that a judgment in any proceedings brought in the English courts in relation to any Dispute shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

(iii) This Condition 17(b) is for the benefit of the Noteholders and the Couponholders only. To the extent allowed by law, the Noteholders and the Couponholders 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.

*(c) Appointment of Process Agent*

The Issuer and the Guarantor each irrevocably appoints Scania Finance Great Britain Limited, Regus House, Fairbourne Drive, Atterbury, Milton Keynes, Buckinghamshire, MK10 9RG, United Kingdom as its agent for service of process, in any proceedings before the English courts in relation to any Dispute, and agrees and undertakes that, in the event of Scania Finance Great Britain Limited being unable or unwilling so to act for any reason, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer and the Guarantor each agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

## USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes which include making a profit, unless otherwise specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). In particular, if so specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement), the Issuer intends to apply the net proceeds from an issue of Notes specifically for Green Projects, in accordance with its Green Bond Framework (defined below) which is available on its website at: <https://www.scania.com/group/en/home/investors/bondholders/green-bond-framework.html>. Such Notes may also be referred to as “**Green Bonds**”.

Green Projects have been (or will be, as the case may be) selected by the Issuer from time to time in accordance with the categorisation of eligibility for Green Bonds set out in the Green Bond Framework which sets out the added environmental criteria required for such issuances. The criteria for qualification as a Green Project under the Green Bond Framework may change from time to time. Recognising that the green bond market and best practices are still evolving, the Issuer will strive to monitor market developments and, when deemed necessary, make appropriate updates to the Green Bond Framework in order to reflect best market practice.

The Issuer has obtained a second-party opinion from Centre for International Climate Research (CICERO) (a provider of independent reviews of green bonds) on the Green Bond Framework confirming that these align with the International Capital Markets Association (ICMA) Green Bond Principles 2018 and providing a “dark green” shading. The second party opinion and the Green Bond Framework are, and any updates to the Green Bond Framework will be, available for viewing on the Issuer’s website at <https://www.scania.com/group/en/home/investors/bondholders/green-bond-framework.html>.

The Issuer will publish a yearly report which will describe the use of proceeds and adherence to the Green Terms set out in the Green Bond Framework. The report will include details of the Green Projects including information on certain key environmental indicators (such as energy consumption and carbon footprint), and will be published annually and be generally available on the Issuer’s website at <https://www.scania.com/group/en/home/investors/bondholders/green-bond-framework.html> for so long as the Issuer has Green Bonds outstanding.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Green Bonds and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, neither any such opinion or certification nor the Green Bond Framework is, nor shall be deemed to be, incorporated in and/or forming part of this Base Prospectus. Neither such opinion or certification nor the Green Bond Framework is, nor should be deemed to be, a recommendation by the Issuer or any of the Dealers or any other person to buy, sell or hold any such Green Bonds. Any such opinion or certification is only current as at the date that opinion or certification was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Green Bonds. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. See further information under the risk factor above headed, *"Risk Factors - In respect of any Notes issued with a specific use of proceeds, such as a Green Bond, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor"*

For the avoidance of doubt, other than the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*”), the information to the website to which this Base Prospectus refers does not form part of this Base Prospectus.

## DESCRIPTION OF THE GUARANTOR

### Introduction

Scania AB (publ) (**Scania AB**) is a public limited liability company (as defined by the Swedish Companies Act) and the parent company of Scania CV AB. Scania AB is majority controlled, directly or indirectly, by Volkswagen AG. Scania AB's registered office is located at SE-151 87 Södertälje, Sweden and the telephone number is +46 8 5538 1000. The company was registered on 8 November, 1973 under Swedish corporate identity number 556184-8564 and operates under Swedish Law. Scania AB is incorporated for an indefinite period.

The Guarantor is, indirectly, the ultimate holding company of all the companies in the Scania AB group (the **Scania AB Group**) and its assets are substantially comprised of shares in such companies. It does not conduct any other business and is accordingly dependent on the other members of the Scania AB Group and revenues received from them.

Scania AB's share capital is divided into 400,000,000 A shares and 400,000,000 B shares. In June 2019, an initial public offering reduced Volkswagen AG's direct shareholding in Scania AB from 100 per cent.

As at 31 December 2021, TRATON SE owns and controls 100 per cent. of the shares in Scania AB.

TRATON SE is a majority owned subsidiary of Volkswagen AG (Volkswagen controls, directly or indirectly, 89.72 per cent. of the shares in TRATON SE) and is listed on the Frankfurt Stock Exchange and the Nasdaq Stockholm Stock Exchange. Both Scania and TRATON are members of the Volkswagen Group.

### History

Vabis, which traces its origins back to 1891, manufactured Sweden's first passenger car in 1897, Sweden's first truck in 1902 and Sweden's first bus in 1911. In 1911, Vabis merged with Scania and formed Scania-Vabis, and in 1969 the company merged with the former Saab AB to form Saab-Scania. In 1991, Saab-Scania became a wholly owned subsidiary of Investor AB.

Scania AB, formerly an operating division of Saab-Scania, was organised as a separate corporation in 1995 and Scania AB was listed on Nasdaq OMX Stockholm and introduced on the New York Stock Exchange (NYSE) on 1 April, 1996. In January 2003, Scania AB was de-listed from the New York Stock Exchange. On 21 February 2014 Volkswagen AG announced a public takeover offer to the minority shareholders of Scania AB which ended on 5 June 2014. Following such offer Volkswagen AG acquired a total of 99.57 per cent. of the shares and Scania AB was delisted from Nasdaq Stockholm.

### Recent Developments in 2022

September 2022: **Scania makes provision for Russia in connection with the planned disposal of its business operations in Russia** – In 2021, 6 per cent. of Scania's total sales revenue was generated in Russia and less than 1 per cent. of Scania's total sales revenue was generated in Ukraine. The Group announced its intention on 13 September 2022 to dispose of its business operations in Russia and, as of 30 September 2022, the Group has made a write-down for Russia amounting to SEK 5.8 billion during the third quarter of 2022 related to the planned disposal. The sale is expected to be completed within a year, and is subject to approval by Russian authorities. The Group has in total made write-downs for Russia amounting to SEK 6.4 billion as of 30 September 2022 and the nine-month period then ended. As at 30 September 2022, five of Scania's six subsidiaries in Russia have been classified as a disposal group held for sale and the total assets held for sale for these entities amounted to SEK 5.2 billion. This has had a negative impact on the Group's third quarter 2022 results.

16 September 2022: **Scania to decarbonise its supply chain by 2030** – Scania announces far-reaching measures to decarbonise its supply chain by 2030. Together with Scania's suppliers it has outlined an ambitious industry-leading strategy to eliminate the largest carbon emissions sources from the most common production materials and batteries.

### Board of Directors of Scania AB

The board of directors consists of seven members who are elected at the annual general meeting of shareholders. Apart from the elected members, there are two members who are employee representatives and two deputy members, both of whom are employee representatives.

<b>Name</b>	<b>Function</b>	<b>Other Directorships or Activities</b>
Annette Danielski	Chairman	Member of the Audit Committee, Board member of Navistar Inc, Supervisory Board of MAN Truck & Bus SE and Volkswagen Original Teile Logistik Beteiligungs-GmbH.
Christian Levin	Member	President and CEO of Scania since 2021. President and CEO TRATON SE.
Lilian Fossum Biner	Member	Member of Audit Committee. Board member of LE Lundbergföretagen, Carlsberg Group, Givaudan S.A. and a-connect (group) ag.
Gunnar Kilian	Member	Member of the Supervisory Board of TRATON SE. Supervisory Board mandates at Wolfsburg AG, Autostadt GmbH, Audi AG, Dr. Ing. h.c. F. Porsche AG, Porsche Holding Stuttgart GmbH, TRATON SE, MAN Energy Solutions, MAN Truck & Bus SE, Volkswagen Group Services GmbH, FAW-Volkswagen Automotive Co., Ltd. and Allianz für die Region GmbH.
Julia Kuhn-Piëch	Member	Member of the Supervisory Board of TRATON SE Audi AG, MAN SE and MAN Truck & Bus SE.
Nina Macpherson	Member	Member of the Supervisory Board of TRATON SE and member of its Audit Committee since 2019. Member of the Board of Scandinavian Enviro Systems AB since 2020.
Christian Porsche	Member	Member of the Supervisory Board of TRATON SE and MAN Truck & bus SE.
Mark Philipp Porsche	Member	Member of the Supervisory Board of MAN SE, MAN Truck & Bus SE and serves on comparable governing bodies of the following companies: Familie Porsche AG Beteiligungsgesellschaft (Austria), FAP Beteiligungen AG (Austria), and SEAT S. A. (Spain)
Stephanie Porsche-Schröder	Member	Member of the Board of MAN SE and MAN Truck & Bus SE.
Peter Wallenberg Jr	Member	Chair of the Board of Knut and Alice Wallenberg Foundation, Wallenberg Foundations AB, The Grand Group AB. Board member of Atlas Copco AB and EQT AB.
Mari Carlquist	Member	Employee representative of PTK at Scania. Employee representative, Supervisory Board of TRATON SE
Lisa Lorentzon	Member	Employee representative of PTK at Scania. Employee representative, TRATON SE
Mikael Johansson	Member	Employee representative of the Swedish Metal Workers' Union at Scania.
Michael Lyngsie	Member	Employee representative of the Swedish Metal Workers' Union at Scania. Employee representative, Supervisory Board of TRATON SE
Maja Lundberg	Deputy member	

<b>Name</b>	<b>Function</b>	<b>Other Directorships or Activities</b>
Bo Luthin	Deputy member	Employee representative of the Swedish Metal Workers' Union at Scania, Supervisory Board of TRATON SE.

The business address of the persons mentioned above is Scania AB, SE-151 87 Södertälje, Sweden.

There are no conflicts of interest between any duties to the Guarantor of the directors and their private interests or other duties to the best of the Guarantor's knowledge.

## OVERVIEW OF FINANCIAL INFORMATION OF SCANIA AB

Scania AB is a holding company which as at 31 December 2021 owned Scania CV AB.

The information set out in this Base Prospectus in the tables below is directly derived from, and should be read in conjunction with, the sections of Scania AB's Annual Reports for 2021 and 2020 which are incorporated by reference in this Base Prospectus and which include Scania AB's annual consolidated and legal entity financial statements audited by Ernst & Young AB for the years ended 31 December 2021 and 31 December 2020.

### SCANIA AB GROUP CONSOLIDATED INCOME STATEMENT

Amounts in SEK m. unless otherwise stated	Full year	
	2021	2020
Revenue	146,146	125,125
Cost of goods sold and services rendered	-109,871	-96,833
<b>Gross income</b>	<b>36,275</b>	<b>28,292</b>
Research and development expenses	-6,411	-5,648
Selling expenses	-11,268	-11,564
Administrative expenses	-2,144	-2,125
Other operating income	769	550
Other operating expenses	-698	-618
Items affecting comparability	-5,229	
<b>Operating income</b>	<b>11,294</b>	<b>8,887</b>
Interest income	673	477
Interest expenses	-794	-929
	-19	169
Share of income from associated companies and joint ventures		
Other financial income	632	833
Other financial expenses	-655	-1,610
Items affecting comparability	-315	
<b>Total financial items</b>	<b>-478</b>	<b>-1,060</b>
<b>Income before taxes</b>	<b>10,816</b>	<b>7,827</b>
Taxes	-3,640	-2,427
<b>Net income for the period</b>	<b>7,176</b>	<b>5,400</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Translation differences	1,545	-4,470
Income tax relating to items that may be reclassified	39	-65
	1,584	-4,535
<b>Items that will not be reclassified to profit or loss</b>		
Re-measurement defined benefit plans <sup>1</sup>	237	-394
Equity instruments	483	127
	-122	63
Income tax relating to items that will not be reclassified		
	598	-204
<b>Other comprehensive income for the period</b>	<b>2,182</b>	<b>-4,739</b>
<b>Total comprehensive income for the period</b>	<b>9,358</b>	<b>661</b>
Net income attributable to:		
<i>Scania AB shareholders</i>	7,172	5,397
<i>Non-controlling interest</i>	4	3
Total comprehensive income attributable to:		

Scania shareholders	9,354	658
Non-controlling interest	4	3
Operating income includes depreciation of	-11,239	-11,097
Operating margin, per cent. <sup>16</sup>	7.7	7.1

1) The discount rate in calculating the Swedish pension liability amount to 2.00 per cent. as at 31 December 2021 (2020: 1.50 per cent.).

2) Calculated as operating income (2021: 11,294) (2020: 8,887) divided by revenue (2021: 146,146) (2020: 125,125)

## SCANIA AB GROUP CONSOLIDATED BALANCE SHEET

Amounts in SEK m. unless otherwise stated	31 December	
	2021	2020
Assets		
Non-current assets		
Intangible assets	13,587	12,513
Tangible assets	41,465	38,254
Lease assets	26,659	27,460
Shares and participations	2,410	1,248
Interest-bearing receivables	57,507	48,004
Other receivables <sup>15</sup>	8,477	8,698
Current assets		
Inventories	23,943	21,105
Interest-bearing receivables	35,646	30,817
Other receivables <sup>16</sup>	18,484	14,960
Current investments	386	54
Cash and cash equivalents	29,262	32,268
Total assets	257,826	235,381
Total equity and liabilities		
Equity		
Scania shareholders	68,189	61,535
Non-controlling interest	24	12
Total equity	68,213	61,547
Non-current liabilities		
Interest-bearing liabilities	62,192	53,564
Provisions for pensions	12,455	12,384
Other provisions	3,394	6,865
Other liabilities <sup>17</sup>	15,177	16,297
Current liabilities		
Interest-bearing liabilities	37,953	42,478
Provisions	13,540	3,962
Other liabilities <sup>18</sup>	44,902	38,284
Total equity and liabilities	257,826	235,381

Table 1 Non-current assets – Other receivables SEK m	2021	2020
Other Non-current Receivables	2,351	3,300
of which, Derivatives with positive MV	845	2,565
Deferred Tax Assets	5,570	5,171

Table 3 Non-current liabilities – Other liabilities, SEK m	2021	2020
Accrued Expenses and Deferred Income	6,902	7,502
Deferred Tax Liabilities	3,409	3,492
Other Non-current Liabilities	4,866	5,303

<sup>15</sup> See table 1

<sup>16</sup> See table 2

<sup>17</sup> See table 3

<sup>18</sup> See table 4

Tax Receivables	556	227
<b>Total Non-current assets -Other Receivables</b>	<b>8,477</b>	<b>8,698</b>

<b>Total Non-current liabilities - Other liabilities</b>	<b>15,177</b>	<b>16,297</b>
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Table 2 Current assets –Other receivables, SEK m	2021	2020
Other Current Receivables	8,043	7,260
<i>of which, Derivatives with positive MV</i>	<i>863</i>	<i>826</i>
Non-Interest-Bearing Trade Receivables	8,859	6,936
Tax Receivables	1,582	764
<b>Total Current assets - Other Receivables</b>	<b>18,484</b>	<b>14,960</b>

Table 4 Current liabilities – Other liabilities, SEK m	2021	2020
Accrued Expenses and Deferred Income	18,014	14,882
Advance Payments from Customers	2,459	1,567
Trade Payables	15,301	13,886
Tax Liabilities	1,711	1,051
Other Current Liabilities	7,417	6,898
<b>Total Current liabilities - Other Liabilities</b>	<b>44,902</b>	<b>38,284</b>

	2021	2020
Equity/Assets ratio, per cent.*	26.5	26.1

\* Calculated as total equity as a percentage of total assets

## SCANIA AB GROUP CONSOLIDATED CASH FLOW STATEMENT

	Full year	
	2021	2020
<i>Amounts in SEK m. unless otherwise stated</i>		
<b>Operating activities</b>		
Income before tax	10,816	7,827
Items not affecting cash flow	10,976	11,666
Taxes paid	-4,613	-3,009
Cash flow from operating activities before change in working capital	17,179	16,484
Change in working capital		
Total change in working capital	-10,547	937
<b>Cash flow from operating activities</b>	<b>6,632</b>	<b>17,421</b>
Investing activities		
Net investments through acquisitions/divestments of businesses	-45	-27
Net investments in non-current assets	-8,664	-8,131
Cash flow from investing activities attributable to operating activities	-8,709	-8,158
Cash flow after investing activities attributable to operating activities	-2,077	9,263
Investments in securities and loans	-309	762
Cash flow from investing activities	-9018	-7,396
Cash flow before financing activities	-2,386	10,025
Financing activities		
Change in debt from financing activities	1,677	2,208
Transactions with non-controlling interests	-2	-12
Dividend	-2,700	
<b>Cash flow from financing activities</b>	<b>-1,025</b>	<b>2,196</b>
Cash flow for the period	-3,411	12,221
Cash and cash equivalents at beginning of period	32,268	20,981
Exchange rate differences in cash and cash equivalents	405	-934
<b>Cash and cash equivalents at end of period</b>	<b>29,262</b>	<b>32,268</b>



**Cash flow statement Vehicles and services**

<b>Cash flow from operating activities before change in working capital</b>	<b>15,315</b>	<b>14,990</b>
Change in working capital	-986	2,327
Cash flow from operating activities	14,329	17,317
Cash flow from investing activities attributable to operating activities	-8,641	-8,137
Cash flow after investing activities attributable to operating activities	5,688	9,180

## DESCRIPTION OF THE ISSUER

### Introduction

Scania CV AB (publ) (**Scania CV AB**) is a public limited liability company (as defined by the Swedish Companies Act). Scania CV AB's registered office is located at SE-151 87 Södertälje, Sweden and the telephone number is +46 8 5538 1000. It operates under Swedish law and its Swedish corporate identity number is 556084-0976. Scania CV AB is a company established for an unlimited duration. Scania CV AB is a wholly owned subsidiary of Scania AB and the parent company of all subsidiaries within the group (the **Scania CV AB Group**).

### Overview

The Scania CV AB Group develops and manufactures trucks and buses for heavy road transport, and industrial and marine engines.

The Scania CV AB Group also provides financing, services and service-related products to its customers.

Registered in Sweden, the Scania CV AB Group's principal production and assembly plants are located in Europe and Latin America. The Scania CV AB Group is present in more than 100 countries around the world through its sales and service network. In 2021, the Scania CV AB Group delivered 85,930 heavy vehicles, an increase of 28 per cent. compared to 2020.

Excluding financial services, trucks represented 63 per cent. of the Scania CV AB Group's sales in 2021. The Scania CV AB Group is increasing its focus on service-related products, which represented 21 per cent. of sales in 2021. Buses represented 5 per cent., used vehicles and other products represented 9 per cent. of the Scania CV AB Group's sales. More details are found in the table on page 92.

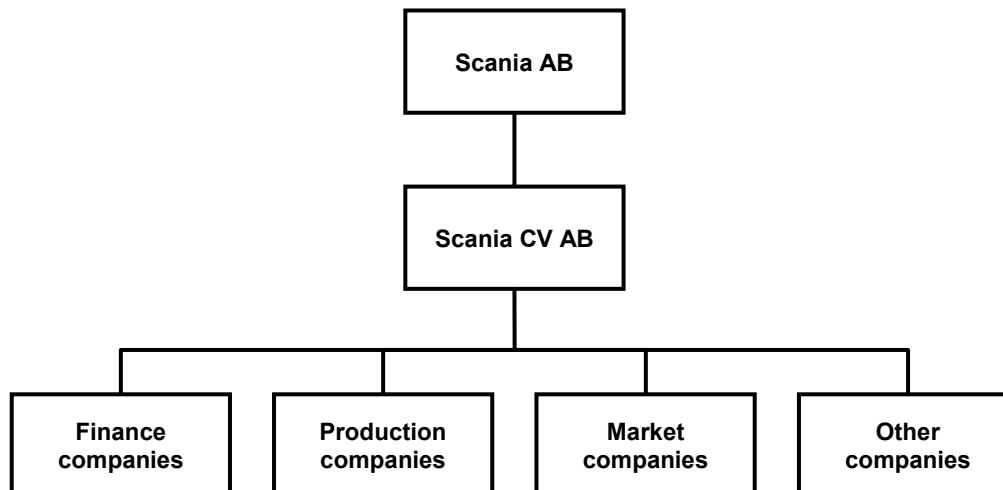
In 2021, the Scania CV AB Group had total sales revenues of SEK 146,146 million (compared to SEK 125,125 million in 2020), total operating income of SEK 11,294 million (compared to SEK 8,887 million in 2020) and total assets at year-end 2021 of SEK 257,618 million (compared to SEK 235,381 million at year-end 2020), of which SEK 114,231 million was related to its financial services operations (compared to SEK 99,637 million at year-end 2020).

The Scania CV AB Group's production system is global, with manufacturing plants in a number of countries.

At year-end 2021, the Scania CV AB Group had 54,000 employees (compared to 50,011 at year-end 2020). In Vehicles and Services, the number of employees at year-end 2021 was 52,794 (compared to 48,950 at year-end 2020). In Financial Services, the number of employees at year-end 2021 was 1,206 (compared to 1,061 at year-end 2020).

### Relationship with Scania AB

On 4 September 1962, Aktiebolaget Redur-Fyra was registered for an indefinite period as a subsidiary of Scania AB and on 23 March 1994 the name was changed to, and registered as, Scania CV AB. On 1 January, 2004 Scania CV AB acquired Scania AB's shares in Scania Latin America Ltda, Scania Argentina S.A., Scania Chile S.A. and Scania del Peru S.A. Scania CV AB is thus today the parent company of all operating subsidiaries within the Scania CV AB Group.



### Management of Scania CV AB

The members of the board of directors are the same for Scania CV AB as for Scania AB. After the board of directors, Scania's top decision-making body is the Executive Board. It decides on issues of a long-term, strategic nature. Group management consists of the Executive Board and the heads of each corporate unit. The corporate units have operating responsibility for carrying out the established strategies. Scania CV AB's Executive Board consists of the following persons:

Name	Function	Other Directorships or Activities
Christian Levin	President and CEO	Member Board of Directors President and CEO TRATON SE
Jonas Rickberg	Executive Vice President and CFO	None
Stefano Fedel	Executive Vice President, Head of Sales and Marketing	None
Anders Williamsson	Executive Vice President, Head of Industrial Operations	None
Jeanna Tällberg	Executive Vice President, Head of People and Culture	None
Mats Gunnarsson	Executive Vice President, Head of Commercial Operations	None
Camilla Dewoon	Executive Vice President, Head of Communications and Sustainability	None

There are no conflicts of interest between any duties to the Issuer of the Executive Board and of the directors and their private interests or other duties to the best of the Issuer's knowledge.

The business address of the persons mentioned above is Scania CV AB, SE-151 87 Södertälje, Sweden.

### Corporate Statement

Scania CV AB Group's objective is to deliver optimised heavy trucks and buses, engines and services, to provide a high quality total operating framework for its customers, and thereby to be one of the leading companies in its industry based on its core values, its focus on methods and the dedicated people of Scania. Scania's core values – customer first, respect for the individual and quality – form the basis of Scania's culture, leadership and business success.

#### *Heavy transport vehicles*

Vehicles in the heavy segment are often driven long distances and have a high degree of utilisation. Transport operations in this segment are dependent on appropriately specified and reliable vehicles as well as comprehensive services in order to be profitable.

### *Modular product system*

From Scania CV AB Group's modular product system, customers can select optimised vehicles. Modularisation begins and ends with the customer. The starting point is its customers' diverse operations and needs – different tasks, varying climates, good or poor infrastructure, long or short driving distances. The modular product system is Scania's answer to customers' demands for different specifications. The number of parts in Scania's products is limited due to modularisation, which is cost-effective both for customers and for Scania.

Scania CV AB Group's modular approach to product development embodies knowledge that has been created over a long time and is unique in the industry. It allows the satisfaction of a large number of customer needs with a limited number of components, thus enabling optimisation for each customer while keeping product costs lower than would be possible otherwise.

### *Integrated business – vehicles, services and financing*

Forward integration shortens the distance to customers and provides better control over network planning, branding and a larger share of the revenue stream. The inherently competitive relationship between captive and non-captive entities drives Scania CV AB to deliver higher customer satisfaction. It also encourages creativity and entrepreneurial spirit in the network which is vital for Scania CV AB's future success.

### *Provider of transport solutions*

A Scania CV AB customer will obtain one of the most competitive total operating frameworks in the industry. Scania CV AB will achieve this by working both with the customer's operating costs, such as fuel economy and repair, and maintenance, and with revenue-related factors such as load carrying capacity and uptime. A successful combination of products, services and financial services – an integrated business – is what makes this possible.

### *Long-term commitment*

Scania CV AB has a long-term commitment to customers and societies. Therefore, Scania CV AB focuses on markets and segments where sustainable profitable growth can be achieved. A growing base of profitable customers and additional business with existing customers are more important than aggressive growth.

## **Product areas**

The following table sets out certain financial data regarding the product areas of the Scania CV AB Group for each of the years ended 31 December 2021 and 2020

	<b>Net sales by product</b>	
	<b>January – December SEK million</b>	
	<b>2021</b>	<b>2020</b>
Trucks	88,849	69,934
Buses	7,702	9,686
Engines	2,521	2,373
Service-related products	30,074	27,132
Used vehicles	8,082	8,582
Miscellaneous	4,580	4,001
Delivery sales value	141,808	121,708
Revenue deferrals <sup>1)</sup>	-503	-1,118
<b>Net Sales</b>	<b>141,305</b>	<b>120,590</b>

\*This table excludes financial services

<sup>1)</sup> Refers to the difference between sales value based on deliveries and revenue recognised as income

### *Trucks*

The Scania CV AB Group develops, manufactures and markets trucks with a gross vehicle weight of more than 16 tonnes (Class 8) for long haulage, construction haulage and distribution of goods. Scania's long-haulage trucks are characterised by high availability, excellent fuel economy and low maintenance costs. The Scania CV AB Group's construction trucks are developed and built with off-road mobility and cargo capacity as their most important characteristics. The Scania CV AB Group's distribution trucks are developed to operate in city environments and other settings where they must meet high standards in terms of environmental performance,

driver environment and manoeuvrability. Scania CV AB Group delivered 85,930 trucks in 2021 (compared to 66,899 in 2020).

#### *Buses*

The demand for efficient, sustainable passenger transport is increasing, especially in the rapidly growing cities of emerging market regions. To a growing extent, Scania is a supplier of comprehensive solutions that include buses and coaches as well as various service packages. Scania CV AB Group also participates in the planning of entire transport systems. Scania CV AB Group delivered 4,436 buses in 2021 (compared to 5,186 in 2020).

#### *Engines*

In recent years, Scania CV AB Group has broadened its base significantly among purchasers of industrial and marine engines. A new generation of engines with improved environmental characteristics, low fuel consumption, high performance and reliability as well as an efficient service offering makes Scania CV AB Group an attractive partner in all customer segments. Scania CV AB Group delivered 11,786 engines in 2021 (compared to 10,991 in 2020).

#### *Services and service-related products*

The services supplied by Scania CV AB Group are of great importance in enabling customers to achieve maximum operating time and low costs. Through its extensive workshop network and customised service-related products, Scania CV AB Group can provide support to the customer and perform the right servicing at the right time and in the right place. Service operations contribute to the stability of Scania CV AB Group's profitability, and there is good potential to increase volume. Scania CV AB Group's net sales from service operations amounted to SEK 30,074 million in 2021 (compared to SEK 27,132 million in 2020).

#### *Financial Services*

The Scania CV AB Group offers its customers various forms of individually tailored financing solutions for new and used vehicles bought via the Scania CV AB Group dealers. Financing can also be combined with various service and maintenance contracts, as well as insurance solutions. Financial services play a key role for customers by allowing them to efficiently finance vehicles on good terms. Scania CV AB Group provides customer and dealer financing in 72 countries. Scania CV AB Group also offers vehicle insurance in 53 markets with approximately 95,000 vehicles insured. Note that Scania Financial Services revenue is not included in the table above on page 92.

## OVERVIEW OF FINANCIAL INFORMATION OF THE SCANIA CV AB GROUP

The information set out in this Base Prospectus in the tables below is directly derived from, and should be read in conjunction with, the sections of Scania CV AB's Annual Reports for 2020 and 2021 which are incorporated by reference in this Base Prospectus and which includes Scania CV AB's annual consolidated and legal entity financial statements audited by Ernst & Young AB

### SCANIA CV AB GROUP CONSOLIDATED INCOME STATEMENT

#### Vehicles and Services

<b>Amounts in SEK m. unless otherwise stated</b>	<b>Full Year</b>	
	<b>2021</b>	<b>2020</b>
Revenue	141,305	120,590
Cost of goods sold	-108,425	-95,482
Gross income	32,880	25,108
Research and development expenses	-6,411	-5,648
Selling expenses	-9,996	-9,571
Administrative expenses	-2,144	-2,125
Items affecting comparability	-5,229	-
<b>Operating income</b>	<b>9,100</b>	<b>7,764</b>
Interest income	673	477
Interest expenses	-794	-929
Share of income in associated companies and joint ventures	-19	169
Dividends in between segments	318	301
Other financial income	632	833
Other financial expenses	-656	-1,611
Items affecting comparability	-315	-
<b>Total financial items</b>	<b>-161</b>	<b>-760</b>
Income before taxes	8,839	7,004
Taxes	-3233	-2,097
<b>Net income for the period</b>	<b>5,706</b>	<b>4,907</b>

#### Financial Services

<b>Amounts in SEK m. unless otherwise stated</b>		
Interest and lease income	8,439	8,292
Insurance commission	322	308
Interest and prepaid expenses	-5,366	-5,416
<b>Gross income</b>	<b>3,395</b>	<b>3,184</b>
Selling and administration expenses	-1,402	-1,263
Bad debt expenses, realised and anticipated	130	-730
Other income	769	550
Other expenses	-698	-618
<b>Operating income</b>	<b>2,194</b>	<b>1,123</b>
Income before tax	2,194	1,123
Taxes	-398	-340
<b>Net income for the period</b>	<b>1,796</b>	<b>783</b>

## SCANIA CV AB GROUP CONSOLIDATED BALANCE SHEET

Amounts in SEK m. unless otherwise stated	31 December	
	2021	2020
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets	13,587	12,513
Tangible assets	41,465	38,254
Lease assets	26,659	27,460
Shares and participations	2,410	1,248
Interest-bearing receivables	57,507	48,004
Other receivables <sup>1) 2)</sup>	8,477	8,698
<b>Current assets</b>		
Inventories	23,943	21,105
Interest-bearing receivables	35,646	30,817
Other receivables <sup>3)</sup>	18,276	14,960
Current investments	386	54
Cash and cash equivalents	29,262	32,268
<b>Total assets</b>	<b>257,826</b>	<b>235,381</b>
<b>Total equity and liabilities</b>		
<b>Equity</b>		
Scania shareholders	64,480	55,334
Non-controlling interest	24	12
<b>Total equity</b>	<b>64,504</b>	<b>55,346</b>
<b>Non-current liabilities</b>		
Interest-bearing liabilities	62,192	53,564
Provisions for pensions	12,455	12,384
Other provisions <sup>6)</sup>	12,965	6,865
Other liabilities <sup>1) 4)</sup>	15,177	16,297
<b>Current liabilities</b>		
Interest-bearing liabilities	37,953	42,478
Provisions	3,969	3,962
Other liabilities <sup>5)</sup>	44,902	38,284
<b>Total equity and liabilities</b>	<b>257,618</b>	<b>235,381</b>
<sup>1)</sup> Including deferred tax		
<sup>2)</sup> Including derivatives with positive value for hedging of borrowings	845	2,565
<sup>3)</sup> Including derivatives with positive value for hedging of borrowings	863	826
<sup>4)</sup> Including derivatives with negative value for hedging of borrowings	384	355
<sup>5)</sup> Including derivatives with negative value for hedging of borrowings	381	350
<sup>6)</sup> Including provision related to the European Commission's competition investigation		
Equity/assets ratio, per cent*	25.0	23.5

\* Calculated as total equity as a percentage of total assets

## SCANIA CV AB GROUP STATEMENT OF CHANGES IN EQUITY, CONDENSED

Amounts in SEK m. unless otherwise stated	Full year	
	2021	2020
Equity, 1 January	55,346	54,687
Net income for the period	7,176	5,400
Other comprehensive income for the period	2,182	-4,739
Group contribution to Traton SE	-208	-
Change in non-controlling interest	-	-
<b>Total equity at the end of the period</b>	<b>64,504</b>	<b>55,346</b>
<b>Attributable to:</b>		
Scania AB shareholders	64,480	55,334
Non-controlling interest	24	12



## SCANIA CV AB GROUP CONSOLIDATED CASH FLOW STATEMENT

Amounts in SEK m. unless otherwise stated	Full year	
	2021	2020
<b>Operating activities</b>		
Income before tax	10,816	7,827
Items not affecting cash flow	10,976	11,666
Taxes paid	-4,613	-3,009
<b>Cash flow from operating activities</b>		
before change in working capital	17,179	16,484
Change in working capital	-10,547	937
<b>Cash flow from operating activities</b>	<b>6,632</b>	<b>17,421</b>
Investing activities		
Net investments through acquisitions/divestments of businesses	-45	-27
Net investments in non-current assets	-8,664	-8,131
Cash flow from investing activities attributable to operating activities	-8,709	-8,158
Cash flow after investing activities	-2,077	9,263
Investments in securities and loans	-309	762
Cash flow from investing activities	-9,018	-7,396
Cash flow before financing activities	-2,386	10,025
Financing activities		
Change in debt from financing activities	-1,023	2,208
Transactions with non-controlling interests	-2	-12
Dividend	-	-
<b>Cash flow from financing activities</b>	<b>-1,025</b>	<b>2,196</b>
Cash flow for the period	-3,411	12,221
Cash and cash equivalents at beginning of period	32,268	20,981
Exchange rate differences in cash and cash equivalents	405	-934
<b>Cash and cash equivalents at end of period</b>	<b>29,262</b>	<b>32,268</b>
<b>Cash flow statement Vehicles and services</b>		
<b>Cash flow from operating activities</b>		
Before change in working capital	15,315	14,990
Change in working capital	-986	2,327
Cash flow from operating activities	14,329	17,317
Cash flow from investing activities attributable to operating activities	-8,641	-8,137
Cash flow after investing activities attributable to operating activities	5,688	9,180

## TAXATION

### Swedish Taxation

The following is a general description of certain Swedish tax considerations relating to the acquisition, holding and disposal of Notes. It is intended as general information only and does not purport to be a complete analysis of all tax considerations relating to the Notes. 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 amount under the Notes and the consequences of such actions under the tax laws of those countries. Specific tax consequences may be applicable to certain categories of companies, e.g. investment companies and life insurance companies, not described below. In addition, the summary does not address Notes that are held on "investment savings accounts" (Sw. *investeringssparkonton*) which are subject to a specific tax regime. This summary is based upon the laws of Sweden as in effect on the date of the Base Prospectus and is subject to any change in law that may take effect after such date.

#### *Non-resident holders of Notes*

Under Swedish tax law payment of any principal or interest to the holder of any Note is normally not subject to Swedish income tax, provided that such holder is not tax resident in Sweden. A non-resident person can, however, be liable to tax in Sweden on gains or interest received on the Notes if the Notes are held in a trade or business carried out through a permanent establishment in Sweden. Holders of Notes are not deemed to be resident, domiciled or carrying on business in Sweden by reason only of holding such Notes.

Individuals who are not tax resident in Sweden may also, under certain conditions, be subject to capital gains taxation in Sweden at a disposal or redemption of Notes. This is the case where the Notes qualify as participation rights (Sw. *delägar rätt*) and provided that the holder, at any time during the calendar year when the disposal or redemption occurs, or during the preceding ten calendar years, has been domiciled or permanently resident in Sweden. In many cases, however, the applicability of this rule may be limited by tax treaties between Sweden and other countries.

There is no Swedish withholding tax on interest paid to a non-resident holder of Notes.

#### *Resident holders of Notes*

An individual is tax resident in Sweden if they a) are domiciled in Sweden or b) have their habitual abode in Sweden or c) earlier has been domiciled in Sweden and after having moved abroad continues to have an essential connection with Sweden (for example is engaged in trade or business in Sweden). A corporation is tax resident in Sweden if organised under Swedish law.

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) that are resident holders of Notes, all capital income (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable.

If amounts that are considered to be interest for Swedish tax purposes are paid to a private individual (or an estate of a deceased individual) that is a resident holder of Notes, Swedish preliminary income tax at a rate of 30 per cent. is normally withheld on such payments.

No inheritance tax, gift tax or net wealth tax is levied in Sweden.

### Luxembourg Taxation

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

#### *Withholding Tax*

##### *(a) Non-resident holders of Notes*

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(b) *Resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December, 2005 as amended (the **Relibi Law**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of their private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Accordingly, payments of interest under the Notes coming within the scope of the Relibi Law will be subject to a withholding tax of 20 per cent.

### **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. The Issuer and the Guarantor may each be a foreign financial institutions for these purposes. A number of jurisdictions (including Sweden) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under “Terms and Conditions—Further Issues”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

### **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**). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No1287/2006 are expected to 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 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.

## SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement dated 31 October 2022 (such programme agreement as modified and/or supplemented and/or restated from time to time being the **Programme Agreement**), agreed with the Issuer and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under **Form of the Notes** and **Terms and Conditions of the Notes**. In the Programme Agreement, the Issuer (failing which, the Guarantor) has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

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

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

### Prohibition of Sales to EEA Retail Investors

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

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**); and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the

European Economic Area, 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 made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Member State, except that it may make an offer of such Notes to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- the expression an **offer of Notes to the public** in relation to any Notes in any 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 for the Notes; and
- the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

## United Kingdom

### *Prohibition of sales to UK Retail Investors*

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

- (a) the expression **retail investor** means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or
  - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes 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 for the Notes; and
- the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

#### ***Other regulatory restrictions***

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

- (a) in relation to any Notes having a maturity date of less than one year, (1) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (2) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) 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 apply to the Issuer or the Guarantor; and
- (c) 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.

#### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law 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 (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), 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.

#### **France**

Each of the Dealers and the Issuer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Notes and the distribution in France of the Base Prospectus or any other offering material relating to the Notes.

#### **Belgium**

Other than in respect of Notes for which “Prohibition of Sales to Belgian Consumers” is specified as “Not Applicable” in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a Belgian Consumer) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that the Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the MAS). Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the 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 or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (the SFA)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, 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 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 or securities-based derivatives contracts (each term as defined in Section 2(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:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA;
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

*Notification under Section 309B(1)(c) of the SFA* – Unless otherwise stated in the Final Terms or Pricing Supplement (as applicable), all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Guarantor nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Guarantor and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the Subscription Agreement or Dealer Accession Letter, Dealer Confirmation Letter, as relevant, or, in the case of Exempt Notes, in the applicable Pricing Supplement.

## GENERAL INFORMATION

### Authorisation

The update of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of the Issuer dated 10 February 2022 and 27 July 2022, and the giving of the Guarantee has been duly authorised by resolutions of the Board of Directors of the Guarantor dated 10 February 2022 and 27 July 2022.

### Approval, Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II.

### Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection at <https://www.scania.com/group/en/home/investors/bondholders.html>:

- (a) the constitutional documents (with an English translation thereof) of the Issuer and the constitutional documents (with an English translation thereof) of the Guarantor;
- (b) the Agency Agreement, the Guarantee, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons; and
- (c) any future offering circulars, prospectuses, information memoranda and supplements to this Base Prospectus, Final Terms and Pricing Supplements (in the case of Exempt Notes) (save that Pricing Supplements will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity) and any other documents incorporated herein or therein by reference.

### Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate common code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes). If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms or Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### Yield

In relation to any Tranche of Fixed Rate Notes, the yield relating to a particular issue of Notes will be stated in the Final Terms (or Pricing Supplement in the case of Exempt Notes). The yield is calculated at the Issue Date of the Notes on the basis of the Issue Price. It is not an indication of future yield.

### Significant or Material Change

Save as disclosed in the risk factor "*Russian Invasion of Ukraine*" on page 12 and the section "*Recent Developments in 2022*" on page 83, there has been no significant change in the financial performance or position of the Issuer and its subsidiaries taken as a whole since 30 June 2022. Save as disclosed in the risk factor "*Russian Invasion of Ukraine*" on page 12 and the section "*Recent Developments in 2022*" on page 83, there has been no material adverse change in the prospects of the Issuer since 31 December 2021.

There has been no significant change in the financial performance or position of the Guarantor and its subsidiaries taken as a whole since 30 September 2022. Save as disclosed in the risk factor "*Russian Invasion of Ukraine*" on page 12 and the section "*Recent Developments in 2022*" on page 83, there has been no material adverse change in the prospects of the Guarantor since 31 December 2021.



## **Litigation**

Neither the Issuer nor the Guarantor is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) in the 12 months preceding the date of this document which may have, or have in such period had, a significant effect on the financial position or profitability of the Issuer or the Guarantor.

## **Auditors**

The registered auditor(s) of the Issuer and the Guarantor is registered public accounting firm Ernst & Young AB, with individual auditor in charge for both the Issuer and the Guarantor Helene Siberg Wendin (an Authorised Public Accountant and member of FAR – the Swedish professional institute for authorised accountants), who audited the Issuer's and Guarantor's respective accounts, without qualification, in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden for the years ended 31 December 2021 and 31 December 2020.

Ernst & Young AB has no material interest in the Issuer or the Guarantor.

The reports of the auditors of the Issuer and the Guarantor are included or incorporated by reference in the form and context in which they are included or incorporated by reference, with the consent of the relevant auditors who have authorised the contents of that part of this Base Prospectus.

## **Website**

Scania's website is <https://www.scania.com/group/en/home> however the information contained on such website does not form part of this Base Prospectus other than to the extent expressly incorporated by reference elsewhere in this Base Prospectus.

## **Dealers transacting with the Issuer**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

**THE ISSUER**  
**Scania CV AB (publ)**  
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**THE GUARANTOR**  
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