

## PROSPECTUS

# V O L V O

## Volvo Treasury AB (publ)

(Incorporated with limited liability under the laws of Sweden)

under the guarantee of

**AB Volvo (publ)**

(Incorporated with limited liability under the laws of Sweden)

**U.S.\$20,000,000,000**

**Euro Medium Term Note Programme**

Under the U.S.\$20,000,000,000 Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Prospectus**"), Volvo Treasury AB (publ) (the "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below).

The payments of all amounts payable in respect of all Notes issued by the Issuer will be unconditionally and irrevocably guaranteed by AB Volvo (publ) (the "**Parent**" or "**AB Volvo**").

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$20,000,000,000 (or its equivalent in other currencies calculated as described herein) subject to increase as provided herein. A description of the restrictions applicable at the date of this Prospectus relating to the maturity and denomination of certain Notes is set out in "*General Description of the Programme*" below.

The Notes will be issued on a continuing basis to one or more of the dealers set out below and any additional dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). References in this 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 subscribe such Notes.

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

This Prospectus (together with any supplements thereto) constitutes a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**") for the purpose of giving information with regard to the issue of Notes under the Programme described in this Prospectus and is valid for a period of twelve (12) months from the date of approval, until 4 May 2024.

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") as competent authority under the EU Prospectus Regulation and the Luxembourg Law dated 16 July 2019 relating to prospectuses for securities, as may be amended from time to time. The CSSF has only approved the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the Parent nor as an endorsement of the quality of any Notes that are the subject of this Prospectus. The CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer or the Parent. Investors should make their own assessment as to the suitability of investing in such Notes. Application has been made for such Notes to be admitted during the period of 12 months from the date hereof to listing on the official list ("**Official List**") and to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "**EU MiFID II**"). 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 in "*Terms and Conditions of the Notes*" below) of Notes will be set forth in a final terms document (the "**Final Terms**") which, with respect to Notes to be listed on the Official List of the Luxembourg Stock Exchange, will be filed with the CSSF.

In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area ("**EEA**") or offered to the public in a Member State of the EEA in circumstances which would otherwise require the publication of a prospectus under the EU Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes) or more.

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

The Notes of each Tranche will be in bearer form and will initially be represented by a temporary global Note which will (i) if the global Notes are intended to be issued in new global note ("**NGN**") form, as specified 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 SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"); and (ii) 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 depositary (the "**Common Depositary**") for Euroclear and Clearstream. The temporary global Note will be exchangeable, as specified in the applicable Final Terms, for either a permanent global Note or Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. A permanent global Note will be exchangeable, unless otherwise specified in the applicable Final Terms, for definitive Notes only upon the occurrence of an Exchange Event, all as further described in "Form of the Notes" below.

The Issuer is unrated. As of the date of this Prospectus, the Parent's long-term debt is rated A2, stable by Moody's Investors Service (Nordics) AB ("**Moody's**") and A-, positive by S&P Global Ratings Europe Limited ("**S&P**"). As at the date of this Prospectus, Moody's and S&P are credit rating agencies established in the European Union registered under Regulation (EC) No. 1060/2009 (as amended) (the "**EU CRA Regulation**") and included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") published on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>). Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, its rating will be specified in the applicable Final Terms along with confirmation of whether or not such rating (1) will be issued or endorsed by a credit rating agency established

in the EEA and registered under the EU CRA Regulation and included in the list of registered and certified rating agencies published by the ESMA on its website and/or (2) endorsed by a credit rating agency established under Regulation (EC) No. 1060/2009 as it forms part of domestic law of the United Kingdom ("UK") ("**UK domestic law**") by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") or certified under the UK CRA Regulation. As of the date of this Prospectus, Moody's and S&P are credit rating agencies established in the European Union and registered under the EU CRA Regulation. They appear on the list of registered and certified rating agencies published by ESMA. 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 credit rating agency.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see "*Subscription and Sale*" below).

*Arranger*

**Citigroup**

*Dealers*

**BNP Paribas**  
**Citigroup**  
**Danske Bank**  
**DNB Bank**  
**Handelsbanken Capital Markets**  
**J.P. Morgan**  
**NatWest Markets**  
**SEB**  
**Swedbank**

**BofA Securities**  
**Crédit Agricole CIB**  
**Deutsche Bank**  
**HSBC**  
**ING**  
**Mizuho**  
**Nordea**  
**Société Générale**  
**Corporate & Investment Banking**  
**UniCredit**

The date of this Prospectus is 4 May 2023.

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## GENERAL DESCRIPTION OF THE PROGRAMME

*The following constitutes a general description of the Programme for the purposes of Article 25(1) of the Commission Delegated Regulation 2019/980 (the "Delegated Regulation"). It does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions of the Notes, in which event, in the case of listed Notes only and if appropriate, a supplement to this Prospectus or a new Prospectus will be published.*

Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" below shall have the same meanings in this General Description.

<b>Issuer:</b>	Volvo Treasury AB (publ)
<b>Issuer Legal Entity Identifier (LEI):</b>	549300PD69T87IGZG395
<b>Guarantor:</b>	AB Volvo (publ)
<b>Guarantor Legal Entity Identifier (LEI):</b>	549300HGV012CNC8JD22
<b>Description:</b>	Euro Medium Term Note Programme
<b>Arranger:</b>	Citigroup Global Markets Europe AG
<b>Dealers:</b>	BNP Paribas BofA Securities Europe SA Citigroup Global Markets Europe AG Crédit Agricole Corporate and Investment Bank Danske Bank A/S Deutsche Bank Aktiengesellschaft DNB Bank ASA, Sweden Branch HSBC Continental Europe ING Bank N.V. J.P. Morgan SE Mizuho Securities Europe GmbH NatWest Markets N.V. Nordea Bank Abp Skandinaviska Enskilda Banken AB (publ) Société Générale Svenska Handelsbanken AB (publ) Swedbank AB (publ) UniCredit Bank AG
<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 "Subscription and Sale") including the following restrictions applicable at the date of this Prospectus.

### **Notes having a maturity of less than one year:**

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the UK, constitute

deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent in any other currency, see "Subscription and Sale".

Money market instruments having a maturity at issue of less than 12 months do not fall within the scope of the EU Prospectus Regulation. No money market instruments having a maturity at issue of less than 12 months will be offered to the public or admitted to trading on a regulated market under this Prospectus.

**Trustee:**

Deutsche Trustee Company Limited

**Issuing and Principal Paying Agent:**

Citibank, N.A., London Branch

**Programme Size:**

Up to U.S.\$20,000,000,000 (or its equivalent in other currencies) outstanding at any time. For the purpose of calculating the U.S. dollar equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the U.S. dollar equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms in relation to the relevant Notes) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the U.S. dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on the relevant day of calculation; and
- (b) the U.S. dollar equivalent of Zero Coupon Notes (as specified in the applicable Final Terms in relation to the relevant Notes) and other Notes issued at a discount or premium shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

**Distribution:**

Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

**Currencies:**

Euro, Sterling, U.S. dollars, Yen, Swedish krona and, subject to any applicable legal or regulatory restrictions, any other currency as may be agreed between the Issuer and the relevant Dealer(s).

**Maturities:**

Such maturities as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms, 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.

At the date of this Prospectus the minimum maturity of all Notes is one month.

**Issue Price:**

Notes may be issued at an issue price which is at par or at a discount to, or premium over, par. The issue price will be specified in the applicable Final Terms.

**Form of Notes:**

Each Tranche of Notes will initially be represented by a temporary global Note in bearer form which will (i) if the global Notes are intended to be issued in NGN form, as specified in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper for Euroclear and Clearstream; and (ii) 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 Depositary for Euroclear and Clearstream. The temporary global Note will be exchangeable, upon request, as described therein for either a permanent global Note or definitive Notes (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms). Such exchange may take place in each case on and after the date which is the later of (i) 40 days after the temporary global Note is issued and (ii) 40 days after the completion of the distribution of the relevant Tranche. Exchange of a temporary global Note will only take place upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations.

A permanent global Note will be exchangeable, unless otherwise specified in the applicable Final Terms, for definitive Notes only upon the occurrence of an Exchange Event, as described in "Form of the Notes" below.

Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearing system, as appropriate.

**Interest:**

Notes may be interest bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or a combination thereof and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

**Fixed Rate Notes:**

Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

**Floating Rate Notes:**

Floating Rate Notes will bear interest at a rate determined on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.

The Margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate (which shall never be less than zero) or both.

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 specified in the applicable Final Terms and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.

Notwithstanding the foregoing, the Terms and Conditions contain provisions pursuant to which amendments may be made to the interest terms following a Benchmark Event (as defined under "*Terms and Conditions of the Notes*").

**Fixed to Floating Rate Notes:**

Fixed interest will be payable until conversion to floating rate of interest (as indicated in the applicable Final Terms) at which point floating rate interest will be payable.

**Zero Coupon Notes:**

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

**Redemption:**

The applicable Final Terms relating to each Tranche of Notes 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 not less than 15 nor more than 30 days' irrevocable 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 terms as are indicated in the applicable Final Terms.

Notes having a maturity of less than one year may be subject to restrictions on their denominations and distribution, see "*Certain Restrictions – Notes having a maturity of less than one year*" above.

**Denomination of Notes:**

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms save that the minimum Specified Denomination of each Note will be such 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 Specified Denomination of each Note 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 would otherwise require the publication of a prospectus under the EU Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

**Taxation:**

Subject as provided in Condition 8, all payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed within Sweden.

In the event that any such deduction is made, the Issuer or, as the case may be, the Parent will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.

**Status of the Notes:**

The Notes will be direct, unconditional, (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Issuer and will at all times rank without any preference among themselves and (subject as aforesaid) *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, (other than obligations which are preferred by mandatory provisions of law) but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

**Guarantee:**

The payment of the principal and interest in respect of all Notes will be unconditionally and irrevocably guaranteed by AB Volvo (publ), the Parent. The obligations of the Parent under such guarantee will be direct, unconditional, (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Parent and (subject as aforesaid) will at all times rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Parent, present and future, (other than obligations which are preferred by mandatory provisions of law) but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

**Negative Pledge:**

The terms of the Notes will contain a negative pledge provision as described in Condition 4.

**Cross Default:**

The terms of the Notes will contain a cross default provision relating to indebtedness as further described in Condition 10.

**Approval, Listing and Admission to Trading:**

The CSSF has approved this document as a base prospectus. The CSSF gives no undertaking as to the economic and financial soundness of the transaction 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 listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. This Prospectus and any



supplement will only be valid for listing Notes on the Luxembourg Stock Exchange during the period of 12 months from the date of approval of this Prospectus.

The Notes may also be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the Issuer and the relevant Dealer(s) 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 will state whether or not and, if so, on which stock exchange(s) and/or market(s) the Notes are to be listed and/or admitted to trading.

**Governing Law:**

The Notes, and any non-contractual obligations arising out of or in connection with the Notes, shall 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, the UK, Switzerland, Singapore, Japan and France 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" below.

**United States Selling Restrictions:**

Regulation S, Category 2. TEFRA D/TEFRA not applicable, as specified in the applicable Final Terms.

**Use of Proceeds:**

The net proceeds (in respect of (a) and (c) below) or an amount equal to the net proceeds (in respect of (b) below) from each issue of Notes will, as specified in the applicable Final Terms, be:

- a) used for the Issuer's general funding purposes; or
- b) applied to a green asset portfolio which will be used to finance or refinance, in whole or in part, the Volvo Group's investments in eligible assets as further described in the Volvo Group Green Finance Framework published on 5 November 2020 (as amended or supplemented from time to time) (the "**Green Finance Framework**") available on the Volvo Group website (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/debt-information/green-financing/volvo-green-finance-framework.pdf>) (which, for the avoidance of doubt, does not form part of, and shall not be incorporated in, this Prospectus) ("**Green Bonds**"); or
- c) used to finance any other particular identified use of proceeds as stated in the applicable Final Terms.

## RISK FACTORS

The Issuer and the Parent present below the significant risks which they believe they are exposed to as at the date of this Prospectus. The risk factors considered to be the most important, based on the probability of their occurrence and the expected magnitude of their negative impact and after consideration of the effects of the measures implemented by the Issuer and the Parent in order to manage these risks, are mentioned first in their respective category. Investors are invited to read carefully the information provided in the risk factors before investing in Notes. Investors' attention is drawn to the fact that other risks, not identified as at the date of this Prospectus, or whose realisation is not considered likely to have, as at this same date, a significant negative impact on the business, financial situation and results or perspectives of the Issuer and the Parent, may exist or occur.

### **1. Risk factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme**

The Issuer is a unit within the Volvo Group (the "Volvo Group" is defined as the Parent and its subsidiaries). The Issuer is acting as internal bank for the Volvo Group. The Issuer is responsible for all interest-bearing assets and liabilities as well as all foreign exchange and funding operations within the Volvo Group. The Issuer's operations are carried out according to centrally determined risk mandates and limits designed to minimise the credit currency, interest rate and liquidity risks to which the Volvo Group is exposed.

In conducting its operations, the Issuer is exposed to various types of financial risks which are set out on pages 17 to 21 (*Financial risks*) of the Issuer's Annual Report 2022 incorporated by reference into this Prospectus, as set out in the section headed "*Documents Incorporated by Reference*" on pages 26 to 29 of this Prospectus, and include the following: interest rate risk, currency risk, credit risk and liquidity risk.

However, the Notes issued by the Issuer under this Prospectus benefit from the Guarantee (as defined under "*Terms and Conditions of the Notes*") issued by the Parent in which the Parent undertakes to assume responsibility for the Issuer's payment obligations under the Notes.

### **2. Risk factors that may affect the Parent's ability to fulfil its obligations under the Guarantee**

The risks that may affect the Volvo Group's ability to fulfil its obligations under the Programme, other than the short-term risk factors on pages 8 to 10 of this Prospectus, are set out in particular on pages 68 to 73 (*Risks and uncertainties*) of the Volvo Group Annual Report 2022 incorporated by reference into this Prospectus, as set out in the section headed "*Documents Incorporated by Reference*" on pages 26 to 29 of this Prospectus, and include the following:

- Macro and market-related risks:

- *Cyclical commercial vehicles industry;*
- *Competition;*
- *Regulations;*
- *Geopolitics and security.*

- Operational risks:

- *Transformation and technology;*
- *New business models;*
- *Industrial operations including supply chain;*
- *Suppliers and materials;*
- *Cost inflation and price increases;*

- *Information security and digital infrastructure;*
  - *Mergers and acquisitions, partnerships and divestments;*
  - *Residual value commitments.*
- Climate and people risks:
- *Pandemics;*
  - *Climate;*
  - *People and culture;*
  - *Human rights.*
- Compliance risks:
- *Data protection laws;*
  - *Intangible assets;*
  - *Legal proceedings;*
  - *Corruption and competition law.*
- Financial risks:
- *Insurance;*
  - *Credit risk;*
  - *Pension commitments;*
  - *Interest-rate risk;*
  - *Currency risk;*
  - *Liquidity risk;*
  - *Impairment.*

### **Short-term risk factors**

#### ***Update on supply situation and inflationary pressure***

The Volvo Group's ability to deliver according to market demand depends significantly on obtaining a timely and adequate supply of materials, components, and other vital services, as well as on the Volvo Group's ability to properly utilize the capacity in the Volvo Group's different production and services facilities. At present, the Volvo Group's supply chain and industrial system are strained in many areas due to e.g. shortages of labor, materials and components, and transport services. Further strains on the supply chain may also evolve from other events, including financial distress of suppliers and response measures taken, and consequences of the war in Ukraine. There might be supply chain disturbances and stoppages in production going forward. Such disturbances could lead to higher costs and interruptions in production and delivery of the Volvo Group products and services, that could have a material negative impact on the Volvo Group's financial performance.

The Volvo Group might experience higher input costs from increased prices on e.g. purchased material, freight and energy as well as higher labor costs. If the Volvo Group is unable to compensate for the higher input costs through increased prices on products and services sold, this could have a negative impact on the Volvo Group's financial performance.

### ***Accounts receivable***

Due to the prevailing business model in the construction equipment industry in China, with long payment terms to customers, a substantial part of the Volvo Group's accounts receivable is related to customers in this market. The weakened Chinese construction equipment market is currently impacting customers' and dealers' profitability negatively. This might affect their ability to honour their obligations to the Volvo Group and may consequently have a material adverse effect on the Volvo Group's financial result and position.

### ***Detected premature degradation of emissions control component***

As previously communicated, the Volvo Group has detected that an emissions control component used in certain markets and models, may degrade more quickly than expected, affecting the vehicles emission performance negatively. The Volvo Group made a provision of SEK 7 billion impacting the operating income in Q4 2018, relating to the estimated costs to address the issue. Negative cash flow effects started in 2019 and will continue in the coming years. The Volvo Group will continuously assess the size of the provision as the matter develops.

### ***Financial impact from the war in Ukraine***

In Q1 2022, the Volvo Group reported that out of the Volvo Group's total assets related to Russia of approximately SEK 9 billion, SEK 4.1 billion had been provisioned for and impacted operating income negatively in Q1 2022. As of the end of Q1 2023, the Volvo Group's total exposure for additional impairment needs related to Russia largely remains unchanged. In 2021, approximately 3 per cent. of the Volvo Group's net sales were attributable to Russia.

The Volvo Group follows developments closely, but the situation with rapid and sometimes unpredictable changes may persist. No predictions can hence be made on the full impact from the war and ensuing sanctions on the Volvo Group's assets in the region or on the general economic development. Further write-downs of the Volvo Group's assets related to Russia may be necessary in the coming periods, which could have a materially adverse effect on the Volvo Group's financial result, cash flow and financial position.

### ***Contingent liabilities and contingent assets***

The reported amounts for contingent liabilities reflect a part of Volvo Group's risk exposure. Total contingent liabilities as of 31 March 2023, amounted to SEK 17.3 billion, a decrease of SEK 0.9 billion compared to 31 December 2022. The gross exposure of SEK 17.3 billion is partly reduced by counter guarantees and collaterals.

### ***Legal proceedings***

Starting in January 2011, the Volvo Group, together with a number of other truck manufacturers, was investigated by the European Commission in relation to a possible violation of EU antitrust rules. In July 2016 the European Commission adopted a settlement decision against the Volvo Group and other truck manufacturers finding that they were involved in an antitrust infringement which, in the case of the Volvo Group, covered a 14-year period from 1997 to 2011. The Volvo Group paid a monetary fine of EUR 670 million.

Following the adoption of the European Commission's settlement decision, the Volvo Group has received and is defending itself against a significant number of private damages claims brought by customers and other third parties alleging that they suffered loss, directly or indirectly, by reason of the conduct covered in the decision. The claims relate primarily to Volvo Group trucks sold during the 14-year period of the infringement and, in some cases, to trucks sold in certain periods after the infringement ended. Some claims have also been made against the Volvo Group that relate to trucks sold by other manufacturers. The truck manufacturers subject to the 2016 settlement decision are, in most countries, jointly and severally liable for any losses arising from the infringement.

In the region of 3,000 claims are being brought in over 20 countries (including EU member states, the United Kingdom, Norway and Israel) by large numbers of claimants either acting individually or as part of a wider group or class of claimants. Further claims may be commenced. The litigation in many countries can be expected to run for several years.

Several hundred thousand trucks sold by the Volvo Group are currently subject to claims against it or other truck manufacturers, with claimants alleging that the infringement resulted in an increase in the prices paid for Volvo Group trucks which directly or indirectly caused them loss.

The Volvo Group maintains its firm view that no damage was caused to its customers or any third party by the conduct set out in the settlement decision, and in fact, the European Commission did not assess any potential effects on the market. The transaction prices the Volvo Group's customers paid for their trucks were unaffected by the infringement and were the outcome of individual negotiations across all elements of their purchasing requirements, including not only the prices for new trucks but also (where relevant) associated products and services sold together with new trucks such as service contracts, financing, buy-back guarantees etc.

Litigation developments so far have been mixed with some adverse developments, although uncertainty remains high, and it is inherent in complex litigation that outlooks and risks fluctuate over time.

At this stage it is not possible to make a reliable estimate of the total liability that could arise from such proceedings given the complexity of the claims and the different (and in some cases relatively early) stages to which national proceedings have progressed. However, the litigation is substantial in scale and any adverse outcome or outcomes of some or all of the litigation, depending on the nature and extent of such outcomes, may have a material negative impact on the Volvo Group's financial results, cash flows and financial position. The Volvo Group has recognized costs, besides legal fees to advisors, which relate to certain limited aspects of the litigation that are currently possible to estimate and where an outflow of resources is probable. This is Volvo Group's current assessment, which may change depending on the progress of the litigation.

### **3. Risk factors relating to the Notes issued under the Programme**

*Factors which the Issuer believes are specific to the Notes and material for an informed investment decision with respect to investing in the Notes issued under the Programme are described below. In each category below, the Issuer sets out the material risks in descending order of importance, taking into account the negative impact of such risks and the probability of their occurrence.*

#### **A. Risks relating to all Series of Notes**

##### ***Credit risk***

An investment in the Notes involves a credit risk on the Issuer and the Parent. The Noteholders rely on the ability of the Issuer (and failing which, the Parent) to pay any amount due under the Notes. The value of the Notes will depend on the creditworthiness of the Issuer and the Parent (as may be impacted by the risks related to the Issuer and the Parent as described above). If the creditworthiness of the Issuer or the Parent deteriorates, the potential impact on the Noteholder could be significant: a deterioration in the creditworthiness could give rise to negative repercussions on the Noteholders because (i) the Issuer (or failing which, the Parent) may not be able to fulfil all or part of its payment obligations under the Notes, (ii) the value of the Notes may decrease and (iii) investors may lose all or part of their investment.

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

The Terms and Conditions of the Notes are based on, governed by, and construed in accordance with English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice (or interpretation thereof) after the date of issue of the relevant Notes. Any such decision or change could be unfavourable to creditors' rights, including those of the Noteholders. If any change in law were unfavourable to the Issuer, the Parent or the Noteholders, it could have an adverse or a significant adverse effect on the market value of the Notes (depending on the nature of the changes) and could have potentially serious negative repercussions on the Noteholders' investment in the Notes. The risk of changes in law is higher for Notes with longer maturities.

***The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders***

Condition 15 of the Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

It is possible that a majority of Noteholders could adopt measures at the relevant meeting that would modify the Terms and Conditions in a way that could impair or limit the rights of the Noteholders.

Condition 5(b) of the Terms and Conditions of the Notes provides that the Trustee, upon request from the Issuer and without the consent of Noteholders, shall be required to use reasonable endeavours to effect any necessary consequential amendments to the Trust Deed, the Agency Agreement and the Terms and Conditions of the Notes to give effect to the replacement of a reference rate in respect of the Notes and the Trustee shall not be liable to any party for any consequences thereof. Condition 15 of the Terms and Conditions of the Notes also provides that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the Terms and Conditions of the Notes or any of the provisions of the Trust Deed, or (ii) determine that any condition, event or act which, but for such determination, would constitute an Event of Default (as defined in Condition 10 of the Terms and Condition of the Notes), shall not be treated as such which in any such case, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders. In addition, the Trustee may, without the consent of the Noteholders, agree with the Issuer and the Parent to the substitution in place of the Issuer as the principal debtor under the Notes or in place of the Parent of certain entities described in Condition 18, subject to, inter alia, the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution and certain other conditions set out in the Trust Deed being complied with, all as more fully described in Condition 18 of the Terms and Conditions of the Notes, and in the Trust Deed.

It is possible that a Noteholder may not agree with a decision taken on its behalf by the Trustee.

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

As at the date of this Prospectus, the UK and Sweden are not bound by any agreement, treaty or other instrument on mutual recognition and enforcement of judgments applicable in relation to the Notes. The UK has applied to join the convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters made in Lugano on 30 October 2007 (the Lugano Convention), but the other contracting states have, as at the date of this Prospectus, not approved the application. As a result, 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 purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination (such as €100,000) plus one or more higher integral multiples of another smaller amount (such as €1,000), 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 the 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 an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a Definitive Note (as defined under "*Forms of the Notes*" below) 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 Definitive Notes 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.

## **B. Risks relating to the market generally**

*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*

The Programme allows for Notes to be listed or admitted to trading on the Luxembourg Stock Exchange. Nevertheless, the Notes may have no established trading market when issued and there can be no assurance that an active trading markets for the Notes will develop. If a market 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. This may have a negative impact on the liquidity of the Notes and result in low trading volumes. The degree of liquidity of the Notes may negatively impact the price at which an investor can dispose of the Notes where the investor is seeking to achieve a sale within a short timeframe. In such circumstances, the impact of this risk on the Noteholder would be high because Notes would likely have to be resold at a discount to the nominal value of the Notes. Furthermore, if additional and competing products are introduced in the markets, this may adversely affect the market value of the Notes.

*If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of 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 Programme allows for Notes to be issued in a range of currencies (each a "**Specified Currency**"). The Issuer will pay principal and interest on the Notes and the Parent 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 (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Furthermore, 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 Parent to make payments in respect of the Notes. If such risk were to materialise, the Noteholders whose financial activities are carried out or dependent principally in a currency or currency unit other than the relevant Specified Currency could be very negatively impacted as they might receive less interest or principal than expected, or no interest or principal.

## **C. Risks relating to the structure and the characteristics of a particular issue of Notes**

### **Interest rate risks**

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

Condition 5(a) allows for the issuance of Notes that pay a fixed rate of interest to Noteholders. Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of such Notes. While the nominal interest rate of a Fixed Rate Note is fixed during the life of such a Note or during a certain period of time, the current interest rate available on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such Note changes in the opposite direction. If the market interest rate increases, the price of such Note typically falls,

until the yield of such Note is approximately equal to the market interest rate. If the market interest rate decreases, the price of a Fixed Rate Note typically increases, until the yield of such Note is approximately equal to the market interest rate. Noteholders should be aware that movements of the market interest rate can adversely affect the price of the Notes and could cause Noteholders to lose part of the capital invested if they decide to sell Notes during a period in which the market interest rate exceeds the fixed rate of the Notes. It is difficult to anticipate future market volatility in interest rates, but any such volatility may have a significant adverse effect on the price of the Notes and cause Noteholders who sell Notes on the secondary market to lose part of their initial investment.

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

Condition 5(b) allows for the issuance of Notes that pay a floating rate of interest to Noteholders. Investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such reference rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the applicable Final Terms) of the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. The market value of Floating Rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate. It is difficult to anticipate future market volatility in interest rates, but any such volatility may negatively impact the yield of Floating Rate Notes and give rise to reinvestment risk.

If the Final Terms provide for several interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

***Risks related to Fixed to Floating Rate Notes***

Condition 5(c) allows the Issuer to issue Notes with a fixed rate of interest that is later converted to a floating rate of interest and vice versa. Fixed to Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate. Such interest rate conversion may take place either automatically or at the option of the Issuer on the date specified in the applicable Final Terms. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed to Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. It is difficult to anticipate future market volatility in interest rates, but any such volatility may have a significant adverse effect on the value of the Notes.

***Risks related to Zero Coupon Notes***

The Terms and Conditions allow the Issuer to issue Zero Coupon Notes. Zero Coupon Notes are subject to higher price fluctuations than non-discounted bonds. Changes in market interest rates have a stronger impact on the prices of Zero Coupon Notes than on the prices of other Notes because the discounted issue prices are below par (if the yield is positive). If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk. Therefore, in similar market conditions the holders of Zero Coupon Notes could be subject to higher losses on their investments than the holders of other instruments such as Fixed Rate Notes or Floating Rate Notes. It is difficult to anticipate future market volatility in interest rates, but any such volatility may have a significant adverse effect on the value of the Notes.

***Risks related to Notes which are linked to "benchmarks"***

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective while others are still to be implemented.



Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**") on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds became applicable from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. The Benchmarks Regulation and/or UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, (i) if the benchmark rate or index can no longer be used as such, because its administrator does not obtain authorisation or registration and the relevant Notes have to be delisted, adjusted, redeemed prior to maturity or otherwise impacted, (ii) if the methodology or other terms of the benchmark are changed in order to comply with the terms of the Benchmarks Regulation and/or UK Benchmarks Regulation, as applicable, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark and could lead to adjustments to the Terms and Conditions of the relevant Notes. More broadly, any of the international, national or other proposals for reform, 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. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

As an example of such benchmarks reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended Euro Short-term Rate ("€STR") as the new risk-free rate. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the Benchmarks Regulation and/or UK Benchmarks Regulation, as applicable, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR as an alternative benchmark.

As a further example of such benchmarks reforms, on 13 September 2021, the Swedish Bankers' Association published a recommendation for the Stockholm inter-bank offered rate ("**STIBOR**") which *inter alia* recommended trigger events and recommended fallback rates, which can serve as a basis for an alternative to STIBOR. Although STIBOR has not yet been replaced, it remains uncertain as to how long it will continue in its current form, or whether it will be reformed or replaced with an alternative benchmark such as the Swedish krona Short Term Rate (SWESTR).

The elimination of EURIBOR, STIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as described further in Condition 5(b)) or result in adverse consequences to holders of any Notes linked to referencing such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes uncertainty as to the nature of alternative references rates and as to potential changes to such benchmark may adversely affect such benchmark during the terms of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

Investors should be aware that, if an Original Reference Rate (as defined under "*Terms and Conditions of the Notes*") were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference the Original Reference Rate will be determined for the relevant period by the fallback provisions applicable to such Notes.

The Terms and Conditions of the Notes provide for certain arrangements in the event that a Benchmark Event (as described in the Terms and Conditions) occurs.

If a Benchmark Event occurs, the following arrangements may apply to Floating Rate Notes:

- (a) the relevant rate of interest could be set or, as the case may be, determined by reference to a successor rate or an alternative rate (as applicable) determined by an Independent Adviser (as defined under "*Terms and Conditions of the Notes*"); and
- (b) such successor rate or alternative rate (as applicable) may be adjusted (if required) by the relevant Independent Adviser in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark,

in any such case, acting in good faith and in a commercially reasonable manner as described more fully in the Terms and Conditions of the Notes.

In addition, the relevant Independent Adviser may also determine (acting in good faith and in a commercially reasonable manner) that other amendments to the Terms and Conditions of the Notes are necessary in order to follow market practice in relation to the relevant successor rate or alternative rate (as applicable) and to ensure the proper operation of the relevant successor rate or alternative rate (as applicable).

No consent of the Noteholders shall be required in connection with effecting any relevant successor rate or alternative rate (as applicable) or any other related adjustments and/or amendments described above.

If (i) the Issuer is not able to appoint an Independent Adviser or (ii) the Independent Adviser appointed by the Issuer fails to make the necessary determination, the ultimate fallback of interest for a particular Interest Period (as defined under "*Terms and Conditions of the Notes*") in respect of such Floating Rate Notes 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. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet their obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. Investors should note that the relevant Independent Adviser will have discretion to adjust the relevant successor rate or alternative rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that such an adjustment will be made or, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation and/or UK Benchmarks Regulation, as applicable reforms, investigations and licensing issues in making any investment decision with respect to any Notes referencing a "benchmark".

***The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes***

The use of risk-free rates - including those such as the Sterling Overnight Index Average ("**SONIA**"), the Secured Overnight Financing Rate ("**SOF**R") and the €STR, as reference rates for Notes continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference risk-free rates issued under this Programme. The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index or €STR that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased

volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related indices.

***Risk-free rates may differ from inter-bank offered rates in a number of material respects and have a limited history***

Risk-free rates may differ from inter-bank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 10 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

**The administrator of SONIA, SOFR or €STR or any related indices may make changes that could change the value of SONIA, SOFR or €STR or any related index, or discontinue SONIA, SOFR or €STR or any related index**

The Bank of England, the Federal Reserve, Bank of New York or the European Central Bank (or their successors) as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR

Compounded Index) or €STR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR or €STR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

### **Early redemption risks**

#### ***The Notes may be redeemed for tax reasons prior to maturity***

In the event that, pursuant to Condition 8 (*Taxation*), the Issuer would be obliged to pay additional amounts in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties of whatever nature imposed or levied, by or on behalf of Sweden or any political subdivision or any authority thereof or therein having power to tax, the Issuer may, and in certain circumstances shall be obliged to, redeem all outstanding Notes in accordance with Condition 7(b) (*Redemption for Tax Reasons*). Such early redemption may adversely affect the holders of the Notes as an investor may be exposed to risks connected to the reinvestment of cash proceeds from the early redemption of their Notes. As a consequence, Noteholders may lose all or part of their investment in the Notes.

#### ***Any early redemption at the option of the Issuer, if provided for in any Final Terms relating to a particular issue of Notes, could cause the yield anticipated by Noteholder to be considerably less than anticipated***

The Final Terms for a particular issue of Notes may provide for early redemption at the option of the Issuer pursuant to Condition 7(c) (*Redemption at the Option of the Issuer (Issuer Call)*). Such right of early redemption is often provided for bonds or notes in periods of high interest rates. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right to redeem early increases. As a consequence, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholder. As a consequence, part of the capital invested by the Noteholder may be lost, so that the Noteholder in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

The Issuer also has the option, if so provided in the applicable Final Terms, to redeem the Notes, in whole or in part, or in whole but not in part, as the case may be, under Condition 7(d) (*Make-whole Redemption by the Issuer*), Condition 7(e) (*Clean-up Call Option*) and Condition 7(f) (*Residual Maturity Call at the Option of the Issuer*). Such right of early redemption, if provided in the applicable Final Terms relating to a particular issue of Notes, could cause the expected yield in respect of the Notes to be considerably less than anticipated. See "Partial redemption of Notes at the option of the Issuer or at the option of the Noteholders may make the market illiquid" for risks relating to partial redemption.

In particular, with respect to the Clean-up Call Option in Condition 7(e), there is no obligation under the Terms and Conditions of the Notes for the Issuer to inform investors if and when the limit needed to exercise the Clean-up Call Option has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Clean-up Call Option, the Notes may have been trading significantly above par, this potentially resulting in a loss of capital invested.

#### ***Partial redemption of Notes at the option of the Issuer or at the option of the Noteholders may make the market illiquid.***

Depending on the number of Notes of the same Series in respect of which a partial redemption of the Notes at the option of the Issuer is made, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid which, depending on the extent of the illiquidity, may have a direct and significant impact on any remaining Noteholders seeking to dispose of their Notes.

## **Risks related to Green Bonds**

*In respect of any Notes issued with a specific use of net proceeds, such as a "Green Bond", such use of net proceeds may not be suitable for the investment criteria of an investor*

As described in the section "Use of Proceeds" of this Prospectus, the Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply an amount equal to the net proceeds of the issue of those Notes to a green asset portfolio which will be used to finance or refinance, in whole or in part, the Volvo Group's investments in eligible assets as further described in the Green Finance Framework (as defined above). The use of such proceeds may not 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, the eligible assets as further described in the Green Finance Framework). The Green Finance Framework may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Prospectus.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. A basis for the determination of such a definition has been established in the EU with the publication in the Official Journal of the EU on 22 June 2020 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the "**Sustainable Finance Taxonomy Regulation**") on the establishment of a framework to facilitate sustainable investment (the "**EU Sustainable Finance Taxonomy**"). While the Issuer's Green Finance Framework is expected to be developed in alignment with the relevant objectives for the EU Sustainable Finance Taxonomy, until the technical screening criteria for such objectives have been developed it is not known whether the Issuer's Green Finance Framework will satisfy those criteria. Accordingly, alignment with the EU Sustainable Finance Taxonomy, once the technical screening criteria are established, is not certain. The Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 establishing criteria for determining which economic activities can be considered environmentally sustainable (i.e. activities that contribute substantially to climate change mitigation or adaptation) entered into force on 1 January 2022. However, the Sustainable Finance Taxonomy Regulation remains subject to further developments with regard to specific economic activities. On 6 July 2021, the European Commission proposed a regulation on a voluntary European Green Bond Standard. The European Green Bond Standard will use the definitions of green economic activities in the EU Sustainable Finance Taxonomy to define what is considered to be a green investment. The Notes issued as green bonds under this Programme may not at any time be eligible for the Issuer to be entitled to use the designation of "European Green Bond" or "EuGB", nor is the Issuer under obligation to take steps to have any such green bonds become eligible for such designation.

In addition, the requirements of any such definition may evolve from time to time, and, as such, the use of the proceeds of Green Bonds may not meet any or all Noteholders expectations regarding such "green" or other equivalently-labelled performance objectives.

Cicero (the "**Second Party Opinion Provider**") has issued an independent opinion on the Issuer's Green Finance Framework (the "**Second Party Opinion**"). No representation or assurance is given by the Issuer or any of 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. The Second Party Opinion and any other such opinion or certification is not intended to address any credit, market or other aspects of any investment in any Note, including without limitation market price, marketability, investor preference or suitability of any security or any other factors that may affect the value of the Notes. Any such opinion or certification is not a recommendation to buy, sell or hold any such Notes and is current only as of the date it was issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference, in this Prospectus.

In the event that any such Green Bonds 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), such listing or admission may not 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, any eligible 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. Such listing or admission to trading obtained in respect of any such Green Bonds may not be maintained during the life of the Green Bonds.

Whilst it is the intention of the Issuer to apply an amount equal to the net proceeds of the Green Bonds in, or substantially in, the manner described in the Green Finance Framework, the related projects may not be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and accordingly such proceeds may not be totally or partially disbursed for such projects. Such projects may not 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. None of the Dealers will verify or monitor the application of the amount equal to the net proceeds of any such Green Bonds issued under the Programme.

Any such event or failure by the Issuer to apply an amount equal to the net proceeds of any issue of Green Bonds will not (i) give rise to any claim of a Noteholder against the Issuer, the Parent or the Dealers; (ii) constitute an Event of Default under the Notes or a default of the Issuer or the Parent for any purpose; or (iii) lead to an obligation of the Issuer to redeem such Green Bonds or be a relevant factor for the Issuer or the Parent in determining whether or not to exercise any optional redemption rights in respect of any Green Bonds.

Any such event or failure and/or withdrawal of any opinion or certification as described above 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 Green Bonds 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 and marketability of the Green Bonds and/or result in adverse consequences for Noteholders with portfolio mandates to invest in securities to be used for a particular purpose. For the avoidance of doubt, it is however specified that payments of principal and interest (as the case may be) on the Green Bonds shall not depend on the performance of the relevant project.

## IMPORTANT INFORMATION

This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference and shall be read and construed on the basis that such documents are incorporated by reference in, and form part of this Prospectus (see "*Documents Incorporated by Reference*" below).

Save for the Issuer and the Parent, no other party has verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer and/or the Parent. Neither the Dealers nor the Trustee accept any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer and/or the Parent in connection with the Programme.

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

Neither this 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 Parent, any of the Dealers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the Programme 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 Parent. Neither this Prospectus nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer or the Parent or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer and/or the Parent is correct at any time subsequent to the date hereof 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 and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer and/or the Parent during the life of the Programme. Investors should review, inter alia, the most recent financial statements, if any, of the Issuer and the Parent when deciding whether or not to purchase any Notes.

## RESPONSIBILITY STATEMENT

Each of the Issuer and the Parent accepts responsibility for the information contained in this Prospectus, any supplement thereto and the Final Terms relating to any Tranche of Notes. To the best of the knowledge of the Issuer and the Parent, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

## IMPORTANT INFORMATION RELATING TO THE USE OF THIS PROSPECTUS AND OFFERS OF NOTES GENERALLY

The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Parent, the Dealers and the Trustee do not represent that this document may be lawfully distributed, or that the 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. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuer, the Parent, the Dealers or the Trustee which would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this 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 and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Prospectus or any Notes come

must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the EEA, the UK, Switzerland, Singapore, Japan and France (see "*Subscription and Sale*" below).

This 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 EU 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 EU 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 any 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 EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. None of the Issuer, the Parent and any Dealer has authorised, nor does any of them 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.

#### **PROHIBITION OF SALES TO EEA RETAIL INVESTORS**

If the Final Terms in respect of any 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 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 EU 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 EU MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "EU 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 EU PRIIPs Regulation.

#### **PROHIBITION OF SALES TO UK RETAIL INVESTORS**

If the Final Terms in respect of any 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 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 European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (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 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.

#### **EU MiFID II PRODUCT GOVERNANCE / TARGET MARKET**

The Final Terms in respect of any Notes may include a legend entitled "EU 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 EU 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 EU MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "EU 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 EU MiFID Product Governance Rules. For the avoidance of doubt, neither the Issuer nor the Parent is a manufacturer for the purposes of the EU MiFID Product Governance Rules.

#### UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any 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. A distributor (as defined above) 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. For the avoidance of doubt, neither the Issuer nor the Parent is a manufacturer for the purposes of the UK MiFIR Product Governance Rules.

#### CANADA

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

#### PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE

The Final Terms in respect of any Notes may include a legend entitled "*Singapore Securities and Futures Act Product Classification*" which will state the product classification of the Notes pursuant to Section 309B(1) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (as modified or amended from time to time, the "SFA"). The Issuer will make a determination and provide the appropriate written notification to "relevant persons" as defined in Section 309A(1) of the SFA in relation to each issue about the classification of the Notes being offered for the purposes of Section 309B(1)(a) and Section 309B(1)(c) of the SFA.

#### BENCHMARKS REGULATION

Interest and/or other amounts payable under Floating Rate Notes (as described in "*General Description of the Programme*") may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of the Benchmarks Regulation. If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by European Securities and Markets

Authority pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation (the "Benchmarks Register"). As at the date of this Prospectus, the European Money Market Institute as administrator of EURIBOR and the Swedish Financial Benchmark Facility as administrator of STIBOR both appear on the Benchmarks Register.

As far as the Issuer is aware, the New York Federal Reserve, as administrator of SOFR, the Bank of England, as administrator of SONIA and the European Central Bank, as administrator of €STR are not required to be registered by virtue of Article 2 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 applicable Final Terms. 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 applicable Final Terms to reflect any change in the registration status of the administrator.

#### PRESENTATION OF INFORMATION

All references in this document to "SEK" refer to Swedish krona, those to "Yen", "JPY" and "¥" refer to Japanese Yen, those to "USD", "U.S. dollars" and "U.S.\$" refer to United States dollars, those to "GBP", "£" and "Sterling" refer to pounds sterling and those to "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.

#### 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 regulations.

#### CREDIT RATINGS MAY NOT REFLECT ALL RISKS ASSOCIATED WITH THE NOTES

One or more independent credit rating agencies may assign credit ratings to the Issuer, the Parent or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. 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.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the EU 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. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the EU 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). The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms.

In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA

Regulation or (2) provided by a credit rating agency not established in the UK but which is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK but which is certified under the UK CRA Regulation.

### **THE NOTES MAY NOT BE SUITABLE 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 should 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 relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this 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 relevant Notes and the impact such investment 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 relevant Notes, including where the currency for principal or interest payments is different from the currency in which such investor's financial activities are principally denominated;
- (iv) understands thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant 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 legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) 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.

### **GREEN BONDS**

None of the Dealers accepts any responsibility for any environmental or 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 is responsible for the use or allocation of proceeds for any Notes issued as Green Bonds, nor the impact or monitoring of such use of proceeds.

The Second Party Opinion Provider has issued an independent opinion on the Issuer's Green Finance Framework. The Second Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion is a statement of opinion, not a statement of fact. The Second Party Opinion is not, nor should be deemed to be, a recommendation by the Dealers or any other person to buy, sell or hold any Notes. No representation or assurance is given by the Issuer or any of the Dealers as to the suitability or reliability of the Second Party Opinion or 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 the Issuer or 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 Issuer or any of the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes. The Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference in, this Prospectus.

## DOCUMENTS INCORPORATED BY REFERENCE

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

- (a) the audited annual consolidated and non-consolidated financial statements of the Issuer for each of the financial years ended 31 December 2021 and 31 December 2022, in each case together with the audit reports prepared in connection therewith, including the information set out at the following pages of the 'Annual Report and Consolidated Financial Statements for the financial year 2021' (the "**Issuer's Annual Report 2021**") (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/about-us/organization/other-entities/volvo-group-treasury/volvo-treasury-annual-report-2021.pdf>) and the following pages of the 'Annual Report and Consolidated Financial Statements for the financial year 2022' (the "**Issuer's Annual Report 2022**") (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/about-us/organization/other-entities/volvo-group-treasury/volvo-treasury-ar-22-eng.pdf>) respectively:

### **Issuer's Annual Report 2021**

Board of Directors' report	pages 2-5
Income statement, consolidated	page 6
Balance sheet, consolidated	pages 7-8
Changes in shareholders' equity, consolidated	page 9
Cash flow statement, consolidated	page 10
Income statement, Volvo Treasury AB (publ)	page 11
Balance sheet, Volvo Treasury AB (publ)	pages 12-13
Changes in shareholders' equity, Volvo Treasury AB (publ)	page 14
Cash flow statement, Volvo Treasury AB (publ)	page 15
Notes to the financial statements	pages 16-51
Auditor's report	pages 52-55
Corporate Governance Report	pages 56-58
Auditor's report on the corporate governance statement	page 59

### **Issuer's Annual Report 2022**

Board of Directors' report	pages 3-4
Income statement, consolidated	page 5
Balance sheet, consolidated	pages 6
Changes in shareholders' equity, consolidated	page 7
Cash flow statement, consolidated	page 8
Income statement, Volvo Treasury AB (publ)	page 9
Balance sheet, Volvo Treasury AB (publ)	pages 10
Changes in shareholders' equity and cash flow statements, Volvo Treasury AB (publ)	page 11
Notes – Group and Parent Company	pages 12-35
Auditor's report	pages 36-38
Corporate Governance Report	pages 39-41
Auditor's report on the corporate governance statement	page 42

- (b) the audited annual consolidated and non-consolidated financial statements of the Parent for each of the financial years ended 31 December 2021 and 31 December 2022, in each case together with the audit reports prepared in connection therewith, including the information set out at the

following pages of the 'Volvo Group Annual and Sustainability Report 2021' (the "**Volvo Group Annual and Sustainability Report 2021**") (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/news/2022/feb/4195846-ab-volvo-annual-and-sustainability-report-2021-en.pdf>) and the 'Volvo Group Annual Report 2022' (the "**Volvo Group Annual Report 2022**") (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/reports-and-presentations/annual-reports/AB-Volvo-Annual-Report-2022.pdf>), respectively:

### **Volvo Group Annual and Sustainability Report 2021**

CEO comments and key figures	pages 6-9
Board of Directors' Report 2021	page 44-75
Trucks	pages 56-58
Construction Equipment	pages 60-61
Buses	pages 62-63
Volvo Penta	pages 64-65
Financial Services	pages 66-67
The share	pages 68-69
Risks and uncertainties	pages 70-75
Sustainability Notes	pages 152-179
Corporate Governance Report	pages 180-195
Board of Directors	pages 186-187
Group Executive Board	pages 192-193
Proposed disposition of unappropriated earnings	page 198

### **Cross reference list to the audited annual consolidated financial statements of the Parent**

Financial performance and consolidated income statement	pages 45-47
Financial position and consolidated balance sheet	pages 48-51
Cash flow statement	page 52-53
Financial management	page 54
Changes in consolidated equity	page 55
Notes to the financial statements	pages 76-139
Audit Report for AB Volvo (publ)	pages 199-202

### **Cross reference list to the audited annual non-consolidated financial statements of the Parent**

Income statement	page 141
Balance sheet	page 142
Cash-flow statement	page 143
Changes in equity	pages 144
Notes to the financial statements	pages 145-151
Audit Report for AB Volvo (publ)	pages 199-202

### **Volvo Group Annual Report 2022**

Volvo Group in 2022 and CEO comments	pages 4-9
Board of Directors' Report 2022	page 42-73
Segments	pages 54-65
The share	pages 66-67
Risks and uncertainties	pages 68-73
Sustainability Notes	pages 147-185

Corporate Governance Report	pages 186-203
Other information	pages 204-223

**Cross reference list to the audited annual consolidated financial statements of the Parent**

Financial performance and consolidated income statement	pages 43-45
Financial position and consolidated balance sheet	pages 46-49
Cash flow statement	page 50-51
Changes in consolidated equity	page 52
Financial management	page 53
Notes to the financial statements	pages 140-146
Audit Report for AB Volvo (publ)	pages 207-211

**Cross reference list to the audited annual non-consolidated financial statements of the Parent**

Income statement	page 136
Balance sheet	page 137
Cash-flow statement	page 138
Changes in equity	page 139
Notes to the financial statements	pages 74-134
Audit Report for AB Volvo (publ)	pages 207-211

- (c) the unaudited interim report of the Parent and the Volvo Group for the three-month period ended 31 March 2023 (the "**Interim Report for the First Quarter of the Financial Year 2023**") (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/reports-and-presentations/interim-reports/2023/volvo-group-q1-2023-eng.pdf>) including the consolidated financial information and other information set out at the following pages:

The first quarter in brief	2
CEO's comments	3
Financial summary of the first quarter 2023	4-5
Important events	6
Business segment overview	7-15
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- (d) the section "Terms and Conditions of the Notes" from the following prospectuses relating to the Programme:

- (i) Prospectus dated 8 May 2019 (pages 28 to 54) (<https://www.volvogroup.com/content/dam/volvo/volvo-group/markets/global/en-en/investors/debt-information/debt-programmes/emtn-prospectus-and-supplements/2019/volvo-update-2019-base-prospectus-final-version.pdf>); and

- (ii) Prospectus dated 7 May 2020 (pages 37 to 64) (<https://www.volvogroup.com/content/dam/volvo/volvo-group/markets/global/en-en/investors/debt-information/debt-programmes/emtn-prospectus-and-supplements/2020/Volvo-Update-2020-Base-Prospectus-Final-version-252628-4-35-v0.1.pdf>);
- (iii) Prospectus dated 7 May 2021 (pages 41 to 68) (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/debt-information/debt-programmes/emtn-prospectus-and-supplements/2021/Volvo-Update%202021-Base-Prospectus-266037-2051207994-18-v0.7.pdf>);
- (iv) Prospectus dated 6 May 2022 (pages 47 to 86) ([https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/debt-information/debt-programmes/emtn-prospectus-and-supplements/2022/Volvo-Update-2022-Base-Prospectus%20\(Final%20version\)\(10232363169.1\).pdf](https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/debt-information/debt-programmes/emtn-prospectus-and-supplements/2022/Volvo-Update-2022-Base-Prospectus%20(Final%20version)(10232363169.1).pdf));
- (e) the risk factors set out on pages 68 to 73 (*Risks and uncertainties*) of the 'Volvo Group Annual Report 2022' relating to the Volvo Group (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/reports-and-presentations/annual-reports/AB-Volvo-Annual-Report-2022.pdf>); and
- (f) the risk factors set out on pages 17 to 21 (*Financial risks*) of the Issuer's Annual Report 2022 (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/reports-and-presentations/annual-reports/AB-Volvo-Annual-Report-2022.pdf>).

Any information contained in or incorporated by reference in any of the documents specified above which is not incorporated by reference in this Prospectus is either not required by the relevant schedules of the Delegated Regulation or is covered elsewhere in this Prospectus. Unless specifically incorporated by reference into this Prospectus, information contained on the Volvo Group website does not form part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus are available on the Luxembourg Stock Exchange's website ([www.luxse.com](http://www.luxse.com)) and by following the above links to the Volvo Group website.

## **SUPPLEMENT TO THE PROSPECTUS**

Following the publication of this Prospectus a supplement may be prepared by the Issuer and the Parent and approved by the CSSF in accordance with Article 23 of the EU Prospectus Regulation.

The Issuer and the Parent will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Prospectus which may affect the assessment of any Notes, prepare a supplement to this Prospectus (or publish a new Prospectus) for use in connection with any subsequent issue of Notes. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

The obligation to supplement the Prospectus in the event of any significant new factor, material mistake or material inaccuracy does not apply after the end of the Prospectus' 12-month validity period.



## FORM OF THE NOTES

Each Tranche of Notes will be in bearer form and will initially be represented by a temporary global Note, without interest coupons or talons, which will (i) if the global Notes are intended to be issued in NGN form, as specified in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper for Euroclear and Clearstream; and (ii) 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 for Euroclear and Clearstream.

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 or another entity approved by Euroclear and Clearstream, as indicated in the applicable Final Terms.

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 appropriate certification (in a form to be provided) has been received by Euroclear and/or Clearstream and Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Agent. Such certification shall be to the effect that the beneficial owners of interests in such Note are not United States persons or persons who have purchased for resale to any United States person, as required by U.S. Treasury regulations.

Any reference in this section "Form of the Notes" to Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Agent and the Trustee.

On and after the date (the "**Exchange Date**") which is the later of (i) 40 days after a temporary global Note is issued and (ii) 40 days after the completion of the distribution of the relevant Tranche (the "**Distribution Compliance Period**"), 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 without interest coupons or talons or for (ii) definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described in the first paragraph 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 interests in the permanent global Note or for definitive Notes, as the case may be, is improperly withheld or refused. Pursuant to the Agency Agreement (as defined under "Terms and Conditions of the Notes" below) the 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, the Notes of such Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the Distribution Compliance Period applicable to the Notes of such Tranche.

Payments of principal, interest (if any) or any other amounts on a permanent global Note will be made through Euroclear and/or Clearstream (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. Unless otherwise specified in the applicable Final Terms, a permanent global Note will only be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream 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 satisfactory to the Trustee is available or, except as otherwise specified in the applicable Final Terms, (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 and a certificate to such effect signed by two Directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such permanent global Note) or the Trustee may give notice to the 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 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 Agent.

In relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Notes, such Notes should not be issued in denominations comprising a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount.

Global Notes and definitive Notes will be issued pursuant to the Agency Agreement.

The following legend will appear on all Notes unless the applicable Final Terms indicate that TEFRA is not applicable and on all interest coupons and talons relating to such Notes:

"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 or interest coupons 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 or interest coupons.

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 and/or any other agreed clearing system as the case may be.

In respect of Notes represented by a global Note issued in NGN form, the nominal amount of such Notes shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream. The records of Euroclear and Clearstream shall be conclusive evidence of the nominal amount of such Notes and a statement issued by Euroclear and/or Clearstream shall be conclusive evidence of the records of such parties at that time.

The Issuer has entered into an agreement with Euroclear and Clearstream (together, the "ICSDs") in respect of any Notes issued in NGN form that the Issuer may request be made eligible for settlement with the ICSDs (the "**Issuer-ICSDs Agreement**"). The Issuer-ICSDs Agreement provides that the ICSDs will, in respect of any such Notes, *inter alia*, maintain records of their respective portion of the issue outstanding amount and will, upon the Issuer's request, produce a statement for the Issuer's use showing the total nominal amount of its customer holding of such Notes as of a specified date.

## FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of 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 ("**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 on insurance distribution, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**EU 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 EU 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 UK 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 on insurance distribution, as amended, 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. 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.]

**[EU MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES 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 EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. 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 EU 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. For the avoidance of doubt, neither the Issuer nor the Parent is a manufacturer for the purposes of the EU MiFID Product Governance Rules.]

**[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES 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 ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA ("**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. For the avoidance of doubt, neither the Issuer nor the Parent is a manufacturer for the purposes of the UK MiFIR Product Governance Rules.]

**[Singapore Securities and Futures Act Product Classification** – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 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"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA) that 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 MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[Date]

**VOLVO TREASURY AB (publ) (the "Issuer")**  
**Legal Entity Identifier (LEI): 549300PD69T87IGZG395**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] guaranteed by AB Volvo (publ)**  
**(the "Guarantor") issued pursuant to the U.S. \$20,000,000,000 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 set forth in the prospectus dated 4 May 2023 (the "**Prospectus**") [and the supplement[s] to the Prospectus dated [date]] (the "**Supplement[s]**") which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the EU Prospectus Regulation and must be read in conjunction with the Prospectus [and the Supplement[s]], in order to obtain all the relevant information. The Prospectus [and the Supplement[s] [has] [have] been published on the websites of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)) and the Volvo Group ([www.volvogroup.com](http://www.volvogroup.com)) and [is] [are] available for viewing at, and copies may be obtained from, the registered office of the Issuer and from the specified offices of the Paying Agents in London and Luxembourg.]

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

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions set forth in the prospectus dated [10 November 2011/14 November 2012/11 November 2013/6 November 2014/6 November 2015/8 November 2016/7 November 2017/7 November 2018/8 May 2019/7 May 2020/7 May 2021/6 May 2022] (the "**Conditions**") which are incorporated by reference in the prospectus dated 4 May 2023 (the "**Prospectus**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the EU Prospectus Regulation and must be read in conjunction with the Prospectus [and the supplement[s] to the Prospectus dated [date]] (the "**Supplement[s]**") which [together] constitute[s] a base prospectus for the purposes of the Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"), including the Conditions incorporated by reference in the Prospectus, in order to obtain all the relevant information. The Prospectus [and the Supplement[s] [has] [have] been published on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)) and the Volvo Group ([www.volvogroup.com](http://www.volvogroup.com)) and [is] [are] available for viewing at, and copies may be obtained from, the registered office of the Issuer and from the specified offices of the Paying Agents in London and Luxembourg.]

1. (i) Series Number: [●]
  - (ii) Tranche Number: [●]
  - [(iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [●] [*Description of existing series*] 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 [●] [*Insert date on which Notes are to be fungible with existing series*]/[Not Applicable]]
2. Specified Currency or Currencies: [●]

3. Aggregate Nominal Amount:
- (i) Series: [●]
- (ii) Tranche: [●]
4. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]]
5. (i) Specified Denomination(s): [€100,000]/[€100,000] and integral multiples of [€1,000] in excess thereof [up to and including [€199,000]]. (Note: no notes in definitive form to be issued with a denomination above €199,000).
- (ii) Calculation Amount: [●]
6. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [[●]/Issue Date/Not Applicable]
7. Maturity Date: [●]
- [Interest Payment Date falling in or nearest to [●]]
8. Interest Basis: [[●] per cent. Fixed Rate]  
[[*Reference Rate*/EURIBOR/€STR/SONIA/SOFR /STIBOR] +/- [●] per cent. Floating Rate]  
[Zero Coupon]
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
10. Change of Interest Basis: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [●] paragraph [13/14] applies and for the period from (and including) [●], up to (and including) the Maturity Date, paragraph [13/14] applies] / [Not Applicable]
11. Put/Call Options: [Investor Put]  
[Issuer Call]  
[Make-Whole Redemption]  
[Clean-up Call]  
[Residual Maturity Call]  
[further particulars specified below]  
[Not Applicable]
12. Date of approval for issuance of Notes obtained: [[●]

**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)*
- (i) Rate(s) of Interest: [●] per cent. per annum payable in arrear on each Interest Payment Date

- (ii) Interest Payment Date(s): [●] [and [●]] in each year, from and including [●], up to and including the Maturity Date
- (iii) Fixed Coupon Amount(s): [●] per Calculation Amount
- (iv) Broken Amount(s): [[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●] / [Not Applicable]]
- (v) Additional Business Centre(s): [[●]/[Not Applicable]]
- (vi) Day Count Fraction: [30/360] / [Actual/Actual (ICMA)] / [Actual/365 (Fixed)]
- (vii) Determination Date(s): [[●] in each year] / [Not Applicable]
14. **Floating Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
- (iii) Additional Business Centre(s): [[●]/[Not Applicable]]
- (iv) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [[●] shall act as Calculation Agent] / [Not Applicable]
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: Screen Rate Determination
- Reference Rate: [[●] month] [EURIBOR/€STR/SONIA/SOFR/STIBOR/[●]]
- Observation Method: [Lag / Observation Shift]
- Lag Period: [5 / [ ] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
- Observation Shift Period: [5 / [ ] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days /Not Applicable]
- (A minimum of 5 should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Calculation Agent)*
- D: [360/365/[ ]] / [Not Applicable]
- Index Determination: [Applicable/Not Applicable]

	– SONIA Compounded Index:	[Applicable/Not Applicable]
	– SOFR Compounded Index:	[Applicable/Not Applicable]
	– Relevant Decimal Place:	[ ] [5] ( <i>unless otherwise specified in the Final Terms, it should be the seventh decimal place</i> )
	– Relevant Number of Index Days:	[ ] [5] ( <i>unless otherwise agreed with the Calculation Agent and specified in the Final Terms, the Relevant Number shall be 5</i> )
	– Interest Determination Date(s):	[●]
	– Relevant Screen Page:	[●]
	– Relevant Time:	[●]
	– Relevant Financial Centre:	Relevant Financial Centre: [London/Brussels/[●]]
(vi)	Linear Interpolation	[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
(vii)	Margin(s):	[+/-][●] per cent. per annum
(viii)	Minimum Rate of Interest:	[[●] per cent. per annum/Not Applicable]
(ix)	Maximum Rate of Interest:	[[●] per cent. per annum/Not Applicable]
(x)	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)]
15.	<b>Zero Coupon Note Provisions</b>	[Applicable/Not Applicable] ( <i>If not applicable, delete the remaining subparagraphs of this paragraph</i> )
	(i) Accrual Yield:	[●] per cent. per annum
	(ii) Reference Price:	[●]
	(iii) Day Count Fraction in relation to Early Redemption Amounts:	[30/360] [Actual/360] [Actual/365]

#### **Provisions Relating to Redemption**

16.	Issuer Call:	[Applicable/Not Applicable] ( <i>If not applicable, delete the remaining subparagraphs of this paragraph</i> )
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- (a) Optional Redemption Date(s): [●]
- (b) Optional Redemption Amount: [●] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [[●] per Calculation Amount/Not Applicable]
- (ii) Maximum Redemption Amount: [[●] per Calculation Amount/Not Applicable]
17. Make-whole Redemption by the Issuer: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Notice period: [●]
- (ii) Parties to be notified (if other than set out in Condition 7(d)): [[●]/Not Applicable]
- (iii) Reference Bond: [●]
- (iv) Make-whole Margin: [●]
18. Clean-up Call: [Applicable/Not Applicable]
19. Residual Maturity Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraph of this paragraph)*
- (i) Par Call Date: [●]
20. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount: [●] per Calculation Amount
21. Final Redemption Amount: Subject to any purchase or cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100 per cent. of their nominal amount/[●] per Calculation 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. Form of Notes:
- (a) Form of Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event]



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

- (b) New Global Note: [Yes] [No]
24. Additional Financial Centre(s): [[●]/Not Applicable]
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]

Signed on behalf of the Issuer:

By: \_\_\_\_\_

*Duly authorised*

By: \_\_\_\_\_

*Duly authorised*

## 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 listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market 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 listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, with effect from [●].]

[Not Applicable]

- (ii) Estimate of total expenses related to admission to trading: [[●]/Not Applicable]

### 2. RATINGS

- Ratings: [Not Applicable] / [The Notes to be issued have been rated [●] by [●]]

[[●] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [●] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]

[[●] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended)[. [●] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]

[[●] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "EU CRA Regulation"). The ratings have been endorsed by [●] in accordance with the EU CRA Regulation. [●] is established in the European Union and registered under the EU CRA Regulation[. As such [●] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the EU CRA Regulation].] The European Securities Markets Authority has indicated that ratings issued in [Japan/ Australia/ the USA/ Canada/ Hong Kong/ Singapore/ Argentina/ Mexico] which have been endorsed by [●] may be used in the EU by the relevant market participants.]

[[●] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "EU CRA Regulation"),

but it [is]/[has applied to be] certified in accordance with the EU CRA Regulation [[[EITHER:] and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the EU CRA Regulation] [[OR:] although notification of the corresponding certification decision has not yet been provided by the European Securities and Markets Authority and [●] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the EU CRA Regulation].]

[[●] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority [and [●] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]

[[●] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**EU CRA Regulation**"). However, the application for registration under the EU CRA Regulation of [●], which is established in the European Union, disclosed the intention to endorse credit ratings of [●][, although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and [●] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the EU CRA Regulation].] The European Securities Markets Authority has indicated that ratings issued in [Japan/ Australia/ the USA/ Canada/ Hong Kong/ Singapore/ Argentina/ Mexico] which have been endorsed by [●] may be used in the EU by the relevant market participants.]

[[The rating [*Insert legal name of credit rating agency*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of UK domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

[[*Insert legal name of credit rating agency*] has been certified under Regulation (EC) No 1060/2009 as it forms part of UK domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

[[*Insert legal name of credit rating agency*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of UK domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]

[Include a brief explanation of the meaning of the rating, e.g.: According to Moodys' rating system, obligations rated "A" are judged to be upper-medium grade with low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from "Aa" through "Caa". The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. According to S&P's rating system, an obligation rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong. The addition of pluses and minuses provides further distinctions within the ratings range.]

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

[Save for any fees 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.]

4. **USE AND ESTIMATED NET AMOUNT OF PROCEEDS**

(i) Use of proceeds: [General funding purposes]

[The Notes constitute Green Bonds and an amount equal to the net proceeds of the issue of the Notes will be applied by the Issuer to a green asset portfolio which will be used to finance or refinance, in whole or in part, the Volvo Group's investments in eligible assets as further described in the Volvo Group Green Finance Framework published on 5 November 2020 (as amended or supplemented from time to time) available on the Volvo Group website (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/debt-information/green-financing/volvo-green-finance-framework.pdf>) (which, for the avoidance of doubt, does not form part of, and shall not be incorporated in, this Prospectus)]  
[Specify other]

(ii) Estimated net amount of [●]  
proceeds:

5. **BENCHMARKS REGULATION - FLOATING RATE NOTES CALCULATED BY REFERENCE TO A BENCHMARK ONLY**

[Amounts payable under the Notes will be calculated by reference to [●] which is provided by [●]. As at the

date of these Final Terms, [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011. [As far as the Issuer is aware, [●] [does not fall within the scope of Regulation (EU) 2016/1011 by virtue of Article 2 of that Regulation/ the transitional provisions in Article 51 of Regulation (EU) 2016/1011 apply, such that [●] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]/[Not Applicable]

6. **YIELD** [[●]/Not Applicable]
7. **DISTRIBUTION**
- (i) If syndicated, names of Managers: [[●]/Not Applicable]
  - (ii) Date of [Subscription] Agreement: [[●]/Not Applicable]
  - (iii) Stabilisation Manager(s) (if any): [[●]/Not Applicable]
  - (iv) If non-syndicated, name and address of relevant Dealer: [[●]/Not Applicable]
  - (v) TEFRA: [TEFRA D/TEFRA not applicable]
8. **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/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) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [[*Insert name and address*]/Not Applicable]
  - (vi) Delivery: Delivery [against/free of] payment
  - (vii) Names and addresses of additional Paying Agent(s) (if any): [[●]/[Not Applicable]]

(viii) 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 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.]

#### 9. **THIRD PARTY INFORMATION**

[[Not Applicable]/[●] has been extracted from [●]. 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 [●], no facts have been omitted which would render the reproduced information inaccurate or misleading].

## 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 and each definitive Note, in the latter case only if permitted by the rules of the relevant stock exchange (if any) and/or any other relevant authority (if any) and agreed by the Issuer and the relevant Dealer(s) 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 Final Terms in relation to any Tranche of Notes will complete 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.*

This Note is one of a Series (as defined below) of Notes issued by Volvo Treasury AB (publ) (the "**Issuer**") constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") dated 29 November 1994 made between AB Volvo (publ) (the "**Parent**") as guarantor, Volvo Group Finance Europe B.V., the Issuer and Bankers Trustee Company Limited, now Deutsche Trustee Company Limited (the "**Trustee**", which expression shall include any successor as trustee), as most recently modified and restated by a Twenty-Sixth Supplemental Trust Deed dated 4 May 2023 between the Parent, the Issuer and the Trustee. References herein to the "**Notes**" shall be references to the Notes of this Series and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange (or part exchange) for a global Note and (iii) any global Note. The Notes and the Coupons (as defined below) also have the benefit of an amended and restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 6 November 2014 made between the Parent, the Issuer, Citibank, N.A., London Branch as issuing and principal paying agent (the "**Agent**", which expression shall include any successor agent specified in the applicable Final Terms), the other paying agent named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents) and the Trustee.

Interest bearing definitive Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, 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 final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached hereto or endorsed hereon which complete these Terms and Conditions for the purposes of this Note. References herein to the "applicable Final Terms" are to Part A of the Final Terms (or the relevant provisions thereof) attached hereto or endorsed hereon.

The Trustee acts for the benefit of the holders of the Notes (the "**Noteholders**", which expression shall, in relation to any Notes represented by a global Note, be construed as provided below) and the holders of the Coupons (the "**Couponholders**", which expression shall, unless the context otherwise requires, include the holders of the Talons), all in accordance with the provisions of the Trust Deed.

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 are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for (i) inspection or collection during normal business hours at the registered office for the time being of the Trustee at Winchester House, 1 Great Winchester Street, London EC2N 2DB, and at the specified offices of each of the Agent and the other Paying Agents or (ii) may be provided by email to a Noteholder following their prior written request to the Agent or other Paying Agents therefore and provision of proof of holding identity in form satisfactory to the Agent or other Paying Agents. Copies of the applicable Final Terms are available for viewing at, and copies may be obtained from, the registered office of the Issuer and from the specified office of the Paying Agents in London and Luxembourg save that the Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the EU Prospectus Regulation will only be available for inspection by a Noteholder holding one or more Notes of that Series and such

Noteholder must produce evidence satisfactory to the Issuer or the relevant Paying Agent, as the case may be, as to its holding of such Notes and identity. In addition, Final Terms relating to a Note which is listed on the Official List, and admitted to trading on the regulated market, of the Luxembourg Stock Exchange will be available for viewing on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)). The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and the applicable Final Terms which are binding on them.

Words and expressions defined in the Trust Deed or 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 Trust Deed, the Trust Deed will prevail and, in the event of inconsistency between the Agency Agreement or the Trust Deed 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.

Notes in definitive form 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. Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Parent, the Trustee and any Paying Agent may 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**"), each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear or of Clearstream as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream 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 Parent, the Trustee and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal and/or interest on the Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer, the Parent, the Trustee and any Paying 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 or of Clearstream, as the case may be.

References to Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Agent and the Trustee.

#### 2. **Status of the Notes**

The Notes and the relative Coupons are direct, unconditional, (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Issuer and rank and will at all times rank without any preference among themselves and (subject as aforesaid) *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, (other than obligations which are preferred



by mandatory provisions of law) but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

### 3. **Guarantee**

The payment of the principal and interest in respect of all Notes and all other moneys payable by the Issuer under or pursuant to the Trust Deed has been unconditionally and irrevocably guaranteed by the Parent in the Trust Deed (the "**Guarantee**"). The obligations of the Parent under the Guarantee are direct, unconditional, (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Parent and (subject as aforesaid) rank and will at all times rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Parent, present and future, (other than obligations which are preferred by mandatory provisions of law) but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

### 4. **Negative Pledge**

The Issuer and the Parent undertake that, so long as any of the Notes remains outstanding (as defined in the Trust Deed), they will not have outstanding any External Indebtedness and will procure that no Subsidiary (as defined in the Trust Deed) of the Issuer or the Parent will have outstanding any such indebtedness which is also guaranteed by the Issuer or the Parent, where in any such case such External Indebtedness or guarantee is secured by any mortgage, lien (other than liens arising by operation of law), pledge or other charge, unless the Issuer or the Parent, as the case may be, shall forthwith take any and all action necessary to procure that all amounts payable by it under the Notes, the Coupons and the Trust Deed are secured equally and rateably with such mortgage, lien, pledge or other charge to the satisfaction of the Trustee or such other security is provided as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders or as shall be approved by Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For the purposes of this provision "**External Indebtedness**" means any loan or other indebtedness (or any guarantee thereof) which is:

- (i) in the form of or represented by any bonds, notes or other securities for the time being quoted, listed or dealt in on any stock exchange or over-the-counter market; and
- (ii) either (a) denominated or payable in a currency other than euro and initially offered by or on behalf of the Issuer or the Parent or the relevant Subsidiary (as the case may be) primarily to persons resident outside any country in the currency of which it is denominated or payable (whether compulsorily or at the option of the holder) or (b) denominated or payable in euro and initially offered by or on behalf of the Issuer or the Parent or the relevant Subsidiary (as the case may be) primarily to persons resident outside Sweden and, if different, the country of incorporation of the Issuer or the Parent or the relevant Subsidiary (as the case may be).

### 5. **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.

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, if none, the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where a 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:

- (A) 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
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Fixed 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 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.

"**Fixed Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 5(a):

1. if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:
  - (1) 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
  - (2) 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 (as specified in the applicable Final Terms) 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;
2. if "**30/360**" is specified in the applicable Final Terms, the number of days in that 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; and
3. if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the relevant period divided by 365.

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, means 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 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 (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or, if none, 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 in 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) any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, 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 day which is:

- (A) (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 Melbourne and Wellington, respectively or (2) in relation to any sum payable in euro, a day on which the real time gross settlement system operated by the Eurosystem, or any successor or replacement system ("**T2**") is open;
- (B) 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 any Additional Business Centre specified in the applicable Final Terms; and
- (C) if T2 is specified as an Additional Business Centre in the applicable Final Terms, a day on which T2 is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified below.

(iii) *Screen Rate Determination for Floating Rate Notes*

The Rate of Interest for each Interest Period will, subject as provided below, be (other than in respect of Notes for which SONIA, SOFR and/or €STR or any related index is specified as the Reference Rate in the applicable Final Terms) either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Relevant Financial Centre time) 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 Agent. If five or more 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 Agent 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 (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question, the Agent shall request the principal London office of each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fourth decimal place with 0.00005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately 11.00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question, 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 specified in the applicable Final Terms is EURIBOR) or the Stockholm inter-bank market (if the Reference Rate specified in the applicable Final Terms is STIBOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such 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 11:00 a.m. (Relevant Financial Centre time) on the Interest Determination Date in question, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Agent it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate specified in the applicable Final Terms is EURIBOR) or the Stockholm inter-bank market (if the Reference Rate specified in the applicable Final Terms is STIBOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) 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).

**"Reference Banks"** means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank, in the case of a determination of STIBOR, the principal Stockholm office of four major banks in the Stockholm inter-bank market and, in the case of a determination of any other Reference Rate, the principal office of four major banks in the inter-bank market of the Relevant Financial Centre, in each case selected by the Issuer.

(iv) *Reference Rate Replacement*

Other than in the case of a Floating Rate Note for which (A) the Specified Currency is U.S. dollars and (B) the Reference Rate is specified in the applicable Final Terms as being "SOFR", if the Issuer (in consultation with the Agent) determines that a Benchmark Event has occurred in relation to the Original Reference Rate when any Rate of Interest (or any component part thereof) remains 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 and after consultation with the Issuer):
  - (1) a Successor Reference Rate; or
  - (2) if such Independent Adviser determines that there is no Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the "**IA Determination Cut-off Date**") for the purposes of determining the Rate of Interest applicable to the Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 5(b)(iv) during any other future Interest Period(s));

- (B) if a Successor Reference Rate, or, failing which, an Alternative Reference Rate (as applicable) is determined by the relevant Independent Adviser in accordance with this Condition 5(b)(iv);
  - (1) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be used in place of the Original Reference Rate for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(b)(iv));
  - (2) if the relevant Independent Adviser:
    - (x) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(b)(iv)); or
    - (y) is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, then such Successor Reference Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(b)(iv)); and
  - (3) the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner and after consultation with the Issuer) may specify:
    - (x) changes to these Terms and Conditions and/or the Agency Agreement and/or the Trust Deed in order to ensure the proper operation of such Successor Reference Rate or Alternative Reference Rate and/or Adjustment Spread (as applicable), including, but not limited to, (a) the Additional Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Additional Financial Centre(s) and/or Relevant Screen Page applicable to the Notes and (b) the method for determining the fallback to the Rate of Interest in relation to the Notes if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and

- (y) any other changes which the relevant Independent Adviser determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 5(b)(iv)); and

- (4) following the occurrence of a Benchmark Event and the determination of (x) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (y) if applicable, any Adjustment Spread, the Issuer shall, by no later than the IA Determination Cut-off Date, give notice thereof and of any changes (and the effective date thereof) pursuant to this Condition 5(b)(iv) to the Trustee, each of the Paying Agents and the Noteholders in accordance with Condition 14 and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee and the Agent a certificate signed by two authorised signatories of the Issuer:

- (I) confirming (x) that a Benchmark Event has occurred, (y) the Successor Reference Rate or, as the case may be, the Alternative Reference Rate and (z) where applicable, any Adjustment Spread, in each case as determined in accordance with the provisions of this Condition 5(b)(iv);
- (II) certifying that the consequential amendments are necessary to ensure the proper operation of such Successor Reference Rate, Alternative Reference Rate and/or Adjustment Spread; and
- (III) certifying that the Issuer has duly consulted with an Independent Adviser with respect to each of the matters above.

The Trustee and the Agent shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Reference Rate or Alternative Reference Rate and the Adjustment Spread (if any) and any such other relevant changes pursuant to this Condition 5(b)(iv) specified in such certificate will (in the absence of manifest error in the determination of the Successor Reference Rate or Alternative Reference Rate and the Adjustment Spread (if any) and without prejudice to the Trustee's and the Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Paying Agents, the Noteholders and the Couponholders.

Subject to receipt by the Trustee and the Agent of this certificate, the Trustee and the Agent shall, at the direction and expense of the Issuer, use reasonable endeavours to effect such consequential amendments to the Trust Deed and the Agency Agreement (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed and the Agency Agreement) and these Terms and Conditions as the Issuer certifies are required to give effect to this Condition 5(b)(iv) and neither the Trustee nor the Agent shall be liable to any party for any consequences thereof, provided that neither the Trustee nor the Agent shall be obliged to effect such amendments if, in the sole opinion of the Trustee or the Agent, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or

amend the rights and/or the protective provisions afforded to it in these conditions and/or any documents to which it is a party (including, for the avoidance of doubt, any supplemental trust deed, in any way).

In connection with such variation in accordance with this Condition 5(b)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

No consent of the Noteholders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) as described in this Condition 5(b)(iv) or such other relevant changes pursuant to Condition 5(b)(iv), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement (if required).

For the avoidance of doubt, if the Issuer is not able to appoint an Independent Adviser or a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 5(b)(iv) prior to the relevant IA Determination Cut-off Date, then the Rate of Interest for the next Interest Period shall be determined by reference to the fallback provisions of Condition 5(b)(iii).

For the avoidance of doubt, this Condition 5(b)(iv) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, Condition 5(b)(iii).

In the Conditions:

**"Adjustment Spread"** means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the relevant Independent Adviser determines is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the relevant Independent Adviser in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

**"Alternative Reference Rate"** means the rate that the relevant Independent Adviser determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest in respect of notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Periods, or, if such Independent Adviser determines in its discretion is most comparable to the Reference Rate;

**"Benchmark Event"** means:



- (i) the Original Reference Rate ceasing to exist or be published; or
- (ii) the later of (a) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (b) the date falling six months prior to the date specified in (a); or
- (iii) the later of (a) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, on or before a specified date, be permanently or indefinitely discontinued and (b) the date falling six months prior to the date specified in (a); or
- (iv) the later of (a) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (b) the date falling six months prior to the date specified in (a); or
- (v) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that, in the view of such supervisor, such Original Reference Rate is no longer representative of an underlying market; or
- (vi) it has become unlawful for the Agent or the Calculation Agent, as applicable, the Issuer or any other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

**"Independent Adviser"** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own expense under this Condition 5(b)(iv);

**"Original Reference Rate"** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes or, if applicable, any other successor or alternative rate (or any component part thereof) determined and applicable to the Notes pursuant to the earlier operation of this Condition 5(b)(iv);

**"Relevant Nominating Body"** means, in respect of a reference rate:

- (i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which such reference rate relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of such 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 Reference Rate"** means the rate that the relevant Independent Adviser determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

(v) *Floating Rate Notes referencing SONIA*

- (A) This sub-paragraph (v) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Final Terms as being applicable and the "Reference Rate" is specified in the applicable Final Terms as being "SONIA".

(B) Where "SONIA" is specified as the Reference Rate in the applicable Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the applicable Final Terms) the Margin, all as determined by the Calculation Agent.

(C) For the purposes of this sub-paragraph (v):

"**Compounded Daily SONIA**", with respect to an Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

"**d**" means the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**d<sub>o</sub>**" means the number of London Banking Days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

to, and including, the last London Banking Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes are due and payable).

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n<sub>i</sub>**" for any London Banking Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" London Banking Days prior to

the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"p" for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the applicable Final Terms or if no such period is specified, five London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIA<sub>i</sub>**" means the SONIA Reference Rate for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or
  - (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day "i";
- (D) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 5(b)(v), be:
- (1) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
  - (2) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, (a) the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (b) if this is more recent, the latest determined rate under (A).
- (E) Subject to Condition 5(b)(v), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this subparagraph (v), the Rate of Interest shall be (A) that 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) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(vi) *Floating Rate Notes referencing SOFR*

- (A) This sub-paragraph (vi) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Final Terms as being applicable and the "Reference Rate" is specified in the applicable Final Terms as being "SOFR".
- (B) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the applicable Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.
- (C) For the purposes of this sub-paragraph (vi):

"**Benchmark**" means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this sub-paragraph (vi).

"**Business Day**" means any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and each (if any) Additional Business Centre(s) and is not a date on which banking institutions in those cities are authorised or required by law or regulation to be closed;

"**Compounded SOFR**" with respect to any Interest Period, means the rate of return of a daily compound interest investment (with the daily Secured Overnight Financing Rate as the interest rate basis for the calculation of interest) computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

"**d**" is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period.

"**d<sub>o</sub>**" is the number of U.S. Government Securities Business Days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period.

"**i**" is a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period,

to and including the last US Government Securities Business Day in such period;

**"Interest Determination Date"** means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

**"n<sub>i</sub>"** for any U.S. Government Securities Business Day "i" in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("**i+1**");

**"Observation Period"** in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

**"p"** for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the applicable Final Terms or if no such period is specified, five U.S. Government Securities Business Days;

**"SOFR"** with respect to any U.S. Government Securities Business Day, means:

- (i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or
- (ii) Subject to Condition 5(b)(vi)(D) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

**"SOFR Administrator"** means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

**"SOFR Administrator's Website"** means the website of the Federal Reserve Bank of New York, or any successor source;

**"SOFR<sub>i</sub>"** means the SOFR for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant U.S. Government Securities Business Day "i"; and

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

- (D) If the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations

on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Trustee or Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (i) will be conclusive and binding absent manifest error;
- (ii) will be made in the sole discretion of the Issuer; and
- (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

**"Benchmark"** means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

**"Benchmark Replacement"** means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;
- (ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or
- (iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

**"Benchmark Replacement Adjustment"** means the first alternative set forth in the order below that can be determined by the issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

**"Benchmark Replacement Conforming Changes"** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including

changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

**"Benchmark Replacement Date"** means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) in the case of clause (i) or (ii) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of clause (iii) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**"Benchmark Transition Event"** means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

**"ISDA Definitions"** means the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series) as published by ISDA (copies of which may be obtained from ISDA at [www.isda.org](http://www.isda.org));

**"ISDA Fallback Adjustment"** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA

Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

**"ISDA Fallback Rate"** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**"Reference Time"** with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

**"Relevant Governmental Body"** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

**"Unadjusted Benchmark Replacement"** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(E) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 5(b)(vii)(D) above will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 14 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the date on which such changes take effect.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee and the Agent a certificate signed by two authorised signatories of the Issuer:

- (a) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5(b); and
- (b) certifying that the relevant Benchmark Replacement Conforming Changes are appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, where the Issuer decides that adoption of any portion of such market practice is not administratively feasible or determines that no market practice for use of the Benchmark Replacement exists, certifying that the manner in which the Issuer has determined the relevant Benchmark Replacement Conforming Changes is reasonable).

The Trustee and the Agent shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Benchmark Replacement and the Benchmark Replacement Adjustment (if any) and any such other relevant changes pursuant to this Condition 5(b)(vi) specified in such certificate will (in the absence of manifest error in the determination of the Benchmark Replacement and the Benchmark Replacement Adjustment (if any) and without prejudice to the Trustee's and the Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Paying Agents, the Noteholders and the Couponholders.

Subject to receipt by the Trustee and the Agent of this certificate, the Trustee and the Agent shall, at the direction and expense of the Issuer, use reasonable endeavours to effect such consequential amendments to the Trust Deed and the Agency Agreement (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed and the Agency Agreement) and these Terms and Conditions as the Issuer certifies are required to give effect to this Condition 5(b)(vi) and neither the Trustee nor the Agent shall be liable



to any party for any consequences thereof, provided that neither the Trustee nor the Agent shall be obliged to effect such amendments if, in the sole opinion of the Trustee or the Agent, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these conditions and/or any documents to which it is a party (including, for the avoidance of doubt, any supplemental trust deed, in any way).

If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5(b)(vi), the Rate of Interest shall be (A) that 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) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(vii) *Floating Rate Notes referencing €STR*

(A) This Condition sub-paragraph (vii) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Final Terms as being applicable and the "Reference Rate" is specified in the applicable Final Terms as being "€STR".

(B) Where "€STR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the applicable Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(C) For the purposes of this sub-paragraph (vii):

"**Compounded Daily €STR**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"**d**" means the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**D**" means the number specified as such in the applicable Final Terms (or, if no such number is specified, 360);

"**d<sub>o</sub>**" means the number of TARGET Settlement Days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or

- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

the "**€STR reference rate**", in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Settlement Day immediately following such TARGET Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR<sub>i</sub>**" means the €STR reference rate for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant TARGET Settlement Day "i".

"**i**" is a series of whole numbers from one to "d<sub>o</sub>", each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Notes are due and payable);

"**n<sub>i</sub>**" for any TARGET Settlement Day "i" in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day "i" up to (but excluding) the following TARGET Settlement Day;

"**Observation Period**" means, in respect of any Interest Period, the period from (and including) the date falling "p" TARGET Settlement Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "p" TARGET Settlement Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) such earlier date, if any, on which the Notes become due and payable;

"**p**" for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the applicable Final Terms or, if no such period is specified, five TARGET Settlement Days; and

"**TARGET Settlement Day**" means any day on which T2 is open for settlement of payments in euro.

- (D) Subject to Condition 5(b)(iv), if, where any Rate of Interest is to be calculated pursuant to Condition 5(b)(vii)(B) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Calculation Agent.
- (E) Subject to Condition 5(b)(iv), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of Condition 5(b)(vii)(B), the Rate of Interest shall be (A) that 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) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(viii) *Floating Rate Notes referencing SONIA Compounded Index and SOFR Compounded Index*

This sub-paragraph (viii) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the applicable Final Terms as being applicable and "Index Determination" is specified in the applicable Final Terms as being applicable.

Where "Index Determination" is specified in the applicable Final Terms as being applicable, the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

$$\frac{(\text{Compounded Index End} - 1) \times \text{Numerator}}{\text{Compounded Index Start} \times d}$$

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

"**Compounded Index**" means either the SONIA Compounded Index or the SOFR Compounded Index, as specified in the applicable Final Terms;

"**Compounded Index End**" means the relevant Compounded Index value on the End date;

"**Compounded Index Start**" means the relevant Compounded Index value on the Start date;

"**d**" is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

"**End**" means the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"**Index Days**" means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

"**Numerator**" means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

"**Relevant Decimal Place**" shall, unless otherwise specified in the Final Terms, be the fifth decimal place rounded up or down, if necessary (with 0.000005 being rounded upwards); and

"**Relevant Number**" is as specified in the applicable Final Terms, but, unless otherwise specified shall be five.

"**SONIA Compounded Index**" means the Compounded Daily SONIA rate as published at 10:00 (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source;

"**SOFR Compounded Index**" means the Compounded Daily SOFR rate as published at 15:00 (New York time) by Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source; and

"**Start**" means the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

Subject to Condition 5(b)(iv) or Condition 5(b)(vii)(D), as applicable, if, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Calculation Agent shall calculate the rate of interest for that Interest Period as if Index Determination was not specified in the applicable Final Terms and as if Compounded Daily SONIA or Compounded Daily SOFR (as defined in Condition 5(b)(vi) or Condition 5(b)(vii), as applicable) had been specified instead in the Final Terms, and in each case "Observation Shift" had been specified as the Observation Method in the applicable Final Terms, and where the Observation Shift Period for the purposes of that definition in Condition 5(b)(vi) or Condition 5(b)(vii) (as applicable) shall be deemed to be the same as the Relevant Number specified in the Final Terms and where, in the case of Compounded Daily SONIA, the Relevant Screen Page will be determined by the Issuer. For the avoidance of doubt, if (i) in the case of SONIA Compounded Index, a Benchmark Event has occurred in respect of SONIA, the provisions of Condition 5(b)(v) shall apply and (ii) in the case of SOFR Compounded Index, a Benchmark Transition Event and its related Benchmark Replacement Date has occurred in respect of SOFR, the provisions of Condition 5(b)(vii)(D).

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

If the applicable Final Terms specify 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 above provisions is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. For the avoidance of doubt, the Minimum Rate of Interest shall not be less than zero. If the applicable Final Terms specify 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 above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

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

The Agent 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 Agent 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 the 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 subunit 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 for any Interest Period:

1. 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);
2. if **"Actual/365 (Fixed)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
3. 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;
4. if **"Actual/360"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
5. 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:

**"Y<sub>1</sub>"** is the year, expressed as a number, in which the first day of the Interest Period falls;

**"Y<sub>2</sub>"** is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**"M<sub>1</sub>"** is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

**"M<sub>2</sub>"** is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

**"D<sub>1</sub>"** is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

**"D<sub>2</sub>"** 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 D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

6. 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:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D<sub>1</sub>**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

"**D<sub>2</sub>**" 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 **D<sub>2</sub>** will be 30;

7. if "**30E/360 (ISDA)**" is specified hereon, 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:

"**Y<sub>1</sub>**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y<sub>2</sub>**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M<sub>1</sub>**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M<sub>2</sub>**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D<sub>1</sub>**" 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 **D<sub>1</sub>** will be 30; and

"**D<sub>2</sub>**" 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 **D<sub>2</sub>** will be 30.

(xi) *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 Paying Agent 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 (as defined below) 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 Paying Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

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

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

The Agent 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, the Paying Agents, the Trustee and any stock exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being listed and to be published in accordance with Condition 14 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 or alternative arrangements will promptly be notified to each stock exchange or other relevant authority on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in London.

(xiii) *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 paragraph (b) by the Agent shall (in the absence of manifest error) be binding on the Issuer, the Parent, the Agent, the Trustee, the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer, the Parent, the Trustee, the Noteholders or the Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) *Fixed to Floating Rate Notes*

Each Fixed to Floating Rate Note bears interest at a rate which shall be automatically converted from a Fixed Rate to a Floating Rate at the date specified in the applicable Final Terms.

(d) *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 as provided in the Trust Deed.

6. **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 (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, 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 Melbourne and Wellington, respectively); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

(b) *Presentation of Notes and Coupons*

Payments of principal in respect of definitive Notes will 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 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

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.

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.

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.

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 and 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 made, 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, as applicable.

The holder of a global Note (or, as provided in the Trust Deed, the Trustee) 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 Parent will be discharged by payment to, or to the order of, the holder of such global Note (or the Trustee, as the case may be) in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, as the case may be, for their share of each payment so made by the Issuer or, as the case may be, the Parent to, or to the order of, the holder of such global Note (or the Trustee, as the case may be). No person other than the holder of such global Note (or the Trustee, as the case may



be) shall have any claim against the Issuer or, as the case may be, the Parent in respect of any payments due on that global Note.

Notwithstanding the foregoing provisions of this Condition, U.S. dollar payments of principal and/or interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America):

- (a) 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; or
- (b) at the option of the relevant holder if such payment is then permitted under United States law without involving, in the opinion of the Issuer or the Parent, adverse tax consequences for the Issuer or the Parent.

(c) *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 9) is:

- (i) 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 Melbourne and Wellington, respectively) or (2) in relation to any sum payable in euro, a day on which T2 is open;
- (ii) 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, the relevant place of presentation; and
  - (B) any Additional Financial Centre specified (other than T2) in the applicable Final Terms; and
- (iii) if T2 is specified as an Additional Financial Centre in the applicable Final Terms, a day on which T2 is open.

(d) *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 8 or pursuant to any undertakings given in addition thereto or in substitution therefore pursuant to the Trust Deed;

- (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;
- (v) the Make-whole Redemption Amount (if any) of the Notes; and
- (vi) 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 8 or pursuant to any undertakings given in addition thereto or in substitution therefore pursuant to the Trust Deed.

## 7. **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 the applicable Final Terms (which shall be its nominal amount) in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### (b) *Redemption for Tax Reasons*

If the Issuer or the Parent satisfies the Trustee immediately prior to the giving of the notice referred to below that (i) as a result of any change in the laws of Sweden, which becomes effective on or after the Issue Date of the first Tranche of the Notes, on the occasion of the next payment due in respect of the Notes, the Issuer would be required to pay additional amounts as provided in Condition 8; or (ii) on the occasion of the next payment due in respect of the Notes, the Parent would be unable to procure the Issuer to make payment and, in making such payment itself under the Guarantee, the Parent would, as a result of any change in the laws of Sweden, which becomes effective on or after the Issue Date of the first Tranche of the Notes, be required to pay additional amounts as provided in Condition 8, the Issuer may at its option, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note) having given not less than 30 nor more than 60 days' notice to the Trustee and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), redeem all the Notes, but not some only, at their Early Redemption Amount referred to in paragraph (h) 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 in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Trustee;

(which notices shall be irrevocable), redeem all or some only, as specified in the applicable Final Terms, of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than a Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. 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 (to be reflected in the records of Euroclear and Clearstream 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 14 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of all Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the lowest Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. 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 sub-paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

(d) *Make-whole Redemption by the Issuer*

If Make-whole Redemption is specified in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Trustee;

(which notices shall be irrevocable and shall specify the date fixed for redemption (such date being hereinafter called the "**Make-whole Redemption Date**") redeem all or some only of the Notes then outstanding at any time prior to their Maturity Date at their relevant Make-whole Redemption Amount. On or not later than the Business Day immediately following the Calculation Date, the Determination Agent shall notify the Issuer, the Trustee, the Noteholders and such other parties as may be specified in the applicable Final Terms of the Make-whole Redemption Amount. All Notes in respect of which any such notice referred to above is given shall be redeemed on the relevant Make-whole Redemption Date in accordance with this Condition.

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 (to be reflected in the records of Euroclear and Clearstream 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 14 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of all Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the lowest Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. 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 sub-paragraph (d) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

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 Make-whole 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 Make-whole Redemption Date, or by the Make-whole Redemption Date so delayed, in each case provided that the Issuer shall have given notice

of any such cancellation or delay of redemption to the Noteholders at least 5 Business Days prior to the Make-whole Redemption Date or the Make-whole Redemption Date so delayed, respectively, in accordance with Condition 14.

For the purposes of this Condition, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**"Benchmark Rate"** means the average of the two quotations given by the Reference Dealers on the Calculation Date at 11.00 a.m. (Central European time ("CET")) of the mid-market annual yield to maturity of the Reference Bond specified in the applicable Final Terms. If the Reference Bond is no longer outstanding, a Similar Security will be chosen by the Determination Agent at 11.00 a.m. CET on the Calculation Date, quoted in writing by the Determination Agent to the Issuer and published in accordance with Condition 14;

**"Calculation Date"** means the third Business Day (as defined in Condition 5(b)(i)) prior to the Make-whole Redemption Date;

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

**"Make-whole Margin"** means the rate per annum specified in the applicable Final Terms;

**"Make-whole Redemption Amount"** means, in respect of each Calculation Amount, an amount in the Specified Currency of the Notes, determined by the Determination Agent, equal to the sum of:

- (i) the greater of (x) the Final Redemption Amount as specified in the applicable Final Terms and (y) the sum of the present values as at the Make-whole Redemption Date of the remaining scheduled payments of principal and interest on the Calculation Amount (excluding any interest accruing on the Calculation Amount from, and including, the Specified Interest Payment Date or, as the case may be, the Interest Commencement Date, immediately preceding such Make-whole Redemption Date to, but excluding, the Make-whole Redemption Date) discounted from the Maturity Date (or if Residual Maturity Call is specified in the applicable Final Terms, the Par Call Date) to the Make-whole Redemption Date on the basis of the relevant Day Count Fraction at a rate equal to the Make-whole Redemption Rate; and
- (ii) any interest accrued but not paid on such Calculation Amount from, and including, the Specified Interest Payment Date or, as the case may be, the Interest Commencement Date, immediately preceding such Make-whole Redemption Date, to, but excluding, the Make-whole Redemption Date;

**"Make-whole Redemption Rate"** means the sum, as calculated by the Determination Agent, of the Benchmark Rate and the Make-whole Margin;

**"Reference Dealers"** means each of the two Dealers selected by the Issuer or, in the event that such Dealers cease to be Dealers under the Programme, each of the two banks selected by the Issuer which are primary European government security dealers; and

**"Similar Security"** means a reference bond or reference bonds issued by the issuer of the Reference Bond 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 comparable maturity to the remaining term of the Notes.

(e) *Clean-up Call Option*

If Clean-up Call is specified in the applicable Final Terms, the Issuer may, having given not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable), redeem all (but not some only) of the Notes for the time being outstanding, if, immediately prior to the date that such notice is given, 20 per cent. or less of the aggregate nominal amount originally issued of the Notes remain outstanding, provided that those

Notes that are no longer outstanding have not been redeemed (and subsequently cancelled) by the Issuer pursuant to Condition 7(c) and/or Condition 7(d). Any such redemption shall be at par together, if appropriate, with any interest accrued to the date fixed for redemption.

(f) *Residual Maturity Call at the Option of the Issuer*

If Residual Maturity Call is specified in the applicable Final Terms, the Issuer may, having given not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable), redeem all (but not some only) of the Notes for the time being outstanding, at any time from and including the Par Call Date (as defined in the applicable Final Terms) to but excluding the Maturity Date, at their principal amount together, if appropriate, with interest accrued to, but excluding, the date fixed for redemption.

(g) *Redemption at the Option of the Noteholders (Investor Put)*

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the relevant Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms 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, if this Note is in definitive form and held outside Euroclear and Clearstream, 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 (or, if payment is by cheque, an address) to which payment is to be made under this Condition accompanied by 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, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream (which may include notice being given on their instruction by Euroclear or Clearstream or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream given by a holder of any Note pursuant to this Condition 7(g) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 10, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 7(g).

(h) *Early Redemption Amounts*

For the purpose of paragraph (b) above and Condition 10, the Notes will be redeemed at an amount (the "**Early Redemption Amount**") determined or calculated as follows:

- (i) in the case of a Note other than a Zero Coupon Note, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (ii) in the case of a Zero Coupon Note, at its Early Redemption Amount calculated in accordance with the following formula:

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

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).

(i) *Purchases*

The Issuer, the Parent or any of their respective Subsidiaries 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. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Parent, surrendered to any Paying Agent for cancellation.

(j) *Cancellation*

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

(k) *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) or (f) above or upon its becoming due and repayable as provided in Condition 10 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 (h)(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 repayable 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 has been received by the Agent or the Trustee and notice to that effect has been given to the Noteholders either in accordance with Condition 14 or individually.

8. **Taxation**

- (a) All payments of principal and interest in respect of the Notes and Coupons will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges ("**Taxes**") of whatever nature imposed or levied by or on behalf of Sweden or any political subdivision of, or any authority in, or of, Sweden having power to tax unless the withholding or deduction of the Taxes is required by law. In such event, the Issuer or, as the case may be, the Parent 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 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 in relation to any payment in respect of any Note or Coupon:

- (i) to, or to a third party on behalf of, a Noteholder or Couponholder who is liable for the Taxes in respect of such Note or Coupon by reason of such holder having some connection with Sweden other than (1) the mere holding of such Note or Coupon or (2) the receipt of principal or interest in respect of such Note or Coupon; or
  - (ii) to, or to a third party on behalf of, a holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
  - (iii) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the last day of such period of 30 days assuming that day to have been a Payment Day; or
  - (iv) presented for payment in Sweden.
- (b) As used herein, the "**Relevant Date**" means the date on which such payment first becomes due but, if the full amount of the moneys payable has not been duly received by the Agent or the Trustee 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 shall have been duly given to the Noteholders by the Issuer in accordance with Condition 14.
- (c) Notwithstanding any other provisions contained herein, the Issuer and the Parent shall be permitted to withhold or deduct any amounts required by the rules of Sections 1471 through 1474 of the U.S. Internal Revenue Code (or any amended or successor provisions), pursuant to any intergovernmental agreement or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA withholding**") as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer or the Parent not being entitled to receive payments free of FATCA withholding. Neither the Issuer nor the Parent will have any obligation to pay additional amounts or otherwise indemnify a holder for any such FATCA withholding deducted or withheld by the Issuer, the Parent, the Paying Agent or any other party.

#### 9. **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 8) therefore.

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 6(b) or any Talon which would be void pursuant to Condition 6(b).

#### 10. **Events of Default**

The Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject in each case to being indemnified to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their Early Redemption Amount (as described in Condition 7(h)) together with accrued interest (if any) as provided in the Trust Deed, in any of the following events:

- (i) default is made in the payment of any principal due in respect of the Notes or any of them and default continues for a period of 15 days or if default is made in the payment of any interest due in respect of the Notes or any of them and the default continues for a period of 30 days; or

- (ii) the Issuer or the Parent defaults in the performance of any other obligation under the Trust Deed and (except where such default is not capable of remedy when no such notice or continuation as is hereinafter mentioned will be required) such default continues for 60 days after written notice thereof shall have been given to the Issuer and the Parent by the Trustee; or
- (iii) other indebtedness for borrowed money of the Issuer, the Parent or any Principal Subsidiary (as defined in the Trust Deed) becomes repayable prematurely as a consequence of any default by it in its obligations in respect of the same, or the Issuer, the Parent or any Principal Subsidiary fails to repay any such indebtedness for borrowed money when due (subject to any permitted grace period applicable to the repayment of such indebtedness for borrowed money) or fails to perform its payment obligations under any guarantee and/or indemnity given by it in relation to any indebtedness for borrowed money of any other person within any grace period applicable to any payment due under such indebtedness for borrowed money, provided that the aggregate principal amount of all such indebtedness for borrowed money which has become prematurely repayable or has not been repaid or in respect of which the guarantee and/or indemnity has not been performed amounts to at least U.S.\$150,000,000 (or its equivalent in any other currency); or
- (iv) a resolution is passed or an order of a court of competent jurisdiction is made that the Issuer, the Parent or any Principal Subsidiary be wound up or dissolved otherwise than for the purposes of or pursuant to an amalgamation, merger or reconstruction the terms of which have previously been approved by the Trustee, such approval not to be unreasonably withheld; or
- (v) an encumbrancer takes possession or a receiver is appointed of the whole or a material part of the assets or undertaking of the Issuer, the Parent or any Principal Subsidiary; or
- (vi) a distress, execution or seizure before judgment is levied or enforced upon or sued out against a material part of the property of the Issuer, the Parent or any Principal Subsidiary and is not discharged within 60 days thereof; or
- (vii) the Issuer, the Parent or any Principal Subsidiary stops payment or (otherwise than for the purposes of such an amalgamation, merger or reconstruction as is referred to in paragraph (iv) of this Condition) ceases or threatens to cease to carry on all or substantially the whole of its business or is unable to pay its debts as and when they fall due; or
- (viii) proceedings shall have been initiated against the Issuer, the Parent or any Principal Subsidiary under any applicable bankruptcy, insolvency or re-organisation law and such proceedings shall not have been discharged or stayed within a period of 60 days; or
- (ix) the Issuer, the Parent or any Principal Subsidiary initiates or consents to proceedings relating to itself under any applicable bankruptcy, composition, insolvency or re-organisation law or makes a conveyance or assignment for the benefit of, or enters into any composition with, its creditors; or
- (x) if the Guarantee ceases to be, or is claimed by the Parent not to be, in full force and effect,

provided that, in the case of any event other than those described in sub-paragraphs (i), (iv) (in the case of a winding up or dissolution of the Issuer or the Parent) and (x) above, the Trustee shall have certified to the Issuer and the Parent that the event is, in its opinion, materially prejudicial to the interests of the Noteholders.

#### 11. **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 Agent, or any other place approved by the Trustee of which notice shall have been published in accordance with Condition 14, 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.



## 12. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agent and their initial specified offices 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 and the Parent are, with the prior written approval of the Trustee, entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) so long as the Notes are listed or admitted to trading on any stock exchange or other relevant authority, 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 that stock exchange or other relevant authority;
- (ii) there will at all times be a Paying Agent with a specified office in a city approved by the Trustee other than in Sweden; and
- (iii) there will at all times be an Agent.

In addition, the Issuer and the Parent shall forthwith appoint a Paying Agent (such Paying Agent having been approved in writing by the Trustee) having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(b). Notice of any variation, termination, appointment or change in the Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 14.

## 13. 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 the Agent or any other 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 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

## 14. Notices

All notices regarding the Notes shall be published (i) in the *Financial Times* or any other daily newspaper in London approved by the Trustee or, if this is not possible, in one other English language daily newspaper approved by the Trustee with general circulation in Europe, and (ii) if the Notes are listed on the Official List, and admitted to trading on the regulated market, of the Luxembourg Stock Exchange (so long as the rules of that exchange so require) in a daily newspaper with general circulation in Luxembourg which is expected to be *Luxemburger Wort* and/or on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange (or any other relevant authority) on which the Notes are for the time being listed or admitted to trading. Any such notice will be deemed to have been given on the date of the first publication in all the required newspapers and, if applicable, on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)).

Until such time as any definitive Notes are issued, there may (provided that, in the case of Notes listed on any stock exchange, the rules of such exchange or any other relevant authority permit) so long as the global Note(s) is/are held in its/their entirety on behalf of Euroclear and Clearstream, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and Clearstream for communication by them to the holders of the Notes, except that if the Notes are listed on the Luxembourg Stock Exchange notice will, in any event, be published in a daily newspaper with general circulation in Luxembourg or in places required by the rules of that Stock Exchange so long as the rules of the relevant exchange so require. And, in addition, for so long as any Notes are listed or admitted to trading on any other stock exchange or any other relevant authority and the rules of that stock exchange or any other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or any such other relevant authority. Any such notice shall be

deemed to have been given to the holders of the Notes on the second Business Day after the day on which the said notice was given to Euroclear and Clearstream.

Notices to be given by any holder of the Notes 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 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 Agent via Euroclear and/or Clearstream, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, as the case may be, may approve for this purpose.

#### **15. Meetings of Noteholders, Modification and Waiver**

The Trust Deed contains provisions for convening meetings (including hybrid and virtual meetings) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than a clear majority 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 Coupons (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 Coupons) or certain of the provisions of the Trust Deed, the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than three-quarters, or at any adjourned such meeting not less than a clear majority, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders or by way of electronic consent given by way of electronic consent through the relevant clearing systems shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Trust Deed provides that the Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification (subject as provided above) of, or to any waiver or authorisation of any breach or proposed breach of, any of these Terms and Conditions or any of the provisions of the Trust Deed, or may determine that any condition, event or act which, but for such determination, would constitute an Event of Default, shall not be treated as such which in any such case, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders or to any modification of any of these Terms and Conditions or any of the provisions of the Trust Deed which is of a formal, minor or technical nature or which is made to correct a manifest error. In addition, the Trustee shall be obliged to use reasonable endeavours to effect such modifications to the Trust Deed, the Agency Agreement and these Terms and Conditions as may be required in order to give effect to (i) Condition 5(b)(iv) in connection with effecting any Successor Reference Rate, Alternative Reference Rate, Adjustment Spread or any other related changes referred to in Condition 5(b)(iv) and (ii) Condition 5(b)(vi) in connection with effecting any Benchmark Replacement, Benchmark Replacement Adjustment, Benchmark Replacement Conforming Changes or any other related changes referred to in Condition 5(b)(vi), subject to the provisions thereof, without the requirement for the consent or sanction of the Noteholders or Couponholders. Any such modification, waiver, authorisation or determination shall be binding on the Noteholders and Couponholders and, unless the Trustee agrees otherwise, any such modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 14.

In connection with the exercise by it of any of its trusts, powers, authorities or discretions (including, but without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the interests of the Noteholders as a class and, in particular, but without limitation, shall not have regard to the consequences of such exercise of its trusts, powers, authorities or discretions for individual Noteholders and Couponholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Parent or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 8 and/or any undertaking given in addition to, or in substitution for, Condition 8 pursuant to the Trust Deed.

16. **Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or 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 so that the same shall be consolidated and form a single Series with the outstanding Notes.

17. **Enforcement**

The Trustee may at its discretion and without further notice take such proceedings against the Issuer and/or the Parent as it may think fit to enforce the obligations of the Issuer and/or the Parent under the Trust Deed and the Notes and Coupons, but it shall not be bound to take any such proceedings or any other action unless (i) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by holders of at least one-quarter in nominal amount of the Notes outstanding and (ii) it shall have been indemnified to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer and/or the Parent unless the Trustee, having become bound so to do, fails so to do within a reasonable period and such failure is continuing.

18. **Substitution**

The Trustee may, without the consent of the Noteholders or the Couponholders, agree with the Issuer and the Parent (or, if applicable, their successors in business as defined in the Trust Deed) to the substitution (i) in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Coupons and the Trust Deed of (I) the successor in business of the Issuer or (II) another company being the Parent (or the successor in business of the Parent) or of any of the other Subsidiaries of the Parent (or its successor in business as aforesaid), or (ii) in place of the Parent (or of any previous substitute under this provision) of its successor in business, subject in each case to (a) except where the Parent becomes the principal debtor the Notes being unconditionally and irrevocably guaranteed by the Parent or its successor in business, (b) the Trustee being satisfied that the interests of the Noteholders will not be materially prejudiced by the substitution, and (c) certain other conditions set out in the Trust Deed being complied with.

19. **Indemnification**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances including provisions relieving it from instituting proceedings to enforce repayment unless indemnified to its satisfaction.

20. **Contracts (Rights of Third Parties) Act 1999**

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

21. **Governing Law and Submission to Jurisdiction**

The Trust Deed, the Notes and the Coupons, and any non-contractual obligations arising out of, or in connection with them, are governed by, and shall be construed in accordance with, English law.

The Issuer and the Parent have each irrevocably agreed in the Trust Deed for the exclusive benefit of the Trustee, the Noteholders and the Couponholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Notes and the Coupons (including any disputes relating to any non-contractual obligations arising out of, or in connection with them) and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as "**Proceedings**") may be brought in the courts of England.

The Issuer and the Parent have in the Trust Deed irrevocably and unconditionally waived and agreed not to raise any objection which they may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and have further irrevocably and unconditionally agreed that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer or, as the case may be, the Parent and may be enforced in the courts of any other jurisdiction. Nothing in this provision shall limit any right to

take Proceedings against the Issuer or the Parent in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

The Issuer and the Parent have in the Trust Deed appointed VFS Financial Services Limited at its office for the time being at Wedgnoek Lane, Warwick CV34 5YA as their agent in England for service of process on their behalf and have agreed that in the event of VFS Financial Services Limited ceasing so to act they will appoint such other person as the Trustee may approve as their agent for service of process.

## USE OF PROCEEDS

The net proceeds (in respect of (a) and (c) below) or an amount equal to the net proceeds (in respect of (b) below) from each issue of Notes will, as specified in the applicable Final Terms, be:

- a) used for the Issuer's general funding purposes; or
- b) in respect of Green Bonds, applied to a green asset portfolio which will be used to finance or refinance, in whole or in part, the Volvo Group's investments in eligible assets as further described in the Green Finance Framework (as amended or supplemented from time to time) available on the Volvo Group website (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/debt-information/green-financing/volvo-green-finance-framework.pdf>) which, for the avoidance of doubt, does not form part of, and shall not be incorporated in, this Prospectus; or
- c) used to finance any other particular identified use of proceeds as stated in the applicable Final Terms.

In respect of (b) above, the Green Finance Framework describes the green asset portfolio and the eligible assets to which an amount equal to the net proceeds of an issuance of Green Bonds may be allocated. The Green Finance Framework has been prepared by the Volvo Group in accordance with *inter alia* the green bond principles of the International Capital Market Association (ICMA) (as may be further updated) (the "**Principles**"). For each issuance of Green Bonds, the Volvo Group will comply with the following four core components of the Principles: (i) the description of the use of proceeds of the Green Bonds, (ii) the disclosure of its process for project evaluation and selection, (iii) the management of the proceeds of the Green Bonds and (iv) regular reporting on such use of proceeds.

The Volvo Group also applies the recommendation to use the services of an independent external second opinion provider (the "**Second Party Opinion**"). A Second Party Opinion has been obtained on the Green Finance Framework from the Second Party Opinion Provider, assessing the sustainability of the Green Finance Framework and its alignment with the Principles. It is available on the Volvo Group website (<https://www.volvogroup.com/content/dam/volvo-group/markets/master/investors/debt-information/green-financing/cicero-shades-of-green-volvo-group.pdf>) and, for the avoidance of doubt, does not form part of, and shall not be incorporated in, this Prospectus. Any amendment to such Second Party Opinion, or any new Second Party Opinion, to be provided following an amendment to the Green Finance Framework, the publication of a new Green Finance Framework or in application of any new legislation or regulation, will be made available on the Volvo Group website.

## DESCRIPTION OF THE ISSUER

Volvo Treasury AB (publ) (the "**Issuer**") is a wholly-owned subsidiary of the Parent and was established on 4 May 1970 under the laws of Sweden and started its current business on 28 June 1985 for an indefinite period of time. The Issuer is registered with the Swedish Companies Registration Office under No. 556135-4449 as a public company with limited liability, has its registered office in Gothenburg, Sweden and address at SE-405 08 Gothenburg, Sweden and operates under Swedish law. The telephone number of the office is +46 31 66 95 33. As of 31 March 2023, the issued share capital of the Issuer amounted to SEK 500 million and was fully paid up. The share capital is divided into 5,000,000 ordinary shares, each with a quota value of SEK 100.

The objects of the Issuer's operations are set out in paragraph 2 of its Articles of Association. They include (directly or through the holding of shares or participation rights in other companies) owning and managing real estate, movable property, capital and financial instruments, carrying on consulting activities within the aforementioned areas as well as activities compatible therewith.

The Issuer is acting as an internal bank for the Volvo Group. The Issuer supports the Volvo Group companies with services related to treasury and cash management. The Issuer conducts most of the financial transactions of the Volvo Group. The Issuer is responsible for all interest-bearing assets and liabilities as well as all foreign exchange and funding operations within the Volvo Group. Consolidated financial management offers better potential to utilise the Volvo Group's financial assets and cash flow and professionally manage risks related to financial management. The Parent owns 100 per cent. of the shares of the Issuer and therefore holds all the voting rights at the shareholder's general meetings.

The Issuer's operations are carried out according to centrally determined risk mandates and limits designed to minimise the credit, currency, interest rate and liquidity risks to which the Volvo Group is exposed. These risks and the manner in which the Volvo Group handles them are presented in the Volvo Group Annual Report 2022 incorporated by reference in this Prospectus (see "*Documents Incorporated by Reference*" herein).

The Swedish Code of Corporate Governance (the "**Code**") is not applicable to the Issuer as it has no shares listed on Nasdaq Stockholm. The Parent applies the Code as it has shares listed on Nasdaq Stockholm.

### *Management of the Issuer*

Frederik Ljungdahl	Head of Treasury and Corporate Finance
Thomas Lestin	President, Global Head of Group Treasury Risk Management, Volvo Treasury AB (publ)
Erik Annerstedt	Legal Counsel, AB Volvo (publ)
Karin Heltborg	Vice President, Treasury Operations and Digitalisation, Volvo Treasury AB
Joakim Berger	Head of Group Treasury Control & Compliance, Volvo Treasury AB (publ)

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

The business address of the above-mentioned persons is SE-405 08 Gothenburg, Sweden.

### *Board of Directors of the Issuer*

The Articles of Association of the Issuer currently states that the Board of Directors shall comprise a minimum of three and a maximum of ten members and a maximum of the same number of deputies. These are elected each year at the annual general meeting for the period up to the end of the next annual general meeting. Annual general meetings are to be held in Gothenburg not later than 30 June each year.

Frederik Ljungdahl	Chairman of the Board
Thomas Lestin	President of Volvo Treasury AB (publ)

Erik Annerstedt	Legal Counsel, AB Volvo (publ)
Karin Heltborg	Vice President, Treasury Operations and Digitalisation, Volvo Treasury AB
Joakim Berger	Head of Group Treasury Control & Compliance, Volvo Treasury AB (publ)

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

The business address of the above-mentioned persons is SE-405 08 Gothenburg, Sweden.

***Auditors***

The Issuer's auditors are elected at the annual general meeting. The auditor of the Issuer is Deloitte AB, which most recently was elected at the 2023 Annual General Meeting of the Issuer until the end of the 2024 Annual General Meeting of the Issuer. Fredrik Jonsson is auditor in charge. The address of Deloitte AB can be found on the last page of this Prospectus. Deloitte AB is a member of FAR (the professional institute for authorised public accountants (*auktoriserade revisorer*), approved public accountants (*godkända revisorer*) and other highly qualified professionals in the accountancy sector in Sweden). Further information on the Issuer is available on the dedicated page of the Volvo Group website: <https://www.volvogroup.com/en-en/about-us/organization/other-entities/volvo-group-treasury.html>

Unless specifically incorporated by reference into this Prospectus, information contained on the Volvo Group website does not form part of this Prospectus.

## DESCRIPTION OF THE PARENT

### General

AB Volvo (publ) (the "**Parent**" or "**AB Volvo**") is the parent company of the Volvo Group and was incorporated on 5 May 1915 under the laws of Sweden for an indefinite period of time. The Parent is registered with the Swedish Companies Registration Office under No. 556012-5790 as a public company with limited liability, has its registered office at SE-405 08 Gothenburg, Sweden and operates under Swedish law. The telephone number of the office is +46 31 66 00 00.

The objects of the Parent's operations are set out in paragraph 2 of its Articles of Association. They include (directly or through subsidiaries) carrying on business within the areas of transport, foodstuffs, energy, and finance (with the exception, however, of activities provided for under the Swedish Banking Business Act and the Swedish Credit Market Companies Act), managing real estate and moveable property and carrying on other activities compatible therewith.

The Parent is the holding company of all the companies in the Volvo Group, directly or indirectly, and the assets of the Parent are substantially comprised of shares in Volvo Group companies. The Parent does not conduct any business itself and is therefore dependent on the Volvo Group companies and the revenues received by them.

The Volvo Group is an international transport equipment group with a worldwide marketing organisation and production. The Parent started production of cars in 1927 and of trucks in 1928. Historically, the Volvo Group has operated in two main areas: cars and vehicles for commercial use. The latter includes trucks, buses, construction equipment and marine and industrial engines. Operations have also included production of aircraft engine components and related services. The Volvo Group also has a financial services operation. In March 1999, the Volvo Group sold Volvo Cars to Ford Motor Company. Through the acquisition of Mack Trucks Inc. and Renault V.I. in 2001, the Volvo Group strengthened its position as a producer of heavy-duty trucks. Through the acquisitions of Japanese truck manufacturer Nissan Diesel (name changed to UD Trucks in 2009), Chinese wheel-loader manufacturer Lingong and Ingersoll Rand's division for road construction equipment in 2007, the formation of a joint-venture within trucks and buses with India-based Eicher Motors in 2008 as well as the acquisition of 45 per cent. of Dongfeng Commercial Vehicles in China in 2015 the Volvo Group has considerably strengthened its position in Asia. On 1 October 2012, the Volvo Group completed the divestment of Volvo Aero to GKN. In recent years, the Volvo Group has also divested non-core operations such as Volvo Rents, real estate, and the external IT business. The Volvo Group is today focused on the commercial transport products segment. During 2021, Volvo entered into several strategic alliances and partnerships with leading companies in order to remain at the forefront as regards the latest findings within connectivity, automation and electrification. Collaborations and partnerships included, among others, the creation of cellcentric, a fuel cell joint venture, with Daimler Truck and the creation of a joint venture, Milence, with Daimler Truck and Traton Group in order to install and operate a high-performance public charging network for battery electric, heavy-duty long-haul trucks and coaches across Europe. In 2021, the Volvo Group also formed a strategic alliance with Isuzu Motors, which included the sale of UD Trucks to Isuzu Motors.

Headquartered in Gothenburg, Sweden the Volvo Group had 104,251 employees including temporary employees and consultants as at 31 March 2023. The Volvo Group operates in an international environment with manufacturing carried out in 18 countries and with sales in almost 190 markets. Its shares are traded on Nasdaq Stockholm.

### Principal activities

The Volvo Group has its origins in 1927. The first truck, the Series 1, was presented in January 1928. The Volvo Group is one of the world's leading suppliers of commercial transport and infrastructure solutions, offering trucks, buses, construction equipment, power solutions for marine and industrial applications, financing and services that increase customers' uptime and productivity.

### Principal markets

Volvo Group customers are active in almost 190 markets. Volvo Group sales of products and services are conducted through both wholly owned and independent dealers. The global service network handles customer demand for spare parts and other services.



## Organisational Structure

Information relating to organisation and structure of the Volvo Group's business activities is incorporated by reference through the Volvo Group Annual Report 2022.

## Recent Developments – Significant Events

### *Tina Hultkvist to resign as Volvo Group Chief Financial Officer and member of the Executive Board*

On 3 February 2023, it was announced that Tina Hultkvist had decided to resign from her role as Volvo Group Chief Financial Officer ("CFO") and member of the Executive Board. Jan Ytterberg, previously Volvo Group Chief Financial Officer and member of the Executive Board, currently in the role of Volvo Group senior advisor, has stepped in as acting CFO.

### *Volvo Buses changes business model in Europe and has decided to close its bodybuilding factory in Wroclaw, Poland in 2024*

On 16 March 2023, Volvo Buses announced that it is changing its business model in Europe and will apply the same successful model as it has in several other markets. This means that Volvo Buses will focus its production on chassis and, together with external bodybuilders, offer customers in Europe a complete range of city and intercity buses, as well as coaches for the premium segment. Consequently, Volvo Buses has decided to close its bodybuilding factory in Wroclaw, Poland, during the first quarter of 2024. Volvo Buses has signed a Letter of Intent regarding the divestment of its premises to Vargas Holding. A restructuring provision of SEK 1.3 billion negatively impacted operating income in the first quarter of 2023.

### *Annual General Meeting of AB Volvo*

AB Volvo held its Annual General Meeting on 4 April 2023 (the "**Meeting**"). The Meeting adopted the income statement and balance sheet as well as the consolidated income statement and the consolidated balance sheet. In accordance with the Board of Directors' proposal, the Meeting resolved that an ordinary dividend of SEK 7.00 per share and an extraordinary dividend of SEK 7.00 per share should be paid to the shareholders. 6 April 2023 was decided as the record date for the right to receive dividends. The Board Members, Board Deputies and the President and CEO were discharged from liability for their administration during the 2022 fiscal year. Matti Alahuhta, Jan Carlson, Eric Elzvik, Martha Finn Brooks, Kurt Jofs, Martin Lundstedt, Kathryn V. Marinello, Martina Merz, Helena Stjernholm and Carl-Henric Svanberg were re-elected as members of the Board. Bo Annvik was elected as a new member of the Board. Carl-Henric Svanberg was re-elected as Chairman of the Board. The following persons were elected as members of the Election Committee: Pär Boman (AB Industrivärden), Anders Oscarsson (AMF and AMF Funds), Magnus Billing (Alecta, subsequently replaced by Carina Silberg), Anders Algotsson (AFA Insurance) and the Chairman of the Board. The Meeting resolved that no fees shall be paid to the members of the Election Committee. The Meeting approved the Board's remuneration report. Guidelines for remuneration to the Volvo Group Executive Board were adopted in accordance with the Board's proposal. The Meeting resolved to approve the Board's proposed adoption of a new long-term incentive plan.

## Management and Conflicts of Interest

Information relating to the management of the Parent is incorporated by reference on pages 186-203 of the Volvo Group Annual Report 2022 and in the "Recent Developments – Significant Events" section above. The business address of the Board of Directors and the Volvo Group Executive Board is AB Volvo (publ), SE-405 08 Gothenburg, Sweden.

As at 31 March 2023, the cumulative shareholdings of the Board members of the Parent and the members of the Volvo Group Executive Board amounted to less than 1 per cent of the votes and shares in the Parent.

Conflicts of interest may occasionally occur between duties of a member of the Volvo Group Executive Board or a member of the Board of Directors of the Parent and such member's duties to a third party. In the event that any conflict of interest is deemed to exist in any matter, the person subject to the conflicting interests will not handle or participate in any decision relating to the matter. Apart from such occasional conflicts of interest, there are no conflicts of interest between any duties of a member of the Board of the Parent and such member's private interests or other duties to the best of the Parent's knowledge.

According to the Volvo Group's Code of Conduct, all employees of Volvo Group have an obligation to work in the best interests of the company, and to avoid or disclose situations where their private, financial, or other external interests conflict with their job responsibilities.

### Major Shareholders

The share capital amounts to SEK 2,562,149,625 and is fully paid up. The share capital of the Parent is divided into two series of shares, A and B. Both series carry the same rights, except that each Series A share carries the right to one vote and each Series B share carries the right to one tenth of a vote. There are 2,033,452,084 shares, of which 444,987,875 Series A shares and 1,588,464,209 Series B shares as at 31 March 2023.

On 31 March 2023, the following shareholders were known to the Parent to be the largest shareholders of the Parent.

Owner	Holding of A-shares	Holding of B-shares	Holding of A+B-shares	Share of Capital	Share of Votes
Industrivärden	166 600 000	14 600 000	181 200 000	8.9%	27.8%
Geely Holding	88 474 625	78 772 891	167 247 516	8.2%	16.0%
AMF Insurance & Funds	28 500 000	42 360 358	70 860 358	3.5%	5.4%
Alecta	21 132 000	44 829 010	65 961 010	3.2%	4.2%
AFA Insurance	13 885 772	1 162 571	15 048 343	0.7%	2.3%
BlackRock	6 907 386	56 987 187	63 894 573	3.1%	2.1%
Vanguard	6 111 930	54 658 668	60 770 598	3.0%	1.9%
Swedbank Robur Funds	2 183 407	85 021 342	87 204 749	4.3%	1.8%
AP4 Fund	9 585 570	3 015 581	12 601 151	0.6%	1.6%
Norges Bank Investment Management	5 315 049	41 047 659	46 362 708	2.3%	1.6%
Skandia Life	4 910 752	10 572 550	15 483 302	0.8%	1.0%
SHB Funds	469 790	46 431 542	46 901 332	2.3%	0.8%
SEB Funds & Life	160 174	47 719 433	47 879 607	2.4%	0.8%
JP Morgan Asset Management	271 298	34 155 755	34 427 053	1.7%	0.6%
Nordea Funds	607 270	27 749 695	28 356 965	1.4%	0.6%
State Street Global Advisors	1 372 975	10 267 882	11 640 857	0.6%	0.4%
API Fund	0	23 093 937	23 093 937	1.1%	0.4%
Dimensional Fund Advisors	1 201 638	9 684 205	10 885 843	0.5%	0.4%
Länsförsäkringar	580 653	14 379 672	14 960 325	0.7%	0.3%
Government of Japan Pension Investment Fund	1 084 507	9 180 158	10 264 665	0.5%	0.3%
Folketrygdfondet	1 409 336	5 580 829	6 990 165	0.3%	0.3%
If Skadeförsäkring AB	1 287 600	6 397 563	7 685 163	0.4%	0.3%
Fidelity Investments (FMR)	976 372	8 757 771	9 734 143	0.5%	0.3%
SPP Funds & Life	470 198	13 810 170	14 280 368	0.7%	0.3%
Northern Trust	1 017 452	7 799 003	8 816 455	0.4%	0.3%

On 31 March 2023, there were 377,422 shareholders of the Parent's shares registered with the Swedish Securities Register Centre, Euroclear Sweden AB.

The Parent confirms that, to the knowledge of the Parent, as of 31 March 2023, no entity or person directly or indirectly controls the Parent.

### **Auditors**

The Parent's auditors are elected at the annual general meeting. The current auditor is Deloitte AB, which was initially elected at the 2018 Annual General Meeting of the Parent for a period of four years re-elected at the 2022 Annual General Meeting of the Parent for a period of one year, and, thereafter, re-elected at the Meeting of the Parent for another period of one year. Jan Nilsson has been appointed auditor in charge. The address of the auditors can be found on the last page of this Prospectus. Deloitte AB is a member of FAR (the professional institute for authorised public accountants (*auktoriserade revisorer*), approved public accountants (*godkända revisorer*) and other highly qualified professionals in the accountancy sector in Sweden).

### **Litigation**

Starting in January 2011, the Volvo Group, together with a number of other truck manufacturers, was investigated by the European Commission in relation to a possible violation of EU antitrust rules. In July 2016 the European Commission adopted a settlement decision against the Volvo Group and other truck manufacturers finding that they were involved in an antitrust infringement which, in the case of the Volvo Group, covered a 14-year period from 1997 to 2011. The Volvo Group paid a monetary fine of EUR 670 million. Following the adoption of the European Commission's settlement decision, the Volvo Group has received and is defending itself against a significant number of private damages claims brought by customers and other third parties alleging that they suffered loss, directly or indirectly, by reason of the conduct covered in the decision. The claims relate primarily to Volvo Group trucks sold during the 14-year period of the infringement and, in some cases, to trucks sold in certain periods after the infringement ended. Some claims have also been made against the Volvo Group that relate to trucks sold by other manufacturers. The truck manufacturers subject to the 2016 settlement decision are, in most countries, jointly and severally liable for any losses arising from the infringement. In the region of 3,000 claims are being brought in over 20 countries (including EU member states, the United Kingdom, Norway and Israel) by large numbers of claimants either acting individually or as part of a wider group or class of claimants. Further claims may be commenced. The litigation in many countries can be expected to run for several years. Several hundred thousand trucks sold by the Volvo Group are currently subject to claims against it or other truck manufacturers, with claimants alleging that the infringement resulted in an increase in the prices paid for Volvo Group trucks which directly or indirectly caused them loss. The Volvo Group maintains its firm view that no damage was caused to its customers or any third party by the conduct set out in the settlement decision, and in fact, the European Commission did not assess any potential effects on the market. The transaction prices the Volvo Group's customers paid for their trucks were unaffected by the infringement and were the outcome of individual negotiations across all elements of their purchasing requirements, including not only the prices for new trucks but also (where relevant) associated products and services sold together with new trucks such as service contracts, financing, buy-back guarantees etc. Litigation developments so far have been mixed with some adverse developments, although uncertainty remains high and it is inherent in complex litigation that outlooks and risks fluctuate over time. At this stage it is not possible to make a reliable estimate of the total liability that could arise from such proceedings given the complexity of the claims and the different (and in some cases relatively early) stages to which national proceedings have progressed. However, the litigation is substantial in scale and any adverse outcome or outcomes of some or all of the litigation, depending on the nature and extent of such outcomes, may have a material negative impact on the Volvo Group's financial results, cash flows and financial position. The Volvo Group has recognized costs, besides legal fees to advisors, which relate to certain limited aspects of the litigation that are currently possible to estimate and where an outflow of resources is probable. This is Volvo Group's current assessment, which may change depending on the progress of the litigation.

As noted in Note 21 in the Volvo Group Annual Report 2022, the Volvo Group has detected that an emissions control component used in certain markets and models, may degrade more quickly than expected, affecting the vehicles emission performance negatively. The Volvo Group made a provision of SEK 7 billion impacting the operating income in 2018, relating to the estimated costs to address the issue. Negative cash flow effects started in 2019 and will continue in the coming years. The Volvo Group will continuously assess the size of the provision as the matter develops.

The Volvo Group is also involved in a number of legal proceedings other than those described above. The Volvo Group's assessment is that such other legal proceedings in aggregate are not likely to entail any risk of having a material effect on the Volvo Group's financial position.

Further information on the Parent is available on the Volvo Group website:  
<https://www.volvogroup.com/en-en/home.html>

Unless specifically incorporated by reference into this Prospectus, information contained on the Volvo Group website does not form part of this Prospectus.

## TAXATION

**The tax laws of the investors' State and of the Issuer's State of incorporation might have an impact on the income received from 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 amounts under the Notes and the consequences of such actions under the tax laws of those countries.**

The following is a general description of certain Swedish and Luxembourg tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

### **Swedish Taxation**

*The following overview outlines certain Swedish tax consequences of the acquisition, ownership and disposal of Notes. The overview is based on the laws of Sweden as currently in effect and is intended to provide general information only. The overview is not exhaustive and does thus not address all potential aspects of Swedish taxation that may be relevant for a potential investor in the Notes and is neither intended to be nor should be construed as legal or tax advice. In particular, the overview does not address the rules regarding reporting obligations for, among others, payers of interest. Specific tax consequences may be applicable to certain categories of corporations, e.g. investment companies and life insurance companies, not described below. Investors should consult their professional tax advisors regarding the Swedish and foreign tax consequences (including the applicability and effect of double taxation treaties) of acquiring, owning and disposing of Notes in their particular circumstances.*

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

As used herein, a non-resident holder means a holder of Notes who is (a) an individual who is not a resident of Sweden for tax purposes and who has no connection to Sweden other than his/her investment in the Notes, or (b) an entity not organised under the laws of Sweden.

Payments of any principal amount or any amount that is considered to be interest for Swedish tax purposes to a non-resident holder of any Notes should not be subject to Swedish income tax provided that such holder does not carry on business activities through a permanent establishment in Sweden to which the Notes are effectively connected. Under Swedish tax law, no withholding tax is imposed on payments of principal or interest to a non-resident holder of any Notes.

Under Swedish tax law, a capital gain on a sale of Notes by a non-resident holder will not be subject to Swedish income tax unless the non-resident holder of Notes carries on business activities in Sweden through a permanent establishment to which the Notes are effectively connected.

Private individuals who are not resident in Sweden for tax purposes may be liable to capital gains taxation in Sweden upon disposal or redemption of certain financial instruments, depending on the classification of the particular financial instrument for Swedish income tax purposes, if they have been resident in Sweden or have lived permanently in Sweden at any time during the calendar year of disposal or redemption or the ten calendar years preceding the year of disposal or redemption.

#### ***Resident holders of Notes***

As used herein, a resident holder means a holder of Notes who is (a) an individual who is a resident in Sweden for tax purposes or (b) an entity organised under the laws of Sweden.

Generally, for Swedish corporations and private individuals (and estates of deceased individuals) that are resident holders of any 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 the Notes are registered with Euroclear Sweden AB or held by a Swedish nominee in accordance with the Swedish Financial Instruments Accounts Act (SFS 1998:1479), Swedish preliminary taxes are withheld

by Euroclear Sweden AB or by the nominee on payments of amounts that are considered to be interest for Swedish tax purposes to a private individual (or an estate of a deceased individual) that is a resident holder of any Notes.

### **Luxembourg Taxation**

*The following overview is of a general nature and is included herein solely for information purposes. It is based on the laws in force in Luxembourg at the date of this Prospectus, which are subject to changes or different interpretation. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes and 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 refers to Luxembourg tax law and/or concepts only.*

*A holder of the Notes may not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.*

#### **Withholding Tax**

##### *(i) 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 the 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.

##### *(ii) 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**") and 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.

However, under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax at a current rate 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 his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law would be subject to withholding tax at a current rate of 20 per cent.

### **U.S. Foreign Account Tax Compliance Withholding**

The United States has enacted rules, commonly referred to as "**FATCA**", that generally impose a new reporting and withholding regime with respect to certain payments made after 31 December 2018 by entities that are classified as financial institutions under FATCA. The United States has entered into an intergovernmental agreement regarding the implementation of FATCA with other territories, including Sweden (each an "**IGA**"). Under the Sweden IGA, as currently drafted, the Issuer does not expect payments made on or with respect to the Notes to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Notes in the future. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA.

### **The 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 Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No. 1287/2006 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 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 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 (the "**Programme Agreement**") dated 4 May 2023, agreed with the Issuer 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" above. In the Programme Agreement, the Issuer and the Parent have 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. The Dealers are entitled in certain circumstances to be released and discharged from their obligations under the Programme Agreement prior to the closing of the issue of the Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the relevant Issue Date. In this situation, the issuance of the relevant Notes may not be completed. Investors will have no rights against the Issuer or Dealers in respect of any expense incurred or loss suffered in these circumstances.

### United States

The Notes and the guarantee thereof 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.

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 or the guarantee thereof (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 the preceding paragraph and 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.

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 U.S. Treasury regulations thereunder.

The applicable Final Terms will indicate whether TEFRA D rules apply or whether TEFRA is not applicable.

### Prohibition of Sales to EEA Retail Investors

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", 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 Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. 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, "**EU MiFID II**"); or
  - (ii) a customer within the meaning of the Directive (EU) 2016/97 where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; 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.

### **Public Offer Selling Restriction under the EU Prospectus Regulation**

If the Final Terms in respect of any Notes does not include a legend entitled "Prohibition of Sales to EEA Retail Investors", in relation to each Member State of the EEA, 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 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 EU Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU 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 EU 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 EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU 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 "**EU 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 includes a legend entitled "Prohibition of Sales to UK Retail Investors", 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 Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK 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 UK domestic law by virtue of the EUWA; 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 does not include the legend "Prohibition of Sales to UK Retail Investors", 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 Prospectus as completed by the Final Terms in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

(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 UK 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 "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of UK 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 which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons 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 Parent; 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 UK.

#### **France**

Each Dealer has represented and agreed that it has only offered or sold and will only offer or sell, directly or indirectly, Notes in France to qualified investors (*investisseurs qualifiés*) as referred to in Article L.411-2 1° of the French *Code monétaire et financier* and defined in Article 2(e) of the EU Prospectus Regulation and it has only distributed or caused to be distributed and will only distribute or cause to be distributed, in France to such qualified investors, this Prospectus, any Final Terms or any other offering material relating to the Notes.

#### **Japan**

Each Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge, that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "**FIEA**") and has represented and agreed or will represent and agree, as the case may be, 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. 28 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to 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.

### **Switzerland**

Each Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge that this Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (the "**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Each Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge that neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

### **Singapore**

Each Dealer has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed 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 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, as modified or amended from time to time (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 Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities 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:

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

### **General**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will 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 Prospectus or any other information in relation to the Programme or the issue of any Notes thereunder 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 none of the Parent, the Issuer and any other Dealer shall have any responsibility therefore.

None of the Parent, the Issuer and any of 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.

## GENERAL INFORMATION

### 1. *Authorisation*

The establishment, updates and operation of the Programme have been duly authorised by resolutions of the Board of Directors of the Issuer passed on 26 March 1993, 26 August 1994, 15 September 1995, 7 December 1995, 29 November 1996, 16 December 1998, 7 February 2000, 10 October 2003, 6 October 2006, 12 October 2007, 21 October 2014 and 8 December 2022.

The establishment and updates of the Programme, as well as the giving of guarantees in respect of Notes issued under the Programme, have been duly authorised by resolutions of the Board of Directors of the Parent passed on 1 June 1994, 9 June 1995, 26 November 1996, 9 December 1998, 14 February 2000, 7 October 2003, 7 September 2006, 18 October 2007, 16 October 2014 and 7-8 December 2022.

### 2. **Approval, listing and admission to trading of Notes on the Luxembourg Stock Exchange**

This Prospectus has been approved by the CSSF as competent authority under the EU Prospectus Regulation. The CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer or the Parent. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of EU MiFID II.

### 3. **Documents Available**

Copies of the following documents will be available on the website of the Volvo Group (<https://www.volvogroup.com/en-en/investors/debt-information/debt-programmes/emtn-prospectuses-and-supplements.html>) in accordance with the Prospectus Regulation:

- (i) the constitutional documents in English of the Issuer;
- (ii) the constitutional documents in English of the Parent which are available on the following page of the website of the Volvo Group (<https://www.volvogroup.com/en-en/investors/corporate-governance.html>);
- (iii) the Agency Agreement and the Trust Deed (which contains the forms of the Temporary and Permanent Global Notes, the Definitive Notes, the Coupons and the Talons and information relating to the Guarantee);
- (iv) a copy of this Prospectus (including any documents incorporated by reference therein); and
- (v) any future prospectuses, offering circulars, information memoranda, supplements, documents incorporated by reference and Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the EU Prospectus Regulation will only be available for inspection by a holder of such Note and such holders must produce evidence satisfactory to the Issuer or the relevant Paying Agent, as the case may be, as to the identity of such holders) relating to the Programme.

In addition, this Prospectus, any supplement to this Prospectus, any Final Terms relating to Notes which are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, and each document incorporated by reference are available on the Luxembourg Stock Exchange's website ([www.luxse.com](http://www.luxse.com)).

The Green Finance Framework and the Second Party Opinion will be available on the Volvo Group website (<https://www.volvogroup.com/en/investors/debt-information/green-financing.html>). For the avoidance of doubt, the Green Finance Framework and the Second Party Opinion do not form part of, and shall not be incorporated in, this Prospectus.

#### 4. **Clearing Systems**

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

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

#### 5. **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

#### 6. **Yield**

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

#### 7. **Significant or Material Adverse Change**

There has been:

- (i) no significant change in the financial position or financial performance of the Issuer since 31 December 2022.
- (ii) no significant change in the financial position or financial performance of the Parent or the Volvo Group, in each case, since 31 March 2023;
- (iii) no material adverse change in the prospects of the Issuer since 31 December 2022; and
- (iv) no material adverse change in the prospects of the Parent or the Volvo Group, in each case since 31 December 2022, except as disclosed on page 42-73 (Board of Directors' Report 2022) in the Volvo Group Annual Report 2022, on pages 8-10 of the Prospectus under "Short-term risk factors", page 87 of the Prospectus under "Recent Developments – Significant Events" and on pages 89-90 of the Prospectus under "Litigation".

#### 8. **Litigation**

Except as described on pages 89-90, neither the Issuer nor the Parent 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 and/or the Parent are 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, the Parent and/or the Volvo Group.

#### 9. **Auditors**

The auditors of the Parent and the Issuer are Deloitte AB. Deloitte AB is a member of FAR (the professional institute for authorised public accountants (*auktoriserade revisorer*), approved public accountants (*godkända revisorer*) and other highly qualified professionals in the accountancy sector in Sweden). Deloitte AB audited the annual financial statements of the Parent and the Issuer, without qualification, in accordance with generally accepted auditing principles in Sweden for the financial periods ended 31 December 2021 and 31 December 2022.

#### 10. **Certificates and reports**

The Trust Deed provides that the Trustee may rely on certificates or reports from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (together an "**Expert**") in accordance with the provisions of the Trust Deed whether or not any such certificate or report or engagement letter

or other document entered into by the Trustee and the Expert in connection therewith contains any limit on the liability of such Expert.

#### **11. Conflicts**

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 their affiliates in the ordinary course of business and/or for companies involved directly or indirectly in the sector in which the Issuer and/or its affiliates operate, and for which such Dealers have received or may receive customary fees, commissions, reimbursement of expenses and indemnification. Certain of the Dealers may also have positions, deals 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. They have received, or may in the future receive, customary fees and commissions for these transactions.

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. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. 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 short 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.

#### **12. Material Contracts**

The Issuer did not conclude any material contract not entered into in the ordinary course of its business, which could result in it being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes being issued.

The Parent did not conclude any material contract not entered into in the ordinary course of its business, which could result in it being under an obligation or entitlement that is material to the Parent's ability to meet its obligation under the Guarantee.

#### **13. Legal entity identifier (LEI) Code**

The Issuer's LEI Code is 549300PD69T87IGZG395.

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