

# OFFERING CIRCULAR



## Avinor AS

(incorporated with limited liability in Norway)

**€3,000,000,000**

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

Under this €3,000,000,000 Euro Medium Term Note Programme (the **Programme**), Avinor AS (the **Issuer** or **Avinor**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). The Notes may be issued in bearer form or uncertificated book entry form (the **VPS Notes**) cleared through the Norwegian Central Securities Depository, the *Verdipapirsentralen ASA* (the **VPS**).

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €3,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuer (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular 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”.**

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

By approving this Offering Circular, the CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Offering Circular or the quality or solvency of the Issuer. Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme (other than Exempt Notes (as defined below)) to be admitted to trading on the Luxembourg Stock Exchange’s regulated market and to be listed on the Official List of the Luxembourg Stock Exchange.

References in this Offering Circular to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange’s regulated market and have been admitted to the Official List of the Luxembourg Stock Exchange. VPS Notes will be listed on the Oslo Stock Exchange’s regulated market and, in this case, **listed** (and all related references) shall be construed accordingly. Each of the Luxembourg Stock Exchange’s regulated market and the Oslo Stock Exchange’s regulated market is a regulated market for the purposes of Directive 2014/65/EU (as amended, **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 under “*Terms and Conditions of the Notes other than VPS Notes*” and “*Terms and Conditions of the VPS Notes*”) of Notes will (other than in the case of Exempt Notes (as defined below)) be set out in a final terms document (the **Final Terms**) which will be filed with the CSSF. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be

published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). In the case of Exempt Notes, notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the **Pricing Supplement**).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The applicable Final Terms in respect of the issue of any such Notes will specify whether or not such Notes will be admitted to listing on the Official List of and to trading on the Luxembourg Stock Exchange (or any other listing authority, stock exchange and/or quotation system, if applicable). The applicable Pricing Supplement in respect of the issue of any Exempt Notes will specify whether or not such Exempt Notes will be admitted to listing or trading on any non-EEA listing authority, stock exchange and/or quotation system, if applicable.

This Offering Circular (as supplemented as at the relevant time, if applicable) is valid until 16 December 2021 in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the **EEA**) and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. For these purposes, reference(s) to the EEA include(s) the United Kingdom (the **UK**). The obligation to supplement this Offering Circular in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Offering Circular is no longer valid.

The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation (and for these purposes, references to the EEA include the UK). References in this Offering Circular to **Exempt Notes** are to Notes for which no prospectus is required to be published under the Prospectus Regulation. **The CSSF has neither approved nor reviewed information contained in this Offering Circular in connection with Exempt Notes.**

The Issuer has been rated A by S&P Global Ratings Europe Limited (**S&P**) and A1 by Moody's Investors Service Limited (**Moody's**). Each of S&P and Moody's is established in the European Union and the United Kingdom, respectively and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such each of S&P and Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Notes issued under the Programme may be rated or unrated by either of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms (or Pricing Supplement, in the case of Exempt Notes) and will not necessarily be the same as the rating assigned to the Issuer by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

**Arranger**

**BNP PARIBAS**

**Dealers**

**Barclays**

**BNP PARIBAS**

**Danske Bank**

**DNB Markets**

**Nordea**

**SEB**

The date of this Offering Circular is 16 December 2020.

## IMPORTANT INFORMATION

This Offering Circular comprises a base prospectus in respect of all Notes other than Exempt Notes issued under the Programme for the purposes of Article 8 of the Prospectus Regulation. When used in this Offering Circular, **Prospectus Regulation** means Regulation (EU) 2017/1129.

The Issuer accepts responsibility for the information contained in this Offering Circular and the Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

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

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

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer in connection with the Programme.

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

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

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

**IMPORTANT – EEA AND UK RETAIL INVESTORS** – If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) includes a legend entitled “Prohibition of Sales to EEA and 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 EEA or 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 (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

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

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

## **BENCHMARKS REGULATION**

Amounts payable on Floating Rate Notes issued under the Programme may be calculated by reference to LIBOR, EURIBOR, NIBOR and/or STIBOR as specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes). As at the date of this Offering Circular, ICE Benchmark Administration Limited (as administrator of LIBOR), the European Money Markets Institute (as administrator of EURIBOR) and Norske Finansielle Referanser AS (as administrator of NIBOR) are included in ESMA’s register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the **Benchmarks Regulation**). As at the date of this Offering Circular, the administrator of STIBOR is not included in ESMA’s register of administrators under Article 36 of the Benchmarks Regulation.

As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that the Swedish Financial Benchmarks Facility (as administrator of STIBOR) is not currently required to obtain authorisation/registration (or, if located outside the European Union and the United Kingdom, recognition, endorsement or equivalence).

## **IMPORTANT INFORMATION RELATING TO THE USE OF THIS OFFERING CIRCULAR AND OFFERS OF NOTES GENERALLY**

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering

Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the EEA (including, for these purposes, the United Kingdom, the Kingdom of Norway and Belgium), Japan and Singapore, see “*Subscription and Sale*”.

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

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

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

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*”).

Notes denominated in NOK may not be offered, sold or delivered in Norway or to or for the benefit of persons domiciled in Norway, unless in compliance with the regulations relating to the offer of VPS Notes and the registration in the VPS (as defined herein) of VPS Notes.

## PRESENTATION OF INFORMATION

In this Offering Circular, all references to:

- **U.S. dollars** refer to United States dollars;
- **NOK** refers to Norwegian Kroner;
- **Sterling** and **£** refer to pounds sterling; and
- **euro** 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 or Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

## SINGAPORE: SECTION 309B(1)(C) NOTIFICATION

In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (as modified or amended from time to time, the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has, unless otherwise specified before an offer of Notes, determined the classification of all Notes to be issued under the Programme as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

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## OVERVIEW OF THE PROGRAMME

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

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

Words and expressions defined in “*Form of the Notes*”, “*Terms and Conditions of the Notes other than VPS Notes*” and “*Terms and Conditions of the VPS Notes*” shall have the same meanings in this Overview.

Issuer:	Avinor AS
Issuer Legal Entity Identifier (LEI):	5967007LIEEXZX8ZW078
Risk Factors:	There are certain factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme. These are set out under “ <i>Risk Factors</i> ” below and include financial risks, business specific risks and other risks. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under “ <i>Risk Factors</i> ” and include certain risks relating to the structure of particular Series of Notes and certain market risks.
Description:	Euro Medium Term Note Programme
Arranger:	BNP Paribas
Dealers:	Barclays Bank Ireland PLC Barclays Bank PLC BNP Paribas Danske Bank A/S DnB Bank ASA Nordea Bank Abp Skandinaviska Enskilda Banken AB (publ) and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale</i> ”) including the following restrictions applicable at the date of this Offering Circular.

### **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 United Kingdom,



constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (FSMA) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see “*Subscription and Sale*”.

Issuing, Principal Paying and Listing Agent:	BNP Paribas Securities Services, Luxembourg Branch
VPS Agent:	DNB Bank ASA, Verdipapirservice
VPS Trustee:	Nordic Trustee AS
Programme Size:	Up to €3,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. 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:	Subject to any applicable legal or regulatory restrictions, Notes may be denominated in euro, Sterling, Norwegian Kroner, U.S. dollars, yen and any other currency agreed between the Issuer and the relevant Dealer.
Maturities:	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	<p>The Notes will be issued in bearer form or, in the case of VPS Notes, uncertificated book entry form, as specified in the Final Terms or, in the case of Exempt Notes, the Pricing Supplement.</p> <p>Each Note (other than VPS Notes) will on issue be represented by a Temporary Global Note which will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes.</p> <p>VPS Notes will not be evidenced by any physical note or document of title. Entitlements to VPS Notes will be evidenced by the crediting of VPS Notes to accounts with the VPS. VPS Notes will not be exchangeable for Notes in bearer form and <i>vice versa</i>. See “<i>Form of the Notes</i>” below.</p>
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be

agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.

**Floating Rate Notes:**

Floating Rate Notes will bear interest at a rate determined:

- (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or
- (b) on the basis of the reference rate set out in the applicable Final Terms; or
- (c) in the case of Exempt Notes, on such other basis as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Pricing Supplement).

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

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate 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, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

**Zero Coupon Notes:**

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

**Benchmark Replacement:**

In the case of Floating Rate Notes, if a Benchmark Event occurs, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser to determine a Successor Rate, failing which, an Alternative Rate and, in either case, the applicable Adjustment Spread and any Benchmark Amendments (each term as defined in the Terms and Conditions of the Notes other than the VPS Notes and the Terms and Conditions of the VPS Notes), as further described in Condition 4.2(h) of the Terms and Conditions of the Notes other than the VPS Notes and Condition 4.2(i) of the Terms and Conditions of the VPS Notes.

**Exempt Notes:**

The Issuer may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes and this general description of the Programme, in which event the relevant provisions will be included in the applicable Pricing Supplement.

Redemption:	<p>The applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.</p> <p>Unless previously redeemed or purchased and cancelled, each Note, which is not a Zero Coupon Note or an Exempt Note, will be redeemed at an amount equal to at least 100 per cent. of its nominal amount on its scheduled maturity date.</p> <p>Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see “<i>Certain Restrictions - Notes having a maturity of less than one year</i>” above.</p>
Denomination of Notes:	<p>The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “<i>Certain Restrictions - Notes having a maturity of less than one year</i>” above, and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).</p>
Taxation:	<p>All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction as provided in Condition 7 of the Terms and Conditions of the Notes other than VPS Notes and Condition 7 of the Terms and Conditions of the VPS Notes. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 7 of the Terms and Conditions of the Notes other than VPS Notes and Condition 7 of the Terms and Conditions of the VPS Notes, be required to pay additional amounts to cover the amounts so deducted.</p>
Negative Pledge:	<p>The terms of the Notes will contain a negative pledge provision as further described in Condition 3 of the Terms and Conditions of the Notes other than VPS Notes and Condition 3 of the Terms and Conditions of the VPS Notes.</p>
Cross Default:	<p>The terms of the Notes will contain a cross default provision as further described in Condition 9 of the Terms and Conditions of the Notes other than VPS Notes and Condition 9 of the Terms and Conditions of the VPS Notes.</p>

Status of the Notes:	<p>The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 of the Terms and Conditions of the Notes other than VPS Notes and Condition 3 of the Terms and Conditions of the VPS Notes) unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.</p>
Rating:	<p>The Issuer has been rated A by S&amp;P and A1 by Moody's. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement, and will not necessarily be the same as the rating assigned to the Issuer by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>
Listing and admission to trading:	<p>Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made for Notes (other than Exempt Notes) issued under the Programme to be listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange.</p> <p>Applications may be made to list VPS Notes and admit VPS Notes to trading on the regulated market of the Oslo Stock Exchange. Any such applications will be in accordance with applicable laws and regulations governing the listing of VPS Notes on the Oslo Stock Exchange from time to time.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement will state whether or not the relevant Notes are to be VPS Notes or not and whether such Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>
Governing Law:	<p>The Notes (other than the VPS Notes) and any non-contractual obligations arising out of or in connection with such Notes will be governed by, and shall be construed in accordance with, English law.</p> <p>The VPS Notes (save for Conditions 2, 12, 13 and 14 of the Terms and Conditions of the VPS Notes) and any non-contractual obligations arising out of or in connection with such Notes will be governed by, and shall be construed in accordance</p>

with, English law. Conditions 2, 12, 13 and 14 of the Terms and Conditions of the VPS Notes will be governed by and construed in accordance with Norwegian law.

The VPS Notes must comply with the Norwegian Securities Depository Act of 15 March 2019 No. 6, as amended from time to time, and the holders of VPS Notes will be entitled to the rights and subject to the obligations and liabilities which arise under this Act and any related regulations and legislation.

**Selling Restrictions:**

There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including, for these purposes, the United Kingdom, the Kingdom of Norway and Belgium), Japan, Singapore 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*”.

**United States Selling Restrictions:**

Regulation S, Category 2. TEFRA C or D/TEFRA not applicable, as specified in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement.

## **RISK FACTORS**

*In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of risks which individually or together could result in the Issuer becoming unable to make all payments due. It is not possible to identify all such risks, as the Issuer may not be aware of all relevant risks and certain risks which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Offering Circular a number of risks which could materially adversely affect its business and ability to make payments due.*

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

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

### **FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME**

In the text below the risks that are considered most material, are presented first.

#### **Risks related to air traffic volumes**

The traffic income of the Issuer and its subsidiaries (the **Group**) could decline as a result of a reduction in flights, passengers or other factors outside the Group's control. The Group generates traffic income from airport charges and air traffic charges based on passenger numbers, maximum total aircraft weight and distance flown. There are no specific operating contracts with the airlines operating at the Group's airports. There can therefore be no assurance as to the level of the Group's future traffic income from any one or more airline operators.

The COVID-19 pandemic has seriously reduced traffic volumes in 2020. The number of passengers who used Avinor's airports for the period from 1 January to 30 September 2020 was approximately 16.7 million passengers, compared to approximately 41.7 million passengers during the same period in 2019, which reflects a reduction of 59.6 per cent. The number of aircraft movements (meaning the number of times an aircraft landed or took off) at Avinor's airports in the period from 1 January to 30 September 2020 was reduced by 33.5 per cent. compared with the same period in 2019. There is considerable uncertainty as to when traffic volumes for the Group will return to 2019 levels. There is a strong relationship between travel restrictions imposed as a result of the COVID-19 pandemic and reduced demand for air travel.

Decisions by, legal disputes with, financial difficulties at, or the failure of, a significant airline customer, or the withdrawal of their landing rights, could lead to a reduction in flights and passenger numbers and/or failure or delay in recovering airport fees or air traffic charges. The effect of decisions by or events at, airlines that have a major presence at the Group's airports could have a particularly material adverse effect on traffic income for the Group. A high degree of fixed capacity costs and regulated staffing levels make the Group's earnings and financial value vulnerable to changes in air traffic volumes.

The number of passengers using the airports may be affected by several other factors, including:

- Terror, epidemics, volcanic eruptions, extreme weather and similar events of great consequence for operational production or demand for air transport
- Changes in demand for air transport

- Decisions by airlines regarding the number, type and capacity of aircraft, as well as the routes on which particular aircraft are utilised
- Macroeconomic events (including changes in fuel prices and currency exchange rates) whether affecting the global economy or the Norwegian economy
- Competition from non-Avinor Norwegian airports or non-Norwegian airports
- Wars, riots or political action
- Industrial action
- Health scares
- Bad weather at the Group's airports or other airports
- Changes in domestic or international regulation, including for instance international trade liberalisation developments such as Open Skies
- The quality of services and facilities, including the impact of construction projects
- The development of efficient and viable alternatives to air travel, including the improvement or expansion of existing surface transport systems, the introduction of new transport links or technology and the increased use of communications technology

Furthermore, a decrease in passenger numbers or other factors outside the Group's control could reduce non-traffic income. The Group's principal sources of non-traffic income include retail concession fees, car parking income, property rental income and income from the provision of operational facilities and utilities.

Retail concession fees are driven by passenger numbers and propensity of passengers to spend in the shops at the airports. Levels of retail income at the airports may also be affected by changes in the mix of long and short-haul and transfer, origin and destination passengers; economic factors, including exchange rates and changes in duty free regimes; retail tenant failures; lower retail yields on lease re-negotiations; redevelopments or reconfiguration of retail facilities at the airports, which can lead to a temporary or permanent decline in retail concession fees; reduced competitiveness of the airport retail offering; stricter hand luggage and other carry on restrictions; and reduced shopping time as a result of more rigorous and time consuming security procedures. Car parking income could be reduced as a result of increased competition from other modes of transport to the airports, such as buses and trains, as well as increased competition from off-site car parks and targets set for public transport shares. Other non-traffic income could be reduced as a result of a decrease in demand from airport users, such as car rental operators and airlines leasing check-in counters.

Any of the foregoing factors could have a material adverse effect on the Group's business, financial condition and results of operations, and therefore affect the ability of the Issuer to fulfil its obligations under the Notes.

### **Risks regarding international and national measures to reduce climate changes**

Climate risk is traditionally separated into physical risks and transition risks. Physical risks are related to the direct consequences of climate changes, such as higher temperatures and more extreme weather. Transition risks are related to society's adjustments to climate changes, such as new legislations, new technology and changed demand from investors and consumers.

Physical risks can, if not planned for properly, impact punctuality and regularity and increase future operational costs and investment. Transition risk can include national and international policy intervention and consumer preferences and thus affect demand for air travel. Any of the foregoing risks could have a material adverse effect on the Group's business and financial condition, and therefore affect the ability of the Issuer to fulfil its obligations under the Notes.

### **Risks related to investment activities**

The Group runs on-going investment programs to update and renew airport infrastructure and other assets. The ability to manage these investment programs within set time and cost frames is vital for its profitability. Inherent project risk and changes in financing regimes and political trends, may affect the liability of these investments and, as a result, the financial condition of the Group. Due to the ongoing COVID-19 pandemic, the investment activities of the Avinor-group have been carefully reviewed and projects have been put on hold or cancelled. The existing capacity at Avinor airports is considered to be sufficient for the next 3 to 5 years. See also "*Description of the Issuer – Planned and on-going development projects*".

Furthermore, the Group is reliant on its ability and capacity to complete commenced projects that meet defined quality, time and cost requirements. Inflation in the building and construction industry and other business-critical service areas, may hamper the Group's ability to complete projects according to plan, which could have a material adverse effect on the Group's business and results of operations, and therefore affect the ability of the Issuer to fulfil its obligations under the Notes.

There are technical, economic and regulatory risks associated with air navigation projects, including the development of remote-controlled tower services, and the failure to successfully implement such projects could have a material adverse effect on the Group's business and results of operations, and therefore affect the ability of the Issuer to fulfil its obligations under the Notes.

### **Credit risk**

The Group's credit risks are mainly connected to airlines and air traffic-related industries. The Group currently assesses the risk that such customers cannot fulfil their obligations as increasing. To the extent such customers cannot fulfil their obligations to the Group, this could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group has guidelines to limit exposure to possible losses. The Group has not made any third-party guarantees.

Maximum risk exposure is illustrated by the carried amounts of the financial assets, including derivatives in the balance sheet. Since the opposite party in derivative trading is normally banks, the credit risk connected to derivatives is assessed as small. The Group's assessment is that its maximum credit exposure is illustrated by the carried amounts of trade receivables and other short-term assets. A failure by the Issuer to effectively manage its credit risks could have a material adverse effect on the Group's finances and therefore affect the ability of the Issuer to fulfil its obligations under the Notes.

### **Financial market risks**

#### ***Foreign exchange risk***

The Group is exposed to foreign exchange risk with respect to the value of NOK against other currencies caused by income and expenses in foreign currency. The Group's income from en-route charges is exposed to foreign exchange risk while some contractual payments are stipulated in foreign currency. A failure by the Issuer to effectively manage its foreign exchange risk could have a material adverse effect on the Group's finances and therefore affect the ability of the Issuer to fulfil its obligations under the Notes.



### ***Interest rate risk***

The Group is exposed to interest rate risk through its financial activities. Parts of the Group's borrowings are issued at floating interest rates, which means that the Group's finance cost is influenced by changes in the interest rates. The objective of the Group's interest rate management is to keep the volatility of future interest costs within acceptable limits. The Group's policy is to hedge the interest rate of all long-term loans such that at least 60 per cent. of its total debt at all times is hedged for at least 12 months. A failure by the Issuer to effectively manage its interest rate risk could have a material adverse effect on the Group's finances and therefore affect the ability of the Issuer to fulfil its obligations under the Notes.

### ***Liquidity and funding risk***

Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they are due. Avinor depends on the availability of funding and credit to finance future development plans and projects and/or to refinance existing facilities and debt. No assurance can be given that the capital markets and/or syndication markets in which banks operate will be accessible and able to provide debt financing in such amounts and on such terms as may be required at the relevant time. While the Norwegian parliament has, on 19 June 2020, provided Avinor a grant of up to NOK 4,270 million and a one-year postponement of the instalments on Avinor's government debt to counter the consequences of the COVID-19 pandemic on Avinor, the COVID-19 pandemic has had, and will continue to have, a material adverse effect of Avinor's revenue streams and profitability, due to Avinor's revenue sources being based on charges from airlines and passengers; and income from the rental of space for retail operators, tax-free sales, food and beverages, parking, and other passenger services. These revenues are impacted by the ongoing COVID-19 pandemic, which has seen a reduction in the number of passengers using Avinor's airports and the number of aircraft movements at Avinor's airports, and as a result the Group has seen a decrease in its total operating income of 58.7 per cent (exclusive of the Norwegian government's grant), in the period from 1 January to 30 September 2020, as compared with the same period in 2019. A failure by the Issuer to effectively manage its liquidity and funding risks could result in the Issuer not being able to meet its financial obligations when they fall due, and therefore have a material adverse effect on the Group's finances. As a result this may affect the ability of the Issuer to fulfil its obligations under the Notes.

### ***Risks related to regulatory issues***

The business framework within which Avinor operates is influenced by political decisions and potential changes in applicable regulatory framework, including tax regulations, aviation charges regulation, changes in security and safety regulations, as well as general conditions and regulations applicable to the aviation industry at large in the Norwegian market. These factors may influence the Group's production capacity, revenue or profits.

A number of regulatory issues may have an impact on the Group's financial position, including:

- Changes in sectoral policy guidelines and social obligations
- Changes in regulatory requirements relating to safety, security, aviation charges, environment and information and communications technology
- Changes in current requirements concerning airport structure, service and quality level
- Changes in framework conditions relating to continued commercial business development
- Changes in the framework conditions relating to duty free sales

Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations, and therefore affect the Issuer's ability to meet its obligations under the Notes.

## **Environmental issues**

Aviation affects both the local and the global environment. The environmental impact of the airport business relates primarily to aircraft noise; local air, water and ground pollution; and aircraft emissions that may have an impact on the global climate.

The Group is subject to a number of environmental laws, regulations, environmental expectations and reporting requirements. Most significantly, individual environmental permits are granted for all of Avinor's 43 airports, in accordance with the Pollution Control Act. These regulate matters such as discharges of de-icing chemicals, firefighting foams and risk assessments at the airport. With regards to aircraft noise, the Oslo Airport is subject to specific regulation, whereas the other airports are regulated by the general noise requirements under the Pollution Control Act. The Group is also subject to legislation which regulates, amongst other things, biodiversity and cultural heritage. However, lack of compliance with the relevant regulations may result in withdrawal of permits which are required to keep airports open and a consequent reduction in income, which will have an impact on the Group's business and results of operations and therefore affect the Issuer's ability to meet its obligations under the Notes. For further information, see "*Description of the Issuer – Operations – Corporate social responsibility – Environmental Efforts*".

## **State ownership of Avinor AS**

Political and economic policies of the Norwegian state could affect the Group's business and financial position, and therefore affect the Issuer's ability to meet its obligations under the Notes. This may be reflected in decisions relating to the pursuance of the Group's commercial and financial interests, including those relating to dividend distribution policy and/or its strategy on development and operation of airports and air navigation services.

The consideration by the Ministry of Transport (the **MT**) to separate the ownership of the Avinor owned subsidiary, Avinor Flysikring AS, from Avinor, has for the time being put on hold by the MT. Avinor has received no indications as to if, or when, this discussion will be continued.

A disposal of any or all the shares in Avinor Flysikring AS on arm's length terms will, however, not constitute an Event of Default as defined in the Terms and Conditions of the Notes other than the VPS Notes or the Terms and Conditions of the VPS Notes.

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

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

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

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

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

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so

at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

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

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

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

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

***Regulation and reform of benchmarks may adversely affect the value of Notes linked to or referencing such “benchmarks”***

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

It is not possible to predict with certainty whether, and to what extent, LIBOR, EURIBOR, STIBOR and NIBOR will continue to be supported going forwards. This may cause LIBOR, EURIBOR, STIBOR and NIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted. The reform of EURIBOR or the elimination of LIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the conditions of the Notes or result in other consequences in respect of any Notes referencing such benchmarks. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Each of the Terms and Conditions of the Notes other than the VPS Notes and the Terms and Conditions of the VPS Notes provide for certain fallback arrangements in the event that a Benchmark Event (as further described in the Terms and Conditions of the Notes other than the VPS Notes and the Terms and Conditions of the VPS Notes) occurs. Such fallback arrangements will result in any Note linked to or referencing such benchmark performing differently than they would if the relevant benchmark were to continue to apply in its

current form. No consent of the Noteholders, Couponholders, or VPS Noteholders, as applicable, shall be required in connection with effecting any relevant fallback arrangements.

In certain circumstances (including where, following the occurrence of a Benchmark Event, the Independent Adviser appointed by the Issuer fails to make the necessary determination of a Successor Rate or Alternative Rate or (in either case) the applicable Adjustment Spread (each as defined in the conditions of the Notes)), the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. 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.

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

### **Risks related to Notes generally**

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

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

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

The Terms and Conditions of the Notes other than VPS Notes also provide that the Issuer and the Agent may, without the consent of holders of Notes other than VPS Notes, agree to any modification of the Notes other than VPS Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law. Any such modification shall be binding on the holders of Notes other than VPS Notes and the Couponholders as described in Condition 14 of the Terms and Conditions of the Notes other than VPS Notes.

The VPS Trustee Agreement provides that the VPS Trustee may, without the consent of the holders of VPS Notes, make certain modifications to the Terms and Conditions of the VPS Notes or the VPS Trustee Agreement without the prior consent or sanction of such holders of VPS Notes, as further detailed in the Terms and Conditions of the VPS Notes and the VPS Trustee Agreement. The VPS Trustee must notify the holders of VPS Notes of a proposal to effect such modification and the holders of VPS Notes then have at least five Business Days to protest. If a protest is made, then the relevant modification will not be made. If there is no protest, then the relevant modification will be binding on the holders of VPS Notes.

Where the Issuer encounters, or is likely to encounter, financial difficulties that are affecting, or will or may affect, its ability to carry on business as a going concern, it may propose a Restructuring Plan (a **Plan**) with its creditors under Part 26A of the Companies Act 2006 (introduced by the Corporate Insolvency and Governance Act 2020) to eliminate, reduce, prevent or mitigate the effect of any of those financial difficulties. Should this happen, creditors whose rights are affected are organised into creditor classes and can vote on any such Plan (subject to being excluded from the vote by the English courts for having no genuine economic interest in the Issuer). Providing that one class of creditors (who would receive a

payment, or have a genuine economic interest in the Issuer) has approved the Plan, and in the view of the English courts any dissenting class(es) who did not approve the Plan are no worse off under the Plan than they would be in the event of the “relevant alternative” (such as, broadly, liquidation or administration), then the English court can sanction the Plan where it would be a proper exercise of its discretion. A sanctioned Plan is binding on all creditors and members, regardless of whether they approved it. Any such sanctioned Plan in relation to the Issuer may, therefore, adversely affect the rights of Noteholders and the price or value of their investment in the Notes, as it may have the effect of modifying or disapplying certain terms of the Notes (by, for example, writing down the principal amount of the Notes, modifying the interest payable on the Notes, the maturity date or dates on which any payments are due or substituting the Issuer).

#### ***Expected Introduction of Norwegian Withholding Tax / Potential Issuer Redemption for Tax Reasons***

The Norwegian Ministry of Finance has proposed in the Norwegian state budget for 2021 the introduction of a Norwegian withholding tax on payments of interest with effect from 1 July 2021. The proposal in its current form limits the scope of this withholding tax to interest payments made to related parties resident within low tax jurisdictions. A date has not yet been set for the proposal to be implemented into Norwegian law, and the proposal is subject to change before such implementation.

If the Issuer has or will become obliged to pay additional amounts as provided in Condition 7 (in the case of both Notes other than VPS Notes and VPS Notes), the Issuer may (subject to the conditions set out therein) exercise its right to redeem the Notes pursuant to Condition 6.2 (in the case of both Notes other than VPS and VPS Notes).

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

The Terms and Conditions of the Notes other than VPS Notes and any non-contractual obligations arising out of or in connection with such Notes are based on English law in effect as at the date of this Offering Circular.

The Terms and Conditions of the VPS Notes (save for Conditions 2, 12, 13 and 14 of the Terms and Conditions of the VPS Notes) and any non-contractual obligations arising out of or in connection with such Notes are based on English law; Conditions 2, 12, 13 and 14 of the Terms and Conditions of the VPS Notes are governed by Norwegian law, in each case as in effect as at the date of this Offering Circular.

No assurance can be given as to the impact of any possible judicial decision or change to English or Norwegian law or administrative practice after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it.

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

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

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

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

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

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

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

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

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

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

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

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

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

One or more independent credit rating agencies may assign credit ratings to the Issuer 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. In general, European (including the UK) regulated investors are restricted under CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or the UK and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to

transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU and non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered or UK-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating the Notes changes, European (including the UK) regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European (including the UK) regulated investors selling the Notes which may impact the value of the Notes and any secondary market.

## DOCUMENTS INCORPORATED BY REFERENCE

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

- (a) the auditors' report and audited consolidated and non-consolidated annual financial statements for the financial year ended 31 December 2019 of the Issuer (which is published on the website of the Issuer and is available via [https://avinor.no/globalassets/konsern/om-oss/rapporter/en/avinors-annual-report-2019\\_en.pdf](https://avinor.no/globalassets/konsern/om-oss/rapporter/en/avinors-annual-report-2019_en.pdf)) including the information set out at the following pages in particular:

Income Statement .....	Page 68
Statement of Other Comprehensive Income.....	Page 69
Statement of Financial Position.....	Pages 70 to 71
Statement of Changes in Equity .....	Pages 72 to 73
Statement of Cash Flows .....	Pages 74 to 75
Notes to the Financial Statements .....	Pages 76 to 126
Auditor's Report.....	Pages 128 to 131

- (b) the auditors' report and audited consolidated and non-consolidated annual financial statements for the financial year ended 31 December 2018 of the Issuer (which is published on the website of the Issuer and is available via <https://avinor.no/globalassets/konsern/om-oss/rapporter/en/annual-report-2018.pdf>) including the information set out at the following pages in particular:

Income Statement .....	Page 70
Statement of Other Comprehensive Income.....	Page 71
Statement of Financial Position.....	Pages 72 to 73
Statement of Changes in Equity .....	Pages 74 to 75
Statement of Cash Flows .....	Pages 76 to 77
Notes to the Financial Statements .....	Pages 78 to 127
Auditor's Report.....	Pages 129 to 132

- (c) the interim consolidated and non-consolidated financial statements for the nine months ended 30 September 2020 of the Issuer (which is published on the website of the Issuer and is available via <https://avinor.no/globalassets/konsern/om-oss/rapporter/en/interim-financial-report-2020--q3.pdf>) (the **Q3 Interim Financial Report**) including the information set out at the following pages in particular:

Condensed Income Statement .....	Page 9
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Condensed Statement of Comprehensive Income .....	Page 10
Condensed Balance Sheet.....	Pages 11 to 12
Condensed Statement of Changes in Equity.....	Page 13
Condensed Statement of Cash Flows .....	Page 14
Notes to the Interim Financial Statements.....	Pages 15 to 26

- (d) The Terms and Conditions of the Notes other than the VPS Notes and the Terms and Conditions of the VPS Notes contained in: (i) the Offering Circular dated 18 December 2013, prepared by the Issuer in connection with the Programme (which is published on the website of the Issuer and is available via <https://avinor.no/globalassets/konsern/om-oss/finansiell-informasjon/emtn-program/final-offering-circular.pdf>), at pages 46 to 70, in the case of the Terms and Conditions of the Notes other than the VPS Notes and at pages 71 to 93, in the case of the Terms and Conditions of the VPS Notes; (ii) the Offering Circular dated 17 December 2014, prepared by the Issuer in connection with the Programme (which is published on the website of the Issuer and is available via <https://avinor.no/globalassets/konsern/om-oss/finansiell-informasjon/emtn-program/final-prospectus-2014.pdf>), at pages 47 to 72, in the case of the Terms and Conditions of the Notes other than the VPS Notes and at pages 73 to 96, in the case of the Terms and Conditions of the VPS Notes; (iii) the Offering Circular dated 14 December 2016, prepared by the Issuer in connection with the Programme (which is published on the website of the Issuer and is available via [https://avinor.no/globalassets/konsern/om-oss/finansiell-informasjon/emtn-program/icm-25919738-v1-avinor\\_2016\\_-\\_offering\\_circular\\_final.pdf](https://avinor.no/globalassets/konsern/om-oss/finansiell-informasjon/emtn-program/icm-25919738-v1-avinor_2016_-_offering_circular_final.pdf)), at pages 46 to 72, in the case of the Terms and Conditions of the Notes other than the VPS Notes and at pages 73 to 96, in the case of the Terms and Conditions of the VPS Notes; and (iv) the Offering Circular dated 13 December 2019, prepared by the Issuer in connection with the Programme (which is published on the website of the Issuer and is available via <https://avinor.no/globalassets/konsern/om-oss/finansiell-informasjon/gjeldsfinansiering/emtn-obligasjoner/avinor-emtn-programme-update-2019.pdf>), at pages 52 to 82, in the case of the Terms and Conditions of the Notes other than the VPS Notes and at pages 83 to 111, in the case of the Terms and Conditions of the VPS Notes.

Following the publication of this Offering Circular a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Any information in the documents described above that is not referred to above is not incorporated in, and shall not form part of, this Offering Circular. Any such non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Offering Circular.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

## FORM OF THE NOTES

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

The Notes of each Series will be in either bearer form, with or without interest coupons and/or talons attached or, in the case of VPS Notes, uncertificated book entry form.

### **Bearer Notes**

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

- (i) if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); 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, Luxembourg or any other agreed clearing system.

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

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

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

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

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable interest coupons and talons attached upon either (a) not less than 60 days written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Agent as described therein or (b) only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 9) of the Terms and Conditions of the Notes other than the VPS Notes and Condition 9 of the Terms and Conditions of the VPS Notes has occurred and is continuing, or (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 of the Terms and Conditions of the Notes other than the VPS Notes and Condition 11 of the Terms and Conditions of the VPS Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the 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.

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

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes 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, Luxembourg, as the case may be.

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

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 9 of the Terms and Conditions of the Notes other than the VPS Notes and Condition 9 of the Terms and Conditions of the VPS Notes. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and

Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then from 8.00 p.m. (London time) on such day holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the **Deed of Covenant**) dated 15 December 2017 and executed by the Issuer.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event a new Offering Circular will be made available which will describe the effect of the agreement reached in relation to such Notes.

### **VPS Notes**

Each Tranche of VPS Notes will be issued in uncertificated and dematerialised book entry form. Legal title to the VPS Notes will be evidenced by book entries in the records of the VPS. On the issue of such VPS Notes, the Issuer will send a letter to the VPS Trustee, with copies sent to the Agent and the VPS Agent (the **VPS Letter**), which letter will set out the terms of the relevant issue of VPS Notes in the form of a Final Terms supplement attached thereto. On delivery of a copy of such VPS Letter including the relevant Final Terms to the VPS and notification to the VPS of the subscribers and their VPS account details by the relevant Dealer, the account operator acting on behalf of the Issuer will credit each subscribing account holder with the VPS with a nominal amount of VPS Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VPS Notes in the VPS will take place two Oslo business days after the date of the relevant transaction. Transfers of interests in the relevant VPS Notes will only take place in accordance with the rules and procedures for the time being of the VPS.

VPS Notes may not be exchanged for bearer Notes and *vice versa*.

### **General**

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

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes other than Exempt Notes issued under the Programme.*

**[PROHIBITION OF SALES TO EEA AND 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 European Economic Area (**EEA**) or in the United Kingdom (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 (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIPs Regulation.]<sup>1</sup>

**MiFID II product governance** – 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 Directive 2014/65/EU (as amended, **MiFID II**)[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 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.

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (as modified and amended from time to time, the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Notes as [prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)]/[ ].]<sup>2</sup>

[Date]

**AVINOR AS**

**Legal entity identifier (LEI): 5967007LIEEXZX8ZW078**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the €3,000,000,000  
Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

<sup>1</sup> Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA and UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

<sup>2</sup> Legend to be included on front of the Final Terms if the Notes sold into Singapore constitute prescribed capital markets products (as defined under the CMP Regulations 2018) and/or Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and in the MAS Notice FAA-N16: Notice on Recommendations on Investment Products). Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

[Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions of the Notes other than VPS Notes][ the Terms and Conditions of the VPS Notes] set forth in the Offering Circular dated 16 December 2020 [and the supplements to it dated [date] and [date] which together constitute a base prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) (the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Offering Circular, in order to obtain all the relevant information. The Offering Circular has been published on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu).]

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

[Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions of the Notes other than VPS Notes] [the Terms and Conditions of the VPS Notes] (the **Conditions**) set forth in the Offering Circular dated [18 December 2013 / 17 December 2014 / 14 December 2016 / 13 December 2019] which are incorporated by reference in the Offering Circular dated 16 December 2020. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and must be read in conjunction with the Offering Circular dated 16 December 2020 [and the supplement[s] to it dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Offering Circular**), including the Conditions incorporated by reference in the Offering Circular, in order to obtain all the relevant information. The Offering Circular has been published on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu).]

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

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

1.
  - (a) Series Number: [ ]
  - (b) Tranche Number: [ ]
  - (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [date]][Not Applicable]
2. Specified Currency or Currencies: [ ]
3. Aggregate Nominal Amount:
  - (a) Series: [ ]
  - (b) Tranche: [ ]
4. Issue Price: [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]

5. (a) Specified Denominations: [     ]
- (N.B. Notes must have a minimum denomination of EUR 100,000 (or equivalent))*
- (Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:*
- “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)*
- (b) Calculation Amount (in relation to calculation of interest on Notes in global form see Conditions): [     ]
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6. (a) Issue Date: [     ]
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7. Maturity Date: [Specify date/or for Floating rate notes – Interest Payment Date falling in or nearest to [specify month and year]]
8. Interest Basis: [[     ] per cent. Fixed Rate]  
[[     ] month [LIBOR/EURIBOR/NIBOR/STIBOR] +/-  
[     ] per cent. Floating Rate]  
[Zero coupon]  
(see paragraph [13]/[14]/[15]below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100]/[     ] per cent. of their nominal amount
10. Change of Interest Basis: [Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 13 and 14 below and identify there][Not Applicable]
11. Put/Call Options: [Investor Put]  
[Change of Control Put]  
[Issuer Call]  
[Issuer Residual Call]  
[Not Applicable]
- [(see paragraph [17]/[18]/[19]/[20] below)]

12. Date Board approval for issuance of [ ]  
Notes obtained:

*(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

## **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date  
*(Amend appropriately in the case of irregular coupons)*
- (c) Fixed Coupon Amount(s) for Notes in definitive form. (and in relation to Notes in global form see Conditions): [ ] per Calculation Amount
- (d) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[ ] in each year][Not Applicable]  
*(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
14. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Specified Period(s)/Specified Interest Payment Dates: [ ], subject to adjustment in accordance with the Business Day Convention set out in (b) below /, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/[Not Applicable]
- (c) Additional Business Centre(s): [ ]



- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ] (the **Calculation Agent**)
- (f) Screen Rate Determination:
- Reference Rate: [ ] month  
[LIBOR/EURIBOR/NIBOR/STIBOR].
  - Interest Determination Date(s): [ ]  
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR, the second Oslo business day prior to the start of each Interest Period if NIBOR and the second Stockholm business day prior to the start of each Interest Period if STIBOR)
  - Relevant Screen Page: [ ]  
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- (g) ISDA Determination:
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]  
(In the case of a LIBOR, EURIBOR, NIBOR or STIBOR based option, the first day of the Interest Period)
- (N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR, EURIBOR, NIBOR or STIBOR which, depending on market circumstances, may not be available at the relevant time)
- (h) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation [ ] and [ ] (specify for each short or long interest period)]
- (i) Margin(s): [ +/- ] [ ] per cent. per annum

- (j) Minimum Rate of Interest: [ ] per cent. per annum
- (k) Maximum Rate of Interest: [ ] per cent. per annum
- (l) 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. Zero Coupon Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (a) Accrual Yield: [ ] per cent. per annum
- (b) Reference Price: [ ]
- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]  
[Actual/360]  
[Actual/365]

## PROVISIONS RELATING TO REDEMPTION

16. Notice periods for Condition 6.2 of the Terms and Conditions of the Notes other than VPS Notes and Condition 6.2 of the Terms and Conditions of the VPS Notes: Minimum period: [ ] days  
Maximum period: [ ] days
17. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [Reference Bond Basis/[ ] per Calculation Amount]
- (i) [Optional Redemption Margin: [[ ] basis points/Not Applicable]
- (ii) Reference Bond: [CA Selected Bond/[insert reference bond]/Not Applicable]
- (iii) Quotation Time: [5.00 p.m. [Brussels/London/[ ] time]/Not Applicable]
- (iv) Reference Rate Determination Day [The [ ] Business Day preceding the relevant Optional Redemption Date/Not Applicable]
- (c) If redeemable in part:

- (i) Minimum Redemption Amount: [ ]
- (ii) Maximum Redemption Amount: [ ]
- (d) Notice periods: Minimum period: [ ] days  
Maximum period: [ ] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
18. Issuer Residual Call: [Applicable/Not Applicable]  
Residual Call Early Redemption Amount: [ ] per Calculation Amount
19. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [ ] per Calculation Amount
- (c) Notice periods: Minimum period: [ ] days  
Maximum period: [ ] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
20. Change of Control Put: [Applicable/Not Applicable]
21. Final Redemption Amount: [ ] per Calculation Amount
22. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount  
*(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par. If, however, the Final Redemption Amount is other than 100 per cent., of the nominal value, consideration should be given as to what the Early Redemption Amount should be.)*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes:

(a) Form:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

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

[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]

[VPS Notes issued in uncertificated book entry form]

*(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)*

(b) New Global Note:

[Yes][No]

*(If VPS Notes, must be "No")*

24. Additional Financial Centre(s):

[Not Applicable/give details]

*(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest to which sub-paragraphs 14(c) relates)*

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

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

**[THIRD PARTY INFORMATION]**

[Relevant third party information] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Avinor AS:

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 admitted to trading on the Regulated Market of the [Luxembourg][Oslo] Stock Exchange [and listed on the Official List of the Luxembourg Stock Exchange] with effect from [ ].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Ratings: [The Notes to be issued [[have been]/[are expected to be]] rated]:

*[insert details]] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms].*

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

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

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

[Save for 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 its affiliates in the ordinary course of business - Amend as appropriate if there are other interests]

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Offering Circular under Article 23 of the Prospectus Regulation.)]*

#### 4. USE OF PROCEEDS AND ESTIMATED NET PROCEEDS

(i) Use of Proceeds: [See “Use of Proceeds” in the Offering Circular/*Give details*]

*(See “Use of Proceeds” wording in Offering Circular – if use of proceeds is different from what is disclosed in the Offering Circular, give details)*

(ii) Estimated net proceeds: [ ]

#### 5. YIELD (*Fixed Rate Notes Only*)

Indication of yield: [[ ]/Not Applicable]

#### 6. OPERATIONAL INFORMATION

(i) ISIN: [ ]

(ii) Common Code: [ ]

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

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

(v) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]  
[Verdipapirsentralen ASA, Norway  
VPS Identification number [ ]]

(vi) Delivery: Delivery [against/free of] payment

(vii) Names and addresses of additional Paying Agent(s) (if any): [ ]

(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.]

*(If VPS Notes, must be “No”)*

## 7. DISTRIBUTION

- |       |  |   |
|-------|--|---|
| (i)   | Method of distribution:                              | [Syndicated/Non-syndicated]   |
| (ii)  | If syndicated, names of Managers:                    | [Not Applicable/ <i>give names</i> ]                                  |
| (iii) | Stabilisation Manager(s) (if any):                   | [Not Applicable/ <i>give name</i> ]                                   |
| (iv)  | If non-syndicated, name of relevant Dealer:          | [Not Applicable/ <i>give name</i> ]                                   |
| (v)   | U.S. Selling Restrictions:                           | [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]] |
| (vi)  | Prohibition of Sales to EEA and UK Retail Investors: | [Applicable/Not Applicable]   |
| (vii) | Prohibition of Sales to Belgian Consumers:           | [Applicable/Not Applicable]   |

*(N.B. Advice should be taken from Belgian counsel before disapplying this selling restriction)*

## FORM OF PRICING SUPPLEMENT

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

**[PROHIBITION OF SALES TO EEA AND 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 European Economic Area (the **EEA**) or in the United Kingdom (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 (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.<sup>1</sup>

**MiFID II product governance** – 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 Directive 2014/65/EU (as amended, **MiFID II**)[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 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.

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (as amended or modified from time to time, the **SFA**) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has determined the classification of the Notes as [prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)]/[ ].<sup>2</sup>

[Date]

**AVINOR AS**

**Legal entity identifier (LEI): 5967007LIEEXZX8ZW078**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the €3,000,000,000  
Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

<sup>1</sup> Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA and UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

<sup>2</sup> Legend to be included on front of the Pricing Supplement if the Notes sold into Singapore constitute prescribed capital markets products (as defined under the CMP Regulations 2018) and/or Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and in the MAS Notice FAA-N16: Notice on Recommendations on Investment Products). Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.



[Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.]<sup>1</sup>

[This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Offering Circular dated 16 December 2020 [as supplemented by the supplement dated [date] [and [date]], (the **Offering Circular**). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular may be obtained from [ ].]

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

[Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions of the Notes other than VPS Notes] [the Terms and Conditions of the VPS Notes] (the **Conditions**) set forth in the Offering Circular dated [18 December 2013 / 17 December 2014 / 14 December 2016/ 13 December 2019] which are incorporated by reference in the Offering Circular dated 16 December 2020.]

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

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

- |    |     |  |   |
|----|-----|--|---|
| 1. | (a) | Series Number:   | [     ]   |
|    | (b) | Tranche Number:  | [     ]   |
|    | (c) | Date on which the Notes will be consolidated and form a single Series: | The Notes will be consolidated and form a single Series with [ <i>identify earlier Tranches</i> ] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about [date]][Not Applicable] |
| 2. |     | Specified Currency or Currencies:                                      | [     ]   |
| 3. |     | Aggregate Nominal Amount:  |   |
|    | (a) | Series:  | [     ]   |
|    | (b) | Tranche:   | [     ]   |
| 4. |     | Issue Price:   | [   ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ <i>insert date</i> ] ( <i>if applicable</i> )]  |
| 5. | (a) | Specified Denominations:   | [     ]   |

*(N.B. Notes must have a minimum denomination of EUR*

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<sup>1</sup> Do not include if the “Prohibition of Sales to EEA and UK Retail Investors” legend is included (because the Notes potentially constitute “packaged” products and no key information document will be prepared) and the related selling restriction is specified to be “Applicable”.

100,000 (or equivalent))

*(Note – where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:*

*“[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”*))

(b) Calculation Amount (in relation to calculation of interest on Notes in global form see Conditions): [ ]  
*(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*

6. (a) Issue Date: [ ]

(b) Interest Commencement Date: [specify/Issue Date/Not Applicable]  
*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*

7. Maturity Date: [Specify date or for Floating rate notes - Interest Payment Date falling in or nearest to [specify month and year]]

8. Interest Basis: [[ ] per cent. Fixed Rate]  
[[ ] month [LIBOR/EURIBOR/NIBOR/STIBOR] +/-  
[ ] per cent. Floating Rate]  
[Zero coupon]  
(see paragraph [13]/[14]/[15]below)

9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100]/[ ] per cent. of their nominal amount

10. Change of Interest Basis: [Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 13 and 14 below and identify there][Not Applicable]

11. Put/Call Options: [Investor Put]  
[Change of Control Put]  
[Issuer Call]  
[Issuer Residual Call]  
[Not Applicable]  
  
[(see paragraph [17]/[18]/[19]/[20] below)]

12. [Date [Board] approval for issuance of Notes obtained: [ ]]  
  
*(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of*

Notes)

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date  
*(Amend appropriately in the case of irregular coupons)*
- (c) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [ ] per Calculation Amount
- (d) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[ ] in each year][Not Applicable]  
*(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
14. Floating Rate Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Specified Period(s)/Specified Interest Payment Dates: [ ], subject to adjustment in accordance with the Business Day Convention set out in (b) below /, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/[specify other]][Not Applicable]
- (c) Additional Business Centre(s): [ ]
- (d) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (e) Party responsible for calculating [ ] (the **Calculation Agent**)

the Rate of Interest and Interest Amount (if not the Agent):

(f) Screen Rate Determination:

- Reference Rate: [ ] month [LIBOR/EURIBOR/NIBOR/STIBOR/[ ]]  
(Either LIBOR, EURIBOR or other, although additional information is required if other, including fallback provisions in the Agency Agreement.)
- Interest Determination Date(s): [ ]  
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR, the second Oslo business day prior to the start of each Interest Period if NIBOR and the second Stockholm business day prior to the start of each Interest Period if STIBOR)
- Relevant Screen Page: [ ]  
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

(g) ISDA Determination:

- Floating Rate Option: [ ]
- Designated Maturity: [ ]
- Reset Date: [ ]  
(In the case of a LIBOR, EURIBOR, STIBOR or NIBOR based option, the first day of the Interest Period)

*(N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR, EURIBOR, STIBOR or NIBOR which, depending on market circumstances, may not be available at the relevant time)*

(h) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]

(i) Margin(s): [+/-] [ ] per cent. per annum

(j) Minimum Rate of Interest: [ ] per cent. per annum

(k) Maximum Rate of Interest: [ ] per cent. per annum

(l) 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. Zero Coupon Note Provisions [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(a) Accrual Yield: [ ] per cent. per annum

(b) Reference Price: [ ]

(c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]  
 [Actual/360]  
 [Actual/365]

## PROVISIONS RELATING TO REDEMPTION

16. Notice periods for Condition 6.2 of the Terms and Conditions of the Notes other than VPS Notes and Condition 6.2 of the Terms and Conditions of the VPS Notes: Minimum period: [ ] days  
 Maximum period: [ ] days

17. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

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

(b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [Reference Bond Basis/[ ] per Calculation Amount]

(i) Optional Redemption Margin: [[ ] basis points/Not Applicable]

(ii) Reference Bond: [CA Selected Bond/[insert reference bond]/Not Applicable]

(iii) Quotation Time [5.00 p.m. [Brussels/London/[ ] time]/Not Applicable]

(iv) Reference Rate Determination Day: [The [ ] Business Day preceding the relevant Optional Redemption Date/Not Applicable]

(c) If redeemable in part:

(i) Minimum Redemption Amount: [ ]

- (ii) Maximum Redemption Amount: [ ]
- (d) Notice periods: Minimum period: [ ] days  
Maximum period: [ ] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
18. Issuer Residual Call: [Applicable/Not Applicable]  
Residual Call Early Redemption Amount: [ ] per Calculation Amount
19. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount: [ ] per Calculation Amount
- (c) Notice periods: Minimum period: [ ] days  
Maximum period: [ ] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
20. Change of Control Put: [Applicable/Not Applicable]
21. Final Redemption Amount: [ ] per Calculation Amount
22. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount  
*(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par. If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be.)*
23. Other final terms: [Not Applicable][ ]

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:

(a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

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

[Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]

[VPS Notes issued in uncertificated book entry form]

*(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)*

(b) New Global Note: [Yes][No]

*(If VPS Notes, must be "No")*

25. Additional Financial Centre(s):

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

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

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

[[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Avinor AS:

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 and admitted to trading on the Regulated Market of the [Luxembourg][Oslo] Stock Exchange with effect from [ ].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Ratings: [The Notes to be issued [[have been]/[are expected to be]] rated]:

[insert details]] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms].

### 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 its affiliates in the ordinary course of business - *Amend as appropriate if there are other interests*]

### 4. YIELD (Fixed Rate Notes Only)

Indication of yield: [[ ]/Not Applicable]

### 5. OPERATIONAL INFORMATION

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



- assigned the ISIN/Not Applicable/Not Available]
- (v) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]  
[Verdipapirsentralen ASA, Norway  
VPS Identification number [ ]]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): [ ]
- (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.]
- (If VPS Notes, must be “No”)*

## 6. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/*give name*]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]
- (v) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (vi) Prohibition of Sales to EEA and UK [Applicable/Not Applicable]

Retail Investors

- (vii) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]

*(N.B. Advice should be taken from Belgian counsel before disapplying this selling restriction)*

## TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE VPS NOTES

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

This Note is one of a Series (as defined below) of Notes issued by Avinor AS (the **Issuer**) pursuant to the Agency Agreement (as defined below).

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

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

The Notes and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 13 December 2019 and made between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as issuing and principal paying agent and agent bank (the **Agent**, which expression shall include any successor agent, and together with any additional or successor paying agents appointed from time to time, the **Paying Agents**).

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the **Conditions**) or, if this Note is a Note which is neither admitted to trading on 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 Prospectus Regulation (an **Exempt Note**), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. Any reference in the Conditions to **applicable Final Terms** shall be deemed to include a reference to **applicable Pricing Supplement** where relevant. The expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

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

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons. As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (such Deed of Covenant as modified and/or supplemented and/or restated from time to time, the **Deed of Covenant**) dated 15 December 2017 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

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

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

In the Conditions, **euro** means 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.

## **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 denominations (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 or a Zero Coupon Note, or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

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

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

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer 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 and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

## 2. STATUS OF THE NOTES

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

## 3. NEGATIVE PLEDGE

### 3.1 Negative Pledge

So long as any of the Notes remains outstanding, the Issuer will not, and the Issuer will procure that none of its Subsidiaries will, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a **Security Interest**) upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Issuer and/or any of its Subsidiaries to secure any Relevant Indebtedness (as defined below) unless the Issuer, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

- (a) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or
- (b) such other Security Interest or guarantee or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

### 3.2 Interpretation

In these Conditions:

- (a) **Relevant Indebtedness** means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being

quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and (ii) any guarantee or indemnity of any such indebtedness; and

- (b) **Subsidiary** means, in relation to the Issuer, any company (i) in which the Issuer holds a majority of the voting rights, (ii) of which the Issuer is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which the Issuer is a member and controls a majority of the voting rights, and includes any company which is a Subsidiary of a Subsidiary of the Issuer.

## 4. INTEREST

### 4.1 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 the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

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

- (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 Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In the Conditions:

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4.1:

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

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

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

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

## 4.2 Interest on Floating Rate Notes

### (a) 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:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) 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. In the Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement

Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day 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:

- (A) in any case where Specified Periods are specified in accordance with Condition 4.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) 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
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) 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
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, **Business Day** means:

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

**(b) 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 in the applicable Final Terms.

- (i) ISDA Determination for Floating Rate Notes



Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will (subject to Condition 4.2(e)) be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent or the Calculation Agent, as applicable, under an interest rate swap transaction if the Agent or the Calculation Agent, as applicable, were acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

If no Minimum Rate of Interest is specified in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below and in Condition 4.2(e), be either:

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

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR, EURIBOR, NIBOR or STIBOR as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified 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 or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (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 the Specified Time, the Issuer shall appoint a Determination Agent and the Determination Agent shall request each of the Reference Banks to provide it with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at

approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Determination Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Determination Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Determination Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Determination Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Determination Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Norwegian inter-bank market (if the Reference Rate is NIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Determination Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Determination Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Norwegian inter-bank market (if the Reference Rate is NIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) 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).

In the case of Exempt Notes, if the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR, EURIBOR, NIBOR or STIBOR, the Rate of Interest in respect of the Notes will be determined as provided in the applicable Pricing Supplement.

In this Condition 4.2(b)(ii):

**Determination Agent** means a leading investment bank which is an active market participant in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Stockholm inter-bank market (if the Reference Rate is STIBOR) or the Norwegian inter-bank market (if the Reference Rate is NIBOR);

**Reference Banks** means (w) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, (x) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, (y) in the case of a determination of NIBOR, the principal Oslo office of four major banks in the Oslo inter-bank market or (z) in the case of a determination

of STIBOR, the principal Stockholm office of four major banks in the Stockholm inter-bank market, in each case selected by the Determination Agent or as specified in the applicable Final Terms; and

**Specified Time** means 11.00 a.m. (London time) if the Reference Rate is LIBOR, 11.00 a.m. (Brussels time) if the Reference Rate is EURIBOR, 11.00 a.m. (Stockholm time) if the Reference Rate is STIBOR or 12.00 noon (Oslo time) if the Reference Rate is NIBOR.

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

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

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

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

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

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

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

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

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4.2:

- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

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

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

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;

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

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

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;

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

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

where:

“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.

**(e) 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 Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on:

- (i) the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Final Terms as being the manner in which the Rate of Interest is to be determined); or
- (ii) the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Final Terms as being the manner in which the Rate of Interest is to be determined),

one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then

the Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

For the purposes of this Condition 4.2(e) **Designated Maturity** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

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

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

**(g) Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2 by the Agent or the Calculation Agent, as applicable, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Agent or the Calculation Agent, as applicable, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

**(h) Benchmark Discontinuation**

*(i) Independent Adviser and Issuer*

If a Benchmark Event occurs in relation to an Original Reference Rate at any time when these Conditions provide for any remaining Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4.2(h)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 4.2(h)(iii)), and any Benchmark Amendments (in accordance with Condition 4.2(h)(iv)).

An Independent Adviser appointed pursuant to this Condition 4.2(h)(i) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Agent, any Calculation Agent, the Noteholders or the Couponholders for any determination made by it pursuant to Condition 4.2(h).

*(ii) Successor Rate or Alternative Rate*

If the Independent Adviser determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.2(h)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4.2(h)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4.2(h)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 4.2(h)).

(iii) *Adjustment Spread*

If any Successor Rate or Alternative Rate is determined in accordance with Condition 4.2(h)(ii), the Independent Adviser shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 4.2(h) and the Independent Adviser determines (A) that amendments to these Conditions are necessary to follow market practice or to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.2(h)(v), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

(v) *Notices*

The Issuer will promptly notify the Agent, any Calculation Agent and, in accordance with Condition 13, the Noteholders and Couponholders promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 4.2(h). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

The Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and the Benchmark Amendments (if any) will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the applicable Adjustment Spread and the Benchmark Amendments (if any)) be binding on the Issuer, the Agent, any Calculation Agent, the Noteholders and the Couponholders as of their effective date.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under the provisions of this Condition 4.2(h), the Original Reference Rate and the fallback provisions provided for in Condition 4.2(b) will continue to apply unless and until a Benchmark Event has occurred in respect of the relevant Original Reference Rate.

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest (or any component part thereof) on the relevant Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) or (in either case) applicable Adjustment Spread is determined and notified to the Agent or the Calculation Agent, if any, in each case in accordance with this Condition 4.2(h), prior to such Interest Determination Date, the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest (or any component part thereof) on such Interest Determination Date, with the effect that the fallback provisions provided for in Condition 4.2(b) will (if applicable) continue to apply to such determination.

For the avoidance of doubt, this Condition 4.2(h)(vii) shall apply to the determination of the Rate of Interest (or any component part thereof) on the relevant Interest Determination Date only, and the Rate of Interest (or any component part thereof) applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.2(h).

(viii) *Definitions*

In these Conditions:

**Adjustment Spread** means either (x) a spread (which may be positive, negative or zero), or (y) a formula or methodology for calculating a spread, which in either case is to be applied to the Successor Rate or the Alternative Rate (as the case may be) in accordance with Condition 4.2(h)(iii), and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) in the case of an Alternative Rate or (where (A) above does not apply) in the case of a Successor Rate, the Independent Adviser determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (C) (if the Independent Adviser determines that neither (A) nor (B) above applies) the Independent Adviser determines to be appropriate, having regard to the objective, to the extent reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

**Alternative Rate** means an alternative to the Original Reference Rate which the Independent Adviser determines in accordance with Condition 4.2(h)(ii) has replaced the



Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for debt securities with a commensurate interest period and in the same Specified Currency as the Notes, or if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines in its sole discretion is most comparable to the Original Reference Rate;

**Benchmark Amendments** has the meaning given to it in Condition 4.2(h)(iv);

**Benchmark Event** means, with respect to an Original Reference Rate:

- (A) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered; or
- (B) the later of (1) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (2) the date falling six months prior to the specified date referred to in (B)(1); or
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued; or
- (D) the later of (1) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (2) the date falling six months prior to the specified date referred to in (D)(1); or
- (E) the later of (1) 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 (2) the date falling six months prior to the specified date referred to in (E)(1); or
- (F) it has or will prior to the next Interest Determination Date become unlawful for the Issuer, the Agent, the Calculation Agent or any Paying Agent to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate; or
- (G) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used;

**Independent Adviser** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international debt capital markets appointed by the Issuer, at its own expense, under Condition 4.2(h)(i);

**Original Reference Rate** means the benchmark or screen rate (as applicable) originally specified for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s) (provided that if, following one or more Benchmark Event(s), such originally-specified benchmark or screen rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further)

Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term **Original Reference Rate** shall include any such Successor Rate or Alternative Rate);

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

- (A) the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which the Original Reference Rate relates, (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (3) a group of the aforementioned central banks or other supervisory authorities or (4) the Financial Stability Board or any part thereof; and

**Successor Rate** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

#### **4.3 Accrual of interest**

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

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

### **5. PAYMENTS**

#### **5.1 Method of payment**

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

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

(without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto.

## **5.2 Presentation of definitive Notes and Coupons**

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 5.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

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

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

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

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

## **5.3 Payments in respect of Global Notes**

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

#### 5.4 General provisions applicable to payments

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

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

- (a) 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;
- (b) 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
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

#### 5.5 Payment Day

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

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

## **5.6 Interpretation of principal and interest**

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

- (a) any additional amounts which may be payable with respect to principal under Condition 7;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) the Residual Call Early Redemption Amount (if any) of the Notes; and
- (f) 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 the Conditions to **interest** in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

## **6. REDEMPTION AND PURCHASE**

### **6.1 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, in the case of Notes other than Zero Coupon Notes or Exempt Notes, shall be an amount equal to at least 100 per cent. of its nominal amount) in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### **6.2 Redemption for tax reasons**

Subject to Condition 6.7, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

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

Prior to the publication of any notice of redemption pursuant to this Condition 6.2, the Issuer shall deliver to the Agent to make available at its specified office to the Noteholders (i) a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting

forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6.2 will be redeemed at their Early Redemption Amount referred to in Condition 6.7 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### **6.3 Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or (if redemption in part is specified as being applicable in the applicable Final Terms) some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. If redemption in part is specified as being applicable in the applicable Final Terms, any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption.

In this Condition 6.3, **Optional Redemption Amount(s)** means:

- (a) if Reference Bond Basis is specified in the applicable Final Terms, (A) the outstanding principal amount of the relevant Note or (B) if higher, the sum, as determined by the Calculation Agent, of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the Optional Redemption Date on an annual basis (assuming a 360 day year consisting of twelve 30 day months) at the Reference Rate plus the Optional Redemption Margin specified in the applicable Final Terms, where:

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

**Calculation Agent** means a leading investment, merchant or commercial bank appointed by the Issuer for the purposes of calculating the Optional Redemption Amount, and notified to the Noteholders in accordance with Condition 13;

**Reference Bond** means (A) if CA Selected Bond is specified in the applicable Final Terms, the relevant CA Selected Bond or (B) if CA Selected Bond is not specified in the applicable Final Terms, the security specified in the applicable Final Terms;

**Reference Bond Price** means (i) the average of five Reference Market Maker Quotations for the relevant Optional Redemption Date, after excluding the highest and lowest Reference Market Maker Quotations, (ii) if the Calculation Agent obtains fewer than five, but more than one, such Reference Market Maker Quotations, the average of all such quotations, or (iii) if only one such Reference Market Maker Quotation is obtained, the amount of the Reference Market Maker Quotation so obtained;

**Reference Market Maker Quotations** means, with respect to each Reference Market Maker and any Optional Redemption Date, the average, as determined by the Calculation Agent, of the bid and asked prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Calculation Agent at the Quotation Time specified in the applicable Final Terms on the Reference Rate Determination Day specified in the applicable Final Terms;

**Reference Market Makers** means five brokers or market makers of securities such as the Reference Bond selected by the Calculation Agent or such other five persons operating in the market for securities such as the Reference Bond as are selected by the Calculation Agent in consultation with the Issuer; and

**Reference Rate** means, with respect to any Optional Redemption Date, the rate per annum equal to the equivalent yield to maturity of the Reference Bond, calculated using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Optional Redemption Date. The Reference Rate will be calculated on the Reference Rate Determination Day specified in the applicable Final Terms; or

- (b) if Reference Bond Basis is not specified in the applicable Final Terms, such amount(s) as are specified in, or determined in the manner specified in, these Conditions as completed by the applicable Final Terms.

#### **6.4 Issuer Residual Call**

If Issuer Residual Call is specified as being applicable in the applicable Final Terms and, at any time, the outstanding aggregate nominal amount of the Notes is 20 per cent. or less of the aggregate nominal amount of the Series issued, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 and not more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption) at the Residual Call Early Redemption Amount together, if appropriate, with interest accrued to (but excluding) the date of redemption.

#### **6.5 Redemption at the option of the Noteholders (Investor Put)**

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

To exercise the right to require redemption of this Note under this Condition 6.5 the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition 6.5 and the Put Notice must be 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, Luxembourg, to exercise the right to require redemption of this Note under this Condition 6.5 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, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg 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, Luxembourg from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg by a holder of any Note pursuant to this Condition 6.5 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6.5 and instead to declare such Note forthwith due and payable pursuant to Condition 9.

## **6.6 Redemption at the option of the Noteholders (Change of Control Put Event)**

If Change of Control Put is specified as being applicable in the applicable Final Terms and at any time while any Note remains outstanding a Change of Control occurs, the holder of each Note will have the option (the **Change of Control Put Option**) (unless, prior to the giving of the Change of Control Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Notes under Condition 6.2) to require the Issuer to redeem or, at the Issuer's option, to purchase (or procure the purchase of) that Note on the Optional Redemption Date (Change of Control) (as defined below) at its principal amount together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date (Change of Control).

A **Change of Control** shall be deemed to occur if the Kingdom of Norway ceases to (a) own, directly or indirectly, 100 per cent. of the issued share capital of the Issuer, or (b) control the Issuer, and for the purposes of this definition **control** means the power to direct the management and policies of the Issuer or to control the composition of its board of directors or other equivalent body, whether through the ownership of share capital, by contract or otherwise.

If a Change of Control occurs the Issuer shall, within 14 days of the occurrence of the Change of Control, give notice (a **Change of Control Put Event Notice**) to the Noteholders in accordance with Condition 13 specifying the nature of the Change of Control and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 6.6.

To exercise the right to require redemption or, as the case may be, purchase of this Note under this Condition 6.6 the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the **Put Period**) of 45 days after that on which a Change of Control Put Event Notice is given, 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 Exercise Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under



this Condition 6.6 accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Exercise Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption or, as the case may be, purchase of this Note under this Condition 6.6 the holder of this Note must, within the Put Period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg 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, Luxembourg from time to time.

Any Put Exercise Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 6.6 shall be irrevocable except where, prior to the due date of redemption or purchase, as applicable, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Put Exercise Notice given pursuant to this Condition 6.6 and instead to declare such Note forthwith due and payable pursuant to Condition 9.

The Paying Agent to which this Note and Put Exercise Notice are delivered will issue to the holder concerned a non-transferable receipt (a **Change of Control Put Option Receipt**) in respect of this Note so delivered or, in the case of a Global Note or Note in definitive form held through Euroclear or Clearstream, Luxembourg, notice so received. The Issuer shall redeem or, at the option of the Issuer, purchase (or procure the purchase of) each Note in respect of which a Change of Control Put Option Receipt has been issued on the date (the **Optional Redemption Date (Change of Control)**) which is the seventh day after the last day of the Put Period, unless previously redeemed or purchased. Payment in respect of any Note so delivered will be made, if the holder duly specified a bank account to which payment is to be made in the Put Exercise Notice, on the Optional Redemption Date (Change of Control) by transfer to that bank account and in every other case on or after the Optional Redemption Date (Change of Control), in each case against presentation and surrender or (as the case may be) endorsement of such Change of Control Put Option Receipt at the specified office of any Paying Agent in accordance with the provisions of this Condition 6.6.

## 6.7 Early Redemption Amounts

For the purpose of Condition 6.2 above and Condition 9:

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

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

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)

## **6.8 Purchases**

The Issuer or any Subsidiary of the Issuer 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. All Notes so purchased may be held, reissued, resold or, at the option of the Issuer, surrendered to a Paying Agent for cancellation.

## **6.9 Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 6.8 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

## **6.10 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 Condition 6.1, 6.2, 6.3, 6.4, 6.5 or 6.6 above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6.7(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

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

## **7. TAXATION**

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) presented for payment in the Kingdom of Norway; or
- (b) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5.5).

As used herein:

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

## 8. PRESCRIPTION

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

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5.2 or any Talon which would be void pursuant to Condition 5.2.

## 9. EVENTS OF DEFAULT

### 9.1 Events of Default

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

- (a) if default is made in the payment in the Specified Currency of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days (in the case of principal) or 14 days (in the case of interest); or
- (b) if the Issuer fails to perform or observe any of its other obligations under the Conditions and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on the Issuer of notice requiring the same to be remedied; or
- (c) if (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer or any of its Material Subsidiaries is declared or otherwise becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Issuer or any of its Material Subsidiaries fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (after the expiry of any originally applicable grace period); (iii) any security given by the Issuer or any of its Material Subsidiaries for any Indebtedness for

Borrowed Money becomes enforceable; or (iv) default is made by the Issuer or any of its Material Subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this Condition 9.1(c) shall constitute an Event of Default unless the relevant amount of Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above, amounts to at least €20,000,000 (or its equivalent in any other currency); or

- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any of its Material Subsidiaries, save (i) for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution (as defined in the Agency Agreement) or (ii) in the case of a Material Subsidiary of the Issuer, in connection with a Permitted Reorganisation; or
- (e) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, or if any of the Issuer's Material Subsidiaries ceases or threatens to cease to carry on the whole or substantially the whole of its business, save in each case (A) for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution or (B) in connection with a Permitted Reorganisation or a Permitted Disposal, or (ii) the Issuer or any of its Material Subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (f) if (A) proceedings are initiated against the Issuer or any of its Material Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any of its Material Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrance takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them and (B) in any case (other than the appointment of an administrator) is not discharged within 45 days; or
- (g) if the Issuer or any of its Material Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors),

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

## 9.2 Definitions

For the purposes of the Conditions:

- (a) **Indebtedness for Borrowed Money** means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance or acceptance credit;
- (b) **Material Subsidiary** means at any time a Subsidiary of the Issuer:
  - (i) whose total operating income (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent in each case (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, are equal to) not less than five (5) per cent. of the consolidated total operating income of the Issuer, or, as the case may be, consolidated total assets, of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries, provided that in the case of a Subsidiary of the Issuer acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, the reference to the then latest audited consolidated accounts of the Issuer and its Subsidiaries for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by the Issuer;
  - (ii) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately prior to such transfer is a Material Subsidiary, provided that the transferor Subsidiary shall upon such transfer forthwith cease to be a Material Subsidiary and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph (ii) on the date on which the consolidated accounts of the Issuer and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (i) above or, prior to or after such date, by virtue of any other applicable provision of this definition; or
  - (iii) to which is transferred an undertaking or assets which, taken together with the undertaking or assets of the transferee Subsidiary, generated (or, in the case of the transferee Subsidiary being acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, generate operating income equal to) not less than five (5) per cent. of the consolidated total operating income of the Issuer, or represent (or, in the case aforesaid, are equal to) not less than five (5) per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (i) above, provided that the transferor Subsidiary (if a Material Subsidiary) shall upon such transfer forthwith cease to be a Material Subsidiary

unless immediately following such transfer its undertaking and assets generate (or, in the case aforesaid, generate operating income equal to) not less than five (5) per cent. of the consolidated total operating income of the Issuer, or its assets represent (or, in the case aforesaid, are equal to) not less than five (5) per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (i) above, and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph (iii) on the date on which the consolidated accounts of the Issuer and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (i) above or, prior to or after such date, by virtue of any other applicable provision of this definition,

all as more particularly defined in the Agency Agreement;

- (c) **Permitted Disposal** means a disposal of any or all of the Issuer's air navigation services division on arm's length terms; and
- (d) **Permitted Reorganisation** means any disposal by any of the Issuer's Subsidiaries or (for the purposes of Condition 9.1(e)(i) only) the Issuer (such entity the **disposing entity**), to the Issuer or any of other Subsidiary of the Issuer, of the whole or substantially the whole of the disposing entity's business.

## 10. REPLACEMENT OF NOTES, COUPONS AND TALONS

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

## 11. PAYING AGENTS

The names of the initial Paying Agents 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 is 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:

- (a) there will at all times be an Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any 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 the relevant stock exchange or other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5.4. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 13.

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

## **12. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of 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 8.

## **13. NOTICES**

All notices regarding the Notes will be deemed to be validly given if published (a) in a leading English language daily newspaper of general circulation in London and (b) if and for so long as the Notes are admitted to trading on, and listed on the Official List of, the Luxembourg Stock Exchange and the rules of that exchange so require, in a daily newspaper of general circulation in Luxembourg and/or on the Luxembourg Stock Exchange's website, [www.bourse.lu](http://www.bourse.lu). It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and the *Luxemburger Wort* or the *Tageblatt* in Luxembourg. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

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

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

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

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

The Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law. Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

In addition, the Issuer may, without the consent of the Noteholders or the Couponholders, amend these Conditions to give effect to any Benchmark Amendments in the circumstances and as otherwise set out in Condition 4.2(h)(iv) above.

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

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

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

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



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

### **17.1 Governing law**

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

### **17.2 Submission to jurisdiction**

- (a) Subject to Condition 17.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a **Dispute**) and accordingly each of the Issuer and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 17.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **17.3 Appointment of Process Agent**

The Issuer irrevocably appoints Saville & Co. Notaries at One Carey Lane, London EC2V 8AE as its agent for service of process in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of Saville & Co. Notaries being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

### **17.4 Waiver of immunity**

The Issuer irrevocably and unconditionally with respect to any Dispute (i) waives any right to claim sovereign or other immunity from jurisdiction, recognition or enforcement and any similar argument in any jurisdiction, (ii) submits to the jurisdiction of the English courts and the courts of any other jurisdiction in relation to the recognition of any judgment or order of the English courts or the courts of any competent jurisdiction in relation to any Dispute and (iii) consents to the giving of any relief (whether by way of injunction, attachment, specific performance or other relief) or the issue of any related process, in any jurisdiction, whether before or after final judgment, including without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Dispute.

### **17.5 Other documents**

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

## TERMS AND CONDITIONS OF THE VPS NOTES

*The following are the Terms and Conditions of the VPS Notes. VPS Notes will not be evidenced by any physical note or document of title other than a statement of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book entry system and register maintained by the VPS. The applicable Pricing Supplement in relation to any Tranche of VPS Notes which are Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such VPS Notes. Reference should be made to “Applicable Final Terms” or “Applicable Pricing Supplement”, as applicable, for a description of the content of the Final Terms or Pricing Supplement which will specify which of such terms are to apply in relation to the relevant VPS Notes.*

Each VPS Note is one of a Series (as defined below) of VPS Notes issued by Avinor AS (the **Issuer**) and each VPS Note will be issued in accordance with and subject to the trust agreement (such trust agreement as modified and/or supplemented and/or restated from time to time, the **VPS Trustee Agreement**) dated 16 December 2020 made between the Issuer and Nordic Trustee AS (the **VPS Trustee** and the **Calculation Agent**, as applicable, each of which expression shall include any successor as VPS Trustee or Calculation Agent (as applicable)).

References herein to the **VPS Notes** shall be references to the VPS Notes of the relevant Series and shall mean notes cleared through the Norwegian Central Securities Depository, the *Verdipapirsentralen ASA* (the **VPS**).

The VPS Notes have the benefit of an agency agreement (such agency agreement as amended and/or supplemented and/or restated from time to time, the **VPS Agency Agreement**) dated 13 November 2013 and made between the Issuer and DNB Bank ASA, Verdipapirservice as VPS agent (the **VPS Agent**, which expression shall include any successor VPS agent).

Each Tranche of VPS Notes will be created and held in uncertificated book entry form in accounts with the VPS. The VPS Agent will act as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes as detailed in the VPS Agency Agreement.

The final terms for any Tranche of VPS Notes (or the relevant provisions thereof) are set out in Part A of the Final Terms prepared in connection with the relevant Tranche of VPS Notes, which complete these Terms and Conditions of the VPS Notes (the **VPS Conditions**) or, if the relevant VPS Notes are VPS Notes which are 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 Prospectus Regulation, (an **Exempt Note**), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the VPS Conditions, replace or modify the VPS Conditions for the purposes of the relevant VPS Notes. References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) prepared in connection with the relevant Tranche of VPS Notes. Any reference in the VPS Conditions to **applicable Final Terms** shall be deemed to include a reference to **applicable Pricing Supplement** where relevant. The expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

The VPS Trustee acts for the benefit of the holders for the time being of the VPS Notes (the **VPS Noteholders** or the **holders of VPS Notes**), in accordance with the provisions of the VPS Trustee Agreement and these VPS Conditions.

As used herein, **Tranche** means VPS Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of VPS Notes together with any further Tranche or Tranches of VPS Notes which are (a) expressed to be consolidated and form a single series and (b) have the

same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the VPS Agency Agreement and the VPS Trustee Agreement are available for inspection during normal business hours at the specified office of the VPS Agent and at the registered office for the time being of the VPS Trustee at the date hereof at Kronprinsesse Märthas plass 1, 0160 Oslo, Norway. If the VPS Notes are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). If the VPS Notes are to be admitted to trading on the regulated market of the Oslo Stock Exchange the applicable Final Terms will be published on the website of the Oslo Stock Exchange ([www.oslobors.no](http://www.oslobors.no)). If the VPS Notes are Exempt Notes, the applicable Pricing Supplement will only be obtainable by a VPS Noteholder holding one or more VPS Notes and such VPS Noteholder must produce evidence satisfactory to the Issuer and the VPS Agent as to its holding of such VPS Notes and identity.

The VPS Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the VPS Agency Agreement, the VPS Trustee Agreement and the applicable Final Terms which are applicable to them. The statements in the VPS Conditions include summaries of, and are subject to, the detailed provisions of the VPS Agency Agreement and the VPS Trustee Agreement.

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

In the VPS Conditions, **euro** means 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.

## **1. FORM, DENOMINATION AND TITLE**

The VPS Notes are in uncertificated book-entry form in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Final Terms.

VPS Notes of one Specified Denomination may not be exchanged for VPS Notes of another Specified Denomination. VPS Notes will be registered with a separate securities identification code in the VPS.

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

The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The Issuer and the VPS Trustee may rely on a certificate of the VPS or one issued on behalf of the VPS by an account-carrying institution as to a particular person being a VPS Noteholder.

Title to the VPS Notes will pass by registration in the VPS between the direct or indirect accountholders at the VPS in accordance with the rules and procedures of the VPS that are in force from time to time. Where a nominee is so evidenced, it shall be treated by the Issuer as the holder of the relevant VPS Note. Each person (other than Euroclear Bank SA/NV (**Euroclear**) or Clearstream Banking S.A. (**Clearstream, Luxembourg**)) who is for the time being shown in the records of the VPS as the holder of a particular nominal amount of VPS Notes shall be treated by the Issuer, the

VPS Trustee and the VPS Agent as the holder of such nominal amount of such VPS Notes for all purposes.

VPS Notes will be transferable only in accordance with the rules and procedures for the time being of the VPS.

## **2. STATUS OF THE VPS NOTES**

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

## **3. NEGATIVE PLEDGE**

### **3.1 Negative Pledge**

So long as any of the VPS Notes remains outstanding (as defined below), the Issuer will not, and the Issuer will procure that none of its Subsidiaries will, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a **Security Interest**) upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Issuer and/or any of its Subsidiaries to secure any Relevant Indebtedness (as defined below) unless the Issuer, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

- (a) all amounts payable by it under the VPS Notes are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or
- (b) such other Security Interest or guarantee or other arrangement (whether or not it includes the giving of a Security Interest) is provided as the VPS Noteholders may approve (in accordance with the meeting provisions in the VPS Trustee Agreement).

### **3.2 Interpretation**

In these VPS Conditions:

- (a) **outstanding** means, in relation to the VPS Notes of any Series, all such VPS Notes issued other than:
  - (i) those VPS Notes which have been redeemed and cancelled pursuant to the VPS Conditions;
  - (ii) those VPS Notes in respect of which the date for redemption in accordance with the VPS Conditions has occurred and the redemption moneys (including all interest (if any) accrued to the date for redemption and any interest (if any) payable under the VPS Conditions after that date) have been duly paid to or to the order of the VPS Agent (and where appropriate notice to that effect has been given to the VPS Noteholders in accordance with the VPS Conditions) and remain available for payment to the holders of the relevant VPS Notes in accordance with their terms and conditions;
  - (iii) those VPS Notes which have been purchased and cancelled in accordance with the VPS Conditions; and

- (iv) those VPS Notes in respect of which claims have become prescribed under the VPS Conditions.
- (b) **Relevant Indebtedness** means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and (ii) any guarantee or indemnity of any such indebtedness; and
- (c) **Subsidiary** means, in relation to the Issuer, any company (i) in which the Issuer holds a majority of the voting rights, (ii) of which the Issuer is a member and has the right to appoint or remove a majority of the board of directors or (iii) of which the Issuer is a member and controls a majority of the voting rights, and includes any company which is a Subsidiary of a Subsidiary of the Issuer.

## 4. INTEREST

### 4.1 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.

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

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

In the VPS Conditions:

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4.1:

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (i) in the case of VPS 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 (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (ii) in the case of VPS 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; and
- (b) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;

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

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

## 4.2 Interest on Floating Rate Notes

### (a) 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:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) 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. In the VPS Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the VPS 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:

- (A) in any case where Specified Periods are specified in accordance with Condition 4.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) 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
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) 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
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the VPS Conditions, **Business Day** means:

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

**(b) 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 in the applicable Final Terms.

- (i) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will (subject to Condition 4.2(e) below) be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent (as defined in the ISDA Definitions

(as defined below)) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the VPS Notes (the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

If no Minimum Rate of Interest is specified in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(ii) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below and in Condition 4.2(e), be either:

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

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR, EURIBOR, NIBOR or STIBOR as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified 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 Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation 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 the Specified Time, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the



Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Norwegian inter-bank market (if the Reference Rate is NIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Norwegian inter-bank market (if the Reference Rate is NIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) 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).

In this Condition 4.2(b)(ii):

**Reference Banks** means (w) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, (x) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, (y) in the case of a determination of NIBOR, the principal Oslo office of four major banks in the Oslo inter-bank market or (z) in the case of a determination of STIBOR, the principal Stockholm office of four major banks in the Stockholm inter-bank market, in each case selected by the Calculation Agent or as specified in the applicable Final Terms; and

**Specified Time** means 11.00 a.m. (London time) if the Reference Rate is LIBOR, 11.00 a.m. (Brussels time) if the Reference Rate is EURIBOR, 11.00 a.m. (Stockholm time) if the Reference Rate is STIBOR or 12.00 noon (Oslo time) if the Reference Rate is NIBOR.

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

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

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

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

The Calculation 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 Calculation Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes in respect of each Specified Denomination for the relevant Interest Period by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 4.2:

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

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

where:

“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;

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

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

where:

“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;

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

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

where:

“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.

**(e) 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 Calculation Agent by straight line linear interpolation by reference to two rates based on:

- (i) the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Final Terms as being the manner in which the Rate of Interest is to be determined); or
- (ii) the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Final Terms as being the manner in which the Rate of Interest is to be determined),

one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

For the purposes of this Condition 4.2(e) **Designated Maturity** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

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

The Calculation 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 VPS Agent, the VPS Trustee and any stock exchange on which the relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 11 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the VPS Noteholders in accordance with Condition 11. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London. The notification of any rate or amount, if applicable, shall be made to the VPS in accordance with and subject to the VPS rules and regulations for the time being in effect.

**(g) Determination or Calculation by the VPS Trustee**

If for any reason at any relevant time the Calculation Agent defaults in its obligation to determine the Rate of Interest, the VPS Trustee shall determine the Rate of Interest at such rate as (having regard as to the foregoing provisions of this Condition with any consequential amendment it deems, in its reasonable opinion, to be necessary, but subject always to any Minimum Rate of Interest or Maximum Rate of Interest specified in the applicable Final Terms) it shall deem fair and reasonable in all the circumstances or and each such determination or calculation shall be deemed to have been made by the Calculation Agent.

**(h) Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2 by the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the VPS Agent and all VPS Noteholders and (in the absence of wilful default or bad faith) no liability to the Issuer or the VPS Noteholders shall attach to the Calculation Agent or the VPS Trustee (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

**(i) Benchmark Discontinuation**

**(i) *Independent Adviser and Issuer***

If a Benchmark Event occurs in relation to an Original Reference Rate at any time when these VPS Conditions provide for any remaining Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4.2(i)(ii)) and, in either case, an Adjustment Spread (in accordance with Condition 4.2(i)(iii)), and any Benchmark Amendments (in accordance with Condition 4.2(i)(iv)).

An Independent Adviser appointed pursuant to this Condition 4.2(i)(i) shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the VPS Agent, the VPS Trustee, the Calculation Agent or the VPS Noteholders for any determination made by it pursuant to Condition 4.2(i).

**(ii) *Successor Rate or Alternative Rate***

If the Independent Adviser determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.2(i)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the VPS Notes (subject to the further operation of this Condition 4.2(i)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4.2(i)(iii)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the VPS Notes (subject to the further operation of this Condition 4.2(i)).

**(iii) *Adjustment Spread***

If any Successor Rate or Alternative Rate is determined in accordance with Condition 4.2(i)(ii), the Independent Adviser shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a

relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 4.2(i) and the Independent Adviser determines (A) that amendments to these VPS Conditions are necessary to follow market practice or to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.2(i)(v), without any requirement for the consent or approval of VPS Noteholders, vary these VPS Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

(v) *Notices*

The Issuer will promptly notify the VPS Agent, the VPS Trustee, the Calculation Agent and, in accordance with Condition 11, the VPS Noteholders promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 4.2(i). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

The Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and the Benchmark Amendments (if any) will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the applicable Adjustment Spread and the Benchmark Amendments (if any)) be binding on the Issuer, the VPS Agent, the VPS Trustee, the Calculation Agent and the VPS Noteholders as of their effective date.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under the provisions of this Condition 4.2(i), the Original Reference Rate and the fallback provisions provided for in Condition 4.2(b) will continue to apply unless and until a Benchmark Event has occurred in respect of the Original Reference Rate.

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest (or any component part thereof) on the relevant Interest Determination Date, no Successor Rate or Alternative Rate (as applicable) or (in either case) applicable Adjustment Spread is determined and notified to the VPS Agent, the VPS Trustee and the Calculation Agent, in each case in accordance with this Condition 4.2(i), prior to such Interest Determination Date, the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest (or any component part thereof) on such Interest Determination Date, with the effect that the fallback provisions provided for in Condition 4.2(b) will (if applicable) continue to apply to such determination.

For the avoidance of doubt, this Condition 4.2(i)(vii) shall apply to the determination of the Rate of Interest (or any component part thereof) on the relevant Interest Determination Date only, and the Rate of Interest (or any component part thereof) applicable to any subsequent

Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4.2(i).

(viii) *Definitions*

In these Conditions:

**Adjustment Spread** means either (x) a spread (which may be positive, negative or zero), or (y) a formula or methodology for calculating a spread, which in either case is to be applied to the Successor Rate or the Alternative Rate (as the case may be) in accordance with Condition 4.2(i)(iii), and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) in the case of an Alternative Rate or (where (A) above does not apply) in the case of a Successor Rate, the Independent Adviser determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (C) (if the Independent Adviser determines that neither (A) nor (B) above applies) the Independent Adviser determines to be appropriate, having regard to the objective, to the extent reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the VPS Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

**Alternative Rate** means an alternative to the Original Reference Rate which the Independent Adviser determines in accordance with Condition 4.2(i)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for debt securities with a commensurate interest period and in the same Specified Currency as the VPS Notes, or if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines in its sole discretion is most comparable to the Original Reference Rate;

**Benchmark Amendments** has the meaning given to it in Condition 4.2(i)(iv);

**Benchmark Event** means, with respect to an Original Reference Rate:

- (A) the Original Reference Rate ceasing to exist or be published or administered; or
- (B) the later of (1) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (2) the date falling six months prior to the specified date referred to in (B)(1); or

- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued; or
- (D) the later of (1) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (2) the date falling six months prior to the specified date referred to in (D)(1); or
- (E) the later of (1) 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 (2) the date falling six months prior to the specified date referred to in (E)(1); or
- (F) it has or will prior to the next Interest Determination Date become unlawful for the Issuer, the VPS Agent or the Calculation Agent to calculate any payments due to be made to any VPS Noteholder using the Original Reference Rate; or
- (G) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used;

**Independent Adviser** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international debt capital markets appointed by the Issuer, at its own expense, under Condition 4.2(i)(i);

**Original Reference Rate** means the benchmark or screen rate (as applicable) originally specified for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s) (provided that if, following one or more Benchmark Event(s), such originally-specified benchmark or screen rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term **Original Reference Rate** shall include any such Successor Rate or Alternative Rate);

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

- (A) the central bank for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which the Original Reference Rate relates, (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (3) a group of the aforementioned central banks or other supervisory authorities or (4) the Financial Stability Board or any part thereof; and

**Successor Rate** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.



### **4.3 Accrual of interest**

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

- (a) the date on which all amounts due in respect of such VPS Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such VPS Note has been received by the VPS Agent and notice to that effect has been given to the VPS Noteholders in accordance with Condition 11.

### **4.4 Calculation Agent**

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in respect of the VPS Notes and for so long as any VPS Note is outstanding. Where more than one Calculation Agent is appointed in respect of the VPS Notes, references in these VPS Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the VPS Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with prior notification to the VPS Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

## **5. PAYMENTS**

### **5.1 Method of payment**

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

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

## 5.2 Payments in respect of VPS Notes

Payments of principal and interest in respect of VPS Notes and notification thereof to VPS Noteholders will be made to the VPS Noteholders shown in the records of the VPS and will be effected through and in accordance with and subject to the rules and regulations from time to time governing the VPS.

The VPS Agent and any Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any VPS Noteholder. The Issuer reserves the right at any time, with prior notification to the VPS Trustee, to vary or terminate the appointment of the VPS Agent or the Calculation Agent and to appoint additional or other agents, provided that the Issuer shall at all times maintain (i) a VPS Agent authorised to act as an account operating institution with the VPS, (ii) one or more Calculation Agent(s) where the VPS Conditions so require, and (iii) such other agents as may be required by any stock exchange on which the VPS Notes may be listed.

Notice of any such change or of any change of any specified office shall promptly be given to the VPS Noteholders in accordance with Condition 11.

## 5.3 Payment Day

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

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

## 5.4 Interpretation of principal and interest

Any reference in the VPS Conditions to **principal** in respect of the VPS Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7;
- (b) the Final Redemption Amount of the VPS Notes;

- (c) the Early Redemption Amount of the VPS Notes;
- (d) the Optional Redemption Amount(s) (if any) of the VPS Notes;
- (e) the Residual Call Early Redemption Amount (if any) of the Notes; and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the VPS Notes.

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

## **6. REDEMPTION AND PURCHASE**

### **6.1 Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each VPS Note will be redeemed by the Issuer at its Final Redemption Amount (which, in the case of VPS Notes other than Zero Coupon Notes or Exempt Notes, shall be an amount equal to at least 100 per cent. of its nominal amount) specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### **6.2 Redemption for tax reasons**

Subject to Condition 6.7, the VPS Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if the VPS Notes are not Floating Rate Notes) or on any Interest Payment Date (if the VPS Notes are Floating Rate Notes), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the VPS Agent, and, in accordance with Condition 11, the VPS Noteholders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the VPS Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the VPS Notes; and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

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

Prior to the publication of any notice of redemption pursuant to this Condition 6.2, the Issuer shall deliver to the VPS Trustee to make available at its specified office to the VPS Noteholders (i) a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

VPS Notes redeemed pursuant to this Condition 6.2 will be redeemed at their Early Redemption Amount referred to in Condition 6.7 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### 6.3 Redemption at the option of the Issuer (Issuer Call)

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the VPS Noteholders in accordance with Condition 11 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or (if redemption in part is specified as being applicable in the applicable Final Terms) some only of the VPS Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. If redemption in part is specified as being applicable in the applicable Final Terms, any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of VPS Notes, the VPS Notes to be redeemed will be selected in accordance with the rules and procedures of the VPS, not more than 30 days prior to the date fixed for redemption.

In this Condition 6.3, **Optional Redemption Amount(s)** means:

- (a) if Reference Bond Basis is specified in the applicable Final Terms, (A) the outstanding principal amount of the relevant Note or (B) if higher, the sum, as determined by the Calculation Agent, of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the Optional Redemption Date on an annual basis (assuming a 360 day year consisting of twelve 30 day months) at the Reference Rate plus the Optional Redemption Margin specified in the applicable Final Terms, where:

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

**Calculation Agent** means a leading investment, merchant or commercial bank appointed by the Issuer for the purposes of calculating the Optional Redemption Amount, and notified to the Noteholders in accordance with Condition 11;

**Reference Bond** means (A) if CA Selected Bond is specified in the applicable Final Terms, the relevant CA Selected Bond or (B) if CA Selected Bond is not specified in the applicable Final Terms, the security specified in the applicable Final Terms;

**Reference Bond Price** means (i) the average of five Reference Market Maker Quotations for the relevant Optional Redemption Date, after excluding the highest and lowest Reference Market Maker Quotations, (ii) if the Calculation Agent obtains fewer than five, but more than one, such Reference Market Maker Quotations, the average of all such quotations, or (iii) if only one such Reference Market Maker Quotation is obtained, the amount of the Reference Market Maker Quotation so obtained;

**Reference Market Maker Quotations** means, with respect to each Reference Market Maker and any Optional Redemption Date, the average, as determined by the Calculation Agent, of the bid and asked prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Calculation Agent at the Quotation Time specified in the applicable Final Terms on the Reference Rate Determination Day specified in the applicable Final Terms;

**Reference Market Makers** means five brokers or market makers of securities such as the Reference Bond selected by the Calculation Agent or such other five persons operating in the market for securities such as the Reference Bond as are selected by the Calculation Agent in consultation with the Issuer; and

**Reference Rate** means, with respect to any Optional Redemption Date, the rate per annum equal to the equivalent yield to maturity of the Reference Bond, calculated using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Optional Redemption Date. The Reference Rate will be calculated on the Reference Rate Determination Day specified in the applicable Final Terms; or

- (b) if Reference Bond Basis is not specified in the applicable Final Terms, such amount(s) as are specified in, or determined in the manner specified in, these VPS Conditions as completed by the applicable Final Terms.

#### **6.4 Issuer Residual Call**

If Issuer Residual Call is specified as being applicable in the applicable Final Terms and, at any time, the outstanding aggregate nominal amount of the VPS Notes is 20 per cent. or less of the aggregate nominal amount of the Series issued, the VPS Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this VPS Note is not a Floating Rate Note) or on any Interest Payment Date (if this VPS Note is a Floating Rate Note), on giving not less than 30 and not more than 60 days' notice to the VPS Noteholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption) at the Residual Call Early Redemption Amount together, if appropriate, with interest accrued to (but excluding) the date of redemption.

#### **6.5 Redemption at the option of the VPS Noteholders (Investor Put)**

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any VPS Note giving to the Issuer in accordance with Condition 11 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such VPS Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of the relevant VPS Note under this Condition 6.5 the holder of the relevant VPS Note must, within the notice period, give notice (a **Put Notice**) to the VPS Agent of such exercise in accordance with the standard procedures of the VPS from time to time.

Any Put Notice given by a holder of any VPS Note pursuant to this Condition 6.5 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6.5 and instead to declare such VPS Note forthwith due and payable pursuant to Condition 9.

## 6.6 Redemption at the option of the VPS Noteholders (Change of Control Put Event)

If Change of Control Put is specified as being applicable in the applicable Final Terms and at any time while any VPS Note remains outstanding a Change of Control occurs, the holder of each VPS Note will have the option (the **Change of Control Put Option**) (unless, prior to the giving of the Change of Control Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the VPS Notes under Condition 6.2) to require the Issuer to redeem or, at the Issuer's option, to purchase (or procure the purchase of) that VPS Note on the date (the **Optional Redemption Date (Change of Control)**) which is the seventh day after the last day of the Put Period (as defined below) at its principal amount together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date (Change of Control).

A **Change of Control** shall be deemed to occur if the Kingdom of Norway ceases to (a) own, directly or indirectly, 100 per cent. of the issued share capital of the Issuer, or (b) control the Issuer, and for the purposes of this definition **control** means the power to direct the management and policies of the Issuer or to control the composition of its board of directors or other equivalent body, whether through the ownership of share capital, by contract or otherwise.

If a Change of Control occurs the Issuer shall, within 14 days of the occurrence of the Change of Control, give notice (a **Change of Control Put Event Notice**) to the VPS Noteholders in accordance with Condition 11 specifying the nature of the Change of Control and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 6.6.

To exercise the right to require redemption or, as the case may be, purchase of the relevant VPS Note under this Condition 6.6 the holder of the relevant VPS Note must, within the period (the **Put Period**) of 45 days after that on which a Change of Control Put Event Notice is given, give notice (a **Put Exercise Notice**) to the VPS Agent of such exercise in accordance with the standard procedures of the VPS from time to time.

Any Put Exercise Notice given by a holder of any VPS Note pursuant to this Condition 6.6 shall be irrevocable except where, prior to the due date of redemption or purchase, as applicable, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Put Exercise Notice given pursuant to this Condition 6.6 and instead to declare such VPS Note forthwith due and payable pursuant to Condition 9.

## 6.7 Early Redemption Amounts

For the purpose of Condition 6.2 above and Condition 9:

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

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

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 VPS Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such VPS 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 VPS Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such VPS 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 VPS Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such VPS Note becomes due and repayable and the denominator will be 365)

## **6.8 Purchases**

The Issuer or any Subsidiary of the Issuer may at any time purchase VPS Notes at any price in the open market or otherwise.

## **6.9 Cancellation**

All VPS Notes purchased by the Issuer or any of its Subsidiaries may be held, reissued, resold or, at the option of the Issuer, cancelled by the VPS Agent causing such VPS Notes to be deleted from the records of the VPS.

## **6.10 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 Condition 6.1, 6.2, 6.3, 6.4, 6.5 or 6.6 above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6.7(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the VPS and notice to that effect has been given to the VPS Noteholders in accordance with Condition 11.

## **7. TAXATION**

All payments of principal and interest in respect of the VPS Notes by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the VPS Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the VPS Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any VPS Note the holder of which is liable for such taxes or duties in respect of such VPS Note by

reason of his having some connection with a Tax Jurisdiction other than the mere holding of such VPS Note.

As used herein, **Tax Jurisdiction** means the Kingdom of Norway or any political subdivision or any authority thereof or therein having power to tax.

## 8. PRESCRIPTION

The VPS Notes 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 therefor.

As used in the VPS Conditions, **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the VPS Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the VPS Noteholders in accordance with Condition 11.

## 9. EVENTS OF DEFAULT

### 9.1 Events of Default

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

- (a) if default is made in the payment in the Specified Currency of any principal or interest due in respect of the VPS Notes or any of them and the default continues for a period of seven days (in the case of principal) or 14 days (in the case of interest); or
- (b) if the Issuer fails to perform or observe any of its other obligations under the VPS Conditions and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a VPS Noteholder on the Issuer of notice, addressed by the relevant VPS Noteholder to the Issuer and delivered to the Issuer or the VPS Agent, requiring the same to be remedied; or
- (c) if (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer or any of its Material Subsidiaries is declared or otherwise becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Issuer or any of its Material Subsidiaries fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (after the expiry of any originally applicable grace period); (iii) any security given by the Issuer or any of its Material Subsidiaries for any Indebtedness for Borrowed Money becomes enforceable; or (iv) default is made by the Issuer or any of its Material Subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this Condition 9.1(c) shall constitute an Event of Default unless the relevant amount of Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above, amounts to at least €20,000,000 (or its equivalent in any other currency); or
- (d) if any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer or any of its Material Subsidiaries, save (i) for the purposes of reorganisation on terms previously approved by the VPS Noteholders (in accordance with



the meeting provisions in the VPS Trustee Agreement) or (ii) in the case of a Material Subsidiary of the Issuer, in connection with a Permitted Reorganisation; or

- (e) if (i) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, or if any of the Issuer's Material Subsidiaries ceases or threatens to cease to carry on the whole or substantially the whole of its business, save in each case (A) for the purposes of reorganisation on terms previously approved by an Extraordinary Resolution or (B) in connection with a Permitted Reorganisation or a Permitted Disposal, or (ii) the Issuer or any of its Material Subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (f) if (A) proceedings are initiated against the Issuer or any of its Material Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any of its Material Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrance takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them and (B) in any case (other than the appointment of an administrator) is not discharged within 45 days; or
- (g) if the Issuer or any of its Material Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors),

then any holder of a VPS Note may, by written notice addressed by the holder of the relevant VPS Note to the Issuer and delivered to the Issuer or the specified office of the VPS Trustee, effective upon the date of receipt thereof by the Issuer or the VPS Trustee, as applicable, declare any VPS Note held by it to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

## 9.2 Definitions

For the purposes of the VPS Conditions:

- (a) **Indebtedness for Borrowed Money** means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance or acceptance credit;
- (b) **Material Subsidiary** means at any time a Subsidiary of the Issuer:
  - (i) whose total operating income (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose total assets (consolidated in the case of a Subsidiary

which itself has Subsidiaries) represent in each case (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, are equal to) not less than five (5) per cent. of the consolidated total operating income of the Issuer, or, as the case may be, consolidated total assets, of the Issuer and its Subsidiaries taken as a whole, all as calculated respectively by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its Subsidiaries, provided that in the case of a Subsidiary of the Issuer acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, the reference to the then latest audited consolidated accounts of the Issuer and its Subsidiaries for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by the Issuer:

- (ii) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately prior to such transfer is a Material Subsidiary, provided that the transferor Subsidiary shall upon such transfer forthwith cease to be a Material Subsidiary and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph (ii) on the date on which the consolidated accounts of the Issuer and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (i) above or, prior to or after such date, by virtue of any other applicable provision of this definition; or
- (iii) to which is transferred an undertaking or assets which, taken together with the undertaking or assets of the transferee Subsidiary, generated (or, in the case of the transferee Subsidiary being acquired after the end of the financial period to which the then latest audited consolidated accounts of the Issuer and its Subsidiaries relate, generate operating income equal to) not less than five (5) per cent. of the consolidated total operating income of the Issuer, or represent (or, in the case aforesaid, are equal to) not less than five (5) per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (i) above, provided that the transferor Subsidiary (if a Material Subsidiary) shall upon such transfer forthwith cease to be a Material Subsidiary unless immediately following such transfer its undertaking and assets generate (or, in the case aforesaid, generate operating income equal to) not less than five (5) per cent. of the consolidated total operating income of the Issuer, or its assets represent (or, in the case aforesaid, are equal to) not less than five (5) per cent. of the consolidated total assets of the Issuer and its Subsidiaries taken as a whole, all as calculated as referred to in subparagraph (i) above, and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph (iii) on the date on which the consolidated accounts of the Issuer and its Subsidiaries for the financial period current at the date of such transfer have been prepared and audited but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of

subparagraph (i) above or, prior to or after such date, by virtue of any other applicable provision of this definition;

- (c) **Permitted Disposal** means a disposal of **any** or all of the Issuer's air navigation services division on arm's length terms; and
- (d) **Permitted Reorganisation** means any disposal by any of the Issuer's Subsidiaries or (for the purposes of Condition 9.1(e)(i) only) the Issuer (such entity the disposing entity), to the Issuer or any of other Subsidiary of the Issuer, of the whole or substantially the whole of the disposing entity's business.

## **10. TRANSFER AND EXCHANGE OF VPS NOTES**

### **10.1 Transfers of Interests in VPS Notes**

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

For the purposes of this Condition 10.1, **Oslo Business Day** means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for general business (including dealing in foreign exchange and foreign currency deposits) in Oslo.

### **10.2 Registration of transfer upon partial redemption**

In the event of a partial redemption of VPS Notes under Condition 6, the Issuer shall not be required to register the transfer of any VPS Note, or part of a VPS Note, called for partial redemption.

### **10.3 Costs of registration and administration of the VPS Register**

VPS Noteholders will not be required to bear the costs and expenses of effecting any registration, transfer or administration in relation to the register maintained by the VPS, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

## **11. NOTICES**

Notices to the VPS Noteholders shall be valid if the relevant notice is given to the VPS for communication by it to the VPS Noteholders and, so long as the VPS Notes are listed on a stock exchange, the Issuer shall ensure that notices are duly published in a manner which complies with the rules of such exchange (which shall include, if and for so long as the VPS Notes are (a) admitted to trading on, and listed on the Official List of, the Luxembourg Stock Exchange and the rules of that exchange so require, publication in a daily newspaper of general circulation in Luxembourg (expected to be the *Luxemburger Wort* or the *Tageblatt*). and/or on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)), and/or (b) admitted to trading on, and listed on, the regulated market of the Oslo Stock Exchange and the rules of that exchange so require, publication in a daily newspaper of general circulation in Oslo and/or on the Oslo Stock Exchange's website ([www.oslobors.no](http://www.oslobors.no)). Any such notice shall be deemed to have been given on the date one day after delivery to the VPS.

## **12. MEETINGS OF VPS NOTEHOLDERS AND MODIFICATION**

### **12.1 Provisions with respect to holders of VPS Notes**

The VPS Trustee Agreement contains provisions for convening meetings of the VPS Noteholders to consider any matter affecting their interests, including sanctioning resolutions relating to the VPS Notes, the VPS Conditions and/or the VPS Trustee Agreement by a majority of votes (or, in the case of any waiver or amendment of certain terms of the VPS Conditions or the VPS Trustee Agreement (as set out in Condition 12.2(a) below), sanctioning by a majority of two thirds of votes). The VPS Trustee Agreement also provides that any resolution that may be sanctioned by the VPS Noteholders at a meeting may also be passed by way of a written resolution (either by way of a written or electronic resolutions), with the same relevant majority that would be valid if such resolution had been passed at a meeting of VPS Noteholders. Such a meeting may be convened or a written resolution may be initiated, as the case may be, by the Issuer, the VPS Trustee, VPS Noteholders holding not less than 10 per cent. of the Voting VPS Notes or, if the VPS Notes are listed on the Oslo Stock Exchange, the Oslo Stock Exchange.

For the purpose of this Condition 12.1, **Voting VPS Notes** means the aggregate nominal amount of the total number of VPS Notes not redeemed or otherwise discharged in the VPS, less the VPS Notes owned by the Issuer, any party who has decisive influence over the Issuer or any party over whom the Issuer has decisive influence. For these purposes, **decisive influence** means a person having, as a result of an agreement or through the ownership of shares or interest in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

The quorum at a meeting for passing a resolution, or the minimum requirement for a written resolution to be valid, is one or more persons holding or representing at least 50 per cent. of the Voting VPS Notes or at any adjourned meeting one or more persons being or representing holders of Voting VPS Notes whatever the nominal amount of the VPS Notes so held or represented, except that at any meeting the business of which includes any matter set out in Condition 12.2(a) below, the quorum shall be one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the Voting VPS Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in aggregate nominal amount of the Voting VPS Notes.

A resolution passed at any meeting of the VPS Noteholders, or by way of a written resolution, shall be binding on all the VPS Noteholders, whether or not they are present at such meeting or participated in such written resolution.

### **12.2 Modification**

The VPS Trustee Agreement provides that:

- (a) in order to make the following amendments, a majority of at least two-thirds of the votes cast in respect of Voting VPS Notes is required:
  - (i) modification of the Maturity Date of the VPS Notes specified in the applicable Final Terms, or reduction or cancellation of the nominal amount payable upon maturity;
  - (ii) reduction or calculation of the amount payable, or modification of the payment date in respect of any interest in relation to the VPS Notes or variation of the method of calculating the rate of interest in respect of the VPS Notes;

- (iii) reduction of any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Final Terms;
  - (iv) modification of the currency in which payments under the VPS Notes are to be made;
  - (v) any alteration of Clause 4.1(f) of the VPS Trustee Agreement (which sets out the matters for which a majority of two-thirds of votes is required);
  - (vi) the transfer of rights and obligations under the VPS Conditions and the VPS Trustee Agreement to another Issuer; and/or
  - (vii) a change of VPS Trustee; and
- (b) the VPS Trustee may, in certain circumstances, agree to certain amendments to the VPS Trustee Agreement or the VPS Conditions which are binding on all VPS Noteholders, without the prior consent of the VPS Noteholders, including amendments that are, in the VPS Trustee's opinion, either (i) not detrimental to the rights and benefits of the affected VPS Noteholders in any material respect, (ii) made solely for the purpose of rectifying obvious errors and mistakes, or (iii) such amendment is required by applicable law, a court ruling or a decision by a relevant authority. The VPS Trustee shall as soon as possible notify the VPS Noteholders of any proposal to make such amendments, setting out the date from which the amendment will be effective, unless such notice obviously is unnecessary.

In addition, the Issuer may, without the consent of the VPS Noteholders, amend these Conditions to give effect to any Benchmark Amendments in the circumstances and as otherwise set out in Condition 4.2(i)(iv) above.

### **13. VPS TRUSTEE**

The VPS Trustee Agreement contains provisions for the indemnification of the VPS Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction. VPS Noteholders are deemed to have accepted and will be bound by the VPS Conditions and the terms of the VPS Trustee Agreement.

### **14. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the VPS Noteholders to create and issue further notes having terms and conditions the same as the VPS Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue so that the same shall be consolidated and form a single Series with the outstanding VPS Notes.

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

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

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

### **16.1 Governing law**

The VPS Notes (and any non-contractual obligations arising out of or in connection with the VPS Notes) are governed by, and shall be construed in accordance with, English law, save that VPS Conditions 2, 12, 13 and 14 (and any non-contractual obligations arising out of or in connection with VPS Conditions 2, 12, 13 and 14) are governed by, and shall be construed in accordance with, Norwegian law.

The VPS Trustee Agreement and the VPS Agency Agreement (and any non-contractual obligations arising out of or in connection with the VPS Trustee Agreement and VPS Agency Agreement) are governed by, and shall be construed in accordance with, Norwegian law.

VPS Notes must comply with the Norwegian Securities Depository Act of 15 March 2019 No. 6, as amended from time to time, and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under this Act and any related regulations and legislation.

### **16.2 Submission to jurisdiction**

- (a) Subject to Condition 16.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the VPS Notes, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the VPS Notes (a **Dispute**) and accordingly each of the Issuer and any VPS Noteholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 16.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the VPS Noteholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

### **16.3 Appointment of Process Agent**

The Issuer irrevocably appoints Saville & Co. Notaries at One Carey Lane, London EC2V 8AE as its agent for service of process in any proceedings before the English courts in relation to any Dispute, and agrees that, in the event of Saville & Co. Notaries being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

### **16.4 Waiver of immunity**

The Issuer irrevocably and unconditionally with respect to any Dispute (i) waives any right to claim sovereign or other immunity from jurisdiction, recognition or enforcement and any similar argument in any jurisdiction, (ii) submits to the jurisdiction of the English courts and the courts of any other jurisdiction in relation to the recognition of any judgment or order of the English courts or the courts of any competent jurisdiction in relation to any Dispute and (iii) consents to the giving of any relief (whether by way of injunction, attachment, specific performance or other relief) or the issue of any related process, in any jurisdiction, whether before or after final judgment, including without

limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Dispute.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, which include making a profit. If, in respect of an issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.



## DESCRIPTION OF THE ISSUER

### History

The Issuer was incorporated on 12 December 2002 as a limited liability company organised under the laws of Norway. It is registered in the Norwegian Companies Registry with registration number 985 198 292. Its registered address is Dronning Eufemias gate. 6 A, 0191 Oslo, Norway, its telephone number is +47 67 03 00 00 and its website address is <https://avinor.no/en/>.

### Business

#### *Overview*

Avinor is a wholly state-owned limited liability company under the authority of the MT and is responsible for Norway's state-owned airports and air navigation services for civilian and military aviation. Avinor's goal is to facilitate safe, sustainable and efficient aviation in all parts of the country.

Avinor is a self-funding business and its airport operations are run as a single unit, in which the financially profitable airports finance the financially unprofitable airports. Avinor's primary sources of income are charges from airlines and passengers and income from the rental of space for retail operators, tax-free sales, food and beverages, parking, and other passenger services. In addition, Avinor has income from the rental of space to airport hotels and parking facilities. The shares in Avinor are wholly owned by the Norwegian state which is represented by the MT. The MT manages the ownership by the Norwegian state and determines Avinor's financial framework. In addition, the MT regulates the aviation charges. The MT is the highest authority for Norwegian aviation and also lays down the Civil Aviation Authority's regulations that have consequences for Avinor's operations. Avinor's head office is in Oslo.

On 12 March 2020, the Norwegian government introduced several measures to limit the spread of COVID-19 in the population, including travel restrictions. These measures entailed strict quarantine rules and Norway's borders were in practice closed to foreigners without a residence permit. From 15 July 2020, Norway's borders were opened, with some exceptions, for quarantined travel to and from all countries in the EEA and Schengen area. In late summer and into the autumn, the number of cases of COVID-19 in Norway and Europe has significantly increased. As a result, strict travel restrictions have been reintroduced throughout Europe. Many countries outside Europe, including the United States, are also struggling to reduce infection rates. It is expected that air traffic will not return to the 2019 level for four to five years. International traffic is expected to be especially affected. Through the pandemic, airlines using Avinor's airports have adjusted route production and implemented redundancies.

To help airlines, the Norwegian government suspended parts of Avinor's airport fees in the period from 13 March 2020 to 31 October 2020. The Norwegian government announced in a press release on 10 November 2020 that it will extend the possibility to purchase routes and will maintain the financial support measures for airlines related to the impacts of the COVID-19 pandemic that were launched earlier in 2020. Despite this, companies operating in the Norwegian aviation market are in a very tight financial situation, and some companies will have to close or significantly reduce their activities. As a consequence, the COVID-19 pandemic will likely have a significant impact on the composition of the Norwegian aviation market going forwards. The Norwegian government's grants are an important contribution to making Avinor more financially robust, but the ripple effects of the virus outbreak in the longer term mean that the pandemic is considered a write-down indicator for the group's cash-generating units, airport operations and aviation security. Notes 7 and 13 to the Issuer's interim consolidated and non-consolidated financial statements for the nine months ended 30 September 2020 (as set out on pages 19, 20 and 25 of the Q3 Interim Financial Report, which is incorporated by reference in this Offering Circular) contain further information on the Issuer's calculation of the recoverable amount and provision for losses on receivables in connection with the COVID-19 pandemic.

The Group's results and solvency are, and will be, significantly affected by the COVID-19 pandemic in 2020. Avinor has an ongoing dialogue with its owner about measures to strengthen the Group's liquidity and equity. On 19 June 2020, the Norwegian Parliament allocated Avinor a grant of up to NOK 4,270 million, as well as to grant a one-year deferral of the instalments on Avinor's debt which is owned by the Norwegian government. As of 30 September 2020, NOK 2,570 million has been paid out, of which NOK 2,500 million has been recognised as revenue from the Norwegian state and NOK 70 million is a subsidy for the operation of the Haugesund Airport, which is operated by an external party. The MT will follow Avinor's situation closely in the future and continue to assess the size and timing of further financial support to Avinor.

Cost reductions and measures are implemented to ensure the Group's financial solvency in the longer term. At the end of the third quarter of 2020, a total of 312 employees were fully or partially laid off. Investments in 2020 have been reduced by NOK 1 billion (see "*Planned and on-going development projects*" below). In October 2020, Avinor placed a new bond loan of EUR 500 million. Avinor will continuously assess its investment portfolio based on its current financial situation.

Avinor has launched a programme that will ensure Norwegian aviation has good solutions for the future. The programme will take care of the social mission and the airport structure and seek to find more effective solutions. The program will be an umbrella for several changes and restructuring measures in the coming years. The goal is to have a profitable Avinor after the effects of the COVID-19 pandemic are over and to continue to deliver safe and stable operations.

The number of passengers using Avinor's airports in the period from 1 January 2020 to 30 September 2020 had reduced by 59.6 per cent. when compared to the same period in 2019. The reduction in passenger numbers at Oslo airport Gardermoen in the period from 1 January to 30 September 2020 was 64.7 per cent. when compared with the same period in 2019. This reduction in passengers and the suspension of airport fees have led to severe reduction in revenues for Avinor, with a decrease in total operating income of 58.7 per cent. (exclusive of the Norwegian government's grant) for the period from 1 January to 30 September 2020 when compared with the same period in 2019. Based on Avinor's traffic forecast, the number of passengers using Avinor's airports is expected to have recovered to 2019 levels by 2025.

### ***Avinor's airports***

Avinor's airports vary by size and traffic volume. Oslo airport is the largest and accounted in 2019 for about half of Norway's total air traffic and over 66 per cent. of the country's total international traffic (including Sandefjord airport, Torp). Stavanger, Bergen, and Trondheim airports also have a sizeable proportion of direct international traffic. Some other airports also have international traffic: Tromsø, Bodø, Harstad/Narvik, Molde, Ålesund, Haugesund, Kristiansand, Svalbard and Kristiansund, in addition to some international charter traffic at individual airports.

Oslo airport is the only Norwegian airport to have two parallel runways. Stavanger airport, Sola has a secondary runway used during certain wind conditions. Traffic forecasts indicate the need for a third runway at Oslo airport later than previously stipulated. This is also the case with the second runway at Bergen airport, Flesland.

Oslo airport's runways are 3,600 metres long. At the other large airports in the Group, the runways are between 2,600 and 3,000 metres long, which means they can be used by larger jet aircraft. 27 of Avinor's 43 airports have short runways of between 800 and 1,200 metres. These are used by smaller aircraft types such as the Bombardier Dash 8, air ambulances, and private aircraft. These small airports are very important in ensuring the habitation and economies of remote areas. In addition, a heliport is operated at Værøy.

The map below shows Avinor's airports:



A total of 54,099,000 passengers travelled to, from or via Avinor's airports in 2019, which is an increase of 0.6 per cent. compared to the previous year (when the passenger figures from Haugesund airport, which is no longer operated by Avinor, are excluded). It is international traffic that has seen the greatest growth in 2019 with 22.4 million passengers travelled directly to or from Norway and from international destinations (excluding passenger figures from Haugesund airport).

Norway's main airport, Oslo airport, had more than 28.6 million passengers in 2019, which is an increase of 0.3 per cent. compared to the previous year. Oslo airport is the hub of Norwegian aviation and a transit airport for traffic between Norway and the rest of the world. The profit generated by Oslo airport is crucial for the financing of the network of airports spread across the rest of Norway.

There was a total of 677,324 movements (take-offs and landings) at Avinor's airports in 2019, which is a decline of 1.1 per cent. compared with the year before (excluding movements from Haugesund airport). The increase in passenger numbers is therefore due to an increase in the number of passengers per flight (load factor). Avinor has seen a similar trend every year since 2016.

In 2019, there were 78,652 overflights using Norwegian airspace, which is a decline of 3.2 per cent. compared with 2018.

2019 was a very good year for Avinor when it comes to number of passengers using Avinor's airports. Due to the COVID-19 pandemic, 2020 will see a significant decline in the number of passengers using Avinor's airports. The number of passengers using Avinor's airports in 2020 up to 30 September 2020 has reduced by 59.6 per cent. when compared to the same period in 2019. This is comprised of a reduction of 49.7 per cent. of passengers on domestic travel and a reduction of 73.7 per cent. of passengers on international travel. Avinor does not expect passenger numbers to recover to 2019 levels until 2025.

Lufthavndrift AS took over the operation of Haugesund airport from 12 May 2019 on a 20-year contract after an outsourcing decision by the MT and a tender process. Lufthavndrift AS has the full revenue, cost and financial risk for the operation and maintenance of the airport, including all necessary expansion and pays a fixed annual rent to Avinor.

## ***Operations***

During the COVID-19 pandemic, the number of flights and passengers at Avinor's airport have been considerably reduced due to travel restrictions. The result of this has been that Avinor have temporarily closed down some of its smaller airports for a short period earlier this year, as well as one runway at Oslo airport Gardermoen, and some employees throughout the organisation have been temporarily laid off. Operating costs and investments have been reduced (see section titled "*Planned and on-going development projects*" below for further information).

### ***Airport operations***

Airport operations include operation, maintenance and development of 43 Norwegian airports. In addition, Avinor owns Haugesund airport and Fagernes airport. Haugesund airport is leased to a local company. Fagernes airport is closed down but Avinor has the obligation to maintain the airport for a possible future local takeover until 1 July 2021. Oslo airport, Bergen airport, Stavanger airport and Trondheim airport are international airports of which Oslo airport is the largest. Avinor airports are structured in six different categories, called 'airport concepts':

- A- International HUB – Oslo airport Gardermoen
- B- International – Bergen airport Flesland, Stavanger airport Sola, Trondheim airport Værnes
- C- National – 6 national airports
- D- Regional – 9 regional airports
- E- Local – 26 local airports

Oslo airport accounts for more than half of all air traffic and more than 70 per cent. of international traffic passing through Avinor airports.

Airport operations have two main sources of income being traffic-related income (take-off, passenger, terminal navigation, and security charges) and commercial income (including duty-free, parking, shops, food and beverage and hotels).

Core tasks are the operation and management of the terminal building, aircraft parking, ground staff, fire and rescue, access control, as well as varying levels of outsourcing of services relating to ground handling, fuel and baggage.

The security service is primarily outsourced to subcontractors (Avarn Security AS and Securitas Transport Aviation AS).

### *Market in brief*

The top 5 airline customers are SAS, Norwegian, Widerøe, KLM and WizzAir and they contributed to approximately 84 per cent. of traffic income revenues in 2019 on scheduled route and charter flights. In 2019, both SAS and Norwegian each represented approximately 35 per cent. of the total traffic income. Commercially, all customers are treated equally when considering the charges and incentives programs. Domestic passengers represented approximately 58 per cent. of Avinor's total passengers in 2019.

The key catchment area of Avinor's network of airports is the entire Norwegian territory, although the Oslo region represents the most important catchment area. The population of Norway is forecast to increase from about 5.4 million people in 2020 to about 6.0 million people in 2050, an average about 0.4 per cent. per year.

### *Commercial activities at airports*

Avinor is funded through traffic revenues from airlines, revenues from commercial tenants, and direct sales to passengers. Commercial revenues accounted for roughly 54 per cent. of operating revenues in 2019, while traffic revenues from airlines accounted for roughly 46 per cent. in 2019. A smaller component of the Group's revenues stems from assignments for other organisations, such as the Norwegian Armed Forces. Air navigation services are funded through traffic revenues from the airlines for en route navigation services, as well as revenue from the operation of tower and approach services from Avinor's airport operations.

Avinor is well positioned in terms of commercial revenues at its airports and is dependent on their continued stability over time. Duty-free shopping is an important contributor to the Group's financing of a high-quality nationwide aviation network. Avinor is prepared for the scheme to be a continued topic of political discussion in the future. Consequently, Avinor attaches great importance to managing the opportunity to conduct duty-free sales in a way that is balanced, responsible, and accepted. In addition, Avinor owns substantial amounts of land and has been able to realise important values as a result of earlier real estate investments. In the coming years, developments in the airport's neighbouring areas will contribute to the development of the airports' attractiveness as hubs and to local development.

### *Non-core commercial activities*

The purpose of Avinor Utvikling AS is to ensure strong asset management, develop real estate surrounding the largest airports, and to prepare for possible sales of assets as part of the asset management strategy. The portfolio currently includes four hotels, and one office building.

The four hotels are leased to Nordic and international operators including Choice, Radisson and Scandic. The hotels are all situated adjacent to terminal doors and a maximum of five minutes walking distance to/from check in and arrival halls.

The Park Inn hotel at Oslo airport, Gardermoen will be expanded by about 214 rooms. The construction period started in the second quarter of 2020 and is scheduled to finish in December 2021.

The office building is a six-storey building next to the terminal building at Oslo airport, Gardermoen. The office space is primarily owner occupied but also partly let to external tenants operating business and services at the airport.

### *Corporate social responsibility*

Avinor's corporate social responsibility efforts are based on the expectations set forth in its Articles of Association and in the Norwegian Accounting Act and the Organisation for Economic Co-operation and Development's guidelines for responsible business. Avinor signed up to the United Nations Global Compact in 2014. Avinor's corporate social responsibility is divided into four primary areas:

- Ensuring good aviation services for the whole of Norway
- Being a driving force in climate and environmental efforts
- Being a professional and attractive employer
- Ensuring that Avinor conducts its business responsibly

**(a) Ensuring good aviation services for the whole of Norway**

Avinor's obligation is to own, operate and develop a national network of airports for the civilian aviation sector and a joint air navigation service for the civilian and military sector. Together with the Avinor stakeholders, four primary objectives have been set:

- Develop competitive airports
- Contribute to the sustainable growth of Norway and its regions
- Create valuable experiences for passengers and visitors
- Maintain a proud and improvement-orientated corporate culture

**(b) Being a driving force in climate and environmental efforts**

***Climate change***

Avinor is committed to achieve the goals set out in the Paris Agreement, and has for a number of years been a driving force in the aviation industry in Norway to reduce the total emissions from the sector. Avinor has pioneered several projects for speeding up the transition to Sustainable Aviation Fuels (SAF) and development of electrified aircraft.

In January 2016 Avinor's Oslo airport became the first international hub airport generally where SAF was available for all airlines on a commercial basis, and the first airport in the world where SAF was dropped into the main fuel farm and distributed in the hydrant and dispenser system. AirBP, SkyNRG, Neste, Lufthansa Group, KLM and SAS were project partners. Avinor has also participated in several SAF R&D projects. Due to many short domestic routes and relatively few passengers per flight, electrification of aviation is of particular interest in Norway. Avinor has been monitoring the development very closely since 2015, and has, amongst others, acquired an all-electric aircraft. Commissioned by the MT, Avinor and the Civil Authorities in Norway delivered a proposal in March 2020 for a programme for the introduction of electrified aircraft in Norway. Avinor's vision is that all domestic air travel in Norway is electrified by 2040.

In October 2020, the Norwegian Aviation Industry committed to a goal of fossil free aviation by 2050. This will be achieved by phasing in SAF and electrifying short and regional flights. Hydrogen can also play a very significant role in decarbonising the future aviation industry. Avinor has pledged to be a driving force in the transition to fossil free aviation.

For Avinor's own emissions from airport operations, the goal is to be fossil free by 2030, and that greenhouse gas emissions are halved in 2022 compared with 2012. Avinor has contributed to the development of the Airport Carbon Accreditation (ACA) scheme from its initiation in 2008 and five of Avinor's airports are accredited.

The largest greenhouse gas emissions from Avinor's operation and maintenance of airports comes from fuel consumption for our own vehicles, followed by business travel and energy use. The greenhouse gas emissions from Avinor's activities depend heavily on weather conditions during the winter season. An

important measure for reducing greenhouse gas emissions from Avinor's own operations is the introduction of advanced biodiesel, as almost half of Avinor's greenhouse gas emissions come from its fleet of vehicles. Advanced biodiesel is used in vehicles that cannot be easily electrified (such as snow blowers and ploughs). The biodiesel used by Avinor does not contain palm oil or palm oil products and conforms to the EU's sustainability criteria. When Avinor procures vehicles, an assessment will always be made as to whether a vehicle with an internal combustion engine can be replaced by an electric vehicle. Avinor's first electric 18-metre long buses were delivered to Oslo Airport in August 2020. The most environmentally friendly energy is the one that is not used, and therefore Avinor have systematically worked on energy management for several years. In the coming years, Avinor will also address emissions from business travel and de-icing chemicals.

In order to improve the range of services to passengers, reduce greenhouse gas emissions, and improve local air quality, Avinor wants to be a driving force behind enabling as many journeys as possible to and from the airports to be made by public transport. A generally high proportion of journeys made to and from Avinor's largest airports are made by public transport. In 2019, 72 per cent. of travel to and from Oslo Airport was made by public transport. Most measures for increasing the use of public transport fall outside of Avinor's areas of responsibility and require co-operation with several other stakeholders. Avinor's most important contribution is to provide infrastructure at its airports and useful information about services to passengers. Not everyone can use public transport to travel to the Avinor's airports. It has therefore been important for Avinor to facilitate the charging of electric vehicles in Avinor's parking areas. This work has been happening since 2014, and almost 1,300 charging points have now been established. Avinor is the world's largest airport operator with charging for electric cars. At several airports, for example at Bergen Airport, charging points/ fast charging for taxis has also been implemented.

Avinor Air Navigation Services, the airlines and the Norwegian Civil Aviation Authority are continuously working on measures in the airspace that reduce aircraft fuel consumption and greenhouse gas emissions. Over the past 5-6 years, the airspace over the whole of Southern Norway has been modernised with a route structure to suit current traffic patterns. Electronic aids for efficient air traffic management and information sharing (Collaborative Decision Making) are important tools and are constantly being developed. Approach and takeoff procedures have been designed for continuous climb and descent. The transition from ground-based navigation to the use of satellites (PBN) gives shorter and more direct routes as well as more energy efficient approaches and takeoffs.

Norway, Sweden, Denmark, Finland, Latvia and Estonia introduced 'Free Route Airspace' in 2016. This is an airspace organisation that means airlines no longer follow predefined routes but can fly the most optimal route (trajectories in three dimensions). This reduces both fuel consumption and greenhouse gas emissions.

In Norway, it is expected that climate change will result in a warmer, more volatile, and wetter climate with wide regional and local variations. The inability to make adaptations to infrastructure may have major physical and economic consequences. Since 2001, Avinor – together with the Norwegian Public Roads Administration, the Norwegian Coastal Administration, and the Norwegian Railway Directorate – has assessed the impact of climate change on its own operations through its efforts relating to the National Transport Plan. Avinor's climate adaptation efforts also extend to co-operation with ICAO, Airport Council International (ACI), Eurocontrol and the directorate group for climate adaptation under the auspices of the Norwegian Environment Agency. Avinor has carried out several projects to adapt the airport infrastructure to the future climate.

Most of Avinor's airports are scattered along the rugged Norwegian coastline. Twenty of them are quite exposed and several have runways less than 4 m above sea level. No two airports are the same, and so although risks can be identified at a high level according to climate zone and geographical location, the specific impacts they will have to deal with may vary greatly according to operational and infrastructure characteristics.

New legislation in 2005 required that safety areas at the sides and ends of runways at several airports had to be expanded. Avinor was already well aware of future challenges with climate change, so in collaboration with technical experts, Avinor looked into several aspects of climate adaptation. Projections for future sea levels, wind directions, wave directions and — in some instances — the underwater topography were taken into account to calculate the size, shape and amount of rocks needed to make robust fillings which would be able to withstand future storms. Another example is the planning phase of the terminal expansion at Oslo Airport (opened in 2017) and the related work on the apron revealed that the drainage systems were in need of 50 per cent. added capacity compared with the drainage systems from the 1990s, when the airport was constructed.

In 2014 Avinor carried out a comprehensive climate risk assessment for all airports. The risk assessment will be updated in 2021 or 2022.

To avoid irreversible climate change, all sectors in society – including aviation – must reduce carbon emissions. Avinor's activities and commitment in this regard will reduce both physical and transitional risks.

### ***Environmental efforts***

Avinor has since 2010 worked systematically to improve environmental performance and to reduce environmental impact. During the period from 2010 to 2015, a project was carried out that implemented measures on emission critical infrastructure such as tank farms, de-icing platforms, oil separators and fire training areas. Routines for operation and maintenance were implemented, control systems were established for environmental monitoring and emergency systems were installed for acute pollution.

From 2014, dedicated resources were given responsibility and tasks to manage environmental issues. During the period from 2014 until the date of this Offering Circular, both on the Group and local level, environmental management in a process-oriented system has been implemented and is now certified according to the S14001 standard. A systematic environmental effort is conducted to ensure compliance with all relevant requirements enforced by the Norwegian environmental authorities and to make a contribution towards improvement of environmental performance. Regular risk assessments are carried out and four environmental group target areas have been set: climate; noise; water and soil; and energy.

Systematic efforts are conducted to reduce the risk of Avinor's environmental impact. Special processes are performed in connection with the purchase of chemicals to prevent the use of, and emissions of, harmful substances. Routines are implemented for control and maintenance of emission critical infrastructure that reduces the likelihood of emission of large amount of chemicals. An emergency readiness procedure to handle sudden emissions and environmental monitoring of water areas around the airports has been established to document that the airport operations do not affect the environment. Annual environmental risk assessments are also carried out at each airport. Even though a comprehensive effort is made to reduce the risk for large incidents, certain significant risks require on-going consideration, including, for example, the following:

### ***PFAS***

Environmentally hazardous additives per- and polyfluoroalkyl substances (**PFAS**) have previously been detected in fire-extinguishing foam and have been dispersed into the environment around Avinor's airports. Considerable efforts have been made to obtain an overview of PFAS in soil, water and fish close to Avinor's airports. Since 2012, Avinor switched to using fluorine-free fire-fighting foam.

Avinor has received orders from The Norwegian Environmental Agency on 14 May 2020 to conduct further investigations of soil, water and biota at fire training areas at several airports and will conduct investigations in accordance with the requirements. In addition, Avinor will prepare remediation action plans for a minimum of 10 contaminated sites with the intention of implementing measures until 2027. Avinor will further conduct investigations on 16 locations considered as not sufficiently mapped.



Remedial action is ongoing or about to start at four airports, either as treatment of water or as “dig and dump”. The earliest remedial action plans will preferably describe “dig-and-dump”- excavation and landfill. However, through an RFI-process, Avinor seeks knowledge on other remediation technologies for PFAS with the objective to find better methods for cost-efficient removal of the contamination.

European Food Safety Authority (**EFSA**) has set a new safety threshold for the main PFAS that accumulate in the human body. The threshold is significantly lower than before, and the tolerable weekly intake (**TWI**) is part of a scientific opinion on the risks to human health arising from the presence of these substances in food. This may result in restrictions on the intake of fish at some airports.

Avinor has, as per 30 September 2020, made a financial provision of NOK 1,023.4 million to be able to meet expected requirements for clean-up from The Norwegian Environmental Agency.

### ***De-icing chemicals***

To be able to operate safely in winter conditions, de-icing chemicals are used both on airplanes and runway systems at airports. The use and emission of these chemicals are strictly regulated by local emission permissions from the environmental authorities and are not to result in any unacceptable environmental impact on surrounding natural environments. At many airports, infrastructure has therefore been constructed to collect the chemicals and other measures have also been implemented to handle the chemicals in an acceptable way. In connection with the climate changes that are now happening with increased winter rainfall and temperature changes, there is a general increase in the consumption of such chemicals. Avinor is monitoring this development and is considering the need for certain measures. If this development continues, there is a risk for both increased costs in respect of such measures and operational restraints under demanding winter conditions.

### ***Greenhouse gas emissions***

The emission of greenhouse gases is one of the most important environmental challenges and there has been increased attention on emissions caused by the aviation sector. The share of total emissions caused by the aviation sector is low, but it is still important to take responsibility for reducing emissions. Avinor is therefore focusing on introducing electric airplanes and biofuel. Measures are also being carried out to reduce the emissions from Avinor’s own operation and transportation to/from the airports. This is important both in order to reduce the emissions and to manage the measures themselves so that it will have the least possible impact on Avinor. See “*Description of the Issuer – Operations – Climate Change*” above for further information.

### **(c) Being a professional and attractive employer**

Avinor’s objective is to create valuable relationships. This is reflected in a value platform which provides clear requirement for employee performance. An internal employee survey in 2019 showed that Avinor has a good working environment with high job satisfaction and scores 4.1 on an engagement scale from 1 to 5. Norway in general has a system of labour relations, collective bargaining and employee involvement that is more robust than comparable countries both in Europe and other parts of the world. This is incorporated both in legislation, collective agreements and company-based practice forming a system of worker’s rights and privileges. As an EEA member all relevant EU directives are implemented in Norway. The effects of the COVID-19 pandemic have made it necessary for Avinor to consider major changes in its operations and organisation among other things. Labour organisations are heavily involved in this process, and fixed legal framework has to be adhered to. A certain number of the members of the Avinor board, must be elected by and among the employees according to Norwegian legislation. Avinor offers a full range of employee and social benefits covering pension schemes, health insurance, life insurance and other benefits for the employees. Avinor also has collective agreements with its employees covering salaries and wages, hours of work and working conditions.

**(d) Ensuring that Avinor conducts its business responsibly**

Avinor is working systematically to combat all forms of corruption, discrimination, environment crime and harassment. The Group's ethics guidelines and effective notification procedures are obligatory for management, employees, suppliers and partners. There is zero-tolerance for all forms of corruption and Avinor works to combat anti-competitive behaviour. Avinor is also focusing on complying with the privacy regulations, including the European Union General Data Protection Regulation.

***Air navigation service***

Avinor Flysikring AS (ANS), which is wholly owned by Avinor, provides air navigation services. ANS provides services including en-route navigation services, approach control services, and control tower services, as well as flight navigation services and services relating to technical operations. ANS is responsible for air navigation in Norwegian airspace and provides services to both civilian and military aviation. Commissioned by the MT, the process to explore the possible separation of air navigation services from Avinor commenced in 2017. However, it is unclear when a decision will be made regarding any such separation.

Avinor co-operates with the Norwegian Armed Forces at 11 airports, nine of which are Avinor airports (Oslo, Stavanger, Bergen, Trondheim, Bodø, Andøya, Harstad/Narvik, Bardufoss, Lakselv). In addition, Ørland airbase has only military traffic, and Rygge airfield has only military activity and some general aviation. Co-operation with the Norwegian Armed Forces is expected to be extended to include several more airports in the future.

ANS' activities are divided into three business areas: En-route Services, Tower Services and Technology Services.

En-route Services provides air traffic control services in Norwegian airspace and in large parts of the North Atlantic. The services are provided by approximately 350 employees at control centres located in Stavanger, Oslo (Røyken) and Bodø. The main customers are Norwegian and international airlines, the Norwegian armed forces, oil companies and the airports for which ANS provides approach control.

The Tower Services provides air traffic control services, flight information services and alerting services at 18 control towers. The control towers are responsible for managing air traffic at and in the vicinity of airports, and for ensuring safe and efficient traffic management. Customers for Tower Services are the Group's airports and the Norwegian armed forces and private airports. ANS has also implemented Remote Towers Services at Røst airport (AFIS) and will open the world's largest Remote Towers Centre in October 2020. A further 14 airports will be included in the Remote Towers programme in phase 1. In 2020, ANS also commenced testing of a new drone system at select airports. This system is expected to be rolled out at airports with control towers in the autumn/winter of 2020.

The Technology Services operates technical equipment for both airports and air traffic services. This includes operation and maintenance of air navigation systems within communications, navigation and surveillance, air traffic management, air navigation services, traffic information service and meteorological services. These services are provided to 52 airports in Norway. Other customers include the Norwegian armed forces, power companies and other air navigation service providers in the Nordic countries.

ANS is self-financed at arm's length to the rest of the Group. The prices for Tower Services and Technology Services are cost based. The En-route Services are part of a European performance plan, with fixed prices for the next five years and a risk sharing model with our customers related to traffic development.

ANS has been appointed by the MT to provide En-route Services until December 2024. The MT stated in its report to the Norwegian Parliament in December 2014 that the planned de-regulation and tendering of air navigation services shall not include En-route Services, which will continue to be provided by ANS.

The MT instructed Avinor to start a tendering process for tower and approach services at Ålesund airport and Kristiansand airport. The decision by the board of directors of Avinor to award both contracts to Saerco was published in February 2019 with service scheduled to start from 1 March 2020. The operation was ultimately taken over by Saerco on 28 April 2020.

ANS has established wholly owned subsidiaries located in Norway, Sweden, and in the UK. A partly owned subsidiary has been set up in Spain. The purpose of these subsidiaries is to be able to enter competitive bidding processes for delivering air navigation services in these local markets. At the date of this Offering Circular, these subsidiaries have no employees or material value.

### ***Planned and on-going development projects***

- Avinor took measures to reduce its investment portfolio shortly after the beginning of the COVID-19 pandemic. During the second quarter of 2020, Avinor reduced its planned investments for the remainder of 2020 by NOK 1 billion. Projects with a budget in 2020 were either stopped, delayed or reduced in scope.

Approximately NOK 500 million of the reduced budget can be attributed to projects that are now postponed to future years or stopped entirely.

Some examples of projects that were postponed include:

- Planned maintenance at all of Avinor's airports, examples of which include asphalt replacement projects of up to NOK 150 million at Kristiansund, Lakselv, Molde and Stavanger airports.
- New tower system at Oslo airport.
- A new terminal at Trondheim airport (for further details, see below).
- IT maintenance and development projects.

Some of the postponed maintenance work will need to be undertaken in 2021 or 2022 to ensure safe and stable operations.

Some examples of the projects that were stopped include:

- New airfields at Alta airport.
- New offices at Bergen airport.
- Reconstruction of the old terminal at Bergen airport.
- New gates and bridges at Stavanger airport.
- New road and expansion of airport area at Stavanger airport

Some of the stopped projects are likely to recommence when appropriate though with an adjusted scope.

- Approximately NOK 500 million further reductions in the budget are a result of projects being reduced in scope for 2020.
  - Examples include the budget for vehicles, which was reduced by more than NOK 30 million, and the budget for the Non-Schengen construction project at Oslo airport (for further details, see below).

- The project portfolio constitutes both capital expenditure and operational expenditure (**opex**). The predicted opex related to projects for 2020 has decreased by about NOK 60 million. This reduction is due to a number of projects being reduced in budget, like the pre-development project for the new Bodø airport and the new tower system at the Oslo airport (for further details, see below). Also, the budget for IT projects has been reduced by more than NOK 30 million.

The planned investment portfolio in the period 2021 to 2025 amounts to approximately NOK 16 billion. Some large projects currently ongoing will be completed within the next two years, and some new major investments will commence in the same period. Given the COVID-19 pandemic Avinor is reviewing its investment needs for the period from 2021 to 2025 with the aim of prioritising only the most critical investments, however some of the decisions made to reduce Avinor's investment portfolio in 2020 (as discussed above) are already having an impact on the planned projects for 2021 to 2025. The largest investment projects planned during this period are listed below.

#### *Expansion of non-Schengen capacity at Oslo airport, Gardermoen*

In June 2018, the board of Avinor decided to increase capacity in the non-Schengen area of the Oslo airport. This includes an expansion of the terminal and the establishment of new aircraft parking. The scope of the project has been reduced during construction phase to reduce costs. The development has a total cost estimate of NOK 2.4 billion and an estimated completion in 2022.

#### *Replacement of luggage construction at Oslo airport, Gardermoen*

The luggage construction in Terminal 1 at Oslo airport has reached its operational lifetime and needs to be replaced. To accommodate new regulations for security checks for hand baggage, the replacement will be done simultaneously with acquiring new equipment for explosive detection. The project is planned to take place in the period 2021-2025.

#### *Expansions at Tromsø airport, Langnes*

In order to meet the expected increase in traffic at Tromsø airport, Langnes, a terminal expansion has been approved by the Board of Avinor. Airside infrastructure will also be enhanced. The planned expansion will increase capacity at Tromsø airport to 2.7 million passengers. The construction period will be 2021 to 2023.

#### *New tower system at Oslo airport, Gardermoen*

The current tower system at Oslo airport needs to be replaced and modernised due to technical life and lack of supplier support. Due to COVID-19 the project is currently on hold. Possible replacement solutions will be evaluated. The project is expected to re-start in the period 2021 to 2022.

#### *Terminal expansion of Trondheim airport, Værnes*

Terminal capacity at Trondheim airport, Værnes, is forecasted to exceed the current capacity of 5 million passengers in the coming years. Further, the existing terminal needs some renovation. To meet the expected increase in passenger traffic and undertake critical maintenance, a terminal expansion is planned to increase capacity, improve operational efficiencies and continue to deliver a user-friendly environment. The project is not expected to enter the development phase until 2025 at the earliest. A decision to commence is pending financing arrangements for the project.

#### *Remote Towers*

The Board of Avinor decided in June 2015 to start the Remote Tower project. Remote towers facilitate air traffic management around a runway using a series of powerful cameras. The cameras are operated by air

traffic controllers who, from a remote location, guide aircraft to the runway in question. Remote towers will lead to a more efficient operation of tower services leading to lower costs for Avinor. The Remote Tower project phase 1 will be completed by 2022 and will introduce remote control and tower services at up to 15 airports from one tower centre in Bodø. The remote tower centre in Bodø was officially opened in October 2020.

#### *New airport Mo i Rana*

The Norwegian Government has delegated Avinor the responsibility to develop a new airport at Mo i Rana. The new airport will cater for increased capacity needs of local industries and communities. The project will be fully financed by the Norwegian Government and the local municipality, and the project is pending a finance decision in the revised national budget for 2022.

#### ***Dividend Adjustment***

Dividends are determined annually at the Annual General Meeting. Avinor's sole shareholder, the MT's current dividend policy implies a dividend of 50 per cent. of full-year profit after tax.

For the fiscal year 2019 the Norwegian parliament decided that Avinor did not need to make a dividend payment to its owner, in order to alleviate the impacts of the COVID-19 pandemic on Avinor.

### **Organisational Structure**

#### ***Description of the Group***

Avinor's role in society is to own, operate and develop a national network of airports for the civilian sector and a joint air navigation service for the civilian and military sectors. Avinor's operations are required to be carried out in a safe, efficient and environmentally friendly manner and provide good availability for all groups of travellers. The operations may be run by the company itself, by wholly owned subsidiaries, or by other companies it has interests in or cooperates with.

The consolidated financial statements of the Group include the following subsidiaries:

<b>Directly owned subsidiaries</b>	<b>Home country</b>	<b>Business office</b>	<b>Main business</b>	<b>Ownership (per cent.)</b>
Avinor Flysikring AS	Norway	Oslo	Air Navigation Services	100
Avinor Utvikling AS	Norway	Oslo	Holding	100
Svalbard Lufthavn AS	Norway	Longyearbyen	Airport operations	100
Sjømatterterminalen AS	Norway	Oslo	n/a	100
<b>Indirectly owned subsidiaries (Owned by Avinor Utvikling AS)</b>				
Hotel Østre AS	Norway	Oslo	Real-estate	100
Flyporten AS	Norway	Oslo	Real-estate	100
Flesland Eiendom AS	Norway	Oslo	Real estate	100
Værnes Eiendom AS	Norway	Oslo	Real estate	100
Sola Hotel Eiendom AS	Norway	Oslo	Real estate	100
Hell Eiendom AS	Norway	Oslo	Real estate	100
<b>Indirectly owned subsidiaries (Owned by Avinor Flysikring AS)</b>				
CASA Air Navigation Services Limited	England	Birmingham	Air Navigation Services	100
FS Air Navigation Services AS	Norway	Oslo	Air Navigation Services	100
Avia Polaris AB	Sweden	Halmstad	Air Navigation Services	100
NINOX Air Navigation Services S.L.	Spain	Madrid	Air Navigation Services	80

**Litigation**

There are no pending cases in the courts where Avinor is a part.

## Shareholders

### *Ownership*

As at the date of this Offering Circular, the share capital of Avinor AS is NOK 5,400,100,000, divided into 540,010 shares, each with a par value of NOK 10,000. Avinor's equity at any given time shall correspond to at least 40 per cent. of the total of the Group's net interest-bearing debt and equity according to Avinor's Articles of Association.

Avinor AS is a wholly state-owned limited company. The Shareholders' rights are safeguarded by the responsible cabinet minister or his deputy at the General Meeting.

### *Change in control of the Issuer*

There are no plans, known to the Issuer, that on a subsequent date will result in a change in control of the Issuer.

## Administrative, management and supervisory bodies

### *Board of directors*

The table below set out the names of the members of the Board of Directors of the Avinor:

<b>Name</b>	<b>Position</b>	<b>Business address</b>
<b>Anne Carine Tanum</b>	Chairperson	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Ola Henrik Strand</b>	Vice Chairperson	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Herlof Nilssen</b>	Board member	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Eli Skrøvset</b>	Board member	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Linda B. Silseth</b>	Board member	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Bjørn Tore Mikkelsen</b>	Employee-elected Board member	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Heidi Anette Sørum</b>	Employee-elected Board member	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Olav Aadal</b>	Employee-elected Board member	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway

**Anne Carine Tanum, Chairperson**

**Born:** 1954

**Position:** Former CEO, Tanum AS

**Education:** Cand. Jur, 1982

**Board member since** 2018

**Other directorships:** Board member of: Cappelen Damm AS (board member), Den Norske Opera & Ballett AS (Chairperson), Posten AS (board member), Try AS (board member), Tanum Holding AS (Chairperson), Ancata (Chairperson), Kritami AS (Chairperson) and Itami AS (Chairperson).

**Ola Henrik Strand, Vice Chairperson**

**Born:** 1957

**Position:** CEO Global Fresh Food Inc. and CEO Global Fresh Food Ltd., California, USA. CEO Gff Bluwrap Norway AS

**Education:** MBA in Strategic Management, NHH (1996-1998); The Norwegian Military academy (1980-1983); Economics, Trondheim Økonomiske Høgskole (1978-1980)

**Board member since** 2012

**Other directorships:** Chairperson of Nordic Logistics AS, Cargo Linea AS, B. Iversen AS and Nordenfjeldske Papirindustri AS, Avinor Flysikring AS (board member), Globe Fresh Food ltd. (board member), Globe Fresh Food Inc (board member), GFF BlueWrap AS (board member) Purefresh Inc., California, USA (board member), and Institute of Transport Economics (vice chairperson). Deputy Board Member of Frem Holding AS.

**Herlof Nilssen, Board member**

**Born:** 1958

**Position:** CEO, Helse Vest RHF

**Education:** Master of Industrial Economics and Technology Management, NTNU

**Board member since** 2015

**Other directorships:** Chairperson of Helse Vest IKT AS, Arbeidsgiverforeningen Spekter and Norsk Helsenett SF.

**Eli Skrøvset, Board member**

**Born:** 1965

**Position:** CFO Bane NOR AS

**Education:** Norwegian School of Economics, NHH (1990); AMP Harvard Business School (2008)

**Board member since** 2011

**Other directorships:** N/A



**Linda B. Silseth, Board member**

**Born:** 1962

**Position:** Former CEO Flytoget AS

**Education:** AFF Senior Executives management training, HR Administration and economics and administration, Norsk Hotellhøgskole.

**Board member since** 2016

**Other directorships:** Chairperson Norsk Tipping AS and the National Museum of Art, Board member Handelsbanken and Foss Bad. Member Advisory Board Lund Gruppen. Deputy Board Member of Unit One Eiendom AS.

**Bjørn Tore Mikkelsen, Employee-elected Board member**

**Born:** 1959

**Position:** Team Leader Fire and Rescue; Union leader Delta Luftfart

**Education:** Maritime Military Education

**Board member since** 2015

**Other directorships:** Chairperson Delta Luftfart

**Heidi Anette Sørum, Employee-elected Board member**

**Born:** 1967

**Position:** Chief Employee Health and Safety Contact,

**Education:** Leadership course, NKI; 1-year Marketing Communication studies, Oslo School of Management; Course in law, NKI and University of Oslo; Leadership course and courses in Political Science, University of Bergen; Human Resource Management and leadership, Lillehammer University College, Board law, BI.

**Board member since** 2011

**Other directorships:** Board member of NTL Landsforening 50.

**Olav Aadal, Employee-elected Board Member**

**Born:** 1967

**Position:** Supervisor Trondheim tower/approach

**Education:** Certified Biochemical engineer since 1988, certified air traffic controller since 1990, certified Eurocontrol facilitator since 2000, NATS supervisor course 2008.

**Board member since** 2017

**Other directorships:** Vice president Norwegian Air Traffic Controllers Association. Chairperson Østersundsgt. 15 condominium, Trondheim.

No member of the Board of Directors has potential conflicts of interest between their duties to the Issuer and their private interests and/or other duties.

## ***Management***

The table below sets out the names of the members of the Management of Avinor:

<b>Name</b>	<b>Position</b>	<b>Business address</b>
<b>Dag Falk-Pettersen</b>	Chief Executive Officer	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Helge Eidsnes</b>	Managing Director, Bergen airport	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Øyvind Hasaas</b>	Executive Vice President Operations and Infrastructure, traffic development and IT	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Mari Hermansen</b>	Executive Vice President HR/Legal and Business Support, Strategic Purchase	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Petter Arne Johannessen</b>	Chief Financial Officer	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Joachim Lupnaav Johnsen</b>	Executive Vice President Commercial development	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Anders Kirsebom</b>	Managing Director Air Navigation Services (Avinor Flysikring AS)	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Thorgeir Landevaag</b>	Executive Vice President Regional Airports Division	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Anette Sigmundstad</b>	Managing Director, Stavanger airport	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Marit Helene Stigen</b>	Managing Director, Trondheim airport	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Egil Thompson</b>	Executive Vice President Communications and Marketing	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway
<b>Stine Ramstad Westby</b>	Managing Director, Oslo airport	Avinor AS, P.O. Box 150, N-2061 Gardermoen, Norway

**Dag Falk-Petersen**

**Born:** 1954

**Position:** Chief Executive Officer

**Education:** Royal Norwegian Air Force Academy (1977-1980); and Royal Norwegian Air Force Pilot Training (1974-1976)

**Background:** Managing Director of CHC Helikopter Service (2010-2011); COO of SAS Norway (2005-2009); Base Chief Pilot at SAS Oslo (2004-2005); Chief Pilot at SAS Oslo (1999-2003); several leadership positions at the Royal Norwegian Air Force (1982-1985 and 1987-1995)

**Joined Avinor:** 2011

**Directorships (external):** Chairperson of Falk Eiendom AS; Board member of Sd Suitel AS, Svolvær Øvre holding AS, Volt 401 AS; CEO Falk Eiendom AS; 100 per cent. owner of Volt 401 AS; 50 per cent. owner of Svolvær Øvre Holding AS, 100% owner Havnepromenaden Eiendom AS, Board member of Norsk Luftfartsmuseum, Chairman of Svalbard Lufthavn AS, Chairman of Avinor Flysikring AS.

**Helge Eidsnes**

**Born:** 1962

**Position:** Managing Director, Bergen airport

**Education:** Civil engineer (M.Sc.) NTH University of Trondheim (1981-1985); Business degree from Norwegian School of Economics and Business Administration NHH Bergen (1988-1990); several leadership programmes

**Background:** Regional Road Director at Norwegian Public Roads Administration (2011-2019); Chief Fire Officer (1993-2011) and Senior Fire Officer (1991-1993) at Bergen Fire Department; Project/Senior Engineer at Inoceen Construction AS (1985-1991) (oil industry)

**Joined Avinor:** 2019

**Directorships (external):** N/A

**Øyvind Hasaas**

**Born:** 1956

**Position:** Executive Vice President Operations and Infrastructure, traffic development & IT

**Education:** Master of Business Administration, University of Karlstad

**Background:** President and CEO, REC Solar (2013-2014); Executive Vice President, Organizational Development & HR, REC Group ASA (2010-2012); Senior Vice President, Site Operations, REC Group ASA (2007-2013); Senior Vice President & Head of Hydro Business and Industrial Parks, Norsk Hydro AS (2005-2007); Senior Vice President & Head of Hydro Porsgrunn Industrial Park, Norsk Hydro ASA (2000-2005); Senior Vice President & Head of Business Development for Hydro Agri, Norsk Hydro ASA (1995-2000); Vice President & Head of Hydro Agri Porsgrunn (fertilizer plant), Norsk Hydro ASA (1989-1995); Financial Manager, Norsk Hydro ASA (1986-1989); Financial Controller, Norsk Hydro ASA (1981 – 1986); Financial Controller, Saga Petrochemicals (1979-1981)

**Joined Avinor:** 2014

**Directorships (external):** Chairman of Hasaas Consulting AS, Chairman of Herøya Industripark, 100% owner Hasaas Consulting AS, Chairman of Sjømatterterminalen AS, Shares in REC Silicon ASA

**Mari Hermansen**

**Born:** 1968

**Position:** Executive Vice President HR, Legal & Business Support, Strategic Purchase

**Education:** Cand. Jur., University of Oslo (1995); Environmental Law and Policy for Natural Resources and Energy & International Comparative Petroleum Law and Policy, University of Dundee, Scotland (1993); one year study of Criminology, University of Oslo (1989); German language exam, Hartnackschule, Berlin, Germany (1988); Examen Philosophicum, University of Oslo (1987)

**Background:** Different leadership positions in SAS Norge (2005-2012); Lawyer & Associate Lawyer, Lawyers at Hjort DA (2002-2005); Associate Lawyer, Storebrand ASA (1995-1998); Consultant, Financial Markets Department, Ministry of Finance (1995-1998)

**Joined Avinor:** 2012

**Directorships (external):** Board member of Al Borettslaget Industrig 30 and Hjott Export AS.

**Petter Arne Johannessen**

**Born:** 1958

**Position:** Chief Financial Officer

**Education:** MBA in Finance, investments and banking, University of Wisconsin, Madison, US (1990)

**Background:** Finance Director at Thorn Nordic (1999-2004); Director information systems at Nycomed Amersham (1997-1999); CFO of Nycomed Americas, US (1994-1997); CFO of Nycomed Pharma, Norway (1990-1994)

**Joined Avinor:** 2004

**Directorships (external):** Chairman of Ænes Inkubator AS, Chairman of: Flesland Eiendom AS, Avinor Utvikling AS, Flyporten AS, Hell Eiendom AS, Hotell Østre AS, Sola Hotel Eiendom AS, Værnes Eiendom AS

**Joachim Lupnaav Johnsen**

**Born:** 1974

**Position:** Executive Vice President Commercial development

**Education:** Bachelor Political Science, Master of Science in marketing & business administration

**Background:** Sales & Marketing Elkjøp Nordic, Purchasing Manager Central Dixons Carphone, Owner & Senior Partner Implement Consulting Group, Managing Partner Implement Consulting Group

**Joined Avinor:** 2020

**Directorships (external):** Owner and Chairman JLJ Management AS, Chairman of the board Haarcompagniet AS, Board member Sululta Norge (foundation raising money for education & security of Ethiopian children).

**Anders Kirsebom**

**Born:** 1964

**Position:** Managing Director, Air Navigation Services (Avinor Flysikring AS)

**Education:** Bachelor's in business and Administration, Økonomisk College, Oslo Commerce School

**Background:** Director, Large Airports Division, Avinor; Director, Business and Service Division, Avinor; Director, Business Development, NSB AS; Finance Manager, Person Traffic Division, NSB AS; Division Controller, Esselte Kontor og Data

**Joined Avinor:** 2002

**Directorships (external):** Board member of Airport Coordination Norway AS; Proprietor of Kirsebom Eiendom, Chairman of Avia Polaris AB, Chairman of FS Air Navigation Services, Chairman of NINOX Air Navigation Services Spain, Chairman of CASA Air Navigation Limited.

**Thorgeir Landevaag**

**Born:** 1969

**Position:** Executive Vice President Regional Airports Division

**Education:** M.Sc. Infrastructure engineering

**Background:** Oslo airport, Director Terminal Operations (2015-2018); Oslo airport, Director T2 Airport extension-project (2011 – 2017); Eidsiva Energy, Manager QHSE (2009-2011); Oslo airport, Director QHSE (2006-2009); Oslo airport, Manager QHSE (2006-1999); Norwegian Civil Aviation Authority, Advisor (1997-1999); Norwegian Defence Construction services, Advisor (1993-1997).

**Joined Avinor:** 1999

**Directorships(external):** N/A

**Anette Sigmundstad**

**Born:** 1973

**Position:** Managing Director, Stavanger airport

**Education:** Basic social study, University of Stavanger (1994-1995); Norwegian Police Academy (1995 - 1998, 2007, 2009-2010, 2011); Innovation and commercialization, Norwegian Business School (2017-2018)

**Background:** Police force, Security and Quality director

**Joined Avinor:** 2012

**Directorships (external):** Board Member of Solakonferansen, Board Member of FLYT

**Marit Helene Stigen****Born:** 1976**Position:** Managing Director, Trondheim airport**Education:** Bachelor Norwegian Police Academy, Bachelor Organisation & Management, Master of Science strategy, organisation and management.**Background:** Chief Superintendent Trøndelag Police District, Chief Superintendent at the National Police Directorate**Joined Avinor:** 2018**Directorships (external):****Egil Thompson****Born:** 1964**Position:** Executive Vice President Communications and Marketing**Education:** Cand. Polit., University of Oslo**Background:** Executive Vice President Corporate Communication, Storebrand ASA (1999-2012); Editorial Leader, Aftenposten (1994-1999); Journalist, Norwegian News agency NTB (1990-1994)**Joined Avinor:** 2012**Directorships (external):****Stine Ramstad Westby****Born:** 1970**Position:** Managing Director, Oslo airport**Education:** Cand. Scient, 1996, University of Oslo, The Faculty of Mathematics and Natural Sciences**Background:** Executive Vice President Operations and Infrastructure (2016); Financial Director (2014-2015); Head of Economy and Performance Management (2010-2013); Head of Project Control (2006-2009); Senior Advisor to the CEO (2004-2005)**Joined Avinor:** 2004**Directorships (external):** Board member of Andøya Space Center AS

No member of the Management has potential conflicts of interest between their duties to the Issuer and their private interests and/or other duties.

## **TAXATION**

### **NORWEGIAN TAXATION**

*The following is a summary of certain Norwegian tax consequences for holders of the Notes who are resident in Norway for tax purposes. The summary is based on Norwegian tax legislation as at the date of this document and is intended to provide general information only. The tax treatment of each Noteholder partly depends on the holder's specific situation; this summary does not take into consideration any rules applicable to holders subject to special tax regimes, such as banks, insurance companies or tax-exempt organisations. Each investor should consult a tax adviser as to the tax consequences relating to their particular circumstances resulting from holding Notes. Any changes to applicable tax laws may have a retrospective effect.*

*Norwegian tax legislation does not currently include statutory legislation relating specifically to the Notes. Instead, the tax treatment must be derived from general tax rules and principles applicable to capital income and capital gains. Norwegian tax law is based on substance over form. If the terms of the Notes include conditions that are common to equity instruments, and that the Notes after an overall assessment are considered to have more characteristics of equity instruments rather than debt, the economic reality may overrule the formalities for income tax purposes. Thus, the applicable terms of the Notes may cause the taxation of the Notes to depart from the taxation treatment described in this summary. In the following, it is assumed that the Notes do not qualify as equity instruments for income tax purposes.*

*Note that for the purposes of this summary, a reference to the residency of a holder of Notes is a reference to the tax residency and not the nationality of such person.*

*The Norwegian Government has proposed the introduction of withholding tax on interest payments with effect from 1 July 2021. However, the current proposal limits the scope of this withholding tax on interest payments to such payments made to related parties resident within low tax jurisdictions.*

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

Payments of principal and interest on the Notes to persons who are not tax resident in Norway and have no connection with Norway other than the holding of Notes are, under present Norwegian tax law, not subject to, and may be made without, any withholding or deduction for or on account of any Norwegian taxes, duties, assessments or governmental charges, provided that the Notes have not been used in or attached to any business activity operated through a permanent establishment.

Gains or profits realised on the sale, disposal or redemption of the Notes by persons who are not tax resident in Norway and have no connection with Norway other than the holding of Notes are not, under present Norwegian law, subject to Norwegian taxes or duties, provided that the Notes have not been used in or attached to any business activity operated through a permanent establishment.

Non-resident holders of Notes are not liable to Norwegian net wealth tax on the holding of the Notes, unless the non-resident holder is an individual and the Notes are effectively connected with a business that the individual holder of the Notes carries out in Norway.

No Norwegian issue tax or stamp duty is payable in connection with the issue of the Notes.

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

Any kind of interest payments or similar payments received on the Notes by persons (individuals or companies) tax resident in Norway prior to disposal or redemption is taxable as “ordinary income” subject to the flat rate of 22 per cent. For taxpayers with a statutory obligation to keep accounting records interest is

taxed on an accruals basis (i.e. regardless of when the return is actually paid). For other taxpayers accrued interest is as the main rule taxed when the interest is actually paid.

Redemption at the end of the term as well as prior disposal is treated as realisation of the Notes and will trigger a capital gain or loss. Capital gains will be taxable as “ordinary income”, subject to the flat rate of 22 per cent. Losses will be deductible in the Noteholder’s “ordinary income”, at the same tax rate.

Any capital gain or loss is computed as the difference between the amount received by the Noteholder on realisation and the cost price of the Notes. The taxable gain is calculated in Norwegian kroner. The amounts received are converted to Norwegian kroner at the foreign exchange rate at the time of realisation. The cost price is equal to the price for which the Noteholder acquired the Notes, at the foreign exchange rate at the time of acquisition. Costs incurred in connection with the acquisition and realisation of the Notes may be deducted from the Noteholder’s taxable income in the year of the realisation.

Any gains or losses derived from foreign currency exchange are taxable or tax deductible in the income year of realisation of the Note.

The value of the Notes at the end of each income year will be included in the computation of the Noteholder’s taxable net wealth for municipal and state net wealth tax purposes. Listed bonds are valued at their quoted value on 1 January in the assessment year, while non-listed bonds are valued at their estimated market value on 1 January in the assessment year. The marginal tax rate is currently 0.85 per cent. Limited companies and similar entities are not subject to net wealth taxation.

There are currently no Norwegian transfer taxes, stamp duty or similar taxes connected to purchase, disposal or redemption of the Notes. Further, there is no VAT on transfer of the Notes.

## **FATCA DISCLOSURE**

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

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Norway) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under Condition 15 of the Terms and Conditions of the Notes other than the VPS Notes and Condition 14 of the Terms and Conditions of the VPS Notes) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.



## **THE PROPOSED EU FINANCIAL TRANSACTIONS TAX (FTT)**

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

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

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in 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. 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 a Programme Agreement (such Programme Agreement as modified and/or supplemented and/or restated from time to time, the **Programme Agreement**) dated 16 December 2020, 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*”, “*Terms and Conditions of the Notes other than the VPS Notes*” and “*Terms and Conditions of the VPS Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

The Notes have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, 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 or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

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

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

### Prohibition of sales to EEA and UK Retail Investors

Unless the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the EEA or 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 (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to EEA and UK Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area and the United Kingdom (each a **Relevant State**), 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 Offering Circular as completed by the final terms in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- the expression an **offer of Notes to the public** in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

### **United Kingdom**

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; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## Norway

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the Issuer has confirmed in writing to each Dealer that the Offering Circular has been filed with the Financial Supervisory Authority of Norway, it has not, directly or indirectly, offered or sold and will not directly or indirectly, offer or sell any Notes in Norway or to residents of Norway, other than:

- (d) in respect of an offer of Notes addressed to investors subject to a minimum purchase of Notes for a total consideration of not less than €100,000 per investor cf. Article 1 no. 4(d) of the Prospectus Regulation as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the **Norwegian Securities Trading Act**); or
- (e) to “qualified investors” as defined in Article 2(e) of the Prospectus Regulation, cf. Article 1 no. 4(a), as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act; or
- (f) to fewer than 150 natural or legal persons (other than “qualified investors” as defined in Article 2 (e) of the Prospectus Regulation, cf. Article 1 no. 4 (b), as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act), subject to obtaining the prior consent of the relevant Dealer or Dealers for any such offer; or
- (g) in any other circumstances provided that no such offer of Notes shall result in a requirement for the registration, or the publication by the Issuer or the Dealer or Dealers of a prospectus pursuant to the Norwegian Securities Trading Act.

The Notes shall be registered with the VPS unless (i) the Notes are denominated in NOK and offered and sold outside of Norway to non-Norwegian tax residents only, or (ii) the Notes are denominated in a currency other than NOK and offered or sold outside of Norway.

Further, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes will only be sold in Norway to investors who have sufficient knowledge and experience to understand the risks involved with investing in the Notes.

See also the selling restriction “Prohibition of sales to EEA and UK Retail Investors” above.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended; the **FIEA**) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## Belgium

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

## The Netherlands

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that any Notes will only be offered in The Netherlands to Qualified Investors (as defined in the Prospectus Regulation), unless such offer is made in accordance with the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

## Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused 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 Offering Circular 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 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 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:

- (i) to an institutional investor or to a relevant person as defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;

- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the **SFA** is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Issuer has, unless otherwise specified before an offer of Notes, determined the classification of all Notes to be issued under the Programme as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## **General**

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

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

## GENERAL INFORMATION

### Authorisation

The update of the Programme and the issue of Notes have been duly authorised by a resolution of the Board of Directors of the Issuer dated 8 December 2020. The Issuer has obtained and will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

### Listing of Notes and admission to trading

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II. The listing of the Programme in respect of Notes is expected to be granted on or around 16 December 2020.

In the case of VPS Notes, application will be made to the Oslo Stock Exchange for such VPS Notes to be admitted to trading on the Oslo Stock Exchange's regulated market.

### Documents Available

For the period of 12 months following the date of this Offering Circular (save in respect of the documents set out in paragraph (c) below, which will be available for a period of 10 years following the date of this Offering Circular), copies of the following documents will, when published, be available for inspection on the website of the Issuer (see <https://avinor.no/en/corporate/about-us/financial-information/funding>).

- (a) the constitutional documents (with an English translation thereof) of the Issuer;
- (b) the Agency Agreement, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons; and
- (c) any future offering circulars, prospectuses, information memoranda, supplements to this Offering Circular and Final Terms and any other documents incorporated herein or therein by reference.

A Pricing Supplement will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity.

### Clearing Systems

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

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of the VPS is Fred Olsens gate 1, N-0152 Oslo.

## **Conditions for determining price**

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

## **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.

## **Significant or Material Change**

Save as disclosed on pages 14 to 15 in the Risk Factor titled "*Risks related to air traffic volumes*" and save as disclosed on pages 113 to 114 in the section titled "*Description of the Issuer – Business – Overview*", in each case in relation to the impact of COVID-19, there has been (i) no significant change in the financial performance or position of the Issuer or the Group since 30 September 2020; and (ii) no material adverse change in the financial position or prospects of the Issuer since 31 December 2019.

## **Litigation**

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

## **Auditors**

The elected auditors of the Issuer are Ernst & Young AS. The address of Ernst & Young AS is Dronning Eufemias gate 6, Oslo Atrium, Postboks 1156 Sentrum, NO-0107 Oslo, Norway. The partners in Ernst & Young AS are members of the Norwegian Institute of Public Accountants who have audited the Issuer's accounts, without qualification, in accordance with IFRS for each of the two financial years ended 31 December 2018 and 31 December 2019.

## **Dealers transacting with the Issuer**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in financing, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.

Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of positions in securities, including



potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

For the purposes of the above three paragraphs, the term **affiliates** also includes parent companies.

#### **Luxembourg Listing Agent**

BNP Paribas Securities Services, Luxembourg Branch, being part of a financial group providing client services with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg.

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