

Securities Note

Borregaard ASA FRN senior unsecured NOK
700,000,000 open green bonds 2023/2028

NO0012943838



Joint Lead Managers and Green Bond Advisors:

DNB Markets



Important notice

This Securities Note has been approved by the Financial Supervisory Authority of Norway (the "Norwegian FSA") (Finanstilsynet), as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the securities that are the subject of this Securities Note. The investors should make their own assessment as to the suitability of investing in the securities.

The Securities Note has been prepared in connection with the listing of the Bonds on Oslo Børs. This Securities Note together with the Registration Document and if applicable a Summary constitutes the Prospectus. The Prospectus is valid for a period of up to 12 months following its approval by the Norwegian FSA. New information that is significant for the Issuer or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the securities. Such information will be published as a supplement to the Securities Note to Regulation (EU) 2017/1129. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Issuer or its subsidiaries may not have been changed.

Only the Issuer and the managers are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Verification and approval of the Securities Note by Norwegian FSA implies that the Securities Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Issuer and Managers to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy Bonds.

The content of the Securities Note does not constitute legal, financial or tax advice and Bond owners should seek legal, financial and/or tax advice.

Contact the Issuer to receive copies of the Securities Note.

Factors which are material for the purpose of assessing the market risks associated with Bond

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

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

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1. Risk factors

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds. An investment in the Bonds entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of its investment.

The main risks, in the view of the Issuer, related to these specific bonds are described below. Risks related to the Issuer and Guarantors are described in the Registration Document.

Market risk is the risk that the value of the Bonds will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of Borregaard and the liquidity of the Bonds in the market. In spite of an underlying positive development in Borregaard's business activities, the price of the Bonds may fall independent of this fact. No market-maker agreement is entered into in relation to this Bond issue, and the liquidity of bonds will at all times depend on the market participants' view of the credit quality of Borregaard as well as established and available credit lines.

Credit risk is the risk that the Issuer fails to make the required payments under the Bonds (either principal or interest) pursuant to the obligations in the Bond Terms. The Issuer is a holding company and its ability to serve its payment obligations under the Bonds mainly depends on the transfer and receipt of sufficient funds from the Guarantor and the rest of the Group. There is a risk the Issuer may not be able to pay interest on the Bonds or repay the principal. In case of a bankruptcy, the bondholder risk losing its entire investment, and settlement of any potential dividend will not take place until the bankruptcy proceedings have been completed.

Interest rate risk is the risk borne by the Bonds due to variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate. The interest rate risk related to the Bonds will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the 5-year tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

Risks related to the bonds being unsecured - The bonds are unsecured. Consequently, right to receive payment on the Bonds in a default and enforcement scenario will be subject to all secured creditors first receiving due payments. Under insolvency proceedings, the Bondholders will not receive any payment unless there are remaining funds after the secured creditors have received payment in full. Insolvency proceedings could involve that the Bondholders only receive payments in part or not at all.

Green Bonds - The Issue is a green bond issue. The purpose of the issue is financing and refinancing of "Eligible Projects" as defined in and otherwise in accordance with the Borregaard's Green Financing Framework. A failure to comply with the Green Financing Framework shall not constitute an event of

default. The intention of Borregaard is to apply the proceeds of the Green Bonds for eligible green projects in the manner described in the Green Financing Framework. The investment criteria of an investor may not necessarily comply with the eligibility criteria defined in Borregaard's Green Financing Framework.

2. Person responsible

RESPONSIBLE FOR THE INFORMATION

Responsible for the information given in the Prospectus are as follows:

Borregaard ASA,
Hjalmar Wessels vei 6,
1721 Sarpsborg,
Norway.

DECLARATION BY RESPONSIBLE

Borregaard ASA confirms that the information contained in the Prospectus is, to the best of our knowledge, in accordance with the facts and the Prospectus makes no omission likely to affect its import.

21.06.2024

Borregaard ASA

Competent authority approval

The Securities Note has been approved by the Financial Supervisory Authority of Norway (the "Norwegian FSA") (Finanstilsynet), as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note. The investors should make their own assessment as to the suitability of investing in the securities.

3. Information concerning the securities

ISIN:	NO0012943838.
The Bonds:	Borregaard ASA FRN senior unsecured NOK 700,000,000 open green bonds 2023/2028.
Issuer:	Borregaard ASA, a company existing under the laws of Norway with registration number 998 753 562 and LEI-code 5967007LIEEXZXGYXC05.
Security Type:	Senior unsecured open green bonds with floating rate.
Guarantor:	Borregaard AS, a company existing under the laws of Norway with registration number 895 623 032 and LEI-code 493007KUCQRPX10K761.
Guarantee:	Means the guarantee and indemnity granted pursuant to the Bond Terms Clause 9 (<i>Guarantee</i>). There is no separate guarantee agreement.

Guaranteed obligations

The Guarantor does hereby irrevocably and unconditionally guarantee as for its own debt in favour of the Bond Trustee (on behalf of the Bondholders) the due and punctual fulfilment of the Guaranteed Obligations. The obligations of the Guarantor under the Guarantee shall be joint and several with those of the Issuer under the Finance Documents and not be regarded as surety only.

The obligations of the Guarantor hereunder shall be valid and enforceable, irrespective of the genuineness, validity, regularity or enforceability of the Finance Documents, provided that any lack of genuineness, validity, regularity or enforceability is due to (i) acts, omissions or misrepresentations of the Guarantor or the Issuer, or (ii) to any event that the Guarantor or the Issuer otherwise is responsible for in relation to the Finance Documents.

"*Finance Documents*" means the Bond Terms, the Bond Trustee Fee Agreement, the Guarantee and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

"*Guaranteed Obligations*" means all present and future obligations and liabilities of the Issuer under the Finance Documents.

Demand

The Guarantor undertakes immediately on first written demand by the Bond Trustee from time to time to make payment in accordance with its obligations under the Bond Terms Clause 9.1 (No. "påkravsgaranti"), subject, however, to the limitations set out in the Bond Terms Clause 9.3. The Bond Trustee may serve more than one demand at its sole discretion. There is no limit on the number of claims that may be made by the Bond Trustee against the Guarantor under the Guarantee.

Maximum liability

The Guarantor's aggregate liability under the Guarantee shall never exceed the Maximum Issue Amount set out in the Bond Terms Clause 2.1(a) plus any unpaid amount of interest, fees, costs and expenses thereon as set out in the Finance Document.

Maximum Issue Amount:	NOK 700 000 000
Initial Bond Issue:	NOK 500 000 000
Outstanding Bonds:	NOK 500 000 000
Nominal Amount of each Bond:	NOK 1 000 000 - each and among themselves pari passu ranking.
Securities Form:	The Bonds are electronically registered in book-entry form with the CSD.
Issue Date:	20 June 2023.
Interest Accrual Date:	Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	20 June 2028, adjusted according to the Business Day Convention.
Interest Rate:	The percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.
Margin:	1.25 per cent.
Current Rate:	5.98 %.
Interest Payment Date:	Means the last day of each Interest Period, the first Interest Payment Date being 20 September 2023 and the last Interest Payment Date being the Maturity Date.
Interest Period:	Subject to adjustment in accordance with the Business Day Convention, the periods between 20 September, 20 December, 20 March and 20 June each year, provided however that an Interest Period shall not extend beyond the Maturity Date.
Interest Quotation Day:	In relation to any period for which Interest Rate is to be determined, 2 Quotation Business Days before the first day of the relevant Interest Period.
Interest:	Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
	Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest

Period in which the Additional Bonds are issued and thereafter in accordance with paragraph above.

Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

Reference Rate:

NIBOR (Norwegian Interbank Offered Rate) being;

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
 - (ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
 - (i) any relevant replacement reference rate generally accepted in the market; or
 - (ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

Information about the past and the future performance of the NIBOR and its volatility can be obtained at: <https://nore-benchmarks.com/about-nibor/nibor-data/rates/>¹

Access to the NIBOR rates and monthly statistics is restricted to authenticated users. Redistribution or commercial exploitation of the NIBOR data is prohibited. You will require a subscription or register for an account.

Business Day Convention:

Means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest

	Period will be shortened to the first preceding Business Day (<i>Modified Following</i>).
Payment Date:	Means any Interest Payment Date or any Repayment Date.
Issue Price:	100% (par).
Yield:	<p>Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par). As the Bonds have a floating reference rate, it is the market's expectations of risk premium, i.e. margin that affects the price. If the price has increased, the yield for the purchaser in the secondary market, given that the reference rate does not change, will be lower than the interest rate of the Bonds and vice versa.</p> <p>Yield for the Interest Period (20 June 2024 – 20 September 2024) is 5.98% p.a. assuming a price of 100 %.</p> <p>The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» https://finansfag.no/publikasjoner/¹ prepared by Norske Finansanalytikeres Forening in March 2022.</p>
Business Day:	Means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.
Redemption of Bonds:	The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.
Mandatory repurchase due to a Put Option Event:	<p>Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "Put Option") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.</p> <p>The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to the Bond Terms Clause 13.3 (<i>Put Option Event</i>). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.</p> <p>Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in the Bond Terms Clause 11.2 paragraph (b). However, the settlement of the Put</p>

¹ Disclaimer - the information on the website does not form part of this Securities Note unless information is incorporated by reference into the Securities Note

	Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
	If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to the Bond Terms Clause 11.2, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in the Bond Terms Clause 11.2 paragraph (a) by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.
Early redemption option due to a tax event:	If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to the Bond Terms Clause 8.4 (<i>Taxation</i>) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.
Repayment Date:	Means the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.
Put Option Event:	Means a De-Listing Event or a Change of Control Event.
De-Listing Event:	Means if the Issuer ceases to be publicly listed company on the Exchange.
Change of Control Event:	Means if: <ul style="list-style-type: none"> (i) any person or group of persons acting in concert gains control of more than 50 per cent. Of the Issuer's share capital or voting rights; or (ii) the Issuer ceases to own one hundred per cent. Of the shares in the Guarantor, where (i) acting in concert means acting together pursuant to an agreement of understanding (whether formal or informal) and (ii) control means having the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise.
Redemption:	Matured interest and matured principal will be credited to each Bondholder directly from the CSD. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of 18 May 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Status of the Bonds:	The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and at least

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	pari passu with all other senior obligations of the Issuer and the Guarantor (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).
Transaction Security:	The Bonds are unsecured.
Information undertakings:	For information regarding information undertakings, please see the Bond Terms Clause 13.
General undertakings:	Information regarding general undertakings, please see the Bond Terms Clause 14.
Events of default and acceleration of the Bonds:	Information regarding Events of default and acceleration of the Bonds, please see the Bond Terms Clause 15.
Use of proceeds:	<p>The Issuer will use the Net Proceeds – approx. MNOK 499 - from the Initial Bond Issue and the issuance of any Additional Bonds for the financing and refinancing of “Eligible Projects” as defined in and otherwise in accordance with the Issuer’s Green Finance Framework.</p> <p>The Green Financing Framework is structured in accordance with the 2021 ICMA Green Bond Principles (GBP), as well as the 2023 LMA, APLMA and LSTA Green Loan Principles (GLP), and Borregaard may therefore issue different Green Financial Instruments under this framework. The net proceeds of the Green Financial Instruments issued by Borregaard will be used to finance or re-finance Eligible Projects that have been evaluated and selected by Borregaard in accordance with this Green Financing Framework. Refinancing of capital expenditures will have a look-back period of no longer than five years. For operational expenditures, only the previous year’s expenditures will be included (on an annual rolling basis). The amount allocated to operational expenditures will not exceed the minimum annual volume of the rolling funding need based on the previous two-year period. The distribution between new and refinanced Eligible Projects will be described in the annual Sustainable Financing Investor Report.</p> <p>The Issuer’s Green Bonds Framework and S&P Global Ratings Second Party Opinion are available at: https://www.borregaard.com/media/q5af4vs0/borregaard-green-financing-framework.pdf https://www.borregaard.com/media/ti5jwmvd/s-p-second-party-opinion.pdf</p>
Approvals:	The Bonds have been issued in accordance with the Issuer’s Board approval dated 21.03.2023.
Listing:	An application for listing will be sent to Oslo Børs. Listing will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA.

Bond Terms:	<p>The Bond Terms have been entered into between the Issuer and the Bond Trustee. The Bond Terms regulate the Bondholder's rights and obligations in relation to the issue. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>When Bonds are purchased, the Bondholder has accepted the Bond Terms and is bound by the terms of the Bond Terms.</p> <p>Information regarding Bondholders' meeting and the Bondholder's right to vote are described in the Bond Terms Clause 16.</p> <p>For information regarding the role of the Bond Trustee, see Bond Terms Clause 17.</p> <p>The Bond Terms is attached to this Securities Note.</p>
Documentation:	Registration Document, Securities Note, Summary and the Bond Terms.
Availability of the Documentation:	www.borregaard.com
Bond Trustee:	Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway.
Calculation Agent:	Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway.
Joint Lead Managers and Green Bond Advisors:	DNB Markets (a part of DNB Bank ASA) and Skandinaviska Enskilda Banken AB (publ).
Paying Agent:	DNB Bank ASA Dronning Eufemias gate 30, NO-0191, Oslo, Norway. The Paying Agent is in charge of keeping the records in the Securities Depository.
Listing Agent:	Nordic Trustee Services AS, P.O. Box 1470 Vika, Norway.
Central Securities Depository (CSD):	The central securities depository in which the Bonds are registered, being Euronext Securities Oslo (Verdipapirsentralen ASA (VPS)), P.O. Box 1174 Sentrum, 0107 Oslo, Norway.
Market-Making:	There is no market-making agreement entered into in connection with the Bonds.
Governing law and jurisdiction:	The Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions. For more information, please see the Bond Terms Clause 20.
Relevant Jurisdiction:	Means the country in which the Bonds are issued, being Norway.
Fees, Expenses and Tax legislation:	The Issuer shall pay any stamp duty and other public fees

accruing in connection with issuance of the Bonds or the Security Documents, but not in respect of trading of the Bonds in the secondary market (except to the extent required by applicable laws), and the Issuer shall deduct before payment to the Bondholders at source any applicable withholding tax payable pursuant to law. At the date of this Prospectus, there is no withholding tax on bonds in Norway.

The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the securities.

Fees:

Total expenses related to the issue of NO0012943838:

Prospectus fee (FSA): NOK 98 000

Listing fee 2024 (Oslo Børs): NOK 21 000

Registration fee (Oslo Børs): NOK 40 000

Listing Agent: NOK 120 000

Managers: approx. MNOK 1

Transfer restrictions:

Bondholders located in the United States will not be permitted to transfer the Bonds except (a) subject to an effective registration statement under the Securities Act, (b) to a person that the bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) outside the United States in accordance with Regulation S under the Securities Act or (d) pursuant to an exemption from registration under the Securities Act provided by Rule 144 there under (if available). The Bonds may not, subject to applicable Canadian laws, be traded in Canada for a period of four months and a day from the date the Bonds were originally issued.

4. Definitions

Due to the extensive number of definitions, and unless otherwise defined in this Securities Note, capitalized terms used in this Securities Note shall have the meaning given to such terms in Clause 1.1 "*Definitions*" in the Bond Terms (attached as Appendix 1 to this Securities Note).

"**Bond Terms**" means the Bond Terms dated 19th June 2023.

"**Norwegian FSA**" means the Financial Supervisory Authority of Norway (*Nw: Finanstilsynet*).

"**Prospectus**" means the Registration Document, Securities Note and Summary together.

"**Registration Document**" means the Issuers Registration Document dated 21st June 2024.

"**Securities Note**" means this document dated 21st June 2024.

"**Summary**" means the Summary dated 21st June 2024.

5. Additional information

There is no interest, including a conflict of interest that is material to the issue.

Scope Ratings GmbH (Scope) has assigned the Issuer a rating of A-/Stable where the scale consists of the ratings AAA (exceptionally strong credit quality), AA, A, BBB, BB, B, CCC, CC, C and D or SD (which reflect a default situation with average to low or no recoveries). Scope has also assigned a S-1 short-term rating and A- senior unsecured debt rating. Credit Ratings at the A level reflect an opinion of strong credit quality. Credit Ratings at the S-1 level reflect an opinion of very low credit risk with high capacity to repay short-term obligations.

Scope is established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation") and are on the list of registered credit rating agencies published on ESMA website: <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>². A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the Rating Agency at any time.

Borregaard ASA mandated DNB Markets (a part of DNB Bank ASA) and Skandinaviska Enskilda Banken AB (publ) as Joint Lead Managers and Green Bond Advisors ("Managers") for the issuance of the Bonds. The Managers have acted as advisor to Borregaard ASA in relation to the pricing of the Bonds.

The Managers and/or any of their affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Securities Note and may perform or seek to perform financial advisory or banking services related to such instruments. The Manager's corporate finance departments may act as manager or co-manager for this Issuer in private and/or public placement and/or resale not publicly available or commonly known.

Statement from the Listing Agent:

Nordic Trustee Services AS, acting as Listing Agent, has assisted the Issuer in preparing this Securities Note. The Listing Agent has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Listing Agent expressly disclaims any legal or financial liability as to the accuracy or completeness of the information contained in this Securities Note or any other information supplied in connection with Bonds issued by the Issuer or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Issuer. Each person receiving this Securities Note acknowledges that such person has not relied on the Listing Agent nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

² Disclaimer - the information on the website does not form part of this Securities Note unless information is incorporated by reference into the Securities Note

6. Appendix:

- Bond Terms

BOND TERMS

FOR

**Borregaard ASA FRN senior unsecured NOK 700,000,000 open green
bonds 2023/2028**

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

ATTACHMENT 2 MATERIAL SUBSIDIARIES

BOND TERMS between	
ISSUER:	Borregaard ASA, a company existing under the laws of Norway with registration number 998 753 562 and LEI-code 5967007LIEEXZXGYXC05; and
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	19 June 2023
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

“**Accounting Standard**” means GAAP.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“**Annual Financial Statements**” means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Terms**” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“**Bondholders’ Meeting**” means a meeting of Bondholders as set out in Clause 16 (*Bondholders’ Decisions*).

“**Bonds**” means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“**Business Day**” means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

“**Change of Control Event**” means if:

- (a) any person or group of persons acting in concert gains control of more than 50 per cent. Of the Issuer’s share capital or voting rights; or
- (b) the Issuer ceases to own one hundred per cent. Of the shares in the Guarantor,

where (i) acting in concert means acting together pursuant to an agreement of understanding (whether formal or informal) and (ii) control means having the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise.

“**Companies Act**” means the Private Limited Liability Companies Act of 1997 no. 44 and/or the Public Limited Liability Companies Act of 1997 no. 45 of the Relevant Jurisdiction.

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 hereto.

“**Consolidated EBITDA**” means, in relation to any relevant period, the consolidated earnings of the Group before any of the following items (and without double counting):

- (c) **before deducting** any corporation tax or other tax on income or gains;
- (d) **before** any financial items;

- (e) **excluding** any non-cash profit and loss effects of purchase price adjustments related to any future business combination;
- (f) **before deducting** all amortization;
- (g) **before deducting** all depreciation; and
- (h) **before deducting** any impairment charges.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

“**De-Listing Event**” means if the Issuer ceases to be publicly listed company on the Exchange.

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

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

“**Default Notice**” has the meaning ascribed to such term in Clause 15.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Event of Default**” means any of the events or circumstances specified in Clause 15.1 (*Events of Default*).

“**Exchange**” means Oslo Børs (the Oslo Stock Exchange).

“**Export Credit Facility**” means the USD 60,000,000 loan facility with Skandinaviska Enskilda Banken AB (publ) as lender and guaranteed by the Norwegian Export Credit Guarantee Agency.

“**FA Act**” means the Financial Agreements Act of 2020 no. 146 of the Relevant Jurisdiction.

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement, the Guarantee and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be treated as a finance or capital lease (meaning that the lease is capitalized as an asset and booked as a corresponding liability in the balance sheet);
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“Financial Reports” means the Annual Financial Statements and the Interim Accounts.

“GAAP” means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

“Green Finance Framework” means the Issuer’s “Green Financing Framework” dated June 2023.

“Group” means the Issuer and its Subsidiaries from time to time.

“Group Company” means any person which is a member of the Group.

“**Guarantee**” means the guarantee and indemnity granted pursuant to Clause 9 (*Guarantee*) and any other guarantee given by a Guarantor in relation to the Finance Documents.

“**Guaranteed Obligations**” means all present and future obligations and liabilities of the Issuer under the Finance Documents.

“**Guarantor**” means Borregaard AS, a company existing under the laws of Norway with registration number 895 623 032 and LEI-code 493007KUCQRPX10K761, and a wholly owned Subsidiary of the Issuer.

“**IFRS**” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 20 September 2023 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the periods between 20 September, 20 December, 20 March and 20 June each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Quotation Day**” means, in relation to any period for which Interest Rate is to be determined, 2 Quotation Business Days before the first day of the relevant Interest Period.

“**Interest Rate**” means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

“**Interim Accounts**” means the unaudited unconsolidated and consolidated quarterly financial statements of the Issuer for the quarterly period ending on 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with the Accounting Standard.

“**ISIN**” means International Securities Identification Number.

“**Issue Date**” means 20 June 2023.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer’s Bonds**” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“**Joint Venture**” means any joint venture between any member of the Group and a third party or parties, whether through a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity (in each case with no recourse to any member of the Group).

“**LTF Subsidiary**” means LignoTech Florida LLC, a Delaware corporation with its primary place of business at 6 Gum Street, Fernandina Beach, FL 32034, which is the vehicle for the Borregaard (55%) and Rayonier Advanced Materials (45%) joint lignin operation in Florida.

“**Managers**” means DNB Markets (a part of DNB Bank ASA) and Skandinaviska Enskilda Banken AB (publ).

“**Margin**” means 1.250 per cent.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the business, financial condition or operations of the Obligors or the Group (taken as a whole);
- (b) the ability of any Obligor to perform and comply with its obligations under any of the Finance Documents; or
- (c) the validity or enforceability of any of the Finance Documents.

“**Material Subsidiary**” means, subject to Clause 14.10 (*Material Subsidiaries*), at any time, a Subsidiary of the Issuer (other than the Guarantor):

- (a) which has gross assets representing five per cent. or more of the Total Consolidated Assets; or
- (b) which has earnings before interest, tax, depreciation and amortization (calculated on the same basis as Consolidated EBITDA) representing five per cent. or more of the Consolidated EBITDA,

in each case determined by reference to the most recent Compliance Certificate supplied by the Issuer pursuant to Clause 13.2(a) and/or the latest audited annual financial statements of that Subsidiary (consolidated in the case of a Subsidiary which itself has Subsidiaries) and the latest audited consolidated annual financial statements of the Group. However, if a Subsidiary has been acquired since the date as at which the latest audited consolidated annual financial statements of the Group were prepared, the financial statements shall be deemed to be adjusted in order to take into account the acquisition of that Subsidiary. If there is a dispute as to whether or not a member of the Group is a Material Subsidiary according to the above, a certificate of the auditors of the Issuer will, in the absence of manifest error, be conclusive and binding on

the parties. The Material Subsidiaries of the Issuer at the date of these Bond Terms are listed in Attachment 2 (*Material Subsidiaries*) hereto.

“**Maturity Date**” means 20 June 2028, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Net Proceeds**” means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

“**Nominal Amount**” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 17.2 (*The duties and authority of the Bond Trustee*).

“**Obligor**” means the Issuer and the Guarantor.

“**Outstanding Bonds**” means any Bonds not redeemed or otherwise discharged.

“**Overdue Amount**” means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

“**Payment Date**” means any Interest Payment Date or any Repayment Date.

“**Permitted Security and Quasi-Security**” means:

- (a) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (b) any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by a member of the Group for the purpose of:
 - (i) hedging any risk to which any member of the Group is exposed in its ordinary course of trading; or
 - (ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,
 - (iii) excluding, in each case, any Security or Quasi-Security under a credit support arrangement in relation to a hedging transaction;

- (c) any lien arising by operation of law and in the ordinary course of trading;
- (d) any Security or Quasi-Security over or affecting any asset acquired by a member of the Group after the date of these Bond Terms if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Group;
 - (ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group; and
 - (iii) the Security or Quasi-Security is removed or discharged within six (6) months of the date of acquisition of such asset;
- (e) any Security or Quasi-Security over or affecting any asset of any company which becomes a member of the Group after the date of these Bond Terms, where the Security or Quasi-Security is created prior to the date on which that company becomes a member of the Group, if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that company;
 - (ii) the principal amount secured has not increased in contemplation of or since the acquisition of that company; and
 - (iii) the Security or Quasi-Security is removed or discharged within six (6) months of that company becoming a member of the Group;
- (f) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;
- (g) any Security or Quasi-Security arising in relation to any Joint Venture, which is not a Subsidiary, or any other stand-alone financings (in each case with no recourse to any member of the Group);
- (h) incurred by the LTF Subsidiary in relation to its stand-alone financings limited to:
 - (i) the Export Credit Facility;
 - (ii) the Working Capital Facility; and
 - (iii) the loan or credit facilities substituting, replacing or refinancing the Export Credit Facility and/or the Working Capital Facility, up to a total accumulated amount of USD 75,000,000;
- (i) any intra-group debt (including, for the avoidance of doubt, any indebtedness incurred as part of any cash pooling arrangement);

- (j) incurred under or in connection to the Sponsor Guarantee; and
- (k) any Security or Quasi-Security securing indebtedness, the principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security or Quasi-Security given by any member of the Group other than as permitted under sub-paragraphs (a) to (j) above) does not exceed, in the aggregate, NOK 200,000,000 (or its currency equivalent).

“**Put Option**” has the meaning ascribed to such term in Clause 11.2 (*Mandatory repurchase due to a Put Option Event*).

“**Put Option Event**” means a De-Listing Event or a Change of Control Event.

“**Put Option Repayment Date**” means the settlement date for the Put Option pursuant to Clause 11.2 (*Mandatory repurchase due to a Put Option Event*).

“**Quasi-Security**” means:

- (a) to sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or any other member of the Group;
- (b) to sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) to enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts;
- (d) to enter into any other preferential arrangement having a similar effect as stated in (a) to (c) above, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

“**Quotation Business Day**” means a day on which Norges Bank’s settlement system is open.

“**Reference Rate**” means NIBOR (Norwegian Interbank Offered Rate) being;

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
 - (ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or

- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
 - (i) any relevant replacement reference rate generally accepted in the market; or
 - (ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 16 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

“**Repayment Date**” means the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

“**Second Party Opinion**” means an assessment from an institution that is independent from the Issuer and the Managers (through information barriers or otherwise) and which reviews the alignment of the Bonds or the Issuer’s Green Finance Framework with the four core components of the Green Bond Principles issued in June 2021 by the International Capital Markets Association.

“**Securities Trading Act**” means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

“**Security**” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Security Period**” means the period beginning on the date of these Bond Terms and ending on the date upon which the Guaranteed Obligations have been unconditionally and irrevocably paid and discharged in full.

“**Sponsor Guarantee**” means the sponsor guarantee in which the Issuer, in its capacity as the fifty-five per cent. (55%) owner in the LTF Subsidiary has issued in favour of Skandinaviska Enskilda Banken AB (publ) to the LTF Subsidiary in support of the Export Credit Facility.

“**Subsidiary**” means a person over which another person has Decisive Influence.

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Tap Issue**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tap Issue Addendum**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 11.3 (*Early redemption option due to a tax event*).

“**Temporary Bonds**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Total Consolidated Assets**” the amount of the Group’s total consolidated assets as shown in the Issuer’s latest Financial Report.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Working Capital Facility**” means the USD 15,000,000 working capital facility with Skandinaviska Enskilda Banken AB (publ) as lender.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 16.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;

- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 12.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to NOK 700,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of NOK 500,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the “**Temporary Bonds**”). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

- (b) The Bonds are denominated in Norwegian Kroner (NOK), being the legal currency of Norway.
- (c) The Initial Nominal Amount of each Bond is NOK 1,000,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 16.1 (*Authority of the Bondholders’ Meeting*).

2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

2.3 Use of proceeds

The Issuer will use the Net Proceeds from the Initial Bond Issue and the issuance of any Additional Bonds for the financing and refinancing of “**Eligible Projects**” as defined in and otherwise in accordance with the Issuer’s Green Finance Framework.

2.4 Status of the Bonds

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and at least *pari passu* with all other senior obligations of the Issuer and the Guarantor (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

2.5 Transaction Security

The Bonds are unsecured.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders’ rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee’s satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the

Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall apply for the Bonds to be admitted to listing on the Exchange.

In addition, the Issuer shall apply to have the Bonds registered on the Exchange's green bond list as soon as reasonably possible thereafter.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
 - (i) these Bond Terms duly executed by all parties hereto;
 - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;

- (iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v) the Guarantee duly executed by the Guarantor, by countersignature to these Bond Terms;
 - (vi) copies of all necessary corporate resolutions of the Guarantor to execute the Finance Documents to which it is a party;
 - (vii) a copy of a power of attorney (unless included in the corporate resolutions) from the Guarantor to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Guarantor;
 - (viii) copies of the Guarantor's articles of association and of a full extract from the relevant company register in respect of the Guarantor evidencing that the Guarantor is validly existing;
 - (ix) copies of the Issuer's latest Financial Reports (if any);
 - (x) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
 - (xi) a Second Party Opinion confirming that the Bonds qualify as green bonds;
 - (xii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
 - (xiii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (xiv) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (xv) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
 - (xvi) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

6.2 Disbursement of the proceeds

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

6.3 Tap Issues

The Issuer may issue Additional Bonds if:

- (a) a Tap Issue Addendum has been duly executed by all parties thereto;
- (b) the Issuer confirms that the conditions precedent documents received by the Bond Trustee in connection with the Issue Date (included only, if the Issuer's framework for issuing green bonds has been updated, a reconfirmation of or a new Second Party Opinion) are still valid, or provides updates of such documents to the Bond Trustee; and
- (c) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds.

7. REPRESENTATIONS AND WARRANTIES

Each Obligor makes the representations and warranties set out in this Clause 7 (*Representations and Warranties*), in respect of itself to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date; and
- (c) on the date of issuance of any Additional Bonds.

7.1 Status

The Issuer is a public limited liability company and the Guarantor is a private limited liability company, each duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for

therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorisations and consents

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus three (3) percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
 - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 15.2 (*Acceleration of the Bonds*); or
 - (ii) if a resolution according to Clause 16 (*Bondholders' Decisions*) has been made.

8.4 Taxation

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.

- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. GUARANTEE

9.1 Guaranteed obligations

- (a) The Guarantor does hereby irrevocably and unconditionally guarantee as for its own debt in favour of the Bond Trustee (on behalf of the Bondholders) the due and punctual fulfilment of the Guaranteed Obligations. The obligations of the Guarantor under this Guarantee shall be joint and several with those of the Issuer under the Finance Documents and not be regarded as surety only.
- (b) The obligations of the Guarantor hereunder shall be valid and enforceable, irrespective of the genuineness, validity, regularity or enforceability of the Finance Documents, provided that any lack of genuineness, validity, regularity or enforceability is due to (i) acts, omissions or misrepresentations of the Guarantor or the Issuer, or (ii) to any event that the Guarantor or the Issuer otherwise is responsible for in relation to the Finance Documents.

9.2 Demand

The Guarantor undertakes immediately on first written demand by the Bond Trustee from time to time to make payment in accordance with its obligations under Clause 9.1 (No. "påkravsgaranti"), subject, however, to the limitations set out in Clause 9.3 below. The Bond

Trustee may serve more than one demand at its sole discretion. There is no limit on the number of claims that may be made by the Bond Trustee against the Guarantor under this Guarantee.

9.3 Maximum liability

The Guarantor's aggregate liability under this Guarantee shall never exceed the Maximum Issue Amount set out in Clause 2.1(a) above plus any unpaid amount of interest, fees, costs and expenses thereon as set out in the Finance Document.

9.4 Waiver of rights under FA Act

If, and to the extent, the FA Act is applicable to this Guarantee, the parties acknowledge and agree that, to the extent permitted by law, any provisions of the FA Act (and any related regulations) which are not mandatory (including, without limitation, the provisions of Sections 6-1 through 6-14 of the FA Act) shall not apply to this Guarantee or any other Finance Document.

9.5 Continuing Guarantee

The security constituted by this Guarantee shall be a continuing security and shall (subject to Clause 9.3 (*Maximum liability*)) extend to the ultimate balance of the Guaranteed Obligations and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Guaranteed Obligations and shall be effective until the Bond Trustee has confirmed in writing that the Guaranteed Obligations have been irrevocably discharged in full. The Guarantor is aware that the Guaranteed Obligations are, except for this Guarantee, unsecured.

9.6 Waiver from the Guarantor

The Guarantor's liability to the Bond Trustee (on behalf of itself and the Bondholders) under this Guarantee is direct and independent of the contractual relationship between the other Obligors and the Bond Trustee (on behalf of itself and the Bondholders) under these Bond Terms and the other Finance Documents. The Guarantor specifically and explicitly waives any right to raise any defence (No. "*innsigelse*") under this Guarantee otherwise available to the Issuer under these Bond Terms, including;

- (a) any discussion or dispute between any Obligor and the Bond Trustee on the appropriateness or legality of any claim made by the Bond Trustee against any Obligor under these Bond Terms or any of the other Finance Documents;
- (b) any available right of set-off, counterclaim or other defence available to any Obligor under these Bond Terms or any of the other Finance Documents;
- (c) any other circumstance which might otherwise constitute a defence available to, or discharge of, the Issuer or any other Obligor based on and/or arising from these Bond Terms or any of the other Finance Documents, any underlying relationships, agreements and other transactions or circumstances whatsoever;
- (d) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of the Issuer;

- (e) any total or partial invalidity, irregularity, illegality, unenforceability, imperfection or avoidance of or any defect in any security granted by, or for the obligation of the Issuer, any Obligor or any other person under these Bond Terms and any other Finance Documents, or any other document or security;
- (f) any increase or reduction of the amounts made available under these Bond Terms, or any variation of the terms and conditions for their repayment (including without limitation, the rate of interest payable under these Bond Terms);
- (g) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against or security over assets of, any obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to release the full value of any security;
- (h) any corporate reorganisation, reconstruction, amalgamation, dissolution, merger, de-merger, acquisition or any other alteration in the corporate existence or structure of any of the Issuer, any other Obligor, the Bond Trustee or any other person;
- (i) any incapacity or lack of power, authority or legal personality of or dissolution or change in the shareholders or status of the Issuer, any other Obligor, the Bond Trustee or any other person;
- (j) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of these Bond Terms or any other Finance Document or any other document, including, without limitation, any change in the purpose of, any extension of or increase in the amounts made available under these Bond Terms or any other document or security;
- (k) any liquidation, bankruptcy, dissolution, insolvency or similar proceedings of any the Issuer, any other Obligor or any other person;
- (l) any appointment of a new bond trustee, security agent or other representative of the Bondholders, whether in addition to or as a replacement of Nordic Trustee AS or its successors;
- (m) any requirement that the Bond Trustee or any of the bondholders in case of an event of default first has to make demand upon or seek to enforce remedies against the Issuer;
 - (i) any right to exercise right of subrogation into the rights of the Bondholders under these Bond Terms, without the prior written consent of the Bond Trustee until the expiry of the Security Period; and
 - (ii) any right to claim reimbursement from the Issuer for payment made hereunder until the expiry of the Security Period.

9.7 Enforcement

The Bond Trustee shall not be obliged before taking steps to enforce the obligations of the Guarantor under this Guarantee:

- (a) to make any claim or obtain any judgement against the Issuer, any other Obligor or any third party in any court or other tribunal;
- (b) to make or file any claim in a bankruptcy or liquidation of the Issuer, any other Obligor or any third party; or
- (c) to take any other action whatsoever against the Issuer, any other Obligor or any third party under these Bond Terms or any of the other Finance Documents, except for the giving of notice of any payment due hereunder,

and the Guarantor hereby waives all such formalities or rights to which it would otherwise be entitled or which the Bond Trustee would otherwise first be required to satisfy or fulfil before proceeding or making any demand against the Guarantor hereunder.

9.8 Release

Upon the expiry of the Security Period, the Bond Trustee shall, at the request and cost of the Guarantor, release the Guarantor from its obligations under this Guarantee.

10. INTEREST

10.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

10.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

11. REDEMPTION AND REPURCHASE OF BONDS

11.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

11.2 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 13.3 (*Put Option Event*). Once notified, the Bondholders’ right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 11.2, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

11.3 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

12. PURCHASE AND TRANSFER OF BONDS

12.1 Issuer’s purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer’s sole discretion, including with respect to Bonds purchased pursuant to Clause 11.2 (*Mandatory repurchase due to a Put Option Event*).

12.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

13. INFORMATION UNDERTAKINGS

13.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 120 days after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 60 days after the end of the relevant interim period.

13.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 13.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying *inter alia* that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 14.10 (*Material Subsidiaries*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 13.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

13.3 Put Option Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

13.4 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);

- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

14. GENERAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 14.

14.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time.

14.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

14.3 Continuation of business

No Obligor shall cease to carry on its business. The Issuer shall ensure that no Material Subsidiary shall cease to carry on its business if such transaction would have a Material Adverse Effect. The Issuer shall procure that no substantial change is made to the general nature of the business of the Group from that carried on at the date of these Bond Terms.

14.4 Corporate status

The Issuer shall not change its type of organisation or jurisdiction of incorporation.

14.5 Mergers

No Obligor shall, and the Issuer shall ensure that no Material Subsidiary shall, carry out any de-merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of any Obligor or any of the Material Subsidiaries with any other companies or entities if such transaction would have a Material Adverse Effect.

14.6 De-mergers

No Obligor shall, and the Issuer shall ensure that no Material Subsidiary shall, carry out any de-merger or other corporate reorganization involving a split of any Obligor or any of the Material Subsidiaries into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

14.7 Negative pledge

- (a) Except as permitted under paragraph (b) below, the Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security or Quasi-Security over any of its/their assets (whether present or future).
- (b) Paragraph (a) above does not apply to any Permitted Security and Quasi-Security.

14.8 Disposal of business

No Obligor shall, and the Issuer shall procure that no Material Subsidiary shall, sell or otherwise dispose of all or a substantial part of the Group's assets or operations, unless:

- (a) the transaction is carried out at fair market value, on terms and conditions customary for such transactions; and
- (b) such transaction would not have a Material Adverse Effect.

14.9 Arm's length transactions

The Issuer shall not, and the Issuer shall ensure that no other Group Company shall, enter into any transaction with any person except on arm's length terms and for fair market value.

14.10 Material Subsidiaries

- (a) The Issuer shall procure that:
 - (i) the aggregate gross assets of the Guarantor and all the Material Subsidiaries (in each case on an unconsolidated basis) represents not less than eighty per cent. of the Total Consolidated Assets; and
 - (ii) the aggregate earnings before interest, tax, depreciation and amortization (calculated on the same basis as Consolidated EBITDA) of the Guarantor and all the Material Subsidiaries (in each case on an unconsolidated basis) represents not less than eighty per cent. of the Consolidated EBITDA.
- (b) If the Financial Reports being delivered by the Issuer pursuant to the Clause 13.2(a) demonstrate that the requirements in item (i) or (ii) of paragraph (a) above are not met, the Issuer must nominate one or more Subsidiaries as being Material Subsidiaries for the purposes of these Bond Terms.

14.11 Green Bonds

The Issuer shall at all times maintain a Green Finance Framework. However, no Event of Default shall occur if the Issuer fails to comply with the Green Finance Framework.

15. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

15.1 Events of Default

Each of the events or circumstances set out in this Clause 15.1 shall constitute an Event of Default:

- (a) *Non-payment*

An Obligor fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) *Breach of other obligations*

An Obligor does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by any Obligor under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

(d) *Cross default*

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of NOK 100,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

An Obligor or any Material Subsidiary:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its payment obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 15.1 (d) (*Cross default*) above; or
 - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of an Obligor or any Material Subsidiary having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for an Obligor to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of such Obligor to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee to exercise any material right or power vested to it under the Finance Documents.

15.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 15.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

15.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 15.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

15.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the price set out in Clause 11.2 (*Mandatory repurchase due to a Put Option Event*).

16. BONDHOLDERS' DECISIONS

16.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 17.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.

- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 18.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

16.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 11 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders'

Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").

- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

16.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 16, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to

be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.

- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

16.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 16.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 16.1 (*Authority of the Bondholders' Meeting*), Clause 16.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 16.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 16.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 16.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 16.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

16.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 16.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.

- (d) The provisions set out in Clause 16.1 (*Authority of the Bondholders' Meeting*), 16.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 16.3 (*Voting rules*) and Clause 16.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
- (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 16.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 16.5,
- shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
- (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the “**Voting Period**”).
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 16.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 16.1 (*Authority of Bondholders' Meeting*).

17. THE BOND TRUSTEE

17.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

17.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 17.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

17.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

17.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts;
or

- (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligors, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 15.3 (*Bondholders' instructions*) or Clause 16.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

17.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 16 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.

- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 17.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 17.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

18. AMENDMENTS AND WAIVERS

18.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Bondholders' Decisions*).

18.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

18.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 18, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 18.1(a)(i) (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

19. MISCELLANEOUS

19.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

19.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

19.3 Notices, contact information

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.

- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received; and
 - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

19.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the “**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);
 - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
 - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

 - (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 13.2 (*Requirements as to Financial Reports*), Clause 13.3 (*Put Option*

Event), Clause 13.4 (*Information: miscellaneous*) and Clause 14 (*General Undertakings*); and

- (B) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 19.4 may not be reversed.

20. GOVERNING LAW AND JURISDICTION

20.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

20.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

20.3 Alternative jurisdiction

Clause 20 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

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These Bond Terms have been executed by way of electronic signatures.

SIGNATURES:

<p>As Bond Trustee:</p> <p>Nordic Trustee AS</p> <p>DocuSigned by: <i>Fredrik Lundberg</i>F190005DF2894F6.....</p> <p>By: Fredrik Lundberg</p> <p>Position: Authorised signatory</p>	
<p>The Issuer:</p> <p>Borregaard ASA</p> <p>DocuSigned by: <i>Helge Aasen</i>E52A63D02660411.....</p> <p>By: Helge Aasen</p> <p>Position: Authorised signatory</p>	<p>DocuSigned by: <i>Per Arthur Sørli</i>8DC55BEA2CF74D2.....</p> <p>By: Per Arthur Sørli</p> <p>Position: Authorised signatory</p>
<p>The Guarantor:</p> <p>Borregaard AS</p> <p>DocuSigned by: <i>Helge Aasen</i>E52A63D02660411.....</p> <p>By: Helge Aasen</p> <p>Position: Authorised signatory</p>	<p>DocuSigned by: <i>Per Arthur Sørli</i>8DC55BEA2CF74D2.....</p> <p>By: Per Arthur Sørli</p> <p>Position: Authorised signatory</p>

**ATTACHMENT 1
COMPLIANCE CERTIFICATE**

[date]

**Borregaard ASA FRN senior unsecured NOK 700,000,000 open green bonds 2023/2028 with
ISIN NO0012943838**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 13.2(a) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 13.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate, and there has been no material adverse change to the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The Material Subsidiaries meet the requirements set out in Clause 14.10(a) (*Material Subsidiaries*).]¹

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

Borregaard ASA

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

¹ If this requirement is not met, the Issuer must nominate new Subsidiaries as Material Subsidiaries in accordance with Clause 14.10 (b).

**ATTACHMENT 2
MATERIAL SUBSIDIARIES**

Borregaard USA, Inc
Lignotech Florida LLC
Borregaard Inc.