



TRYG FORSIKRING A/S

(incorporated as a public limited liability company in Denmark)

SEK 700,000,000 FLOATING RATE PERPETUAL RESTRICTED TIER 1 CAPITAL NOTES

ISIN DK0030418249

This prospectus (the "**Prospectus**") has been prepared by Tryg Forsikring A/S ("**Tryg**" or the "**Issuer**" and, together with its parent Tryg A/S and Tryg A/S' subsidiaries from time to time, the "**Group**" or the "**Tryg Group**") for the admittance to trading and official listing on the regulated market of Oslo Børs ASA of the SEK 700,000,000 floating rate perpetual restricted Tier 1 capital notes (the "**Notes**") to be issued on 26 April 2018 (the "**Issue Date**") by the Issuer. An application has been made for admission of the Notes to trading and official listing on the regulated market of Oslo Børs ASA.

This Prospectus has been prepared in compliance with the Danish Capital Markets Act (as defined below in Section 5 ("**Definitions**") below), the Danish Executive Order No. 1176 of 31 October 2017 on prospectuses (*bekendtgørelse om prospekter*), Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended by Directive 2010/73/EU (the "**Prospectus Directive**"), Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended (the "**Prospectus Regulation**"), and the "Bond Rules", issued by Oslo Børs ASA in January 2018. This Prospectus has been prepared in compliance with the following schedules of the Prospectus Regulation:

- Annex IX: Minimum disclosure requirements for the debt and derivative securities registration document (schedule) (Debt and derivative securities with a denomination per unit of at least EUR 100,000); and
- Annex XIII: Minimum Disclosure Requirements for the Securities Note for debt securities with a denomination per unit of at least EUR 100,000 (Schedule).

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**"). Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons. The Notes may be offered and sold outside the United States to non U.S. persons in reliance on Regulation S ("**Regulation S**") under the US Securities Act. For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus and other offering material relating to the Notes, see Section 7 ("**Subscription and Sale (Selling and Transfer Restrictions)**").

MIFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Amounts payable on the Notes (as described in Section 4 "Terms and Conditions of the Notes – Interest") will be calculated by reference to STIBOR. As at the date of this Prospectus, the administrators of STIBOR are not included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the Benchmarks Regulation). As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that the Swedish Bankers' Association (as administrator of STIBOR) is not currently required to obtain authorisation or registration.

This Prospectus is governed by Danish law and is subject to the jurisdiction of the Copenhagen City Court.

Investing in the Notes involves certain risks. The principal risks that could affect the ability of the Issuer to satisfy its obligations with respect to the Notes are described under Section 1 ("*Risk factors*") below.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Joint Lead Managers to subscribe for or purchase, any Notes.

Joint Lead Managers:

Danske Bank

Skandinaviska Enskilda Banken AB (publ.)

Prospectus dated 26 April 2018

This Prospectus should be read and construed together with any documents incorporated by reference herein (see Section 6 ("*List of Documents/Information Incorporated into this Prospectus by Reference*")).

The Issuer has confirmed to Danske Bank A/S and Skandinaviska Enskilda banken AB (publ) (the "**Joint Lead Managers**") that this Prospectus is true, accurate and complete in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held, are based on reasonable assumptions and are not misleading; that there are no other facts in relation to the information contained or incorporated by reference in this Prospectus the omission of which would, in the context of the issue of the Notes, make any statement herein or opinions or intentions expressed herein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing. No person has been authorised by the Issuer or the Joint Lead Managers to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or the Joint Lead Managers.

Neither the Joint Lead Managers nor any of their affiliates have authorised the whole or any part of this Prospectus. No representation or warranty is made or implied by the Joint Lead Managers or any of their affiliates, and neither the Joint Lead Managers nor any of their respective affiliates make any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Prospectus. Neither the delivery of this Prospectus nor the offering, sale or delivery of the Notes shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or that any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions (see Section 7 ("*Subscription and Sale (Selling and Transfer Restrictions)*")).

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase the Notes and should not be considered as a recommendation by the Issuer or the Joint Lead Managers that any recipient of this Prospectus should subscribe for or purchase the Notes. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus 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 Notes and the impact such investment 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 Notes, including where the currency for principal or interest payments, i.e. SEK, is different from the currency in which such potential investor's financial activities are principally denominated; (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and 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. The Notes are complex financial instruments and may be purchased by investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

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1. RISK FACTORS

1.1 Introduction

The Notes are being offered to professional investors only and are not suitable for retail investors. Investors should not purchase the Notes in the primary or secondary markets unless they are professional investors.

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and the industry in which it operates, including in particular the factors described below. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes or may be material for the purpose of assessing the market risks associated with the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The factors are not listed in any order of priority with regard to significance or likelihood of occurrence.

Noteholders should be aware that the Notes are exposed to market conditions of a general nature. Accordingly, the market price of the Notes may be influenced by numerous factors that cannot be foreseen at the time of investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus, including any information incorporated by reference, and reach their own conclusions prior to making any investment decision. Prospective investors are recommended to seek independent advice concerning legal, accounting, tax and other issues relating to the specific circumstances of individual Noteholders before deciding whether or not to invest in the Notes.

Words and expressions defined in Section 4 ("*Terms and Conditions of the Notes*") below or elsewhere in this Prospectus have the same meanings in this section, unless otherwise stated. References to a numbered "Condition" shall be to the relevant Condition in Section 4 ("*Terms and Conditions of the Notes*").

The occurrence of any of the following risks could have a material adverse effect on the Issuer or the Tryg Group's business, financial condition, revenue, cash flow and/or results of operations, and consequently have a negative effect on the Issuer and its ability to satisfy and fulfil its obligations under the Notes.

1.2 Risks related to the Issuer

1.2.1 Macro-economic development and changes in general economic conditions

Macro-economic development in the Nordic region may impact the Tryg Group's business in that underwriting volumes as well as underwriting risks are affected by various factors such as GDP growth, unemployment, new car sales volumes and unexpected changes in inflation rate. In some lines, such as business interruption and cargo insurances, the insured volume is dependent upon factors such as turnover or the amount of transported goods. Thus, a general decrease in corporate turnover or a decrease in the amount of transported goods following a fall in GDP or a slowing in GDP growth will have an adverse effect on the Tryg Group's insurance premium volumes. Similarly, a lower new car sales volume would affect premium volumes in the motor segment and a higher unemployment rate would affect workers' compensation premiums.

In the event of unexpected changes in the inflation rate, the business and financial performance and results of operations of the Tryg Group could be adversely affected due to deviations in cost of claims from expected levels.

1.2.2 **Risks relating to acquisitions of other entities**

From time to time the Tryg Group acquires other entities. On 4 December 2017 the Tryg Group announced that an agreement had been made about Tryg A/S's acquisition of Alka Forsikring A/S. The purchase of Alka Forsikring A/S is awaiting regulatory approval. Acquisitions involve a significant number of risks, including, but not limited to, risks arising from change of control provisions in contracts of any acquired company, local law factors, pending and threatening lawsuits and risks associated with restructuring operations. The integration of acquired companies may result in unforeseen operational difficulties and costs, and the Tryg Group may encounter unforeseen difficulty in retaining customers from and key personnel in acquired businesses. Further, an acquisition of another entity may be subject to regulatory approval, and may not be approved by regulatory authorities. If the Tryg Group is for any reason not able to realise the expected benefits from a certain acquisition, the profitability of the acquired company is lower than expected or even results in a loss, it could have a material adverse effect on the Issuer or the Tryg Group's business, financial condition, revenue, cash flow and/or results of operations, and consequently have a negative effect on the Issuer and its ability to satisfy and fulfil its obligations under the Notes.

1.2.3 **Insurance risk**

Insurance risk is the risk that the cost of future and outstanding insurance claims will be higher than anticipated due to inadequate pricing, risk concentration, incorrect assumptions or random fluctuations in the frequency and/or size of claims. The Tryg Group's insurance operations are exposed to the risk of unexpected changes in the frequency and severity of claims and timing in claims payments. The extent of this risk is largely dependent on the type of product and business.

Insurance risk comprises two main types of risks; underwriting risk and provisioning risk. If the risks below materialise, it may have a negative impact on the Tryg Group's business and credit rating, which may have a material adverse effect on the Tryg Group's business, financial position and results of operations. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.4 **Underwriting risk**

Underwriting risk is the risk of the premium charged in connection with the conclusion of insurance contracts not being sufficient to cover the compensation that the Tryg Group is obliged to pay once a claim is made. If the Tryg Group is unable to manage its underwriting risks, this may have a material adverse effect on the Tryg Group's business, financial position and results of operations. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.5 **Provisioning risk**

Provisioning risk relates to the risk of the Tryg Group's insurance provisions proving to be inadequate. The uncertainty associated with the calculation of claims provisions affects the Tryg Group's results through the run-off on provisions. Long-tail provisions in particular are subject to risk related to changes in claims inflation, which among other things covers wages and other building and reconstruction costs, legislative charges and court rulings affecting the level of claims compensation in accident insurance and workers' compensation. If the Tryg Group is unable to manage its provisioning risks, this may have a material adverse effect on the Tryg Group's business,

financial position and results of operations. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.6 **Emerging risk**

The Tryg Group is subject to emerging insurance risks. Emerging risk covers new risks or known risks, with changing characteristics. Emerging risks which materialise may have a material adverse effect on the Tryg Group's business, financial position and results of operations. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.7 **Disaster risks**

Disaster risk (the risk of low frequency, high severity events that are often not captured adequately by the premium and reserve risk charge) is related to the type of events which could trigger multiple insured losses to property or to a person and thus might have a material financial impact on the Tryg Group. Disaster risk can either result from natural disasters, for example windstorms, floods or other weather phenomena or man-made disasters such as acts of terrorism.

An increase in disaster insurance claims could have a material adverse effect on the Tryg Group's business, results of operations or financial condition. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.8 **Market and investment risk**

Market risk represents the risk of losses due to changes in the market value of the Tryg Group's assets, liabilities and off-balance items. Market risk includes interest rate, equity, property, credit spread, concentration, currency, inflation and liquidity risk. The Issuer's investment portfolio is divided into a match portfolio and a free portfolio. The match portfolio corresponds to the value of the discounted claims provisions and has a relatively low and constant risk. The purpose of the free portfolio is to achieve the highest possible return relative to risk on a medium time horizon. These portfolios are exposed to changes in market prices and volatility based on market conditions.

The Tryg Group has a diversified investment portfolio and constantly monitors and manages the composition of its investments in relation to the characteristics of its insurance liabilities. However, fluctuations in the financial markets, such as the fixed income, equity and currency markets, could have a material adverse effect on the Tryg Group's consolidated results of operations and financial condition. This may, in turn, adversely impact the Issuer's ability to fulfil its obligations under or in connection with the Notes.

Interest rate risk

Interest rate risk refers to the uncertainty in the value of assets and liabilities as well as interest income and expenses resulting from changes in market interest rates. Changes in interest rates will affect the market value of fixed income securities, but also the values of discounted claims reserves (present values of future claims payments in respect of claims already incurred). The Issuer follows a matching strategy, where the matching portfolio (approximately 75% of all invested assets) is designed to mitigate the interest rate risk in such a way that the profit and loss associated with a change in interest rates is as close to zero as possible. While the matching strategy works to minimize the up-front effects of interest rate changes, it is still the case that higher interest rates

mean increased interest income for new investments, which gradually improves profitability and the Tryg Group's capital position, and vice versa.

For the invested assets not part of the matching portfolio, the Issuer holds a proportion in fixed income securities, which are exposed to interest rate risk. For this portfolio, changes in interest rates affect the market value and hence also the financial position of the Issuer.

Equity risk

The Tryg Group is exposed to equity risk from direct investments as well as investments made via derivatives. The Issuer's equity portfolio is globally diversified and constitutes the company's largest single investment risk. At the end of 2017, the equity portfolio accounted for DKK 2,1 bn (approximately 4.9 %) of the total investment assets. The total risk for the investment area has decreased due to a smaller free investment portfolio and due to lower overall risk appetite. Stock market volatility may have a material adverse effect on the Group's business, financial position and results of operations.

Property risk

The Issuer's property portfolio mainly comprises investment properties, either through more liquid global open end funds or more illiquid and directly owned Norwegian or Danish property. The value of the property portfolio is adjusted based on either monthly or quarterly net asset value, the conditions on the property market through internal valuations backed by external valuations. At the end of 2017, investment properties accounted for DKK 2.268 m in total. The market value of these holdings is exposed to changes in real estate market prices and volatility. A decline in the market value of investment properties may have a material adverse effect on the Group's business, financial position and results of operations.

Credit Spread risk

The Tryg Group is exposed to credit spread risk from bonds and other investments where prices are dependent on counterparty creditworthiness.

Concentration risk

Concentration risk is a risk that increases when investments are consolidated with individual issuers, whereby dependence on these issuers' solvency grows. Defaults or poor performance in a single asset class, industry or for a single counterparty may have an impact on the investment return which may negatively affect the financial results of the Issuer.

Currency risk

The Issuer is exposed to currency risk worldwide, especially in the Nordic currencies, but such risk is typically hedged through continuous monthly hedging of the balance sheet. A negative development in currency rates may have a material adverse effect on the Group's business, financial position and results of operations.

Inflation risk

Future inflation is implicitly included in a number of the models the Tryg Group uses to calculate its provisions. If inflation rise the provisions will rise.

Liquidity risk

In insurance companies, the liquidity risk is limited as premiums are paid prior to the beginning of the risk period. The Tryg Group's liquidity risk is therefore primarily related to the Issuer. However, the Issuer is exposed to liquidity risks, in the sense, that the risk of being unable to convert investments and other assets into cash in a timely manner in order to meet its financial obligations when they become due. It may not be possible to sell holdings or to close open positions (or to do so only with price markdowns) due to the illiquidity of the capital markets, and this may have a material adverse effect on the Group's business, financial position and results of operations. Liquidity risk can be divided into the market liquidity risk of investments and the refinancing risk of debt.

Market liquidity risk of investments

Market liquidity risk is the risk that insurance undertakings are unable to realise investments and other assets in order to settle their financial obligations when they fall due. Market liquidity risk is reduced by placing certain amounts of investment in instruments generally considered to be liquid or with short maturities. However, if the Tryg Group faces large-scale demands requiring immediate realisation of liquid assets, this could have a material adverse effect on its business, results of operations or financial condition. This may, in turn, adversely impact the value of the Notes.

Refinancing risk of debt

Refinancing risk is the risk that the Tryg Group could face increased costs in relation to refinancing its debt. The Tryg Group's refinancing risk is related mainly to the credit rating of its debt. Should the credit rating of the Tryg Group or any of its main operating companies drop to a level such that the investment guidelines or regulations applicable to key investors prohibit the holding of the Tryg Group's securities, these investors might be forced to decrease their investments in the Tryg Group, which, in turn, could lead to an increase in the cost of new funding or restrict the Tryg Group's ability to obtain new funding.

1.2.9 **Counterparty and credit risk**

The Tryg Group is exposed to credit risk in both its insurance and investment business.

Counterparty risk, also known as credit risk is the risk of losses caused by one or more counterparties' full or partial breach of their payment obligations. These risks primarily relate to exposures in high-yield bonds, emerging market debt exposures as well as Tryg's investments in AAA-rated Nordic and European government and mortgage bonds. These parties include the issuers whose securities the Tryg Group companies hold, borrowers under loans made, trading counterparties, counterparties under swaps, including credit default swaps. In addition, with respect to secured or covered transactions, the Tryg Group companies' credit risk may be exacerbated when the collateral held by those transactions cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure. As a result, defaults by one or more of these parties on their obligations to the Tryg Group companies due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons, or even rumours about potential defaults by one or more of these parties or regarding the financial services industry generally, could lead to market value losses or defaults, which may have a material adverse effect on the Group's business, financial position and results of operations.

The Tryg Group has counterparty risk on reinsurance companies and bonds, loan or financial contract counterparties.

A failure of such counterparties to meet their financial obligations could have a material adverse effect on the Tryg Group's business, results of operations or financial condition. This may, in turn, adversely impact the ability of the

Issuer to fulfil its obligations under or in connection with the Notes.

1.2.10 **Operational risk**

Operational risk includes the risk of errors or deficiencies in internal processes, human errors, system errors, breakdowns of IT systems and losses incurred due to external events including terrorist acts, natural disasters, telecommunications and network failures, power losses, physical or electronic security breaches, fraud, identity theft, process failures, computer viruses, computer hacking, cybercrime, malicious employee attacks or similar events. Any such errors, breakdowns, interruptions or external events could interrupt the Tryg Group's operations and materially impact its ability to conduct business and have a material adverse effect on the Tryg Group's reputation, financial condition and results of operations.

The Tryg Group relies on IT systems for critical elements of its business process. Material errors or breakdowns or interruptions of such systems could result in the loss of existing or potential business relationships, compromise the Tryg Group's ability to pay claims in a timely manner and/or give rise to regulatory implications, which could result in a material adverse effect on the Tryg Group's reputation, financial condition and results of operations. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.11 **Reputational risk**

The Tryg Group is vulnerable to adverse market perception, as it operates in a regulated industry where it must display a high level of integrity and maintain the trust and the confidence of customers. Reputational risks are related to the way the Tryg Group is perceived from the perspective of different stakeholders (shareholders, customers, staff, business partners or the general public). Reputational risks may arise through external distribution channels, the behaviour of which could be difficult to control. Mismanagement, fraud or failure to satisfy regulatory responsibilities, which may result from actions and conduct of individual employees and thus may be difficult to control, and the resulting negative publicity from such activities could have a material adverse effect on the Tryg Group's business, results of operations and/or financial condition. This may, in turn, adversely impact the value of the Notes.

Further, if the likelihood of the Issuers ability to fully perform all obligations under the Notes when they fall due increases, for example, because of the materialisation of any of the risks regarding the Tryg Group, the market value of the Notes may suffer.

1.2.12 **Litigation risk**

The Issuer and the Tryg Group is in the ordinary course of its insurance activities routinely involved in legal, mediation and arbitration proceedings with respect to liabilities which are the subject of policy claims. The Issuer and the Tryg Group may also become involved in other proceedings which do not relate to its ordinary course of business. Any unfavourable outcome of any such proceedings could have a material adverse effect on the Issuer and the Tryg Group's business, results of operations and financial condition. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.13 **Regulatory and Compliance risk**

Insurance is a highly regulated business with formal requirements to minimum capital and capital structure, and

the Tryg Group's business is subject to regulation in the jurisdictions in which it conducts business. Supervisory authorities have broad jurisdiction over many aspects of the Tryg Group's business, which may include capital adequacy, marketing and selling practices, licences, policy terms and conditions, terms of business and permitted investments.

Compliance risk is the risk that the Tryg Group does not have sufficient knowledge of current or future rules. Additionally, compliance risk is the risk of violation of rules e.g. data protection and money laundering regulation and the losses this might cause the Tryg Group and the Tryg Group's customers. Such losses can be direct financial losses or indirect losses in the form of sanctions or bad publicity as a consequence of not acting in accordance with the rules.

Failure to comply with applicable rules and regulations could have a material adverse effect on the Tryg Group's business, results of operations and financial condition. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.2.14 **General market share and competition**

The Tryg Group is exposed to changes in the behaviour of its customers and the markets in which it sells its insurance products. Changes in technology, regulation or taxation could significantly alter customers' actual or perceived need for insurance and the types of insurance sought.

The Danish insurance market for both consumer and non-consumer insurance has in 2016 and 2017 been characterized by intensive competition among the insurance companies. Consequently, the Tryg Group could lose market share, incur losses on some or all of its activities or experience lower growth if it is unable to offer competitive, attractive and innovative products and services that are also profitable, if it does not choose the right marketing approach, product offering or distribution strategy, or if it fails to anticipate or successfully adapt to change. This may, in turn, adversely impact the ability of the Issuer to fulfil its obligations under or in connection with the Notes.

1.3 **Risks related to the structure of the Notes**

1.3.1 **The Issuer's obligation under the Notes are subordinated**

The Issuer's obligations under the Notes will constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves.

Although subordinated notes may pay a higher rate of interest than comparable notes, which are not subordinated, there is a real risk that a Noteholder will lose all or some of his investment should the Issuer and/or the Group breach its capital requirements or become insolvent.

1.3.2 **Noteholders are structurally subordinated to the creditors of the Issuer's Subsidiaries**

The Notes are the obligations of the Issuer alone. The Issuer's Subsidiaries are separate and distinct legal entities with no obligation to pay, or provide funds in respect of, any amounts due in respect of the Issuer's payment obligations under the Notes.

Payments on the Notes are structurally subordinated to all existing and future liabilities and obligations of the Issuer's Subsidiaries. Claims of creditors of such Subsidiaries will have priority as to the assets of such Subsidiaries

over the Issuer and its creditors, including the Noteholders. The Terms and Conditions does not contain any restrictions on the ability of the Issuer or its Subsidiaries to incur additional unsecured or secured indebtedness.

1.3.3 The level of the Issuer's Distributable Items is affected by a number of factors, and insufficient Distributable Items will restrict the Issuer's ability to make Interest Payments on the Notes

As part of its business is carried out in its Subsidiaries, the level of the Issuer's Distributable Items is partly affected by its ability to receive funds, directly or indirectly, from its Subsidiaries in a manner which creates Distributable Items. Consequently, the Issuer's future Distributable Items, and therefore the Issuer's ability to make Interest Payments on the Notes, is affected by the Issuer's existing Distributable Items, future Group profitability and performance and the ability to distribute or dividend profits from the Issuer's Subsidiaries up the Group structure to the Issuer. In addition, the Issuer's Distributable Items will also be reduced by the servicing of other debt and equity instruments.

The ability of the Issuer's Subsidiaries to pay dividends and the Issuer's ability to receive distributions and other payments from the Issuer's investments in other entities is subject to applicable local laws and other restrictions, including their respective regulatory, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws, and any changes thereto. These laws and restrictions could limit the payment of dividends, distributions and other payments to the Issuer by the Issuer's Subsidiaries.

1.3.4 The Notes have no scheduled maturity and Noteholders only have a limited ability to exit their investment in the Notes

The Notes are perpetual securities and have no fixed maturity date or fixed redemption date. Although the Issuer may, under certain circumstances described in Condition 7 (*Redemption, Substitution, Variation and Purchase*), redeem the Notes, the Issuer is under no obligation to do so, and Noteholders have no right to call for the Issuer to exercise any right it may have to redeem the Notes.

There will be no redemption at the option of the Noteholders in any circumstances. Therefore, Noteholders have no ability to exit their investment, except (i) in the event of the Issuer exercising its right to redeem the Notes in accordance with the Terms and Conditions, (ii) by selling their Notes, or (iii) upon a liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer, in which in limited circumstances the Noteholders may receive some of any resulting bankruptcy or liquidation proceeds following payment being made in full to all senior and more senior subordinated creditors. The proceeds, if any, realised by the action described in (iii) above may be substantially less than the principal amount of the Notes or amount of the Noteholder's investment in the Notes. Prospective investors should therefore be aware that they will be required to bear the financial risks associated with an investment in long term securities.

1.3.5 Loss absorption following a Trigger Event

The Notes are being issued for regulatory capital adequacy purposes and with the intention and purpose of being eligible and counting as Tier 1 Capital of the Issuer and the Group. Such eligibility depends upon a number of conditions being satisfied, which are reflected in the Terms and Conditions and which, in particular, require the Notes and the proceeds of their issue to be available to absorb any losses of the Issuer and/or the Group.

Accordingly, if a Trigger Event occurs at any time, the Outstanding Principal Amount of the Notes shall be reduced as described in Condition 6 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*).

Noteholders may lose all or some of their investment as a result of such a reduction to the Outstanding Principal Amount and will not be entitled to any compensation or other payment as a result of a reduction as described.

As any such reduction to the Outstanding Principal Amount is subject to compliance with the Relevant Rules, the reduction provisions in Condition 6.1 (*Loss Absorption Following a Trigger Event*) are subject to, and will be interpreted in light of, any applicable changes to any such requirements. Notwithstanding any of the provisions relating to a reduction of the Notes as described above, no assurance can be given that the Issuer will not determine that the requirements of the Relevant Rules require a reduction to the Outstanding Principal Amounts to be calculated and determined in a different manner than as described in Condition 6.1 (*Loss Absorption Following a Trigger Event*). Noteholders should note that, in the case of any such reduction to the Outstanding Principal Amounts pursuant to Condition 6.1 (*Loss Absorption Following a Trigger Event*), the Issuer's determination of the relevant amount of such reduction shall be binding on the Noteholders.

Following any such reduction, the Issuer will not in any circumstances be obliged to reinstate the Outstanding Principal Amounts, but any reinstatement must be undertaken, subject to compliance with the Relevant Rules.

1.3.6 The occurrence of a Trigger Event may depend on factors outside of the Issuer's control

A Trigger Event occurs if at any time any of the following conditions are met for the Issuer and/or the Group: (i) the amount of own fund items eligible to cover the Solvency Capital Requirement is equal to or less than 75 per cent of the Solvency Capital Requirement, (ii) the amount of own fund items eligible to cover the Minimum Capital Requirement is equal to or less than the Minimum Capital Requirement, or (iii) compliance with the Solvency Capital Requirement is not re-established within a period of three months from the date on which the non-compliance with the Solvency Capital Requirement was first observed.

The occurrence of a Trigger Event and, therefore, write-down of the Outstanding Principal Amount pursuant to Condition 6.1 (*Loss Absorption Following a Trigger Event*), is to some extent unpredictable and depends on a number of factors, some of which may be outside of the Issuer's control, including actions that the Issuer and/or the Group is required to take at the direction of the Relevant Regulator and regulatory changes. Accordingly, the trading behaviour of the Notes may not necessarily follow the trading behaviour of other types of subordinated securities, including the Issuer's other subordinated debt securities. Any indication that the Issuer or the Group may be at risk of failing to meet its Solvency Capital Requirement or Minimum Capital Requirement may have an adverse effect on the market price and liquidity of the Notes. The level of the Solvency Capital Requirement or Minimum Capital Requirement of the Issuer and/or the Group may significantly affect the trading price of the Notes. Therefore, Noteholders may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to other types of subordinated securities, including the Issuer's other subordinated debt securities.

1.3.7 Interest Payments on the Notes are discretionary and must be cancelled under certain circumstances

Interest on the Notes will be due and payable only at the sole and absolute discretion of the Issuer, and is subject to Condition 5.2 (*Mandatory Cancellation of Interest Payments*). The Issuer may at any time elect to cancel any Interest Payment, in whole or in part, which would otherwise be payable on any Interest Payment Date.

Any Interest Payment (or relevant part thereof) which is cancelled shall not accumulate and shall not become due and payable at any time thereafter. In the event of such cancellation, Noteholders will have no rights in respect of the Interest Payment (or relevant part thereof) which is cancelled. In addition, cancellation or non-payment of

Interest in accordance with the Terms and Conditions shall not constitute a default or event of default on the part of the Issuer for any purpose.

In addition to the Issuer's discretionary right to cancel Interest Payments, in whole or in part, at any time, the Terms and Conditions require that Interest Payments must be cancelled under certain circumstances. Cancelled Interest Payments shall not be due and shall not accumulate or be payable at any time thereafter and Noteholders shall have no rights thereto.

In addition to the above mentioned, the Issuer must cancel any Interest Payment on the Notes pursuant to Condition 5.2 (*Mandatory Cancellation of Interest Payments*) in the event that, inter alia, there is a non-compliance with the Solvency Capital Requirement or Minimum Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Solvency Capital Requirement or the Minimum Capital Requirement would occur immediately following, and as a result of making, such Interest Payment, or where the Interest Payment would exceed the amount of the Issuer's Distributable Items as at the time for payment, or if required to cancel any Interest Payment by the Relevant Regulator or under the Relevant Rules.

Any actual or anticipated cancellation of Interest Payments will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest cancellation provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and may be more sensitive generally to adverse changes in the financial condition of the Issuer and/or the Group. Noteholders should be aware that any announcement relating to the future cancellation of Interest Payments or any actual cancellation of Interest Payments may have an adverse effect on the market price of the Notes. Noteholders may find it difficult to sell their Notes in such circumstances, or may only be able to sell their Notes at a price which may be significantly lower than the price at which they purchased their Notes. In such event, Noteholders may lose some or substantially all of their investment in the Notes.

1.3.8 **Floating interest rate**

The Notes will bear interest at a floating rate from and including the Issue Date.

The floating rate interest income is subject to changes to the Screen Rate and therefore cannot be anticipated. Hence, Noteholders are not able to determine a definite yield of the Notes at the time of purchase, so that their return on investment cannot be compared with that of investments in simple fixed rate (i.e. fixed rate coupons only) instruments.

In addition, Noteholders are exposed to reinvestment risk with respect to proceeds from Interest Payments or early redemptions by the Issuer. If the market yield declines, and if Noteholders want to invest such proceeds in comparable transactions, Noteholders will only be able to reinvest such proceeds in comparable transactions at the then prevailing lower market yields.

1.3.9 **Notes may be traded with accrued interest, which may subsequently be subject to cancellation**

The Notes may trade, and/or the prices for the Notes may appear, in trading systems with accrued interest. Purchasers of Notes in the secondary market may pay a price which reflects such accrued interest on purchase of the Notes. If an Interest Payment is cancelled, in whole or in part, as described above, a purchaser of Notes in the secondary market will not be entitled to the accrued interest (or part thereof) reflected in the purchase price of the Notes.

1.3.10 **The Issuer may redeem the Notes at the Issuer's option at certain dates**

Subject as provided in Condition 7 (*Redemption, Substitution, Variation and Purchase*), the Issuer may redeem all (but not only some) of the Notes at their then Outstanding Principal Amount together with (to the extent that such interest has not been cancelled in accordance with the Terms and Conditions) any accrued and unpaid interest to (but excluding) the date of redemption. Such redemption may occur (i) on the First Call Date or any Interest Payment Date thereafter, (ii) in the event of certain changes in the tax treatment of the Notes or payments thereunder due to a Tax Event, (iii) following the occurrence of (or there will occur within six months) a Capital Disqualification Event, (iv) following the occurrence of (or there will occur within six months) a Rating Agency Event, or (v) following the occurrence of (or there will occur within six months) an Accounting Event.

The redemption at the option of the Issuer on or after the First Call Date may limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, a Noteholder may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time. It shall also be noted that the Issuer may choose not to redeem the Notes at the First Call Date or at any other time thereafter, and that the Relevant Regulator may prevent the Issuer from redeeming the Notes, e.g. if the Notes will not be replaced with own funds instruments of equal or higher quality as the Notes and if the Issuer has failed to demonstrate that its own funds, following redemption of the Notes, exceed the minimum capital adequacy requirements by a margin that the Relevant Regulator considers to be significant and appropriate.

1.3.11 **Variation or substitution of the Notes without Noteholder consent**

Subject as provided in Condition 7 (*Redemption, Substitution, Variation and Purchase*), the Issuer may, at its option and without the consent or approval of Noteholders, elect to substitute all (but not only some) of the Notes for, or amend or vary the terms of the Notes so that they become or remain (A) Qualifying Tier 1 Notes (i) in the event of certain changes in the tax treatment of the Notes or payments thereunder due to a Tax Event, (ii) following the occurrence of (or there will occur within six months) a Capital Disqualification Event and (iii) following the occurrence of (or there will occur within six months) an Accounting Event or (B) Rating Agency Compliant Notes following the occurrence of (or there will occur within six months) a Rating Agency Event.

Qualifying Tier 1 Notes are securities issued by the Issuer that have, inter alia, terms not materially less favourable to the Noteholders than the terms of the Notes (as reasonably determined by the Issuer in consultation with a bank or financial advisor of international standing). There can be no assurance that, due to the particular circumstances of each Noteholder, any Qualifying Tier 1 Notes will be as favourable to each Noteholder in all respects or that, if it were entitled to do so, a particular Noteholder would make the same determination as the Issuer as to whether the terms of the relevant Qualifying Tier 1 Notes are not materially less favourable to Noteholders than the terms of the Notes. The Issuer bears no responsibility towards the Noteholders for any adverse effects of such substitution or variation (including, without limitation, with respect to any adverse tax consequences suffered by any Noteholder).

Rating Agency Compliant Notes that are Qualifying Tier 1 Notes and assigned by the Rating Agency substantially the same equity content or, at the absolute discretion of the Issuer, a lower equity content (provided such equity

content is still higher than the equity content assigned to the Notes after the occurrence of the Ratings Agency Event) as that which was assigned by the relevant Rating Agency to the Notes on or around the Issue Date.

1.3.12 Redemption payments under the Notes must, under certain circumstances, be suspended

Notwithstanding that a notice of redemption has been delivered to Noteholders, the Issuer must suspend redemption of the Notes on any date set for redemption of the Notes pursuant to Condition 7 (*Redemption, Substitution, Variation and Purchase*) in the event that, inter alia, the Issuer cannot make the redemption payments in compliance with the Solvency Capital Requirement, the Minimum Capital Requirement or the Regulatory Clearance Condition, or if an Insolvent Insurer Winding-up has occurred and is continuing.

The suspension of redemption of the Notes does not constitute a default under the Notes for any purpose and does not give Noteholders any right to take any enforcement action under the Notes.

Any actual or anticipated suspension of redemption of the Notes will likely have an adverse effect on the market price of the Notes. In addition, as a result of the redemption suspension provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities without such suspension feature, including dated securities where redemption on the scheduled maturity date cannot be suspended, and the Notes may accordingly be more sensitive generally to adverse changes in the Issuer's financial condition.

1.3.13 No events of default and limited enforcement rights available to Noteholders

The Terms and Conditions of the Notes do not provide for any events of default allowing acceleration of the Notes. Noteholders may not at any time demand repayment or redemption of their Notes, and enforcement rights for any payment are limited to the claim of Noteholders in a liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer. In a liquidation or bankruptcy of the Issuer, a Noteholder may prove or claim in such proceedings in respect of such Note, such claim being for payment of the Outstanding Principal Amount of such Note at the time of commencement of such liquidation or bankruptcy together with any interest accrued and unpaid on such Note (to the extent that the same is not cancelled in accordance with the terms of the Notes) from (and including) the Interest Payment Date immediately preceding commencement of such liquidation or bankruptcy and any other amounts payable on such Note under the Terms and Conditions.

1.3.14 Changes to Solvency II or other applicable law or regulation may increase the risk of the occurrence of a Trigger Event, cancellation of Interest Payments or the occurrence of a Capital Disqualification Event

Solvency II requirements adopted in Denmark, whether as a result of further changes to Solvency II or changes to the way in which the Relevant Regulator interprets and applies these requirements to the Danish insurance industry, may change. Any such changes, either individually and/or in aggregate, may lead to further unexpected requirements in relation to the calculation of the Group's Solvency Capital Requirement, and such changes may make the Group's regulatory capital requirements more onerous. Such changes that may occur in the application of Solvency II in Denmark subsequent to the date of this Prospectus and/or any subsequent changes to such rules and other variables may individually and/or in aggregate negatively affect the calculation of the Group's Solvency Capital Requirement and thus increase the risk of cancellation of Interest Payments, the occurrence of a Capital Disqualification Event and subsequent redemption of the Notes by the Issuer, or a Trigger Event occurring, which will lead to a reduction of the Outstanding Principal Amount of the Notes, as a result of which a Noteholder could lose all or part of the value of its investment in the Notes.

Additionally, the Issuer and the Group may be required to raise further capital pursuant to applicable law or regulation or the official interpretation thereof in order to maintain the then applicable Minimum Capital Requirement and Solvency Capital Requirement.

1.3.15 Uncertainties remain in manner in which Solvency II will be interpreted

The defined terms in the Terms and Conditions will depend in some cases on the interpretation of Solvency II. Solvency II is the EU-wide regime for the prudential regulation of insurance and reinsurance undertakings. Originally adopted by the European Parliament and Council in 2009, Solvency II became effective on 1 January 2016. Certain portions of the Solvency II Directive required transposition into Danish law, and although the Solvency II Regulation is directly applicable in each Member State, the Solvency II Regulation leaves a number of interpretational issues to be resolved through binding technical standards that have been adopted, and will be adopted in the future, and leaves certain other matters to the discretion of the Relevant Regulator. The manner in which the framework and requirements under Solvency II will be applied to the Issuer and the Group remains uncertain to a degree.

1.3.16 Restrictions on right to set-off

Subject to applicable law, no Noteholder who shall be indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against monies owed to the Issuer in respect of such indebtedness.

1.3.17 No limitation on issuing senior or pari passu securities

There is no restriction on the amount of securities which the Issuer may issue, which securities rank senior to, or *pari passu*, with the Notes. The issue of any such securities may reduce the amount recoverable by Noteholders in connection with a liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer and/or may increase the likelihood of a cancellation of Interest Payments under the Notes or the Issuer's ability to redeem the Notes. Accordingly, in connection with a liquidation or bankruptcy of the Issuer, after payment of the claims of senior ranking creditors, there may not be a sufficient amount to satisfy the amounts owing to Noteholders.

1.3.18 No restriction on dividends

The Terms and Conditions do not contain any restriction on the ability of the Issuer to pay dividends on or repurchase its ordinary shares. This could decrease the profits that are available for distribution and therefore increase the likelihood of a cancellation of payments of interest.

1.3.19 Meeting of Noteholders, modification and waivers

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

1.3.20 The Notes are dematerialised securities

Because the Notes are dematerialised securities held in the CSD's system, Noteholders will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer. The Notes will not be evidenced by any physical note or document of title other than statements of account made by the CSD. Ownership

of the Notes will be recorded and transfer effected only through the book entry system and register maintained by the CSD.

1.3.21 **All trades in the Notes shall be in a minimum nominal amount of SEK 2,000,000**

Pursuant to the Terms and Conditions, all trades in the Notes shall be in a minimum nominal amount of SEK 2,000,000. Following a sale of Notes by a Noteholder, the Noteholder may hold less than a nominal amount of SEK 2,000,000, and in such case the Noteholder cannot sell the remaining Notes without purchasing Notes to increase its holding above SEK 2,000,000. Since all trades in the Notes must be in a minimum nominal amount of SEK 2,000,000, the Noteholder must then purchase Notes to a nominal amount of at least SEK 2,000,000. Accordingly, an investment in the Notes is only suitable for investors who can bear the risks associated with the restriction on selling and/or buying the Notes in nominal amounts less than SEK 2,000,000.

1.4 **Risks related to the market generally**

1.4.1 **Absence of public markets for the Notes**

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although the Notes will be admitted trading on Oslo Børs ASA, there is no assurance that an active trading market will develop.

1.4.2 **The market value of the Notes may be influenced by factors beyond the Issuer's control**

Many factors, most of which are beyond the Issuer's control, will influence the market value of the Notes and the price, if any, at which securities dealers may be willing to purchase or sell the Notes in the secondary market. Such factors include the creditworthiness of the Issuer. If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due deteriorates, for example, because of the materialisation of any of the risks regarding the Issuer, the market value of the Notes will be materially and adversely affected. In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due has not deteriorated, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Issuer could adversely change. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialisation of the aforementioned risk. Under these circumstances, the market value of the Notes will decrease. In particular factors such as the Issuer and the Group's compliance with the Solvency Capital Requirement and the Minimum Capital Requirement, supply and demand for the Notes, the Interest Rate applicable to the Notes from time to time, exchange rates and macro-economic, political, regulatory or judicial events which affect the Issuer or the markets in which it operates.

1.4.3 **Exchange risks and exchange controls**

The Tryg Group's reporting currency is DKK, but the Notes are denominated in SEK. Accordingly, the Issuer will pay principal and interest on the Notes in SEK. This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit (the "**Noteholder's Currency**") other than SEK. These include the risk that exchange rates may significantly change (including

changes due to devaluation of SEK or revaluation of the Noteholder's Currency) and the risk that authorities with jurisdiction over the Noteholder's Currency may impose or modify exchange controls. An appreciation in the value of the Noteholder's Currency relative to SEK would decrease (1) the Noteholder's Currency equivalent yield on the Notes, (2) the Noteholder's Currency equivalent value of the principal payable on the Notes and (3) the Noteholder's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Noteholders may receive less interest or principal than expected, or no interest or principal.

1.4.4 **Interest rate risk**

The Notes bear interest at the Interest Rate determined periodically in respect of each Interest Payment Date. An investment in the Notes during that time involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

1.4.5 **Credit ratings may not reflect all risks**

The Notes are expected to be rated Baa3 by Moody's Investors Service. Moody's Investors Service is established in the European Economic Area (EEA) and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") and are, as of the date of this Prospectus, included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the Rating Agency at any time.

1.4.6 **Ratings may change**

The Rating Agency reviews its ratings and rating methodologies on a recurring basis and may change its rating of the Issuer and/or the Notes at any time. Consequently, the Issuer's current rating and/or the rating of the Notes may not be maintained in future. A change in, or clarification to, the rating methodology of the Rating Agency becoming effective after the Issue Date may entitle the Issuer to redeem the Notes as a Rating Agency Event. If the ratings of the Issuer and/or the Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Notes.

1.4.7 **Legal investment considerations may restrict certain investments**

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

2. REGISTRATION DOCUMENT FOR THE NOTES

This registration document has been prepared on the basis of and in accordance with Annex IX of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended.

2.1 Persons responsible

2.1.1 This Prospectus has been prepared by (i) Tryg Forsikring A/S ("**Tryg**" or the "**Issuer**" and, together with its parent Tryg A/S and Tryg A/S' subsidiaries from time to time, the "**Group**" or the "**Tryg Group**"), a Danish public limited liability company (aktieselskab) registered with the Danish Business Authority (Erhvervsstyrelsen) under company registration number (CVR-nr.): 24260666 with its registered office at Klausdalsbrovej 601, DK-2750 Ballerup, Denmark, and telephone number +45 70 11 20 20.

The Issuer is responsible for the information provided in this Prospectus.

2.1.2 Each member of the Issuer's Supervisory Board and each member of the Issuer's Executive Board declares to have taken all reasonable care to ensure that, to the best of his/her knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

The Prospectus is signed by the Supervisory Board and the Executive Board.

Ballerup, 26 April 2018.

Supervisory Board:

Jukka Pertola
Chairman of the Supervisory Board
Professional board member

Torben Henning Nielsen
Deputy Chairman of the Supervisory Board
Professional board member, Adjunct Professor, CBS

Tom Eileng
Member of the Supervisory Board
Key Account Executive in Tryg

Lene Skole-Sørensen
Member of the Supervisory Board
CEO of Lundbeckfonden and Lundbeckfond Invest A/S

Anders Hjulmand
Member of the Supervisory Board
Lawyer and Partner at HjulmandKaptain

Carl-Viggo Johannes Östlund
Member of the Supervisory Board
Professional Board member and independent advisor

Mari Thjømmø
Member of the Supervisory Board
Professional board member and independent advisor

Ida Sofie Jensen
Member of the Supervisory Board
Group Managing Director of Lif

Jesper Hjulmand
Member of the Supervisory Board
CEO of SEAS-NVE A.m.b.A.

Elias Bakk
Member of the Supervisory Board
Project Manager at Tryg

Lone Hansen
Member of the Supervisory Board
Key Account Manager at Tryg

Tina Snebjerg
Member of the Supervisory Board
Administrative officer, Tryg's staff association

Executive Board:

Morten Marc Hübbe
Chief Executive Officer

Christian Boris Baltzer
Chief Financial Officer

Lars Ulrik Bonde
Chief Operating Officer

Johan Kirstein Brammer
Chief Commercial Officer

2.2 Statutory auditors

2.2.1 As of the date of this Prospectus, the external auditors of Tryg are:

Jens Ringbæk, State Authorised Public Accountant, and
Kasper Bruhn Udam, State Authorised Public Accountant, both from:

Deloitte Statsautoriseret Revisionspartnerselskab
Company registration number (CVR-nr.): 33 96 35 56
Weidekampsgade 6
2300 København S

Jens Ringbæk and Kasper Bruhn Udam are members of FSR - Danish Auditors (*FSR - Danske Revisorer*).

2.2.2 None of the persons mentioned in Section 2.2.1 have resigned, been removed or not been reappointed in the period covered by the historical financial information referred to in Section 2.11.1 (*Historical Financial Information*).

2.3 Risk Factors

2.3.1 For the risk factors that may affect the Issuer's ability to satisfy and fulfil its obligations towards the Noteholders under the Notes, please refer to Section 1 ("*Risk factors*").

2.4 Information about the Issuer

2.4.1 History and development of the Issuer

The Group's roots can be traced back to 1731 when it was founded as a result of the big 'Copenhagen Fire' in 1728. The Issuer has grown to become the largest non-life insurer in Denmark, the third-largest in Norway and fifth largest company in Sweden (according to the sources listed in Section 2.5.1.2)., a position that has been consolidated by acquisitions in the Nordic region. Historically, the Issuer has been active in M&A and has made a number of acquisitions. The issuer acquired two small portfolios in 2017 and concluded an agreement to acquire Alka Forsikring A/S, the eight largest non-life insurance company in Denmark, also in 2017. The purchase of Alka Forsikring A/S is awaiting regulatory approval. The Issuer has acquired one small portfolio in 2018. The Issuer will continue to focus on primarily small, bolt-on, acquisitions also going forward considering the limited growth prospects of the non-life business.

2.4.2 The main legal and commercial name of the Issuer is Tryg Forsikring A/S. The Issuer is registered with the following secondary names:

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| A/S Dansk Bygnings Assurance | Kompas Rejseforsikring A/S |
| A/S Det Københavnske Creditassurance-Compagni | Kompas Travel Insurance Co. Ltd. A/S |
| A/S Det Københavnske Garantiforsikringselskab | Max Levig & Co.s Eft. Forsikringsaktieselskab |
| Aktieselskabet dansk folkeforsikringsanstalt-brand | MF Bilspport & MC Specialförsäkring A/S |
| Aktieselskabet nordisk brandforsikring | Moderna Försäkringar Sak A/S |
| Assurance-Compagniet Baltica, Aktieselskab | Moderna Garantiforsikring A/S |
| Assurance-compagniet baltica-skandinavia, Aktieselskab | Moderna Trygghetsförsäkringar A/S |
| Assurance-Compagniet Gefion, Aktieselskab | Skadeforsikringsaktieselskabet Enhjørningen |
| Atlantica Yacht Insurance A/S | Skandinavia reinsurance company, limited |
| Baltica Arbejdsskade, Forsikringsaktieselskab | the baltica insurance company, Limited |
| Baltica Forsikring A/S | Tjenestemændenes Forsikring A/S |
| Baltica Kapital, Forsikringsaktieselskab | Tryg Finansieringsaktieselskab |
| Baltica Rejseforsikring, Aktieselskab | Tryg Forsikring II A/S |
| Baltica Travel Insurance Co. Ltd. A/S | Tryg Forsikring, arbejdsskadeforsikringsselskab A/S |
| Baltica Udlandsforsikring, Aktieselskab | Tryg Forsikring, arbejdsskadeforsikringsselskab I A/S |
| Baltica-skandinavia insurance company, limited | Tryg Forsikring, arbejdsskadeforsikringsselskab II A/S |
| Dansk Exportkreditforsikringsaktieselskab | Tryg Forsikring, Rejse og Sundhed A/S |
| Dansk Garantiforsikrings-Aktieselskab | Tryg Forsikring, skadesforsikringsselskab A/S |
| Dansk Husejerforsikring A/S | Tryg Forsikring, skadesforsikringsselskab II A/S |
| Dansk Investerings-Kompagni A/S | Tryg Garanti- og Kautionsforsikring A/S |
| Dansk Kautionsforsikrings-Aktieselskab | Tryg Garantiforsikring A/S |
| Dansk Kredit- og Garantiforsikrings-Aktieselskab | Tryg Travel Insurance Ltd. A/S |
| Dansk kreditforsikrings-aktieselskab | Tryg-Baltica Finansieringsaktieselskab |
| De baltiske assurandører, aktieselskab | Tryg-Baltica Forsikring A/S |
| Forsikrings-aktieselskabet absalon | Tryg-Baltica Forsikring II A/S |
| Forsikrings-Aktieselskabet Concord | Tryg-Baltica Forsikring, arbejdsskadeforsikringsselskab A/S |
| Forsikrings-Aktieselskabet dansk merkur | Tryg-Baltica Forsikring, arbejdsskadeforsikringsselskab I A/S |

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| Forsikrings-aktieselskabet danske lloyd | Tryg-Baltica Forsikring, arbejdsskadeforsikringsselskab II A/S |
| Forsikringsaktieselskabet kompas | Tryg-Baltica Forsikring, skadesforsikringsselskab A/S |
| Forsikringsaktieselskabet nye danske af 1864 | Tryg-Baltica Forsikring, skadesforsikringsselskab II A/S |
| Forsikringsaktieselskabet nye danske lloyd | Tryg-Baltica Garanti- og Kautionsforsikring A/S |
| Forsikrings-Aktieselskabet palnatoke | Tryg-Baltica Rejseforsikring A/S |
| Forsikrings-aktieselskabet skandinavia | Tryg-Baltica Travel Insurance Co. Ltd. A/S |
| Forsikrings-aktieselskabet skjold | Tryg-Baltica Udlandsforsikring A/S |
| Forsikringsselskabet baltisk lloyd, Aktieselskab | TrygVesta Forsikring A/S |
| Forsikringsselskabet Danmark A/S | TrygVesta Garantiforsikring A/S |
| Forsikringsselskabet Fribo A/S | Uni Skadeforsikring A/S |
| Indbrudstyveriforsikringsaktieselskabet Danmark | Vesta Forsikring A/S |
| Jessen & Co.s Eft. Forsikringsaktieselskab | Vesta Garanti Forsikring A/S |
| Kompas Forsikring A/S | Vesta Marine A/S |
| | Vesta Skadeförsäkring A/S |

2.4.3 The Issuer has its place of registration in the Municipality of Ballerup (*Ballerup Kommune*). The Issuer is registered with the Danish Business Authority (*Erhvervsstyrelsen*) under company registration number (CVR-nr.) 24260666

2.4.1 The Issuer was incorporated on 15 August 1997.

2.4.2 The Issuer has its domicile at Klausdalsbrovej 601, DK-2750 Ballerup, Denmark. The Issuer is a Danish public limited liability company (*aktieselskab*) incorporated under Danish law and registered with the Danish Business Authority (*Erhvervsstyrelsen*) with company registration number (CVR-nr.): 24260666. The telephone number of the Issuer's registered office is +45 70 11 20 20.

2.4.3 Other than as reported on page 16 (*Capital position*) in the 2017 Annual Report, which is incorporated by reference, no recent events particular to the Issuer are to a material extent relevant to the evaluation of the Issuer's solvency.

2.5 Business Overview

2.5.1 Principal activities

2.5.1.1 The Issuer is one of the largest Nordic non-life insurer (according to a consolidation of the national market share information referred to in Section 2.5.1.2).

Approximately 79% of the total DKK 18.0bn premiums are 'retail' business which includes private lines and SMEs, the remaining 21% is corporate business. The key distribution channels are tied agents, affinity groups, car dealers, bankassurance and brokers. The Issuer has a strategic partnership with Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige ("**Nordea**"), where Nordea sells the Issuer's insurances through its branches in Denmark and Norway, and the Issuer sells Nordea's life insurance and pension products in Norway. In Denmark the Issuer has an agreement with Nordea Liv & Pension, Livsforsikringsselskab A/S regarding distribution of life insurance and pension products. In Sweden, the Issuer cooperates with Danske Bank A/S.

The Issuer is managed by CEO Morten Hübbe, CFO Christian Baltzer, COO Lars Bonde and CCO Johan Kirstein Brammer and has a strong focus on profitability. At the recent capital markets day (November 2017), a series of

initiatives were launched with primary focus on claims excellence, product and service innovation, digital empowerment of customers and distribution efficiency.

The Issuer's head office is in Ballerup, just outside Copenhagen, Denmark, and employed some 3,400 employees at the end of 2017.

The Issuer is diversified across Scandinavia

The Issuer is the largest player in the Danish market with a market share of around 18% while it has an approximate market share of 13% in Norway and 3% in Sweden (according to the sources listed in Section 2.5.1.2). Approximately 53% of the premiums came from the Danish market (end of 2017) while some 35% from Norway and 12% from Sweden. From a product perspective, property (both private and commercial) is the biggest line of business representing some 37% of total premiums while motor (both motor third party liability and comprehensive) was second representing some 30% of total premiums. Other important segments are accident & health, liability and workers' compensation. Although the Nordic countries are very similar in many areas, the Issuer's position in three out of the four Nordic countries gives it geographic diversification.

The Issuer's profitability has been strong for a number of years

The Issuer's profitability has been strong for a number of years. The ten years' historical averages (2008-2017) for combined ratio ("COR") was 88.9 and return on equity ("ROE") was 19.4%. During this period, the expense ratio moved from 17.8 to 14.0.

The Issuer's recent results have been boosted by three consecutive efficiency programmes, one of DKK 1bn carried through between 2012 and 2014, one of DKK 750m between 2015-2017 and one which will run between 2018 and 2020. The efficiency programmes are primarily focused on an improved procurement power and generally lower operating expenses including a lower number of employees. Additionally, the Issuer has introduced a new way of selling insurance solutions by packaging of insurance products, in 2017. By combining insurance products into packages, customers are offered a better total price for their insurance products.

More generally, the key driver of the Issuer's results is the focus on the retail segment which represents some 80% of total premiums and a very high retention rate which is close to 90% in both the private and commercial segment. It has to be highlighted that customers' expenditure on non-life insurance is amongst the highest in Europe when measured by premiums as per cent of GDP in both Denmark and Norway and customers' perception of insurance companies is radically different compared to more competitive market such as the UK. An average customer has more than three policies with the Issuer both in Denmark and Norway.

Price pressure has been evident in the motor insurance segment of late, driven by the very high profitability of this line of business and a clear trend with Danish households selling bigger cars which are not fuel efficient and buying smaller cars. It is expected that motor insurance premiums will remain under pressure considering also further technological developments which are likely to reduce the number of claims (i.e. lower car accidents), this is the reason why the Issuer's management is looking at attractive niche segments such as child insurance, cyber insurance, pet insurance or extended warranty.

- 2.5.1.2 The Issuer has a particularly strong position in Denmark ranking no.1 with an approximate market share of 18% (according to Forsikring & Pension, 14 December 2017). In Norway the Issuer is ranked no. 3 and an approximate market share of 13% (according to Finans Norge, 30 September 2017). The Issuer also has a smaller

presence in the Swedish market with a market share of 3% (according to Svensk Försäkring, 20 November 2017). Gross premiums earned totalled approximately DKK 18.0bn at the end of 2017 of which approximately 53% came from Denmark, 37% from Norway and 12% from Sweden.

The Issuer operates in the Nordic insurance market which is characterised by consumers and businesses who in Tryg's view have largely covered their insurance needs, combined with relatively low economic growth. Profitability in the insurance industry is generally high due to the fact that the vast majority of companies are listed and customers' retention is very high.

The Issuer has an ambition to make it easier to be 'tryg' ('tryg' means: feeling protected and cared for) for its customers by offering them insurance against risks, efficient claims handling, and advice and services to prevent claims from arising in the first place. By making it easier for the customers to feel protected and cared for, the Issuer benefits all stakeholders. The Issuer's new purpose is valid for all stakeholders – customers, employees and shareholders.

The Issuer has a strong financial and customer focus, and therefore has targets for both areas. Financial and customer targets are deeply intertwined. Loyal customers have a high retention rate and this means that the expenses related to replacing customers that leave the Issuer are relatively low, which contributes to a low overall expense ratio.

The Issuer has set up four strategic initiatives to support the financial and customer targets. The strategic initiatives for 2018-2020 are:

- Claims Excellence
- Digital empowerment of customers
- Product & service innovation
- Distribution efficiency

Claims excellence

Claims excellence is targeted to reduce claims costs by DKK 600m. The main initiatives relate to procurement, fraud and claims steering through continued focus on exploiting the Issuer's procurement power and extending this to areas that have not been targeted yet. Fraud is an important area, and through the use of technology and improved competencies, the Issuer will be able to reduce the claims level. The Issuer has many procurement agreements with third-party suppliers, and by increasing the use of such agreements, it will be possible to reduce claims costs.

Digital empowerment of customers

Digital empowerment of customers will be of paramount importance in future, and the Issuer is therefore investing heavily in this area. The Issuer's target for 2020 is 50% straight-through processing for claims and a self-service level of 70% for all contacts to the Issuer. Realising these targets is expected to both support the financial targets with DKK 100m and also the customer targets through higher levels of convenience, transparency and empowerment for the Issuer's customers.

Product & service innovation

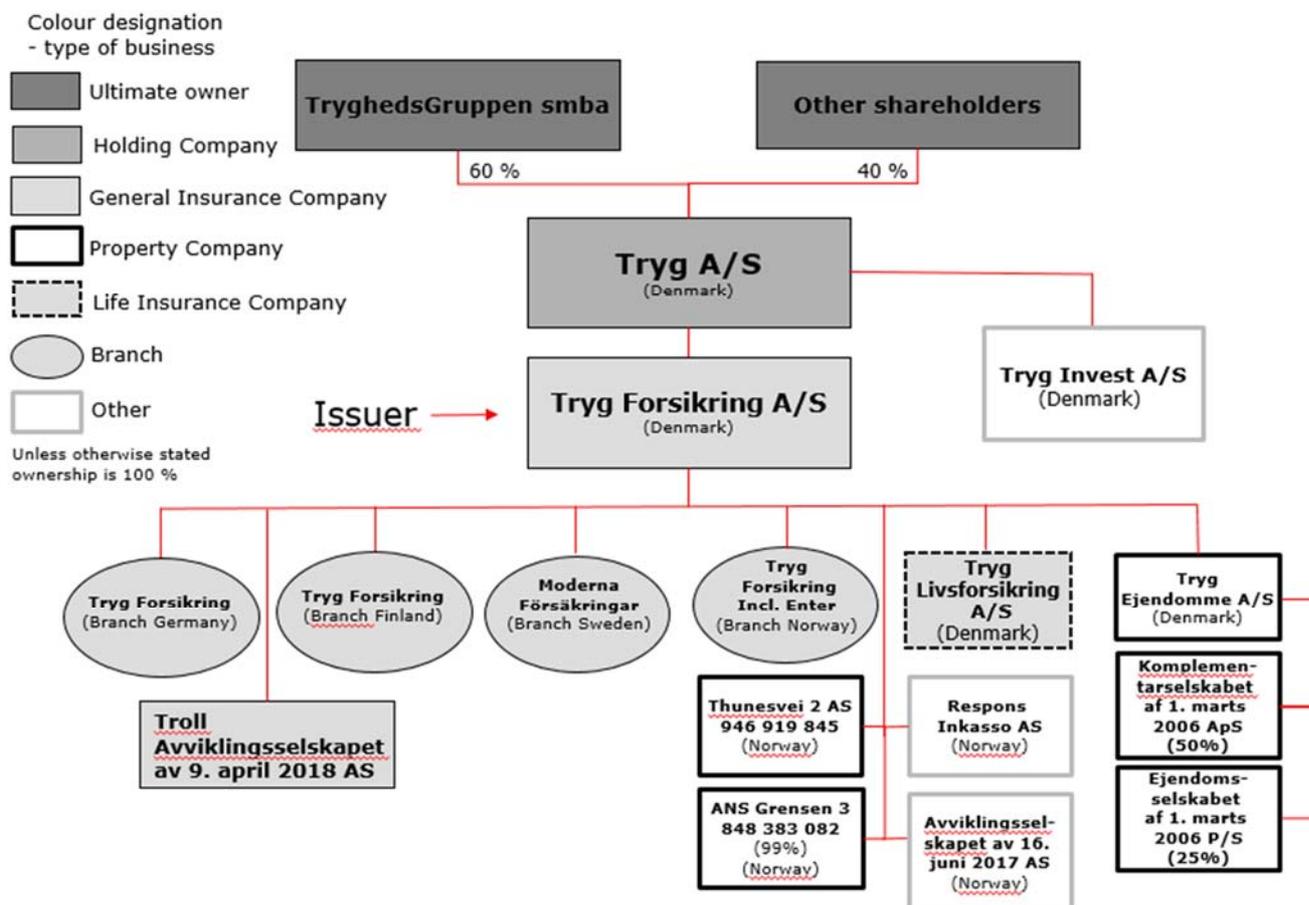
Product and service innovation is targeted to contribute with DKK 1,000m top line in the long term. The Issuer does not want to define a specific growth target as profitability is the Issuer's key focus, but at the same time the Issuer wishes to adapt to a future which the Issuer expects to be characterised by potential volumes pressure in motor insurance. The main focus of products and service innovation will be on insuring people and technology. The Issuer is planning to expand its profitable guarantee business (Tryg Garanti), as well as introducing other insurance areas which are not in the market today.

Distribution efficiency

Distribution efficiency is targeted to have an impact of DKK 150m in 2020. The Issuer has been working intensively on reducing costs in the claims and administration part of the business. Efficiency increases through new technological solutions, product simplification and packaging together with a strong focus on digital channels will be the main initiatives supporting this target.

2.6 Organisational Structure

2.6.1 The Tryg Group's legal group chart as at 1 January 2018 is shown below. The Tryg Group has around 3,400 employees placed in Denmark, Norway and Sweden. The Issuer - Tryg Forsikring A/S - is the main operating company of the Group and placed immediately below the listed holding company, Tryg A/S.



The Issuer's operational structure is shown above.

The Issuer is a subsidiary of Tryg A/S and is the main operating company in the Tryg Group. The operations in Norway and Sweden are run as branches. In August 2010, "Tryg" became the Tryg Group's common name throughout the Nordic region, except in Sweden, where Tryg has continued to use the well-known Moderna brand name. Tryg owns the subsidiary Tryg Livsforsikring A/S, which is a Danish life insurance company primarily handling a run-off portfolio (and received its license from the Danish FSA on 12 July 2016). The Issuer also has a guarantee business, Tryg Garanti.

The top management consists of an Executive Board comprising the CEO, CFO, COO and CCO. Tryg is divided into ten national business areas, each headed by a director. The directors have full responsibility for the performance of their own business areas and report to the Executive Board. This ensures that decisions can be made locally, faster and closer to the customers in the various national markets. Through the establishment of central development functions, Tryg has ensured that even more resources can be devoted to ensuring innovation, development and efficiency increases across the entire organisation.



2.6.2 The Issuer is not dependent on any other company of the Tryg Group.

2.7 Trend Information

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.

2.8 Profit forecasts or estimates

The Issuer has chosen not to include a profit forecast or profit estimate in the Prospectus as in the Issuer's view such profit forecasts or profit estimates are non-material with respect to the Issuer's ability to fulfil its obligations under the Notes.

2.9 Administrative, Management and Supervisory Bodies

2.9.1 *Members of the Issuer's Supervisory Board and Executive Board*

Supervisory Board:

The Issuer's Supervisory Board comprises 12 members including four employee representatives. The board has representatives from Denmark, Norway and Sweden. The business address of the Supervisory Board is Klausdalsbrovej 601, DK-2750 Ballerup, Denmark.

Jukka Pertola

Chairman. Born in 1960. Joined: 2017. Finnish citizen. Former CEO, Siemens Denmark. Professional Board Member.

Education: MSc. Engineering

Chairman: Tryg A/S, Tryg Forsikring A/S, Danish Academy of Technical Sciences (ATV), Gomspace Group AB / Gomspace A/S, Leo Pharma A/S and Siemens Gamesa Renewable Energy A/S.

Board member: Industriens Pensionsforsikring, Cowi Holding A/S and Baltic Development Forum.

Committee memberships: Remuneration and Nomination Committee at Tryg.

Jukka Pertola has special skills in the fields of management, insurance, IT and digitalisation, communication and finance. Jukka Pertola has more than ten years of board work experience from companies, foundations and organisations.

Torben Nielsen

Deputy Chairman. Born in 1947. Joined: 2011. Danish citizen. Professional board member, Adjunct Professor, CBS. Former Governor of Danmarks Nationalbank (Danish Central Bank).

Education: Savings bank training, Graduate Diplomas in Organisation, Work Sociology, Credit and Financing.

Chairman: Sydbank A/S, Investeringsforeningen Sparinvest, Vordingborg Borg Fund and the Museum of South East Denmark

Deputy Chairman: Tryg A/S and Tryg Forsikring A/S.

Board member: Sampension KP Livsforsikring A/S, Dansk Landbrugs Realkredit and a member of the Executive Management of Bombøbøssen

Committee memberships: Audit and Risk committee of Tryg (Chairman) and nomination committee of Tryg A/S, Risk Committee (Chairman) in Sydbank, and Dansk Landbrugs Realkredit's Audit Committee (Chairman).

Torben Nielsen has special skills in the fields of management, finance, financial services and risk management as former Governor of Danmarks Nationalbank.

Anders Hjulmand

Born in 1951. Joined: 2016. Danish citizen. Lawyer and Partner at HjulmandKaptain

Education: LL.M

Chairman: B&E STÅL A/S, Brdr. Schlie's Fiskeeksport A/S, Conscius A/S, CPS A/S, Danish Label Coating A/S, Friis & Moltke A/S, Lastvogn & Trailer Center A/S, Nordjyske Jernbaner

A/S, Palle Mørch A/S, Pava Produkter A/S, Seafood Danmark A/S, Scan Fish Danmark A/S, Utzon Center A/S, Kunsten – Museum of Modern Art, Thor Fisk A/S, Lerøy Schlie A/S, PSC A/S, GF Inveco A/S and a number of subsidiaries.

Deputy Chairman: Det Kongelige Teater

Board member: Tryg A/S and Tryg Forsikring A/S, TryghedsGruppen smba, Flemming Christensens Fond, FDE Fonden, Effer Krancenter A/S, Sawo A/S and the Utzon Foundation.

Tom Eileng

Employee representative

Born in 1954. Joined: 2016. Norwegian citizen. Employed since 1986. Education: Bachelor in Corporate economics, authorised adviser in life and non-life insurance. Deputy chairman of Finansforbundet, Tryg and Senior Commercial Advisor

Board member: Tryg A/S, Tryg Forsikring A/S and Vesta Støttefond.

Committee membership: Remuneration Committee

Lone Hansen

Employee representative

Born in 1966. Joined: 2012. Danish citizen. Employee since 1990,

Education: Certified commercial insurance agent. Various insurance and sales courses and negotiation training.

Chairman: The Association for Tied Agents and Key Account Managers in Tryg.

Board member: Tryg A/S and Tryg Forsikring A/S. Member of Tied Agents' District Board of the Financial Services Union Denmark.

Jesper Hjulmand

Born in 1963. Joined: 2010. Danish citizen. CEO of SEAS-NVE A.m.b.A.

Education: MSc (Economic and Business Administration), Lieutenant-Colonel Royal Danish Air Force Reserve, pathfinder.

Chairman: Association of Danish Energy and Distribution Companies (DEA), Energi Danmark A/S, Fibia P/S, SEAS-NVE Net A/S and Dansk Energi

Deputy Chairman: TryghedsGruppen smba

Board member: Tryg A/S, Tryg Forsikring A/S and DI general council

Committee memberships: Audit Committee and Risk Committee of Tryg A/S, Executive Director Committee of Dansk Energi (Chairman) and member of the Board of Representatives in TryghedsGruppen and in Nykredit.

Ida Sofie Jensen

Born in 1958. Joined: 2013. Danish citizen. CEO of Lif (Medicine and Healthcare Industry), the subsidiary DLI a/s (Danish Medicine Information) and the subsidiary ENLI ApS (ethical board for the pharmaceutical industry).

Education: Cand.scient.pol., European Health Leadership Programme INSEAD, Executive Management Programme INSEAD, Executive program Columbia Business School, Executive program Singularity University.

Board member: Tryg A/S and Tryg Forsikring A/S, TryghedsGruppen smba, Plougmann & Vingtoft A/S, Hans Knudsen Institutet (business trust).

Committee memberships: Remuneration Committee

Elias Bakk

Employee representative

Born in 1975. Joined: 2017. Swedish citizen. Project Manager at Tryg

Education: Norra Real Gymnasium and Education from Forsikringsakademiet for new board members

Board member: Tryg A/S and Tryg Forsikring A/S.

Lene Skole-Sørensen

Born in 1959. Joined: 2010. Danish citizen. CEO of Lundbeckfonden and Lundbeckfond Invest A/S.

Education: The A.P. Møller Group International shipping education, Graduate Diploma in Finance and various international management programmes.

Deputy Chairman: Ørsted A/S, H. Lundbeck A/S, ALK-Abelló A/S, Falck Holding A/S and TDC A/S

Board member: Tryg A/S and Tryg Forsikring A/S

Committee memberships: Audit Committee and Risk committee in Tryg A/S, the Audit & Nomination Committee in ALK-Abelló A/S, Scientific and Remuneration Committee in H. Lundbeck A/S and Remuneration Committee in Falck A/S.

Tina Snebjerg

Employee representative

Born in 1962. Joined: 2010. Danish citizen. Employed since 1987. Officer of Tryg's Personnel Department.

Education: Insurance training.

Board member: Tryg A/S and Tryg Forsikring A/S.

Committee memberships: Risk committee in Tryg A/S and Central Board of DFL

Mari Thjømøe

Born in 1962. Joined: 2012. Norwegian citizen. Professional board member, independent advisor and former CFO of KLP.

Education: Master of Economics and Business Administration, Chartered Financial Analyst (CFA) and executive programmes, London Business School and Harvard Business School.

Chairman: Seilspport Maritimt Forlag AS, Færder Nasjonalparksenter IKS and ThjømøeKranen A/S.

Board member: Tryg A/S, Tryg Forsikring A/S, Nordic Mining ASA, Forskningskonsernet Sintef, E-CO Energi (Vice Chairman), Scatec Solar ASA. Norconsult A/S (Vice Chairman), TF Bank AB and Teodin Acquico AS (Helly Hansen)

Committee memberships: Audit Committee and Risk Committee in Tryg A/S. Member of Audit Committee in E-CO (Chairman), Scatec Solar ASA. Norconsult (Chairman), TF Bank and Helly Hansen (Chairman).

Carl-Viggo Östlund

Born in 1955. Joined: 2015. Swedish citizen. Professional Board member and independent advisor. Former CEO of the Swedish banks SBAB and Nordnet as well as the insurance company SalusAnsvar.

Education: Bachelor of Science, education in International Business and Finance & Accounting.

Chairman: Bridge Scandinavia Ventures AB, Creador AB, FCG Fonder AB, HappyX AB, Insiderfonder AB, Investmentaktiebolaget QV, Irisande Care Group AB, Hypoteket AB, Papilly AB and Ponture AB.

Board member: Allert Östlund AB, DBT Capital AB, Havsgaard AB, Holmö Fastigheter AB, Tryg A/S, Tryg Forsikring A/S, Wonderbox AB.
Committee memberships: Remuneration Committee in Tryg A/S.

Executive Board:

The business address of the Executive Board is Klausdalsbrovej 601, DK-2750 Ballerup, Denmark.

Morten Hubbe

Group CEO

Born in 1972. Joined Tryg in 2002.

Joined the Executive Board in 2003.

Education: BSc (International Business Administration and Modern Languages), MSc (Finance and Accounting), management programme at Wharton.

Board member: KMD A/S, KMD Holding A/S and KBC

Christian Baltzer

Group CFO

Born in 1978. Joined Tryg in 2009.

Joined the Executive Board in 2016.

Education: Masters in Insurance Science.

Board member: Tryg Garantiforsikring A/S.

Christian Baltzer resigns as CFO of the Tryg Group and the Issuer with effect from 15 October 2018. The Tryg Group will initiate a recruitment process to find a new group CFO.

Lars Bonde

Group COO

Born in 1965. Joined Tryg in 1998.

Joined the Executive Board in 2006.

Education: Insurance training, LL.M.

Board member: Danish Employers' Association for the Financial Sector, Tjenestemændenes Forsikring, Forsikringsakademiet, the Danish Insurance Association and Cphbusiness.

Johan Kirstein Brammer

Group CCO

Born in 1976. Joined Tryg in 2015

Joined the Executive Board in 2018.

Education: LL.M., Graduate diploma in Finance and MBA

- 2.9.2 After application of the relevant laws and conflict of interest policies of the Issuer, no potential conflicts of interest exist between the duties to the Issuer of the persons on the Supervisory Board and the Executive Board and their private interests and/or other duties listed above.

2.10 Major shareholders

- 2.10.1 All shares in the Issuer are owned by Tryg A/S.

Tryg A/S' largest shareholder and the only one with more than 5% of the shares is TryghedsGruppen smba ("**TryghedsGruppen**") with a 60% ownership. TryghedsGruppen's main purpose is to hold a majority stake in the Tryg Group and use the proceeds for investments in healthcare providers and non-profit activities. In 2015, TryghedsGruppen's Board of Representatives decided to implement a members' bonus scheme, whereby TryghedsGruppen paid out part of its profit as an annual bonus to its members, who are the Danish policyholders in the Issuer. The Issuer expects such bonus payments to have a positive impact on retention rates for the Issuer. In 2018. According to a statement made on 13 March 2018 TryghedsGruppen resolved to pay out DKK 750m, its third member bonus, to the issuer's Danish customers, corresponding to 8% of the annual premium paid for 2017. TryghedsGruppen expects the level of the bonus scheme to be around 5% to 8% of premiums, the exact percentage to be decided yearly by the Board of Representatives (repræsentantskabet). TryghedsGruppen SMBA owns 60 % of Tryg A/S' shares and thereby indirectly the shares of the Issuer.

2.10.2 The Issuer is not a party to any arrangements, the operation of which may at a subsequent date result in a change in control of the Issuer.

2.11 Financial information concerning the assets and liabilities as well as the financial position and the profits and losses of the Issuer

2.11.1 Historical Financial Information

Reference is made to the two most recent audited consolidated Annual Reports of the Issuer, the 2017 Annual Report and the 2016 Annual Report. As set out in Section 6 ("*List of documents/information incorporated into this prospectus by reference*"), the 2017 Annual Report and the 2016 Annual Report are incorporated in full into this Prospectus by reference.

The 2017 Annual Report and 2016 Annual Report, being the most recent years' historical financial information, have been prepared and presented in a form consistent with that which will be adopted in the Issuer's next published annual financial statements having regard to accounting standards and policies as well as legislation applicable to such annual financial statements.

The Issuer's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") endorsed by EU, and interpretations that should be adopted as of end of each year, and additional disclosure requirements in accordance with the Danish Statutory Order on Adoption of IFRS. The Issuer's accounting policies are shown in the 2017 Annual Report, pages 81-95.

Because of the complexity in the historical financial information and financial statements, this information is incorporated by reference to the 2017 Annual Report and the 2016 Annual Report. Please see Section 6 ("*List of Documents/Information incorporated into this prospectus by reference*") for complete references.

2.11.2 Financial statements

The Issuer incorporates the 2017 Annual Report and the 2016 Annual Report in the Prospectus.

2.11.3 Auditing of historical annual financial information

2.11.3.1 The historical financial information for 2017 and 2016 (i.e. the 2017 Annual Report and the 2016 Annual Report) has been audited. A statement of audited historical financial information for the Issuer is given in the 2017 Annual

Report page 41 and the 2016 Annual Report page 43. The audit of the 2017 Annual Report and the 2016 Annual Report has not resulted in any qualification.

2.11.3.2 No information other than as set out in Section 2.11.3.1 has been audited.

2.11.3.3 The Issuer is the source of the financial information contained in the Annual Reports.

2.11.4 *Age of latest financial information*

The latest year of audited financial information is 2017.

2.11.5 *Legal and arbitration proceedings*

The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering the previous 12 months which may have, or have had in the recent past significant effects on the Issuer and/or the Group's financial position or profitability.

In May 2016, the Issuer received notice of an action from Finansforbundet in Norway (the Finance Sector Union of Norway) on behalf of a group of pensioners. The action concerns the adjustment in the pension schemes of Norwegian employees made in 2014. The Issuer has now received the actual lawsuit from a group of pensioners. According to the Issuer's preliminary calculations, the claim will not exceed a maximum of approximately DKK 300m after tax for the persons affected by the adjustment.

The Issuer and its legal advisor do not agree that the adjustment was wrongful and consider the claim uncertain. Consequently, the case is being resolved in court. The claim is not recognised as a liability in the 2017 Annual Report, but recognised as contingent liability.

2.11.6 *Significant change in the Issuer's financial or trading position*

There has been no significant change in the financial or trading position of the Issuer or the Group since the release of the 2017 Annual Report on 23 January 2018.

2.12 Material contracts

The Issuer has not entered into any material contracts, other than contracts entered into in the ordinary course of the Issuer's business, which may result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to the Noteholders in respect of the Notes being issued.

2.13 Third party information and statements by experts and declarations of any interest

2.13.1 No statement or report attributed to a person as an expert is included in this Prospectus.

2.13.2 The information on market share as described in Section 2.5.1.2 has been extracted from Forsikring & Pension, 14 December 2017, Finans Norge, 30 September 2017, and Svensk Försäkring, 20 November 2017. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from the information published by Forsikring & Pension, Finans Norge and Svensk Försäkring no facts have been omitted which would render the reproduced information inaccurate or misleading.

2.14 Documents on display

The Issuer declares that copies of the Issuer's memorandum of association (stiftelsesdokument), articles of association (vedtægter), and historical financial information of the Issuer will be available for inspection during the life of the Prospectus.

Copies of the Annual Reports as well as the Issuer's memorandum of association and articles of association, and copies of the annual reports of the Issuer's subsidiaries for the two most recent financial years, are available on request from the Issuer's registered office located at Klausdalsbrovej 601, DK-2750 Ballerup, Denmark between 9 – 15 on week days.

3. SECURITIES NOTE FOR THE NOTES

This securities note has been prepared on the basis of and in accordance with Annex XIII of the Prospectus Regulation (as defined on the first page of this Prospectus).

3.1 Persons Responsible

3.1.1 Persons responsible for information in this Prospectus

For the persons responsible for the information given in this Prospectus, please refer to Section 2.1.1.

3.1.2 Declaration relating to this Prospectus

For the declaration by those responsible for this Prospectus that, having taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import, please refer to Section 2.1.2.

3.2 Risk Factors

For the risk factors that are material to the Notes in order to assess the market risk associated with the Notes, please refer to Section 1 ("*Risk factors*").

3.3 Essential information

3.3.1 Interest of natural and legal persons involved in the issue

The Issuer is not aware of any interest, including conflicting ones, which are material to the issue of the Notes.

The Joint Lead Managers have received a fee for their service in connection with the issue of the Notes.

The Joint Lead Managers or their affiliates may have provided from time to time, and may provide in the future, investment and commercial banking services to the Tryg Group in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions, and may come to have interests that may not be aligned or could potentially conflict with the interests of the Issuer and investors in the Issuer. The Joint Lead Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

3.3.2 Reasons for the issue of the Notes

The Notes on issue constitute Tier 1 Own Funds of the Issuer and the Group under the Relevant Rules and will qualify as Tier 1 Capital of the Issuer and the Group.

3.4 Information concerning the Notes to be issued and admitted to trading

3.4.1 Total amount of Notes

The total amount of the Notes that will be admitted to trading and official listing on the regulated market of Oslo Børs ASA is SEK 700,000,000.

3.4.2 *Notes type, class and ISIN code*

The Notes are debt securities with a denomination of SEK 1,000,000.

The Notes are unsecured and subordinated to the extent set out in the Terms and Conditions.

The Notes are floating rate perpetual restricted tier 1 capital notes to be issued on 26 April 2018 and have no fixed date for redemption.

The International Securities Identification Number (ISIN) of the Notes is DK0030418249.

3.4.3 *Legislation under which the Notes have been created*

The Notes and the Terms and Conditions are governed by, and shall be construed in accordance with, Danish law.

3.4.4 *Information on form of the Notes*

The Notes are issued in uncertificated and dematerialised book-entry form through the Danish Central Securities Depository (VP Securities A/S), the Securities Depository. The Notes will not be evidenced by any physical bond, note or document of title other than statements of account made by the Securities Depository in its capacity as central securities depository. The Securities Depository is a Danish limited liability company registered with the Danish Business Register under registration number 21599336, with its registered address at Weidekampsgade 14, Dk-2300 København S, Denmark.

3.4.5 *Currency applied*

The Notes are denominated in Swedish Kronor (SEK).

3.4.6 *Ranking of the Notes*

The status of the Notes and their ranking is set out in Condition 3 (*Status of the Notes*).

3.4.7 *A description of the rights attached to the Notes and the procedure for the exercise thereof*

The rights attaching to the Notes is set out in Section 4 ("*Terms and Conditions of the Notes*").

3.4.8 *The nominal interest rate and provisions relating to interest payable*

Subject to Condition 4.1 (*Interest Rate*) and Condition 5 (Interest cancellation), the Notes bear interest at a floating rate from the Issue Date (as defined in Condition 15 (*Defined terms*)) to but excluding the date the Issuer redeems the Notes in accordance with Condition 7 (*Redemption, Substitution, Variation and Purchase*).

Interest on the Notes is subject to Condition 5 (Interest cancellation) payable quarterly in arrears on each 26 April, 26 July, 26 October and 26 January, with the initial Interest Payment Date (as defined in Condition 15 (*Defined terms*)) falling on 26 July 2018 and ending on the date of redemption of the Notes pursuant to Condition 7 (*Redemption, Substitution, Variation and Purchase*).

The rate of interest payable from time to time in respect of the Notes will be determined as the sum of (a) the Screen Rate (as defined in Condition 15 (*Defined terms*)) and (b) the Margin (as defined in Condition 15 (*Defined*

terms). The VP Agent determines the applicable Interest Rate (as defined in Condition 15 (*Defined terms*)) for each Interest Period (as defined in Condition 15 (*Defined terms*)) on the second Stockholm business day (as defined in Condition 15 (*Defined terms*)) prior to the start of each Interest Period.

The amount of interest payable on each Interest Payment Date (as defined in Condition 15 (*Defined terms*)) in respect of each Note shall be calculated by the Issuer as the product of the Outstanding Principal Amount (as defined in Condition 15 (*Defined terms*)) and the Interest Rate and the Day Count Fraction (as defined in Condition 4.1(C) (*Interest Rate*)).

The Interest Payment to each Noteholder shall be rounded to the nearest öre (half an öre being rounded upwards).

Payments of principal and interest in respect of the Notes will, subject to the Terms and Conditions, be made to the Noteholders in accordance with Condition 8 (*Payments*).

Claims against the Issuer for payment in respect of the Notes are subject to limitation under the Danish Consolidated Act No. 1238 of 9 November 2015, as amended, on limitation (*lov om forældelse af fordringer (forældelsesloven)*) in accordance with Condition 9 (*Prescription*).

The VP Agent will determine the Screen Rate and the Interest Rate but otherwise no calculation agent has been appointed.

3.4.9 *Maturity date and arrangements for amortisation and repayment procedures*

The Notes are perpetual and have accordingly no fixed date of redemption, cf. Condition 7.1 (*No Redemption Date*). There are no events of default in respect of the Notes. No Noteholder shall be entitled at any time to file for bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Issuer. If an order is made or an effective resolution is passed for the bankruptcy or liquidation of the Issuer, the Noteholders may prove or claim in such proceedings in respect of the Notes pursuant to Condition 11 (*Enforcement*).

3.4.10 *Yield*

The yield on the Notes cannot be indicated as the date of this Prospectus as the Notes bear interest at a floating rate.

3.4.11 *Representation of Noteholders*

No person has been appointed as representative for the Noteholders, cf. Sections 15-20 of the Danish Capital Markets Act.

All relevant information regarding the Notes will be presented at <http://tryg.com/en/home/index.html>.

3.4.12 *Resolutions, authorisations and approvals*

The Issuer has obtained all necessary resolutions, authorisations and approvals in order to issue and offer the Notes, and admit the Notes to trading and official listing on the regulated market of Oslo Børs ASA. The issue, offer, admittance to trading and official listing on the regulated market of Oslo Børs ASA of the Notes was authorised and approved by the Supervisory Board on 22 January 2018.

3.4.13 *The issue date of the Notes*

The Notes will be issued on 26 April 2018.

3.4.14 *Transferability of the Notes*

Subject to the selling and transfer restrictions described in the beginning of this Prospectus under Section 7 ("*Subscription and Sale (Selling and Transfer Restrictions)*"), the Notes are freely transferable, but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under the local laws to which a Noteholder may be subject.

3.5 Admission to Trading and Dealing Arrangements

3.5.1 *Admission to trading and official listing of the Notes*

An application has been made for the Notes to be admitted to trading and official listing on the regulated market of Oslo Børs ASA as from 26 April 2018. Admission to trading and official listing on the regulated market of Oslo Børs ASA shall not be considered a guarantee that an active secondary market for the Notes will develop and, if such an active market were to develop, neither Tryg nor the Joint Lead Managers will have a duty to maintain such market.

3.5.2 *VP Agent and depository agent*

The VP Agent is Danske Bank A/S.

For information on the depository agent, see Section 3.4.4 (*Information on form of the Notes*).

3.6 Expenses of the Admission to Trading

The Issuer estimates that the total expenses related to the admission to trading and official listing on the regulated market of Oslo Børs ASA of the Notes will amount to NOK 0.

3.7 Additional Information

3.7.1 *Advisers*

Legal advisor to the Issuer:

Kromann Reumert
Company registration number (CVR-no.): 62 60 67 11
Sundkrogsgade 5
DK-2100 Copenhagen Oe
Denmark

3.7.2 *Audit of the securities note*

The external auditor of Tryg, Deloitte Statsautoriseret Revisionspartnerselskab, company registration number (CVR-no.): 33 96 35 56, Weidekampsgade 6, DK-2300 Copenhagen S, Denmark, has not audited, reviewed or produced a report on any information in this Prospectus other than on certain of the financial information

incorporated by reference into this Prospectus (see Section 6 ("*List of Documents/Information incorporated into this prospectus by reference*").

3.7.3 *Statements or reports attributed to an expert*

No statement or report attributed to a person as an expert is included in this Prospectus.

3.7.4 *Information from third parties*

With respect to information in this Prospectus sourced from third parties, reference is made to Section 2.13.

3.7.5 *Credit rating*

The Notes are expected to be rated Baa3 by Moody Investors Service Ltd. Moody's Investors Service Ltd. is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).

3.8 **Taxes**

The following is a summary description of the taxation in Denmark of the Notes according to the Danish tax laws in force at the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of Noteholders, some of which may be subject to special rules. Potential Noteholders are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment in, holding of and disposal of the Notes. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the Notes.

Taxation at source

Under existing Danish tax law no withholding tax is levied on payments of interest or principal or other amounts due on the Notes to the owner of such payment, except if the owner is a corporate entity that is "related to" the Issuer within the meaning of Section 3B of the Danish Tax Inspection Act (consolidated act No. 1264 of 31 October 2013 as amended). If the owner is related to the Issuer, then a withholding tax may in certain circumstances apply (22 % withholding tax).

This will not have any impact on holders of Notes who are not "related to" the Issuer.

Resident holders of notes

Under existing Danish tax laws, private individuals and companies, funds and other entities that are considered separate taxable entities for Danish tax purposes and who are domiciled in Denmark for tax purposes, are (save for certain exceptions) liable to pay tax on capital gains and payments on interest on the Notes.

As a starting point, capital gains are for individuals taxed pursuant to a realisation-principle, while a mark-to-market principle as a starting point applies for companies.

Non-resident holders of notes

Under existing Danish tax laws, payments of interest or principal amounts to any non-resident holders of Notes are not subject to taxation in Denmark. No withholding tax will be payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Bond will not be subject to taxation in Denmark, except as set out in the Section entitled Taxation at source above.

This tax treatment applies solely to holders of Notes who are not subject to full tax liability in Denmark or included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

4. TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which will be applicable to each Note. The Notes will not be evidenced by any physical bond, note or document of title other than statements of account made by the Securities Depository. Ownership of the Notes will be recorded and transfer effected only through the book entry system and register maintained by the Securities Depository.

The SEK 700,000,000 Floating Rate Perpetual Restricted Tier 1 Capital Notes (*kapitalbeviser*) (the "**Notes**") are issued by Tryg Forsikring A/S, CVR no. 24260666 (the "**Issuer**"). The issue of the Notes was authorised by a resolution of the Supervisory Board of the Issuer on 22 January 2018. A VP agency agreement dated 24 April 2018, as amended or supplemented from time to time (the "**VP Agency Agreement**"), has been entered into in relation to the Notes between the Issuer and Danske Bank A/S as agent (the "**VP Agent**"). A tri-partite agreement dated 28 March 2018, as amended or supplemented from time to time, has been entered into in relation to the Notes between the Issuer, the VP Agent and VP Securities A/S, the Danish central securities depository (the "**Securities Depository**"). The Notes will be created and held in uncertificated book entry form in accounts with the Securities Depository. The VP Agent will act as agent of the Issuer in respect of all dealings with the Securities Depository in respect of the Notes.

References to "**Conditions**" are, unless the context otherwise requires, to the numbered paragraphs of these terms and conditions.

1. Form, Specified Denomination and Title

The Notes are issued in uncertificated book entry form and in the denomination(s) of SEK 1,000,000.

Each Note in the Securities Depository, will be registered with a minimum settlement unit of SEK 2,000,000 (the "**Minimum Settlement Unit**"), meaning that the Notes can only be traded in portions having an aggregate nominal amount of SEK 2,000,000 or, if greater, an even multiple of SEK 1,000,000.

Title to the Notes shall pass by registration at the Securities Depository in accordance with the rules and procedures of the Securities Depository. The holder of a Note (each a "**Noteholder**") will be the person evidenced as such by a book entry in the records of the Securities Depository. Where a nominee is so evidenced, it shall be treated by the Issuer as Noteholder.

2. Transfer of Notes

The Notes will be transferable only in accordance with the rules and procedures for the time being of the Securities Depository and Danish law.

3. Status of the Notes

The Notes on issue constitute restricted Tier 1 Own Funds of the Issuer and the Group under the Relevant Rules.

Subject to Condition 6 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*), the Notes constitute direct, unsecured and subordinated obligations of the Issuer, and shall at all times rank:

(A) senior to payments to holders of present or future outstanding Junior Obligations of the Issuer;

- (B) *pari passu* without any preference among themselves;
- (C) *pari passu* with payments to holders of present or future outstanding Parity Obligations of the Issuer;
- (D) junior to Tier 2 Capital and Tier 3 Capital of the Issuer; and
- (E) junior to present or future claims of (i) all policyholders and beneficiaries and any other unsubordinated creditors of the Issuer and (ii) creditors in respect of any other obligations or instruments of the Issuer that rank or are expressed to rank senior to the Notes.

By acceptance of the Notes, each Noteholder will be deemed to have waived any right of set-off or counterclaim that such Noteholder might otherwise have against the Issuer in respect of or arising under the Notes whether prior to or in bankruptcy (*konkurs*) or liquidation (*likvidation*).

4. Interest

4.1 Interest Rate

- (A) The interest rate in respect of the Notes for each Interest Period (the “**Interest Rate**”) shall be the aggregate of:
 - (i) the Screen Rate; and
 - (ii) the Margin.

If the Screen Rate is unavailable, the VP Agent will request each of the Reference Banks to provide the VP Agent with the rate at which deposits in SEK are offered by it to prime banks in the Swedish interbank market for three months at approximately 11.00 a.m. (Stockholm time) on the second Stockholm business day prior to the start of each Interest Period and for a Representative Amount. If at least two of the Reference Banks provide such rates, the Interest Rate shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) as established by the VP Agent of such rates, plus the Margin. If fewer than two rates are provided as requested, the Interest Rate for that Interest Period will be the arithmetic mean of the rates quoted by major banks in Sweden selected by the VP Agent, at approximately 11.00 a.m. (Stockholm time) on the first day of such Interest Period for loans in SEK to leading Swedish banks for a period of three months commencing on the first day of such Interest Period and for a Representative Amount, plus the Margin. If the Interest Rate cannot be determined in accordance with the above provisions, the Interest Rate shall be the Interest Rate applicable to the preceding Interest Period, all as determined by the VP Agent. The Interest Rate cannot in any event be less than zero.

- (B) Each Note bears interest on its Outstanding Principal Amount at the applicable Interest Rate from (and including) the Issue Date in accordance with the provisions of this Condition 4.

Subject to Condition 5 (*Interest cancellation*), interest shall be payable on the Notes quarterly in arrear on each Interest Payment Date, in each case as provided in this Condition 4.

- (C) In respect of each Interest Period, the amount of interest payable shall be equal to the product of the Outstanding Principal Amount and the Interest Rate and the Day Count Fraction.

The Interest Payment to each Noteholder shall be rounded to the nearest öre (half an öre being rounded

upwards).

In these Conditions, "**Day Count Fraction**" means, in respect of any relevant period, the actual number of days in the period from and including the date from which interest begins to accrue to but excluding the date on which it falls due divided by 360.

4.2 Interest Accrual

Without prejudice to Condition 5 (*Interest cancellation*), interest shall cease to accrue on each Note from (and including) the date of redemption thereof pursuant to Condition 7 (Redemption, Substitution, Variation and Purchase) unless payment is improperly withheld or refused, in which event interest shall continue to accrue.

4.3 Determination of the Interest Rate

Subject as provided in Condition 4.1 (*Interest Rate*), the VP Agent will, as soon as practicable after 11:00 a.m. (Stockholm time) on the second Stockholm business day prior to the start of each Interest Period, determine the applicable Interest Rate in respect of such Interest Period.

4.4 Publication of the Interest Rate

The Issuer shall cause notice of the Interest Rate to be given to the Noteholders in accordance with Condition 12 (*Notices*) as soon as reasonably practicable after the determination of such Interest Rate in accordance with Condition 4.3 (*Determination of the Interest Rate*) and in any event no later than the commencement of the relevant Interest Period.

4.5 Determinations of Interest Rate binding

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4, by the VP Agent and the Issuer, shall (in the absence of manifest error) be binding on the Issuer, the VP Agent and all Noteholders and (in the absence of wilful default and gross negligence) no liability to the Noteholders shall attach to the Issuer or the VP Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

5. Interest cancellation

5.1 Interest Payments Discretionary

Interest on the Notes is due and payable only at the sole and absolute discretion of the Issuer and is subject to the provision of Condition 5.2 (*Mandatory Cancellation of Interest Payments*). Accordingly, the Issuer may at any time elect to cancel any Interest Payment (or any part thereof) which would otherwise be payable on any Interest Payment Date.

5.2 Mandatory Cancellation of Interest Payments

To the extent required by the Relevant Rules from time to time and save as otherwise permitted pursuant to Condition 5.3 (*Waiver of Cancellation of Interest Payments by Relevant Regulator*), the Issuer shall cancel any Interest Payment on the Notes in accordance with this Condition 5 if:

- (A) there is non-compliance with the Solvency Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Solvency Capital Requirement would occur immediately following, and as a result of making, such Interest Payment;
- (B) there is non-compliance with the Minimum Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Minimum Capital Requirement would occur immediately following, and as a result of making, such Interest Payment;
- (C) the amount of such Interest Payment when aggregated together with any interest payments or distributions which have been paid or made or which are scheduled simultaneously to be paid or made on all Tier 1 Own Funds (excluding any such payments which do not reduce the Issuer's Distributable Items and any payments already accounted for in determining the Issuer's Distributable Items) since the end of the latest financial year of the Issuer and prior to, or on, such Interest Payment Date, would exceed the amount of the Issuer's Distributable Items as at the Interest Payment Date in respect of such Interest Payment; or
- (D) the Issuer is otherwise required by the Relevant Regulator or under the Relevant Rules (on the basis that the Notes are intended to qualify as Tier 1 Capital) to cancel the relevant Interest Payment,

each of the events or circumstances described in paragraphs (A) to (D) (inclusive) above being a "**Mandatory Interest Cancellation Event**".

5.3 Waiver of Cancellation of Interest Payments by Relevant Regulator

Notwithstanding Condition 5.2 (*Mandatory Cancellation of Interest Payments*), the Issuer shall not be required to cancel an Interest Payment where a Mandatory Interest Cancellation Event has occurred and is continuing, or would occur if payment of interest on the Notes were to be made (to the extent permitted by the Relevant Rules) where:

- (A) the Mandatory Interest Cancellation Event is of the type described in paragraph (A) of Condition 5.2 (*Mandatory Cancellation of Interest Payments*) only;
- (B) the Relevant Regulator has exceptionally waived the cancellation of the Interest Payment;
- (C) the Relevant Regulator has confirmed to the Issuer that it is satisfied that payment of the Interest Payment would not further weaken the solvency position of the Issuer or the Group; and
- (D) the Minimum Capital Requirement will be complied with immediately following such Interest Payment, if made.

5.4 Effect of Cancellation of Interest Payments

Any Interest Payment (or relevant part thereof) which is cancelled in accordance with this Condition 5 shall not become due and shall not accumulate or be payable at any time thereafter, and Noteholders shall have no rights in respect thereof and any such cancellation or non-payment shall not constitute a default or event of default on the part of the Issuer for any purpose.

5.5 Notice of Cancellation of Interest Payments

If practicable, the Issuer shall provide notice of any cancellation of any Interest Payment pursuant to Condition 5 (*Interest cancellation*)

Interest Payments Discretionary) or Condition 5.2 (*Mandatory Cancellation of Interest Payments*) to Noteholders in accordance with Condition 12 (*Notices*), at least five (5) Business Days prior to the relevant Interest Payment Date. However, any failure to provide such notice will not invalidate the cancellation of the relevant Interest Payment.

6. Loss Absorption Following a Trigger Event and Reinstatement of the Notes

6.1 Loss Absorption Following a Trigger Event

If at any time a Trigger Event occurs, the Issuer shall immediately notify the Relevant Regulator, the VP Agent and, in accordance with Condition 12 (*Notices*), the Noteholders and the Outstanding Principal Amount shall be reduced as described below on the relevant Write Down Effective Date. Notwithstanding the foregoing, failure to give any such notice shall not prejudice the right of the Issuer to reduce the Outstanding Principal Amount pursuant to this Condition 6.1.

If a Trigger Event occurs after a notice of redemption has been given pursuant to Condition 7.6 (*Redemption at the Option of the Issuer*), Condition 7.7 (*Redemption, substitution or variation at the option of the Issuer for taxation reasons*), Condition 7.8 (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 7.9 (*Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event*) or Condition 7.10 (*Redemption, substitution or variation at the option of the Issuer due to an Accounting Event*) but before the relevant redemption date, such notice of redemption shall automatically be revoked and the relevant redemption shall be suspended in accordance with Condition 7.4 (*Suspension of Redemption*).

The reduction of the Outstanding Principal Amount shall occur without delay on such date selected by the Issuer in consultation with the Relevant Regulator (the "**Write Down Effective Date**") but no later than one month following the occurrence of the relevant Trigger Event.

The Outstanding Principal Amount shall be reduced in such a way that all of the following are reduced: (i) the claim of the holder of the Notes in the event of a bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Issuer; (ii) the amount required to be paid on redemption of Notes; and (iii) the interest paid on the Notes.

Subject to compliance with the Relevant Rules, the amount of the reduction of the Outstanding Principal Amount on the Write Down Effective Date shall be:

- (A) the amount of reduction of the Outstanding Principal Amount that (taking into account any utilisation and conversion or utilisation and write down (to the extent possible) of any other Loss Absorbing Instruments in accordance with the Relevant Rules) would be sufficient to restore compliance with the Solvency Capital Requirement or the Minimum Capital Requirement (as applicable); or
- (B) if that write down pursuant to paragraph (A) above would be insufficient to restore compliance with the Solvency Capital Requirement, and/or the Solvency Capital Requirement is not capable of being so restored, the amount that would reduce the Outstanding Principal Amount to zero.

The Issuer's determination of the relevant amount of a reduction to the Outstanding Principal Amount pursuant to this Condition 6.1 shall be binding on the Noteholders.

Any interest on any principal amount that is to be written down on the relevant Write Down Effective Date, in respect

of an Interest Period ending on any Interest Payment Date falling between the date of a Trigger Event and the Write Down Effective Date shall also be deemed to have been cancelled upon the occurrence of such Trigger Event and shall not be due and payable.

Any reduction of the Outstanding Principal Amount pursuant to this Condition 6.1 must be made on a pro rata basis between the Noteholders by reducing the number of Notes held by each Noteholder on a likewise pro rata basis.

Following a reduction of the Outstanding Principal Amount as described above, interest will continue to accrue on the Outstanding Principal Amount following such reduction, and will be subject to Condition 5 (*Interest cancellation*) and Condition 6.2 (*Discretionary Reinstatement*) as described herein.

The Issuer may determine that a Trigger Event has occurred on more than one occasion and the Outstanding Principal Amount may be reduced pursuant this Condition 6.1 on more than one occasion.

Any reduction of the Outstanding Principal Amount pursuant to this Condition 6.1 shall not constitute an event of default or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever and shall not, of itself, entitle the Noteholders to petition for the insolvency or dissolution of the Issuer or otherwise.

For the avoidance of doubt, any Outstanding Principal Amount, which has been reduced according to this Condition 6.1 will not be reinstated or restored by the Issuer except if the Issuer opts to effect a Discretionary Reinstatement as per Condition 6.2 (*Discretionary Reinstatement*).

6.2 Discretionary Reinstatement

Following any reduction of the Outstanding Principal Amount pursuant to Condition 6.1 (*Loss Absorption Following a Trigger Event*), the Issuer may, at its discretion, increase the Outstanding Principal Amount of the Notes (a "**Discretionary Reinstatement**") provided that such Discretionary Reinstatement:

- (A) is permitted only after the Issuer has achieved compliance with the Solvency Capital Requirement;
- (B) is not activated by reference to own fund items issued or increased in order to restore compliance with the Solvency Capital Requirement;
- (C) occurs only on the basis of profits which contribute to Distributable Items made subsequent to the restoration of compliance with the Solvency Capital Requirement in a manner that does not undermine the loss absorbercy intended by Article 71(5) of the Solvency II Regulation;
- (D) does not result in a Trigger Event;
- (E) will not result in the Outstanding Principal Amount being greater than the Initial Principal Amount; and
- (F) is approved by the Relevant Regulator, provided that any such approval is required pursuant to the Relevant Rules.

The Issuer shall immediately notify the VP Agent and, in accordance with Condition 12 (*Notices*) the Noteholders of any Discretionary Reinstatement pursuant this Condition 6.2.

A Discretionary Reinstatement may occur on one or more occasions until the Outstanding Principal Amount of the Notes has been reinstated to the Initial Principal Amount. Any decision by the Issuer to effect or not to effect any

Discretionary Reinstatement on any occasion shall not preclude it from effecting or not effecting any Discretionary Reinstatement on any other occasion.

7. Redemption, Substitution, Variation and Purchase

7.1 No Redemption Date

The Notes are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall only have the right to redeem or purchase the Notes in accordance with the following provisions of this Condition 7. The Notes are not redeemable at the option of the Noteholders at any time.

7.2 Conditions to Redemption and Purchase

To the extent required pursuant to the Relevant Rules from time to time, and save as otherwise permitted pursuant to Condition 7.3 (*Waiver of Redemption and Purchase Condition relating to Solvency Capital Requirement by Relevant Regulator*), the Issuer may not redeem or purchase any Notes unless each of the following conditions is satisfied:

- A) the relevant date of any redemption or purchase of the Notes pursuant to Condition 7.7 (*Redemption, substitution or variation at the option of the Issuer for taxation reasons*), Condition 7.8 (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 7.9 (*Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event*), Condition 7.10 (*Redemption, substitution or variation at the option of the Issuer due to an Accounting Event*) or Condition 7.12 (*Purchases*) is after the fifth (5th) anniversary of the Issue Date unless such redemption or purchase is funded out of the proceeds of a new issuance of, or the Notes are exchanged into, Tier 1 Own Funds of the same or a higher quality than the Notes;
- B) in respect of any redemption or purchase of the Notes occurring after the fifth (5th) anniversary of the Issue Date and before the tenth (10th) anniversary of the Issue Date, the Relevant Regulator has confirmed to the Issuer that it is satisfied that the Solvency Capital Requirement is exceeded by an appropriate margin (taking into account the solvency position of the Issuer and/or the Group including the Issuer's and/or the Group's medium-term capital management plan) unless such redemption or purchase is funded out of the proceeds of a new issuance of, or the Notes are exchanged into, Tier 1 Own Funds of the same or a higher quality than the Notes;
- C) the Solvency Capital Requirement is met immediately prior to the redemption or purchase of the Notes (as applicable) and the redemption or purchase (as applicable) would not cause the Solvency Capital Requirement to be breached;
- D) the Minimum Capital Requirement is met immediately prior to the redemption or purchase of the Notes (as applicable) and the redemption or purchase (as applicable) would not cause the Minimum Capital Requirement to be breached;
- E) no Insolvent Insurer Winding-up has occurred and is continuing;
- F) the Regulatory Clearance Condition is satisfied; and
- G) any other requirements or pre-conditions to which the Issuer is otherwise subject and which may be imposed by the Relevant Regulator or the Relevant Rules (on the basis that the Notes are intended to qualify as Tier 1

Capital) have been complied with (and shall continue to be complied with following the proposed redemption or purchase),
the conditions set out in paragraphs (A) to (G)) (inclusive) above being the "**Redemption and Purchase Conditions**".

If on the proposed date for redemption of the Notes the Redemption and Purchase Conditions are not met, redemption of the Notes shall instead be suspended and such redemption shall occur only in accordance with Condition 7.4 (*Suspension of Redemption*).

7.3 Waiver of Redemption and Purchase Condition relating to Solvency Capital Requirement by Relevant Regulator

Notwithstanding Condition 7.2 (*Conditions to Redemption and Purchase*), the Issuer shall be entitled to redeem the Notes (to the extent permitted by the Relevant Rules) where:

- A) all Redemption and Purchase Conditions are met other than that described in paragraph C) of Condition 7.2(*Conditions to Redemption and Purchase*);
- B) the Relevant Regulator has exceptionally waived the suspension of repayment or redemption of the Notes;
- C) all (but not some only) of the Notes are exchanged for a new issue of Tier 1 Own Funds of the same or higher quality than the Notes; and
- D) the Minimum Capital Requirement will be complied with immediately following such redemption, if made.

7.4 Suspension of Redemption

The Issuer shall notify the Noteholders in accordance with Condition 12 (*Notices*) no later than five (5) Business Days prior to any date set for redemption of the Notes if such redemption is to be suspended in accordance with this Condition 7.4, provided that if an event occurs less than five (5) Business Days prior to the date set for redemption that results in the Redemption and Purchase Conditions ceasing to be met, the Issuer shall notify the Noteholders in accordance with Condition 12 (*Notices*) as soon as reasonably practicable following the occurrence of such event.

If redemption of the Notes does not occur on the date specified in the notice of redemption by the Issuer under Condition 7.6 (*Redemption at the Option of the Issuer*), Condition 7.7 (*Redemption, substitution or variation at the option of the Issuer for taxation reasons*), Condition 7.8 (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 7.9 (*Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event*) or Condition 7.10 (*Redemption, substitution or variation at the option of the Issuer due to an Accounting Event*) as a result of the operation of Condition 7.2 (*Conditions to Redemption and Purchase*), the Issuer shall redeem such Notes at their then Outstanding Principal Amount together with any accrued and unpaid interest (in each case, to the extent that such amounts have not previously been cancelled pursuant to these Conditions), upon the earlier of:

- A) the date falling ten (10) Business Days after the date on which the Redemption and Purchase Conditions are met or redemption of the Notes is otherwise permitted pursuant to Condition 7.3 (*Waiver of Redemption and Purchase Condition relating to Solvency Capital Requirement by Relevant Regulator*) (unless on such tenth (10th) Business Day redemption of the Notes on such date would result in the Redemption and Purchase

Conditions ceasing to be met, in which case the provisions of Condition 7.2 (*Conditions to Redemption and Purchase*) and this paragraph (A) of this Condition 7.4 will apply mutatis mutandis to determine the rescheduled due date for redemption of the Notes); or

B) the date on which an effective resolution is passed for a liquidation (likvidation) of the Issuer.

The Issuer shall notify the Noteholders in accordance with Condition 12 (Notices) no later than five (5) Business Days prior to any such date set for redemption pursuant to (A) or (B) above.

7.5 Suspension of Redemption Not a Default

Notwithstanding any other provision in these Conditions, the suspension of redemption of the Notes in accordance with Condition 7.2 (*Conditions to Redemption and Purchase*) and Condition 7.4 (*Suspension of Redemption*) will not constitute a default by the Issuer and will not give Noteholders any right to accelerate the Notes or take any enforcement action under the Notes.

7.6 Redemption at the Option of the Issuer

Provided that the Redemption and Purchase Conditions are met, the Issuer may, having given:

A) not less than fifteen (15) nor more than thirty (30) days' notice to the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall (save as provided in Condition 7.14) be irrevocable and shall specify the date fixed for redemption); and

B) notice to the VP Agent on the earlier of (i) not less than three (3) days before the giving of the notice referred to in (A) and (ii) not less than thirty (30) days before the date fixed for redemption,

redeem all (but not some only) of the Notes, on the First Call Date or on any Interest Payment Date thereafter at their then Outstanding Principal Amount together with (to the extent that such interest has not been cancelled in accordance with these Conditions) any accrued and unpaid interest to (but excluding) the date of redemption.

7.7 Redemption, substitution or variation at the option of the Issuer for taxation reasons

Provided that the Redemption and Purchase Conditions are met, and subject to Condition 7.11 (*Preconditions to redemption, variation or substitution for taxation reasons, Capital Disqualification Event, Rating Agency Event or Accounting Event*), if

A) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction (a "**Tax Event**"), which change or amendment becomes effective after the Issue Date, on the next Interest Payment Date either:

(i) the Issuer would be required to pay Additional Amounts; or

(ii) the payment of interest would no longer be deductible for Danish tax purposes; and

B) the effect of the foregoing cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may at its option (without any requirement for the consent or approval of the Noteholders) and having given not less than thirty (30) nor more than sixty (60) days' notice in writing to the VP Agent and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall (save as provided in Condition 7.14 (*Notices Final*)) be irrevocable) either (at its sole discretion):

- (i) redeem all (but not some only) of the Notes, on any Interest Payment Date at their then Outstanding Principal Amount together with (to the extent that such interest has not been cancelled in accordance with these Conditions) any accrued and unpaid interest to (but excluding) the date of redemption, provided that no such notice of redemption shall be given earlier than ninety (90) days prior to the earliest date on which: (i) with respect to A(i), the Issuer would be obliged to pay such Additional Amounts; and (ii) with respect to A(ii), the payment of interest would no longer be deductible for Danish tax purposes, in each case were a payment in respect of the Notes then due;
- (ii) substitute at any time all (but not some only) of the Notes for, or amend or vary the terms of the Notes so that they become or remain, Qualifying Tier 1 Notes.

7.8 Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event

Provided that the Redemption and Purchase Conditions are met, and subject to Condition 7.11 (*Preconditions to redemption, variation or substitution for taxation reasons, Capital Disqualification Event, Rating Agency Event or Accounting Event*), if at any time a Capital Disqualification Event has occurred and is continuing, or, as a result of any change in, or amendment to, or any change in the application or official interpretation of, any applicable law, regulation or other official publication, a Capital Disqualification Event will occur within the forthcoming period of six (6) months, then the Issuer may, having given not less than thirty (30) nor more than sixty (60) days' notice to the Noteholders in accordance with Condition 12 (*Notices*), and the VP Agent in writing, which notice must be given during the Notice Period and shall (save as provided in Condition 7.14 (*Notices Final*)) be irrevocable, either (at its sole discretion):

- A) redeem all (but not some only) of the Notes on any Interest Payment Date at their principal amount outstanding together with (to the extent that such interest has not been cancelled in accordance with these Conditions) any accrued and unpaid interest to (but excluding) the date of redemption; or
- B) substitute at any time all (but not some only) of the Notes for, or amend or vary the terms of the Notes so that they become or remain, Qualifying Tier 1 Notes.

For the purposes of this Condition 7.8, "**Notice Period**" means the period commencing on the date on which the relevant Capital Disqualification Event first occurs (or, as applicable, the date on which the Issuer certifies that the same will occur within a period of six (6) months) and ending on the thirtieth (30th) calendar day following satisfaction of the Regulatory Clearance Condition in respect of the redemption, substitution or variation which is the subject of the notice to which the Notice Period relates.

7.9 Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event

Provided that the Redemption and Purchase Conditions are met, and subject to Condition 7.11 (*Preconditions to redemption, variation or substitution for taxation reasons, Capital Disqualification Event, Rating Agency Event or Accounting Event*), if at any time a Rating Agency Event has occurred and is continuing, or, as a result of any change in, or amendment to, or any change in the application or interpretation of, the methodology of the Rating Agency, a Rating Agency Event will occur within the forthcoming period of six (6) months, then the Issuer may, having given not less than thirty (30) nor more than sixty (60) days' notice to the Noteholders in accordance with Condition 12 (*Notices*), and the VP Agent in writing, which notice must be given during the Notice Period and shall (save as provided in Condition 7.14 (*Notices Final*)) be irrevocable, either (at its sole discretion):

- A) redeem all (but not some only) of the Notes on any Interest Payment Date at their principal amount outstanding together with (to the extent that such interest has not been cancelled in accordance with these Conditions) any accrued and unpaid interest to (but excluding) the date of redemption; or
- B) substitute at any time all (but not some only) of the Notes for, or amend or vary the terms of the Notes so that they become or remain Rating Agency Compliant Notes.

For the purposes of this Condition 7.9, "**Notice Period**" means the period commencing on the date on which the relevant Rating Agency Event first occurs (or, as applicable, the date on which the Issuer certifies that the same will occur within a period of six (6) months) and ending on the thirtieth (30th) calendar day following satisfaction of the Regulatory Clearance Condition in respect of the redemption, substitution or variation which is the subject of the notice to which the Notice Period relates.

7.10 Redemption, substitution or variation at the option of the Issuer due to an Accounting Event

Provided that the Redemption and Purchase Conditions are met, and subject to Condition 7.11 (*Preconditions to redemption, variation or substitution for taxation reasons, Capital Disqualification Event, Rating Agency Event or Accounting Event*), if at any time an Accounting Event has occurred and is continuing, or will occur within the forthcoming period of six (6) months, then the Issuer may, having given not less than thirty (30) nor more than sixty (60) days' notice to the Noteholders in accordance with Condition 12 (*Notices*), and the VP Agent in writing, which notice must be given during the Notice Period and shall (save as provided in Condition 7.14 (*Notices Final*)) be irrevocable, either (at its sole discretion):

- A) redeem all (but not some only) of the Notes on any Interest Payment Date at their principal amount outstanding together with (to the extent that such interest has not been cancelled in accordance with these Conditions) any accrued and unpaid interest to (but excluding) the date of redemption; or
- B) substitute at any time all (but not some only) of the Notes for, or amend or vary the terms of the Notes so that they become or remain qualified for counting as a liability in the audited accounts of the Issuer.

For the purposes of this Condition 7.10, "**Notice Period**" means the period commencing on the date on which the relevant Accounting Event first occurs (or, as applicable, the date on which the Issuer certifies that the same will occur within a period of six (6) months) and ending on the thirtieth (30th) calendar day following satisfaction of the Regulatory Clearance Condition in respect of the redemption, substitution or variation which is the subject of the notice to which the Notice Period relates.

7.11 Preconditions to redemption, variation or substitution for taxation reasons, Capital Disqualification Event, Rating Agency Event or Accounting Event

Prior to the publication of any notice of redemption, variation or substitution pursuant to Condition 7.7 (*Redemption, substitution or variation at the option of the Issuer for taxation reasons*), Condition 7.8 (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 7.9 (*Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event*) or Condition 7.10 (*Redemption, substitution or variation at the option of the Issuer due to an Accounting Event*) the Issuer shall deliver a certificate signed by two (2) Executive Officers stating that, as the case may be, a Tax Event, Capital Disqualification Event, Rating Agency Event or Accounting Event has occurred and is continuing as at the date of the certificate or, as the case may be (in the case of a Capital Disqualification Event, Rating Agency Event or Accounting Event), will occur within a period of six (6) months and that it would have been reasonable for the Issuer to conclude, judged

at the Issue Date, that such Tax Event, Capital Disqualification Event, Rating Agency Event or Accounting Event was unlikely to occur.

The Issuer shall not be entitled to amend or otherwise vary the terms of the Notes or substitute the Notes unless:

- A) It has notified the Relevant Regulator in writing of its intention to do so not less than one (1) month (or such other period as may be required by the Relevant Regulator or the Relevant Rules (on the basis that the Notes are intended to qualify as Tier 1 Capital) from time to time) prior to the date on which such amendment, variation or substitution is to become effective; and
- B) the Regulatory Clearance Condition has been satisfied in respect of such proposed amendment, variation or substitution.

7.12 Purchases

The Issuer and any of its Subsidiaries may at any time purchase or procure others to purchase for its own account Notes in any manner and at any price subject to the Redemption and Purchase Conditions being met prior to, and at the time of, such purchase.

7.13 Cancellations

All Notes redeemed or substituted by the Issuer pursuant to this Condition 7, and all Notes purchased pursuant to Condition 7.12 (*Purchases*) may be held, reissued, resold or, at the option of the Issuer, cancelled when the Issuer holds title to them. The Notes shall be cancelled by causing such Notes to be deleted of the records of the Securities Depository so that the cancelled Notes may not be reissued or resold, and subsequently the Issuer has no obligations in respect of the cancelled Notes.

7.14 Notices Final

Subject and without prejudice to Condition 7.2 (*Conditions to Redemption and Purchase*) and Condition 7.4 (*Suspension of Redemption*), any notice of redemption as is referred to in Condition 7.6 (*Redemption at the Option of the Issuer*), Condition 7.7 (*Redemption, substitution or variation at the option of the Issuer for taxation reasons*), Condition 7.8 (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 7.9 (*Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event*) or Condition 7.10 (*Redemption, substitution or variation at the option of the Issuer due to an Accounting Event*) shall be irrevocable and on the redemption date specified in such notice, the Issuer shall be bound to redeem, or as the case may be, amend, vary or substitute, the Notes in accordance with the terms of the relevant Condition.

8. Payments

8.1 Payments in respect of Notes

Payments of principal and interest in respect of the Notes will be made to the Noteholders shown in the relevant records of the Securities Depository in accordance with and subject to the rules and regulations from time to time governing the Securities Depository.

8.2 Payment on Business Days

Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day, for value the first following day which is a Business Day) will be initiated on the Business Day preceding the due date for payment. If the date for payment of any amount in respect of any Note is not a Business Day, the holder of such Note shall not be entitled to payment until the next following Business Day and shall not be entitled to further interest or other payment in respect of such delay.

8.3 VP Agent

In acting under the VP Agency Agreement and in connection with the Notes, the VP Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders. The Issuer reserves the right at any time to vary or terminate the appointment of the VP Agent and to appoint a successor and additional or successor agent in respect of its dealings with the Securities Depository.

There will at all times be a VP Agent authorised to act as an account holding institution with the Securities Depository. Notice of any change in the VP Agent or in its specified office shall promptly be given to the Noteholders in accordance with Condition 12 (*Notices*).

9. Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Taxation

10.1 Payment without withholding

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Relevant Jurisdiction unless the withholding or deduction of the Taxes is required by law. In any such event, the Issuer will pay such additional amounts in respect of Interest Payments but not in respect of any payments of principal ("**Additional Amounts**") as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been received in respect of the Notes in the absence of the withholding or deduction; except that no Additional Amounts shall be payable in relation to any payment in respect of any Note:

- (A) the holder of which is liable to the Taxes in respect of the Note by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Note; or
- (B) in circumstances where such withholding or deduction would not be required if the Noteholder or any person acting on its behalf had obtained and/or presented any form or certificate or had made a declaration of non-residence or similar claim for exemption to the relevant tax authority upon the making of which the Noteholder would have been able to avoid such withholding or deduction; or
- (C) where a claim for payment is made by the Noteholder more than thirty (30) days after the Relevant Date except to the extent that a holder would have been entitled to Additional Amounts on claiming payment on

the last day of the period of thirty (30) days assuming (whether or not such is in fact the case) that day to have been a Business Day.

10.2 Additional Amounts

Any reference in these Conditions to any amounts payable in respect of the Notes shall be deemed also to refer to any Additional Amounts which may be payable under this Condition 10.

11. Enforcement

There are no events of default in respect of the Notes. No Noteholder shall be entitled at any time to file for bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Issuer.

If an order is made or an effective resolution is passed for the bankruptcy or liquidation of the Issuer (an "**Enforcement Event**"), the Noteholders may prove or claim in such proceedings in respect of the Notes, such claim being for payment of the Outstanding Principal Amount of the Notes at the time of commencement of such bankruptcy or liquidation of the Issuer together with interest accrued (excluding any interest cancelled in accordance with Condition 5 (*Interest cancellation*)) from (and including) the Interest Payment Date immediately preceding the occurrence of such Enforcement Event and any other amounts payable in respect of the Notes (including any damages payable in respect thereof). Such claim shall rank as provided for in Condition 3 (*Status of the Notes*).

12. Notices

The Issuer shall ensure that notices to the Noteholders are given in accordance with the procedures of the Securities Depository and that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading.

Any such notices to the Noteholders will be deemed to have been given on the date it is published in accordance with the procedures of the Securities Depository or, if so published more than once or on different dates, on the date of the first publication.

Notices to be given by a Noteholder to the Issuer may be given by such holder through the Securities Depository or by registered mail to the specified office of the Issuer with a copy to the VP Agent.

13. Meetings of Noteholders, Modification, Waiver and Authorisation

13.1 Meeting of Noteholders

A meeting of Noteholders shall, subject to the Conditions of the Notes and, if applicable, to the satisfaction of the Regulatory Clearance Condition, have power by Extraordinary Resolution:

- (A) to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer, whether or not those rights arise under the Notes;
- (B) to sanction the substitution of the Notes for other obligations or securities of the Issuer or any other entity;

- (C) to assent to any modification of the Notes or the Conditions of the Notes proposed by the Issuer;
- (D) to authorize anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- (E) to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- (F) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Notes or the Conditions of the Notes.

The agreement or approval of the Noteholders shall not be required in the case of any variation of these Conditions required to be made in connection with the substitution or variation of the Notes pursuant to Condition 7.7 (*Redemption, substitution or variation at the option of the Issuer for taxation reasons*), Condition 7.8 (*Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event*), Condition 7.9 (*Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event*) or Condition 7.10 (*Redemption, substitution or variation at the option of the Issuer due to an Accounting Event*).

13.2 Convening Meetings of Noteholders

The Issuer may at any time convene a meeting of the Noteholders and shall convene such a meeting if required in writing by Noteholders holding Notes in principal amount equal to at least 10 per cent of the Outstanding Principal Amount.

The meeting shall be called by the Issuer in accordance with Condition 12 (*Notices*) by giving at least 8 days' but not more than 30 days' notice to the Noteholders.

The Issuer shall call the meeting no later than 14 days after having received request to convene a meeting from the relevant Noteholders containing the subject of such meeting. If the Issuer does not call the meeting within the deadline, the Noteholders shall be entitled to call the meeting.

The notice of a Noteholders' meeting shall specify the day, time and place of meeting and the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies.

All meetings shall be held at the Issuer's registered address or in the Greater Copenhagen Area (*Storkøbenhavn*).

13.3 Attendance

At the meeting, each Noteholder must document its holdings of Notes by presenting a custody account statement from the Securities Depository or an authorized institution that is dated no earlier than seven (7) Business Days prior to the meeting, or any other reasonable proof of holding.

The following may attend and speak at a meeting:

- (A) Noteholders and proxies;
- (B) the chairman; and
- (C) the Issuer and the VP Agent (through their respective representatives) and their respective financial and legal advisers.

No one else may attend or speak.

13.4 Chairman

The chairman of the meeting shall be such person as the Issuer may nominate or, if no nomination is made, the person elected by the Noteholders present at such meeting.

13.5 Quorum

No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders, be dissolved. In any other case it shall be adjourned until such date, not less than 8 and not more than 30 days later, and at a time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding Notes or representing Noteholders holding Notes in principal amount of not less than 50 per cent of the Outstanding Principal Amount, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes so held or represented, unless the business of such meeting includes consideration of proposals:

- (A) to change any date fixed for payment interest in respect of the Notes, to reduce the amount of interest payable in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption;
- (B) to change the currency of payment of the Notes; or
- (C) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution,

in which case the quorum shall be one or more persons holding Notes or representing Noteholders holding Notes in principal amount of not less than two-thirds (2/3) of the Outstanding Principal Amount, or at any adjourned such meeting not less than one-third (1/3) of the Outstanding Principal Amount.

No resolution may be passed if it is clear that that resolution is likely to give certain Noteholders or others an undue advantage over other Noteholders.

13.6 Voting

Each Noteholder holds one vote in respect of each SEK 1,000,000 of Notes held. No voting rights shall attach to Notes held by the Issuer and/or its Subsidiaries and any Notes held by the Issuer and/or its Subsidiaries shall not be deemed to be outstanding for the purposes of determining a quorum at any meeting of Noteholders or for the purposes of Condition 13.5 (*Quorum*).

13.7 Effect and publication of an Extraordinary Resolution

An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive

evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to the Noteholders in accordance with Condition 12 (*Notices*) but failure to do so shall not invalidate the resolution. For the avoidance of doubt, an Extraordinary Resolution passed by the Noteholders shall only be binding on the Issuer where the Issuer has consented to the relevant resolution.

13.8 Minutes

Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved, every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

13.9 Written resolutions

In addition, a resolution in writing signed by or on behalf of 90 per cent of the Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders and vote on such Notes, will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. Condition 13.7 shall apply *mutatis mutandis* to any such written resolutions.

13.10 Modifications

The Issuer and the VP Agent may, without the consent of the Noteholders, agree to any modification to the Notes or the Conditions to correct a formal, minor, technical or manifest error. Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 12 (*Notices*) as soon as practical thereafter.

14. Governing law and jurisdiction

Disputes arising out of or in connection with these Conditions, which are not resolved amicably, shall be resolved in accordance with Danish law and before the Copenhagen City Court (*Københavns Byret*).

15. Defined terms

In these Conditions:

"**Accounting Event**" is a change in applicable accounting standards or the interpretation or application thereof which occurs after the Issue Date with the consequence that the Notes are or will at the next accounting date of the Issuer be disqualified from counting as a liability in the audited accounts of the Issuer, as verified by an opinion of a recognised independent accounting firm;

"**Additional Amounts**" has the meaning given to such term in Condition 10.1 (*Payment without withholding*);

"**Business Day**" means a day which is both a day on which commercial banks are open for general business in Copenhagen;

a "**Capital Disqualification Event**" is deemed to have occurred if, as a result of any replacement of or change to (or change to the interpretation by the Relevant Regulator or any court or authority entitled to do so of) the Relevant Rules, the whole or any part of the Notes are no longer capable of counting as Tier 1 Capital for the purposes of the Issuer or the Group, whether on a solo, group or consolidated basis, except where such non-qualification is only as a result of any applicable limitation on the amount of such capital;

"**Conditions**" has the meaning given to such term in the preamble to these Term and Conditions of the Notes;

"**Danish Companies Act**" means the Danish Companies Act (*selskabsloven*), Consolidated Act no. 1089 of 14 September 2015 (as amended);

"**Danish Financial Business Act**" means the Danish Financial Business Act (*lov om finansiel virksomhed*), Consolidated Act no. 1140 of 26 September 2017 (as amended);

"**Day Count Fraction**" has the meaning given to such term in Condition 4.1 (*Interest Rate*);

"**Discretionary Reinstatement**" means any write-up of the Outstanding Principal Amount as defined in Condition 6.2 (*Discretionary Reinstatement*);

"**Distributable Items**" shall have the meaning assigned to such term in the Relevant Rules then applicable to the Issuer;

"**Executive Officer**" means any member of the Executive Board of the Issuer from time to time;

"**Extraordinary Resolution**" means a resolution passed at a meeting of Noteholders (whether originally convened or resumed following an adjournment) duly convened and held in accordance with Condition 13 (*Meetings of Noteholders, Modification, Waiver and Authorisation*) by a majority of at least 75 per cent of the votes cast;

"**First Call Date**" means the Interest Payment Date falling on or after 26 October 2023;

"**Group**" has the meaning given to it on the first page of this Prospectus;

"**Group Insurance Undertaking**" means an insurance undertaking whose data is included for the purposes of the calculation of the Solvency Capital Requirement of the Group pursuant to the Relevant Rules;

"**Insolvent Insurer Winding-up**" means:

- a) any liquidation (*likvidation*) or bankruptcy (*konkurs*) of any Group Insurance Undertaking; or
- b) the appointment of an administrator of any Group Insurance Undertaking,

in each case where the Issuer has determined, acting reasonably, that all Policyholder Claims of the policyholders or beneficiaries under contracts of insurance of that Group Insurance Undertaking may or will not be met;

"**Interest Payment**" means, in respect of any Interest Payment Date, the amount of interest due and payable on such Interest Payment Date;

"Interest Payment Date" means 26 April, 26 July, 26 October and 26 January in each year, commencing on 26 July 2018, save that if any Interest Payment Date would otherwise fall on a day which is not a Business Day it shall be postponed to the next day which is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day.

"Interest Period" means the period from (and including) one Interest Payment Date (or in the case of the first Interest Period, from the Issue Date) to (but excluding) the next (or in the case of the first Interest Period, the first) Interest Payment Date (or, if earlier, the date on which accrued interest otherwise becomes due and payable pursuant to these Conditions);

"Initial Principal Amount" means SEK 700,000,000 equal to the aggregate nominal amount of the Notes issued on the Issue Date;

"Interest Rate" has the meaning given to such term in paragraph (A) of Condition 4.1 (*Interest Rate*);

"ISIN" means the identification number of the Notes (International Securities Identification Number), being DK0030418249;

"Issue Date" means 26 April 2018;

"Issuer" has the meaning given to such term in the preamble to these Conditions;

"Junior Obligations" means the paid-in ordinary share capital of the Issuer and any other obligation of the Issuer ranking or expressed to rank junior to the Notes or to Parity Obligations;

"Loss Absorbing Instruments" means at any time any obligation or instrument (other than the Notes) of the Issuer which include a loss absorption mechanism that is activated by an equivalent to the Trigger Event in all material respects and/or has a different threshold for such activation and has been activated on or prior to the relevant Trigger Event;

"Mandatory Interest Cancellation Event" has the meaning given to such term in Condition 5.2 (*Mandatory Cancellation of Interest Payments*);

"Margin" means 2,5 per cent. per annum;

"Minimum Capital Requirement" means the Minimum Capital Requirement of the Issuer, the Minimum Capital Requirement of the Group or the Group minimum Solvency Capital Requirement (as applicable) referred to in the Relevant Rules;

"Minimum Settlement Unit" has the meaning given to such term in Condition 1 (*Form, Specified Denomination and Title*);

"Noteholder" has the meaning given to such term in Condition 1 (*Form, Specified Denomination and Title*);

"Notes" has the meaning given to such term in the preamble to these Conditions;

"Outstanding Principal Amount" means:

- a) in respect of each Note outstanding, SEK 1,000,000; and
- b) in respect of all Notes, the Initial Principal Amount;
as reduced from time to time by any reduction of the Outstanding Principal Amount pursuant to these Conditions or any other write-down or cancellation, as the case may be, and, if applicable, as subsequently increased from time to time by any Discretionary Reinstatement in accordance with these Conditions.

"Parity Obligations" means any obligations of the Issuer ranking or expressed to rank *pari passu* with the Notes.

"Policyholder Claims" means claims of policyholders or beneficiaries under contracts of insurance in a winding-up, liquidation or administration of a Group Insurance Undertaking to the extent that those claims relate to any debt to which the Group Insurance Undertaking is, or may become, liable to a policyholder or such a beneficiary pursuant to a contract of insurance, including all amounts to which policyholders or such beneficiaries are entitled under applicable legislation or rules relating to the winding-up or administration of insurance companies to reflect any right to receive, or expectation of receiving, benefits which such policyholders or such beneficiaries may have;

"Qualifying Tier 1 Notes" means securities issued by the Issuer that:

- a) have terms not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer in consultation with a bank or financial advisor of international standing), provided that (without prejudice to the foregoing) they shall:
 - (i) contain terms which comply with the then current requirements of the Relevant Regulator in relation to Tier 1 Capital;
 - (ii) bear at least the same rate of interest from time to time applying to the Notes;
 - (iii) have the same currency of payment, denomination, Initial Principal Amount and Outstanding Principal Amount as the Notes;
 - (iv) not at such time be subject to a Tax Event, and/or Capital Disqualification Event and/or a Rating Agency Event and/or Accounting Event;
 - (v) contain terms providing for the cancellation and/or suspension of payments of interest or principal only if such terms are not materially less favourable to an investor than the cancellation and/or suspension provisions, respectively, contained in the terms of the Notes;
 - (vi) rank senior to, or *pari passu* with, the Notes;
 - (vii) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption, provided that such Qualifying Tier 1 Notes may not be redeemed by the Issuer prior to the First Call Date (save for redemption, exchange or variation on terms analogous with Condition 7.7 (Redemption, substitution or variation at the option of the Issuer for taxation reasons), Condition 7.8 (Redemption, substitution or variation at the option of the Issuer due to a Capital Disqualification Event)),

Condition 7.9 (*Redemption, substitution or variation at the option of the Issuer due to a Rating Agency Event*) or Condition 7.10 (*Redemption, substitution or variation at the option of the Issuer due to an Accounting Event*); and

- b) are listed or admitted to trading on Oslo Børs ASA or other stock exchange qualifying as a regulated market as selected by the Issuer;

"Rating Agency" means Moody's Investors Service Limited, or any successor thereof.

"Rating Agency Compliant Notes" means securities issued by the Issuer that are:

- a) Qualifying Tier 1 Notes; and
- b) assigned by the Rating Agency substantially the same equity content or, at the absolute discretion of the Issuer, a lower equity content (provided such equity content is still higher than the equity content assigned to the Notes after the occurrence of the Ratings Agency Event) as that which was assigned by the relevant Rating Agency to the Notes on or around the Issue Date;

"Rating Agency Event" will be deemed to occur upon a change in, or clarification to, the rating methodology of the Rating Agency (or in the interpretation of such methodology) becoming effective on or after the Issue Date as a result of which the equity content assigned by the relevant Rating Agency to the Notes, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, becomes, in the reasonable opinion of the Issuer, materially less favourable when compared to the equity content assigned by the relevant Rating Agency to the Notes on or around the Issue Date.

"Redemption and Purchase Conditions" has the meaning given to such term in Condition 7.2 (*Conditions to Redemption and Purchase*);

"Reference Banks" means the principal Swedish office of four major banks engaged in the Stockholm interbank market as selected by the VP Agent;

"Regulatory Clearance Condition" means, in respect of any proposed act on the part of the Issuer, the Relevant Regulator having approved or consented to such act (in any case only if and to the extent required by the Relevant Regulator or the Relevant Rules (on the basis that the Notes are intended to qualify as Tier 1 Capital) from time to time);

"Relevant Date" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the VP Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 12 (*Notices*);

"Relevant Jurisdiction" means Denmark or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes;

"Relevant Regulator" means the Danish Financial Supervisory Authority (*Finanstilsynet*) and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer in accordance with the Relevant Rules;

"Relevant Rules" means the regulatory capital rules from time to time as applied to the Issuer or the Group (whether having the force of law or otherwise) by the Relevant Regulator, including Solvency II and any legislation, rules or regulations of the Relevant Regulator relating to such matters;

"Representative Amount" means an amount that is representative for a single transaction in the relevant market at the relevant time;

"Screen Rate" means the Stockholm Interbank Offered Rate ("**STIBOR**") for three-month deposits in Swedish Krona which appears on the website of Nasdaq, Inc. at <http://www.nasdaqomx.com/transactions/trading/fixedincome/fixedincome/sweden/stiborswaptreasuryfixing> (or such other page as may replace it on that service or, as the case may be, on such other information service that may replace that service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates comparable to the relevant rate);

"SEK", "Swedish Krona" and "öre" means the lawful currency of Sweden;

"Solvency Capital Requirement" means the Solvency Capital Requirement for the Issuer and the Solvency Capital Requirement for the Group (as applicable) referred to in, or any other capital requirement howsoever described in the Relevant Rules;

"Solvency II" means the Solvency II Directive and any implementing measures adopted pursuant to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of regulation, implementing technical standards or by further directives, guidelines published by the European Insurance and Occupational Pensions Authority (or any successor entity) or otherwise) including, without limitation, the Solvency II Regulation;

"Solvency II Directive" means Directive 2009/138/EC of the European Union of 25 November, 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II) (as amended);

"Solvency II Regulation" means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking up and pursuit of the business of Insurance and Reinsurance (Solvency II);

"Subsidiary" has the meaning provided to the term "*dattervirksomhed*" in the Danish Companies Act;

"Taxes" has the meaning given to such term in Condition 10.1 (*Payment without withholding*);

"Tax Event" has the meaning given to such term in paragraph (A) of Condition 7.7 (*Redemption, substitution or variation at the option of the Issuer for taxation reasons*);

"Tier 1 Capital" has the meaning given to such term by the Relevant Rules from time to time;

"**Tier 2 Capital**" has the meaning given to such term by the Relevant Rules from time to time;

"**Tier 3 Capital**" has the meaning given to such term by the Relevant Rules from time to time;

"**Tier 1 Own Funds**" means subordinated notes, ordinary shares or any other share capital of any class which constitute Tier 1 Capital for the purposes of the Issuer or the Group, whether on a solo, group or consolidated basis;

a "**Trigger Event**" shall occur at any time in case any of the following conditions are met for the Issuer and/or the Group:

- a) the amount of own-fund items eligible to cover the Solvency Capital Requirement is equal to or less than 75 % of the Solvency Capital Requirement; or
- b) the amount of own-fund items eligible to cover the Minimum Capital Requirement is equal to or less than the Minimum Capital Requirement; or
- c) compliance with the Solvency Capital Requirement is not re-established within a period of three months of the date when non-compliance with the Solvency Capital Requirement was first observed;

"**VP Agent**" has the meaning given to such term in the preamble to these Conditions;

"**VP Agency Agreement**" has the meaning given to such term in the preamble to these Conditions; and

"**Write Down Effective Date**" has the meaning given to such term in Condition 6.1 (*Loss Absorption Following a Trigger Event*).

5. DEFINITIONS

Terms defined in Section 4 ("*Terms and Conditions of the Notes*") have the same meaning when used elsewhere in this Prospectus.

In addition to the terms defined in Section 4 ("*Terms and Conditions of the Notes*"), the following terms shall have the following meaning when used in this Prospectus.

"**2016 Annual Report**" means the English version of the audited consolidated annual report of the Issuer and its Subsidiaries for the financial year ended 31 December 2016;

"**2017 Annual Report**" means the English version of the audited consolidated annual report of the Issuer and its Subsidiaries for the financial year ended 31 December 2017;

"**Annual Reports**" means the 2016 Annual Report and the 2017 Annual Report;

"**Condition**" means a term and condition of the Notes set out in Section 4 ("*Terms and Conditions of the Notes*");

"**Danish FSA**" means the Danish Financial Supervisory Authority (*Finanstilsynet*);

"**Danish Capital Markets Act**" means the Danish Consolidated Act No. 650 of 8 June 2017, as amended by Act No. 1547 of 30 November 2017, as amended, on capital markets, etc. (*lov om kapitalmarkeder*);

"**EUR**" means Euro;

"**Executive Board**" means the executive board (*direktionen*) of the Issuer;

"**Joint Lead Managers**" means Danske Bank A/S and Skandinaviska Enskilda Banken AB (publ);

"**VP Agent**" means Danske Bank A/S;

"**Prospectus**" means this prospectus dated 26 April 2018;

"**Prospectus Directive**" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended by Directive 2010/73/EU;

"**Relevant Member State**" means a member state of the European Economic Area that has implemented the Prospectus Directive;

"**Supervisory Board**" means the supervisory board (*bestyrelse*) of the Issuer;

"**Terms and Conditions**" means the terms and conditions of the Notes set out in Section 4 ("*Terms and Conditions of the Notes*");

"**Tryg**" means Tryg Forsikring A/S;

"**Tryg Group**" or "**Group**" has the meaning as set out on the front page of this Prospectus;

"**UK FSMA**" means the United Kingdom Financial Services and Markets Act 2000; and

"**US Securities Act**" means the United States Securities Act of 1933 (as amended).

6. LIST OF DOCUMENTS/INFORMATION INCORPORATED INTO THIS PROSPECTUS BY REFERENCE

| Document/Information | Date of publication | References |
|---|----------------------------|---|
| 2016 Annual Report Independent auditor's report, page 43 Issuer's accounting policies, pages 84-99 | 27 January 2017 | Sections 2.11.1, 2.11.3.1, 2.13.1, 2.14 |
| 2017 Annual Report Independent auditor's report, page 41 Issuer's accounting policies, pages 81-95 | 29 January 2018 | Sections 2.11.1, 2.11.3.1, 2.13.1, 2.14 |

7. SUBSCRIPTION AND SALE (SELLING AND TRANSFER RESTRICTIONS)

The Joint Lead Managers have in a subscription agreement dated 24 April 2018 and made between the Issuer and the Joint Lead Managers (the "**Subscription Agreement**") upon the terms and subject to the conditions therein, agreed to subscribe for the Notes at the issue price of 100.00 per cent of their principal amount less the fees to be paid by the Issuer to the Joint Lead Managers pursuant to the Subscription Agreement. The Issuer has also agreed to reimburse the Joint Lead Managers for certain of their expenses in connection with the management of the issue of the Notes. The Joint Lead Managers are entitled in certain circumstances to be released and discharged from their obligations under the Subscription Agreement prior to the closing of the issue of the Notes.

In certain jurisdictions, the distribution of this Prospectus and the offering or sale of Notes may be restricted by law. This Prospectus may not be distributed or otherwise made available and the Notes may not be offered or sold, directly or indirectly, in any jurisdiction, unless such distribution, offering or sale is permitted under applicable laws in the relevant jurisdiction.

Denmark

The Notes may not be offered or sold in Denmark by way of a public offering, unless in compliance with the Danish Capital Markets Act and any executive orders issued thereunder as well as the Danish Executive Order No. 747 of 7 June 2017 on investor protection in connection with securities trading (*bekendtgørelse om investorbekendtgørelse ved værdipapirhandel*) issued pursuant to the Danish Consolidated Act No. 1149 of 26 September 2017, as amended, on financial business (*lov om finansiel virksomhed*).

European Economic Area

Each Joint Lead Manager represents and agrees that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this clause:

- a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of MiFID II;
 - (ii) a customer within the meaning of the Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Directive; and
- b) the expression **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

This Prospectus has been prepared on the basis that any offer of the Notes in any member state of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive (including any implementing measure in the Relevant Member State) from the requirement to publish a prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes may only do so in circumstances in which no obligation arises for a member of the Tryg Group or the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer or supplement a prospectus pursuant to Article 16 of the Prospectus Directive. Neither members of the Tryg Group nor the Joint Lead Managers have authorised the making of any offer of the Notes in circumstances in which an obligation arises for the Tryg Group or the Joint Lead Managers to publish a prospectus or supplement a prospectus for such offer.

In relation to each Relevant Member State, each Joint Lead Manager has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, it has not made and will not make an offer of the Notes to the public in that Relevant Member State other than:

- a) to any person or entity which is a "qualified investor" as defined in the Prospectus Directive;
- b) to fewer than 150 natural or legal persons (other than "qualified investors" as defined in the Prospectus Directive);
- c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in a)-c) above shall require the Issuer or the Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or a supplement pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the Notes to the public" in relation to any of the Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offering and the Notes to be offered so as to enable a person or entity who acquires or intends to acquire Notes to decide to purchase or subscribe for the Notes, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state.

United Kingdom

An invitation or inducement to engage in investment activity (within the meaning of Section 21 of the United Kingdom Financial Services and Markets Act 2000 (the "**UK FSMA**") in connection with the issue or sale of the Notes may only be communicated or caused to be communicated in circumstances in which Section 21(1) of the UK FSMA does not, if the Issuer was not an authorised person, apply to the Issuer.

Further, anything done by any person or entity in relation to the Notes in, from or otherwise involving the United Kingdom may only be done in compliance with all applicable provisions of the UK FSMA.

United States of America

The Notes have not been and will not be registered under the US Securities Act, and may not be offered or sold within the United States of America or to, or for the account or benefit of, US persons, except in accordance with Regulation S under the US Securities Act or pursuant to any other exemption from the registration requirements of the US Securities Act. In addition, until 40 days after the Issue Date (as defined below), an offer or sale of the Notes within the United States by a dealer may violate the registration requirement of the US Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the US Securities Act.

Terms used in this Section entitled "*United States of America*" have the meanings given to them by Regulation S under the US Securities Act.

8. PARTIES

ISSUER

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Denmark

JOINT LEAD MANAGERS

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Denmark

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VP AGENT

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Denmark

LEGAL ADVISOR

To the Issuer
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Denmark