

**SUPPLEMENT DATED 25TH MAY, 2022 TO THE OFFERING CIRCULAR DATED 10TH MAY, 2022**

# **SYDBANK**

*(incorporated with limited liability in Denmark)*

**€4,000,000,000**

## **Global Medium Term Note Programme**

This Supplement (the **Supplement**) to the Offering Circular dated 10th May, 2022 (the **Offering Circular**) which comprises a base prospectus for the purposes of the Prospectus Regulation constitutes a supplement to the base prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the €4,000,000,000 Global Medium Term Note Programme of Sydbank A/S (the **Issuer**). Terms defined in the Offering Circular have the same meaning when used in this Supplement. When used in this Supplement, **Prospectus Regulation** means Regulation (EU) 2017/1129.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of the Offering Circular as supplemented by this Supplement. Investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and this Supplement does not omit anything likely to affect the import of such information.

### **Purpose of this Supplement**

The purpose of this Supplement is to update the Offering Circular to reflect the establishment of the Issuer's Green Bond Framework and to provide for the issue of Green Bonds under the Programme.

### **Issuer's Green Bond Framework**

#### **1. Important Information**

On page 3 of the Offering Circular, the following new paragraph shall be added immediately after the paragraph ending with "No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer in connection with the Programme.":

**"None of the Dealers accepts any responsibility for any "green" or "environmental" assessment of any Notes issued as Green Bonds (as defined herein) under the Programme or makes any representation or warranty or assurance as to whether such Notes will meet any investor expectations or requirements regarding any "green", "environmental" or similar labels. The Dealers have not undertaken, nor are they responsible for, any assessment or verification of the Eligible Green Projects (as defined herein) and their impact, or monitoring of the use of the net proceeds of any such Green Bonds (or amounts equal thereto). No representation or assurance is given by any Dealer as to the suitability or reliability of any opinion or certification of any third party made available in connection with any issue of**



relations/financialinformation (as updated or replaced from time to time, the **Green Bond Framework**, which for the avoidance of doubt, is not incorporated in, and does not form part of this Offering Circular). Prospective investors should have regard to the information in “Use of Proceeds” regarding the use of an amount equal to the net proceeds of those Notes and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary.

In particular, no assurance is given by the Issuer, the Group (as defined in the applicable Terms and Conditions) or any of the Dealers that the use of such proceeds for any Eligible Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Green Projects. In addition, the Green Bond Framework can be amended by the Issuer from time to time.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green”, “social” or “sustainable” or an equivalently labelled project or as to what precise attributes are required for a particular project to be defined as “green”, “social” or “sustainable” or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change.

A basis for the determination of such “green” project definition has been established in the EU with the publication in the Official Journal of the EU on 22nd June, 2020 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18th June, 2020 (the **Sustainable Finance Taxonomy Regulation**) on the establishment of a framework to facilitate sustainable investment (the **EU Sustainable Finance Taxonomy**). The EU Sustainable Finance Taxonomy is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the Sustainable Finance Taxonomy Regulation. The European Commission published a first delegated act on sustainable activities for climate change mitigation and adaptation objectives of the EU Sustainable Finance Taxonomy, which took effect on 1st January, 2022, and a second delegated act for the remaining objectives is expected to be published during 2022. Until the full technical screening criteria for the objectives of the EU Sustainable Taxonomy have been finalised, it is not known whether the Issuer's Green Bond Framework will satisfy those criteria. Accordingly, alignment with the EU Sustainable Finance Taxonomy, once the full technical screening criteria are established, is not certain and no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Eligible Green Projects will meet any or all investor expectations regarding such “green”, “social” or “sustainable” or other equivalently labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Green Projects.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion (including the Second Party Opinion (as defined in “Use of Proceeds” below), which for the avoidance of doubt, is not incorporated in, and does not form part of this Offering Circular) or certification of any third party (including the Second Party Opinion provider), whether or not solicited by the Issuer, which may be made available in connection with the issue of any Green Bonds and any Eligible Green Projects, and whether any of them fulfil any environmental, social and governance (**ESG**) and/or other criteria.

Any such report, assessment, opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Offering Circular. Any such report, assessment, opinion or certification is

not, nor should be deemed to be, a recommendation by the Issuer, the Group, any of the Dealers or any other person to buy, sell or hold any such Green Bonds or that any Eligible Green Projects fulfil any ESG and/or other criteria. Any such report, assessment, opinion or certification is only current as of the date it was initially issued and the criteria and/or considerations that underlie any such report, assessment, opinion or certification may change at any time. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such report, assessment, opinion or certification for the purpose of any investment in any such Green Bonds. Currently, the providers of such reports, assessments, opinions and certifications are not subject to any specific oversight or regulatory or other regime.

In the event that any Green Bonds are listed or admitted to trading on any dedicated "green", "environmental" or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated) or included in an ESG bond index, no representation or assurance is given by the Issuer, the Group, any of the Dealers or any other person that such listing, admission, or inclusion satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or assets or uses, the subject of or related to, any Eligible Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuer, the Group, any of the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply an amount equal to the net proceeds of any Green Bonds for Eligible Green Projects in, or substantially in, the manner described in this Offering Circular or the applicable Final Terms, there can be no assurance that the Issuer will be able to do this and there is no contractual or regulatory obligation to do so. Nor can there be any assurance that any Eligible Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment and/or society) as originally expected or anticipated by the Issuer. While any Green Bond net proceeds remain unallocated, the Issuer will hold and/or invest the balance of such net proceeds not yet allocated to green or sustainable activities in cash, cash equivalents or (where possible) ESG-oriented funds.

Any such event or failure to apply an amount equal to the net proceeds of any issue of Green Bonds for or towards any Eligible Green Projects, as aforesaid, or to obtain and publish any such reports, assessments, opinions and certifications, as well as the existence of any potential mismatch between the duration of the Eligible Green Projects and the term of any Green Bonds, will not (i) constitute an event of default or Enforcement Event (as defined in the applicable Terms and Conditions) under the relevant Green Bonds, (ii) give rise to any other claim of an investor in such Green Bonds against the Issuer, (iii) lead to an obligation of the Issuer to redeem such Notes or be a relevant factor for the Issuer in determining whether or not to exercise any optional redemption rights in respect of any Notes, or (iv) affect the regulatory treatment of such Notes as Tier 2 Capital or MREL/TLAC Eligible Liabilities if such Notes are also Subordinated Notes, Preferred Senior Notes or Non-Preferred Senior Notes, as the case may be.

The Green Bonds are issued subject to their applicable terms and conditions including, without limitation, in relation to their status, interest payments, redemption and events of default as described in the applicable Terms and Conditions and the applicable Final Terms, regardless of the issue of such Notes as Green Bonds. The Green Bonds are further subject to any general bail-in tool and non-viability loss absorption that may be imposed in exactly the same manner as for any other Notes

(including where such Notes are also Subordinated Notes, Preferred Senior Notes or Non-Preferred Senior Notes).

Similarly, any Green Bonds, as for any other Notes, will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments and, as such, the proceeds of Green Bonds qualifying as own funds or eligible liabilities will be fully available to cover any losses arising on the balance sheet of the Issuer (in the same manner as for any other Notes) regardless of their “green” label. The labelling of any Notes as Green Bonds will not have any impact on the status of such Notes as indicated in Condition 3 of the applicable Terms and Conditions.

The payments of principal and interest (as the case may be) on the relevant Green Bonds shall not depend on the performance of the relevant Eligible Green Projects or related assets or any other environmental or sustainability targets of the Issuer, nor will any investors in the same have any preferred right against such assets.

The occurrence of any of the above factors and/or the withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying, and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Eligible Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for or towards a particular purpose (which consequences may include the need to sell such Notes as a result of such Notes not falling within the investor's investment criteria or mandate).

None of the Dealers will verify or monitor the proposed use of proceeds of Notes issued under the Programme.”

#### **4. Applicable Final Terms**

On page 43 of the Offering Circular, item 4(i) titled “Reasons for the Offer:” shall be deleted in its entirety and replaced with the following:

“(i) Reasons for the Offer: [See "Use of Proceeds" in the Offering Circular.][The Issuer intends to issue the Notes as Green Bonds (as defined in the Offering Circular) and apply an amount equal to the net proceeds from this issue of Notes to finance or re-finance “Eligible Green Projects” as described in “Use of Proceeds” in the Offering Circular.][Give details]”

#### **5. Use of Proceeds**

On page 117 of the Offering Circular, the paragraphs under the heading “Use of Proceeds” shall be deleted in their entirety and replaced with the following:

“The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes which include making a profit and/or hedging risk.

In addition, where the applicable Final Terms for any Tranche of Notes indicate (including under “Reasons for the Offer” in Part B of the applicable Final Terms) that such Notes are intended to be

issued as Green Bonds (**Green Bonds**), an amount equal to the net proceeds from such issue of Notes is intended to be applied by the Issuer to finance or re-finance Eligible Green Projects (as defined below) as set out in the Issuer's Green Bond Framework (available on the Issuer's website at <https://www.sydbank.com/about/investor-relations/financialinformation>) and in effect at the time of issuance of the Green Bonds.

For the purposes of this Offering Circular, **Eligible Green Projects** are projects within the 'green bond principles eligible categories' set out in the Issuer's Green Bond Framework (available on the Issuer's website at the address above). Such categories are outlined in the Issuer's Green Bond Framework (available on the Issuer's website address above) and currently include those which relate to: renewable energy, green buildings, clean transportation, sustainable use of natural resources and recycling and sustainable production.

Sustainalytics (an independent provider of research-based evaluations of green financing frameworks to determine their environmental robustness) has evaluated the Issuer's Green Bond Framework and issued a second party opinion (the **Second Party Opinion**) on the Issuer's Green Bond Framework verifying its credibility, impact and alignment with the International Capital Market Association Green Bond Principles 2021. The Second Party Opinion is available on the Issuer's website at <https://www.sydbank.com/about/investor-relations/financialinformation>.

None of the Green Bond Framework nor the Second Party Opinion is incorporated by reference in, or shall form part of, this Offering Circular.

If, in respect of an issue of Notes, there is any other particular identified use of proceeds, this will be stated in the applicable Final Terms.

Potential investors in any Green Bonds should also refer to "*Risk Factors—The application of an amount equal to the net proceeds of Green Bonds as described in "Use of Proceeds" might not meet investor expectations or be (or remain) suitable for an investor's investment criteria*".

## **General**

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Offering Circular by this Supplement and (b) any other statement in or incorporated by reference in the Offering Circular, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Offering Circular since the publication of the Offering Circular.