

The Annual General Meeting of Sydbank A/S was held on Thursday 21 March 2019 at 3:00pm in Sønderjyllandshallen, Aabenraa, Denmark.

Represented at the Annual General Meeting:

- shareholders: 134
- votes: 2,461,116
- voting share capital: DKK 213,307,707

Torben Nielsen, Chairman of the Board of Directors, opened the general meeting and bid shareholders and the press welcome.

Torben Nielsen informed the meeting that the Board of Directors had appointed Jan Børjesson, Attorney at Law, Aarhus, to act as chairman of the meeting in accordance with Article 9 (1) of the Articles of Association.

The chairman of the meeting reported that in accordance with Article 6 (1) of the Articles of Association notice of the general meeting had been duly given to those entitled to attend and vote at the meeting, by announcement on 20 February 2019 on the Bank's websites – sydbank.dk and sydbank.com – as well as forwarded to all shareholders registered in the register of shareholders who have requested to be notified in this manner.

The chairman of the meeting reported that the audited annual report, the agenda for the general meeting and other information and forms in accordance with section 99 (1) of the Danish Companies Act had been available at Sydbank's branches as well as on the Bank's websites, sydbank.dk and sydbank.com, for a period of 3 weeks immediately preceding the general meeting.

Furthermore the chairman of the meeting clarified the rules concerning voting and registration in the event that a shareholder left the general meeting.

Agenda

1. Report of the Board of Directors on the Bank's activities in 2018.
2. Submission of the audited annual report including the auditors' report for adoption.
3. Motion for the allocation of profit or cover of loss according to the adopted annual report.
4. Election of members to the Shareholders' Committee.
5. Appointment of auditors.
The Board of Directors proposes the reappointment of Ernst & Young, Godkendt Revisionspartnerselskab in accordance with the recommendation of the Audit Committee. The Audit Committee has in no way been influenced by third parties or been subjected to any agreement with a third party which would limit the general meeting's appointment of certain auditors or audit firms.
6. Motions submitted by the Board of Directors or shareholders:
 - a) The Board of Directors proposes that the Bank's share capital be reduced by DKK 59,169,540 to DKK 617,540,000. The capital reduction will be effected as a payment to shareholders and will be implemented by cancelling 5,916,954 shares

of DKK 10 each purchased during the Bank's share buyback programme in 2018. Payment will be at a premium of 198.54 corresponding to the average repurchase price during the share buyback programme.

A resolution will imply the following amendment to Article 2 (1) of the Articles of Association:

"The share capital of the Bank is DKK 617,540,000 divided into shares in denominations of DKK 10. The share capital is fully paid up."

- b) The Board of Directors proposes that the term of office as regards members of the Board of Directors in Article 16 (3) of the Articles of Association be changed from 3 years to 1 year.
7. Sydbank's Board of Directors is authorised to allow the Bank to acquire own shares at a total value of up to 10% of the Bank's share capital. The price paid for shares may not differ by more than 10% from the price quoted on Nasdaq Copenhagen at the time of purchase. The authorisation is effective until the next Annual General Meeting.
 8. Any other business.

The chairman of the meeting noted that the following had been circulated to shareholders:

- Convening notice and agenda for the general meeting including appendices
- Sydbank Indblik [Sydbank magazine – in Danish only]

The annual report and the Bank's existing Articles of Association were available to shareholders on request.

The chairman of the meeting informed the meeting that with respect to the consideration of items 1-5 and 7 of the agenda a quorum was present without considering the size of the share capital represented at the general meeting.

Furthermore the chairman of the meeting informed the meeting that with respect to the consideration of items 6a and 6b of the agenda the general meeting formed a quorum with two-thirds of the votes cast as well as two-thirds of the voting share capital represented at the general meeting.

The chairman of the meeting subsequently proposed that items 1, 2 and 3 were reviewed before the Director's report, the annual report and the motion for the allocation of profit were discussed. The general meeting adopted the proposal.

re item 1

Torben Nielsen, Chairman of the Board of Directors, presented the Directors' report. He informed the meeting that the remuneration of the Board of Directors represented a total of DKK 5,830,000 for 2018. The Board of Directors receives fixed remuneration and the members of committees set up by the Board of Directors receive a fixed committee fee. Reference is made to the distribution on page 70 of the annual report.

The remuneration of the Group Executive Management totalled DKK 17.7m in 2018: DKK 7.1m to Karen Frøsig, DKK 5.3m to Bjarne Larsen and DKK 5.3m to Jan Svarre.

The remuneration of the Group Executive Management and the Board of Directors is adjusted according to the rate determined in the collective agreement between the Employers' Association for the Financial Sector and the Financial Services Union.

re items 2 and 3

CEO Karen Frøsig presented the income statement and the balance sheet in the annual report for 2018. In addition Karen Frøsig presented the Bank's strategy plan for 2019-2021.

The chairman of the meeting opened the floor for discussion of the Directors' report, the annual report and the motion for the allocation of profit.

The representative from the Danish Shareholders Association made a contribution where he had a few questions to put to the Bank.

In response to the questions/comments and the recommendations by the Danish Shareholders Association Torben Nielsen informed the meeting:

- that the market value of the Sydbank share has fallen, which is also the case for the other banks in the sector. However Sydbank finds it gratifying that Sydbank's share price/book value has always been very high compared to the other banks but acknowledges that it has been better.
- that the Board of Directors and the Group Executive Management are very mindful of keeping costs down.
- in connection with the request to comply with the recommendations of the Committee on Corporate Governance regarding the election of board members that Sydbank is an old bank with a shareholders' committee that works well and that has the qualifications necessary to select and nominate candidates for the Board of Directors. The Board of Directors has no immediate plans to change the structure but noted the point of view.
- that Torben Nielsen noted the Danish Shareholders Association's praise regarding the change in the term of office of members of the Board of Directors from 3 years to 1 year.
- concerning Brexit that Sydbank is very aware that credit must be granted on a sound basis. Experience shows that poor banks have bad loans. Sydbank has good instructions as regards credit but Torben Nielsen also remarked that business conditions are starting to look less favourable.
- Regarding the contribution on digitization Torben Nielsen remarked that it is important to have special focus on this issue and the Board of Directors reviews on a continuing basis the opportunities for digitization and which areas it involves.

A named shareholder had few flattering remarks to make about Sydbank, which in his opinion was a disgrace to the shareholders. The employees in the agricultural units have either been replaced or have retired and he thought that Sydbank should stop being a moneymaker for bankruptcy lawyers engaged by the agricultural sector. In his opinion the reversal of impairment charges of DKK 122m could possibly have been different if some agricultural holdings had been allowed to continue operations in order to avoid losses.

Karen Frøsig referred to the annual report and the comment that there have been periods when the agricultural sector has really struggled. Karen Frøsig stated that one could not rule out the possibility that one or two actions could have been carried out differently but that overall the Bank has highly qualified employees in the agricultural units who show reasonable patience and who comply with the policies and guidelines issued by the Group Executive Management and the Board of Directors. Karen Frøsig concluded by saying that she had of course listened to what Knud Thomsen had to say.

The Directors' report was subsequently noted and the annual report was adopted by the general meeting.

The Board of Directors' proposal for the allocation of profit was adopted. It was decided that a dividend corresponding to DKK 9.36 per share will be distributed. DKK12m will be donated to the sponsorship fund Sydbank Fonden where DKK 8m will be paid out as available funds and DKK 4m as tied-up funds paid out in Sydbank shares.

re item 4

Election of members to the Shareholders' Committee

According to Article 12 (1) of the Articles of Association the number of Shareholders' Committee members, however not less than 60 and not more than 80 members, is determined by the general meeting on the recommendation of the Board of Directors and the Shareholders' Committee. The Shareholders' Committee is composed so that it is geographically representative of the Bank's 9 regions. Members are elected for a term of 3 years.

The Board of Directors recommended a total of 68 Shareholders' Committee members to the Shareholders' Committee and the recommendation was approved by the general meeting. The geographical distribution by region was as follows:

Område Fyn (Odense and Svendborg)	8
Område Hovedstaden	8
Område Kolding	5
Område Midtjylland	3
Område Sjælland	6
Område Sønderjylland (incl Sønderborg)	18
Område Vestjylland	8
Område Østjylland (Horsens and Vejle)	6
Område Aarhus/Aalborg (Aarhus and Aalborg)	6

The Board of Directors submitted a proposal for the re-election of 14 current Shareholders' Committee members and the election of Nicolai Dyhr, Jørgen Høholt, Svend Erik Kriby, Peter Rosenkrands, Jan Østerskov, Bente Rasmussen, Leo Grønvall and Richard Fynbo. All the persons proposed by the Board of Directors were willing to stand for election.

The chairman of the meeting gave the floor to the Chairman of the Board of Directors, who introduced the candidates up for election and asked them to stand.

Nicolai Dyhr, 45. Attorney at law and partner at Horten since 2009. Nicolai Dyhr advises on all aspects relating to commercial law, argues cases in court, is involved in mergers and acquisitions and holds directorships in a number of companies and foundations. In addition he specialises in restructuring of distressed enterprises and general credit issues. He has in-depth experience safeguarding creditor interests in distressed enterprises and as a restructuring administrator and trustee. Nicolai Dyhr has a large network and is known for being very

business-oriented. He has been a member of the Advisory Board of the region Hovedstaden since 2013.

Jørgen Høholt, 60. Jørgen Høholt has extensive experience in the financial sector where he started his career in Andelsbanken and consequently he possesses considerable banking skills and has broad management experience. He also has in-depth experience in and knowledge of for instance credit risks, rating models and customer service. Jørgen Høholt was a member of the executive board of Nordea Danmark for a number of years. Jørgen Høholt is also joining the Advisory Board of the region Hovedstaden.

Svend Erik Kriby, 58. Svend Erik Kriby is a professional board member and today he is active primarily in the company Sitecover A/S. Svend Erik Kriby was a member of the Shareholders' Committee from 2007 to 2015 but resigned in order to take up a directorship in Sydinvest. Svend Erik Kriby resigned from the board of directors of Sydinvest in 2018 and therefore he has been recommended once again as a candidate to the Shareholders' Committee. Svend Erik Kriby has been a member of the Advisory Board of the region Hovedstaden since 2005.

Peter Rosenkrands, 50. Peter Rosenkrands is the CEO of Palle Knudsen Kunststoffabrik located in Præstø. Peter Rosenkrands has wide contacts within the industrial sector in Zealand and is a member of the local committee of the Confederation of Danish Industry as well as the newly established business centre Erhvervshus Sjælland. He is very involved in the public debate in terms of maintaining/creating local workplaces outside the metropolitan area and improving local business conditions. Peter Rosenkrands has been a member of the Advisory Board of the region Sjælland since 2018.

Jan Østerskov, 62. Jan Østerskov has been the CFO and executive manager of SK Forsyning in Slagelse for over 10 years. Jan Østerskov is very active and holds a fiduciary position on several boards of directors etc and has a broad network in the local area and in the Køge area where he lives. By virtue of his job he possesses a very comprehensive knowledge of and active interest in financial services. Jan Østerskov has been a member of the Advisory Board of the region Sjælland since 2016.

Bente Rasmussen, 55. Bente Rasmussen has been self-employed since 1998 when she opened her first shop in Sønderborg. Bente Rasmussen has since opened shops in Esbjerg, Kolding, Aabenraa and Sønderborg. She was one of the ideas persons behind Fleur Bodywear, where she is a member of the product committee and the design team. Bente Rasmussen has a broad business network and has been a member of the Sønderborg Advisory Board under the region Sønderjylland since 2016.

Leo Grønvall, 50. Leo Grønvall, a qualified retail butcher, is the CEO and majority shareholder of DanePork - originally Slagtergården St. Lihme A/S – which is an independent, privately owned pig slaughterhouse located halfway between Vejle and Billund with a staff of 165. Leo Grønvall has a large nationwide network and also has considerable international knowledge. Leo Grønvall has been a member of the Vejle Advisory Board under the region Østjylland since 2017.

Richard Fynbo, 51. Richard Fynbo is the CEO of Fynbo Foods A/S and is a very visible figure in Northern Jutland's business community and often takes part in the public debate to improve conditions for the business sector. In this connection he has built a significant network and also holds several directorships in the corporate sector. Richard Fynbo has been a member of the Aalborg Advisory Board under the region Aarhus/Aalborg since 2016.

Elections were held by the chairman of the meeting for each region.

Område Fyn (Odense and Svendborg)

Arne Gerlyng-Hansen, a member of the Odense Advisory Board, was re-elected. Knud K. Damsgaard, also a member of the Odense Advisory Board, resigned from the Shareholders' Committee.

Område Hovedstaden

Janne Moltke-Leth and Torben Nielsen were re-elected. Nicolai Dyhr, Jørgen Høholt and Svend Erik Kriby were elected. Morten Pedersen resigned from the Shareholders' Committee.

Område Kolding

No candidates up for election.

Område Midtjylland

Gitte Poulsen was re-elected.

Område Sjælland

Lars Thurø Møller and Nick de Neergaard were re-elected. Peter Rosenkrands and Jan Østerskov were elected.

Område Sønderjylland (incl Sønderborg)

Hanni Toosbuy Kasprzak and Lasse Meldgaard, a member of the Advisory Board of the region Sønderjylland, and Henrik Raunkjær, a member of the Sønderborg Advisory Board, were re-elected. Bente Rasmussen, the chairman and a member of the Sønderborg Advisory Board was elected. Bent Eegholm, a member of the Sønderborg Advisory Board, resigned from the Shareholders' Committee.

Område Vestjylland

Kent Kirk and Nete Bech Tinning were re-elected. Erik Bank Lauridsen resigned from the Shareholders' Committee.

Område Østjylland (Horsens and Vejle)

Peter S. Sørensen, a member of the Horsens Advisory Board, was re-elected. Leo Grønvall, a member of the Vejle Advisory Board was elected. Chr. Anker Hansen, a member of the Horsens Advisory Board, resigned from the Shareholders' Committee.

Område Aarhus/Aalborg (Aarhus and Aalborg)

Claus Christensen, a member of the Aalborg Advisory Board, and Niels Opstrup, a member of the Aarhus Advisory Board, were re-elected. Richard Fynbo, a member of the Aalborg Advisory Board, was elected. Leon G. Sørensen, a member of the Aalborg Advisory Board, has sadly passed away. Anders Thoustrup, a member of the Aarhus Advisory Board, resigned from the Shareholders' Committee.

Torben Nielsen took the opportunity at the general meeting to thank the outgoing Shareholders' Committee members for their contribution.

re item 5

Appointment of auditors

Ernst & Young Godkendt Revisionspartnerselskab was re-appointed auditor.

re item 6a

The Board of Directors proposed that the Bank's share capital be reduced by DKK 59,169,540 to DKK 617,540,000. The capital reduction will be effected as a payment to shareholders and will be implemented by cancelling 5,916,954 shares of DKK 10 each purchased during the Bank's share buyback programme in 2018. Payment will be at a premium of 198.54 corresponding to the average repurchase price during the share buyback programme.

Article 2 (1) of the Articles of Association will be amended to:

"The share capital of the Bank is DKK 617,540,000 divided into shares in denominations of DKK 10. The share capital is fully paid up."

In 2018 Sydbank implemented a share buyback programme and during the period from 21 February 2018 to 13 December 2018 Sydbank bought back 5,916,954 shares for a total of DKK 1,174,741,356, corresponding to an average price of 198.54. The lowest average repurchase price for the shares on a day-to-day basis was 151.68 on 1 November 2018 and the highest average repurchase price on a day-to-day basis was 243.05 on 23 February 2018.

The share buyback programme was completed with a view to reducing the share capital with the repurchased shares and therefore the Board of Directors proposes that the share capital be reduced by DKK 59,169,540 by cancelling 5,916,954 shares of DKK 10 each, purchased at an average price of 198.54. After the reduction the Bank's share capital will represent DKK 617,540,000.

The proposal was adopted by at least two-thirds of the votes cast and of the voting share capital represented at the general meeting.

re item 6b

The Board of Directors proposed that the term of office of members of the Board of Directors according to Article 16 (3) of the Articles of Association be changed from 3 years to 1 year.

The proposal was adopted by at least two-thirds of the votes cast and of the voting share capital represented at the general meeting.

re item 7

Minutes

The general meeting approved the Board of Directors' proposal for authorisation to allow the Bank to acquire own shares at a total value of up to 10% of the Bank's share capital. The price paid for shares may not differ by more than 10% from the price quoted on Nasdaq Copenhagen at the time of purchase. The authorisation is effective until the next annual general meeting.

re item 8

No other business.

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The Chairman of the Board of Directors then thanked the chairman of the meeting for his effective chairing and thanked the shareholders for attending the Bank's general meeting.

The general meeting was closed at 4:25pm.

Jan Børjesson
Chairman of the meeting