



JYSKE BANK A/S

(incorporated as a public limited company in Denmark)

U.S.\$8,000,000,000

Euro Medium Term Note Programme

On 22 December 1997, the Issuer (as defined below) entered into a U.S.\$1,000,000,000 Euro Medium Term Note Programme (the “**Programme**”). This document supersedes the Prospectus dated 29 March 2017 and any previous Prospectus and/or Offering Circular. Any Notes (as defined below) issued under the Programme on or after the date of this Prospectus are issued subject to the provisions described herein. This Prospectus does not affect any Notes issued before the date of this Prospectus.

Under the Programme, Jyske Bank A/S (the “**Issuer**”, “**Jyske Bank**” or the “**Bank**”) may from time to time issue notes (the “**Notes**”), which may be (i) preferred senior notes (“**Preferred Senior Notes**”), (ii) non-preferred senior notes (“**Non-Preferred Senior Notes**”) or (iii) subordinated and, on issue, constituting Tier 2 Capital (as defined in the Terms and Conditions of the Notes) (“**Subordinated Notes**”) as indicated in the applicable Final Terms (as defined below). Notes may be denominated in any currency (including euro) agreed between the Issuer and the relevant Dealer (as defined below).

The maximum aggregate principal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$8,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to any increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified on page 6 and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue of Notes or on an ongoing basis (each, a “**Dealer**” and together, the “**Dealers**”). References in this Prospectus to the “**relevant Dealer**” shall, in the case of an issue of Notes being (or intended to be) subscribed by one or more Dealers, be to all Dealers agreeing to purchase such Notes. The Issuer has reserved the right to issue Notes to persons other than Dealers.

This Prospectus has been approved by the Central Bank of Ireland as competent authority under the Prospectus Directive (as defined below). The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and European Union (“**EU**”) law pursuant to the Prospectus Directive. Such approval relates only to Notes that are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, “**MiFID II**”) and/or that are to be offered to the public in any member state of the European Economic Area (each a “**Member State**”). Application has been made to the Irish Stock Exchange plc, trading as Euronext Dublin (“**Euronext Dublin**”) for Notes issued under the Programme during the period of 12 months from the date of this Prospectus to be admitted to its official list (the “**Official List**”) and admitted to trading on its regulated market (the “**Main Securities Market**”). The Main Securities Market is a regulated market for the purposes of MiFID II. References in this Prospectus to Notes being “**listed**” (and all related references) shall mean that such Notes have been admitted to the Official List and admitted to trading on the Main Securities Market. Notice of: (i) the aggregate principal amount of; (ii) interest (if any) payable in respect of; (iii) the issue price of; and (iv) certain other information which is applicable to, the Notes of each Tranche (as defined in the Terms and Conditions of the Notes (the “**Conditions**”) below) will be set forth in a final terms (the “**Final Terms**”) which will be delivered to Euronext Dublin on or before the date of issue of the Notes of such Tranche. Copies of Final Terms in relation to Notes to be listed on Euronext Dublin will also be published on the website of the Central Bank of Ireland.

The Notes of each Tranche in bearer form will initially be represented by a temporary global Note in bearer form or a permanent global Note in bearer form (together, the “**Global Notes**”). If the Global Notes are stated in the applicable Final Terms to be issued in new global note (“**NGN**”) form they will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”). Notes in registered form will be represented by registered certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s (as defined in the Conditions) entire holding of Registered Notes of one Series (as defined in the Conditions). Registered Notes issued in global form will be represented by registered global certificates (“**Global Certificates**”). If a Global Certificate is held under the New Safekeeping Structure (the “**NSS**”) the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Global Notes which are not issued in NGN form (“**Classic Global Notes**” or “**CGNs**”) and Global Certificates which are not held under the NSS will be deposited on the issue date thereof with a common depository on behalf of Euroclear and Clearstream, Luxembourg and/or any other agreed clearance system specified in the applicable Final Terms (the “**Common Depository**”). Each temporary global Note will be exchangeable, as specified in the applicable Final Terms, for either a permanent global Note or Notes in definitive form, in each case upon certification as to non-US beneficial ownership as required by US Treasury regulations. A permanent global Note will be exchangeable for definitive Notes in limited circumstances, all as further described in “*Summary of Provisions relating to Notes while in Global Form*” herein.

If so specified in the applicable Final Terms, Notes may also be issued in uncertificated book entry form, cleared through VP SECURITIES A/S (the “**VP**”) (the “**VP Notes**”).

For the purposes of Regulation (EC) No. 1060/2009 on credit rating agencies (the “**CRA Regulation**”), the credit ratings included or referred to in this Prospectus have been issued by Standard & Poor’s Credit Market Services Europe Limited (“**Standard & Poor’s**” or “**S&P**”). Standard & Poor’s is established in the EU and is registered under the CRA Regulation. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the applicable Final Terms. The ratings may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed “*Risk Factors*” in this Prospectus.

Arranger

J.P. Morgan

Dealers

BNP PARIBAS

Goldman Sachs International

J.P. Morgan

Deutsche Bank

ING

Jyske Bank A/S

Landesbank Baden-Württemberg

Dated 30 August 2018

This Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purposes of giving information with regard to the Issuer together with its consolidated subsidiaries (the “**Jyske Bank Group**” or the “**Group**”) and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. When used in this Prospectus, “**Prospectus Directive**” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in a relevant Member State.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (it having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated By Reference*”).

To the fullest extent permitted by law, none of the Dealers and the Arranger accepts any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaim all and any liability, whether arising in tort or contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme.

The minimum specified denomination of the Notes issued under this Programme shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

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

The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom and Denmark) and Japan (see “*Subscription and Sale*”).

The Notes have not been and will not be registered under the United States Securities Act 1933, as amended, (the “**Securities Act**”) and are subject to US tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to US persons (see “*Subscription and Sale*”).

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 relevant Notes, the merits and risks of investing in the relevant 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 relevant 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 Notes with principal or interest payable in one or more currencies; (iv) understand thoroughly the terms of the relevant 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. Some Notes issued under the Programme may be complex financial instruments and such instruments 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 Notes which are complex financial instruments 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 such Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

The investment activities of certain investors 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 advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the “Stabilisation Manager(s)”) (or any person acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Managers) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

All references in this document to “**U.S.\$**” and “**US dollars**” are to the lawful currency of the United States of America, those to “**Sterling**” and “**GBP**” are to the lawful currency of the United Kingdom, those to “**DKK**” are to the lawful currency of Denmark, “**CHF**” are to the lawful currency of Switzerland and those to “**euro**”, “**EUR**” or “**€**” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union (as amended from time to time).

BENCHMARKS REGULATION

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the applicable Final Terms. The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the applicable Final Terms to reflect any change in the registration status of the administrator.

MIFID II PRODUCT GOVERNANCE/TARGET MARKET

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

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

IMPORTANT – EUROPEAN ECONOMIC AREA RETAIL INVESTORS

If the applicable Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to European Economic Area Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), 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. Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

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OVERVIEW OF THE PROGRAMME AND THE TERMS AND CONDITIONS OF THE NOTES

Under the Programme, the Issuer may from time to time issue Notes denominated in any currency (including euro) and having a minimum maturity of 30 days, subject as set out herein. An overview of the Programme and the Conditions appears below. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer prior to the issue of the Notes and will be set out in the Conditions endorsed on, or incorporated by reference into, the Notes, as completed by the applicable Final Terms attached to, or endorsed on, such Notes.

This Prospectus and any supplement will only be valid for Notes to be admitted to the Official List and admitted to trading on the Main Securities Market during the period of 12 months from the date of this Prospectus in an aggregate principal amount which, when added to the aggregate principal amount then outstanding of all Notes previously or simultaneously issued under the Programme, does not exceed U.S.\$8,000,000,000 or its equivalent in other currencies. For the purpose of calculating the US dollar equivalent of the aggregate principal amount of Notes issued under the Programme from time to time:

- (a) the US dollar equivalent of Fixed Rate, Fixed Rate Reset or Floating Rate Notes denominated in another Specified Currency (as defined in the Conditions) shall be determined, at the discretion of the Issuer, either as of the date on which agreement is reached for the issue of Notes or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the US dollar against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading international bank selected by the Issuer on the relevant day of calculation; and
- (b) the US dollar equivalent of Zero Coupon Notes (as described in the Conditions) shall be calculated in the manner specified above by reference to the net proceeds received by the Issuer for the relevant issue.

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this document and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined in the Conditions shall have the same meanings in this overview.

Issuer	Jyske Bank A/S
Issuer Legal Entity Identifier (LEI)	3M5E1GQGKL17HI6CPN30
Description	Euro Medium Term Note Programme
Arranger	J.P. Morgan Securities plc
Dealers	Jyske Bank A/S BNP Paribas Deutsche Bank AG, London Branch Goldman Sachs International ING Bank N.V. J.P. Morgan Securities plc Landesbank Baden-Württemberg
Certain Restrictions	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and</i> ”

Sale”).

Issuing Agent and Principal Paying Agent	The Bank of New York Mellon (the “ Issuing Agent ” and, unless otherwise specified in the applicable Final Terms, the “ Principal Paying Agent ”).
Irish Listing Agent	BNP Paribas Securities Services, Luxembourg Branch
VP Agent for VP Notes	Jyske Bank A/S (being authorised by the VP to process and register issues in the system operated by the VP).
Programme size	Up to U.S.\$8,000,000,000 (or its equivalent in other currencies calculated) outstanding at any one time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement (as defined below).
Distribution	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer as indicated in the applicable Final Terms.
Maturities	Such maturities as may be agreed between the Issuer and the relevant Dealer and as indicated in the applicable Final Terms, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue price	Notes shall be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes	Notes may be issued under the Programme in bearer form (“ Bearer Notes ”), in bearer form exchangeable for Notes in registered form (“ Exchangeable Bearer Notes ”), in registered form (“ Registered Notes ”) or in dematerialised book entry form (“ VP Notes ”) as may be specified in the applicable Final Terms. Each Tranche of Bearer Notes and Exchangeable Bearer Notes will initially be represented by a temporary global Note (a “ Temporary Global Note ”) which will be exchangeable, as described therein, for a permanent global Note (a “ Permanent Global Note ”) or Notes in definitive form (“ Definitive Notes ”) (as indicated in the applicable Final Terms) in each case not earlier than 40 days after the Issue Date upon certification of non-US beneficial ownership as required by US Treasury regulations. A Permanent Global Note will be exchangeable in the limited circumstances as described therein, in whole but not in part, for Definitive Notes. On or before the Issue Date for each Tranche, if the relevant Global Note is an NGN or the relevant Global Certificate is to be held under the NSS, the Global Note or Global Certificate, as the case may be, will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the Issue Date for each Tranche, if the relevant Global Note is a CGN or the relevant Global Certificate is not to be held under the NSS, it will be

deposited with a common depository for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system. Registered Notes will be represented by certificates (“**Certificates**”, which expression shall include certificates in definitive form (“**Definitive Certificates**”) and Global Certificates (as defined below)), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Tranche. Certificates representing Registered Notes that are registered in the name of a nominee for a common depository for one or more clearing systems are referred to as “**Global Certificates**”. Any interest in a Global Note or Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearance system, as appropriate. VP Notes cleared through the VP will be in dematerialised form and will not be evidenced by any physical note or document of title. Ownership of VP Notes will be recorded, and transfers effected, only through the book entry system and register maintained by the VP.

Notes issued through the VP will be negotiable instruments which are not subject to any restrictions on their free negotiability within Denmark.

Fixed Rate Notes

Fixed interest will be payable on Fixed Rate Notes on such date or dates as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms) and on redemption of such Notes.

Interest will be calculated on the basis of the Fixed Coupon Amount specified in the applicable Final Terms or, in the case of interest required to be calculated for a period other than a full year, on the basis of the day count fraction specified in the applicable Final Terms.

Yield of the Fixed Rate Notes will be specified in the applicable Final Terms and is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

Fixed Rate Reset Notes

Fixed Rate Reset Notes will initially bear interest at the fixed rate per cent. per annum specified in the applicable Final Terms until the Reset Date specified in the applicable Final Terms or, if more than one Reset Date is specified, the first Reset Date specified in the applicable Final Terms. On the Reset Date (or on each Reset Date, if more than one Reset Date is specified), the Rate of Interest will be reset to the aggregate of the applicable Subsequent Reset Reference Rate and the applicable Margin, as determined by the Calculation Agent.

Floating Rate Notes

Floating Rate Notes will bear interest at a rate determined:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement in the form of the interest rate and Currency Exchange Agreement

incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service,

as indicated in the applicable Final Terms.

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

Other provisions in relation to Floating Rate Notes

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as selected prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates as are specified in, or determined pursuant to, the applicable Final Terms.

Zero Coupon Notes

Zero Coupon Notes will be offered and sold at a discount to their principal amount unless otherwise specified in the applicable Final Terms and will not bear interest other than in the case of late payment.

Redemption

The Final Terms relating to each Tranche of Notes will indicate either that the Notes of such Tranche cannot be redeemed prior to their stated maturity (other than (i) for taxation reasons, (ii) following a Capital Event (in the case of Subordinated Notes only), (iii) following a MREL/TLAC Disqualification Event (in the case of Non-Preferred Senior Notes only), (iv) following an Event of Default (in the case of Preferred Senior Notes only) or (v) an Enforcement Event (in the case of Non-Preferred Senior Notes and Subordinated Notes only), as the case may be) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving not less than 15 nor more than 30 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms.

Any early redemption of a Non-Preferred Senior Note (other than following an Enforcement Event) will be subject to the provisions set out in Condition 7(b)(A), Condition 7(d), Condition 7(e) and/or Condition 7(l), as applicable.

Any early redemption of a Subordinated Note (other than following an Enforcement Event) will be subject to the provisions set out in Condition 7(b)(B), Condition 7(c), Condition 7(e) and/or Condition 7(l), as applicable.

Substitution and variation in relation to Non-Preferred Senior Notes and Subordinated Notes	<p>In the case of Non-Preferred Senior Notes only, if MREL/TLAC Substitution/Variation Option is specified in the applicable Final Terms as being applicable, upon the occurrence and continuation of a MREL/TLAC Disqualification Event, the Issuer may (subject to Condition 7(l)) substitute all of the Notes, but not some only, or vary the terms of all of the Notes, but not some only, without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Non-Preferred Senior Notes.</p> <p>In the case of Subordinated Notes only, if Tier 2 Substitution/Variation Option is specified in the applicable Final Terms as being applicable, upon the occurrence and continuation of a Capital Event, the Issuer may (subject to Condition 7(l)) substitute all of the Notes, but not some only, or vary the terms of all of the Notes, but not some only, without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Subordinated Notes.</p> <p>See Condition 7(k).</p>
Denomination of Notes	<p>Definitive Notes will be in such denominations as may be agreed between the Issuer and the relevant Dealer and as specified in the applicable Final Terms, save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).</p>
Redenomination, renominalisation and reconventioning	<p>Notes denominated in a currency that may be redenominated into euro may be subject to redenomination, renominalisation and reconventioning with other Notes then denominated in euro, in accordance with applicable laws and regulations and then current market practice.</p>
Negative Pledge	<p>None.</p>
Cross default	<p>The terms of the Preferred Senior Notes will contain a cross-default provision as further described in Condition 10. The terms of the Non-Preferred Senior Notes and the Subordinated Notes will contain no cross-default provision and no events of default.</p>
Enforcement Events in relation to Non-Preferred Senior Notes and Subordinated Notes	<p>In relation to Non-Preferred Senior Notes and Subordinated Notes, there will be enforcement events relating only to the liquidation or bankruptcy of the Issuer, provided that a holder of such Notes may not itself file for the liquidation or bankruptcy of the Issuer.</p>
Meetings of Noteholders and Modification	<p>The Notes and the Agency Agreement contain provisions for calling meetings of Noteholders of a Series to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders of such Series including Noteholders of such Series who did not attend and vote at the relevant meeting and Noteholders of such Series who voted in a manner contrary to the majority. Any modification of a Series of Non-Preferred Senior Notes or Subordinated Notes pursuant to the operation of such provisions is subject to Condition 7(l).</p>

The Issuer may also, subject to Condition 7(l) in the case of Non-Preferred Senior Notes and Subordinated Notes, make any modification to the relevant Series of Notes which is not prejudicial to the interests of the Noteholders of such Series without the consent of the Noteholders of such Series. Any such modification shall be binding on the Noteholders of such Series.

Taxation

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed or levied by or on behalf of Denmark, or any political subdivision of, or any authority in, or of, Denmark having power to tax, as provided in Condition 8. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 8, be required to pay Additional Amounts to cover the amounts so deducted.

Status of the Preferred Senior Notes

The Preferred Senior Notes and any relative Coupons will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank:

- (i) *pari passu*, without any preference among themselves;
- (ii) at least *pari passu* with all other outstanding senior, unsecured and unsubordinated obligations of the Issuer (save for obligations which may be preferred by law, including obligations benefitting from a preferred ranking to the Preferred Senior Notes), present and future, without any preference by reason of priority of date of creation, currency of payment or otherwise; and
- (iii) senior to any Non-Preferred Senior Obligations of the Issuer as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

See Condition 3(a).

Status of the Non-Preferred Senior Notes

The Non-Preferred Senior Notes will constitute Non-Preferred Senior Obligations of the Issuer.

The Non-Preferred Senior Notes will constitute direct and unsecured obligations of the Issuer and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with any other obligations or instruments that rank or are expressed to rank equally with the Non-Preferred Senior Notes (including any other Non-Preferred Senior Obligations of the Issuer), in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Non-Preferred Senior Notes, or any obligations pursuant to Section 98 of the Danish Bankruptcy

Act, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and

- (iv) junior to present or future claims of (a) depositors of the Issuer, (b) unsubordinated creditors of the Issuer pursuant to Section 97 of the Danish Bankruptcy Act and (c) any other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Obligations of the Issuer, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

See Condition 3(b).

Status of the Subordinated Notes

The Subordinated Notes (*kapitalbeviser*) and any relative Coupons will constitute direct, unsecured and subordinated debt obligations of the Issuer, and rank and shall at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any obligations or capital instruments of the Issuer which constitute Tier 2 Capital and (b) any other obligations or capital instruments that rank or are expressed to rank equally with the Subordinated Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Subordinated Notes including any Junior Securities, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to present or future claims of (a) depositors of the Issuer, (b) other unsubordinated creditors of the Issuer and (c) subordinated creditors of the Issuer other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes.

See Condition 3(c).

Listing and admission to trading

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and admitted to trading on the Main Securities Market.

Governing law

The Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and construed in

accordance with, Danish law. The Temporary Global Notes, the Permanent Global Notes, the Definitive Notes, the Global Certificates, the Definitive Certificates, the Coupons and the Talons will be governed by, and construed in accordance with, Danish law. The Agency Agreement is governed by, and will be construed in accordance with, English law, save for (i) the provisions for calling meetings of Noteholders of a Series to consider matters affecting their interests generally and (ii) the regulations concerning the transfer, registration and exchange of Notes, which are governed by, and will be construed in accordance with, Danish law. The Declaration of Direct Rights is governed by, and will be construed in accordance with, Danish law.

Ratings

Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Selling restrictions

There are selling restrictions in relation to the United States, the European Economic Area (including the United Kingdom and Denmark) and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “*Subscription and Sale*”.

RISK FACTORS

Prospective investors should read the entire Prospectus and reach their own views prior to making any investment decision.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies that 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.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate.

The following is a discussion of certain risks typically associated with the Issuer and the acquisition and ownership of the Notes. In particular, it does not consider an investor's specific knowledge and/or understanding about risks typically associated with the Issuer and the acquisition and ownership of the Notes, whether obtained through experience, training or otherwise, or the lack of such specific knowledge and/or understanding, or circumstances that may apply to a particular investor.

Words and expressions defined in the "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 the Terms and Conditions of the Notes.

Risks relating to the Issuer and the Jyske Bank Group

The Issuer is regulated by the Danish Financial Supervisory Authority (the "**Danish FSA**"), which ensures a regulatory environment comparable to the regulatory environments of other Western European banks.

In the course of its business activities, the Issuer is exposed to a variety of risks. If the Issuer fails to manage this exposure, it may incur financial losses and its reputation may be damaged. The Issuer considers risk management one of its core competences and a critical prerequisite for prudent bank management. Risk management includes identifying and measuring risk as well as monitoring and reporting risks. The Supervisory Board of the Issuer defines total risk tolerance and lays down policies and guidelines for the measurement, monitoring and reporting of risk, and the different risks the Issuer is exposed to are managed at different organisational levels. The main categories of risk are set out below.

Credit risk

Credit risk is the risk of loss caused by borrowers or counterparties failing to fulfil their obligations to the Jyske Bank Group and the risk of such parties' credit quality deteriorating. Credit risk is also the risk that the Jyske Bank Group may be unable to assess the credit risk of potential borrowers and may provide loans and advances or mortgage loans to customers that increase the Jyske Bank Group's credit risk exposure more than intended. Credit risk is an inherent part of the Jyske Bank Group's business. Ordinary credit risk arises from the Issuer's loan portfolio, mortgage lending in Jyske Realkredit A/S's ("**Jyske Realkredit**") capital centres and from credit lines and guarantees. However, credit risk also arises from credit investments in Jyske Bank Group Treasury in, for example, senior bonds of other highly rated financial institutions, securitisations consisting primarily of AAA residential mortgage backed securities ("**RMBS**") or AAA or AA rated collateralised loan/debt obligations ("**CLOs/CDO**") and from trading and hedging activities in Jyske Markets, which is the trading unit of the Jyske Bank Group. Market-related counterparty credit risk arises from financial instruments including

fixed income, equity and other investments that the Jyske Bank Group owns or is in another way exposed to. Settlement and payment risk arises from securities transactions, derivatives transactions and other transactions where payment is remitted before it can be confirmed that any corresponding payment has been made to the Jyske Bank Group.

Failure by the Jyske Bank Group to manage these risks could have an adverse effect on the Jyske Bank Group's business, results of operations, financial position or prospects.

Market risk

The Jyske Bank Group faces market risks as an inherent part of its business. Market risk is the risk of loss arising from adverse developments in market values resulting from fluctuations in interest rates, pricing of credit, foreign currency exchange rates and equity and commodity prices. The performance of financial markets may cause changes in the value of the Jyske Bank Group's investment and trading portfolios as well as affect other areas of the operations such as the availability of funding. A significant part of the Jyske Bank Group's market risk derives from changes in the value of its securities portfolio.

Any fluctuations in interest rates, foreign currency exchange rates, equity prices and fixed income prices could have an adverse effect on the Jyske Bank Group's business, results of operations, financial position or prospects.

Funding and liquidity risk

Liquidity risk is the risk of losses arising because funding costs become excessive, a lack of funding prevents the Jyske Bank Group from fulfilling its business model or a lack of funding prevents the Jyske Bank Group from fulfilling its payment obligations. Refinancing risk is the risk of a financial institution not being able to refinance maturing deposits, senior debt, covered bonds or other liabilities, or the risk that the refinancing cost will be so high that it will adversely affect net interest income.

Being a financial intermediary, liquidity- and refinancing risk is an inherent and unavoidable part of the Jyske Bank Group's banking operations. Liquidity- and refinancing risk arises from funding mismatches in the balance sheet as the average duration of a bank's loan portfolio is generally longer than the average duration of a bank's funding sources. For Jyske Realkredit part of the mortgage loan portfolio such as the portfolio of Danish Adjustable Rate mortgage loans is also funded with covered bonds with shorter duration than the commitment on the underlying mortgage loan. In addition hereto, most retail banks receive a high portion of their funding from customer deposits, and therefore they are also subject to the risk that depositors could withdraw their funds at a faster rate than the rate at which borrowers repay their loans, thus causing liquidity strains. Ready access to funds is essential to any banking business, including the Jyske Bank Group. The Group's refinancing risk measured by volume is dominated by Jyske Realkredit's mortgage bonds. Through Jyske Realkredit the Group has a high dependency on secured capital market funding on SDO (covered bond) basis.

If the Jyske Bank Group is unable to access funds or to access the markets from which the Jyske Bank Group raises funds, it could have an adverse effect on the Jyske Bank Group's ability to meet its obligations as they fall due and impede the Jyske Bank Group's ability to finance its operations adequately. These and other factors could also lead creditors to form a negative view of the Jyske Bank Group's liquidity, which could result in higher borrowing costs and decreased access to various funding sources which could have an adverse effect on the Jyske Bank Group's business, results of operations, financial position or prospects.

Risks relating to the credit ratings of Jyske Bank

The Issuer's credit ratings have an impact on the Issuer's funding costs, its ability to access international capital markets and on the number of counterparties willing to enter into transactions with the Issuer. As at the date of this Prospectus, the Issuer has a rating agreement with S&P and any notes issued under this Prospectus in the form of Preferred Senior Notes ("SP"), Non-Preferred Senior Notes ("SNP") or Subordinated Notes will only be rated (on a solicited basis) by S&P.

As at the date of this Prospectus, the Issuer's S&P ratings were a Stand Alone Credit Profile ("SACP") of A-, a long-term SP debt rating of A- and a short-term SP debt rating of A-2.

In a rating report from April 2018, the Issuer was granted a positive rating outlook on SP debt as the anticipated future issuance of SNP will build up Additional Loss Absorbing Capacity ("ALAC"). S&P's ALAC "buffer" estimate includes all existing Tier 2 and old CMS hybrids. S&P expects the Issuer to build up ALAC to the level of 3 per cent. by the end of 2018 and 5 per cent. by the end of 2020. As the outlook refers only to the buffers to shield SP investors, any potential upgrade in the future based on ALAC will only improve the Issuer's SP ratings from A- to A (long term) and A-2 to A-1 (short term). Jyske Bank's Tier 2 and SNP bonds to be issued in the future are rated from Jyske Banks SACP rating which is A- and an upgrade of the SP ratings will not change the ratings of Tier 2 or SNP bonds. The Tier 2 bonds and SNP bonds that can be issued under this programme will remain rated BBB (two notches down from the anchor) BBB+ (one notch down from the anchor), respectively.

S&P could revise their outlook on the Issuer's SP debt to stable if they expect that the issuance of ALAC-eligible instruments will total less than 5 per cent. of S&P's RWAs. In addition, they could lower the Issuer's ratings if capital distributions or asset growth weaken Jyske Bank's capital adequacy more than S&P currently expect, resulting in Jyske Banks RAC ratio falling to and remaining below 10 per cent.

In July 2018, S&P assigned a positive outlook to Economic Risk in the Danish Banking Industry Country Assessment ("BICRA") and subsequently affirmed at stable outlook on Jyske Banks SACP. According to S&P a stronger anchor for Danish banks is however unlikely to trigger an upgrade of Jyske's SACP.

The Issuer decided to terminate its rating agreement with Moody's Investors Service Limited ("Moody's") rating agency in 2013. However, due to the Issuer's systemic importance in Denmark, Moody's continues to rate the Issuer on an unsolicited basis based only on publicly available information. Moody's sector reports on the Danish financial sector in general and specific reports on the Danish banking sector will therefore include an unsolicited rating of the Issuer.

Any reduction in the credit rating of the Issuer by S&P or potentially even a change in the unsolicited shadow rating by Moody's could cause a deterioration in the market's perception of the Issuer's financial resilience, which could significantly increase its borrowing costs and/or limit the Issuer's access to the capital markets. This could materially adversely affect the Issuer's access to liquidity, especially in the short term money market (such as the market for issuance of commercial paper). As a result, this could adversely affecting the Issuer's competitive position, increase its funding costs and, hence, have an adverse effect on the Issuer's business, results of operations, financial position or prospects.

See "*Credit ratings*" below.

Risks relating to the Jyske Bank Group's participation in the Deposit Guarantee Scheme and resolution fund

In Denmark and other jurisdictions, deposit guarantee schemes and similar funds (each, a "**Deposit Guarantee Scheme**") have been implemented from which compensation for deposits may become payable to customers of financial services firms in the event that such financial services firm is unable to pay, or unlikely to pay, claims against it. In many jurisdictions, these Deposit Guarantee Schemes are funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. Revised legislation regarding the Danish Deposit Guarantee Scheme redefines the Danish scheme as a premium based scheme funded by the banking sector itself, such that the participating banks' payments into the scheme will be more stable every year in profit and loss terms. The calculation of premium will be based on each participating bank's covered deposits and the relevant bank's risk profile. The premium payments will stop when a target level of 0.8 per cent. of covered deposits has been reached. No premium payments were collected in 2016 or 2017 and no premium payments are expected to be paid in 2018. In addition, the Issuer contributes to the Danish resolution fund established as the Danish resolution financing arrangement under the BRRD, which capital must amount to 1.0 per cent. of the covered deposits of all Danish credit institutions by 31 December 2024. The future target

level of funds to be accumulated in Deposit Guarantee Schemes and resolution funds across different EU countries may exceed the minimum levels provided for in the BRRD, Directive 2014/49/EU (the “**Revised Deposit Guarantee Schemes Directive**”) and in EU Regulation No 806/2014 and EU Regulation No 81/2015 of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (the latter of which will be relevant should Denmark choose to participate in the Single Resolution Mechanism). Both the BRRD and the Revised Deposit Guarantee Schemes Directive are implemented in Danish law as referred to in “*Resolution tools and powers under the BRRD*” below and by Consolidated Act no. 917 of 8 July 2015 on Depositor and Investor Guarantee Scheme as amended from time to time.

It is still unclear whether Denmark, despite being outside the Eurozone, will join the European Banking Union and therefore be part of the Single Resolution Mechanism. It therefore remains unclear which costs the Jyske Bank Group will incur in the coming year in relation to payments to deposit guarantee funds and/or resolution funds on a national or European level.

Risks relating to operational, business and reputational risks

The nature of the Jyske Bank Group’s business entails operational risks, including the risk of fraud by management, employees or third parties, clerical or record keeping errors, errors resulting from failures in information technology (“IT”) or telecommunications systems, failure to obtain proper internal authorisation, failure to comply with regulatory requirements and codes of conduct or adverse effects of external events that may affect the operations and reputation of the Jyske Bank Group. Although the Jyske Bank Group has implemented risk controls and loss mitigation actions, and substantial resources are devoted to developing efficient procedures and training staff, it is not possible to implement procedures which are fully effective in controlling each of the operational risks. Business risk is the risk of losses caused by changes in external circumstances or events that harm the Jyske Bank Group’s image or operational performance. Business risk includes strategic risk and reputational risk.

Failure by the Jyske Bank Group to identify and manage these risks could have a material adverse effect on the Jyske Bank Group’s business, results of operations, financial position or prospects.

Risks relating to pending or potential litigation and other regulatory risks

The Jyske Bank Group operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory risks. As a result, the Jyske Bank Group is and may become involved in various disputes and legal proceedings in Denmark and other jurisdictions, including litigation and regulatory investigations. Such disputes and legal proceedings are subject to many uncertainties, and their outcomes are often difficult to predict, particularly in the earlier stages of a case or investigation.

As at the date of the Prospectus there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware of) which may have significant effects on the Issuer and/or the Jyske Bank Group’s financial position or results of operations.

Risks related to the general economic and geopolitical conditions in Denmark

The Jyske Bank Group’s performance is significantly influenced by the general economic conditions in the countries in which it operates, in particular in Denmark where the Issuer focuses its operations. The Danish economy is a small open economy that is closely linked to the global economy and especially the macroeconomic conditions in Europe. Since mid-2013, the Danish economy has been in an upturn with increasing employment and rising house prices. Low interest rates and real wage growth are likely to continue to support domestic demand going forward keeping the upturn going. But we do forecast gradually slower growth over the coming years as a lack of labour supply becomes more pronounced and the tailwind from the global recovery becomes less strong.

The Jyske Bank Group has no significant business in the United Kingdom, but the Group has a number of financial counterparties in London that may be affected by Brexit. In addition, the Group's agricultural customers may be adversely affected by a so-called "hard" Brexit, where the free trade with the United Kingdom will be harmed severely.

The operations, financial condition and prospects of the Jyske Bank Group could be materially adversely impacted by a weakening of the recovery in the Danish economy driven by for instance a sudden weakening of the global economic conditions. Any such adverse development could lead to lower than expected revenues, caused by further declines in net interest margins, widening of credit spreads, continued negative loan portfolio growth, persistent high or even increasing loan impairment charges for the Jyske Bank Group due to deteriorating credit quality, as well as further corrections in prices of real estate and other property held as collateral for loans, which may also lead to additional loan impairment charges, putting pressure on the Jyske Bank Group's business, results of operations, financial position or prospects.

General regulatory risk

The Issuer is subject to financial services laws, regulations, administrative actions and policies in Denmark and in each other jurisdiction in which the Issuer carries on business. Regulatory risk is the risk that changes in supervision and regulation, in particular in Denmark, could materially affect the Issuer's business, the products and services offered or the value of its assets. Although the Issuer works closely with its regulators and continually monitors the situation, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Issuer.

Regulatory risk may also arise from a failure by the Jyske Bank Group to comply with laws and regulations, which could lead to civil liability, disciplinary action, the imposition of fines and/or the revocation of the licence, permission or authorisation to conduct the Jyske Bank Group's business in the jurisdictions in which the Jyske Bank Group operates.

Various aspects of banking regulations are still under debate in the EU, including, *inter alia*, proposals to review standardised approaches for capital requirements for credit, market and operational risk (together with a proposed capital floor based on the revised standardised approaches for banks using internal models). Furthermore a leverage ratio requirement of 3 per cent. are expected to be introduced as part of the ongoing CRR2 negotiations.

Regulatory capital risks

The Directive of the European Parliament and of the Council no. 36/2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV Directive**") and the CRR have both come into force in Denmark in 2014, the CRD IV Directive through implementation in the Danish Financial Business Act whereas the CRR applies directly without implementation in national law.

The CRD IV/CRR framework implements among other things the Basel Committee on Banking Supervision's (the "**Basel Committee**") proposals imposing stricter capital and liquidity requirements upon banks ("**Basel III**") in the EU. Each of the CRR and the CRD IV Directive covers a wide range of prudent requirements for banks across EU Member States, including capital requirements, stricter and aligned definitions of capital, risk exposure amounts ("**REA**"), leverage ratio, large exposure framework and liquidity and funding requirements. The CRD IV Directive covers the overall supervisory framework for banks (including the individual risk assessment) and other measures such as the combined capital buffer requirements, systematically important financial institution ("**SIFI**") definition, governance and remuneration requirements.

The European Banking Authority ("**EBA**") will continue to propose detailed rules through binding technical standards, guidelines, recommendations and/or opinions in respect of many areas, including liquidity requirements and certain aspects of capital requirements. As a consequence, the Group is subject to the risk of possible interpretational changes. Given the uncertainty of the exact wording of the technical standards, they

could potentially lead to a reduction in the regulatory capital or an increase in the REA of the Jyske Bank Group. Furthermore, the CRD IV Directive contains rules which enable the competent authorities to increase capital requirements to previously unforeseen levels which potentially could limit the Jyske Bank Group's ability to fulfil its present strategy, leading to lower than expected earnings and/or higher than expected REA.

There can be no assurance that the European Commission and/or the Danish FSA will not implement other reforms in a manner that is different from that which is currently envisaged, or that they may impose additional capital and liquidity requirements on Danish banks.

If the regulatory capital requirements, liquidity restrictions or ratios applied to the Jyske Bank Group are increased in the future, any failure of the Jyske Bank Group to maintain such increased capital and liquidity ratios could result in administrative actions or sanctions, which may have an adverse effect on the Jyske Bank Group's results of operations.

Additional capital buffer requirements

Under CRD IV, institutions are required to hold a minimum amount of regulatory capital equal to 8 per cent. of REA (of which at least 4.5 per cent. must be Common Equity Tier 1 Capital, and at least 6 per cent. must be Tier 1 capital). In addition to these so-called minimum own funds Pillar 1 requirements (the "**minimum own funds requirements**"), CRD IV (including but not limited to, Article 128) also introduces capital buffer requirements that are in addition to the minimum "own funds" requirements and are required to be met with Common Equity Tier 1 Capital. It introduces five new capital buffers: (i) the capital conservation buffer, (ii) the institution-specific counter-cyclical buffer, (iii) the global systemically important institutions buffer, (iv) the other systemically important institutions buffer and (v) the systemic risk buffer. The Danish implementation of the capital buffer requirements does not include implementation of the other systemically important institutions buffer. At the time of issuance, no Danish credit institutions have been appointed as a global systemically important institution. Subject as aforesaid and to transitional provisions, these capital buffers, are, at the time of issuance, expected to apply to the Issuer on a solo basis and the Group on a consolidated basis.

In addition to the minimum own funds requirements described above, CRD IV (including but not limited to Article 104(1)(a) of the CRD IV Directive) contemplates that competent authorities may require additional "Pillar 2" capital to be maintained by an institution relating to elements of risks which are not fully captured by the minimum own funds requirements (the "**additional own funds requirements**" or the "**individual solvency requirement**") or to address macro-prudential requirements.

The national implementation of Article 104(1)(a) of the CRD IV Directive in Denmark currently envisages that "Pillar 2" capital requirements imposed thereunder should not be considered to comprise part of an institution's minimum own funds requirements; however there can be no assurance that any future legislation would not result in an increase to the amount of capital required by an institution in order to comply with the applicable combined buffer requirement and the additional own funds requirement.

The EBA published guidelines on 19 December 2014 addressed to national supervisors on common procedures and methodologies for the supervisory review and evaluation process ("**SREP**") which contained guidelines proposing a common approach to determining the amount and composition of additional own funds requirements. Under these guidelines, national supervisors should set a composition requirement for the additional own funds requirements to cover certain risks of at least 56 per cent. Common Equity Tier 1 Capital and at least 75 per cent. Tier 1 capital. The guidelines also contemplate that national supervisors should not set additional own funds requirements in respect of risks which are already covered by capital buffer requirements and/or additional macro-prudential requirements; and, accordingly, the combined buffer requirement is in addition to the minimum own funds requirement and to the additional own funds requirement. The EBA guidelines are currently under review. A final version is expected to be published by the EBA in 2018.

There can be no assurance as to the relationship between any of the aforementioned or future incremental additional own funds requirements, the combined buffer requirement and the restrictions on discretionary

payments, including as to the consequences for an institution of its capital levels falling below the combined buffer requirement, the additional own funds requirement and the minimum own funds requirement referred to above. There can also be no assurance as to the manner in which additional own funds requirements may be disclosed publicly in the future and under Danish law certain disclosure rules already apply. A Danish credit institution is required to disclose its additional own funds requirement either twice a year or each quarter. Furthermore, any additional own funds requirement laid down by the Danish FSA is required to be published on the website of the relevant credit institution.

The capital requirements applicable to the Issuer and/or the Group are, by their nature, calculated by reference to a number of factors any one of which or combination of which may not be easily observable or capable of calculation by investors.

In addition, CRD IV includes a requirement for credit institutions to calculate, report, monitor and publish their leverage ratios, defined as their Tier 1 capital as a percentage of their total exposure measure. A minimum leverage ratio requirement is expected to be implemented at European Union level from 1 January 2020 at the earliest, until which date regulators may apply such measures as they consider appropriate. In Denmark the risk of excessive leverage is addressed under “Pillar 2”.

On 23 November 2016, the European Commission proposed a reform of the CRR and the CRD IV Directive by way of a proposal (COM (2016) 850) to amend the CRR and by way of a proposal (COM(2016) 852) to amend the CRD IV Directive (together the “**CRD IV Amendment Proposal**”). The CRD IV Amendment Proposal introduces, among other things, a leverage ratio requirement of 3 per cent. Common Equity Tier 1 Capital, harmonised binding requirement for stable funding (the Net Stable Funding Ratio or NSFR), strengthening of the conditions for use of internal models and changes to the relevant regulator’s application of the institution specific “Pillar 2” capital add-ons (referred to below as the additional own funds requirements). At the date of this Prospectus it is still uncertain whether and if so, to what extent, the CRD IV Amendment Proposal will impose additional capital and/or liquidity requirements on the Issuer, which in turn may affect the Issuer’s capacity to fulfil its obligations under the Notes

There can be no assurance, however, that the leverage ratio specified above, or any of the minimum own funds Pillar 1 requirements, additional own funds requirements or buffer capital requirements applicable to the Issuer and/or the Group will not be amended in the future to include new and more onerous capital requirements.

On 7 December 2017, the Basel Committee published its recommendations named Basel III: Finalising post-crisis reforms. The reforms contain new requirements for credit risk, operational risk, CVA risk and a so called output floor which sets new minimum standards for capital requirements in financial institutions using advanced models for calculating capital requirements. The Jyske Bank Group’s REA will increase as a result of a European implementation of the Basel Committee recommendations. The exact amount with which it will increase is currently unknown since the implementation has not been passed through European law yet.

Risk factors relating to the Notes

Risks related to the structure of a particular issue of Notes

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

The qualification of the Non-Preferred Senior Notes as “eligible liabilities” is subject to uncertainty

The Non-Preferred Senior Notes are intended to be “eligible liabilities” (or any equivalent or successor term) (“**MREL/TLAC Eligible Liabilities**”) which are available to meet any MREL/TLAC Requirement (however called or defined by then Applicable MREL/TLAC Regulations) of the Issuer and/or the Group. However, there is uncertainty regarding the final substance of the Applicable MREL/TLAC Regulations and how those

regulations, once enacted, are to be interpreted and applied and the Issuer cannot provide any assurance that such Notes will be (or thereafter remain) MREL/TLAC Eligible Liabilities.

If, for any reason, the Non-Preferred Senior Notes are or will be excluded from the MREL/TLAC Eligible Liabilities as a result of:

- (i) the implementation of any Applicable MREL/TLAC Regulations on or after the date of issue of the last Tranche of such Series; or
- (ii) a change in any Applicable MREL/TLAC Regulations becoming effective on or after the date of issue of the last Tranche of such Series,

then, if MREL/TLAC Substitution/Variation Option and/or the MREL/TLAC Disqualification Event Redemption Option is/are specified as being applicable in the applicable Final Terms, a MREL/TLAC Disqualification Event may occur.

The deductibility of interest payments on Subordinated Notes is subject to discussion at EU level

In response to letters from the European Commission concerning the Dutch rules allowing deductibility for interest payments on Additional Tier 1 Capital (as defined below) potentially being illegal state aid, on 29 June 2018, the Dutch government announced its intention to abolish the deductibility of interest payments on Additional Tier 1 Capital. While no similar announcements have been made in Denmark, it is understood that the European Commission intends to send or may already have sent similar letter to all EU Member States with specific rules permitting deductions for interest payments on Additional Tier 1 Capital and/or Tier 2 capital. If, as a consequence, the interest payable on the Subordinated Notes were to cease to be deductible and the requirements for a redemption of the Subordinated Notes upon the occurrence of a Tax Event were satisfied, the Issuer may be entitled to redeem the Subordinated Notes in accordance with their terms.

Notes subject to optional redemption by the Issuer

At any time upon the occurrence of (i) a change in tax law pursuant to Condition 7(b)(A) (in the case of Preferred Senior Notes and Non-Preferred Senior Notes only), (ii) a Tax Event pursuant to Condition 7(b)(B) (in the case of Subordinated Notes only), (iii) a Capital Event pursuant to Condition 7(c) (in the case of Subordinated Notes only), (iv) a MREL/TLAC Disqualification Event pursuant to Condition 7(d) (in the case of Non-Preferred Senior Notes only) or (v) on an Optional Redemption Date pursuant to Condition 7(e) (in the case of any Note), the Notes may be redeemed (if applicable) at the option of the Issuer at their principal amount, as more particularly described in the Conditions.

Such an optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem or is perceived to be likely to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. If the Issuer redeems the Notes in any of the circumstances mentioned above, there is a risk that the Notes may be redeemed at times when the redemption proceeds are less than the current market value of the Notes or when prevailing interest rates may be relatively low, in which latter case Noteholders may only be able to reinvest the redemption proceeds in securities with a lower yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

Redemption of the Subordinated Notes by the Issuer

Under the CRR, the Subordinated Notes may generally not be redeemed during the first five years after the Subordinated Notes have been issued. The Issuer may, subject to consent from the Relevant Regulator, redeem the Subordinated Notes five years after issuance if the option is so specified in the applicable Final Terms and the requirements under Condition 7 in the Terms and Conditions are complied with.

In addition, during the first five years after the Subordinated Notes have been issued (and at any time thereafter), the Issuer may, at its option but subject to consent from the Relevant Regulator, at any time redeem all, but not some, of the Subordinated Notes at their Early Redemption Amount together with accrued interest upon the occurrence of a Tax Event or upon the occurrence of a Capital Event in accordance with paragraph (b)(B) or (c), respectively, of Condition 7 of the Terms and Conditions. See “Notes subject to optional redemption by the Issuer”.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

The reset of the Rate of Interest fixed with respect to Fixed Rate Reset Notes on each Reset Date could affect the market value of an investment in such Notes

Fixed Rate Reset Notes will initially bear interest at the fixed rate per cent. per annum specified in the applicable Final Terms (the “**Initial Rate of Interest**”) until the Reset Date specified in the applicable Final Terms or, if more than one Reset Date is specified, the first Reset Date specified in the Final Terms (in each case, as defined in the Conditions). On the Reset Date (or on each Reset Date, if more than one Reset Date is specified), the Rate of Interest will be reset to the aggregate of the applicable Subsequent Reset Reference Rate and the applicable Margin (each as defined in the Conditions), as determined by the Calculation Agent. Such reset Rate of Interest could be less than the Initial Rate of Interest and/or, as applicable, less than the Rate of Interest determined on any previous Reset Determination Date (as defined in the Conditions), and could accordingly affect the market value of an investment in the Notes.

Fixed/Floating Rate Notes

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

Notes issued at a substantial discount or premium

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

The Non-Preferred Senior Notes rank junior to the Issuer’s other unsubordinated creditors

The Issuer may issue Non-Preferred Senior Notes. The Non-Preferred Senior Notes constitute direct and unsecured obligations of the Issuer and will rank as described in Condition 3(b).

The Non-Preferred Senior Notes constitute Non-Preferred Senior Obligations of the Issuer. Non-Preferred Senior Obligations are obligations under certain unsubordinated and unsecured liabilities of a Regulated Entity which, pursuant to the Senior Ranking Legislation, may rank below other unsubordinated and unsecured liabilities with higher priority ranking upon the insolvency of such Regulated Entity.

The Non-Preferred Senior Notes will rank junior to present or future claims of (a) depositors of the Issuer, (b) unsubordinated creditors of the Issuer pursuant to section 97 of the Danish Bankruptcy Act and (c) any other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Obligations, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

The Issuer may issue other obligations or instruments that rank or are expressed to rank senior to the Non-Preferred Senior Notes (including Preferred Senior Notes) or *pari passu* with the Non-Preferred Senior Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer. In the event of a liquidation or bankruptcy of the Issuer, the Issuer will be required to pay its depositors and other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Obligations of the Issuer in full before it can make any payments on the Non-Preferred Senior Notes. If this occurs, the Issuer may not have enough assets remaining after these payments are made to pay amounts due under the Non-Preferred Senior Notes. In addition, in the event of a liquidation or bankruptcy of the Issuer, to the extent the Issuer has assets remaining after paying its creditors who rank senior to the Non-Preferred Senior Notes, payments relating to other obligations or instruments of the Issuer that rank or are expressed to rank *pari passu* with the Non-Preferred Senior Notes may, if there are insufficient assets to satisfy the claims of all of the Issuer's *pari passu* creditors, further reduce the assets available to pay amounts due under the Non-Preferred Senior Notes on a liquidation or bankruptcy of the Issuer.

The Issuer's obligations under Subordinated Notes are subordinated

The Issuer may issue Subordinated Notes which will constitute unsecured and subordinated obligations of the Issuer and will rank as described in Condition 3(c).

The Issuer may issue other obligations or capital instruments that rank or are expressed to rank senior to the Subordinated Notes (including Preferred Senior Notes and Non-Preferred Senior Notes) or *pari passu* with the Subordinated Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer. In the event of a liquidation or bankruptcy of the Issuer, the Issuer will be required to pay (i) its depositors, (ii) its other unsubordinated creditors and (iii) its subordinated creditors (other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes) in full before it can make any payments on the Subordinated Notes. If this occurs, the Issuer may not have enough assets remaining after these payments are made to pay amounts due under the Subordinated Notes. In addition, in the event of a liquidation or bankruptcy of the Issuer, to the extent the Issuer has assets remaining after paying its creditors who rank senior to the Subordinated Notes, payments relating to other obligations or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Subordinated Notes may, if there are insufficient assets to satisfy the claims of all of the Issuer's *pari passu* creditors, further reduce the assets available to pay amounts due under the Subordinated Notes on a liquidation or bankruptcy of the Issuer.

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a real risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become insolvent.

Substitution and variation of Non-Preferred Senior Notes and Subordinated Notes without Noteholder consent

In the case of Non-Preferred Senior Notes only, if MREL/TLAC Substitution/Variation Option is specified as being applicable in the applicable Final Terms, subject to Condition 7(1), if a MREL/TLAC Disqualification Event has occurred and is continuing the Issuer may substitute all (but not some only) of the Non-Preferred Senior Notes or vary the terms of all (but not some only) of the Non-Preferred Senior Notes, without the requirement for the consent or approval of the holders of the Non-Preferred Senior Notes, so that they become or remain Qualifying Non-Preferred Senior Notes.

In the case of Subordinated Notes only, if Tier 2 Substitution/Variation Option is specified as being applicable in the applicable Final Terms, subject to Condition 7(l), if a Capital Event has occurred and is continuing the Issuer may substitute all (but not some only) of the Subordinated Notes or vary the terms of all (but not some only) of the Subordinated Notes, without the requirement for the consent or approval of the holders of the Subordinated Notes, so that they become or remain Qualifying Subordinated Notes.

Qualifying Non-Preferred Senior Notes and Qualifying Subordinated Notes are securities issued or guaranteed by the Issuer that have, *inter alia*, terms which (i) adhere to the specific conditions outlined in the definition of “Qualifying Non-Preferred Senior Notes” (in the case of Non-Preferred Senior Notes) or “Qualifying Subordinated Notes” (in the case of Subordinated Notes) in the Conditions and (ii) are not materially less favourable to Noteholders than the terms of the Non-Preferred Senior Notes or Subordinated Notes, as the case may be (provided that the Issuer shall have delivered a certificate to that effect signed by two of its directors to (in the case of Notes other than VP Notes) the Issuing Agent or (in the case of VP Notes) the VP Agent (where the VP Agent is not the Issuer). There can be no assurance that, due to the particular circumstances of each holder, any Qualifying Non-Preferred Senior Notes or Qualifying Subordinated Notes, as the case may be, will be as favourable to each holder in all respects or that, if it were entitled to do so, a particular holder would make the same determination as the Issuer as to whether the terms of the relevant Qualifying Non-Preferred Senior Notes or Qualifying Subordinated Notes are not materially less favourable to holders than the terms of the Notes prior to such substitution or variation, as the case may be.

No Events of Default and limited Enforcement Events in relation to Non-Preferred Senior Notes and Subordinated Notes

There are no Events of Default in relation to Non-Preferred Senior Notes and Subordinated Notes. Holders of Non-Preferred Senior Notes or Subordinated Notes may not at any time demand repayment or redemption of their respective Non-Preferred Senior Notes or Subordinated Notes, and enforcement rights for any payment are limited to the claim of Noteholders in a liquidation or bankruptcy of the Issuer. In a liquidation or bankruptcy of the Issuer, a holder of Non-Preferred Senior Notes or Subordinated Notes may prove or claim in such proceedings in respect of such Non-Preferred Senior Note or Subordinated Note, such claim being for payment of the Early Redemption Amount of such Non-Preferred Senior Note or Subordinated Note at the time of commencement of such liquidation or bankruptcy together with any interest accrued and unpaid on such Non-Preferred Senior Note or Subordinated Note from (and including) the Interest Payment Date immediately preceding commencement of such liquidation or bankruptcy and any other amounts payable on such Non-Preferred Senior Note or Subordinated Note under the Conditions.

If proceedings with respect to the liquidation or bankruptcy of the Issuer should occur, the holders of the relevant Series of Non-Preferred Senior Notes or Subordinated Notes would be required to pursue their claims on such Notes in proceedings with respect to the Issuer in Denmark. In addition, to the extent that the relevant Noteholders are entitled to any recovery with respect to such Notes in any such Danish bankruptcy proceedings, such Noteholders would be entitled to a recovery in Danish Kroner or, as the case may be, other currencies, which would be based on the relevant conversion rate in effect on the date the Issuer entered into such liquidation or bankruptcy proceedings.

Resolution tools and powers under the BRRD

On 15 May 2014, the European Parliament and the Council of the European Union adopted a directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU) (the “**BRRD**”). The BRRD, including the general bail-in tool and the Minimum Requirement for own funds and Eligible Liabilities (“**MREL**”), was implemented into Danish law and entered into force as of 1 June 2015 by Consolidated Act No. 333 of 31 March 2015 on Restructuring and Resolution of Certain Financial Undertakings as amended from time to time (the “**Danish Recovery and Resolution Act**”) and by amendments to the Danish Financial Business Act.

The BRRD is designed to provide authorities designated by Member States with a credible set of tools to intervene sufficiently early and quickly in relation to unsound or failing credit institutions, investment firms, certain financial institutions and certain holding companies (each, a “**relevant entity**”) to ensure the continuity of the relevant entity’s critical financial and economic functions while minimising the impact of a relevant entity’s failure on the economy and financial system.

The BRRD contains various resolution powers which may be used alone or in combination where the relevant resolution authority considers that (a) a relevant entity is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such relevant entity within a reasonable timeframe, and (c) a resolution action is in the public interest, the relevant resolution authority may use the following resolution tools and powers alone or in combination without the consent of the relevant entity’s creditors: (i) sale of business – which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms; (ii) bridge institution – which enables resolution authorities to transfer all or part of the business of the relevant entity to a “bridge institution” (an entity created for this purpose that is wholly or partially in public control), which may limit the capacity of the relevant entity to meet its repayment obligations; (iii) asset separation – which enables resolution authorities to transfer assets (including, without limitation, impaired or problem assets) to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in – which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing relevant entity (which write-down may result in the reduction of such claims to zero) and to convert certain unsecured debt claims (including the Notes) to equity or other instruments of ownership (the “**general bail-in tool**”), which equity or other instruments of ownership could also be subject to any future application of the general bail-in tool.

The BRRD also provides for a Member State as a last resort, after having assessed and applied the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

A relevant entity will be considered as failing or likely to fail when either: (i) it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; (ii) its assets are, or are likely in the near future to be, less than its liabilities; (iii) it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (iv) it requires extraordinary public financial support (except in limited circumstances).

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further power to permanently write-down or convert into equity, capital instruments such as Tier 2 capital (including the Subordinated Notes) and Additional Tier 1 capital instruments (“**AT1**” or “**Additional Tier 1 Capital**”) at the point of non-viability and before any other resolution action is taken (non-viability loss absorption). Any shares issued to holders of the Subordinated Notes upon any such conversion into equity may also be subject to any application of the general bail-in tool and/or the other resolution powers outlined above. Resolution authorities are required to implement non-viability loss absorption ahead of, or simultaneously with, any resolution action.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which (i) the relevant authority determines that the relevant entity meets the conditions for resolution (but no resolution action has yet been taken) or (ii) the relevant authority determines that the relevant entity or its group will no longer be viable unless the relevant capital instruments (such as the Subordinated Notes) are written-down or converted or (iii) extraordinary public financial support is required by the relevant entity or its group other than, where the relevant entity is an institution, for the purposes of remedying a serious disturbance in the economy of a Member State and to preserve financial stability. A group shall be deemed to be failing or likely to fail where the group infringes or there are objective elements to support a determination that the group, in the near future, will infringe its consolidated solvency requirements in a way

that would justify action by the relevant authority including, but not limited to, where the group has incurred or is likely to incur losses that will deplete all or a significant amount of its own funds (as defined in the CRR).

The BRRD (and thereby also the Danish Recovery and Resolution Act) also provides resolution authorities with broader powers to implement other resolution measures with respect to distressed relevant entities, which may include (without limitation) the replacement or substitution of the relevant entity as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments.

With the implementation of the BRRD, European banks are required to have bail in-able resources in order to fulfil MREL. There is no minimum EU-wide level of MREL – each resolution authority is required to make a separate determination of the appropriate MREL requirement for each resolution group within its jurisdiction, depending on the resolvability, risk profile, systemic importance and other characteristics of each relevant entity. In March 2018, the DFSA published their decision to set the MREL for the Group. As expected, the requirement was set to be equivalent to two times the capital requirement including capital buffer requirements. Danish mortgage credit institutions are exempt from MREL and are instead subject to a so-called debt buffer requirement of 2 per cent. of their unweighted loans. Due to this exemption, Jyske Realkredit is not included in the consolidation when determining the MREL for the Group. The MREL requirement refers to the banking activities of the Group. Furthermore, liabilities and own funds used to fulfil MREL cannot be simultaneously used to fulfil the capital and debt buffer requirements of Jyske Realkredit. The DFSA also requires that all MREL-eligible liabilities and own funds must bear losses before other senior claims in both resolution and insolvency. Danish systemically important financial institutions (“SIFIs”) must fulfil their MREL from 1 July 2019, but during the transition period up to 1 January 2022, senior preferred liabilities issued before 1 January 2018 can be used to fulfil the MREL requirement. The MREL requirement may require Danish SIFIs and other banks to issue own funds instruments or debt eligible for MREL in accordance with the BRRD, the latter of which includes non-preferred senior debt with residual maturity of at least one year.

On 12 December 2017, the European Parliament and the Council of the European Union adopted Directive 2017/2399/EU amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy. The directive enables banks to issue debt in a new statutory category of unsecured debt which would rank below the most senior debt and other senior liabilities for the purposes of resolution (a so-called “Non-Preferred Senior debt”). The directive has been transposed into national law in Denmark and was adopted by the Danish Parliament on 8 June 2018 by Act No. 706 and became effective on 1 July 2018. Act No. 706 also contained a new debt buffer requirement for Danish SIFI mortgage institutions. As of 1 July 2018, in addition to current the debt buffer requirement for mortgage institutions of 2 per cent. of total unweighted loans, the sum of the financial group’s capital requirement, debt buffer requirement and bail-inable liabilities must be above 8 per cent. of the group’s total liabilities.

If a relevant entity does not fulfil the MREL requirement after 1 July 2019, the relevant authority may withdraw its banking license. Also, a comparable concept for loss absorption, Total Loss Absorbing Capacity (“TLAC”) has been set for global systemically important institutions (“G-SII”). The TLAC requirement also takes effect from 2019. The implementation of a TLAC requirement for G-SII in the EU could influence the implementation of MREL and therefore could impact the required MREL for the Issuer.

The EU Commission’s European Union Banking Reform also includes proposals to implement TLAC into EU legislation. The incorporation of the TLAC standard into the existing MREL framework is expected to provide clarity in the regulatory framework surrounding MREL and TLAC, both in terms of the framework for setting banks’ requirements as well as the instruments that can be used to fulfil such requirements. The implementation of a TLAC requirement for G-SII in the EU could influence the implementation of MREL and therefore could impact the required MREL for the Issuer. Furthermore, the reform of the existing MREL framework in the BRRD may impact the interaction between the MREL requirement and the combined capital buffer requirement to the extent that a breach of MREL may lead to restrictions on a relevant entity’s minimum own funds requirements under the CRD IV Directive.

The powers set out in the already adopted BRRD will impact how credit institutions and investment firms are managed, as well as, in certain circumstances, the rights of creditors. The BRRD outlines the priority ranking of certain deposits in an insolvency hierarchy, which required changes to the insolvency hierarchy in Denmark. The BRRD establishes a preference in the ordinary insolvency hierarchy, firstly for insured depositors and, secondly, for all other deposits of individuals and micro, small and medium-sized enterprises held in the European Economic Area or non-European Economic Area branches of a European Economic Area bank. These preferred deposits rank ahead of all other unsecured senior creditors of the Issuer in the insolvency hierarchy. Furthermore, the insolvency hierarchy could be changed in the future.

Any application of the general bail-in tool and non-viability loss absorption under the BRRD shall be in accordance with the hierarchy of claims in normal insolvency proceedings. Accordingly, the impact of such application on Noteholders will depend on their ranking in accordance with such hierarchy, including any priority given to other creditors such as depositors.

To the extent any resulting treatment of holders of Notes pursuant to the exercise of the general bail-in tool is less favourable than would have been the case under such hierarchy in normal insolvency proceedings, a holder has a right to compensation under the BRRD based on an independent valuation of the relevant entity (which is referred to as the “no creditor worse off safeguard” under the BRRD). Any such compensation is unlikely to compensate that holder for the losses it has actually incurred and there is likely to be a considerable delay in the recovery of such compensation. Compensation payments (if any) are also likely to be made considerably later than when amounts may otherwise have been due under the Notes. The same considerations as described above as regards to the “no creditor worse off safeguard” apply to the exercise of the non-viability loss absorption in respect of the Subordinated Notes.

The exercise of any power under the BRRD or any suggestion of such exercise could have a material adverse effect on the rights of Noteholders, the price or value of their investment in any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes. Although the BRRD, as implemented, contains certain limited safeguards for creditors in specific circumstances, including in the case of senior creditors (such as the holders of Preferred Senior Notes) a safeguard that aims to ensure that they do not incur greater losses than they would have incurred had the relevant entity been wound up under normal insolvency proceedings, there can be no assurance that these safeguards will be effective if such powers are exercised. The determination that any power under the BRRD shall be exercised or that all or a part of the principal amount of the Notes will be subject to bail-in is likely to be inherently unpredictable and may depend on a number of factors which may be outside of the Group’s control. The application of the general bail-in tool with respect to the Notes may result in the write-down or cancellation of all, or a portion of, the principal amount of, or outstanding amount payable in respect of, and/or interest on, the Notes and/or the conversion of all, or a portion, of the principal amount of, or outstanding amount payable in respect of, or interest on, the Notes into shares or other securities or other obligations of the Issuer or another person, including by means of a variation to the terms of the Notes to give effect to such application of the general bail-in tool. Accordingly, potential investors in the Notes should consider the risk that the general bail-in tool may be applied in such a manner as to result in Noteholders losing all or a part of the value of their investment in the Notes or receiving a different security than the Notes, which may be worth significantly less than the Notes and which may have significantly fewer protections than those typically afforded to debt securities. Moreover, the relevant resolution authority may exercise its authority to apply the general bail-in tool without providing any advance notice to the Noteholders.

On 23 November 2016, the European Commission, together with the CRD IV Amendment Proposal, proposed a reform of the BRRD by way of two proposals (COM(2016) 852 and COM(2016) 853) to amend the BRRD (together the “**BRRD Amendment Proposal**”). The BRRD Amendment Proposal includes, among other things, the introduction of a higher MREL requirement. At the date of this Prospectus it is still uncertain whether and if so, to what extent, the proposed amendments will impose additional capital requirements on the Issuer, which in turn may affect the Issuer’s capacity to fulfil its obligations under the Notes.

Holders of Subordinated Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool and/or non-viability loss absorption, which may result in such holders losing some or all of

their investment. The exercise of any power under the Danish Recovery and Resolution Act or any suggestion of such exercise could, therefore, materially adversely affect the rights of the relevant Noteholders, the price or value of their investment in any relevant Notes and/or the ability of the Issuer to satisfy its obligations under any relevant Notes.

Depositor preference

As part of the reforms required by the BRRD, amendments have been made to relevant legislation in Denmark to establish a preference in the insolvency hierarchy for certain deposits that are eligible for protection by the Danish Deposit Guarantee Scheme and the uninsured element of such deposits and, in certain circumstances, deposits made in non-European Economic Area branches. In addition, the Danish implementation of the Revised Deposit Guarantee Scheme increased the nature and quantum of insured deposits to cover a wide range of deposits, including certain corporate deposits (unless the depositor is a public sector body or financial institution) and some temporary high value deposits. The effect of these changes is to increase the size of the class of preferred creditors. All such preferred deposits will rank in the insolvency hierarchy ahead of all other unsecured creditors of the Issuer, including the holders of the Notes. Furthermore, insured deposits are excluded from the scope of the general bail-in tool. As a result, if the general bail-in tool were exercised by the relevant resolution authority, the Notes would be more likely to be bailed-in than certain other unsubordinated liabilities of the Issuer such as other preferred deposits.

No right of set-off or counterclaim for holders of Non-Preferred Senior Notes and Subordinated Notes

Subject as provided in the Conditions and as a general principle of Danish law, in respect of Non-Preferred Senior Notes and Subordinated Notes only, no Noteholder, who shall in the event of the liquidation or bankruptcy of the Issuer be indebted to the Issuer, shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of the Non-Preferred Senior Notes or Subordinated Notes held by such Noteholder.

Limitation on gross-up obligation under the Non-Preferred Senior Notes and Subordinated Notes

The Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of the Non-Preferred Senior Notes and the Subordinated Notes applies only to payments of interest due and paid under such Notes and not to payments of principal. As such, the Issuer would not be required to pay any additional amounts under the terms of the Non-Preferred Senior Notes and the Subordinated Notes to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal, holders of Non-Preferred Senior Notes or Subordinated Notes may receive less than the full amount due under the Non-Preferred Senior Notes or the Subordinated Notes, as the case may be, and the market value of such Notes may be adversely affected. Holders of Non-Preferred Senior Notes or Subordinated Notes should note that principal for these purposes may include any payments of premium.

Risks related to Notes generally

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

Credit ratings

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. 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.

In addition, rating agencies may assign unsolicited ratings to the Notes. In such circumstances there can be no assurance that the unsolicited rating(s) will not be lower than the comparable solicited ratings assigned to the Notes, which could adversely affect the market value and liquidity of the Notes.

The Issuer's credit ratings are important to its business. There can be no assurance that any relevant rating agency will not downgrade the ratings of the Issuer or the ratings of the Issuer's debt instruments (including the Notes) either as a result of the financial position of the Jyske Bank Group or changes to applicable rating methodologies used by any relevant rating agency. A rating agency's evaluation of the Issuer may also be based on a number of factors not entirely within the control of the Issuer, such as conditions affecting the financial services industry generally. Any reduction in the Issuer's credit ratings or the ratings of its debt instruments, including any unsolicited credit rating, could adversely affect its liquidity and competitive position, undermine confidence in the Issuer and the Jyske Bank Group, increase its borrowing costs, limit its access to the capital markets, or limit the range of counterparties willing to enter into transactions with the Issuer and the Jyske Bank Group. Such development could have a material adverse effect on the Issuer and the Jyske Bank Group's business, financial situation, results of operations, liquidity and/or prospects.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Prospectus.

Modification and waivers

The 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. In the case of Non-Preferred Senior Notes and Subordinated Notes, any modification of the Conditions pursuant to the operation of such provisions is subject to Condition 7(l).

In addition, the Issuer may, subject to Condition 7(l) in the case of Non-Preferred Senior Notes and Subordinated Notes, make any modification to the Notes of any Series, the Conditions of any Series, the Agency Agreement and/or the Declaration of Direct Rights which is not prejudicial to the interests of the Noteholders of such Series without the consent of the Noteholders. Any such modification shall be binding on the Noteholders of such Series.

Change of law

The Conditions are based on Danish law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to Danish or other applicable laws, regulations or administrative practice after the date of issue of the relevant Notes. Such changes in law may include, but are not limited to, the introduction of a variety of statutory resolution and loss-absorption tools which may affect the rights of holders of securities issued by the Issuer, including the Notes. Such tools may include the ability to write off sums otherwise payable on such securities at a time when the Issuer is no longer considered viable by its regulator or upon the occurrence of another trigger.

Integral multiples of less than €100,000

The Notes issued under this Programme shall have a minimum Specified Denomination of €100,000. However, in relation to any Tranche of Notes which has a denomination consisting of the minimum Specified Denomination of €100,000 plus one or more higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples

of the minimum Specified Denomination. In such a case, a Noteholder who, as a result of trading such amounts in the secondary market, holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Eurosystem eligibility criteria

Although, in the case of relevant Bearer Notes, the New Global Note form and, in the case of relevant Registered Notes, the NSS has been introduced to allow for the possibility of relevant Bearer Notes and relevant Registered Notes, respectively, being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the Eurosystem and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life, in any particular case such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.

Risks related to the market generally

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

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

Interest rates and indices which are deemed to be “benchmarks” (such as, in the case of Floating Rate Notes, a Reference Rate or, in the case of Fixed Rate Reset Notes, a Mid-Swap Floating Leg Benchmark Rate), are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a “benchmark”. The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and has applied since 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of national or international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

Future discontinuance of certain benchmark rates (for example, LIBOR or EURIBOR) may adversely affect the value of Floating Rate Notes and/or Fixed Rate Reset Notes which are linked to or which reference any such benchmark rate

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences that cannot be predicted.

Investors should be aware that, if a benchmark rate were discontinued or otherwise unavailable, the rate of interest on Fixed Rate Reset Notes and Floating Rate Notes which are linked to or which reference such benchmark rate will be determined for the relevant period by the fallback provisions applicable to such Notes. The Conditions provide for certain fallback arrangements in the event that a published benchmark (including any page on which such benchmark may be published (or any successor service)), such as LIBOR or EURIBOR, becomes unavailable.

If the circumstances described in the preceding paragraph occur and (i) in the case of Floating Rate Notes, Reference Rate Replacement is specified in the applicable Final Terms as being applicable and Screen Rate Determination is specified in the applicable Final Terms as the manner in which the rate of interest is to be determined or (ii) in the case of Fixed Rate Reset Notes, Mid-Swap Floating Leg Benchmark Rate Replacement is specified in the applicable Final Terms as being applicable (any such Notes “**Relevant Notes**”), such fallback arrangements will include the possibility that:

- (A) the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a successor rate or an alternative rate (as applicable) determined by an Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed by the Issuer fails to make such determination, the Issuer; and
- (B) such successor rate or alternative rate (as applicable) may be adjusted (if required) by the relevant Independent Adviser or the Issuer (as applicable) (in the case of Relevant Notes which are Floating Rate Notes) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark or (in the case of Relevant Notes which are Fixed Rate Reset Notes) in order to take account of any adjustment factor to make such rates comparable to rates quoted on the basis of the relevant Mid-Swap Floating Leg Benchmark Rate,

in any such case, acting in good faith and in a commercially reasonable manner as described more fully in the Conditions of the Relevant Notes.

In addition, in the case of Relevant Notes which are Floating Rate Notes, the relevant Independent Adviser or the Issuer (as applicable) may also determine (acting in good faith and in a commercially reasonable manner) that other amendments to the Conditions are necessary in order to follow market practice in relation to the relevant successor rate or alternative rate (as applicable) and to ensure the proper operation of the relevant successor rate or alternative rate (as applicable).

No consent of the Noteholders shall be required in connection with effecting any relevant successor rate or alternative rate (as applicable) or any other related adjustments and/or amendments described above.

In certain circumstances, the ultimate fallback of interest for a particular Interest Period or Reset Period (as applicable) may result in the rate of interest for the last preceding Interest Period or Reset Period (as applicable) being used. This may result in the effective application of a fixed rate for Floating Rate Notes or Fixed Rate

Reset Notes (as applicable) based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or Fixed Rate Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Fixed Rate Reset Notes. Investors should note that, in the case of Relevant Notes, the relevant Independent Adviser or the Issuer (as applicable) will have discretion to adjust the relevant successor rate or alternative rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder, any such adjustment will be favourable to each Noteholder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes or Fixed Rate Reset Notes.

The secondary market generally

The Notes may have no established trading market when issued, and one may never develop. If an active trading market does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If a market does develop, it may not be very liquid and any liquidity in such market could be significantly affected by any purchase and cancellation of the Notes by the Issuer or any of its Subsidiaries as provided in Condition 7. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. Illiquidity may have an adverse effect on the market value of the Notes.

Exchange rate risks and exchange controls

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

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

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus and have been filed with the Central Bank of Ireland shall be incorporated in, and form part of, this Prospectus:

- (i) the interim financial report of the Issuer for the six-month period ended 30 June 2018 (the “**Half Year Interim Financial Report**”), which can be viewed online at https://investor.jyskebank.com/wps/wcm/connect/2d5018ad-0b9c-4043-afc5-c2607bafec33/Jyske+Banks+del%C3%A5rsrapport+2018_Q2-UK.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=2d5018ad-0b9c-4043-afc5-c2607bafec33;
- (ii) the annual report of the Issuer for the financial year ended 31 December 2017 (the “**2017 Annual Report**”), which can be viewed online at https://investor.jyskebank.com/wps/wcm/connect/21adec78-96be-41f0-a793-0f860a82c67e/Jyske+Bank+Annual+Report+2017_UK.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=21adec78-96be-41f0-a793-0f860a82c67e, excluding the section “Outlook” on page 8 thereof;
- (iii) the annual report of the Issuer for the financial year ended 31 December 2016 (the “**2016 Annual Report**”), which can be viewed online at https://investor.jyskebank.com/wps/wcm/connect/d4282182-8f2e-46ee-8962-91d14d145d48/Annual+Report+2016.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=d4282182-8f2e-46ee-8962-91d14d145d48, excluding the following sections:
 - a. the section “Outlook 2017” on page 17 thereof;
 - b. the section “Outlook 2017” on page 19 thereof;
 - c. the section “Outlook 2017” on page 20 thereof; and
 - d. the section “Outlook” on page 34 thereof;
- (iv) the Risk and Capital Management report of the Issuer for the financial year ended 31 December 2017, which can be viewed online at <https://investor.jyskebank.com/wps/wcm/connect/528e6cef-241a-4a49-843a-b3e690cfb32e/Jyske+Bank+Risk+and+Capital+Management+2017.pdf?MOD=AJPERES>; and
- (v) the Risk and Capital Management report of the Issuer for the financial year ended 31 December 2016, which can be viewed online at <https://investor.jyskebank.com/wps/wcm/connect/4463e87c-5d1b-4a88-9c32-b5c9a3ebf710/Risk+and+Capital+Management+2016.pdf?MOD=AJPERES>.

Such documents shall be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Those parts of the 2017 Annual Report and the 2016 Annual Report which are not specifically incorporated by reference in this Prospectus, are either not relevant for investors in the Notes or are covered elsewhere in this Prospectus.

The audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2016 and 2017, together, in each case, with the audit report thereon, and the unaudited consolidated interim financial statements of the Issuer for the six-month period ended 30 June 2018 have been translated into English and represent a direct and accurate translation from the Danish language originals. If there are any inconsistencies or discrepancies between the Danish language versions and the English translations thereof, the original Danish language versions shall prevail.

Copies of documents incorporated by reference in this Prospectus may be obtained from (i) the registered office of the Issuer, and (ii) the website of Euronext Dublin at: <http://www.ise.ie/Market-Data-Announcements/Debt/>.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion in accordance with the provisions of Part A of the Final Terms relating to a particular Tranche or Series of Notes, will be incorporated by reference into each Global Note or Global Certificate and each Note or Certificate in definitive form, in the latter case only if permitted by the relevant stock exchange and agreed by the Issuer and the relevant Dealer at the time of issue or which, subject to simplification by the deletion of non-applicable provisions, will be endorsed on such Notes or Certificates in definitive form. The following terms and conditions, subject to completion in accordance with the provisions of Part A of the applicable Final Terms, shall be applicable to each VP Note, although such VP Note will not be evidenced by any physical note or any other document of title. References in the terms and conditions to “Notes” are to the Notes of one Series (or, in the case of a Series of Notes comprising separate Tranches, one Tranche of Notes) only, not to all Notes which may be issued under the Programme from time to time.

This Note is one of a Series (as defined below) of Notes issued by Jyske Bank A/S (the “**Issuer**”). References herein to the “Notes” shall be references to the Notes of this Series and shall mean:

- (a) in the case of Bearer Notes:
 - (i) in relation to any Notes represented by a Global Note, units of the lowest Specified Denomination in the Specified Currency;
 - (ii) definitive Notes issued in exchange for a Global Note; and
 - (iii) any Global Note;
- (b) in the case of Registered Notes, such Registered Notes whether represented by Certificate(s) in global or definitive form; and
- (c) in the case of VP Notes, such Notes issued in uncertificated and dematerialised book entry form.

The Notes and the Coupons (as defined below) are issued with the benefit of an amended and restated Agency Agreement dated 30 August 2018 (as further supplemented, amended and/or updated from time to time, the “**Agency Agreement**”) and made among the Issuer, The Bank of New York Mellon, as issuing agent (in such capacity, the “**Issuing Agent**”, which expression shall include any successor issuing agent), as principal paying agent (in such capacity, the “**Principal Paying Agent**”, which expression shall include any additional or successor principal paying agents), as calculation agent (in such capacity, the “**Calculation Agent**”, which expression shall include any additional or successor calculation agents) and as safekeeper and The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar (the “**Registrar**”, which expression shall include any additional or successor registrars) and the other paying agents and transfer agents named therein (together, in each case, with the Principal Paying Agent and the Registrar respectively the “**Paying Agents**” and “**Transfer Agents**” which expressions shall include any additional or successor paying agents or transfer agents) and with the benefit of a Declaration of Direct Rights dated 30 August 2018 (as restated, amended and/or updated from time to time, the “**Declaration of Direct Rights**”) executed by the Issuer in relation to the Notes.

Interest bearing definitive Bearer Notes have interest coupons (“**Coupons**”) and, if indicated in the applicable Final Terms, talons for further Coupons (“**Talons**”) attached on issue. Talons may be required if more than twenty seven coupon payments need to be made with regards to the relevant Notes. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons.

Part A of the applicable Final Terms for this Note (or the relevant provisions thereof) is attached to, endorsed on or incorporated by reference into this Note and completes these Conditions. References herein to “Part A of the

applicable Final Terms” or “applicable Final Terms” are to the Final Terms (or the relevant provisions thereof) attached to, endorsed on or incorporated by reference into this Note. References herein to the “Conditions” of the Notes are to these terms and conditions as completed by Part A of the applicable Final Terms.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices (as indicated in the applicable Final Terms).

Copies of the Agency Agreement and the Declaration of Direct Rights are available for inspection during normal business hours at the specified office of each of the Issuing Agent, the Principal Paying Agent and the other Paying Agents and Transfer Agents.

The holders of the Notes (the “**Noteholders**”, which expression shall, in relation to any Notes represented by a Global Note or Global Certificate, be construed as provided below) and the holders of the Coupons (the “**Couponholders**”, which expression shall, unless the context otherwise requires, include the holders of the Talons) are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Declaration of Direct Rights and the applicable Final Terms which are applicable to them.

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

1 Form, Denomination and Title

The Notes are in bearer form (“**Bearer Notes**”, which expression includes Exchangeable Bearer Notes), in registered form (“**Registered Notes**”), in uncertificated and dematerialised book entry form (“**VP Notes**”) or in bearer form exchangeable for Registered Notes (“**Exchangeable Bearer Notes**”) in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

All Registered Notes have the same Specified Denomination. The Registered Notes for which Exchangeable Bearer Notes are exchangeable shall have the same Specified Denomination as the lowest Specified Denomination of Exchangeable Bearer Notes. Registered Notes are represented by certificates (“**Certificates**”), each Certificate representing the entire holding of Registered Notes by the same holder.

This Note is a Fixed Rate Note, a Fixed Rate Reset Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest and Redemption Basis shown in the applicable Final Terms.

This Note is either a Preferred Senior Note, a Non-Preferred Senior Note or a Subordinated Note as indicated in the applicable Final Terms.

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

VP Notes will not be evidenced by any physical note or any other document of title. An entitlement to one or more VP Notes will be evidenced by the VP agent appointed from time to time (the “**VP Agent**”) crediting the relevant VP Note(s) to the relevant account with VP SECURITIES A/S (the “**VP**”). The holder of each VP Note will be the person evidenced as such by a book entry in the records

of the VP. VP Notes will not be exchangeable for Bearer Notes, Exchangeable Bearer Notes or Registered Notes.

Subject as set out below, title to Bearer Notes and Coupons passes by delivery. Title to Registered Notes passes by registration in the register (the “**Register**”) which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note or Coupon shall be deemed to be and may be treated as the absolute owner of such Note or Coupon, as the case may be, for the purpose of receiving payment thereon or on account thereof and for all other purposes, whether or not such Note or Coupon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone. Transfers of VP Notes will be effected only through the book entry system and register maintained by the VP in accordance with its rules and procedures.

In these Conditions, “**Noteholder**” means, as the case may be, the bearer of any Bearer Note, the person in whose name a Registered Note is registered or the person evidenced as the owner of a VP Note by a book entry in the records of the VP and “**holder**” means, as the case may be, (in relation to a Note or Coupon) the bearer of any Bearer Note or Coupon, the person in whose name a Registered Note is registered or the person evidenced as the owner of a VP Note by a book entry in the records of the VP.

2 Transfer and Exchange

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Coupons relating to it, at the specified office of the Registrar or any Transfer Agent, provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after a Record Date (as defined in Condition 6(b)) for any payment of interest, the Coupon in respect of that payment of interest shall not be so surrendered. Registered Notes may not be exchanged for Bearer Notes and Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes which are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender, at the specified office of the Registrar or any Transfer Agent, of the Certificate representing such Registered Notes to be transferred, with the form of transfer endorsed on such Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require and subject to such reasonable regulations as the Issuer and the Registrar may prescribe. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate will be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred will be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of the Issuer's or Noteholders' option to redeem the Notes in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Condition 2(a), (b) or (c) will be available for delivery within three Business Days of the date of receipt of a request for exchange, form of transfer or Exercise Notice (as defined in Condition 7(f)) or surrender of the Certificate for exchange. Delivery of new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender of such request, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, shall be mailed at the risk of the holder entitled to the new Certificate to such address as may be so specified. In this Condition 2(d), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar, as the case may be.

(e) Exchange Free of Charge

Exchange and transfer of Notes or Certificates on registration or transfer will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 calendar days ending on the due date for redemption of that Note (ii) during the period of 15 calendar days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Condition 7(d)(iii) after any such Note has been drawn for redemption in whole or in part or (iv) during the period of seven calendar days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3 Status of the Notes

(a) Status of Preferred Senior Notes

This Condition 3(a) only applies to Preferred Senior Notes.

The Preferred Senior Notes and any relative Coupons constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank and will rank:

- (i) *pari passu*, without any preference among themselves;
- (ii) at least *pari passu* with all other outstanding senior, unsecured and unsubordinated obligations of the Issuer (save for obligations which may be preferred by law, including obligations benefitting from a preferred ranking to the Preferred Senior Notes), present and future, without any preference by reason of priority of date of creation, currency of payment or otherwise; and
- (iii) senior to any Non-Preferred Senior Obligations of the Issuer as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

(b) Status of Non-Preferred Senior Notes

This Condition 3(b) only applies to Non-Preferred Senior Notes.

The Non-Preferred Senior Notes constitute Non-Preferred Senior Obligations of the Issuer.

The Non-Preferred Senior Notes constitute direct and unsecured obligations of the Issuer and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with any other obligations or instruments that rank or are expressed to rank equally with the Non-Preferred Senior Notes (including any other Non-Preferred Senior Obligations of the Issuer), in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Non-Preferred Senior Notes, or any obligations pursuant to Section 98 of the Danish Bankruptcy Act, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to present or future claims of (a) depositors of the Issuer, (b) unsubordinated creditors of the Issuer pursuant to Section 97 of the Danish Bankruptcy Act and (c) any other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Obligations of the Issuer, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

(c) Status of Subordinated Notes

This Condition 3(c) only applies to Subordinated Notes.

The Subordinated Notes (*kapitalbeviser*) and any relative Coupons constitute direct, unsecured and subordinated debt obligations of the Issuer, and rank and shall at all times rank:

- (i) *pari passu* without any preference among themselves;

- (ii) *pari passu* with (a) any obligations or capital instruments of the Issuer which constitute Tier 2 Capital and (b) any other obligations or capital instruments that rank or are expressed to rank equally with the Subordinated Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Subordinated Notes including any Junior Securities, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to present or future claims of (a) depositors of the Issuer, (b) other unsubordinated creditors of the Issuer and (c) subordinated creditors of the Issuer other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes.

(d) No right of set-off or counterclaim

This Condition 3(d) only applies to Non-Preferred Senior Notes and Subordinated Notes.

In accordance with Danish law, no Noteholder, who shall in the event of the liquidation or bankruptcy of the Issuer be indebted to the Issuer, shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of the Notes held by such Noteholder.

(e) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**BRRD**” means the Directive (2014/59/EU) of the European Parliament and of the Council on resolution and recovery of credit institutions and investment firms dated 15 May 2014 and published in the Official Journal of the European Union on 12 June 2014 (or, as the case may be, any provision of Danish law transposing or implementing such Directive, including (without limitation) the Danish Act on Recovery and Resolution of certain Financial Businesses and the Danish Financial Business Act), as amended or replaced from time to time.

“**Common Equity Tier 1 Capital**” means Common Equity Tier 1 capital (or any equivalent or successor term) of, as the case may be, the Issuer or the Group, in each case as calculated by the Issuer in accordance with the CRD IV requirements and any applicable transitional arrangement under the CRD IV requirements.

“**CRD IV**” means, as the context requires, any or any combination of the CRD IV Directive, the CRR and any CRD IV Implementing Measures.

“**CRD IV Directive**” means the Directive (2013/36/EU) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013 (or, as the case may be, any provision of Danish law transposing or implementing such Directive), as amended or replaced from time to time.

“**CRD IV Implementing Measures**” means any regulatory capital rules or regulations or other requirements, which are applicable to the Issuer and/or the Group, as applicable, and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer

(on a non-consolidated or consolidated basis) to the extent required by the CRD IV Directive or the CRR, including for the avoidance of doubt and without limitation any regulatory technical standards, guidelines, recommendations and/or opinions released from time to time by the European Banking Authority (or any successor or replacement thereof) or the Relevant Regulator, as the case may be.

“**CRR**” means the Regulation (2013/575) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013, as amended or replaced from time to time.

“**Danish Act on Recovery and Resolution of certain Financial Businesses**” means the Danish Act on Recovery and Resolution of certain Financial Businesses (Act No. 333 of 31 March 2015, as amended).

“**Danish Bankruptcy Act**” means the Danish Bankruptcy Act (Consolidated Act No. 11 of 6 January 2014, as amended).

“**Danish Companies Act**” means the Danish Companies Act (Consolidated Act No. 1089 of 14 September 2015, as amended).

“**Danish Financial Business Act**” means the Danish Financial Business Act (Consolidated Act No. 1140 of 26 September 2017, as amended).

“**Danish Statutory Loss Absorption Powers**” means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Denmark, relating to (i) the transposition of the BRRD (or, as the case may be, any provision of Danish law transposing or implementing such Directive) as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into Ordinary Shares, other Securities or other obligations of the Issuer or any other Person (or suspended for a temporary period).

“**Group**” means the Issuer together with its Subsidiaries and other entities that are consolidated in the Issuer’s calculation of the Common Equity Tier 1 Capital ratio on a consolidated level in accordance with the CRD IV requirements.

“**Junior Securities**” means any securities of the Issuer that rank, or are expressed to rank, junior to the Subordinated Notes. For the avoidance of doubt, this includes, without limitation, all of the Issuer’s existing Tier 1 Capital and any of its other existing and future securities ranking, or expressed to rank, *pari passu* therewith.

“**Non-Preferred Senior Obligations**” means obligations under certain unsubordinated and unsecured liabilities that, upon the insolvency of a Regulated Entity issuer of debt securities, may rank below other unsubordinated and unsecured liabilities with higher priority ranking as expressly provided in the Senior Ranking Legislation.

“**Ordinary Shares**” means fully paid-up ordinary shares in the capital of the Issuer.

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

“**Regulated Entity**” means any entity to which BRRD, as implemented in Denmark (including but not limited to the Danish Act on Recovery and Resolution of certain Financial Businesses) and as amended or superseded from time to time, applies, which includes certain credit institutions, investment firms and certain of their parent or holding companies.

“**Relevant Regulator**” means the Danish Financial Supervisory Authority and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer and/or (in the case of Non-Preferred Senior Notes) the Relevant Resolution Authority (if applicable), in any case as determined by the Issuer.

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Danish Statutory Loss Absorption Powers (or any other power under the BRRD) in relation to the Issuer.

“**Relevant Rules**” means the regulatory capital rules from time to time as applied to the Issuer by the Relevant Regulator and as amended from time to time (including CRD IV and/or the BRRD, as applicable).

“**Securities**” means any securities including, without limitation, shares in the capital of the Issuer.

“**Senior Ranking Legislation**” means Act No. 706 of 8 June 2018, containing, among others, amendments to the Danish Act on Recovery and Resolution of certain Financial Businesses to implement the changes to Article 108 of the BRRD set out in Article 1 of Directive 2399/2017/EU.

“**Subsidiary**” means, in relation to any entity, any company which is for the time being a subsidiary within the meaning of Sections 6 and 7 of the Danish Companies Act.

“**Tier 1 Capital**” means capital which is treated as a constituent of Tier 1 under the Relevant Rules by the Relevant Regulator for the purposes of the Issuer.

“**Tier 2 Capital**” means capital which is treated as a constituent of Tier 2 under the Relevant Rules by the Relevant Regulator for the purposes of the Issuer.

4 **Euro and Redenomination**

References to euro are to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Union (as amended from time to time).

If Redenomination is specified in the Final Terms as being applicable, Notes denominated in a currency that may be redenominated into euro may, at the election of the Issuer, be subject to redenomination in the manner set out below. In relation to such Notes the Issuer may, without the consent of the Noteholders or Couponholders, on giving at least 30 days’ prior notice to Noteholders, the Principal Paying Agent and each of the Paying Agents and Transfer Agents, Euroclear and Clearstream, Luxembourg designate a “**Redenomination Date**” for the Notes, being (in the case of interest-bearing Notes) a date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in the notice given to the Noteholders pursuant to this paragraph falling on or after the date on which the relevant Member State commences participation in such third stage and which falls before the date on which the Specified Currency ceases to be a subdivision of the euro.

With effect from the Redenomination Date, notwithstanding the other provisions of the Conditions:

- (i) the Notes shall (unless already so provided by mandatory provisions of applicable law) be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note equal to the nominal amount of that Note in the relevant currency, converted into euro at the rate for conversion of the relevant currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Community regulations) provided that, if the Issuer determines that the then current market practice in respect of the redenomination

into euro 0.01 of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, any stock exchange on which the Notes may be listed, the Principal Paying Agent and each of the Paying Agents and Transfer Agents of such deemed amendment;

- (ii) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 0.01, euro 1,000, euro 10,000, euro 100,000 and such other denominations as the Principal Paying Agent shall determine and notify to Noteholders;
- (iii) if definitive Notes have been issued prior to the Redenomination Date, all unmatured Coupons denominated in the relevant currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives the notice (the “**Exchange Notice**”) that replacement euro-denominated Notes and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date, although those Notes will continue to constitute valid exchange obligations of the Issuer. New certificates in respect of euro-denominated Notes and Coupons will be issued in exchange for Notes and Coupons denominated in the relevant currency in such manner as the Principal Paying Agent may specify and as shall be specified to Noteholders in the Exchange Notice;
- (iv) all payments in respect of the Notes (other than, unless the Redenomination Date is on or after such date as the relevant currency ceases to be a sub-division of the euro, payments of interest in respect of periods commencing before the Redenomination Date) will be made solely in euro. Such payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or by cheque; and
- (v) the amount of interest in respect of Notes will be calculated by reference to the nominal amount of notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01.

In connection with such redenomination, the Issuer may, after consultation with the Principal Paying Agent, make such other changes to the Conditions applicable to the relevant Notes as it may decide so as to conform them to the then current market practice in respect of euro-denominated debt securities issued in the Euromarkets which are held in international clearing systems. Any such changes will not take effect until the next following Interest Payment Date after they have been notified to the Noteholders in accordance with Condition 15.

5 Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its nominal amount from (and including) the Interest Commencement Date at the rate(s) per annum (expressed as a percentage) equal to the Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f).

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date and, if the first anniversary of the Interest Commencement Date is not an Interest Payment Date, will amount to the initial Broken Amount.

If the Maturity Date is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the final Broken Amount.

For the purposes of these Conditions, “Day Count Fraction” means:

- (i) if “**Actual/Actual – ICMA**” is specified in the Final Terms, the actual number of days in the Calculation Period divided by (x) in the case of the Notes where interest is scheduled to be paid only by means of regular annual payments, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date or (y) in the case of Notes where interest is scheduled to be paid other than only by means of regular annual payments, the product of the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date and the number of Interest Payment Dates that would occur in one calendar year assuming interest was to be calculated in respect of the whole of that year; and
- (ii) if “**30/360**” is specified in the Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months).

“**Calculation Period**” means the period from, and including, the first day of any period of time in respect of the calculation of an amount of interest of any Note to, but excluding, the last day of such period (whether or not constituting an Interest Period).

(b) Interest on Floating Rate Notes

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its nominal amount from (and including) the Interest Commencement Date. The amount of interest payable shall be determined in accordance with Condition 5(f). Such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms (the period from (and including) the Interest Commencement Date to (but excluding) the first Specified Interest Payment Date and each successive period from (and including) a Specified Interest Payment Date to (but excluding) the next Specified Interest Payment Date unless otherwise specified in the applicable Final Terms, each being an “**Interest Period**”); or
- (B) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each, a “**Specified Interest Payment Date**”) which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding Specified Interest Payment Date or, in the case of the first Specified Interest Payment Date, after the Interest Commencement Date.

If a Business Day Convention is specified in the applicable Final Terms and if any Specified Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Interest Periods are specified in accordance with Condition 5(b)(i)(B) above, the “**Floating Rate Convention**”, such Specified Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Specified Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Specified Interest Payment Date shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the applicable Final Terms after the preceding applicable Specified Interest Payment Date occurred; or
- (2) the “**Following Business Day Convention**”, such Specified Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the “**Modified Following Business Day Convention**”, such Specified Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Specified Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the “**Preceding Business Day Convention**”, such Specified Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition, “**Business Day**” means a day which is:

- (A) a day on which commercial banks and foreign exchange markets settle payments in any Business Centre (other than TARGET2 System, as defined below) specified in the applicable Final Terms;
 - (B) if TARGET2 System is specified as a Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System which was launched on 19 November 2007 or any successor thereto (the “**TARGET2 System**”) is open (a “**TARGET Business Day**”); and
 - (C) either (1) in relation to interest payable in a Specified Currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency or (2) in relation to interest payable in euro a day on which the TARGET2 System is open.
- (ii) ***Rate of Interest for Floating Rate Notes***

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Final Terms and the provisions below relating to either ISDA Determination, Screen Rate Determination or Linear Interpolation shall apply, depending upon which is specified in the applicable Final Terms.

- (A) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “ISDA Rate” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (LIBOR) or on the Euro-zone inter-bank offered rate (EURIBOR) for a currency, the first day of that Interest Accrual Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), “**ISDA Definitions**” means the 2006 ISDA Definitions as updated and amended as at the Issue Date (as published by the International Swaps and Derivatives Association, Inc.) and “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

For the purposes of these Conditions “**Euro-zone**” means the region comprised of member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination

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

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

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at (i) 11.00 a.m. (London time) in the case of LIBOR; or (ii) 11.00 a.m. (Brussels time) in the case of EURIBOR; or (iii)

11.00 a.m. (Copenhagen time) in the case of CIBOR; or (iv) 11.00 a.m. (Oslo time) in the case of NIBOR; or (v) 11.00 a.m. (Stockholm time) in the case of STIBOR, on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

(y) If the Relevant Screen Page is not available or, if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if sub-paragraph (x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is (i) LIBOR, the principal London office of each of the Reference Banks; (ii) EURIBOR, the principal Euro-zone office of each of the Reference Banks; or (iii) CIBOR, the principal Copenhagen office of each of the Reference Banks; or (iv) NIBOR, the principal Oslo office of each of the Reference Banks; or (v) STIBOR, the principal Stockholm office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is (A) LIBOR, at approximately 11.00 a.m. (London time); or (B) EURIBOR, at approximately 11.00 a.m. (Brussels time); or (C) CIBOR, at approximately 11.00 a.m. (Copenhagen time); or (D) NIBOR, at approximately 11.00 a.m. (Norwegian time); or (E) STIBOR, at approximately 11.00 a.m. (Stockholm time), on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate (i) LIBOR, at approximately 11.00 a.m. (London time); or (ii) EURIBOR, at approximately 11.00 a.m. (Brussels time); or (iii) CIBOR, at approximately 11.00 a.m. (Copenhagen time); or (iv) NIBOR, at approximately 11.00 a.m. (Norwegian time); or (v) STIBOR, at approximately 11.00 a.m. (Stockholm time), on the relevant Interest Determination Date, deposits in the Specified

Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is (A) LIBOR, the London inter-bank market; or (B) EURIBOR, the Euro-zone inter-bank market; or (C) CIBOR, the Copenhagen inter-bank market; or (D) NIBOR, the Oslo inter-bank market; or (E) STIBOR, the Stockholm inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is CIBOR, at approximately 11.00 a.m. (Copenhagen time) or, if the Reference Rate is NIBOR, at approximately 11.00 a.m. (Norwegian time) or, if the Reference Rate is STIBOR, at approximately 11.00 a.m. (Stockholm time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is CIBOR, the Copenhagen inter-bank market or, if the Reference Rate is NIBOR, the Oslo inter-bank market or, if the Reference Rate is STIBOR, the Stockholm inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(C) Linear Interpolation

Where Linear Interpolation is specified in the applicable Final Terms as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where “Screen Rate Determination” is specified in the applicable Final Terms as being applicable) or the relevant Floating Rate Option (where “ISDA Determination” is specified in the applicable Final Terms as being applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available

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

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(iii) ***Minimum and/or Maximum Rates of Interest***

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

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

(iv) ***Margin and Redemption Amounts***

If any Margin is specified in the applicable Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the applicable Interest Accrual Period, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to paragraph (iii) (Minimum and/or Maximum Rates of Interest) above and to the next paragraph.

If any Maximum or Minimum Redemption Amount is specified in the applicable Final Terms, then any Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(v) ***Reference Rate Replacement***

If:

- (i) Reference Rate Replacement is specified in the applicable Final Terms as being applicable and Screen Rate Determination is specified in the applicable Final Terms as being applicable; and
- (ii) notwithstanding the provisions of Condition 5(b)(ii)(B), the Calculation Agent (in consultation with the Issuer) determines that the Reference Rate has ceased to be published on the Relevant Screen Page as a result of the Reference Rate ceasing to be calculated or administered when any Rate of

Interest (or component thereof) remains to be determined by reference to the Reference Rate,

then the following provisions shall apply to the relevant Series of Notes:

- (a) the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine:
 - (A) a Successor Reference Rate; or
 - (B) if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the “**IA Determination Cut-off Date**”), for the purposes of determining the Rate of Interest applicable to the Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 5(b)(v) during any other future Interest Period(s));

- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Reference Rate (as applicable) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine:
 - (A) a Successor Reference Rate; or
 - (B) if the Issuer fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) no later than three Business Days prior to the Interest Determination Date relating to the next Interest Period (the “**Issuer Determination Cut-off Date**”), for the purposes of determining the Rate of Interest applicable to the Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 5(b)(v) during any other future Interest Period(s)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative Reference Rate and/or any Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

- (c) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 5(b)(v):
 - (A) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(b)(v));

(B) if the relevant Independent Adviser or the Issuer (as applicable):

(x) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(b)(v)); or

(y) is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, then such Successor Reference Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 5(b)(v)); and

(C) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:

(x) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) the Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Relevant Financial Centre and/or Relevant Screen Page applicable to the Notes and (2) the method for determining the fallback to the Rate of Interest in relation to the Notes if such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and

(y) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 5(b)(v)); and

(d) promptly following the determination of (i) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (ii) if applicable, any Adjustment Spread, the Issuer shall give notice thereof and of any changes (and the effective date thereof) pursuant to Condition 5(b)(v)(c)(C) to the Principal Paying Agent, the Calculation Agent and the Noteholders in accordance with Condition 15.

No consent of the Noteholders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) as described in this Condition 5(b)(v) or such other relevant changes pursuant to Condition 5(b)(v)(c)(C), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement (if required).

For the avoidance of doubt, if a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 5(b)(v) prior to the relevant Issuer Determination Cut-off Date, then the Rate of Interest for the next Interest Period shall be determined by reference to the fallback provisions of Condition 5(b)(ii)(B).

Notwithstanding any other provision of this Condition 5(b)(v):

- (i) no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 5(b)(v), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as:
 - (A) in the case of Non-Preferred Senior Notes, MREL/TLAC Eligible Liabilities (as defined below); or
 - (B) in the case of Subordinated Notes, Tier 2 Capital; and/or
- (ii) in the case of Non-Preferred Senior Notes only, no Successor Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 5(b)(v), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

(c) Interest on Fixed Rate Reset Notes

(i) *Accrual of interest*

Each Fixed Rate Reset Note bears interest on its nominal amount:

- (a) in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the Interest Commencement Date), at the rate per annum equal to the Initial Rate of Interest; and
- (b) in respect of the Reset Period (or if there is more than one Reset Period, each successive Reset Period), at such rate per annum as is equal to the relevant Subsequent Reset Rate, as determined by the Calculation Agent on the relevant Reset Determination Date(s) in accordance with this Condition 5(c),

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) payable, in each case, in arrear on the relevant Interest Payment Date(s) in each year up to and including the Maturity Date.

(ii) ***Subsequent Reset Rate Screen Page***

This Condition 5(c)(ii) applies only where Single Mid-Swaps or Mean Mid-Swaps is specified in the applicable Final Terms as the Subsequent Reset Reference Rate.

If on any Reset Determination Date, the Subsequent Reset Rate Screen Page is not available or the Subsequent Reset Reference Rate does not appear on the Subsequent Reset Rate Screen Page as of the relevant Subsequent Reset Rate Time on such Reset Determination Date, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Mid-Swap Rate Quotation at approximately the Subsequent Reset Rate Time on the Reset Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with a Mid-Swap Rate Quotation, the Subsequent Reset Rate for the relevant Reset Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the Mid-Swap Rate Quotations plus or minus (as appropriate) the applicable Margin, all as determined by the Calculation Agent. If only one of the Reference Banks provides the Calculation Agent with a Mid-Swap Rate Quotation, the Subsequent Reset Rate for the relevant Reset Period shall be the Mid-Swap Rate Quotation plus or minus (as appropriate) the applicable Margin, both as determined by the Calculation Agent. If none of the Reference Banks provides the Calculation Agent with a Mid-Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the Subsequent Reset Rate shall be determined as at the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the Subsequent Reset Rate shall be equal to the sum of:

- (a) if Initial Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the Initial Mid-Swap Rate and (B) the applicable Margin;
- (b) if Reset Period Maturity Initial Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the Reset Period Maturity Initial Mid-Swap Rate and (B) the applicable Margin; or
- (c) if Last Observable Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (B) the applicable Margin,

all as determined by the Calculation Agent.

(iii) ***Alternative Mid-Swap Floating Leg Benchmark Rate***

This Condition 5(c)(iii) applies only where Single Mid-Swaps or Mean Mid-Swaps is specified in the applicable Final Terms as the Subsequent Reset Reference Rate.

Notwithstanding the provisions of Condition 5(c)(ii), if:

- (A) Mid-Swap Floating Leg Benchmark Rate Replacement is specified in the applicable Final Terms as being applicable; and
- (B) the Calculation Agent (in consultation with the Issuer) determines that the Mid-Swap Floating Leg Benchmark Rate has ceased to be calculated or administered,

the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine an Alternative Mid-Swap Floating Leg Benchmark Rate (as defined below) and such other adjustments (if any) as referred to in this Condition 5(c)(iii).

If:

- (i) the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner) determines no later than five Business Days prior to the Reset Determination Date relating to the next Reset Period (the “**IA Mid-Swap Determination Cut-off Date**”) that another rate (the “**Alternative Mid-Swap Floating Leg Benchmark Rate**”) has replaced the Mid-Swap Floating Leg Benchmark Rate in customary market usage for setting rates comparable to the Mid-Swap Rate; or
- (ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to make such determination prior to the relevant IA Mid-Swap Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) determines no later than three Business Days prior to the Reset Determination Date relating to the next Reset Period (the “**Issuer Mid-Swap Determination Cut-off Date**”) that an Alternative Mid-Swap Floating Leg Benchmark Rate has replaced the Mid-Swap Floating Leg Benchmark Rate in customary market usage for setting rates comparable to the Mid-Swap Rate (and, for the purposes of making any such determination, the Issuer will take into account relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets),

then the Mid-Swap Rate for all future Reset Periods (subject to the subsequent operation of this Condition 5(c)(iii)) shall be the arithmetic mean of bid and offered rates determined as provided above but as if references therein to the Mid-Swap Floating Leg Benchmark Rate were references to the Alternative Mid-Swap Floating Leg Benchmark Rate and with such adjustments (if any) as may (in the determination of such Independent Adviser or the Issuer (as applicable) acting in good faith and in a commercially reasonable manner) be necessary to take account of any adjustment factor to make such rates comparable to rates quoted on the basis of the Mid-Swap Floating Leg Benchmark Rate.

Promptly following the determination of any Alternative Mid-Swap Floating Leg Benchmark Rate as described in this Condition 5(c)(iii), the Issuer shall give notice thereof and of any adjustments (and the effective date thereof) pursuant to this Condition 5(c)(iii) to the Principal Paying Agent, the Calculation Agent and the Noteholders in accordance with Condition 15.

No consent of the Noteholders shall be required in connection with effecting the relevant Alternative Mid-Swap Floating Leg Benchmark Rate as described in this Condition 5(c)(iii) or such other relevant adjustments pursuant to this Condition 5(c)(iii), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement (if required).

For the avoidance of doubt, if an Alternative Mid-Swap Floating Leg Benchmark Rate is not determined pursuant to the operation of this Condition 5(c)(iii) prior to the relevant Issuer Mid-Swap Determination Cut-off Date, then the Rate of Interest for

such next Reset Period shall be determined by reference to the fallback provisions of Condition 5(c)(ii).

Notwithstanding any other provision of this Condition 5(c)(iii):

- (i) no Alternative Mid-Swap Floating Leg Benchmark Rate will be adopted and no other amendment to the terms of the Notes will be made pursuant to this Condition 5(c)(iii), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as:
 - (A) in the case of Non-Preferred Senior Notes, MREL/TLAC Eligible Liabilities; or
 - (B) in the case of Subordinated Notes, Tier 2 Capital; and/or
- (ii) in the case of Non-Preferred Senior Notes only, no Alternative Mid-Swap Floating Leg Benchmark Rate will be adopted and no other amendment to the terms of the Notes will be made pursuant to this Condition 5(c)(iii), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the Relevant Regulator treating the next Reset Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

(iv) ***Mid-Swap Rate Conversion***

If Mid-Swap Rate Conversion is specified in the applicable Final Terms as being applicable, the Subsequent Reset Rate will be converted from the Original Mid-Swap Rate Basis to a basis which matches the per annum frequency of Interest Payment Dates in respect of the Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it).

(d) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue nominal amount of such a Note shall be calculated in accordance with Condition 7(j).

(e) **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(f) **Calculations**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Final Terms, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount

in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(g) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts and Optional Redemption Amounts

The Calculation Agent shall as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Issuing and Paying Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information, in the case of VP Notes, the VP Agent (where the VP Agent is not the Issuer) and, if the rules of the stock exchange on which the Notes are listed or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination.

Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(i), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made.

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

The Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Accrual Period as soon as practicable after calculating the same. The amount of interest payable shall be determined in accordance with Condition 5(f).

(h) Notifications to be final

All notifications, communications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5, whether by the Principal Paying Agent or the Calculation Agent or (in the circumstances described in Condition 5(b)(v) or in Condition 5(c)(iii) an Independent Adviser, shall (in the absence of default, bad faith or manifest error by them or any of their directors,

officers, employees or agents) be binding on the Issuer, the Principal Paying Agent, the Calculation Agent (if applicable), the Registrar, the Paying Agents, the Transfer Agents and all Noteholders and Couponholders and (in the absence of the above) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or (if applicable) the Calculation Agent or (if applicable) the Independent Adviser in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition.

(i) **Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Adjustment Spread**” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the relevant Independent Adviser or the Issuer (as applicable) determines is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

“**Alternative Reference Rate**” means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest in respect of notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Periods, or, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Reference Rate.

“**Calculation Period**” means the period from, and including, the first day of any period of time in respect of the calculation of an amount of interest of any Note to, but excluding, the last day of such period (whether or not constituting an Interest Period).

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest for any Calculation Period:

- (a) if “**Actual/Actual**” or “**Actual/Actual-ISDA**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non leap year divided by 365);
- (b) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (c) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (d) if “**30/360**” or “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁, will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₂ is greater than 29, in which case D₂ will be 30;

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

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

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁**, will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D₂** will be 30;

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

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

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁**, will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30; and

- (g) if “**Actual/Actual-ICMA**” is specified in the applicable Final Terms,
- (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (ii) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of

- (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“Determination Date” means the date(s) specified in the applicable Final Terms or, if none is so specified, the Interest Payment Date.

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

“Initial Mid-Swap Rate” has the meaning specified in the applicable Final Terms.

“Initial Rate of Interest” has the meaning specified in the applicable Final Terms.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Final Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified in the applicable Final Terms.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified in the applicable Final Terms or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“Interest Period Date” means each Interest Payment Date unless otherwise specified in the applicable Final Terms.

“**Margin**” has the meaning specified in the applicable Final Terms.

“**Mid-Swap Floating Leg Benchmark Rate**” means, subject as provided in Condition 5(c)(iii), EURIBOR (if the Specified Currency is euro), LIBOR for the Specified Currency (if the Specified Currency is U.S. dollars, Pounds Sterling or Swiss Francs), CIBOR (if the Specified Currency is Danish Kroner), NIBOR (if the Specified Currency is Norwegian Kroner), STIBOR (if the Specified Currency is Swedish Kronor) or (in the case of any other Specified Currency) the benchmark rate most closely connected with such Specified Currency and selected by the Calculation Agent in its discretion after consultation with the Issuer.

“**Mid-Swap Floating Leg Maturity**” has the meaning specified in the applicable Final Terms.

“**Mid-Swap Rate**” means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Floating Leg Maturity as specified in the applicable Final Terms (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent).

“**Mid-Swap Rate Quotation**” means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Swap Rate.

“**Rate of Interest**” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in these Conditions.

“**Reference Banks**” means, in the case of a determination of (a) LIBOR, the principal London office of four major banks in the London inter-bank market; (b) EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; (c) CIBOR, the principal Copenhagen office of four major banks in the Copenhagen inter-bank market; or (d) NIBOR, the principal Oslo office of four major banks in the Oslo inter-bank market; or (e) STIBOR, the principal Stockholm office of four major banks in the Stockholm inter-bank market, in each case selected by the Calculation Agent or as specified in the applicable Final Terms, and in the case of a determination of the Subsequent Reset Rate if the Subsequent Reset Rate Screen Page is unavailable, the principal office in the principal financial centre of four major banks in the swap, money, securities or other market most closely connected with the Subsequent Reset Reference Rate as selected by the Issuer on the advice of an investment bank of international repute.

“**Reference Bond**” means for any Reset Period a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer on the advice of an investment bank of international repute as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the relevant Reset Period.

“Reference Bond Price” means, with respect to any Reset Determination Date, (i) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if the Calculation Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations.

“Reference Government Bond Dealer” means each of five banks (selected by the Issuer on the advice of an investment bank of international repute), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues.

“Reference Government Bond Dealer Quotations” means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its nominal amount) at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer.

“Reference Rate” means, subject as provided in Condition 5(b)(v), the rate specified in the applicable Final Terms.

“Relevant Nominating Body” means, in respect of a reference rate:

- (i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

“Reset Date” means the date(s) specified in the applicable Final Terms.

“Reset Determination Date” means for each Reset Period, the date specified in the applicable Final Terms falling on or before the commencement of such Reset Period, on which the Subsequent Reset Rate applying during such Reset Period will be determined.

“Reset Period” means the period from (and including) the Reset Date to (but excluding) the Maturity Date (if any) if there is only one Reset Date or, if there is more than one Reset Date, each period from (and including) one Reset Date (or the first Reset Date) to (but excluding) the next Reset Date, or (if applicable) the Maturity Date.

“Reset Period Maturity Initial Mid-Swap Rate” has the meaning specified in the applicable Final Terms.

“**Specified Currency**” means the currency specified in the applicable Final Terms or, if none is specified, the currency in which the Notes are denominated.

“**Subsequent Reset Rate**” for any Reset Period means the sum of (i) the applicable Subsequent Reset Reference Rate and (ii) the applicable Margin.

“**Subsequent Reset Rate Screen Page**” has the meaning specified in the applicable Final Terms.

“**Subsequent Reset Rate Time**” has the meaning specified in the applicable Final Terms.

“**Subsequent Reset Reference Rate**” means either:

(i) if “**Single Mid-Swaps**” is specified in the applicable Final Terms, the rate for swaps in the Specified Currency:

(a) with a term equal to the relevant Reset Period; and

(b) commencing on the relevant Reset Date,

displayed on the Subsequent Reset Rate Screen Page at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date for such Reset Period, all as determined by the Calculation Agent; or

(ii) if “**Mean Mid-Swaps**” is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(a) with a term equal to the relevant Reset Period; and

(b) commencing on the relevant Reset Date,

displayed on the Subsequent Reset Rate Screen Page at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date for such Reset Period, all as determined by the Calculation Agent; or

(iii) if “**Reference Bond**” is specified in the applicable Final Terms, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the relevant Reference Bond Price, all as determined by the Calculation Agent.

“**Successor Reference Rate**” means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

6 Payments

(a) Method of Payment

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with, or by a

cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney); and

- (ii) payments in euro will be made by credit or transfer to a euro account of a bank that has access to the TARGET System specified by the payee in the European Union.

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to Condition 8 or other laws to which the Issuer or Paying Agent agrees to be subject and the Issuer or Paying Agent will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(b) Presentation of Notes and Coupons

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against surrender (or, in the case of part payment only of any sum, endorsement) of Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against surrender (or, in the case of part payment only of any sum, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive bearer form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

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

Upon the date on which any Floating Rate Note or Fixed Rate Reset Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

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

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by such Paying Agent and such record shall be prima facie evidence that the payment in question has been made.

Payments of principal in respect of Registered Notes (whether in definitive or global form) will be made in the manner specified in paragraph (a) to the persons in whose name such Notes are registered at the close of business on the business day (being for this purpose a day on which banks are open for business in the city where the Registrar is located) immediately prior to the relevant payment date against presentation and surrender (or, in the case of part payment only of any sum due, endorsement) of such Notes at the specified office of the Registrar.

Payments of interest due on a Registered Note (when in definitive form) will be made in the manner specified in paragraph (a) to the person in whose name such Note is registered at the close of business on the fifteenth day (whether or not such fifteenth day is a business day (being for this purpose a day on which banks are open for business in the city where the Registrar is located) (the “**Record Date**”)) prior to such due date. In the case of payments by cheque, cheques will be mailed to the holder (or the first named of joint holders) at such holder’s registered address on the due date.

Payments of interest due on a Registered Note (when in global form) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive, except 25 December and 1 January.

If payment in respect of any Registered Notes is required by credit or transfer as referred to in Condition 6(a), application for such payment must be made by the holder to the Registrar not later than the relevant Record Date.

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

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

Notwithstanding the foregoing, if this Note is a Bearer Note and if any amount of principal and/or interest in respect of this Note is payable in US dollars, such US dollar payments of principal and/or interest in respect of this Note will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in US dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in US dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

(c) Payment Day

If the date for payment of any amount in respect of any Note, or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Payment Day**” means any day which (subject to Condition 9) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
 - (i) in the case of Definitive Notes only, in the relevant place of presentation; and
 - (ii) in each Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;
- (b) if TARGET2 System is specified as a Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

(d) Interpretation of principal and interest

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

- (i) any Additional Amounts which may be payable with respect to principal under Condition 8;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;

- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(g) below); and
- (vi) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable with respect to interest under Condition 8.

7 Redemption and Purchase

(a) Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) (A) Redemption for Tax Reasons

This Condition 7(b)(A) shall apply only to Preferred Senior Notes and Non-Preferred Senior Notes. References in this Condition 7(b)(A) to the Notes shall be construed accordingly.

The Issuer may at its option, having given (and subject, in the case of Non-Preferred Senior Notes, as provided in paragraph (l) of this Condition 7) not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), if, immediately before the giving of the notice referred to in this Condition 7(b)(A) (i) as a result of any change in, or amendment to, the laws or regulations of Denmark or any political subdivision of, or any authority in, or of, Denmark having power to tax, or any change in the application or official interpretation of the laws or regulations, which change or amendment becomes effective after the date of issue of the first Tranche of the Notes, on the occasion of the next payment due in respect of the Notes the Issuer would be required to pay Additional Amounts (as defined in Condition 8) as provided or referred to in Condition 8, and (ii) the requirement cannot be avoided by the Issuer taking reasonable measures available to it.

Prior to the publication of any notice of redemption pursuant to this Condition 7(b)(A), the Issuer shall deliver to the Issuing Agent a certificate signed by two directors of the Issuer stating that the requirement referred to in (i) above will apply on the occasion of the next payment due in respect of the Notes and cannot be avoided by the Issuer taking reasonable measures available to it stating that the Issuer is entitled to effect such redemption and setting out details of the circumstances which demonstrate satisfaction of the conditions precedent set out in (i) and (ii) above and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Amounts as a result of such change or amendment. Upon the expiry of any notice as is referred to in this Condition 7(b)(A), the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the provisions of this Condition 7(b)(A).

Notes redeemed pursuant to this Condition 7(b)(A) will be redeemed at their Early Redemption Amount referred to in paragraph (g) below, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(b)(B) Redemption upon the occurrence of a Tax Event

This Condition 7(b)(B) shall apply only to Subordinated Notes. References in this Condition 7(b)(B) to the Notes shall be construed accordingly.

Upon the occurrence of a Tax Event, the Issuer may (subject as provided in paragraph (l) of this Condition 7) at its option and at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable), redeem all of the Notes, but not some only; provided however that where an event falling under limb (i) of the definition of Tax Event occurs, no such notice of redemption may be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay the relevant Additional Amounts as referred to in limb (i) of the definition of Tax Event.

“**Tax Event**” means as a result of any change in the laws, regulations or rulings of Denmark or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws, regulations or rulings which become effective after the date of issue of the last Tranche of the Notes, the Issuer receives an opinion of external counsel in Denmark that (i) it would be required to pay Additional Amounts; or (ii) it will no longer be able to obtain a full tax deduction for the purposes of Danish tax for any payment of interest under such Notes, in each case provided that the Issuer satisfies the Relevant Regulator that such change in tax treatment of the relevant Notes is material and was not reasonably foreseeable at the time of their issuance.

In the case of a redemption of the Notes as a result of a Tax Event, the Issuer shall deliver a certificate to the Issuing Agent signed by two of its directors (and copies thereof will be available at the Issuing Agent's specified office during its normal business hours) not less than five Business Days prior to the date set for redemption stating that a Tax Event has occurred or will occur no more than 90 days following the date fixed for redemption, as the case may be.

Notes redeemed pursuant to this Condition 7(b)(B) will be redeemed at their Early Redemption Amount referred to in paragraph (g) below, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

(c) Redemption upon the occurrence of a Capital Event

This Condition 7(c) shall apply only to Subordinated Notes. References in this Condition 7(c) to the Notes shall be construed accordingly.

Upon the occurrence of a Capital Event, the Issuer may (subject as provided in paragraph (l) of this Condition 7) at its option and at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable), redeem all of the Notes, but not some only.

In the case of a redemption of the Notes as a result of a Capital Event, the Issuer shall deliver a certificate to the Issuing Agent signed by two of its directors (and copies thereof will be available at the Issuing Agent's specified office during its normal business hours) not less than five Business Days prior to the date set for redemption stating that a Capital Event has occurred or will occur no more than 90 days following the date fixed for redemption, as the case may be.

Notes redeemed pursuant to this Condition 7(c) will be redeemed at their Early Redemption Amount referred to in paragraph (g) below, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

“**Capital Event**” means at any time, on or after the date of issue of the last Tranche of the Notes, there is a change in the regulatory classification of such Notes that results or will result in:

- (i) their exclusion, in whole or in part, from the regulatory capital of the Issuer and/or Group; or
- (ii) reclassification, in whole or in part, as a lower quality form of regulatory capital of the Issuer and/or Group,

in each case provided that the Issuer satisfies the Relevant Regulator that the regulatory reclassification of such Notes was not reasonably foreseeable at the time of their issuance.

(d) Redemption upon the occurrence of a MREL/TLAC Disqualification Event

This Condition 7(d) shall apply only to Non-Preferred Senior Notes. References in this Condition 7(d) to the Notes shall be construed accordingly.

If MREL/TLAC Disqualification Event Redemption Option is specified in the applicable Final Terms as being applicable, upon the occurrence of a MREL/TLAC Disqualification Event, the Issuer may (subject as provided in paragraph (l) of this Condition 7) at its option and at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), having given not less than 30 nor more than 60 days’ notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable), redeem all of the Notes, but not some only.

In the case of a redemption of the Notes as a result of a MREL/TLAC Disqualification Event, the Issuer shall deliver a certificate to the Issuing Agent signed by two of its directors (and copies thereof will be available at the Issuing Agent’s specified office during its normal business hours) not less than five Business Days prior to the date set for redemption stating that a MREL/TLAC Disqualification Event has occurred or will occur no more than 90 days following the date fixed for redemption, as the case may be.

Notes redeemed pursuant to this Condition 7(d) will be redeemed at their Early Redemption Amount referred to in paragraph (g) below, together (if appropriate) with interest accrued to (but excluding) the date of redemption.

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**Applicable MREL/TLAC Regulations**” means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in Denmark giving effect to any MREL/TLAC Requirement or any successor regulations then applicable to the Issuer and/or the Group, including, without limitation to the generality of the foregoing, CRD IV, the BRRD and those regulations, requirements, guidelines and policies giving effect to any MREL/TLAC Requirement or any successor regulations then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group).

“**MREL/TLAC Disqualification Event**” means, in respect of a Series of Non-Preferred Senior Notes, the determination by the Issuer that, as a result of:

- (i) the implementation of any Applicable MREL/TLAC Regulations on or after the date of issue of the last Tranche of such Series; or
- (ii) a change in any Applicable MREL/TLAC Regulations becoming effective on or after the date of issue of the last Tranche of such Series,

all or part of the outstanding principal amounts of such Series of Notes will be excluded from the “eligible liabilities” (or any equivalent or successor term) available to meet any MREL/TLAC Requirement (however called or defined by then Applicable MREL/TLAC Regulations) if the Issuer and/or the Group is/are then or, as the case may be, will be subject to such MREL/TLAC Requirement, provided that a MREL/TLAC Disqualification Event shall not occur where such exclusion is or will be caused by (1) the remaining maturity of such Notes being less than any period prescribed by any applicable eligibility criteria under the Applicable MREL/TLAC Regulations, or (2) any applicable limits on the amount of “eligible liabilities” (or any equivalent or successor term) permitted or allowed to meet any MREL/TLAC Requirement(s) being exceeded.

“**MREL/TLAC Eligible Liabilities**” means “eligible liabilities” (or any equivalent or successor term) which are available to meet any MREL/TLAC Requirement (however called or defined by then Applicable MREL/TLAC Regulations) of the Issuer and/or the Group under Applicable MREL/TLAC Regulations.

“**MREL/TLAC Requirement**” means the total loss-absorbing capacity requirement and/or the minimum requirement for own funds and eligible liabilities, in each case which is or, as the case may be, will be, applicable to the Issuer and/or the Group.

(e) Redemption at the Option of the Issuer

If the Issuer is specified in the applicable Final Terms as having an option to redeem (the “**Call Option**”), the Issuer shall, having given (and subject, in the case of Non-Preferred Senior Notes and Subordinated Notes, as provided in paragraph (l) of this Condition 7):

- (i) not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 15 (or such other notice period as may be specified in the applicable Final Terms); and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice in writing to the Issuing Agent and the Principal Paying Agent,

(which notices shall be irrevocable), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such optional redemption must be of a principal amount equal to the Minimum Redemption Amount or a Maximum Redemption Amount. In the case of a partial redemption of Notes (or, as the case may be, parts of Registered Notes), the Notes to be redeemed (“**Redeemed Notes**”) will be selected individually by lot, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “**Selection Date**”). A list of the serial numbers of such Redeemed Notes that are Bearer Notes, or, in the case of Registered Notes, the nominal amount of Registered Notes drawn and the holders of such Registered Notes, will be published or notified to Noteholders in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption.

(f) **Redemption at the Option of the Noteholders**

This Condition 7(f) shall apply only to Preferred Senior Notes. References in this Condition 7(f) to the Notes shall be construed accordingly.

If the Noteholders are specified in the applicable Final Terms as having an option to redeem (the “**Put Option**”), upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than 15 nor more than 30 days’ notice (or such other period of notice as is specified in the applicable Final Terms) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, the applicable Final Terms, together (if appropriate) with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note, the holder of this Note must deliver such Note at the specified office of any Paying Agent (in the case of Bearer Notes) or Transfer Agent (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or Transfer Agent or (in the case of VP Notes) give notice to the VP Agent of such exercise in accordance with the standard procedures of the VP from time to time, falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form obtainable from any specified office of any Paying Agent or Transfer Agent (an “**Exercise Notice**”) and in which the holder must specify a bank account (or, if payment is by cheque, an address) to which payment is to be made under this Condition.

(g) **Early Redemption Amounts**

For the purpose of paragraphs (b)(A), (b)(B), (c) and (d) above and Condition 10, the Notes will be redeemed at the Early Redemption Amount calculated as follows:

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

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

where:

“**RP**” means the Reference Price;

“**AY**” means the Accrual Yield expressed as a decimal; and

“**y**” is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days

from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(h) Purchases

The Issuer or any of its Subsidiaries may, subject, in the case of Non-Preferred Senior Notes and Subordinated Notes, as provided in paragraph (l) of this Condition 7, at any time purchase Notes (provided that, in the case of Definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) for cancellation.

(i) Cancellation

All Notes which are redeemed will forthwith (and subject, in the case of Non-Preferred Senior Notes and Subordinated Notes, as provided in paragraph (l) of this Condition 7) be cancelled (together, in the case of Definitive Bearer Notes, with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Coupons cancelled therewith) shall be forwarded to the Issuing Agent (in the case of Bearer Notes), the Registrar (in the case of Registered Notes) and, in the case of VP Notes, shall be recorded as having been redeemed in the records of the VP and cannot be reissued or resold.

(j) Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), (d), (e) or (f) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and are repayable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) the fifth day after the date on which the full amount of the moneys payable has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

(k) Substitution and variation

(A) This Condition 7(k)(A) shall apply only to Non-Preferred Senior Notes. References in this Condition 7(k)(A) to the Notes shall be construed accordingly.

If MREL/TLAC Substitution/Variation Option is specified in the applicable Final Terms as being applicable, upon the occurrence and continuation of a MREL/TLAC Disqualification Event, the Issuer may (subject as provided in paragraph (l) of this Condition 7) at its option and at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable),

substitute all of the Notes, but not some only, or vary the terms of all of the Notes, but not some only, without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Non-Preferred Senior Notes.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the Qualifying Non-Preferred Senior Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

“**Qualifying Non-Preferred Senior Notes**” means, in respect of a Series of Non-Preferred Senior Notes, at any time, any securities (other than such Notes) issued or guaranteed by the Issuer that:

- (i) contain terms which comply with the then current requirements for “eligible liabilities” (or any equivalent or successor term) provided for in the Applicable MREL/TLAC Regulations in relation to the relevant MREL/TLAC Requirement(s) (which, for the avoidance of doubt, may result in the relevant securities not including, or restricting for a period of time the application of, one or more of the early redemption rights which are included in the relevant Notes);
- (ii) carry the same rate of interest as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k)(A);
- (iii) have the same Specified Denomination(s) and outstanding principal amounts as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k)(A);
- (iv) have the same Maturity Date and the same Interest Payment Dates as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k)(A);
- (v) have at least the same ranking as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k)(A);
- (vi) shall not, immediately following the relevant substitution or variation pursuant to Condition 7(k)(A) be subject to a MREL/TLAC Disqualification Event and/or a Tax Event (Gross-up);
- (vii) are assigned (or maintain) at least the same solicited credit ratings as were assigned to the Notes immediately prior to the relevant substitution or variation pursuant to Condition 7(k)(A);
- (viii) have terms not materially less favourable to the Noteholders than the terms of the relevant Notes, as determined by the Issuer in its sole and absolute discretion, and provided that the Issuer shall have delivered a certificate to that effect signed by two of its directors to (in the case of Notes other than VP Notes) the Issuing Agent or (in the case of VP Notes) the VP Agent (where the VP Agent is not the Issuer) not less than 5 Business Days prior to (a) in the case of a substitution of the relevant Notes pursuant to Condition 7(k)(A), the issue date of the relevant securities or (b) in the case of a variation of the relevant Notes pursuant to Condition 7(k)(A), the date such variation becomes effective; and
- (ix) if (A) the relevant Notes were listed or admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (a “**Regulated Market**”) immediately prior to the relevant substitution or variation, are listed or admitted to trading on a Regulated

Market or (B) the relevant Notes were listed or admitted to trading on a recognised stock exchange other than a Regulated Market immediately prior to the relevant substitution or variation, are listed or admitted to trading on any recognised stock exchange (including, without limitation, a Regulated Market), in either case as selected by the Issuer.

- (B) This Condition 7(k)(B) shall apply only to Subordinated Notes. References in this Condition 7(k)(B) to the Notes shall be construed accordingly.

If Tier 2 Substitution/Variation Option is specified in the applicable Final Terms as being applicable, upon the occurrence and continuation of a Capital Event, the Issuer may (subject as provided in paragraph (l) of this Condition 7) at its option and at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 15 (which notice shall be irrevocable), substitute all of the Notes, but not some only, or vary the terms of all of the Notes, but not some only, without any requirement for the consent or approval of the Noteholders, so that they become or remain Qualifying Subordinated Notes.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the Qualifying Subordinated Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

“Qualifying Subordinated Notes” means, in respect of a Series of Subordinated Notes, at any time, any securities (other than such Notes) issued or guaranteed by the Issuer that:

- (i) contain terms which comply with the then current requirements of the Relevant Regulator in relation to Tier 2 Capital;
- (ii) carry the same rate of interest as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k)(B);
- (iii) have the same Specified Denomination(s) and outstanding principal amounts as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k);
- (iv) have the same Maturity Date and the same Interest Payment Dates as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k)(B);
- (v) have at least the same ranking as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 7(k)(B);
- (vi) shall not, immediately following the relevant substitution or variation pursuant to Condition 7(k)(B) be subject to a Capital Event and/or a Tax Event (Gross-up);
- (vii) are assigned (or maintain) at least the same solicited credit ratings as were assigned to the Notes immediately prior to the relevant substitution or variation pursuant to Condition 7(k)(B);
- (viii) have terms not materially less favourable to the Noteholders than the terms of the relevant Notes, as determined by the Issuer in its sole and absolute discretion, and provided that the Issuer shall have delivered a certificate to that effect signed by two of its directors to (in the case of Notes other than VP Notes) the Issuing Agent or (in

the case of VP Notes) the VP Agent (where the VP Agent is not the Issuer) not less than 5 Business Days prior to (a) in the case of a substitution of the relevant Notes pursuant to Condition 7(k)(B), the issue date of the relevant securities or (b) in the case of a variation of the relevant Notes pursuant to Condition 7(k), the date such variation becomes effective; and

- (ix) if (A) the relevant Notes were listed or admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (a “**Regulated Market**”) immediately prior to the relevant substitution or variation, are listed or admitted to trading on a Regulated Market or (B) the relevant Notes were listed or admitted to trading on a recognised stock exchange other than a Regulated Market immediately prior to the relevant substitution or variation, are listed or admitted to trading on any recognised stock exchange (including, without limitation, a Regulated Market), in either case as selected by the Issuer.

(l) Consent, etc. of the Relevant Regulator

This Condition 7(l) is only applicable to Non-Preferred Senior Notes and Subordinated Notes.

Such Notes may only be redeemed, purchased, cancelled, substituted, varied or modified (as applicable) pursuant to Conditions 7(b), 7(c), 7(d), 7(e), 7(h), 7(i), 7(k), 16(a) or 16(b)(ii), as the case may be, if:

- (i) in the case of any such substitution, variation or modification, the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has not objected to, such substitution, variation or modification (as applicable) in accordance with the CRD IV requirements;
- (ii) in the case of any such redemption, purchase or cancellation of Subordinated Notes, the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has given permission to, such redemption, purchase or cancellation (as applicable) in accordance with the CRD IV requirements (which, in the case of Subordinated Notes, as at 30 August 2018, are set out in Articles 77 and 78 of the CRR and Article 29 of Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014, supplementing the CRR with regard to regulatory technical standards for own funds requirements for institutions); and
- (iii) in the case of any such redemption, purchase or cancellation of Non-Preferred Senior Notes, the Issuer has notified the Relevant Regulator of, and, if then required by CRD IV, the Relevant Regulator has given permission to, such redemption, purchase or cancellation (as applicable).

Any refusal by the Relevant Regulator to grant its permission to any such redemption, purchase or cancellation (as applicable) pursuant to this Condition 7(l) will not constitute an event of default under the relevant Notes.

8 Taxation

All payments in respect of the Notes and Coupons 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 (together, “**Taxes**”) imposed or levied by or on behalf of Denmark, or any political sub-division of, or any authority in, or of, Denmark having power to tax, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts (“**Additional Amounts**”) as may be necessary in order that the net amounts

received by the Noteholders and Couponholders after such withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons 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 or Coupon:

- (i) to, or to a third party on behalf of, a holder who is liable to the Taxes in respect of the Note or Coupon by reason of his having some connection with Denmark other than the mere holding of the Note or Coupon or receipt of principal or interest in respect thereof; or
- (ii) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to Additional Amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Payment Date.

As used herein, the “**Relevant Date**” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent on or before the due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

In the case of Non-Preferred Senior Notes and Subordinated Notes only and notwithstanding the foregoing, the payment of Additional Amounts by the Issuer will be limited to payments of interest only.

9 Prescription

The Notes and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor, subject as provided in Condition 6(b).

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

10 Events of Default

This Condition 10 applies only to Preferred Senior Notes and references herein to Noteholders and the Notes shall be construed accordingly.

- (a) If any of the following events (each an “**Event of Default**”) occurs, the holder of any Note may give written notice to the Principal Paying Agent at its specified office that such Note is, and it shall thereupon immediately become, due and repayable, at its Early Redemption Amount, together with accrued interest to the date of payment thereof:
 - (i) the Issuer fails to pay any principal or any interest in respect of the Notes within five days of the relevant due date;
 - (ii) the Issuer defaults in performance or observance of or compliance with any of its other obligations set out in the Notes, which default is incapable of remedy or, if capable of remedy, is not remedied within 14 days after notice requiring such default to be remedied shall have been given to the Issuer by the Principal Paying Agent or the holder of any Note;
 - (iii) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes, the Agency Agreement or the Declaration of Direct Rights;

- (iv) the Issuer or any Material Subsidiary (A) becomes insolvent or bankrupt or unable to pay its debts as they fall due or (B) stops or suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts or reconstruction proceedings (within the meaning of the Danish Bankruptcy Act) are initiated against the Issuer or any Material Subsidiary or (C) begins negotiations or takes any proceeding or other step with a view to re-adjustment, rescheduling or deferral of all its indebtedness (or any part of its indebtedness which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or a moratorium is agreed or declared in respect of or affecting indebtedness of the Issuer or any Material Subsidiary, except in any case referred to in (C) above for the purposes of and followed by a solvent liquidation, reconstruction or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders;
- (v) (A) proceedings are initiated against the Issuer or any of its Material Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any of its Material Subsidiaries or, as the case may be, in relation to the whole or a part of the undertaking or assets of any of them, and (B) in any case (other than the appointment of an administrator) is not discharged within 60 days; or if the Issuer or any of its Material Subsidiaries initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors), except for the purposes of and followed by a solvent liquidation, reconstruction or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders, or an order is made or an effective resolution is passed for the winding-up of the Issuer or any Material Subsidiary, except in any such case for the purposes of a solvent liquidation, reconstruction or amalgamation the terms of which have previously been approved in writing by an Extraordinary Resolution of the Noteholders;
- (vi) the Issuer initiates or consents to proceedings relating to itself under the Danish Financial Business Act or any applicable bankruptcy law or makes a conveyance or assignment for the benefit of or enters into any composition with its creditors;
- (vii) proceedings are initiated against the Issuer under the provisions of Chapter 15 of the Danish Financial Business Act or any applicable bankruptcy law and such proceedings are not discharged or stayed within a period of 60 days;
- (viii) a distress, attachment, execution or other legal process is levied, enforced or sued out against or on the Issuer or any Material Subsidiary or against the assets of the Issuer or any Material Subsidiary in respect of any financial indebtedness of the Issuer or any Material Subsidiary which in aggregate could have a material adverse effect on the financial position or prospects of the Issuer or its ability to perform its obligations under the Notes and which is not stayed, satisfied or discharged within 14 days or otherwise contested in bona fide proceedings;

- (ix) any present or future Security Interest on or over any of the assets of the Issuer or any Material Subsidiary becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar officer which is not vacated or discharged within 14 days) is taken to enforce that Security Interest by reason of a default or event of default (howsoever described) having occurred;
 - (x) any event occurs which, under the laws of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in this Condition; or
 - (xi) (a) any indebtedness for money borrowed by the Issuer or any Material Subsidiary amounting to at least U.S.\$15,000,000 (or its equivalent in any other currency or currencies) becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described) otherwise than at the option of the Issuer or such Material Subsidiary, or steps are taken to enforce any security given in respect thereof, or the Issuer or any Material Subsidiary defaults in repayment of any such indebtedness at the maturity thereof as extended by any applicable grace period or (b) any guarantee of any indebtedness at the maturity thereof as extended by any applicable grace period or any guarantee of any indebtedness for money borrowed given by the Issuer or any Material Subsidiary amounting to at least U.S.\$15,000,000 (or its equivalent in any other currency or currencies) shall not be honoured when due and called upon.
- (b) In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

- (i) “**Material Subsidiary**” means a Subsidiary of the Issuer as to which either or both of the following conditions is satisfied:
 - (A) its net profits attributable to the Issuer (before taxation and extraordinary items) for its last completed financial year are not less than 5 per cent., of the consolidated net profits (before taxation and extraordinary items but after deducting minority interests in Subsidiaries) of the Issuer and its Subsidiaries for its last completed financial year; or
 - (B) its gross assets attributable to the Issuer for its last completed financial year represent 5 per cent., or more of the consolidated gross assets (after deducting minority interests in Subsidiaries) of the Issuer and its Subsidiaries for its last completed financial year.

A certificate by the Issuer’s auditors as to whether a Subsidiary of the Issuer is or is not, or was or was not, at any particular time, a Material Subsidiary shall be conclusive.

- (ii) “**Security Interest**” includes any mortgage, pledge, lien or charge or any security or preferential interest or arrangement of any kind (including, without limitation, retention of title and any deposit of money by way of security), but excluding (a) any charge or lien arising in favour of any government or any governmental, semi-governmental or judicial entity or authority by operation of statute (provided there is no default in payment of moneys owing under such charge or lien), (b) a right of title retention in connection with the acquisition of goods in the ordinary course of business on the terms of sale of the supplier (provided there is no default in connection with the relevant acquisition) and (c) any security or preferential interest or arrangement arising under or created pursuant to any right of set-off.

11 Enforcement Events

This Condition 11 only applies to Non-Preferred Senior Notes and Subordinated Notes and references herein to Noteholders and the Notes shall be construed accordingly.

- (a) There are no events of default in respect of the Non-Preferred Senior Notes and Subordinated Notes. Noteholders shall not be entitled at any time to file for bankruptcy or liquidation of the Issuer.
- (b) If an order is made or an effective resolution is passed for the bankruptcy or liquidation of the Issuer (an “**Enforcement Event**”), any Noteholder may prove or claim in such proceedings in respect of such Note, such claim being for payment of the Early Redemption Amount of such Note at the time of commencement of such bankruptcy or liquidation of the Issuer together with any interest accrued and unpaid on such Note from (and including) the Interest Payment Date immediately preceding the occurrence of such Enforcement Event and any other amounts payable on such Note (including any damages payable in respect thereof). Such claim shall rank as provided in Condition 3(b).
- (c) Subject to Condition 11(a) and without prejudice to Condition 11(b), any Noteholder may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Notes, provided that the Issuer shall not by virtue of the institution of any proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

12 Replacement of Notes, Coupons and Talons

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

13 Agents

The names of the initial Issuing Agent, Principal Paying Agent, Registrar, Paying Agents and Transfer Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series of Notes, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of the Issuing Agent, the Principal Paying Agent, the Registrar and any Paying Agent or Transfer Agent and/or appoint another Principal Paying Agent or additional or other Registrars, Paying Agents or Transfer Agents and/or approve any change in the specified office through which any such entity acts, provided that:

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent and Transfer Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange; and
- (ii) there will at all times be an Issuing Agent, a Principal Paying Agent and a Registrar.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it

shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 15.

In the case of VP Notes, if, at any time, the Issuer is not itself authorised to act as an account holding institution with the VP, the Issuer shall appoint a VP Agent that is so authorised to act on its behalf in respect of VP Notes.

14 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprising any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Issuing Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprising the Coupon sheet in which that Talon was included on issue matures.

15 Notices

Subject as provided below, notices to the holders of Registered Notes will be mailed to them or, if there is more than one holder of any Registered Note, to the first named holder of that Note at their respective addresses in the Register and shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes will be valid if published in a leading daily newspaper of general circulation in Europe (which is expected to be the Financial Times) and (so long as the Notes are admitted to listing on the official list of the Irish Stock Exchange plc, trading as Euronext Dublin and admitted to trading on the regulated market for listed securities of the Irish Stock Exchange plc, trading as Euronext Dublin and the rules of that exchange so permit) if published on the website of the Irish Stock Exchange plc, trading as Euronext Dublin (www.ise.ie). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of publication or, if published more than once on different dates, on the date of first publication. If publication as provided above is not practicable, notice will be validly given if published in another leading daily English language newspaper with general circulation in Europe. Notices to holders of VP Notes shall be given in accordance with the procedures of the VP and in a manner which complies with the rules of any stock exchange or other relevant authority on or by which the VP Notes are for the time being listed or admitted to trading. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes).

16 Meetings of Noteholders and Modification

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution (as defined in the Agency Agreement) of any of these Conditions. The quorum at any meeting for passing an Extraordinary Resolution will be two or more persons present holding or representing a clear majority in the nominal amount of the Notes for the time being outstanding, or at any adjourned meeting, one or more persons present whatever the nominal

amount of the Notes held or represented by him or them, except that at any meeting, the business of which includes the modification of certain of these Conditions in accordance with the detailed provisions of the Agency Agreement, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than three-quarters (or at any adjourned meeting, one-quarter) of the nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. 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.

So long as the Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, for the purpose of determining whether a resolution in writing has been validly passed the Issuer shall be entitled to rely upon (i) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding; or (ii) consent or instructions given in writing directly to the Issuer by accountholders in the clearing system with entitlements to such Global Note or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or *via* one or more intermediaries and provided that, in each case, the Issuer has obtained commercially reasonable evidence to ascertain the validity of such holding and has taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment, both in accordance with the detailed provisions of the Agency Agreement.

In the case of Non-Preferred Senior Notes and Subordinated Notes, any modification to these Conditions pursuant to the operation of the provisions described in this Condition 16(a) is subject to Condition 7(l).

(b) Modification

The Issuer may make, without the consent of the Noteholders or Couponholders:

- (i) any modification to the Notes, these Conditions, the Agency Agreement and/or the Declaration of Direct Rights to correct a manifest error; or
- (ii) subject to Condition 7(l) in the case of Non-Preferred Senior Notes and Subordinated Notes, any modification to the Notes, the Conditions, the Agency Agreement and/or the Declaration of Direct Rights which, in the sole opinion of the Issuer, is not prejudicial to the interests of the Noteholders and the Couponholders.

Any such modification to the Agency Agreement shall be subject to the agreement of the Issuing Agent. Subject as provided in these Conditions, no other modification may be made to the Notes, the Conditions, the Agency Agreement or the Declaration of Direct Rights except with the sanction of an Extraordinary Resolution and, in the case of a modification to the Agency Agreement, the consent of the Issuing Agent.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

17 Further Issues

The Issuer is at liberty from time to time, without the consent of the Noteholders or Couponholders, to create and issue further notes ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single Series with the outstanding Notes.

18 Governing Law and Jurisdiction

(a) Governing Law

The Notes and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, Danish law.

(b) Jurisdiction

The courts of Denmark are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes or Coupons and, accordingly, any legal action or proceedings arising out of or in connection with the Notes or Coupons (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and Couponholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for general banking purposes, including, without limitation, asset/liability management and as part of its strategic liquidity.

SUMMARY OF PROVISIONS RELATING TO NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the applicable Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), (i) the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper and (ii) the applicable Final Terms indicate whether or not such Global Notes or the Global Certificates are intended to be held in a manner which would allow Eurosystem eligibility. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a common depository for Euroclear and Clearstream, Luxembourg (the “**Common Depository**”).

If the Global Note is a CGN, upon the initial deposit of a Global Note with a Common Depository or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is an NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depository may (if indicated in the applicable Final Terms) also be credited to the accounts of subscribers with (if indicated in the applicable Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Notes intended to be delivered outside a clearing system shall be delivered as agreed between the relevant Issuer, the Issuing Agent and the relevant Dealer.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (each, an “**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note or to the holder of the underlying Registered Notes and in relation to all other rights arising under the Global Note or Global Certificate subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer or holder, as the case may be, of such Global Note or Global Certificate in respect of each amount so paid.

Exchange

Exchange of Global Notes for Definitive Notes and Certificates

Temporary Global Notes

Each Temporary Global Note in respect of a Series or Tranche of Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below) in whole or in part upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the applicable Final Terms, for Definitive Bearer Notes.

Each Temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable, free of charge to the holder, for Registered Notes (in global or definitive form, as indicated in the applicable Final Terms) in accordance with the Conditions in addition to any Permanent Global Note or Definitive Bearer Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

In relation to any issue of Notes which are represented by a Temporary Global Note which is expressed to be exchangeable for definitive Bearer Notes at the option of Noteholders, such Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) and multiples thereof.

Permanent Global Notes

Each Permanent Global Note in respect of a Tranche of Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “*Partial Exchange of Permanent Global Notes and Global Certificates*” below, in part for Definitive Bearer Notes or, in the case of “*Partial Exchange of Permanent Global Notes and Global Certificates*” below, Registered Notes:

- (a) if the Permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Issuing Agent of its election to exchange the whole or a part of such Permanent Global Note for Registered Notes (in global or definitive form, as specified in the applicable Final Terms); and
- (b) otherwise, (i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (ii) if principal in respect of any Bearer Notes is not paid when due, by the holder giving notice to the Issuing Agent of its election for such exchange.

Definitive Notes

In the event that a Global Note is exchanged for Definitive Notes, such Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Global Certificates

Each Global Certificate will be exchangeable on or after its Exchange Date in whole but not, except as provided under “*Partial Exchange of Permanent Global Notes and Global Certificates*” below, in part for Definitive Certificates:

- (a) if the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so;
- (b) upon or following any failure to pay principal in respect of any Notes when it is due and payable; or
- (c) with the consent of the Issuer,

provided that, in the case of the first exchange of part of a holding pursuant to (a) or (b) above, the holder of the Notes represented by this Global Certificate has given the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange.

Partial Exchange of Permanent Global Notes and Global Certificates

For so long as a Permanent Global Note or Global Certificate is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note or Global Certificate will be exchangeable in part on one or more occasions (a) for Definitive Certificates if the Permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (b) for Definitive Bearer Notes or Definitive Certificates, as appropriate, (i) upon or following any failure to pay principal in respect of any Notes when it is due and payable or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the applicable Final Terms).

Delivery of Definitive Notes and Definitive Certificates

If the Global Note is a CGN, on or after any due date for exchange (a) the holder of a Temporary Global Note or Permanent Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing Agent and (b) the holder of a Global Certificate may surrender such Global Certificate or, in the case of a partial exchange, present it for endorsement to or to the order of the Registrar. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Permanent Global Note exchangeable for Definitive Bearer Notes or in the case of a Global Certificate, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes and/or Definitive Certificates, as the case may be or if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. Definitive Bearer Notes will be security printed and Definitive Certificates will be printed in accordance with any applicable legal regulatory authority or stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each Global Note and Global Certificate, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes and/or Definitive Certificates.

Exchange Date

“**Exchange Date**” means (a) in relation to a Temporary Global Note, the day falling after the expiry of 40 days after completion of the distribution of the Notes, as certified to the Issuing Agent by the relevant Dealer and (b) in relation to a Permanent Global Note, a day falling not less than 60 days, or, in the case of an exchange for Registered Notes, five days and (c) in relation to a Global Certificate, a day falling not less than 60 days, or, in the case of failure to pay principal in respect of any Notes when due, 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing Agent or, as the case may be, the Registrar is located and in the city in which the relevant clearing system is located.

Legends

Each Permanent Global Note and any Bearer Note, Talon and Coupon will bear the following legend:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections of the US Internal Revenue Code of 1986 referred to in the legend provide that a United States taxpayer, with certain exceptions, will not be permitted to deduct any loss, and will not be eligible for capital gains treatment with respect to any gain realised on any sale, exchange or redemption of Bearer Notes or any related Coupons.

Amendments to the Conditions

Each Global Note and Global Certificate contains provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Prospectus. The following is a summary of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Temporary Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Bearer Notes or Certificate(s) representing Registered Notes is improperly withheld or refused. Payments on any Temporary Global Note before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement. All payments in respect of CGNs represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Bearer Notes, surrender of that Global Note to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each such Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Bearer Notes. If the Global Note is a NGN or if the Global Note is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purposes of any payments made in respect of a Global Note, Condition 6(c)(i) shall not apply in the definition of “**Payment Day**” in Condition 6(c).

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

Prescription

Claims against the Issuer in respect of Notes issued by it that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

For the purposes of any quorum requirements of a meeting of Noteholders and at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.

Cancellation

Cancellation of any Bearer Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note.

Purchase

Bearer Notes represented by a Permanent Global Note may only be purchased by the Issuer together with the rights to receive all future payments of interest thereon.

Issuer's Options

Any option of the Issuer provided for in the Conditions of any Bearer Notes issued by it while such Bearer Notes are represented by a Permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by, the Conditions, except that the notice shall not be required to contain the serial numbers of Bearer Notes drawn in the case of a partial exercise of an option and, accordingly, no drawing of Bearer Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Bearer Notes of any Series, the rights of accountholders with a clearing system in respect of the Bearer Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

Where the Notes of any Series are in both definitive and global form, the Notes in definitive form to be redeemed shall be an amount which is proportionate to the proportion which the aggregate principal amount of Notes in definitive form outstanding bears to the aggregate principal amount of all Notes outstanding, in each case on the Selection Date, provided that such first mentioned principal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate principal amount of Redeemed Notes in global form shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note or Global Certificate for Definitive Bearer Notes or Definitive Certificates respectively will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 at least five days prior to the Selection Date.

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Bearer Notes while such Bearer Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to the Issuing Agent within the time limits relating to the deposit of Bearer Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Bearer Notes in respect of which the option has been exercised, and stating the principal amount of Bearer Notes in respect of which the option is exercised and at the same time, where the Permanent Global Note is a CGN, presenting the Permanent Global Note to the Principal Paying Agent, or to a Paying Agent acting on behalf of the Principal Paying Agent, for notation. Where the Global Note is a NGN or where the Global Certificate is held under the NSS, the Issuer shall procure

that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

NGN nominal amount

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation or exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

Events of Default and Direct Rights

Each Global Note and Global Certificate provides that the holder may cause such Global Note or Global Certificate or a portion of it to, or that such Global Note and Global Certificate or a portion of it will, in the case of Preferred Senior Notes, become due and repayable in the circumstances described in “*Terms and Conditions of the Notes – Events of Default*” and by stating in the notice to the Principal Paying Agent the principal amount of such Global Note or Global Certificate that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of the Declaration of Direct Rights delivered by the Issuer to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the Register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

Notices

So long as any Notes are represented by a Global Note or Global Certificate (and provided no Definitive Notes have been issued) and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the holders of such Notes may, if so permitted by any stock exchange on which the Notes are listed, be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of such Global Note or Global Certificate.

Any such notice shall be deemed to have been given to the Noteholders on the fourth day after the day on which such notice was given to the relevant clearing system. Notice may be given by any Noteholder to the Principal Paying Agent or Registrar (as the case may be) *via* the relevant clearing system in such manner as the Principal Paying Agent or Registrar may approve for such purpose.

SUMMARY OF CERTAIN PROVISIONS RELATING TO THE VP NOTES

Initial issue of VP Notes

Each Tranche of VP Notes cleared through the VP will be issued in uncertificated and dematerialised book entry form. Legal title to the VP Notes will be evidenced by book entries in the records of the VP. On the issue of such VP Notes, the Issuer will send a copy of the applicable Final Terms to the Issuing Agent, with a copy sent to the VP. On delivery of the applicable Final Terms to the VP and notification to the VP of the relevant subscribers and their respective VP account details by the relevant Dealer(s), each subscribing account holder with the VP will be credited with a nominal amount of VP Notes equal to the nominal amount thereof for which it has subscribed and paid.

Sales and transfers of VP Notes

Settlement of sale and purchase transactions in respect of VP Notes in the VP will take place in accordance with market practice at the time of the relevant transaction. Transfers of interests in the relevant VP Notes will take place in accordance with the rules and procedures for the time being of the VP.

No VP Notes will be exchangeable for Definitive Notes.

Accountholders with the VP

Each person shown in the book entry records of the VP as the holder of one or more VP Notes must look solely to the VP for payments made by the Issuer in respect of such VP Note(s). No such person shall have any contractual claim directly against the Issuer in respect of payments due in respect of such VP Note(s) and the relevant obligation of the Issuer will be discharged by payment to the VP in accordance with the rules and procedures for the time being of the VP.

The Issuer shall be entitled to obtain certain information from the registers maintained by the VP for the purpose of performing its obligations under the issue of VP Notes.

Legislative and Regulatory Review

Systemically Important Financial Institutions

In June 2014, the Danish FSA appointed six Danish SIFIs: Danske Bank A/S (“**Danske**”), Nykredit Realkredit A/S (“**Nykredit**”), Nordea Bank Danmark A/S (“**Nordea**”), the Issuer, Sydbank A/S and DLR Kredit A/S. The SIFIs were identified in accordance with Section 308 of the Danish Financial Business Act. On 28 June 2018, the Issuer was re-appointed as a SIFI. Institution-specific SIFI buffers (the systemic risk buffers) between 1 and 3 per cent. were set according to quantitative SIFI criteria and will be phased in gradually from 2015 to 2019. The additional CET1 (as defined below) requirement of the Jyske Bank Group, beyond the requirement as per CRD IV (the SIFI buffer), was set at 1.5 per cent.

Danish implementation of the CRD IV Directive and CRR

In line with other European banks, Danish banks must also comply with the CRD IV Directive and the CRR. Both have come into force in Denmark in 2014, the CRD IV Directive through implementation of the Danish Financial Business Act, whereas the CRR applies directly without implementation in national law. The phase-in of the capital requirements is expected to follow the path in the CRR until 2018 unless already required under applicable Danish legislation. The CRR and CRD IV Directive framework implements, among other things, the Basel III reforms in the EU covering a wide range of prudential requirements, including capital requirements, stricter and aligned definitions of capital, REA, leverage ratio, large exposure framework and liquidity and funding requirements. The CRD IV Directive covers the overall supervisory framework for banks (including the individual Pillar II risk assessment) and other measures such as the combined capital buffer requirements, SIFI definition, governance and remuneration requirements. The EBA will propose (or in some cases, has already proposed) detailed rules through binding technical standards during the period from 2013 to 2016 for many areas including, *inter alia*, liquidity requirements and certain aspects of capital requirements.

(i) *Capital requirements*

- (a) Under the CRD IV Directive and the CRR, the minimum capital requirement for Common Equity Tier 1 capital (“**CET1**” or “**Common Equity Tier 1 Capital**”) will be phased in gradually to 9.5 per cent. of REA over the period from 2014 until 2019. The 9.5 per cent. requirement includes a capital conservation buffer requirement of 2.5 per cent. and a counter-cyclical buffer requirement of up to 2.5 per cent. in addition to the minimum requirement of 4.5 per cent. The counter-cyclical buffer requirement will apply in periods of excess lending growth in the economy and can vary for each jurisdiction. If a bank does not maintain these buffers, in excess of the 4.5 per cent. CET1 minimum requirement, certain restrictions can be imposed, including restrictions on its ability to pay dividends and make other payments.
- (b) For each SIFI there will be an additional CET1 capital requirement, a so-called SIFI buffer or systemic risk buffer, on top of the minimum requirements. The SIFI buffer is set individually on a national level according to the systemic importance of the bank. Apart from the breakdown of capital into the minimum CET1 requirement of 4.5 per cent. and the combined buffer requirement (capital conservation, counter-cyclical and SIFI buffer), the CRD IV Directive distinguishes between Pillar I and Pillar II capital requirements. The Pillar I capital requirement was fully implemented by 2015 and set at 8 per cent. of REA, consisting of the minimum of 4.5 per cent. of CET1, up to 1.5 per cent. of Additional Tier 1 Capital and up to 2 per cent. of Tier 2 capital. The Pillar II requirement is the difference between an institution’s individual solvency requirement and the 8 per cent. Pillar I requirement. In Denmark, the Danish FSA pile the Pillar II requirement up on top of the Pillar I requirement of 8 per cent. as a cushion below the combined buffers.
- (c) In addition to the higher capital requirements, the CRR has a stricter criteria for determining the quality of capital that may count as Additional Tier 1 Capital and Tier 2 capital. Additional Tier 1 Capital must

therefore be converted into CET1 at a trigger point of 5.125 per cent. of CET1, and Additional Tier 1 Capital and Tier 2 capital must have no incentive to be redeemed before the contractual maturity, which means any capital including step-up structures is not accepted as Tier 2 under the CRR. Furthermore, CRR also implies stricter requirements for the calculation of REA.

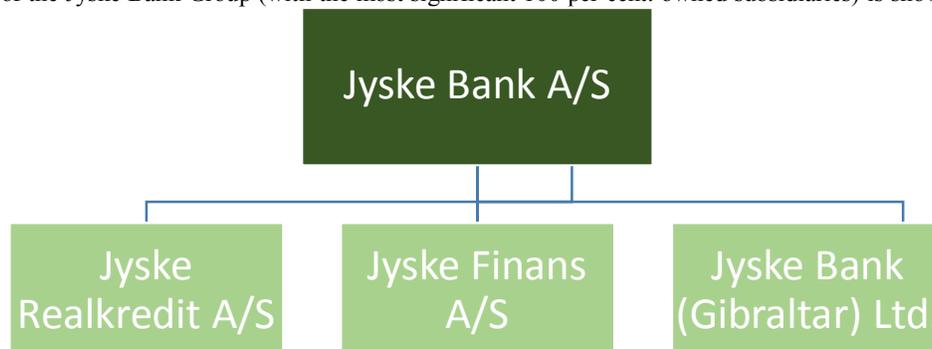
- (d) The CRR includes grandfathering rules for Additional Tier 1 Capital instruments and Tier 2 instruments issued before 31 December 2011. Any Additional Tier 1 Capital instruments or Tier 2 instruments issued after 31 December 2011, which are not compliant with CRR will not be eligible for grandfathering under the CRR. The phasing out of old Additional Tier 1 Capital instruments and Tier 2 capital instruments eligible for grandfathering are based on a stepwise reduction of 20 per cent. in 2014 and subsequent 10 per cent. annual reductions until 2022, by which point any such capital instruments will have been completely phased out. The grandfathering bucket for each of the years from 2014 until 2021 is calculated based on the total nominal amount of outstanding and grandfathering compliant Additional Tier 1 Capital instruments and Tier 2 instruments as per 31 December 2012.
- (e) The CRD IV Directive and the CRR include a requirement for credit institutions to calculate, report and monitor their leverage ratios, defined as their CET1 and Additional Tier 1 Capital as a percentage of total non-weighted exposure. The leverage ratios will be assessed under Pillar II (as defined under Basel III) while awaiting a subsequent political decision in the EU on whether this should be a Pillar I (as defined under Basel III) assessment. The leverage ratio is a risk-neutral measure for the maximum extent of the balance-sheet leverage. A high leverage ratio may cause an institution to be exposed to risks linked to sudden changes in market conditions and significant price falls on assets with ensuing losses. At present, no statutory requirement has been established based on the leverage ratio, but the decision on such a requirement must be taken by the end of 2016. A requirement of a maximum leverage ratio will, if necessary, be introduced to take effect as of 2018. So far, an indicative benchmark of 3 per cent. has been indicated, corresponding to a maximum leverage of 33 times an institution's core capital.
- (ii) ***Liquidity requirements***

The NSFR is intended to ensure a sound funding structure by promoting an increase in long-dated funding of financial institutions. The NSFR stipulates that at all times financial institutions must have stable funding equal to the amount of their illiquid assets for one year ahead. The focus of the NSFR is to minimise the duration mismatch in the balance sheets of the relevant bank.

DESCRIPTION OF JYSKE BANK A/S AND THE JYSKE BANK GROUP

The Issuer

The Jyske Bank Group is the fourth largest financial service provider on the Danish market. The corporate structure of the Jyske Bank Group (with the most significant 100 per cent. owned subsidiaries) is shown below:



Jyske Bank A/S is the parent company of the Jyske Bank Group and, measured by total assets, is the third largest¹ bank in the Danish market for bank lending and the second largest Danish-owned bank. Jyske Realkredit is the fourth² largest Danish mortgage institution. As at the end of June 2018, the Jyske Bank Group's total assets amounted to DKK 593 billion and the Jyske Bank Group employed approximately 3,786 full-time employees. The Jyske Bank Group also comprises the leasing company Jyske Finans A/S, as well as international interests in the form of a branch in Hamburg and the provision of investment advice to international private banking clients in Gibraltar and Copenhagen.

The Jyske Bank Group has a strong nationwide market presence in Denmark with a market share of around 12 per cent.² in terms of total bank lending to customers, total bank deposits from customers and aggregate Danish mortgage lending³. In Denmark, the Jyske Bank Group (as at the end of June 2018) operates 98 Danish branches. Leasing activities are performed by the Bank's subsidiary Jyske Finans.

The Bank's registered and head office is situated at Vestergade 8-16, DK 8600 Silkeborg. Its telephone number is +45 89 89 89 89 and the Bank is registered with the Danish Business Authority under CVR number 17616617.

History and development

The Bank was established as a public limited company on 7 July 1967 following the merger of four banks based in central Jutland. Through further mergers the Bank achieved nationwide retail branch coverage in the 1980s.

The strategic initiatives during the decade following the financial crisis have focused on the strengthening of the income base through selective acquisitions and cost reductions, together with strengthening of the capital base via capital increases in 2009 and 2012 and divestiture of non-core activities.

Jyske Bank strengthened its market position in Denmark by acquiring smaller bank lending portfolios, such as the leasing activities of Finans Nord A/S and Easyfleet A/S and the purchase of the profitable parts of Fjordbank Mors from the Financial Stability Cooperation in 2011. In 2013, Jyske Bank acquired all of the small regional bank Sparekassen Lolland A/S's banking activities.

¹ Source: http://www.nationalbanken.dk/da/publikationer/Documents/2017/06/Analyse_Finansiel%20Stabilitet_1_halvaar2017.pdf

Jyske Bank is the 2nd largest Danish bank regulated by the Danish FSA, and the third largest bank on the Danish market (after Danske and Nordea). Jyske Realkredit is the fourth largest mortgage institution as Totalkredit and Nykredit must be seen as one entity (the Nykredit Group).

² Own estimate calculated on the basis of Central Bank (*Nationalbanken*) statistics.

³ Exclusive of mortgage lending to the agricultural sector.

In 2014, the Jyske Bank Group took the largest step in its corporate history to strengthen its market position by merging with BRFkredit⁴. BRF Holding A/S hereby became the largest shareholder in Jyske Bank A/S with an initial ownership stake of 25 per cent⁵. The merger doubled the size of the balance sheet of the Jyske Bank Group and tripled its lending portfolio. Furthermore, it improved diversification of the balance sheet, thereby lowering the risk profile for the total earnings.

Jyske Realkredit's activities date back to 1959. The main activity of Jyske Realkredit is mortgage lending secured against real property in Denmark.

During 2014, Jyske Bank divested two non-core activities, selling (i) its wholly-owned subsidiary Silkeborg Data A/S, a leading provider of payroll and staff administration systems to the public sector, and (ii) its 60 per cent. stake in the investment company, Berben's Effectenkantoor B.V., in the Netherlands.

In February 2015, Jyske Bank and Nykredit entered into an agreement on the specific terms and conditions for Jyske Bank's exit from the Totalkredit cooperation, including sale of Jyske Bank's shares in Pengeinstitutternes Realkreditselskab A/S ("PRAS"). PRAS is a company that owns shares in Nykredit Holding A/S and DLR Kredit A/S.

In March 2015, a decision was made to wind up Jyske Bank Schweiz which has been owned by Jyske Bank since 1981. The unit no longer met the Jyske Bank Group's required rate of return, and there were no prospects for future improvement of profitability. All banking activities in Switzerland were discontinued, and the banking licence was returned in February 2016.

On 31 March 2017, Jyske Bank took over the administration company Jyske Invest Fund Management A/S. Jyske Invest Fund Management continues as a 100 per cent. owned subsidiary of the Jyske Bank Group.

The Danish Banking Sector

As at the end of July 2018, there were a total of 68 Danish banks and 6 mortgage institutions regulated by the Danish FSA present in the Danish market. The Danish banking sector is both highly concentrated and fragmented and consists of several different types of financial groups, banks and mortgage institutions.

The Danish market is dominated by four financial services groups and first-tier banks and mortgage institutions, Danske, Nordea (through its Danish branch, Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige and Nordea Kredit Realkreditaktieselskab), Nykredit and the Bank. Danske and Nordea are both pan-Nordic financial conglomerates, and their mortgage activities in Denmark are carried out via its subsidiaries Realkredit Danmark A/S and Nordea Kredit Realkreditaktieselskab respectively. Danske is the largest financial conglomerate in Denmark, whereas Nordea is the largest financial conglomerate in the Nordic region, with Danske being the second largest. Nykredit is the largest Danish mortgage institution and its banking activities are conducted via its subsidiary Nykredit Bank A/S. The Jyske Bank Group is the fourth largest financial services group in the Danish market, and its mortgage activities are carried out via its subsidiary Jyske Realkredit.

The second-tier Danish banks are Sydbank A/S and Spar Nord Bank A/S. Foreign competition in the Danish banking market is primarily from Handelsbanken (branch of Svenska Handelsbanken AB (publ)) and a Copenhagen based branch of Skandinaviska Enskilda Banken AB ("SEB"). The rest of the market for bank lending is highly fragmented, comprising many small and medium-sized regional banks with strong local franchises and niche strategies, and individual market shares around or significantly below 1 per cent. of total bank lending.

The Danish mortgage lending market is the biggest lending market in Denmark with total mortgage lending of DKK 2,644 billion⁶ as of end of May 2018, including lending from the independent and specialised mortgage

⁴ BRFkredit was renamed Jyske Realkredit in August 2018.

⁵ BRF Holding held 20.25 per cent. of the shares in Jyske Bank as of end of December 2017.

⁶ Source: <http://nationalbanken.statbank.dk/statbank5a/default.asp?w=1843>

institution DLR Kredit A/S. In comparison, total bank lending of Danish commercial banks to domestic Danish SME, corporates and private household clients totalled DKK 843 billion⁷ as at the end of May 2018.

Jyske Bank Group Financials

Jyske Bank Group key figures								
	Profit before tax, DKKkm	Net profit, DKKkm	Shareholder s' equity at year-end, DKKkm	ROE after tax, average equity	Loans and advances, DKKbn	Deposits , DKKbn	Total assets, DKKbn	Number of FTEs
1997	584	443	4.772	9,6%	36,6	41,5	63,1	2.671
1998	710	511	5.173	10,3%	39,7	43,8	76,9	2.772
1999	1.276	897	5.421	16,9%	49,8	49,8	92,6	2.923
2000	1.255	1.083	5.887	19,2%	75,4	52,3	127,4	3.107
2001	890	623	6.174	10,3%	82,5	54,4	133,2	3.418
2002	1.083	511	6.658	8,0%	95,3	59,0	153,2	3.359
2003	1.809	1.284	7.843	17,7%	63,8	63,8	116,4	3.547
2004	1.960	1.407	7.858	17,9%	74,6	68,7	125,2	3.713
2005	2.174	1.701	9.477	19,6%	90,9	79,8	141,6	4.026
2006	2.810	2.134	9.637	22,3%	107,2	88,8	160,7	4.216
2007	2.273	1.735	9.704	17,9%	134,0	112,7	214,3	4.145
2008	1.307	988	10.722	9,7%	129,1	117,0	236,8	3.996
2009	597	471	12.523	4,1%	110,6	109,3	224,5	3.877
2010	1.003	757	13.352	5,9%	114,0	115,8	244,1	3.847
2011	601	493	13.846	3,6%	124,5	127,3	270,2	3.809
2012	851	596	15.642	4,0%	118,6	121,0	258,2	3.574
2013	2.301	1.808	17.479	10,9%	131,4	131,4	262,0	3.774
2014	3.103	3.089	27.561	13,7%	361,8	152,7	541,7	4.191
2015	3.204	2.476	30.040	8,6%	396,2	144,9	543,4	4.021
2016	3.906	3.116	31.038	10,1%	422,4	154,6	586,7	3.981
2017	4.002	3.143	32.023	9,8%	447,7	160,0	597,4	3.932
H1 2018	1.782	1.421	32.283	8,5%	455,4	155,1	593,0	3.786

⁷ Source: <http://nationalbanken.statbank.dk/statbank5a/default.asp?w=1843>

Financial highlights & key ratios for 1H 2018 and the years ended 2017 and 2016

Summary of income statement Jyske Bank Group

Core profit and net profit or loss for the period

<i>(DKK millions)</i>	1H 2018	2017	2016
Net interest income	2,846	5,674	5,748
Net fee and commission income	905	1,957	1,531
Value adjustments	-106	577	781
Other income	304	207	257
Income from operational leasing (net)	47	-54	44
Core income	3,996	8,361	8,361
Core expenses	-2,415	-5,374	-5,108
Core profit before loan impairment charges	1,581	2,987	3,253
Loan impairment charges and provision for guarantees	-335	453	149
Core profit	1,246	3,440	3,402
Investment portfolio earnings	536	562	504
Profit before tax	1,782	4,002	3,906
Tax	-361	-859	-790
Profit after tax	1,421	3,143	3,116

Information relating to Alternative Performance Measures (as such term is defined in the ESMA Guidelines on Alternative Performance Measures)

This Prospectus includes information about the Jyske Bank Group's profit and its components. The presentation of such information includes non-GAAP financial measures. A body of generally accepted accounting principles such as IFRS is commonly referred to as 'GAAP'. In this case the non-GAAP financial measure is a different presentation of the income statement than in the consolidated financial statements for the six months period ended 30 June 2018, as well as in the audited consolidated annual financial statements of the Jyske Bank Group for the financial years ended 31 December 2017 and December 2016. However, the profit before tax is the same. The table below illustrates the relationships between the income statement items above broken down into core and non core earnings and the income statement items in the IFRS financial statements of Jyske Bank Group. Core profit is defined as the pre-tax profit exclusive of investment portfolio earnings. Investment portfolio earnings are defined as the return on the Group's portfolio of shares, bonds, derivatives and equity investments, yet exclusive of the liquidity buffer and certain strategic equity investments. Investment portfolio earnings are calculated after expenses for funding and attributable costs.

Reclassification from non_GAAP measures and items	1H2018				2017				2016			
	Core profit	Investment portfolio earnings	Reclassification	Total	Core profit	Investment portfolio earnings	Reclassification	Total	Core profit	Investment portfolio earnings	Reclassification	Total
Net interest income	2,846	57	-11	2,892	5,674	330	284	6,288	5,748	417	408	6,573
Net fee & commission income	905	0	0	905	1,957	-3	0	1,954	1,531	-3	0	1,528
Value adjustments	-106	442	11	347	577	219	-10	786	781	87	-58	810
Other income	304	53	18	375	207	47	34	288	257	30	0	287
Income from operating lease (net)	47	0	223	270	-54	0	588	534	44	0	486	530
Income	3,996	552	241	4,789	8,361	593	896	9,850	8,361	531	836	9,728
Expenses	-2,415	-16	-241	-2,672	-5,374	-31	-622	-6,027	-5,108	-27	-486	-5,621
Profit before loan impairment charge	1,581	536	0	2,117	2,987	562	274	3,823	3,253	504	350	4,107
Loan impairment charges	335	0	0	335	-453	0	274	-179	-149	0	350	201
Pre-tax profit	1,246	536	0	1,782	3,440	562	0	4,002	3,402	504	0	3,906

The reclassification to determine Core Profit relates to the following:

- Income of DKK 274m in 2017 and DKK 350m in 2016 from impaired loans and advances taken over is reclassified from interest income to loan impairment charges.
- Income of DKK 10m (2017: expenses of DKK 10m and 2016 of DKK 58m) due to value adjustments relating to the balance principle at Jyske Realkredit are reclassified from value adjustments to interest income.
- Income of DKK 18m (2017 income of DKK 34m and 2016 of DKK 0m) from external sales was classified from income to offsetting against expenses.
- Depreciation and amortisation of DKK 223m (2017 DKK 588m and 2016: DKK 486m,) are reclassified from expenses to income from operating lease (net).

Summary of Balance Sheet			
	1H 2018	2017	2016
<i>DKK billions</i>			
Bonds and shares etc.	81.0	79.1	89.9
Loans and advances	455.4	447.7	422.4
- of which mortgage loans	314.4	306.8	277.0
- of which bank loans	116.6	113.5	111.5
- of which repo loans	24.4	27.4	33.9
Total Assets	593.0	597.4	586.7
<i>DKK billions</i>			
Due to credit institutions and central banks	17.4	18.0	19.9
Deposits	155.1	160.0	154.6
- of which bank deposits	135.3	139.9	134.2
- of which repo deposits and tri-party deposits	19.8	20.1	20.5
Issued bonds at fair value (mortgage bonds)	308.9	302.6	271.2
Issued bonds at amortised cost	31.2	38.9	51.0
Subordinated Debt	4.3	4.3	2.1
Holder of AT1 capital	2.5	2.6	1.5
Equity	32.3	32.0	31.0

Selected ratios and financial data Jyske Bank Group			
	1H 2018	2017	2016
Weighted Risk Exposure Amount (REA) DKK billion	185	188	182
Income/Cost ratio	1.8	1.7	1.7
Impairment ratio for the period (per cent.)	0.1	0.0	0.0
Accumulated Impairment ratio (per cent.)	1.2	1.1	1.3
RoE for the period (after tax) (per cent.) p.a.	8.5	9.7	10.1
Price/book value per share (DKK)	0.9	0.9	1.0
Net return on total assets (per cent.) p.a.	0.6	0.5	0.6
Net return on REA (per cent.) p.a.	1.5	1.7	1.7
Loans relative to equity	13.1	12.9	13.0
Equity/total assets (per cent.)	5.4	5.4	5.3
Common Equity Tier 1 Ratio (per cent.)	16.7	16.4	16.5
Core Tier 1 Capital Ratio (per cent.)	18.4	18.0	17.7
Capital Ratio (per cent.)	20.4	19.8	18.3
Number of full time employees, end of year	3,786	3,932	3,981

Core business areas & strategic focus

The Jyske Bank Group is an advisory and relations banks, and a full-line supplier of financial products and other related products and services primarily in Denmark. Overall the Group's business model and strategy builds on rendering advice and delivering financial services that are simple, forward looking and responsible. Since Jyske Bank achieved national coverage in the 1980s, the Group's strategy has been to focus its business activities primarily on Danish retail clients and small and medium enterprises ("SME") via the retail and commercial banking activities and the strong Danish branch network, with selected niche activities outside of Denmark in private banking. Clients are serviced via the extensive branch network as well as through digital platforms (internet banking solutions, mobile banking as well as advisory APPs).

The Jyske Bank Group's business model involves strategic sourcing of partnerships in key areas, including life insurance products through PFA Pension, insurance products from GF Forsikring A/S, mortgage products within agriculture through DLR Kredit A/S as well as payment cards via SEB. Mobile payment solutions are offered via MOBILEPAY and Apple Pay. Since 2011, the Jyske Bank Group has been a member of Foreningen

Bankdata, which delivers essential parts of Jyske Bank's IT development and IT solutions, and Jyske Bank's IT operations have been performed at JN Data A/S since 2002.

Following the merger with Jyske Realkredit in 2014 the Group has focused on its three core business areas; banking activities, trading and investment activities incl. of asset management and international private banking and mortgage lending activities in Jyske Realkredit.

Banking activities: Jyske Bank's retail and commercial banking activities in Denmark focus primarily on Danish individuals, families, SMEs, as well as local and regional public institutions and state institutions. Customers are serviced via the nationwide branch network and via the Internet and mobile phone banking platforms. Jyske Bank offers a full range of financial services in connection with financial solutions, including leasing, financing and mortgage lending activities, partly via its own subsidiaries (Jyske Finans A/S and Jyske Realkredit) or via sourcing agreements with external strategic partners.

Trading and investment activities incl. of asset management and international private banking: Investment advice and asset management services, including trading in fixed-income products, foreign currency, bonds, shares, commodities and derivatives. The activities are based on client transactions and aimed at national and international investors, partly through the activities in Capital Markets in DK-Silkeborg, and partly through the Private Banking entities in Gibraltar and Copenhagen.

Jyske Realkredit mortgage lending activities: Mortgage lending activities, specialising in owner-occupied homes, vacation homes, commercial properties, subsidised housing and joint funding. Mortgage products are distributed via Jyske Bank's retail branches, partners, and an online web-platform.

The Group has had strong strategic focus on financing of real property as the growth driver. The overall strategic vision of the Group is to become "*the preferred bank for the Danish homeowner*", and since the merger, the Group has successfully strengthened its overall market position in Denmark, primarily via extensive growth in home loan products to private individuals. Until mid- 2018 the Group's growth strategy focused on both the BRFKredit as well as the Jyske brand. In order to achieve the simplest possible set-up for clients and the most cost-efficient infrastructure and loan processing across all distribution channels within the Group, the growth strategy was however changed from a two-brand to a one-brand strategy during 2018. From August 2018 all personal and corporate clients will be facing one brand and one product portfolio; "Jyske".

In 2017, the Group united and strengthened the client-oriented functions through the establishment of three new client units, Personal Clients, Corporate Clients and Private Banking. The Group will keep continued strategic focus on cost reductions, and the organisational changes implemented and the technological development support the Group's on-going focus on the cost level. Hence, the target is that five years after the merger with BRFKredit the number of employees will, all other things being equal, be back at about the level at the end of 2013⁸.

Over the last few decades, the Group has built up considerable trading and investment activities based on client transactions and asset management via the unit Capital Markets, also servicing larger institutional and corporate clients. From 2018, management has decided that trading, investment and wealth management is intended to be turned into a significant area of focus for future growth supplementing the last five years strong focus on financing of real property as the dominant growth driver. The increased focus will, among other things, be based on the upgrade of the Groups capital market platform that is taking place in cooperation with Bankdata and the adjustment of investment products to MiFID II-compliant solutions that was carried out in 2017. The Group continuously focuses on the development of good solutions for both clients and the bank. During 2018, the Group will initiate further efforts in the area.

Jyske Bank Group risk management

The Jyske Bank Group assumes financial risks within established limits and to the extent the risk-adjusted return contributes to the Jyske Bank Group's financial goal, but to the greatest possible extent the Jyske Bank Group attempts to minimise financial risks considering the related costs. Risk management is a key element in the

⁸ Number of FTEs in 2013 was 3,774. As of end of 2014 the number of FTEs was 4,191. The number of FTEs end of June 2018 was 3,786.

Jyske Bank Group's daily operations and is anchored in the Jyske Bank Group Supervisory Board and the Jyske Bank Group Executive Board. The total risks are always adjusted to the Jyske Bank Group's risk profile and capital structure according to the Jyske Bank Group's capital management objective.

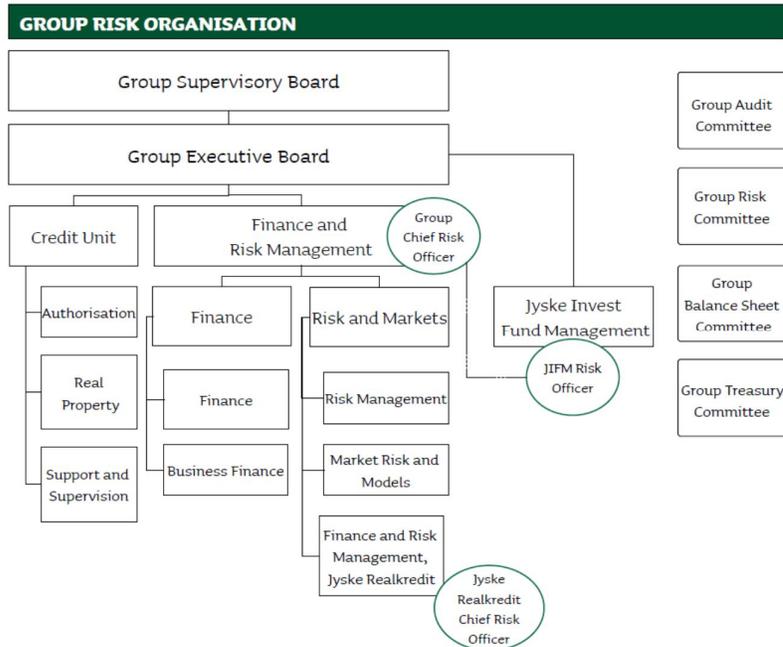
The largest financial risks related to the Jyske Bank Group's operations are credit risks which mainly arise from credit granting, market risks predominantly in the form of interest-rate risk and finally liquidity risk which arises as an integrated part of the banking activities, and the role of maturity transformation. In addition to these risks, the Jyske Bank Group's activities also involve counterparty risk related to trading of derivatives and operational and business risks driven by the general activities and operations of the Jyske Bank Group.

Risk management organisation

The Jyske Bank Group Supervisory Board lays down the general principles for risk and capital management as well as for the Jyske Bank Group's risk profile, and implements these in the Jyske Bank Group by adopting a number of risk policies and instructions. Together with the Jyske Bank Group Executive Board, the Jyske Bank Group Supervisory Board is responsible for ensuring that the Jyske Bank Group has an organisational structure that will secure a distinct allocation of responsibility and include an appropriate separation of functions between development units, operating units and control units in the daily monitoring and management of the Jyske Bank Group's risks.

The Jyske Bank Group Executive Board is responsible for the day-to-day risk management of the Jyske Bank Group and will ensure that policies and instructions are operationalised and complied with. The Jyske Bank Group Executive Board has appointed a group chief risk officer, who is the director of the "Finance and Risk Management" unit. The responsibilities of the unit include activities involving risks across areas of risk and organisational units.

To achieve efficient risk management close to the mortgage-credit business, the Jyske Bank Group has appointed a risk officer at Jyske Realkredit. The risk officer and his employees form an integral part of the unit "Finance and Risk Management" to ensure that the group chief risk officer has a complete overview of the entire Jyske Bank Group's risks. The organisational structure of the Jyske Bank Group, ensures that the unit "Finance and Risk Management" is separated from the risk-taking units and remains independent of business-oriented activities.



Risk committees

Several committees consider and process risk-related issues. Members of the Jyske Bank Group Audit Committee are appointed from the members of the Jyske Bank Group Supervisory Board. The committee checks whether the Jyske Bank Group's internal management and risk management systems function effectively. These tasks are carried out, amongst other things, through written and oral reporting to the committee as well as the committee's consideration of the relevant audit reports.

The Jyske Bank Group Risk Committee is a Jyske Bank Group Supervisory Board committee that carries out the preliminary consideration of risk-related issues before the final consideration by the Jyske Bank Group Supervisory Board at quarterly meetings. The main task of the monthly Jyske Bank Group Treasury Committee is to ensure that the Jyske Bank Group's actual market risk profile is in line with the assessment of market expectations and the intended risk profile. The Jyske Bank Group's liquidity risk profile, balance-sheet development and financial structure are assessed by the Jyske Bank Group Balance Sheet Committee, which at its quarterly meetings ensures a continuously adequate liquidity-risk profile and balance-sheet structure according to the general guidelines.

Credit risk management

Both Jyske Bank and Jyske Realkredit are approved by the Danish FSA as advanced financial institutions under CRD IV and use Advanced Internal Ratings Based (AIRB) models for the calculation of the capital base requirements for credit risk.

Credit policy and responsibility

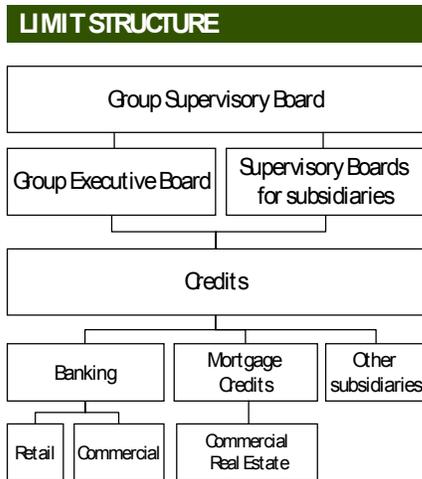
Jyske Bank's Group Supervisory Board lays down the overall guidelines for credit granting within the Jyske Bank Group, and the largest exposures are presented to the Jyske Bank Group Supervisory Board for approval. The Jyske Bank Group Supervisory Board delegates limits to the members of the Jyske Bank Group Executive Board.

Credit risk is managed through Jyske Bank's credit policy, of which the objective is to keep the Jyske Bank Group credit risk at an acceptable level in relation to the capital base and business volume of the Jyske Bank Group, given the general trend in the Danish economy. Client transactions with the Jyske Bank Group must

generate a satisfactory long-term return according to other Risk Adjustment Return on Capital (“RAROC”) principles. Specific credit policies have been formulated for all areas in which the Jyske Bank Group assumes credit risk, and credit risk levels and undesirable types of business have been identified. The policies are regularly adjusted to meet current requirements and adapted to the management tools available to account managers and the monitoring functions. Credit risk is managed on the basis of the Jyske Bank Group’s credit risk models.

Limits and authorisation

Jyske Bank has a decentralised credit-authorisation process with a limit structure in line with the below hierarchy. For each level it is clearly stated which amounts, instances and segments are covered by the limit.



Day-to-day management of credit risk is undertaken by relationship managers as well as the Credit unit with due regard to credit policies and credit instructions. Limits are delegated to relationship managers individually on the basis of perceived competence and need. Decisions about applications over and above the limits delegated to relationship managers are made by the Credit unit. Credit-related decisions relating to the Credit unit’s limits are made by the Jyske Bank Group Executive Board for credit cases at Jyske Bank A/S, whereas the Supervisory Boards for the individual subsidiaries authorise cases involving clients of the subsidiaries.

The credit process and monitoring

The basis of each authorisation of credit is the client’s ability to repay the loan. A central element in the assessment of the creditworthiness of corporate clients is their ability to service debt out of cash flows from operations in combination with their financial strength. In respect of personal clients, their debt servicing ability, as reflected in budgets and disposable income (before and after the raising of the loan), is decisive. The extent of data and analyses depend on the client’s financial situation and the complexity of the case and may therefore vary from case to case.

All the Jyske Bank Group’s credit risk positions are monitored by two departments, Risk Management and Credit Risk Supervision. Both departments are separate from client-oriented functions. The exposure of the Jyske Bank Group by size, sector and geographical area is monitored and analysed on an on-going basis with a view to reducing the risk associated with specific high-risk sectors and geographical areas and ensuring satisfactory diversification of the portfolio. Monitoring is executed by means of quantitative models at portfolio level – the credit quality of each branch is monitored, and selected large commitments are reviewed. Moreover, risk monitoring includes qualitative as well as quantitative control of data used in risk and RAROC calculations.

The Jyske Bank Group’s internal credit ratings and the mapped Jyske Realkredit ratings aim to assess the credit risk in a one-year perspective, while external ratings (Aaa - C) aim to assess the credit risk in a longer

perspective. If the credit rating calculated by the model is considered to be inadequate, independent credit experts may review the credit rating of corporate clients at the request of the relevant account manager.

Credit exposure

Credit exposures are quantified by means of exposure at default (“EAD”). EAD reflects the exposure at default in the event of the client defaulting in the course of the next twelve months. A client’s overall EAD depends on client-specific factors and the specific products held by the client. For most product types, EAD is calculated on the basis of statistical models, while a few product types are based on expert models.

IFRS 9

On 1 January 2018 IFRS 9 was implemented. Jyske Bank has chosen not to make use of the possibility of the EU’s 5-year transition period and therefore the full IFRS 9 transition effect was implemented on 1 January 2018. IFRS 9 implies earlier recognition of impairment charges on financial assets at amortised cost, provisions for losses on guarantees as well as unutilised credit lines. Already at the first recognition, impairment charges corresponding to a 12-month expected credit loss must be recognised. If, subsequently, the credit risk on the asset increases materially, the expected credit loss over the remaining life of the loan will be recognised. According to the new rules, financial assets must be divided into three categories/stages depending on any deterioration of the debtor’s credit rating relative to the first recognition.

Stage 1: Assets without material deterioration in credit quality

Stage 2: Assets with significant deterioration in credit quality

Stage 3: Assets in default

The ranking in the various stages will affect the calculation method applied, and it is determined, among other things, on the basis of the change in the probability of default over the expected remaining life of the exposure. The expected future loss is calculated on the basis of the probability of default, the exposure at the time of default and the loss given default. The impairment models are based on the Jyske Bank Group’s approved advanced risk management set-up, adjusted to IFRS 9 in a number of specific areas. The purpose of the adjustment is to ensure that input variables applied express a true and fair view comprising all available information and expectations of the future.

Collateral

The provision of collateral is a material element in credit granting in order to limit credit risk and minimise the Jyske Bank Group’s future losses. The need to demand collateral will be considered for each exposure on its merits, but as a main rule, clients are required to provide full or partial collateral for their exposures. The Jyske Bank Group’s mortgage loans are always secured by mortgages on immovable property, and also in a large number of cases, guarantees are provided by third parties in connection with cooperation with other financial institutions. Collateral received is a main element of the Jyske Bank Group’s assessment of Loss Given Default (“LGD”). LGD is the part of the Jyske Bank Group’s total exposure to a client which the Jyske Bank Group expects to lose in the event of the client defaulting within the next twelve months. A client’s LGD depends on specific factors concerning the client, but also on the commitment and the collateral provided. Overall, LGD also depends on Jyske Bank’s ability to collect receivables and liquidate collateral.

Market risk management

The Jyske Bank Group uses the standardised approach for calculation of the capital base requirements for market risk under the CRD IV.

Market risk is the risk that the Jyske Bank Group will incur losses arising from position-taking in the financial markets or from the general banking and mortgage banking operations. The dominant market risk component is interest rate risk, caused by changes in market interest rates. In addition, the Jyske Bank Group also faces exchange rate risk, equity risk and commodity risk caused by changes in exchange rates, equity prices or commodity prices as well as volatility risk caused by changes in volatility levels. Every risk type has its own characteristics and is managed by means of individual risk measurements as well as through the Jyske Bank Group’s Value-at-Risk model and supplemented by risk measurements developed in accordance with conventional option theory, i.e. by calculating the delta, gamma and vega risks of the positions.

Jyske Bank has three business areas that manage and are allowed to assume significant market risk. Strategic market risks are managed by Jyske Bank Group Treasury, and investments are in general based on macroeconomic principles and thus of a long-term nature. Jyske Markets and Jyske Realkredit manage short-term market risks as part of the servicing of clients daily trade volume with financial instruments and as part of clients' repayment and raising of mortgage loans. The Jyske Bank Group Supervisory Board lays down the market risk policy and relevant guidelines stating the Jyske Bank Group Supervisory Board's risk profile for the area of market risk. The policy is specified in a number of limits delegated to the Jyske Bank Group Executive Board. The limits are further limited before being delegated to the three heads of Jyske Markets, Jyske Bank Group Treasury and Jyske Realkredit, respectively. Operations in accordance with the respective limits are supported by detailed procedures. The Jyske Bank Group Treasury Committee follows market developments closely and is therefore able to adjust for any discrepancies between the Jyske Bank Group's actual risk profile and its desired risk profile.

All risk positions are monitored daily. The Jyske Bank Group Executive Board is notified immediately of any positions which exceed the pre-determined limits or are in conflict with the risk management policy. The Jyske Bank Group Supervisory Board and Internal Audit are notified immediately if positions exceed the overall authority of the Jyske Bank Group Executive Board. The development of the market risk exposure of the various units is reported monthly to the Jyske Bank Group Executive Board and the Jyske Bank Group Supervisory Board. Monitoring and reporting of market risk take place through a risk-management system which is developed by Jyske Bank and integrated with Jyske Bank's trading systems as well as other systems for the handling of Jyske Bank's regular banking and mortgage operations.

Operational Risk Management

The Jyske Bank Group uses the standardised approach for calculation of the capital base requirements for operational risk under the CRD IV.

Operational risk relates to all internal processes such as the risk of Jyske Bank being exposed to potential losses as a result of inexpedient processes, human errors, IT errors as well as fraud. Operational risk can therefore not be eliminated, yet attempts are made to minimise this risk. The Jyske Bank Group monitors and actively manages operational risk to reduce the risk of operational events resulting in material loss and damage to reputation. Jyske Bank's Group Supervisory Board sets out a policy for operational risk, which states the framework for identification, assessment, monitoring and management of the operational risk as well as the Jyske Bank Group Supervisory Board's risk profile for the area. The purpose of the policy is to keep operational risks at an acceptable level in respect of the Jyske Bank Group's overall objectives and the cost associated with reducing the risks.

Developments in operational risk are monitored to ensure the best possible basis for risk management. Monitoring is based on continuous dialogue with management to ensure that all the material operational risks of the Jyske Bank Group are reflected in the risk scenarios. Risk scenarios, risk exposure and control environment are evaluated annually in cooperation with the business units.

The Group Executive Board and the relevant business unit directors are in charge of operational risk management. This management is an integral part of daily operations through policies and controls established with the purpose of securing the best possible processing environment. On the basis of scenario analysis and quarterly reporting of the Group's operational risks, management considers the Group's risk exposure on an ongoing basis and decides whether to introduce initiatives to reduce operational risks.

The Group Executive Board and the Group Supervisory Board receive a quarterly report that describes the development of the Group's operational risks accompanied by error statistics from the error registry. The number and development of large risks in the Group are also reported.

Liquidity risk management & funding structure

Liquidity risk occurs due to funding mismatch in the balance sheet. The Jyske Bank Group's liquidity risk can primarily be attributed to its bank lending activities as the Jyske Bank Group's bank loan portfolio has a longer contractual duration than its average funding sources. The liquidity risk at Jyske Realkredit is very limited as the

liquidity flow at Jyske Realkredit takes place predominantly in a closed circuit linked to the balance principle and the statutory protection of SDOs.

Objective and overall setup

The Jyske Bank Group Supervisory Board determines the liquidity profile expressed as the balance between the risk level and the Jyske Bank Group's costs of managing liquidity risk. The risk levels are re-assessed on an on-going basis in consideration of the current market-related and economic conditions in Denmark and the financial sector. The overall development in lending and deposits in the Danish banking sector, the rating agencies' assessment of the Jyske Bank Group's liquidity and funding risks as well as changes in statutory requirements will of course cause a reassessment of which risk levels can be deemed satisfactory.

Jyske Bank's liquidity management must ensure adequate short and long-term liquidity so the Jyske Bank Group can in due time honour its payment obligations by having reasonable funding costs.

Organisation, management and monitoring

The Group Supervisory Board has adopted a liquidity policy which defines a specific critical survival horizon for the Group during an adverse stress scenario. Based on these general limits, the Group Executive Board has defined specific operational limits for Jyske Markets as well as Group Treasury, which monitor and manage liquidity on a daily basis in accordance with the limits and liquidity policies adopted. Group liquidity management is conducted in Group Treasury in Jyske Bank A/S.

Jyske Realkredit is subject to liquidity-related restrictions in respect of investment profile in the securities portfolio, repo borrowing as well as money-market placements outside the Group to ensure that transactions of Jyske Realkredit are in line with statutory requirements as well as the internal guidelines at Jyske Realkredit and at Group level.

Liquidity positions are monitored daily by Market Risk & Models for observance of the delegated limits. Liquidity positions that exceed the authorised limits are reported immediately according to the business procedure relating to market risks.

The Group's responsibility for issuing bonds in the capital market (senior preferred and senior non-preferred notes as well as subordinated Tier 2 debt and Additional Tier 1 capital) is centralized in Group Treasury. When necessary liquidity or capital can be distributed from Jyske Bank A/S to Jyske Realkredit and other financial subsidiaries. Jyske Bank provides liquidity commitment to Jyske Bank Gibraltar and Jyske Finans at an unsecured level. As a mortgage credit institution, Jyske Realkredit must comply with mandatory overcollateralisation within the scope of the privileged position of covered bond investors in a bankruptcy scenario. In a scenario with declining house prices, Jyske Realkredit may need to have liquidity injected into its capital centres from Jyske Bank to fund supplementary collateral and to ensure the capital centres' compliance with S&P's over-collateralisation requirements (OC requirements).

Group Liquidity flows

Short-term liquidity management

Short-term operational liquidity is managed by Jyske Markets, which is active in the international money markets as a trader in all major currencies and related derivatives and as a market-maker in the Nordic inter-bank money markets. Jyske Markets has been granted specific limits for the maximum placement of longer-term deposits in the same markets. Short-term funding in these markets form part of the overall Group limits for short-term funding within strategic liquidity management.

Strategic liquidity management

Strategic liquidity is managed by Group Treasury based on measurement of the Group's liquidity position in various stress scenarios. The asset side of the liquidity balance is broken down and grouped in order of liquidity, whereas the financial liabilities are grouped according to expected run-off risk in various scenarios. The analyses apply scenario-specific expectations of client behaviour in those cases where contractual maturities are considered not to give a true and fair view of the actual maturities of deposits or loans. In relevant stress

scenarios, the liquidity buffer is used to cover negative payment gaps. All scenarios assume, as a minimum failure, to obtain refinancing in the capital markets through inter-bank loans, commercial paper (“CP”) and euro medium term note (“EMTN”) issues (senior preferred, senior non-preferred notes as well as Tier 2 notes).

Group Treasury is responsible for ensuring that the Group can at all times meet the critical survival horizons in the three scenarios used in strategic management:

Scenario 1 is a severe Jyske Bank Group-specific stress scenario which is monitored daily and is included as the key ratio in the limit structure of delegated authority with a short critical survival horizon of 90 days: the Jyske Bank Group must be able to withstand run-off of all large demand and term deposits from the corporate and retail client segments in addition to being cut-off from refinancing in the capital markets.

Scenario 2 is a broad general capital and money-market sector crisis stress scenario which is monitored on a regular basis as part of the internal liquidity management with a target survival horizon of six months: in addition to not being able to re-finance on the capital markets, the Jyske Bank Group must be able to withstand drawdowns by large corporate customers of unutilised lines and commitments, while at the same time facing stagnation in deposit growth.

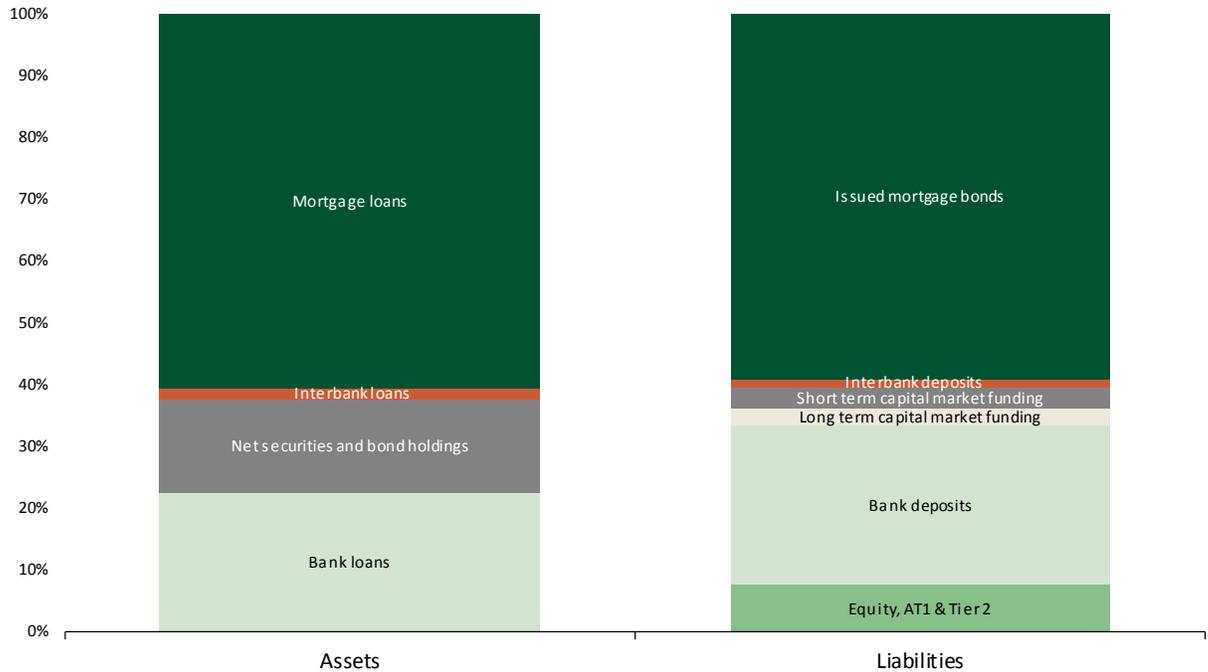
Scenario 3 is a pure “no access to capital markets funding” stress scenario which is monitored on a regular basis as part of the internal liquidity management and has a survival horizon of at least one year. Currently based on the state of the Danish economy, an unchanged volume of deposits as well as loans and advances is presumed.

Liquidity contingency plan

The liquidity contingency plan comes into force if the Jyske Bank Group can only meet the internally delegated limits at very high costs or is ultimately unable to do so within the critical horizons. The contingency plan stipulates a detailed set of management reports, and it determines a broad range of initiatives that can be used to strengthen the Jyske Bank Group’s liquidity position.

Group funding structure

From the perspective of liquidity risk, Jyske Bank’s overall balance sheet structure as per end of June 2018 is reflected in the following chart. The chart shows how Jyske Realkredit’s mortgage activities are reflected in the Group balance sheet in the form of mortgage loans funded by issued covered bonds.



In addition to mortgage bonds, the Group's primary source of funding is deposits from clients, and it has a sound and well-diversified client deposit base.

The Group's liquidity buffer

Jyske Bank's liquidity buffer consists solely of assets which are not pledged as collateral or used in the day-to-day operations of the Group. Such assets may be sold immediately or pledged as collateral for loans and are therefore a swift and efficient source of liquidity. The procurement of secured funding does not depend on Jyske Bank's creditworthiness, but solely on the quality of the assets that can be offered as collateral. The measurement of the Group's liquidity buffer takes into account haircuts of the relevant assets.

Jyske Bank's holding of securities is divided into three groups in the internal liquidity management in order of liquidity:

- 1) **Ultra-liquid assets (intra-day liquidity)**
Assets placed with the Danish Central Bank or the ECB with intra-day liquidity effect: Cash deposits at the ECB or the Danish Central Bank, certificates of deposit with the Danish Central Bank.
- 2) **Very liquid assets (central bank eligible)**
Assets eligible for borrowing transactions in the Danish Central Bank or the ECB: Danish government and mortgage bonds and covered bonds, European covered bonds, RMBS and government bonds.
- 3) **Non-central bank eligible assets (not eligible at central banks):** Other negotiable securities with a longer realisation time frame. Securities in this group consist primarily of assets denominated in currencies other than DKK and EUR as well as Emerging Market bonds, corporate and structured bonds and equities.

Jyske Bank has adopted a general policy for the size and quality of its liquidity buffer, which is adjusted to suit the Group's balance sheet composition and risk profile. In practice, the liquidity buffer policy implies that the liquidity buffer consists predominantly of assets from liquidity group 1 and 2. It is thus Jyske Bank's policy that it must be able to meet the limit of the survival horizon of stress scenario 1 merely by freeing assets from liquidity group 1 and 2.

Capital markets & funding activities

Maintaining a diversified investor base ensures strong access to the international capital markets which is of high strategic importance to the Group to manage the Groups long-term liquidity risk profile. The objective is met partly through ongoing debt IR activities as well as via bond issuance activities under this EMTN programme as well as under the Groups French CP program.

At end-June 2018, senior unsecured debt issued under the EMTN programme amounted to DKK 15.6 billion against DKK 15.8 billion at end-2017. Outstanding issues of subordinated Tier 2 notes amounted to DKK 3.3 billion compared to DKK 3.3 billion at end-2017.

At end-June 2018, outstanding bonds under the CP programme amounted to DKK 15.6 billion (EUR 2.1 billion) against DKK 16 billion (EUR 2.2 billion) at end-2017.

Group refinancing risk

Refinancing risk is the risk of a financial institution not being able to refinance maturing deposits, senior debt, covered bonds or other liabilities, or the risk that the refinancing cost will be so high that it will adversely affect net interest income.

The refinancing risk of deposits and senior unsecured funding at Jyske Bank is addressed, monitored and managed via the Group's internal limits and the integration of stress scenarios in daily liquidity risk management. The Group's refinancing risk measured by volume is dominated by Jyske Realkredit's mortgage bonds. Jyske Realkredit is a major issuer in the Danish market for SDOs and has a high dependency on secured capital market funding on a covered bond basis. The refinancing risk from mortgage activities has remained moderate during 2017 and 1H 2018 following a significant reduction during 2016, ensuring Group compliance with the (expected) NSFR as well as the Danish FSA's supervisory diamond. Long fixed rate convertible SDOs have no refinancing risk. The proportion of SDOs with refinancing risk amounts to DKK 196 billion and 65 per cent. of Jyske Realkredit's total outstanding volume of SDOs as of end of June 2018.

Liquidity risk legislation and supervisory diamond

The critical survival horizon for the Group's stress scenario 1 remains a key short term limit and part of overall liquidity risk management, but since 2017 an adjusted version of the LCR on a daily basis has also been part of the limit structure to achieve unambiguousness in the monitoring and in the limits set.

As of end-June 2018, the Group's LCR was 209 per cent. compared to 189 per cent. as of end-2017.

Currently the Group's minimum target for the LCR is a Group LCR of 150 per cent., with some flexibility regarding the actual composition of the buffer. The primary focus in the management of the Group's LCR buffer is on the total amount of LCR eligible Level 1 and Level 2 assets whereas the split between Level 1a and other eligible LCR assets is of secondary importance as far as overall compliance is achieved.

As a Danish O-SII, Jyske Bank must comply with a modified LCR requirement in EUR. The modification consists of three essential elements:

- 1) There is no cap on the amount of EUR Level 1b and Level 2 assets.
- 2) There is no limit to the recognition of inflow from derivatives in EUR.
- 3) There is no requirement to keep EUR reserves for potential cash outflow from derivatives.

Jyske Bank is fully compliant with a substantial buffer to the 100 per cent. requirement as of end-2017 as well as of end of June 2018.

From 30 June 2018, the Group must comply with the Danish Financial Supervisory Authority's new liquidity ratio, in the supervisory diamond. The ratio is a simplified version of LCR. The liquidity reserve has no minimum requirement for the proportion of 1a assets and holdings of own SDOs are included, but the survival horizon is extended to 90 days. At the end of June 2018, the Group's ratio could be calculated at 165.6 per cent. compared to 145.5 per cent. as of end of 2017.

It is expected that the Net Stable Funding Ratio will be a statutory requirement within the coming years. In the first draft of the NSFR from the EU Commission late 2016, Danish mortgage bonds governed by the "extension trigger" are recognised as "closely related to the loans" which means that NSFR compliance at Jyske Realkredit will be easier to achieve. At group level Jyske Bank was fully NSFR compliant throughout 2017 with the current tougher Basel guidelines and the Group NSFR as of end-June 2018 was 102 per cent. compared to 103.6 per cent. end of 2017.

Capital management & requirements

The objective of capital management is to optimise the Jyske Bank Group's capital structure given the adopted risk profile, and to maintain a solvency ratio sufficient for the Jyske Bank Group to continue its lending activities during a period of difficult business conditions.

The capital adequacy is assessed on the basis of both internal and statutory capital base requirements. The Group must fulfil the minimum regulatory capital base requirements which are set according to the risk types of credit, market and operational risk. Furthermore the Group must fulfil the individual solvency requirement, the "Pillar II" requirement⁹. The Pillar II requirement for the Group is determined as the higher of the requirements based on the Group's internally calculated adequate capital base (according to the Internal Capital Adequacy Assessment Process ("ICAAP")) and the adequate capital base according to the Danish FSA's 8+ method as well as statutory limits.

The CRR has implied the phasing in of increasing capital requirements that are fully phased in by 2019. By 2019 the capital requirement will include a 2.5 per cent. capital conservation buffer.

In 2018 Jyske Bank was again confirmed to be a systemically important financial institution (and confirmed by the EBA to be an O-SII), which entails the gradual phasing in of a 1.5 per cent. SIFI supplement by 2019 to the capital base requirement that reflects the Jyske Bank Group's systemic importance.

The Danish Ministry of Business & Growth has set the countercyclical capital buffer at 0 per cent. for 2016, 2017 as well as 2018, but from March 2019 a countercyclical buffer requirement of 0.5 per cent. will come into force in Denmark.

At the end of June 2018, the Group determined an individual solvency requirement of 10.1 per cent., representing a Pillar II requirement of 2.1 per cent. (10.1 per cent. – 8 per cent. minimum Pillar I requirement) equalling the solvency requirement according to the method of internal calculation (ICAAP), 1.20 per cent. add on from the gradual phasing in of the institution specific SIFI buffer and 1.9 per cent. add on of the capital conservation buffer.

Capital management objectives and capital structure

Jyske Bank's long-term capital management objective after the implementation of the new Basel IV recommendations is a capital ratio of 17.5 per cent. and a Common Equity Tier 1 capital ratio of 14 per cent. At these levels, Jyske Bank will have a safe distance to the statutory capital base requirements and will at the same time have the required strategic scope in respect of its capital structure.

At 30 June 2018, the Group more than met both targets due to its capital ratio of 20.4 per cent. and a CET1 ratio of 16.7 per cent. compared to 19.8 per cent. and 16.4 per cent., respectively, at the end of 2017.

⁹ To follow the EBA definition, in the Pillar II at least 56 per cent. (4.5/8) must be covered by CET1, but 19 per cent. (1.5/8) can be Additional Tier 1 Capital and 25 per cent. (2/8) can be Tier 2.

JYSKE BANK GROUP CAPITAL STRUCTURE	1H 2018	2017	2016
Common equity Tier 1 capital ratio (CET1)	16.7%	16.4%	16.5%
Additional Tier 1 capital (AT1)	1.7%	1.6%	1.2%
Core Tier 1 capital ratio	18.4%	18.0%	17.7%
Tier 2	2.0%	1.8%	0.6%
Total capital ratio	20.4%	19.8%	18.3%
Pillar I min. solvency requirement	8.0%	8.0%	8.0%
Pillar II (Individual solvency requirement - 8 %)	2.1%	2.2%	2.0%
SIFI buffer requirement	1.2%	0.9%	0.6%
Capital conservation buffer	1.9%	1.3%	0.6%
Total capital requirement	13.2%	12.4%	11.3%
Capital buffer	7.2%	7.4%	7.0%
Core equity Tier 1 (CET1) capital buffer	3.5%	4.0%	5.2%

Since a capital redistribution process was initiated during the third quarter of 2015 the following steps have been taken:

- Share buy-back programmes of DKK 3.25 billion in total (Nov 2015-March 2018)
- Dividends of DKK 2.5 billion in total (March 2016-July 2018)

Jyske Bank will payout - in the form of dividends and share repurchases – capital amounts not needed to sustain business strategy and growth or to underpin the S&P rating.

Jyske Bank's capital position has been further strengthened during the first half of 2018 with the sale of the ownership stake in Ringkjøbing Landbobank and the sale of property in Lyngby. The capital ratio as per end of June 2018 also meets the long-term objectives after the assessed effect of the revised Basel IV recommendations that are to be gradually implemented from 1 January 2022. On the basis of the Basel IV recommendations published in December 2017, Jyske Bank assesses a negative effect on the capital ratios of up to 3 per cent. when the revised Basel IV recommendations have been fully phased in by 2027.

In the financial report for the first half of 2018 it was announced that a new share buy-back programme of up to DKK 1 billion is to be initiated, which will run from 22 August to 28 December 2018. Maintenance of a “strong” S&P RAC ratio remains a cornerstone and the Group aims to ensure a risk-adjusted capital ratio (RAC) determined by S&P at the level of 10.5 per cent. in order to maintain the score 'strong' in the category 'capital and earnings'. At the end of June 2018, the S&P RAC ratio was 10.3 per cent..

As part of the adaptation of the capital structure to the long-term targets, Jyske Bank reinitiated issuance of subordinated debt instruments in 2016. In May 2016 Jyske Bank issued the first subordinated debt in 10 years – a Tier 2 of SEK 1 billion (10NC5). The Tier 2 bond was followed by issuance of Additional Tier 1 capital equivalent of DKK 1.5 billion (perpNC5) in September 2016. In April 2017, a EUR 300 million subordinated Tier 2 bond (12NC7) was issued, followed by a EUR 150 million perpNC10 AT1 in September 2017.

Jyske Bank did not issue Tier 2 or AT1 capital during the first half of 2018, but Jyske Bank will continuously seek to make the capital structure even more cost effective. At the end of June 2018, subordinated debt and Additional tier 1 capital instruments of DKK 6.8 billion had been issued corresponding to 3.7 per cent. of the total weighted risk exposure.

Overview loss absorption capital, MREL and debt buffer requirements

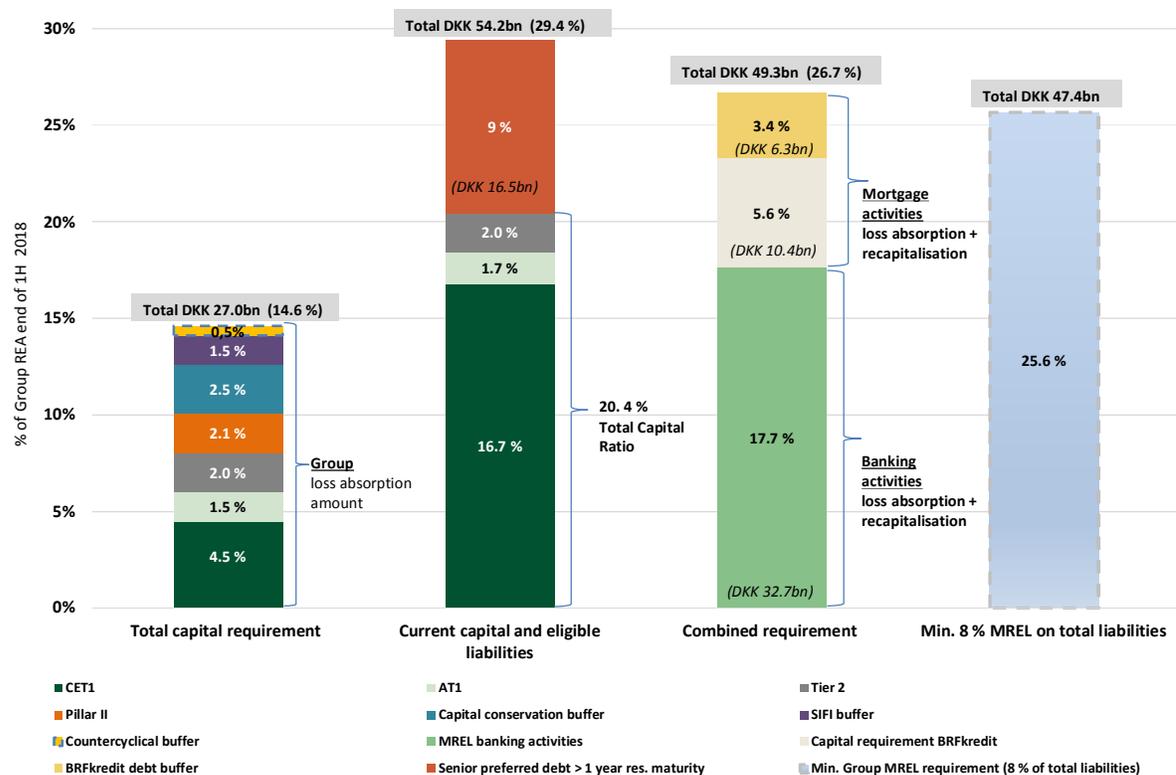
In the autumn of 2017, the Danish FSA announced that senior unsecured debt (now referred to as senior preferred debt) issued before 1 January 2018 can be included in the Group's MREL from the entering into force of the MREL requirement on 1 January 2019 until the end of 2021 ("grandfathering").

The Danish FSA requires that the Group must meet the MREL requirement with contractually subordinated debt (senior non-preferred) from 1 January 2022.

As part of the Danish BRRD framework, mortgage credit institutions are required to establish a debt buffer equal to 2 per cent. of their total (unweighted) mortgage lending to facilitate a more flexible resolution process. The debt buffer requirement will gradually be implemented from 2016 until 2020, with 60 per cent. in 2017, 80 per cent. in 2018, 90 per cent. in 2019 and the full 100 per cent. in 2020, representing 2 per cent. of total (unweighted) mortgage lending. Jyske Realkredit fully complies with the debt buffer requirement based on its high capitalisation and Jyske Realkredit will at any given time have adequate access to capital and funding to fulfil the debt buffer requirement.

A new debt buffer requirement for Danish SIFI mortgage institutions was introduced on 1 July 2018. The new requirement states that in addition to the debt buffer requirement of 2 per cent. of total unweighted loans, the sum of the capital requirement, debt buffer requirement and bail-inable liabilities of the financial group to which the mortgage institution belongs must also be above 8 per cent. of the group's total liabilities.

The below graph provides an overview of the Group's statutory capital requirements (loss-absorption capital) the MREL requirement, debt buffer requirement and the effect of the requirement of min. 8 per cent. of total Group liabilities. All components have been translated to a per cent. of end of 1H 2018 REA. Furthermore the graph is based on a fully phased in SIFI buffer (1.5 per cent.), capital conservation buffer (2.5 per cent.), countercyclical buffer (0.5 per cent.) and the full 2 per cent. debt buffer requirement in Jyske Realkredit.



As illustrated in the graph, the Group already fulfills both requirements based on current capital base and the grandfathered senior preferred. Over the years 2018-2021 the Group plans to gradually replace the current stack of senior preferred debt with the new asset class senior non-preferred in order to maintain compliance with the MREL requirement as well as the combined 8 per cent. requirement after 2021.

Leverage ratio

The CRR introduces the leverage ratio, which is a risk-neutral measure for the maximum extent of the balance-sheet leverage (see “*Legislative and Regulatory Review*” and the risk factor “*Additional capital buffer requirements*” above). The Jyske Bank Group Supervisory Board has adopted a policy for maximum leverage, splitting the Jyske Bank Group’s balance sheet into two sub-portfolios as it is assessed that the Jyske Bank Group’s banking and mortgage activities have different adequate leverage levels. The banking activities of the Jyske Bank Group involve a higher risk in respect of liquidity and capital than do the Jyske Bank Group’s mortgage activities, and therefore a higher acceptable leverage is applied to the mortgage activities than to the banking activities. Jyske Bank monitors the leverage with a view to avoiding excessive leverage risk. The development of the leverage ratio is determined monthly and any adjusting actions are discussed with due regard to the Jyske Bank Group’s strategy and capital structure. The development of the levels of leverage in the Jyske Bank Group is reported on a quarterly basis to the Jyske Bank Group Supervisory Board and the Jyske Bank Group Risk Committee.

At end of June 2018, the leverage ratio for the Jyske Bank Group was 5.5 per cent.

Jyske Bank Group recovery plan

The BRRD requires banks to draw up recovery plans which should be used in the unlikely event that the bank encounters serious financial trouble. Jyske Bank submitted its initial recovery plan to the Danish FSA in the summer of 2015. In spring 2016, the Danish FSA confirmed Jyske Bank’s recovery plan, which is designed to facilitate the continuity of the Jyske Bank Group’s critical business processes in the event of significant financial stress. The recovery plan is updated annually and contains a number of recovery options that can be undertaken. These have been tested against different stress scenarios to ensure that the Jyske Bank Group is able to recover under different circumstances.

The recovery plan includes recovery indicators, which are quantitative and qualitative indicators that monitor the development in capital, liquidity, profitability and asset quality of the Jyske Bank Group and in relevant macro-economic and market-based indicators. The indicators serve as potential warnings to allow early identification of adverse developments in the Jyske Bank Group. As an integrated part of risk management of the Jyske Bank Group, the indicators are monitored and reported quarterly to the Jyske Bank Group Supervisory Board, the Jyske Bank Group Executive Board and the Jyske Bank Group Risk Committee, who will consider and act upon adverse developments.

The recovery plan contains a detailed mapping of business lines, departments and functions within the Jyske Bank Group which enables the Danish FSA to get a complete picture of all the activities within Jyske Bank.

Jyske Bank Group credit ratings

Jyske Bank’s credit ratings are material to the price of funding and capital as well as to the funding flexibility in the form of access to a broad investor base for both longer dated senior preferred and senior non-preferred debt, the issuance of short dated commercial paper and the access to subordinated Tier 2 capital as well as AT1 capital. It is therefore a high priority of the Jyske Bank Group that its issuer credit rating is on a high and competitive level.

The Jyske Bank Group is rated by Standard & Poor’s (S&P). Jyske Banks senior preferred rating and anchor rating (stand-alone credit profile “SACP”) has been A- with a stable outlook since 2011. Jyske Realkredit has the same rating as Jyske Bank.

S&P’s rating and the stable outlook since 2011 reflects S&P’s expectation that the Group can maintain a Risk Adjusted Capital Ratio (“RAC”) above 10 per cent. over the next two years. The rating is supported by S & P’s recognition of the flexibility in the Group’s capital adjustment policy. S&P considers Jyske Bank to have great flexibility to reduce dividends and share buybacks if it will be necessary to support the Group’s rating.

In a rating report from April 2018 S&P gave Jyske credit for anticipated senior non-preferred issues over the next years up to end of 2021. Jyske was granted a positive rating outlook on the senior preferred debt as the anticipated issuance of senior non-preferred debt will build up ALAC (Additional Loss Absorbing Capacity). S&P's ALAC "buffer" estimate includes all existing Tier 2 and old CMSs hybrids. S&P expects Jyske to build up ALAC to the level of 3 per cent. by end 2018 and 5 per cent. by the end of 2020.

Covered bonds issued from Jyske Realkredit's Capital Centre E (SDO), are rated AAA. It is a key objective of the Group to maintain S&P's AAA rating for Jyske Realkredit's capital centres. The Jyske Bank Group's S&P ratings as at the date of this Prospectus are as follows:

Standard & Poor's ratings				
Jyske Bank issuer rating profile	rating	outlook	Jyske Realkredit/BRFkredit ratings of mortgage bonds	
Stand Alone Credit Profile (SACP)	A-	<i>stable</i>	CRD-compliant covered bonds from	
Short term unsecured rating (senior preferred)	A-2	<i>positive</i>	Capital Center E	AAA
Long-term unsecured rating (senior preferred)	A-	<i>positive</i>		
Long term senior non preferred (SNP)	BBB+	<i>stable</i>	UCITS-compliant mortgage bonds from	
Tier 2	BBB	<i>stable</i>	Capital Center B and the General Capital	AAA
Additional Tier 1 (AT1)	BB+	<i>stable</i>	Center	

Legal and arbitration proceedings

The Jyske Bank Group operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory risks. As a result, the Jyske Bank Group is and may become involved in various disputes and legal proceedings in Denmark and other jurisdictions, including litigation and regulatory investigations. Such disputes and legal proceedings are subject to many uncertainties, and other outcomes are often difficult to predict, particularly in the earlier stages of a case or investigation.

The Jyske Bank Group is a party to a number of legal disputes arising from its business activities. Provisions for legal disputes are recognised where a legal or constructive obligation has incurred as a result of past events and it is probable that there will be an outflow of resources that can be reliably estimated. In this case, the Jyske Bank Group arrives at an estimate on the basis of an evaluation of the most likely outcome. Provisions are measured at the present value of the anticipated expenditure for settlement of the legal or constructive obligation that reflects the risks specific to the obligation.

As at the date of this Prospectus there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the Jyske Bank Group.

Consolidated companies in the Jyske Bank Group as at end of June 2018

Consolidated companies in the Jyske Bank Group as at end of June 2018
The following table sets out details of the consolidated companies in the Jyske Bank Group as at 30 June 2018.

	Currency	Share capital	Equity as of 31 December 2017	Ownership Share
		<i>(thousands)</i>	<i>(DKK millions)</i>	<i>%</i>
Jyske Bank A/S	DKK	891.5	34.604	—
Consolidated subsidiaries:				
Jyske Realkredit A/S, Kgs. Lyngby	DKK	3,306,480	15.731	100
Jyske Bank (Gibraltar) Ltd	GBP	26.500	514	100
Jyske Bank (Gibraltar) Nominees Ltd	GBP	0	0	100
Jyske Bank (Gibraltar) Management Ltd	GBP	0	0	100
Jyske Bank (Gibraltar) Secretaries Ltd	GBP	0	0	100
Trendsetter, S.L., Spain	EUR	706	16	100
Jyske Bank Nominees Ltd., London	GBP	0	0	100
Immobilaria Saroesma S.L., Spain	EUR	803	3	100
Jyske Finans A/S, Silkeborg	DKK	100.000	1.150	100
Ejendomsselskabet af 1.11.2017 A/S, Silkeborg	DKK	500	1	100
Gl. Skovridergaard A/S, Silkeborg	DKK	500	5	100
Sundbyvesterhus A/S, Silkeborg	DKK	518	96	100
Ejendomsselskabet af 1.10.2015 ApS, Silkeborg	DKK	500	2	100
Jyske Invest Fund Management, Silkeborg	DKK	76.000	285	100
Bytorv Horsens ApS, Gentofte (temporarily acquired)	DKK	1.080	-137	100

Management as per 27.07.2018

The Supervisory Board of Jyske Bank A/S

Set out below is a list of the current members of the Supervisory Board of Jyske Bank and their principal positions outside the Jyske Bank Group as at the date of this Prospectus:

Principal Positions outside the Bank

Sven Buhrkall, Consultant, Fanø, Chairman

- Board member of H.P. Therkelsen A/S, Padborg
- Board member, Hirtshals Havn, (foundation/independent institution)
- Chairman of the supervisory board, Fonden for H.K. Samuelson Shipping og International Spedition, Sønderborg, and on the board of two fully owned subsidiaries
- Board member, Generalkonsulinde Anna Hedorf og generalkonsul Frode Hedorfs Fond, Vallensbæk, and chairman of the supervisory board of a fully owned subsidiary
- Board member, FDE Fonden

Kurt Bligaard Pedersen, Director, London, deputy chairman

- Board member, BRFfonden and on the board of a fully owned subsidiary
- Board member, Noordgastransport B.V., the Netherlands
- General manager and board member, Gazprom Marketing & Trading Retail Ltd., Great Britain

Rina Asmussen, Partner, Klampenborg

- Board member, PFA Invest
- Board member (Deputy Chairman), BRFfonden, and on the board of a fully owned subsidiary
- Board member, Human Univerz Partner byHeart ApS

Philip Baruch, Attorney-at-Law, Charlottenlund

- Chairman of the supervisory board, Zimmer Group A/S

- Chairman of the supervisory board, Ottensten A/S
- Board member, Melitek A/S
- Chairman of the supervisory board, Seniorshop ApS

Jens A. Borup, Fishing Vessel Master, Skagen

- Board member/chairman of and general manager of a subsidiary in FF Skagen-gruppen including
 - Board member, FF Skagen Fond
 - Chairman of the supervisory board, FF Skagen A/S, and also on the board of four fully owned subsidiaries
 - Board member, Swe-Dan Seafood AB, Sweden, and also on the board of a fully owned subsidiary
 - Managing director, Hirtshals Tanklager ApS and FF Handelsafdeling ApS
- Managing director, Starholm Holding ApS, Skagen

Keld Norup, Attorney-at-Law, Vejle

- Chairman of the supervisory board/board member, Holmskov-gruppen, Vejle including
 - Chairman of the supervisory board, Holmskov & Co. A/S
 - Chairman of the supervisory board, Holmskov Finans A/S
 - Chairman of the supervisory board, Holmskov Invest A/S
- Board member, H & P Frugtimport A/S, Vejle
- Chairman of the supervisory board/board member, Clausen-gruppen, Vejle including
 - Chairman of the supervisory board, GV-Holding A/S
 - Chairman of the supervisory board, VAC Holding ApS
 - Chairman of the supervisory board, VAC Holding II ApS
 - Chairman of the supervisory board, VHF Holding ApS
- Board member, Sole-gruppen, Vejle, including
 - Board member, Sole Holding ApS, Vejle, and also on the board of six fully owned subsidiaries
 - Board member, Sole Invest ApS, Hedensted and also on the board of a fully owned subsidiary
 - Board member, Tage Pedersen Holding ApS
 - Board member, TP Family ApS/II ApS
 - Board member, JGP Family ApS
 - Board member, Hølgaard Ejendomme ApS
 - Board member, Solbjerg Ejendomme A/S
 - Board member, Jørgen G. Pedersen Holding ApS
 - Board member, Vesterby Minkfarm A/S
 - Board member, Solskov Minkfarm A/S
 - Board member, Thyra Mink af 1996 ApS
- Chairman of the supervisory board, Skov Advokater Advokataktieselskab
- Managing director and owner, Keld Norup Holding ApS

Marianne Lillevang (Employee Representative)

- Board member, Finansforbundet

Christina Lykke Munk (Employee Representative)

None

Johnny Toft Christensen (Employee Representative)

None

The Executive Board of Jyske Bank A/S

Section 80 of the Danish Financial Business Act poses certain restrictions on the positions that members of the Executive Board may hold in companies outside the Jyske Bank Group.

It is the Bank's policy that a member of the Executive Board of the Jyske Bank Group is represented in the Executive Board of the subsidiaries of the Bank. Set out below is a list of the current members of the Executive Board of Jyske Bank and their principal positions outside the Jyske Bank Group.

Anders Dam

- Chairman of the Supervisory Board of Jyske Banks Almennyttige Fond as well as the fully owned subsidiary Jyske Banks Almennyttige Fonds Holdingselskab
- Board member (deputy chairman), Foreningen Bankdata F.m.b.a.
- Board member, FR I af 16. september 2015 A/S

Niels Erik Jakobsen

- Board member (deputy chairman), Letpension A/S
- Board member, BI Holding A/S as well as the fully owned BI Asset Management Fondsmæglerselskab A/S

Per Skovhus

None

Peter Schleidt

- Board member (deputy chairman) of the supervisory board, JN Data A/S
- Board member (deputy chairman), VP Securities A/S

The business address of the Supervisory Board of the Bank and the Executive Board of the Jyske Bank Group is Vestergade 8-16, DK-8600 Silkeborg, Denmark.

There are no potential conflicts of interests between any duties to the Bank of members of the Supervisory Board or Executive Board and their private interests and/or other duties.

TAXATION

Persons considering the purchase, ownership or disposition of the Notes should consult their own tax advisers concerning the tax consequences in the light of their particular situation. No representations with respect to the tax consequences of any particular Noteholder are made hereby.

Danish Taxation

The following is a summary description of the taxation in Denmark of the Notes according to the Danish tax laws in force as of 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 investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding 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 laws, no general withholding tax or coupon tax will apply to payments of interest or principal or other amounts due on the Notes, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to in The Danish Corporation Tax Act (*Selskabsskatteloven*), Consolidated Act no. 1164 of 6 September 2016, as amended from time to time. This will not have any impact on Noteholders who are not in a relationship whereby they control, or are controlled by, the Issuer, or where the Noteholders and the Issuer are not in a relationship due to control by a group of shareholders.

Resident Noteholders

Private individuals, including persons who are engaged in financial trade, companies and similar enterprises resident in Denmark for tax purposes or receiving interest on the Notes through their permanent establishment in Denmark are liable to pay tax on such interest.

Capital gains are taxable to individuals and corporate entities in accordance with the Danish Capital and Exchange Gains Act (*Kursgevinstloven*), Consolidated Act no. 1283 of 25 October 2016, as amended from time to time. Gains and losses on Notes held by corporate entities are generally taxed in accordance with a mark-to-market principle (*lagerprincippet*), i.e. on an unrealised basis.

Gains and losses on Notes issued to individuals are generally taxed on a realised basis. The net gains are taxed as capital income at a rate of up to 42 per cent. in 2018. However, this tax rate does not apply if the individual is engaged in financial trade and considered a professional trader. The gain or loss will only be included in the taxable income when the net capital gain or loss for the year on all debt claims, debt denominated in foreign currency and investment certificates in bond-based investment funds subject to the minimum taxation exceeds a total of DKK 2,000.

A variety of features regarding interest and principal may apply to the Notes. The applicable taxation of capital gains to corporate entities or individuals will depend on the features applicable to the Notes in question.

Non-resident Noteholders

Under existing Danish tax laws, payments of interest or principal amounts to any non-resident Noteholder are not subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under "Taxation at source" above. Thus no Danish withholding tax will be

payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to under “Taxation at source” above.

This tax treatment applies solely to Noteholders 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.

The Proposed Financial Transactions Tax (“FTT”)

On 14 February 2013, the European Commission has published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (together, the “**participating Member States**”) and Estonia. However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) 9 Regulation (EC) No. 1287/2006 are expected to be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

U.S. Foreign Account Tax Compliance Act Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “**foreign financial institution**” (as defined by FATCA) may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Denmark) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to 1 January 2019 and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under Condition 17) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement dated 30 August 2018 (the “**Programme Agreement**”) agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Programme Agreement, it has not offered or sold and will not offer, sell or deliver Notes of any identifiable Tranche (i) as part of their distribution at any time and (ii) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part as determined, and certified to the Issuer, by the Issuing Agent, or, in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, US persons and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of the Notes of the Tranche of which such Notes are a part, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

The Notes are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a US person, except in certain transactions permitted by US tax regulations. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code of 1986 and regulations promulgated thereunder.

Prohibition of Sales to European Economic Area Retail Investors

Unless the applicable Final Terms in respect of any Notes specifies “Prohibition of Sales to European Economic Area Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Prospectus as completed by the applicable Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Mediation Directive, 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 an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe to the Notes.

If the applicable Final Terms in respect of any Notes specifies “Prohibition of Sales to European Economic Area Retail Investors” as “Not Applicable”, in relation to each Member State which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer(s) nominated by the Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Denmark

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any of the Notes directly or indirectly in Denmark by way of a public offering, unless in compliance with the Danish Consolidated Act no. 12 of 8 January 2018 on Capital Markets, as amended, and Executive Orders issued thereunder and in compliance with Executive Order No. 747 of 7 June 2017, as amended, supplemented or replaced from time to time, issued pursuant to the Danish Financial Business Act.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “FIEA”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of and, otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

General

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus or any advertisement or other offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers represents that any Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree.

FORM OF FINAL TERMS

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

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

[PROHIBITION OF SALES TO EUROPEAN ECONOMIC AREA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC, 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 (as defined below). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.]

[Amounts payable under the Notes will be calculated by reference to [*specify benchmark (as this term is defined in the Benchmarks Regulation)*] which is provided by [*legal name of the benchmark administrator*]. As at the date of these Final Terms, [*legal name of the benchmark administrator*] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”).

[As far as the Issuer is aware, [*specify benchmark (as this term is defined in the Benchmarks Regulation)*] [does not fall within the scope of the Benchmarks Regulation/the transitional provisions in Article 51 of the Benchmarks Regulation apply] such that [*legal name of the benchmark administrator*] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]

Final Terms dated [●]

Jyske Bank A/S

Legal entity identifier (LEI): 3M5E1GQGKL17HI6CPN30

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the U.S.\$8,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 30 August 2018 [and the supplemental Prospectus dated [●]] ([together,] the “**Prospectus**”) which [together] constitute[s] a base prospectus for the purposes of the Directive 2003/71/EC, (as amended, the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing on the website of the Central Bank of Ireland at <https://www.centralbank.ie/regulation/industry-market-sectors/securities-markets/prospectus-regulation/prospectuses> for a period of 12 months following the date of the Prospectus and during normal business hours copies may be obtained from Jyske Bank A/S, Vestergade 8-16, DK-8600 Silkeborg, Denmark. The Final Terms are available for viewing at the website of the Irish Stock Exchange plc, trading as Euronext Dublin, at www.ise.ie.

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

- | | | |
|----|---|--|
| 1. | Issuer: | Jyske Bank A/S |
| 2. | [i] Series Number: | [●] |
| | [ii] Tranche Number: | [●] |
| | [iii] Date on which the Notes become fungible | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [●] on [●]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [23 below] [which is expected to occur on or about [●]].] |
| 3. | Specified Currency or Currencies: | [●] |
| 4. | Aggregate Nominal Amount: | [●] |
| | [i] Series: | [●] |
| | [ii] Tranche: | [●] |
| 5. | Issue Price: | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●] (if applicable)] |
| 6. | (i) Specified Denominations: | [●] |

(N.B. Notes must have a minimum denomination of €100,000 (or equivalent))

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

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

(ii) Calculation Amount: [●]

(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)

7. [(i)] Issue Date: [[●]/Not Applicable]

[(ii)] Interest Commencement Date: [●]

(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)

8. Maturity Date: *Specify date or for Floating Rate Notes – Interest Payment Date falling in or nearest to [specify month and year]*

9. Interest Basis: [[●] per cent. Fixed Rate]
[Fixed Rate Reset]

[[●] month
[LIBOR/EURIBOR/CIBOR/NIBOR/STIBOR] +/- [●]
per cent. Floating Rate]
[Zero Coupon]

(see paragraph [14/15/16/17] below)

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

11. Change of Interest Basis: *[Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 14, 15 or 16 below and identify there] / [Not Applicable]*

12. Put/Call Options: [Investor Put]
[Issuer Call]

(see paragraph [18/19] below)

13. Status of the Notes: [Preferred Senior/Non-Preferred Senior/Subordinated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/ quarterly/monthly/ [●]] in arrear]
- (ii) Interest Payment Date(s): [●] [and [●]] in each year from and including [●], up to and including the Maturity Date
- (Amend appropriately in the case of irregular coupons)*
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]/[Not Applicable]
- (Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])*
- (v) Day Count Fraction: [30/360]
[Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/360]
[30/360/360/360/Bond Basis]
[30E/360/Eurobond Basis]
[30E/360 (ISDA)]
[Actual/Actual – ICMA]
- (vi) Determination Dates: [●] [and [●]] in each year / [Not Applicable]
- (Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
15. **Fixed Rate Reset Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest: [●] per cent. per annum [payable [annually/semi-annually/ quarterly/monthly/ [●]] in arrear]
- (ii) Interest Payment Date(s): [●] [and [●]] in each year from and including [●], up to and including the Maturity Date

(Amend appropriately in the case of irregular coupons)

- (iii) Broken Amount(s): per Calculation Amount, payable on the Interest Payment Date falling [in/on] /[Not Applicable]

(Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])

- (iv) Day Count Fraction: [30/360]
[Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/360]
[30/360/360/360/Bond Basis]
[30E/360/Eurobond Basis]
[30E/360 (ISDA)]
[Actual/Actual – ICMA]

- (v) Determination Dates: [and] in each year / [Not Applicable]

(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)

- (vi) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): /[Not Applicable]

- (vii) Reset Date(s):

- (viii) Subsequent Reset Reference Rate(s): [Single Mid-Swaps/Mean Mid-Swaps/Reference Bond]

- (ix) Margin: per cent. per annum

- (x) Subsequent Reset Rate Screen Page: /[Not Applicable]

(Select 'Not Applicable' if Reference Bond is applicable)

- (xi) Mid-Swap Rate Conversion: [Applicable/Not Applicable]

- (xii) Original Mid-Swap Rate Basis: [Annual/Semi-Annual/Quarterly/Monthly]

- (xiii) Mid-Swap Floating Leg Maturity: /[Not Applicable]

- (xiv) Mid-Swap Floating Leg Benchmark Rate Replacement: [Applicable/Not Applicable]

- (xv) Initial Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- Initial Mid-Swap Rate: [●] per cent.
- (xvi) Reset Period Maturity Initial Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- Reset Period Maturity Initial Mid-Swap Rate: [●] per cent.
- (xvii) Last Observable Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]
- (xviii) Reset Determination Date: The [●]th Business Day prior to the commencement of the applicable Reset Period
- (xix) Subsequent Reset Rate Time: [●]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s): [[●]], subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]
- (Interest Period(s) and Specified Interest Payment Dates are alternatives. Interest Period(s), rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the Floating Rate Convention. Otherwise, insert "Not Applicable")*
- (ii) Specified Interest Payment Dates: [[●] in each year], subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Note Applicable]
- (Interest Period(s) and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the Floating Rate Convention, insert "Not Applicable")*

- (iii) First Interest Payment Date:
- (iv) Interest Period Date: in each year, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]
- (v) Business Day Convention: Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
 Not Applicable]
- (vi) Business Centre(s):
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination/ISDA Determination]
- (viii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): /[Not Applicable]
- (ix) Screen Rate Determination: Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- Reference Rate: month
 LIBOR/EURIBOR/CIBOR/NIBOR/STIBOR]]
- Interest Determination Date(s):
- Relevant Screen Page:
- (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- Reference Rate Replacement: Applicable/Not Applicable]
- (x) ISDA Determination: Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- Floating Rate Option:
- Designated Maturity:
- Reset Date:

(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period)

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

- (xi) Linear Interpolation: [Not Applicable]/ [Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (xii) Margin(s): [+/-] [●] per cent. per annum
- (xiii) Minimum Rate of Interest: [●] per cent. per annum
- (xiv) Maximum Rate of Interest: [●] per cent. per annum
- (xv) Day Count Fraction:
 - [30/360]
 - [Actual/Actual]
 - [Actual/Actual (ISDA)]
 - [Actual/365 (Fixed)]
 - [Actual/360]
 - [30/360/360/360/Bond Basis]
 - [30E/360/Eurobond Basis]
 - [30E/360 (ISDA)]

 - [Actual/Actual – ICMA]

17. Zero Coupon Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Accrual Yield: [●] per cent. per annum
- (ii) Reference Price: [●]
- (iii) Day Count Fraction in relation to Early Redemption Amount
 - [30/360]
 - [Actual/360]
 - [Actual/365]

PROVISIONS RELATING TO REDEMPTION

18. Call Option [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of [●] per Calculation Amount each Note:

(iii) If redeemable in part:

(If not applicable, delete the remainder of this subparagraph)

(a) Minimum Redemption Amount: [●] per Calculation Amount

(b) Maximum Redemption Amount: [●] per Calculation Amount

(iv) Notice period: [●]

(N.B. When setting the notice period, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)

19. **Put Option**

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) Optional Redemption Date(s): [●]

(ii) Optional Redemption Amount(s) of [●] per Calculation Amount each Note:

(iii) Notice period: [●]

(N.B. When setting the notice period, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent)

20. MREL/TLAC Disqualification Event [Applicable/Not Applicable]
Redemption Option:
(N.B. Only relevant for Non-Preferred Senior Notes)
21. Final Redemption Amount of each Note: [●] per Calculation Amount
22. Early Redemption Amount: [●] per Calculation Amount
- Early Redemption Amount(s) of each Note payable on redemption for taxation reasons, upon the occurrence of a Tax Event, a Capital Event, a MREL/TLAC Disqualification Event, an Event of Default or an Enforcement Event, as the case may be: [●] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes: **Bearer Notes:**
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes]
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- (N.B. The option for an issue of Notes to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].”)*
- Registered Notes:**
- [Global Certificate registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the NSS)]]
- Other:**
- [VP Notes]
24. New Global Note: [Yes] [No]

25. Financial Centre(s): [Not Applicable/[●]]
(Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub-paragraphs 16(vi) relates)
26. MREL/TLAC Substitution/Variation Option: [Applicable/Not Applicable]
(N.B. Only relevant for Non-Preferred Senior Notes)
27. Tier 2 Substitution/Variation Option: [Applicable/Not Applicable]
(N.B. Only relevant for Subordinated Notes)
28. Talons for future Coupons to be attached to Definitive Notes: [Yes] [No]
(Specify "Yes" if the Notes have more than 27 coupon payments. Otherwise, specify "No")
29. Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions of Condition [4] apply]

Signed on behalf of Jyske Bank A/S:

By:
Duly authorised

PART B – OTHER INFORMATION

1 LISTING

- (i) Listing: Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Irish Stock Exchange plc, trading as Euronext Dublin.
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange plc, trading as Euronext Dublin with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange plc, trading as Euronext Dublin with effect from [●]]
- (Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
- (iii) Estimated total expenses related to admission to trading: [●]

2 RATINGS

- Ratings: The Notes to be issued [have been/are expected to be] rated [●] by Standard & Poor’s Credit Market Services Europe Limited (“S&P’s”).
- S&P’s is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

3 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business – *Amend as appropriate if there are other interests*]

(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)

4 [Fixed Rate Notes only – YIELD

- Indication of yield: [●] per cent.

5 [Floating Rate Notes only – HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/CIBOR/NIBOR/STIBOR] rates can be obtained from [Reuters].]

6 OPERATIONAL INFORMATION

ISIN Code: [●]

Common Code: [●]

CFI: [Not Applicable/[●]]

FISN: [Not Applicable/[●]]

(If the CFI and/or FISN is/are not required, requested or available, it/they should be specified to be “Not Applicable”)

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/[●]]

[VP SECURITIES A/S,
Weidekampsgade 14, P.O. Box 4040,
DK-2300 Copenhagen S,
Denmark]

Delivery: Delivery [against/free of] payment

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

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for Registered Notes which are to be held under the NSS]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[Include this text for Registered Notes]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day

credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

7 DISTRIBUTION

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

(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products, “Applicable” should be specified.)

GENERAL INFORMATION

1. The admission of the Notes to the Official List will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that each Series of Notes which is to be admitted to the Official List will be admitted separately as and when issued, subject only, in the case of Bearer Notes, to the issue of a Temporary Global Note initially representing the Notes of such Tranche. Application has been made for the relevant Notes to be traded on the Main Securities Market.
2. The Issuer has obtained all necessary consents, approvals and authorisations in the United Kingdom and Denmark in connection with the issue and performance of the Notes. The establishment of the Programme was duly authorised by a resolution of the Supervisory Board of Directors of the Issuer passed on 28 October 1997 and the update and increase of the statutory maximum of the programme was duly authorised by a resolution of the Supervisory Board of Directors passed on 19 February 2008.
3. There has neither been any significant change in the financial or trading position of the Group since 30 June 2018 nor has there been any material adverse change in the financial position or prospects of the Issuer or the Group since 31 December 2017.
4. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) as at the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer or Group.
5. The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg and the VP (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN (and any other relevant financial instrument codes, such as CFI and FISN) for each Tranche allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.
6. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg and the address of the VP is Weidekampsgade 14, P.O. Box 4040, DK-2300 Copenhagen S, Denmark. The address of any alternative clearing system will be specified in the applicable Final Terms.
7. There are no material contracts entered into in the ordinary course of the Issuer's business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued.
8. Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced, and as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
9. So long as Notes are capable of being issued under the Programme, copies of the following documents (and English translations where the documents in question are not in English) will, when published, be available from the registered office of the Issuer and from the specified office of the Issuing Agent in London:
 - (i) the Articles of Association of the Issuer;
 - (ii) The Half Year Interim Financial Report, the 2017 Annual Report and the 2016 Annual Report;

- (iii) the Risk and Capital Management report of the Issuer for the financial year ended 31 December 2017;
- (iv) the Risk and Capital Management report of the Issuer for the financial year ended 31 December 2016;
- (v) the most recently published audited consolidated and unconsolidated annual financial statements of the Issuer and the most recently published unaudited quarterly financial statements (if any) of the Issuer and the Group;
- (vi) the Agency Agreement, the Declaration of Direct Rights and the forms of (a) the Global Notes, (b) the Global Certificate, (c) the Certificates and Notes in definitive form and (d) the Coupons and the Talons;
- (vii) a copy of this Prospectus; and
- (viii) any future prospectuses and supplements, including the Final Terms of each issue.

The documents specified in sub-paragraphs (i) to (iv) above are direct English translations of the Danish language originals. In the event that there are any inconsistencies or discrepancies between the Danish language versions and the English translations thereof, the original Danish language versions shall prevail.

In addition, this Prospectus, any supplementary prospectus and each Final Terms will also be available at the website of Euronext Dublin at: <http://www.ise.ie/Market-Data-Announcements/Debt/>.

10. Deloitte Statsautoriseret Revisionpartnerselskab of Papirfabrikken 26, DK-8600 Silkeborg, Denmark, State Authorised Public Accountants and members of Foreningen af Statsautoriserede Revisorer, have audited the Issuer's accounts, without qualification, which were prepared in accordance with the Danish Financial Business Act and the Group's accounts, without qualification, which were prepared in accordance with International Financial Reporting Standards as adopted by the EU and also in accordance with additional Danish disclosure requirements for listed financial companies, for each of the three financial years ended 31 December 2015, 2016 and 2017.
11. Some of the Dealers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.
12. The Irish Listing Agent is BNP Paribas Securities Services, Luxembourg Branch and the address of its registered office is 60, avenue J.F. Kennedy, L-1855 Luxembourg. BNP Paribas Securities Services,

Luxembourg Branch is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to trading on the Main Securities Market.

13. The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.
14. In this Prospectus, references to websites or uniform resource locators (each, a “URL”) are inactive textual references and are included for information purposes only. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Prospectus.

REGISTERED AND HEAD OFFICE OF THE ISSUER

Jyske Bank A/S
Vestergade 8-16
DK-8600 Silkeborg
Denmark

DEALERS

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

ING Bank N.V.
Foppingadreef 7
1102 BD Amsterdam
The Netherlands

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Jyske Bank A/S
Vestergade 8-16
DK-8600 Silkeborg
Denmark

Landesbank Baden-Württemberg

Am Hauptbahnhof 2
70173 Stuttgart
Germany

**ISSUING AGENT, PRINCIPAL PAYING
AGENT, CALCULATION AGENT,
SAFEKEEPER AND TRANSFER AGENT**

The Bank of New York Mellon

1 Canada Square
London E14 5AL
United Kingdom

**REGISTRAR, PAYING AGENT
AND TRANSFER AGENT**

The Bank of New York Mellon SA/NV,

Luxembourg Branch
Vertigo Building, Polaris
2-4 rue Eugene Ruppert
L-2453 Luxembourg

VP AGENT

Jyske Bank A/S
Vestergade 8-16
DK-8600 Silkeborg
Denmark

LEGAL ADVISERS TO THE DEALERS

as to English law

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

as to Danish law

Gorrissen Federspiel Advokatpartnerselskab
Axeltorv 2
DK-1609 Copenhagen V
Denmark

AUDITORS

Deloitte Statsautoriseret Revisionpartnerselskab
Papirfabrikken 26
DK-8600 Silkeborg
Denmark

IRISH LISTING AGENT

BNP Paribas Securities Services, Luxembourg Branch
60, avenue J.F. Kennedy
L-1855 Luxembourg