



**LANDSHYPOTEK BANK AB (publ)**  
(incorporated with limited liability in the Kingdom of Sweden)

**€10,000,000,000**  
**Euro Medium Term Note and S.O. Bond Programme**

This second supplement dated 27 November 2020 (the **Supplement**) to the offering circular dated 4 May 2020 (together with the first supplement dated 3 November 2020 and this Supplement, the **Offering Circular**) constitutes a supplement for the purposes of Article 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council (the **Prospectus Regulation**), and is prepared in connection with the €10,000,000,000 Euro Medium Term Note and S.O. Bond Programme (the **Programme**) established by Landshypotek Bank AB (publ) (the **Issuer**).

Application has been made to the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under the Luxembourg Act dated 16 July 2019 on prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) (the **Prospectus Act 2019**) and for the purposes of the Prospectus Regulation to approve this document as a supplement to the Offering Circular.

Terms defined in the Offering Circular have the same meaning when used in this Supplement.

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

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer, the information contained in this Supplement is in accordance with the facts and the Supplement makes no omission likely to affect its import. The purposes of this Supplement are:

- (i) to make changes to the Terms and Conditions of the Notes as a result of Member States of the European Union, including the Kingdom of Sweden, being required to bring into force laws, regulations and administrative provisions necessary to comply with Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC (**BRRD II**) by 28 December 2020; and
- (ii) to make certain consequential changes to the sections of the Offering Circular entitled "Form of Final Terms", "Form of Pricing Supplement" and "Risk Factors", in each case, as further described below:

The amendments included in this Supplement shall only apply to Final Terms (or Pricing Supplements in the case of Exempt Notes), the date of which falls on or after the approval of this Supplement.

**Amendments to the Terms and Conditions of the Notes and the Forms of Final Terms and Pricing Supplement**

*Terms and Conditions of the Notes*

1. Condition 2(a) shall be amended by adding a new sub-paragraph (iii) as follows:

"(iii) No Noteholder who in the event of the voluntary or involuntary liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer shall 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 Senior Preferred Notes held by such Noteholder."

2. Condition 7(b)(i) (*Redemption for tax reasons*) shall be deleted and intentionally left blank.
3. The first paragraph of Condition 7(b)(ii) (*Redemption for tax reasons*) shall be deleted.
4. The first paragraph of Condition 7(c) (*Redemption at the option of the Issuer (Issuer Call)*) shall be deleted and replaced with:

"If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, subject as provided in Condition 7(k), having given:"

5. Condition 7(f) (*Purchases*) shall be deleted and replaced with:

"The Issuer or any Subsidiary of the Issuer may, subject as provided in Condition 7(k), at any time purchase Notes (provided that, in the case of Definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. All Notes so purchased will be surrendered to a Paying Agent for cancellation."

6. The first paragraph of Condition 7(i) (*Redemption at the option of the Issuer in case of an MREL Disqualification Event*) shall be deleted and replaced with:

"This Condition 7(i) applies only in the case of Notes specified in the applicable Final Terms as being Senior Preferred Notes or Senior Non-Preferred Notes in respect of which MREL Disqualification Event Redemption applies."

7. Condition 7(k) (*Redemption and Purchase of Senior Non-Preferred Notes and Subordinated Notes only with Prior Approval*) shall be deleted and replaced with:

*"Redemption and Purchase only with Prior Approval*

No early redemption or purchase of Notes as contemplated by this Condition 7 may be made without the prior consent of the Competent Authority (if such permission is then required (in the case of Senior Preferred Notes or Senior Non-Preferred Notes) by the Applicable MREL Regulations or (in the case of Subordinated Notes) by the Capital Regulations)."

8. Condition 7(l) (*Variation or Substitution instead of Redemption*) shall be amended as follows:

- a. The first paragraph shall be deleted and replaced with:

"This Condition 7(l) is applicable only where it is specified as being applicable in the applicable Final Terms."

- b. The definition of **Qualifying Securities** shall be deleted and replaced with:

"**Qualifying Securities** means the Subordinated Qualifying Securities and/or the Senior Preferred Qualifying Securities and/or the Senior Non-Preferred Qualifying Securities (as applicable);"

- c. A new definition of **Senior Preferred Qualifying Securities** shall be added as follows:

"**Senior Preferred Qualifying Securities** means for the purpose of this Condition 7(l), securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

- (i) have terms not materially less favourable to a Noteholder than the terms of the Senior Preferred Notes, as certified by the Issuer acting reasonably following consultation with an independent investment bank or financial adviser of international standing;
- (ii) include a ranking at least equal to that of the Senior Preferred Notes;
- (iii) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes;
- (iv) have the same redemption rights as the Senior Preferred Notes (although they need not contain all of the rights of the Issuer under Condition 7);

- (v) comply with the then current requirements of the Applicable MREL Regulations in relation to MREL Eligible Liabilities;
- (vi) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) (or in the case of Swedish Notes, from (but excluding)) the Interest Payment Date last preceding the date of substitution or variation (or, if the date of substitution or variation falls before the first Interest Payment Date, the Interest Commencement Date);
- (vii) are assigned (or maintain) the same or higher credit ratings as were assigned to the Senior Preferred Notes immediately prior to such substitution or variation; and
- (viii) are listed on a recognised stock exchange if the Senior Preferred Notes were listed immediately prior to such substitution or variation;"

9. Condition 8(b) (*Taxation*) shall be deleted and replaced with:

- "(b) if "Additional Amounts - Interest Only" is specified to be applicable in the Final Terms, no such additional amounts shall be payable with respect to any such withholding or deduction imposed or levied on payments of principal in respect of such Note."

10. Condition 10(a) shall be deleted except the definition of a "Subsidiary".

11. Sub-paragraph (i) of Condition 10(b) shall be deleted and intentionally left blank and the title of Condition 10(b) shall be deleted and replaced with "*Events of Default*".

#### ***Forms of Final Terms and Pricing Supplement***

Paragraph 22 of each of the form of Final Terms and the form of Pricing Supplement shall be renamed "Optional Redemption for Senior Preferred Notes and Senior Non-Preferred Notes".

#### **Amendments to the Risk Factors**

The following risk factors set out on pages 33 to 37 of the Offering Circular under "*C. Additional risks relating to Senior Non-Preferred Notes and Subordinated Notes only*" shall be read as also applicable to the Senior Preferred Notes:

*"Events of Default in relation to Senior Non-Preferred Notes and Subordinated Notes";*

*"The Issuer is not prohibited from issuing further debt, which may rank pari passu with or senior to the Senior Non-Preferred Notes or Subordinated Notes";*

*"Call options may not be exercised";*

*"No right of set-off or counterclaim";*

*"Any early redemption of Senior Non-Preferred Notes or Subordinated Notes may limit their market value and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return";*

*"Substitution or variation of Senior Non-Preferred Notes or Subordinated Notes"; and*

*"The Issuer's gross-up obligation in respect of interest payments under the Senior Non-Preferred Notes and Subordinated Notes is limited".*

The second paragraph of the risk factor "*Minimum requirement for own funds and eligible liabilities under the BRRD*" on page 23 of the Offering Circular shall be deleted and replaced by:

"The MREL requirement has been required to be met as from 1 January 2018 (the liabilities proportion principle). On 18 June 2018, the Swedish National Debt Office announced and clarified the MREL requirement of the Issuer which means that by 1 January 2022 at the latest, the requirement must be fully met with subordinated and non-preferred liabilities (the subordinated and non-preferred liabilities principle). Due to the outbreak of the coronavirus, the Swedish National Debt Office has further announced that the phase in period for the above

mentioned MREL requirements would be extended until 1 January 2024. Even though the deadline for meeting these requirements has been extended, the Issuer will be required to issue an amount of additional eligible liabilities in the form of Senior Non-Preferred Notes or other MREL eligible liabilities in order to meet the new MREL requirements within the required timeframes. If the Issuer was to experience difficulties in raising such eligible liabilities, it would have to reduce its lending or investments in other operations. This is likely to lead to a decrease in the Issuer's revenue which, if its costs remain unchanged, would decrease its operating results. Further, given that the MREL requirements must be met by all EU credit institutions (not just to those identified as being of a particular size or of systemic importance), there is a risk that there is not a sufficient investor appetite in the debt markets for the aggregate volume of eligible liabilities which must be issued up until 1 January 2024, which would have a negative effect on the price and value of such instruments."

### **General**

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