Danske Bank A/S - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Danske Bank Group is a Nordic universal bank providing banking, asset management and life insurance services. Our core markets are Denmark, Norway, Sweden, and Finland. In addition, we provide financial services in Northern Ireland, the United Kingdom, and the US. Serving 3.3 million customers, from households to multinationals, Danske Bank Group is one of the major Nordic universal banking groups and Denmark's largest financial services provider. We offer our services primarily via digital platforms on the web and via mobile phones, supported by a branch network. Our products and services include retail banking, private banking, commercial and institutional banking, investment and trading activities, wealth management business and life insurance.

In 2023, the Group operates three main business units: Personal Customers, Business Customers and Large Corporates & Institutions. We also operate a subsidiary bank that serves personal and business customers in Northern Ireland.

Danske Bank employs about 21,000 people and has more than 3.3 million personal customers and large number of business and institutional customers. We have approximately 281,000 shareholders, and a little less than half of the shares are owned by foreign investors.

Our strategic priorities are:

1. Advisory - Further reinforce our advisory and proactive engagement with differentiated expertise for our customers

2. Digital - Continue to strengthen our digital platforms, self-service, customer journeys and 3rd party integrations

3. Sustainability - Reinforce our customer value propositions through strong ESG advisory solutions

4. Simple Efficient & Secure - Further simplify the bank and how we work, optimise operational efficiency and risk management

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
October 1 2021

End date
September 30 2022

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
3 years

Select the number of past reporting years you will be providing Scope 2 emissions data for
3 years

Select the number of past reporting years you will be providing Scope 3 emissions data for
3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

Denmark
Finland
India
Ireland
Lithuania
Norway
Sweden
United Kingdom of Great Britain and Northern Ireland

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

DKK

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

	Does your organization undertake this activity?	Insurance types underwritten	Industry sectors your organization lends to, invests in, and/or insures
Banking (Bank)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset manager)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset owner)	Yes	<Not Applicable>	Exposed to all broad market sectors Agricultural chemicals
Insurance underwriting (Insurance company)	Yes	Life and/or Health	<Not Applicable>

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	DK0010274414

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board Chair	The Board of Directors (BoD) has a collective overall responsibility for approval of climate-related policies, strategies, and targets. In this regard, the Board Chair plays an important role in organising, convening, and chairing the meetings of the Board of Directors. As described further in section C1.1b, the Business Integrity Committee (BIC), which is a committee at the Executive level, and whose members include the entire Executive Leadership Team (ELT), plays a key role in terms of endorsing the strategic direction and ambition level on sustainability incl. climate, as well as related policies of the Danske Bank Group, for subsequent approval and oversight by the BoD. One example of a key climate-related decision by the BoD was the approval of the ambition level for our Climate Action Plan and mandate to pursue certification of targets by the Science-Based Targets initiative (SBTi).
Board-level committee	The Board of Directors (BoD) has established a number of permanent committees; the Audit Committee, Conduct & Compliance Committee, Nomination Committee, Risk Committee, and Remuneration Committee. Each of these committees undertake preparatory work within their respective specialised areas, and climate-related considerations are integrated in these efforts where relevant. For example, the Audit Committee is responsible for the preparatory work for the BoD with respect to accounting and auditing matters, including climate-related risk matters relating thereto. The Board Risk Committee is responsible for the preparatory work for the BoD with respect to the risk management of Danske Bank - including climate-related risks - and thereto-related matters. Risk is in Danske Bank managed based on the risk taxonomy, which is presented in the Risk Management report. In this taxonomy, sustainability is considered a cross cutting risk affecting all other risk types. This view guides the incorporation of sustainability in the Group's management and reporting.
Chief Executive Officer (CEO)	The Chief Executive Officer (CEO) plays an important role in organising and convening the meetings of the Executive Leadership Team (ELT) and as Chair of the Business Integrity Committee (BIC). The BIC is the highest decision-making forum /authority below Board-level within the area of sustainability and climate change, responsible for e.g., embedding sustainability incl. climate-related considerations, throughout Danske Bank's business and operations, while also enhancing Danske Bank's positive societal impact and reducing Danske Bank's negative societal impact. This includes endorsing the strategic direction and ambition level as well as related policies of the Danske Bank Group, while developing and overseeing the implementation of the Group Sustainability Strategy. Examples of key climate-related decisions in committees chaired by the CEO include approval of our Climate Action Plan and approval of targets for Science-Based Targets initiative (SBTi) validation.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing value chain engagement	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our banking activities Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities The impact of our own operations on the climate The impact of our banking activities on the climate The impact of our investing activities on the climate The impact of our insurance underwriting activities on the climate	The Business Integrity Committee (BIC), which is a committee at the Executive level, and whose members include the entire Executive Leadership Team, convenes at least four times a year. The purpose of the BIC is to act on behalf of, and to discharge the obligations of, the Executive Leadership Team regarding the sustainability agenda and societal impact of the Group and related matters as defined by the Board of Directors. The BIC's work centres on embedding sustainability considerations throughout Danske Bank's business and operations, while also enhancing Danske Bank's positive societal impact and reducing Danske Bank's negative societal impact. This includes endorsing the strategic direction and ambition level as well as related policies of the Danske Bank Group, while developing and overseeing the implementation of the Group Sustainability Strategy. As climate change is an integrated part of Danske Bank's strategic approach to sustainability, climate-related issues are on the agenda and reviewed on a regular basis, including by means of execution updates with relevant KPIs and targets regarding climate-related issues. Specifically, this includes monitoring and approval of KPIs and targets relating to e.g., emissions reductions from our operations and volume of green financing and investments. Further, the committee oversees the development of climate-related products and services, such as green loans, green bonds, and the implementation of TCFD recommendations. It also discusses and approves Group-wide restrictions on e.g., coal and oil from tar sands. Climate-related issues are thus integrated into a number of governance mechanisms, which include reviewing and guiding strategy, major plans of action and risk management policies. Policies and strategies related to climate change which are endorsed by the Business Integrity Committee, or the Executive Leadership Team are subject to approval by the Board of Directors.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing value chain engagement Reviewing and guiding the risk management process	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our banking activities Climate-related risks and opportunities to our investment activities Climate-related risks and opportunities to our insurance underwriting activities The impact of our own operations on the climate The impact of our banking activities on the climate The impact of our investing activities on the climate The impact of our insurance underwriting activities on the climate	The Board of Directors exerts oversight of climate-related issues in a variety of manners, both as routinely scheduled items and as important matters arise. For example, the Group Sustainability Strategy is reviewed annually by the Board based on a report from the Head of Group Sustainability. Similarly, the Board of Directors approves the risk management sustainability strategy, the annual external sustainability reporting and policies relating to sustainability, incl. on climate-related issues. ESG considerations including climate-related issues are also considered when taking stands on the Group's risk appetite and on sector risks. This includes the Board's decision on excluding coal and oil from tar sands on the investment and lending side. In this regard, the Board Risk Committee convenes at least four times a year and operates as a preparatory committee for the Board of Directors with respect to Danske Bank's risk management and related matters. Furthermore, the Board sets the strategic direction, including regarding future business opportunities such as creating financial products that support the transition to a low-carbon economy.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	We have based the assessment on what other companies the Board members are working for, their previous experience and their current responsibilities. The climate-related issues cover both the risk and the opportunities side.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Chief Executive Officer (CEO)

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Integrating climate-related issues into the strategy
Managing climate-related risks and opportunities

Coverage of responsibilities
Risks and opportunities related to our banking
Risks and opportunities related to our investing activities
Risks and opportunities related to our insurance underwriting activities
Risks and opportunities related to our own operations

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
The Chief Executive Officer (CEO) plays an important role in organising and convening the meetings of the Executive Leadership Team (ELT) and as Chair of the Business Integrity Committee (BIC). The BIC is the highest decision-making forum/authority below Board-level within the area of sustainability and climate change, responsible for e.g., embedding sustainability incl. climate-related considerations throughout Danske Bank's business and operations, while also enhancing Danske Bank's positive societal impact and reducing Danske Bank's negative societal impact. This includes endorsing the strategic direction and ambition level as well as related policies of the Danske Bank Group, while developing and overseeing the implementation of the Group Sustainability Strategy.

In the role of Chair of the Business Integrity Committee, the CEO (together with the other BIC members) is provided with information and progress monitoring updates on a quarterly basis regarding sustainability, including climate-related issues.

In general, the CEO represents the ELT in all interactions and communication with the Board of Directors, unless the CEO delegates this authority to another member of the ELT. The CEO has regular interactions with the Board of Directors and the Board Chairmanship, i.e., Chairman and Vice Chairman.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Climate-related KPIs continue to be a focus area for Danske Bank and part of our 2023 ambitions as well as our net-zero climate targets, including 2030 interim targets. Climate-related targets and considerations are also included in our remuneration KPIs for senior management and employees included in the management programme. Risk and Compliance KPIs also affect remuneration if there are any breaches of climate-related specific policy restrictions (SPRs). Further readings are available in the Remuneration Policy and the Remuneration report available on www.danskebank.com.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
Corporate executive team

Type of incentive
Monetary reward

Incentive(s)
Bonus - % of salary

Performance indicator(s)
Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Reduction in absolute emissions
Increased share of revenue from low-carbon products or services in product or service portfolio
Increased engagement with investee companies on climate-related issues
Increased alignment of portfolio/fund to climate-related objectives

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
The purpose of the short-term incentive programme (STI) for the Executive Leadership Team is to encourage the achievement of certain annual KPIs and targets for the relevant year, guided by the longer-term ambitions. To ensure alignment with the Group's strategic focus for the coming year and long-term interest in the Group's performance, the Remuneration Committee reviews STI for members of the Executive Leadership Team on an annual basis. The assessment of performance on the Group level climate and sustainability-related targets is applied universally to all employees who are part of the programme. While this is characterised as a short-term incentive programme (STI), many of the specific KPIs relate to progress towards long-term goals, incl. our 2030 climate targets.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Climate-related KPIs and targets in this incentive programme are part of a broader set of sustainability-related KPIs, which cover (1) commercial performance & development, (2) sustainability targets and risk management and (3) regulatory implementation and compliance. The climate-related aspects are an important part of this and serve to incentivise progress on our Climate Action Plan (i.e., transition plan) and other climate-related targets.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG criteria, including climate change?

	Employment-based retirement scheme that incorporates ESG criteria, including climate change	Describe how funds within the retirement scheme are selected and how your organization ensures that ESG criteria are incorporated	Provide reasons for not incorporating ESG criteria into your organization's employment-based retirement scheme and your plans for the future
Row 1	Yes, as the default investment option for all plans offered	Danica Balance is the default retirement scheme for employees in Danske Bank. Danica Pension analyses environmental, social and governance aspects before selecting investments. Exclusions include investments in companies with more than 5% of revenue originating from thermal coal or tar sands. Further, there are no investments in companies involved in weapons such as nuclear weapons or anti-personnel mines. Additionally, exclusions include investments in companies with more than 5% revenue from tobacco products. Employees in Danske Bank further have the option to invest their pension savings with increased focus on sustainable investments. Employees can choose which percentage of their pension savings they want to invest in Danica Balance Responsible Choice. Danica Balance Responsible Choice includes responsible bonds, equities, and corporate bonds with special focus on responsibility as well as investments in renewable energy. Overall, Danica Pension is a member of the Net-Zero Asset Owner Alliance and has committed to have net-zero emissions from investments before 2050. Further, the ambition is to reduce CO2 emissions from investments in equity and credit bonds with 15% to 35% before 2025 within five key sectors: energy, utilities, transportation, cement, and steel. In January 2023, Danica Pension further applied for approval of new Science-Based temperature targets (SBTi) towards 2030. Danica Pension also has an ambition to increase investments in the green transition to DKK 100b before 2030, and in Q1 2023 investments in the green transition had increased to DKK 43.4bn.	<Not Applicable>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?
Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	5	
Long-term	5		We do not define a single upper limit to our long-term time horizons across the Group. Climate scenarios rely on long-term horizons, and as an example, we have performed climate assessments with a 25-year outlook or longer on our Mortgage Book, whereas for Corporate Finance, it is typically 10 years or shorter. A concrete example of a long-term horizon upper limit is our oil and gas climate analysis, which included a scenario out to 2050. Transition risk assessments take in to account short-, medium- and long-term risks and customers' targets for the same time horizons. Currently, in line with EU Climate action targets, we are also looking at 2030 as the relative medium term time horizon for both ours and customers' targets.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Our Enterprise Risk Management framework sets out common standards for how we organise our activities to identify and respond to the risks we face as identified in the Group's risk taxonomy, including financial risks (credit, market, liquidity & capital) and a series of non-financial risks. In addition to these, sustainability, conduct, and reputational risks are viewed as cross-taxonomy risks, where the impact of climate-related risks are viewed through the lens of their effect on the risk categories in the Group's risk taxonomy (see the Risk Management Report, 2022).

When assessing climate related risk, we look at its substantive financial or strategic impact in terms of the risk of financial, operational, or reputational loss across the Group. For Danske Bank, substantive financial or strategic impact generally means that the estimated financial impacts would result in substantial deterioration in e.g., credit quality or impairments levels or if a strategy must significantly updated due to external or internal changes. On a more operational level, the Group carries out risk assessments based on financial impacts and likelihoods of losses occurring in each process, where financial impacts above DKK 100m are considered high and controls to mitigate these risks in the associated process are prioritised.

Danske Bank has also started to assess and quantify the financial impact and sensitivity of our lending portfolio to climate-related risks for selected sectors using climate scenarios. Sectors are prioritised with a risk-based approach, using a climate risk heat map to determine which sectors have the most substantive financial impact.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Danske Bank has several different processes for identifying, assessing ,and responding to climate-related risks and opportunities as part of the enterprise-wide risk management process. While credit risk processes have been established for several years, climate risk management is gradually expanding to other risk areas. Identification of other risk processes that needs further maturing has been established.

The risk taxonomy is reviewed and updated when needed once a year. A sustainability risk inventory helps identify and assess the potential impacts from sustainability risks across the Group’s key risk categories, including the effects from climate risk. Emerging risk analysis is conducted on a biannual basis to identify risks over the short/medium term that the Group finds relevant to monitor in order to potentially take action or prevent/limit materialisation. These reports include climate-related risks, both from a transition and physical risk perspective.

At the portfolio level, industry reviews are periodic credit reports, which outline sector trends, portfolio structure, stress testing and ESG analysis. Each industry review addresses a single industry from our lending portfolio by identifying and assessing the risks, and when relevant, recommends changes to the bank's risk appetite for that industry. The ESG analysis for any industry review has a structured format for assessing ESG risks and are assessed for the short-, medium-, and long-term. When relevant, the industry reviews include climate scenario analysis in accordance with TCFD recommendations. In 2022, climate risks have been assessed as material on a few different reports with recommendations and adjustment to risk appetite subsequently have been adjusted. With respect to physical risk assessment, improved flooding maps are used to conduct a preliminary analysis on the Danish real estate portfolio, both for mortgages and commercial property. Results showed that certain areas in Denmark will see clusters of properties exposed to significant flooding risk in the future. More analysis is needed to (i) assess the full Nordic real estate portfolio and (ii) to better translate the exposure at risk into financial impact estimates, which has already started.

At the customer level, the ESG Tracker, a customer evaluation system is used. This system was first launched in the autumn of 2020 and in 2022 we rolled out the ESG Tracker to LC&I, the major corporate business unit at the bank, which has many of the bank's key customers. Physical and transition risk questions are applied to all relevant customer evaluations based on industry. Lastly, we calculate financed emissions for most of our customers, to measure the emissions resulting from our lending activities to our customers. That is, financed emissions in line with PCAF methodology. The outcome of this exercised has served as a basis for the bank's climate targets and action required for Net Zero Banking Alliance, and Science Based Targets initiative (SBTi).

Whether using a top-down or bottom-up approach to identify, assess and manage climate-related risks, our climate risk heat map serves as a prioritisation tool for responding to climate-related risks. The heat map gives an indication of whether a sector is exposed to low, medium, or high climate risks as determined by (i) a qualitative, inherent risk assessment for the sectors in the Nordics and (ii) the size of credit exposure for the given sector. Sectors deemed to be exposed to high risk - either from a physical or transition risk perspective - will require more detailed risk assessments and management going forward. One example of how the climate risk heat map is used is to impose limits on the highest transition risk industries based on these assessments, is how they have limited our oil and gas portfolio further, and the phasing out of coal by 2030. Lastly, for the industries at risk we conduct transition risk assessments, which are covered in C-FS2.2c.

Both to identify and respond to climate-related risks, Danske Bank's Board of Directors exerts oversight of climate-related issues. Environmental, social and governance considerations, including climate-related issues, are considered when taking stands on sector risks. In this regard, the Board Risk Committee operates as a preparatory committee for the Board of Directors by focusing on Danske Bank’s risk management and related matters. In 2020, ESG and climate risks were discussed as part of the industry risk assessments by the Group All Risk Committee and the Board of Directors’ Risk Committee. Further, the Business Integrity Committee also responds to numerous climate-related risks, e.g., by discussing and approving Group-wide restrictions on e.g., coal and oil from tar sands.

At the same time, several opportunities are currently materialising in connection with society’s low-carbon transition. For example, customers are increasingly requesting products that can benefit the climate agenda, and supporting companies and sectors that tackle the climate change challenge can bring us new business, enhance our investment performance, and integrate us further with the societies that we are part of. This is particularly true in the Nordic region, where most of Danske Bank’s stakeholders are heavily engaged in climate action. All Nordic countries have high climate ambitions and have disclosed a target to reach net zero greenhouse gas (GHG) emissions before 2050.

Since 2018, our sustainability strategy has guided our work at Danske Bank across the Group and therefore influencing how we assess climate change related risks and opportunities. Having a responsible and sustainable business and workplace that lives up to societal expectations and our international commitments is the foundation of this strategy. This strategy includes sustainable finance as one of the strategic themes, where we see a significant impact potential by offering green financing products and services and by encouraging customers and portfolio companies to take climate action, thereby contributing to SDG 13 – Climate action. Danske Bank also has a Green Bond Framework, which serves as a cornerstone for the advancement of our green bond issuance and development of green loan offerings. We will continue to scale and accelerate climate action by providing financial offerings that have a positive impact on climate change and the environment. In 2020, Danske Bank granted DKK 22.3bn in green loans to customers, DKK 13.5bn on green bonds were issued, and DKK 91bn green bonds were arranged for customers. Another established tool for climate related risks and opportunities is Danske Bank's integration of ESG considerations (including climate-related risks) in investment portfolio management. This is based on training of portfolio managers and use of a range of external ESG data sources.

Value chain stage(s) covered
Direct operations

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
As part of Danske Bank's client coverage and advisory service for all large corporate and institutional clients, we actively look for opportunities to engage with our clients on the possibility to mitigate climate risk and take advantage of financing opportunities to enable transitioning into climate neutral operations. Our identification process is connected to the assessment of climate-related risks, where clients facing significant transitions are prioritised in terms of engagement, although services are offered to all clients. Our assessment is based on analysis by a dedicated ESG risk team and close dialogue with our clients where we seek to understand their strategy and future investment needs towards meeting their climate reduction targets.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulations are included in climate related risk assessments where they directly impact our own operations and business model. Our Group Compliance and Group Legal departments provide oversight and guidance to help identify applicable laws and regulations for which the organisation must implement effective measures to meet the specific requirements. This could for example involve requirements for energy efficiency or fees/levies on our energy consumption, or which could impact our travel costs. Current regulation also impacts our assessment of climate related regulatory compliance risks. Where regulatory requirements are broad e.g., in terms of disclosure and product labelling, a qualitative risk assessment is usually made to determine appropriate action in the face of uncertainties of interpretation to manage potential risk of non-compliance in our product and services activities. Current regulation has an impact on different risk types, credit risk is in part covered by our industry reviews, which always take into consideration existing regulations, and this includes climate related regulations that impact customers' performance. As an example, the impact of environmental regulation regarding sulphur on the shipping and/or oil sector was included in the industry review for this sector, identifying the impact of the regulation on customers' operations and profitability.
Emerging regulation	Relevant, always included	Emerging regulation is relevant for assessing climate-related risks in our own operations and business model. The Public Affairs department identifies emerging laws and regulations - and guidance on how these may impact our business. An example would be emerging and evolving regulations stemming from the EU Sustainable Finance Action Plan. The impending changes required from these would impact how we operate and how we can execute our strategy. Emerging regulations in customer sectors are also taken into consideration in the sector reviews and sector outlook e.g., emerging regulation related to carbon tax/pricing, that could either impact the viability of a sector as a whole (e.g. oil and gas) or have an exacerbated impact on the performance of a customer with already poor emissions performance and/or transition strategies.
Technology	Relevant, always included	New technologies can create new markets, such as offshore wind energy or car-sharing, but can also lead to new risks across our portfolio. In relation to risks posed by technology for our customers/assets, if information exists and is relevant/material, we include it in our assessments at a company and/or sector level, such as the ESG assessment or Industry reviews respectively. For example, in the automotive sector we assess technologies that are changing the industry from several viewpoints. One is from a disruption viewpoint, as we investigate what technology is expected to disrupt the sector or how it is expected to bring change to the sector outlook in the short, medium and long term. This would of course bring huge transition risks for Danske Bank and its lending portfolio as Danske Bank has customers who could be impacted greatly. More specifically, technological advances are bringing forward automated, connected, electric vehicles, which could mean that some of our corporate customers might suffer if they do not transition, leading to significant write-downs. In the example of the automotive industry, we see a significant technology risk for the retail part of our automotive industry portfolio. Technology risk is also implicitly embedded in the climate scenarios used for sensitivity analysis, for example, the increase of renewable technologies can over time ensure less dependence on fossil fuels. Disruption and technology risk is therefore considered through both our ESG analysis in the Industry reviews as well as through climate scenario analysis. Technology is also included in assessing transition risks for customers. Risks to customers'/ industry sectors' ability to adapt/transition also considers the dependency of their transition plans that are not fully developed.
Legal	Relevant, sometimes included	Where customers have climate-related legal risks from e.g., climate controversies and, if information exists and is relevant, we include it in our assessments, such as the ESG assessment or Industry reviews. This could involve litigation risks for customers/entities who are found to be non-compliant with climate-related regulations.
Market	Relevant, sometimes included	In relation to climate-related market risks for our customers/assets, if information exists and is relevant/material, we include it in our assessments at the company and/or sector level, such as the ESG assessment or Industry reviews respectively. This can take the form of specific market developments or the form of climate scenarios that make use of e.g., changes in prices and demand for various fuel types. For our own markets, relevant climate-related risks are also considered and assessed in relation to our trading positions.
Reputation	Relevant, always included	When it comes to reputational risks posed directly to our own business, these are managed as part of our non-financial operational risks and with involvement of our Group Communications department. Reputational risks posed indirectly via our customers or assets, are managed strategically though our position statements and policy restrictions. Reputational risks for customers/entities who are found to be non-compliant with climate-related regulations, or who are found to have breached their own climate policies, are included in our customer risk assessment in the credit approval process.
Acute physical	Relevant, sometimes included	Currently, acute physical risk is included on an ad-hoc basis as part of general ESG risk assessments and relevant Industry reviews for portfolios that are likely to be impacted by extreme weather events i.e. flooding risk for real estate assets in relation to both our mortgages and commercial property portfolios in Denmark. The assessment of the mortgage portfolio showed that certain areas in Denmark will see clusters of properties exposed to significant flooding risk in the future, with about 12% of our total property exposure possibly affected by extreme flooding (1000-year return period) and about 22% of the commercial property portfolio also at risk. As flood events are localised, the total property exposure at risk would not occur simultaneously and the expected loss in portfolio value is limited using current methodologies.
Chronic physical	Relevant, sometimes included	Currently, chronic physical risk is included on an ad-hoc basis as part of general ESG assessments. This could include risks posed by higher sea levels or rising temperatures, e.g., leading to crop damage and lower productivity in the agricultural sector. The acute flooding risk analysis we performed on our mortgage portfolio also included the risk from rising sea levels (see acute physical risk for example).

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Explain why your portfolio's exposure is not assessed and your plans to address this in the future
Banking (Bank)	Yes	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	<Not Applicable>

C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities

	Type of risk management process	Proportion of portfolio covered by risk management process	Type of assessment	Time horizon(s) covered	Tools and methods used	Provide the rationale for implementing this process to assess your portfolio's exposure to climate-related risks and opportunities
Banking (Bank)	Integrated into multi-disciplinary company-wide risk management process	80	Qualitative and quantitative	Short-term Medium-term Long-term	Portfolio temperature alignment Scenario analysis Internal tools/methods Other, please specify	Several of the Group's risk processes consider the bank's portfolio exposure to climate-related risks. In the shorter term (12-18 months), the Group's emerging risks process identifies climate change as one of the key concerns for the Group. Using a more long-term perspective, exposure to climate related risks and opportunities are assessed through climate scenario analysis in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Transition risks are assessed using scenarios from the International Energy Agency or the Network for Greening the Financial System. To assess physical risks, RCP 8.5 scenarios are used to assess weather-related hazards. The results from the climate scenario analysis are included as part of the full ESG risk assessments in the Industry reviews, which has proved to be an excellent way of not just assessing climate risks but bringing them into existing management reporting and thereby influencing risk appetite setting. An example from 2022 is the carbon price stress test for the Utilities portfolio, where the impact of a carbon price for utilities sectors was considered low. Even for the highest carbon price used in NGFS* scenarios (4400 DKK/tCO2e), the increase on average probability of default was very low. A sensitivity analysis is also performed on relevant industries, e.g., agriculture portfolio using a range of future estimated carbon taxes. Results show that the agricultural sector is sensitive to a carbon tax and that a proper implementation of the tax could be key in incentivising the sector towards a solid transition. In sensitivity analysis it can be difficult to determine the price elasticity of future carbon taxes, which impact the results. Our physical risk assessments, as described in question C2.2a, rely on the data availability of flooding risks, which are scarce in some of our markets. However, this is a positive in our core market, Denmark, which also has enhanced flooding risks overall. Climate heat maps, introduced in question C2.2 have proved essential to categorise climate risks across our portfolio and influence which customers and sub-industries are selected for enhanced climate assessments. A transition risk assessment is carried out for customers that have significant credit exposure and are in selected high risk sectors: Automotive, Machinery, Metals & Mining, Shipping, Utilities, Oil & Gas, Chemicals, Freight Transportation. For most of these customers the assessments consider the following key factors; long term ambition for net zero emissions, short- and medium-term emission reduction target, emissions performance/intensity (scope 1, 2, 3), decarbonisation strategy and Capital Allocation alignment/CAPEX consistent with net zero emissions. Furthermore, depending on the industry each customer gets relevant criteria for each of the aforementioned factors. These assessments of customer transition risks and plans result in one of five classifications, from 'lagging transition' to 'transitioned'. In summary, our tools, methods and process helps us identify customer segments that could become high risk in the future. They show us how sensitive our current portfolio is in certain scenarios, and provides indications of which sectors require the most substantial transformations in order to reach net zero by 2050. They furthermore initiate discussions and can be a good starting point for additional deep dive analyses.
Investing (Asset manager)	A specific climate-related risk management process	68	Qualitative and quantitative	Short-term Medium-term Long-term	The Transition Pathway Initiative (TPI) Portfolio temperature alignment Scenario analysis Internal tools/methods	TPI Empower us to understand and drive the low-carbon transition. It enables us to understand more about the largest high-emitting companies and how they are adapting their strategies to align with international climate goals. Furthermore, it is an excellent framework to apply to companies both in terms of integration and our active ownership efforts as well as exclusions. Other climate risk tools We apply ISS Climate Analytics tools to identify and understand our climate risk and impact. We assess our portfolio with three climate scenarios provided by the IEA. The analysis also includes a qualitative climate target assessment and temperature score. mDASH Our proprietary ESG-analysis tool, in which we have incorporated climate risk. Investee companies are e.g., assessed in different climate scenarios. Data coverage is, however, a challenge, as well as the methodology often changes which makes it harder to compare year-on-year.
Investing (Asset owner)	A specific climate-related risk management process	70	Qualitative and quantitative	Short-term Medium-term Long-term	The Transition Pathway Initiative (TPI) Portfolio temperature alignment Scenario analysis Internal tools/methods	TPI Empower us to understand and drive the low-carbon transition. It enables us to understand more about the largest high-emitting companies and how they are adapting their strategies to align with international climate goals. Furthermore, it is an excellent framework to apply to companies both in terms of integration and our active ownership efforts as well as exclusions. Other climate risk tools We apply ISS Climate Analytics tools to identify and understand our climate risk and impact. We assess our portfolio with three climate scenarios provided by the IEA. The analysis also includes a qualitative climate target assessment and temperature score. mDASH Our proprietary ESG-analysis tool, in which we have incorporated climate risk. Investee companies are e.g., assessed in different climate scenarios. Data coverage is, however, a challenge, as well as the methodology often changes which makes it harder to compare year-on-year.
Insurance underwriting (Insurance company)	Integrated into multi-disciplinary company-wide risk management process	68	Qualitative and quantitative	Short-term Medium-term Long-term	The Transition Pathway Initiative (TPI) Portfolio temperature alignment Scenario analysis Internal tools/methods	TPI Empower us to understand and drive the low-carbon transition. It enables us to understand more about the largest high-emitting companies and how they are adapting their strategies to align with international climate goals. Furthermore, it is an excellent framework to apply to companies both in terms of integration and our active ownership efforts as well as exclusions. Other climate risk tools We apply ISS Climate Analytics tools to identify and understand our climate risk and impact. We assess our portfolio with three climate scenarios provided by the IEA. The analysis also includes a qualitative climate target assessment and temperature score. mDASH Our proprietary ESG-analysis tool, in which we have incorporated climate risk. Investee companies are e.g., assessed in different climate scenarios. Data coverage is, however, a challenge, as well as the methodology often changes which makes it harder to compare year-on-year.

C-FS2.2d

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

	We consider climate-related information	Explain why you do not consider climate-related information and your plans to address this in the future
Banking (Bank)	Yes	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	Yes	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>

C-FS2.2e

(C-FS2.2e) Indicate the climate-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision-making.

Portfolio
Investing (Asset manager)

Type of climate-related information considered
Emissions data
Energy usage data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained
Directly from the client/investee
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process
Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making
Danske Bank's overarching ambition and duty is to grow and protect our customers' investments, and based on that foundation we support and contribute to the low-carbon transition and making societies more resilient and sustainable. The climate change agenda is, in other words, an integral part of how we invest on behalf of our customers. Taking climate aspects into account is of paramount importance, as this supports our ambition to deliver attractive risk-adjusted returns, which in turn constitutes genuine support for the journey towards more climate-friendly businesses and societies. We believe that our approach helps and supports society to achieve the climate goals set out in the Paris Agreement while at the same time delivering attractive returns for customers. Climate considerations are an integral part of customer investments. Analysing and assessing the business impact of climate issues is embedded in the decision-making of all our investment teams and is a key factor when selecting investments for our customers. Whenever relevant, our investment teams analyse and assess the short and long-term business impact of climate change issues, which helps them address climate related risks and dilemmas, identify opportunities, and make better-informed investment decisions that benefit our customers. Our approach enables us to mitigate potential investment risks related to climate change. Similarly, by analysing climate issues we can identify those companies that manage their climate impact and embrace the business opportunities of the transition to a low carbon economy.

We believe that as an investor we can contribute to changes and improvements by influencing companies to reduce carbon emissions and choose the path towards a cleaner and greener society, thus making companies more resilient. By engaging with companies, we take climate action and address climate-related risks, opportunities, and problems through constructive dialogue. We represent our customers' interests when we, as an investor, influence developments and help companies transition to renewable energy sources, reduce their contribution to climate change and be part of the solution. By focusing on business-critical climate issues, we can influence companies and create value for our customers and the societies we are part of.

Climate related info leads to and/or influences a decision to either buy/increase, hold/maintain or decrease weighting, or sell/divest or to engage.

Portfolio
Investing (Asset owner)

Type of climate-related information considered
Emissions data
Energy usage data
Emissions reduction targets

Climate transition plans
TCFD disclosures

Process through which information is obtained
Directly from the client/investee
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process
Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making
Danske Bank's overarching ambition and duty is to grow and protect our customers' investments, and based on that foundation we support and contribute to the low-carbon transition and making societies more resilient and sustainable. The climate change agenda is, in other words, an integral part of how we invest on behalf of our customers. Taking climate aspects into account is of paramount importance, in our view, as this supports our ambition to deliver attractive risk-adjusted returns, which in turn constitutes genuine support for the journey towards more climate-friendly businesses and societies. We believe that our approach helps and supports society to achieve the climate goals set out in the Paris Agreement while at the same time delivering attractive returns for customers. Climate considerations are an integral part of customer investments. Analysing and assessing the business impact of climate issues is embedded in the decision-making of all our investment teams and is a key factor when selecting investments for our customers. Whenever relevant, our investment teams analyse and assess the short and long-term business impact of climate change issues, which helps them address climate related risks and dilemmas, identify opportunities, and make better-informed investment decisions that benefit our customers. Our approach enables us to mitigate potential investment risks related to climate change. Similarly, by analysing climate issues we can identify those companies that manage their climate impact and embrace the business opportunities of the transition to a low carbon economy.

We believe that as an investor we can contribute to changes and improvements by influencing companies to reduce carbon emissions and choose the path towards a cleaner and greener society, thus making companies more resilient. By actively engaging with companies, we take climate action and address climate-related risks, opportunities, and problems through constructive dialogue. We represent our customers' interests when we, as an investor, influence developments and help companies transition to renewable energy sources, reduce their contribution to climate change and be part of the solution. By focusing on business-critical climate issues, we can influence companies and create value for our customers and the societies we are part of.

Portfolio
Banking (Bank)

Type of climate-related information considered
Emissions data
Energy usage data
Emissions reduction targets
Climate transition plans
TCFD disclosures

Process through which information is obtained
Directly from the client/investee
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process
Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services

Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

Industry reviews, introduced in C2.2 and C2.2c, see climate risks as key risks and help formulate the risk picture for most of the bank's credit portfolio and have an impact on risk appetite setting for customers within that industry. At the customer level, assessments on climate risk are a key part of individual customer assessments, and the results from which are highlighted in credit systems, on credit applications and periodic reviews. Action plans are also required in some customer cases if climate risks are high.

The ESG tracker, introduced in C2.2 and C2.2c, is a required individual customer level assessment for the majority of business customers. For example, a commercial property customer will be risk assessed with respect to flooding risk and transition risk. For larger business customers, enhanced ESG assessments are undertaken, with climate being a cornerstone of the assessment.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Banking portfolio

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact

Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

We have carried out scenario analyses across some sectors to assess any significant transition risks in relation to deterioration in credit quality due to carbon taxes. If a company is not able to transition/lower its carbon emissions, it will be faced with increasingly high carbon taxes. This increases the credit risk for Danske Bank because an overly burdensome carbon tax obligation will reduce the company's liquidity and possibly its ability to repay the loan. Operationally, it might impact Danske Bank in having to look at rebalancing and redistributing its portfolio. For example, the Oil & Gas sector would be vulnerable to such carbon regulation when coupled with demand changes. A similar scenario analysis was carried out for the Agriculture portfolio showing that the sector would be sensitive to the implementation of a carbon tax, and create an incentive for low carbon transition. The scenario analysis carried out for the Utilities sector showed that the introduction of a carbon price would not significantly affect utilities due to their stable financial position and ability, in the short-term, to pass on the carbon costs to consumers. This type of scenario analysis assumes that our customers do not react/proactively adapt to the changing conditions. To manage the identified risks, we are increasingly managing down the exposures in some of the sub-segments of the portfolio.

The analyses are incorporated into the overall Industry assessments. As a result, the bank can apply this in the overall consideration of the risk to the whole portfolio, as well as where specific customers are identified to be especially vulnerable to these factors. Where the risk is deemed high, specific cases are also brought to the Group Credit Committee and the Board for review.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Although we have conducted scenario analysis on this risk factor, we only measure the impact on Probability of Default for our customers/portfolio. So, we cannot precisely isolate the financial impact solely from regulation across all our portfolio, but we intend to do this in the near future. The financial impact assessment will be the sum of various risk drivers.

Cost of response to risk
16000000

Description of response and explanation of cost calculation
Sector-specific scenario analyses performed as per company-specific description are presented to the All Risk Committee and Board Risk Committee for overall evaluations and decisions with regard to the portfolios.

The result following the analysis and decisions is the development of various position statements that communicate, both internally and externally, ESG boundaries and/or restrictions to our engagement in these sectors to minimise the impact both to the bank and also to the climate.

The cost estimate relates to the examples outlined for Oil & Gas, Agriculture and Utilities. It includes dedicated employees involved in the analysis, communication, and decision making related to the risks identified. The total cost is not possible to estimate at this point and would need to include forgone profit in the short term from reduced exposures, costs related to external data providers, and the retraining of relevant customer-facing employees. Cost of response is estimated based on an average of DKK 1m per FTE. Breakdown of the tasks/actions as follow:
1 FTE on Oil & Gas ESG analysis and the resulting recommendations
3 FTEs on performing the scenario analysis based on the sector analysis and recommendations
2 FTEs for taking the sector analysis, recommendations, and scenario analysis to develop into Danske Bank's position statements on these sectors to provide guidance on how we engage

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Banking portfolio

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
The climate scenarios performed consider changing customer demand as part of the transition risks for credit over the long-term. In relation to the Oil & Gas sector, developments in demand towards renewables have a large impact on the future credit quality of the portfolio. Agriculture also faces increased risks with customer demand and pricing changes. Utilities on the other hand, appears less affected due to the share of renewables in the sector and the low-price elasticity. Key to note is that this type of scenario analysis assumes that our customers do not react/pro-actively adapt to the changing conditions. In order to manage the identified risks, we are increasingly managing down the exposures in some of the sub-segments of the portfolio. Climate transition risk assessments of customers indicate which customers are lagging in their transition, impacting their long-term credit quality.

Time horizon
Long-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
No, we cannot isolate the financial impact solely from demand shift. The financial impact assessment is the sum of numerous risk drivers.

Cost of response to risk
16000000

Description of response and explanation of cost calculation
Sector-specific scenario analyses performed as per company-specific description are presented to the All Risk Committee and Board Risk Committee for overall evaluations and decisions with regard to the portfolios.

The cost estimate relates to the examples outlined for Oil & Gas, Agriculture and Utilities. It includes dedicated employees involved in the analysis, communication, and decision making related to the risks identified. It is not possible to estimate the total cost at this point, which would need to include forgone profit in the short-term from reduced exposures, costs related to external data providers, and the retraining of relevant customer facing employees. Cost of response is estimated based on an average of DKK 1m per FTE. Breakdown of the tasks/actions as follow:
1 FTE on Oil & Gas ESG analysis and the resulting recommendations
3 FTEs on performing the scenario analysis based on the Oil & Gas sector analysis and recommendations
2 FTEs for taking the Oil & Gas sector analysis, recommendations and scenario analysis to develop into Danske Bank's position statements on these sectors to provide guidance on how we engage.
1 FTE on Agriculture analysis and the resulting recommendations

3 FTEs on performing the scenario analysis based on the Agriculture sector analysis and recommendations
2 FTEs for taking the Agriculture sector analysis, recommendations and scenario analysis to develop into Danske Bank's position statements on these sectors to provide guidance on how we engage.
1 FTE on Utilities analysis and the resulting recommendations
3 FTEs on performing the scenario analysis based on the Utilities sector analysis and recommendations

Comment

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Banking portfolio

Risk type & Primary climate-related risk driver

Technology	Substitution of existing products and services with lower emissions options

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
We have identified e.g., the Automotive and Oil & Gas sectors where certain climate scenarios present significant transition risks in relation to credit over the long-term. For the Oil & Gas sector, we see some companies with higher average production costs that cannot invest in upgrades/reconfigurations/technological innovation. For the Automotive industry, we see that there is a great risk to our retail customers which are the car dealerships. They are facing decreased sales because of digital sales channels from manufactures as well as the risk of the impending automated, connected, electric vehicles. This type of scenario analysis assumes that our customers do not react/pro-actively adapt to the changing conditions.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The impact has not been quantified financially. Further methodological improvements will have to be made before financial impact can be estimated.

Cost of response to risk
7000000

Description of response and explanation of cost calculation
Sector-specific scenario analyses performed as per company-specific description are presented to the All Risk Committee and Board Risk Committee for overall evaluations and decisions with regard to the portfolios.

The cost estimate relates to the examples outlined for Automotive and Oil & Gas sectors. It includes dedicated employees involved in the analysis, communication and decision making related to the risks identified. The total cost is not possible to estimate at this point, and would need to include forgone profit in the short-term from reduced exposures, costs related to external data providers, and the retraining of relevant customer facing employees. Cost of response is estimated based on an average of DKK 1m per FTE. Breakdown of the tasks/actions as follow:
2 FTEs on Automotive, Oil & Gas ESG analysis and the resulting recommendations
3 FTEs on performing the scenario analysis based on the Automotive, Oil & Gas sector analysis and recommendations
2 FTEs for taking the sector analysis, recommendations and scenario analysis to develop into Danske Bank's Oil & Gas position statements on these sectors to provide guidance on how we engage

Comment

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Banking portfolio

Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
Reputational risks can arise from climate related controversies or negative stakeholder feedback and have subsequent impact on credit risk. For example, the transportation and construction sectors are prone to reputational risks in relation to GHG emissions. Those companies that perform badly in this regard will not only see the consequential policy changes making them pay for emissions, but also reputational impact of being seen as an emitter and polluter of the environment. Such reputational risk often transmits over to that company's major stakeholders such as banks, and we expect to see increased reputational risk due to changes in market and consumer sentiment, with the average consumer increasingly more interested in less emitting products. Beyond the impact of such reputational risks on credit quality of a customer, Danske Bank does not want the negative press coverage related to support of projects or activities with negative impacts on the climate as it impacts our branding and credibility, with customers as well as with regulators that could result in loss of business and potential penalties.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The impact has not been quantified financially. Further methodological improvements will have to be made before financial impact can be estimated.

Cost of response to risk
3000000

Description of response and explanation of cost calculation
For several years now assessment of controversies and reputational risks have been incorporated in our ESG risk assessment process, Industry assessments, and as of last year also in the ESG Tracker. Consequently, costs have been incurred to achieve this, in terms of hiring employees dedicated to this part of the assessment process. This process includes screening for what controversies have recently come up in our portfolios and might have an impact on credit quality and the bank as a whole. As a result, the bank can track and monitor the media exposure of its customers and engage or respond to that case when necessary. Where the risk is deemed high, specific cases are also brought to the Group Credit Committee and the Board for review. The cost estimate includes external fees paid to data provider (rep risk) at DKK 2m and dedicated employees work integrating the data received into our analysis. This is estimated at 1 FTE at DKK 1m.

Comment

Identifier
Risk 5

Where in the value chain does the risk driver occur?
Banking portfolio

Risk type & Primary climate-related risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
Flooding risk for real-estate assets in relation to both our mortgages and commercial property portfolios in Denmark was conducted based on flooding maps from the Danish Coastal Authority (DCA). The assessment of the mortgage portfolio showed that certain areas in Denmark will see clusters of properties exposed to significant flooding risk in the future, with around 12% of our total property exposure that could be affected by extreme flooding (1000-year return period) and around 22% of the commercial property portfolio is also at risk. As flood events are localised, the total property exposure at risk would not occur simultaneously and the expected loss in portfolio value is quite limited using current methodologies.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)
100000000

Explanation of financial impact figure
The impact reflects impairments and has been calculated conservatively.

Cost of response to risk
6000000

Description of response and explanation of cost calculation
Sector-specific scenario analyses performed as per company-specific description are presented to the All Risk Committee and Board Risk Committee for overall evaluations and decisions with regard to the portfolios.
The cost estimate relates to the example outlined; physical risk to retail and commercial real estate sectors. It includes dedicated employees involved in the analysis, communication and decision making related to the risks identified. The total cost is not possible to estimate at this point and would need to include forgone profit in the short-term from reduced exposures, costs related to external data providers, and the retraining of relevant customer facing employees. Cost of response is estimated based on an average of DKK 1m per FTE. Breakdown of the tasks/actions as follow:
1 FTE on gathering external flooding data
1 FTE on real estate ESG analysis and the resulting recommendations
4 FTEs on performing the flooding scenario analysis based on the real estate sector analysis and recommendations

Comment

Identifier
Risk 6

Where in the value chain does the risk driver occur?
Banking portfolio

Risk type & Primary climate-related risk driver

Technology	Transitioning to lower emissions technology

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
Assessment of key customers' ability to transition to low emissions technology is incorporated into their ability to execute on their transition plans. In addition to assessing current emissions performance and long-term targets and transition plans, an evaluation is also made on whether the technology is in place to support the transition, or if general technology developments in the sector will slow down their ability to transition. For example, technology for low emission options is still unclear in the shipping sector, impacting their pace of transitioning. On the other hand, for the utilities sector, the technology for transitioning to renewables are generally in place to support them. Non-competitive technologies or transition plans relying on technologies which are unlikely to be available for utilisation are driving this risk factor.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
277000000

Explanation of financial impact figure
The impact has been estimated based on the execution risk marker, which is a key part of transition risk assessments of customers. In 2022, 4 large customers were found to have high transition risk, which reflects how difficult or costly it will be for those customers to effectively transition towards planned greener technologies. High execution risks are given to, for example, Cement producers or floating wind, carbon sequestration, and ammonia production activities that might not be currently cost-competitive and expected to require government subsidies in the short and medium-term.

Cost of response to risk
5000000

Description of response and explanation of cost calculation
The cost estimate relates to the example outlined for Shipping and Utilities transition. It includes dedicated employees involved in the analysis, communication and decision making related to the risks identified. The total cost is not possible to estimate at this point and would need to include forgone profit in the short-term from reduced exposures, costs related to external data providers, and the retraining of relevant customer facing employees. Cost of response is estimated based on an average of DKK1m per FTE. Breakdown of the tasks/actions as follow:
2 FTEs on performing the emissions data and calculation
3 FTEs on performing an assessment of the transition plans in relation to the emissions performance

Comment

Identifier
Risk 7

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Enhanced emissions-reporting obligations

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
Policy and legal risk

Company-specific description
Danske Bank and the financial sector in general are increasingly expected to report on its financed emissions, and that will have some financial implications, including use of external data providers (like ISS, MSCI as well as of course CSRD & ESRS). It will be necessary to hire more people to deal with the increased expectations. Also added costs for getting assurance on financed emissions.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
External data providers will be key for the bank to adapt to upcoming regulations on climate to capture the necessary customer specific data as well as operational risk. Furthermore, capacity to implement data needs will likely increase.

Cost of response to risk
4000000

Description of response and explanation of cost calculation
Currently 4 FTEs on enhanced emissions-reporting obligations and other similar legal obligations.

Comment
External data providers will be key for the bank to adapt to upcoming regulations on climate to capture the necessary customer specific data as well as operational risk. Furthermore, capacity to implement data needs will likely increase.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Investing (Asset manager) portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
On the investment product side, Danske Bank currently offers several sustainability themed funds.

Internally 95% of our investment funds are categorised as article 8 (SFDR). Looking forward our ambition is to have only article 8 and 9 funds on our platform which will be our minimum requirements for responsible investment funds. Currently, we have 10 Danske Bank Article 9 funds with a sustainable investment objective.

Climate-related opportunities will be addressed in different ways according to the investment strategy.

For example, internal: Danske Invest European Corporate Sustainable Bond, Danske Invest Global Corporate Sustainable Bond Danske Invest Sustainable High Yield, Danske Invest Global Sustainable Future. These funds targets specific sustainability solutions and themes.

For a company specific example, in the Global Sustainable Future fund, the investment team has invested into electric utilities and power generator companies such as Ørsted and SSE with a focus on renewable energy solutions.

External:"Parvest Climate Impact" invests in companies that contribute to solving environmental and climate-related problems within four key areas: New energy, water, recycling of waste and resources, and sustainable foods, farming and foresting. Parvest Aqua invests in companies that for instance provide water supply infrastructure, manage and treat wastewater, or develop new water-saving technologies.

Our ambition is that more and more of our products and services will take ESG-related risks and opportunities into account and this is something that we are actively pursuing, and we will launch more of these funds in the future.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We do not have this figure.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
To support society's sustainability goals and the low-carbon transition, we have raised the bar by launching concrete sustainability targets for our investment business. These goals are set in accordance with the new Sustainable Financing Disclosure Regulation (SFDR) product framework. Our short-term goal was to reach DKK 400bn investments in products promoting environmental or social characteristics by 2023, corresponding to around three quarters of the assets currently under our management – that target was reached in the spring of 2022. In addition, the goal is to funnel at least DKK 150bn into sustainable investment products by 2030. To achieve our new sustainability targets, we will expand our product offering to cater to investor sustainability preferences, so they can choose investment products aligned with their ambitions and goals. In the long term, we are stepping up efforts to support society's ambition of decarbonising the economy. Achieving the climate goals of the Paris Agreement requires corporates to shift their business model from polluting technologies and products to more energy-efficient and climate-friendly solutions. As investors, we can play a significant role in shaping tomorrow's companies and influencing them to reduce their climate footprint. This is why we became a signatory of the Net Zero Asset Manager Initiative, which represents a group of international asset managers committed to supporting the goal of net-zero greenhouse gas emissions by 2050 or sooner, in line with the Paris Agreement's target of limiting global warming to 1.5 degrees Celsius. We will have already now set interim targets. We will continue our efforts to further develop relevant products and services that deliver impact in relation to climate change and the transition to a low-carbon economy.

The cost to realise opportunity includes costs for data and other relevant costs in DKK. Internal example products include: Danske Invest European Corporate Sustainable Bond, Danske Invest Global Corporate Sustainable Bond, Danske Invest Sustainable High Yield, Danske Invest Global Sustainable Future. These funds target specific sustainability solutions and themes.

The cost to realise opportunity includes costs for data, IT-infrastructure cost, employee cost, training cost and other relevant costs in DKK.

Comment
We do not yet have the financial impact figure.

Identifier
Opp2

Where in the value chain does the opportunity occur?
Banking portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Danske Bank has continued to strengthen its capabilities within our sustainable financing offering.

We want to help provide more financing for sustainable and environmentally friendly initiatives, which also ties in well with our support of the Paris Agreement and the Sustainable Development Goals. We can achieve this by offering green and sustainability-linked financing solutions for our clients. In 2022, Danske Bank ranked as the number one Nordic Bookrunner for Green, Social & Sustainable Bonds and as the 16th largest Bookrunner for Green Bonds globally, with total league credit of approx. DKK 62.5bn. For example, Danske Bank in 2022 supported the EU in issuing a EUR 6bn green bond, for investment in a greener and more resilient Europe as part of the

NextGenerationEU funding programme.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
94000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Assuming a generic 15bps fee for sustainable bond transactions, would mean approx. DKK 94m in revenue.

Cost to realize opportunity
4000000

Strategy to realize opportunity and explanation of cost calculation
We will continue to scale and accelerate climate action by providing financial offerings that have a positive impact on climate change and the environment. In the current market environment, the majority of clients are looking for opportunities to utilise sustainable financing products in their loan and bond transactions. To meet this significant increase in demand, we employ a dedicated Sustainable Bond Origination team and during the past year we have set up a similar structure in our Loan Origination team. This also allows us to integrate the knowledge of sustainability in our product teams directly. Besides the dedicated product teams, our Sustainable Finance Advisory team provides general guidance for clients, also regarding the best use of sustainable finance products, as well as educate customer advisors responsible for clients on general knowledge relating to these subjects, to discuss with clients independently.

These actions have allowed Danske Bank to maintain its leading position within the sustainable financing space in the Nordics. We also participate in growing the green and sustainability-linked bond market, for instance, through our partnership with Climate Bonds initiative. Costs to realise this opportunity reflect the associated staff and system costs. The figure is a best estimate.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Banking portfolio

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
We provide green loans to our clients. The total volume of green loans issued by Danske Bank A/S to customers grew from EUR 2.8bn in 2021 to EUR 4.7bn at the end of 2022. The total volume of green loans issued by Realkredit Danmark A/S grew from approximately DKK 17bn in 2021 to DKK 21.5bn at the end of 2022. Green buildings and renewable energy projects remain the largest categories of our green loan portfolio.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
565000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
By year-end 2022, we had granted DKK 56.5bn of green loans to our customers. Assuming a generic 1% return on these loans the positive financial impact amounts to DKK 565m.

Cost to realize opportunity
4000000

Strategy to realize opportunity and explanation of cost calculation
Danske Bank issued its first green bond in 2019, and the first green mortgage series was launched by Realkredit Danmark. The green loan offering has been expanded to cover smaller corporate clients. By issuing green bonds, we can provide green loans to personal, business, and corporate customers. Danske Bank also finances and refinances loans and investments predominantly taken out and made in the Nordic region, where green funding has increased significantly over the course of the past few years. As the Nordics have some of the most ambitious governmental and corporate sustainability goals, the need for increasing the scale and scope of green financing is set to continue increasing. To meet the growing demand from our clients, the experts within Danske Bank need to remain up to date with the latest developments within green financing standards such as the EU Taxonomy, as well as continue to expand the product offering within the green space to support our customers varying financing needs. A concrete action we have undertaken during the past year is to update the banks Green Financing Framework to reflect the scope of the EU Taxonomy, as well as expanded the green product offering to cover a broader range of customer segments within the bank. We actively advice our customers on these products and have integrated the advice to the professionals in our Loan Origination team. The results of these actions will allow us to support our customers in their green transition to a even larger extent. The experts within our Sustainable Finance team conduct an environmental evaluation of all potential green loans. Costs to realise opportunity reflect the associated staff and system costs. The figure is a best estimate.

Comment

Identifier
Opp4

Where in the value chain does the opportunity occur?
Banking portfolio

Opportunity type
Markets

Primary climate-related opportunity driver
Increased diversification of financial assets (e.g., green bonds and infrastructure)

Primary potential financial impact
Increased access to capital

Company-specific description
To implement our strategy within sustainable finance, we established our own Green Bond Framework, which aligns with the Green Bond Principles of ICMA. Existing loans that had qualified as green loans served as the foundation for the issuance of the first Danske Bank Green Bond in March 2019. When the bond was launched, not only was the level of demand high, but it also attracted significant investor diversification.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
17000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
By the end of 2022, Danske Bank and Realkredit Danmark have issued a total of DKK 34.5bn worth of green bonds. Assuming a generic 5bps "greenium" on the issuances, we get a positive impact figure of DKK 17m.

Cost to realize opportunity
4000000

Strategy to realize opportunity and explanation of cost calculation
Based on the Green Bond framework, Danske Bank in 2019 issued its first green bond, and the first green mortgage series was launched by Realkredit Danmark. This was followed by the provision of green personal mortgage loans in Norway, Sweden, and Finland. By issuing green bonds, we can provide green loans to personal and business customers. Danske Bank also finances and refinances loans and investments predominantly taken out and made in the Nordic region, where green funding has increased significantly over the course of the past few years. The sustainability experts within our organisation prepare environmental assessments of potentially eligible green loans. Danske Bank’s Green Bond Committee approves green loans, monitors the eligible portfolio and the allocation of green bond net proceeds, and maintains and updates the framework. The issuance of green bond allows us both to support our customers as well as broaden the banks funding base to dedicated fixed income investors in the green bond format. The task at hand for the Sustainable Finance Advisory and Green Bond Committee team is to uphold the integrity of the issued green bond products with respect to evolving trends in the green financing space, with for example the launch of the EU Taxonomy. The Sustainable Finance Advisory team has conducted studies of the issued green loans against the Taxonomy, and with the update of the bank's Green Finance Framework undertaken during the past year, will also provide investors with increase transparency on the alignment of green lending with the Taxonomy after the new framework has been launched. This will allow all parties to assess the alignment of their lending and investments against the evolving market standards, with associated positive impacts for future green bond issuance by Danske Bank. Costs to realise opportunity reflect the associated staff and system costs. The figure is a best estimate.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

While we do not have a specific feedback mechanism in place for our Climate Action Plan, which was published in January 2023, we have had substantial dialogue and engagement with a wide range of investors on this topic, both before, during and following our 2023 AGM, including bilateral meetings and investor conferences. For reference to discussions relating to our Climate Action Plan at the AGM, please refer to the minutes, where "climate" is mentioned 38 times: https://danskebank.com/-/media/danske-bank-com/file-cloud/2023/4/general-meeting-2023-minutes-incl-distribution-of-votes-and-chairmans-report.pdf?rev=03d9fb31f1ca481a932cc8645fae57bc.

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

Our Climate Action Plan can also be accessed from our website, https://danskebank.com/news-and-insights/news-archive/press-releases/2023/pr20012023 (Press release) or the Climate Action Plan itself: https://danskebank.com/-/media/danske-bank-com/file-cloud/2023/1/danske-banks-climate-action-plan.pdf?rev=5522b9f5474c42f9b2e6eb93fd728627&hash=BD4F8A6FAB1CCF227D915C85C9D57653 (also attached).
Sustainability Fact Book 2022 (4).xlsx
Sustainable Finance Policy.pdf
Risk Management 2022.pdf
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf
Sustainability Report 2022.pdf

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Portfolio	<Not Applicable>	Extreme flooding scenarios (1000-year return period) were used to assess the river flooding and sea level rise risk for both mortgages and commercial property in Denmark, Norway, Finland and Northern Ireland. Flooding risk is divided to the acute (current) and chronic (future) categories and is based on the public flooding mapping data provided by the national authorities. The risk is reported as exposure at risk, but it is important to note that this risk would not materialise simultaneously, as flood events are localised in nature, i.e., not all countries and regions would be affected at the same time.
Transition scenarios NGFS scenarios framework	Portfolio	<Not Applicable>	5 NGFS scenarios used, representing three different groups: 1) Orderly transition scenarios (Below 2 °C; Net Zero 2050), 2) Disorderly transition (Delayed transition), 3) Hot house world (Nationally Determined Contributions (NDCs); Current Policies). Also, for the Oil & Gas sector the IEA Net-Zero scenario was used. Macro economic parameters from scenarios were used in simplified stress tests. The portfolio is assumed to be static, and analysis was done on the Oil & Gas upstream segment, Agriculture, and Utilities sectors. Bottom-up stress test results presented as changes in the Probability of Default (PD).

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Impact of climate risks (carbon costs and of transition and extreme weather conditions) on the Bank's assets i.e., customers' credit quality and collateral

Results of the climate-related scenario analysis with respect to the focal questions

The stress test exercises showed that Oil & Gas customers are vulnerable to the green transition, with most customers ending up with weak financial situation in the face of the harshest (fast) transition scenario. Another high impact sector is Agriculture. Agriculture portfolio shows sensitivity to the various NGFS scenarios with a significant impact on the financial performance of agricultural customers. Primary impact would be from higher cost of production (CO_2 tax). Our customers have vulnerabilities as their market demand is highly sensitive to price changes, and increasing costs of production would result in poor financial performance. Utilities customers tend to show stability across scenarios, mostly due to inelasticity of demand as well as being further ahead in the transition towards green energy production.

For physical risk, the detail analysis was done on extreme flooding risk scenario for mortgage portfolio. Results show that in certain areas in Denmark there could be clusters of properties exposed to significant flooding risk in the future. However, the expected loss in portfolio value is quite limited, with only around 12% of our total property exposure that could be affected by the extreme flooding (1000-year return period). Similar flooding risk assessment was also done for the commercial property portfolio and results indicate that around 22% of the total exposure can be considered at risk. In other markets (Sweden, Norway, Finland) the impact of extreme flooding on mortgage and commercial portfolio will not be significant as the portfolio is smaller, and areas affected by the flooding risk are limited.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Overall, our customers' focus and demand for products and services that address sustainability considerations - particularly regarding climate change - has been increasing, and we have therefore incorporated these considerations in the development of our offerings, both in terms of climate-related risks and opportunities. Below is a summary of how this has shaped our investment and financing offerings. 1) For our investment offerings, our bottom-up approach where the investment teams integrate ESG-factors into their decision making, alongside financial factors, also involves identifying and making investment decisions based on transitional and physical climate-related risks and opportunities. The investment teams therefore take a more holistic view on the risks and opportunities and thereby make a better-informed investment decisions. 2) To govern both the lending and investing activities, Danske Bank periodically updates its Position Statements on contentious issues and sectors. The Fossil Fuel Position Statement was updated to restrict lending and investing towards companies in Oil & Gas exploration and coal fired power production sectors. 3) The most substantial strategic decision influenced by the climate agenda is Danske Bank's commitment to supporting the transition to a net-zero carbon economy by providing green financing solutions such as green loans, green bonds and sustainability-linked loans. As part of our Sustainability strategy, we have established a 2023 target of well above DKK 300bn in sustainable financing including arranged bond issuance. We have also committed to set Science Based target, and we currently await approval of submitted targets.
Supply chain and/or value chain	Evaluation in progress	Climate-related considerations are already part of our approach to screening and assessment of suppliers in the Responsible Sourcing process. We have updated the process where assessment of ESG factors, including climate change, is more thoroughly and systematically integrated as part of the supplier selection and evaluation processes. This will also enable us to proactively pursue climate and environmentally friendly solutions and suppliers.
Investment in R&D	Yes	The most substantial strategic decision influenced by climate agenda is to develop and invest in competencies, capabilities and tools with regard to analysing climate-related risks and opportunities, for example, through climate scenario analyses. With respect to the TCFD risk recommendations we have during the past years invested in employees to scale up capabilities within climate scenario analysis, including the use of transition risk scenarios and the use of geospatial tools and how to link climate hazards to financial impacts. Danske Bank has also mapped out the GHG-emissions of the bank's lending portfolio to measure, and in the future steer, lending activities in line with the commitment to follow the climate goals of the Paris Agreement. This mapping exercise and our newly set climate targets are part of our Science Based target commitment.
Operations	Yes	The most substantial strategic decision influenced by the climate agenda was to set an ambitious CO_2 reduction target for our own environmental footprint to reduce our CO_2 emissions and at the same time reduce costs for energy consumption. Our reduction target is set for 2023 and for 2030. Key areas in scope include our premises and our use of transportation, particularly air travel. In 2022, we also included working from home emissions. To support progress on our initiatives, a dedicated sustainability budget has been established to reduce consumption of utilities across our global portfolio of premises.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Access to capital Assets Liabilities	In March 2019, we established our Green Bond Framework which enable us to both issue Green Bonds and to disburse green loans to our clients. The process included establishing our own Green Bond Framework, which aligns with the Green Bond Principles of ICMA, sourcing green loans and issuing our inaugural Green Bond. The establishment of our Green Bond and Loan processes enables us to provide green lending to our clients and to attract an even more diversified investor base. In 2022, we updated our Green Bond Framework and renamed it as the Green Finance Framework. Consequently, Danske Bank's eligibility criteria in the Green Finance Framework now broadly aligns with the Technical Screening Criteria of the EU Taxonomy, and the scope of activities to be financed by the issuance of green bonds has been extended. By the end of 2022, Danske Bank and Realkredit Danmark had in total issued DKK 34.5bn in green bonds and granted DKK 56.3bn in green loans to our customers.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C-FS3.6

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

	Policy framework for portfolio activities that include climate-related requirements for clients/investees, and/or exclusion policies	Explain why the policy framework for your portfolio activities do not include climate-related requirements for clients/investees, and/or exclusion policies
Row 1	Yes, our framework includes both policies with climate-related client/investee requirements and climate-related exclusion policies	<Not Applicable>

C-FS3.6a

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio
Banking (Bank)

Type of policy
Credit/lending policy
Risk policy
Underwriting policy
Policy related to other products and services
Engagement policy

Portfolio coverage of policy
100

Policy availability
Not publicly available

Attach documents relevant to your policy
Danske Bank Position Statement on Fossil Fuels (danskebank.com/sustainability/publications-and-policies)
Society MAY2020.pdf
Sustainability Fact Book 2022 (4).xlsx
Danske Bank Position Statement Human Rights.pdf
Sustainable Finance Policy.pdf
Danske Bank Position Statement Mining and Metals.pdf
Danske Bank Green Finance Framework November 2022.pdf
Risk Management 2022.pdf
Danske Bank Position Statement Fossil Fuels.pdf
Danske Bank Position Statement Arms and Defence.pdf
Danske Bank Position Statement Forestry.pdf
Danske Bank Position Statement Agriculture.pdf
Climate change MAY2020.pdf
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf
Sustainability Report 2022.pdf

Criteria required of clients/investees
Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Disclosure of Scope 3 emissions
Set a science-based emissions reduction target
Set an emissions reduction target
Develop a climate transition plan
Develop pathways to net-zero by 2050 or sooner
Other, please specify (Restrictions of any business with customers not meeting the required revenue threshold requirements for coal/peat/oil/gas operations and restrictions to any new financing for projects related to such activities)

Value chain stages of client/investee covered by criteria
Direct operations only

Timeframe for compliance with policy criteria
Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy
Energy
Materials
Transportation
Utilities
Real Estate
Other, please specify (cement, agriculture)

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
The policy covers: lending, asset management, life insurance and pension, and own operations.

In January 2023 Danske Bank Group published our Climate Action Plan outlining initiatives across its different activities. This plan applies to all Group undertakings including Life and Pension insurance. In the plan, key industries are identified for which specific targets have been set. As can be seen in the Risk Management report - Sustainability is a cross cutting risk in the Group's risk taxonomy affecting all other types of risk.

The implementation of the EU Sustainable Finance Strategy runs over several years and the implementation is staged whereby reporting requirements and performance requirements will be gradually increasing, therefore it is not possible to give a precise time frame for implementation.

Portfolio
Banking (Bank)

Type of policy
Credit/lending policy

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
Danske Bank Position Statement on Agriculture (danskebank.com/sustainability/publications-and-policies)
Sustainability Fact Book 2022 (4).xlsx
Sustainable Finance Policy.pdf
Danske Bank Position Statement Agriculture.pdf
Climate change MAY2020.pdf
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf

Criteria required of clients/investees
Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Disclosure of Scope 3 emissions
Other, please specify (Define commitments and targets to reduce emissions)

Value chain stages of client/investee covered by criteria
Direct operations only

Timeframe for compliance with policy criteria
No timeframe

Industry sectors covered by the policy
Other, please specify (Agriculture)

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
The policy covers: lending, asset management, life insurance and pension, and own operations.

Portfolio
Banking (Bank)

Type of policy
Credit/lending policy

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
Poseidon Principles Annual Disclosure Report 2021 (poseidonprinciples.org/finance/news/poseidon-principles-signatories-demonstrate-progress-in-climate-alignment-of-ship-finance-portfolios-despite-headwinds-from-covid-19/)
Poseidon-Principles-Annual-Disclosure-Report-2022.pdf
Sustainability Fact Book 2022 (4).xlsx
Risk Management 2022.pdf
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf
Sustainability Report 2022.pdf

Criteria required of clients/investees
Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions

Value chain stages of client/investee covered by criteria
Direct operations only

Timeframe for compliance with policy criteria
Complying with criteria is a pre-requisite for business

Industry sectors covered by the policy
Transportation

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
The policy covers: lending, asset management, life insurance and pension.

Portfolio
Insurance underwriting (Insurance company)

Type of policy
Risk policy
Policy related to other products and services
Engagement policy
Pricing policy

Portfolio coverage of policy
100

Policy availability
Not publicly available

Attach documents relevant to your policy
Rapportering paa EUs taksonomiforordning 2022 Danica Pension.pdf
Poseidon-Principles-Annual-Disclosure-Report-2022.pdf
Reporting on the EU Taxonomy Regulation 2022 Final.pdf
Sustainability Fact Book 2022 (4).xlsx
Solvensrapport_SFCR_2022.pdf
Dan90918 UK_210x210_Baeredygtig udvikling_2023_UK_Final.pdf
Danske Bank Position Statement Human Rights.pdf
Sustainable Finance Policy.pdf
Danske Bank Position Statement Mining and Metals.pdf
Danske Bank Green Finance Framework November 2022.pdf
Risk Management 2022.pdf
Danske Bank Position Statement Arms and Defence.pdf
Danske Bank Position Statement Forestry.pdf
Danske Bank Position Statement Agriculture.pdf
Climate change MAY2020.pdf
Danica Pension_Virksomheder undtaget for klimaeksklusioner.pdf
Danica Pension Investeringsrestriktioner Marts 2020.pdf
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf
Sustainability Report 2022.pdf

Criteria required of clients/investees
Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Disclosure of Scope 3 emissions
Set a science-based emissions reduction target
Set an emissions reduction target
Develop a climate transition plan
Develop pathways to net-zero by 2050 or sooner

Value chain stages of client/investee covered by criteria
Direct operations only

Timeframe for compliance with policy criteria
Clients/investees must be compliant within the next 2 years

Industry sectors covered by the policy
Energy
Materials
Transportation
Real Estate
Other, please specify (cement, agriculture)

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
In January 2023 Danske Bank Group published our Climate Action Plan outlining initiatives across its different activities. This plan applies to all Group undertakings including Life and Pension insurance. In the plan key industries are identified for which specific targets have been set. As can be seen in the Risk Management report - Sustainability is a cross cutting risk in the Group's risk taxonomy affecting all other types of risk. The implementation of the EU Sustainable Finance Strategy runs over several years and the implementation is staged whereby reporting requirements and performance requirements will be gradually increasing, therefore it is not possible to give a precise time frame for implementation.

Portfolio
Investing (Asset manager)

Type of policy
Risk policy
Policy related to other products and services
Engagement policy
Pricing policy
Sustainable/Responsible Investment Policy
Investment policy/strategy
Proxy voting

Portfolio coverage of policy
100

Policy availability
Publicly available

Attach documents relevant to your policy
exclusion_instruction.pdf
dienen_responsible_investment_policy_di_pcc_limited.pdf
our_responsible_investment_journey_en.pdf
Sustainability Fact Book 2022 (4).xlsx
danske-bank-sustainable-investment-houseview-and-sdg-model.pdf
active_ownership_report_h1_2022_dima_dk.pdf
Risk Management 2022.pdf
pai_statement_en.pdf
active_ownership_instruction.pdf
sustainability_risk_integration_instruction_dima.pdf
didken_responsible_investment_policy_dima.pdf
statement_on_the_integration_of_sustainability_risks_in_decision_processes_-_danske_invest.pdf
pai_statement_en_dima.pdf
exclusion_criteria.pdf
remuneration_policy_dima.pdf
Voting Guidelines.pdf
active_ownership_policy.pdf
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf
Sustainability Report 2022.pdf

Criteria required of clients/investees
Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Set a science-based emissions reduction target
Set an emissions reduction target
Develop a climate transition plan
Develop pathways to net-zero by 2050 or sooner

Value chain stages of client/investee covered by criteria
Direct operations only

Timeframe for compliance with policy criteria
Clients/investees must be compliant within the next 2 years

Industry sectors covered by the policy
Energy
Materials
Capital Goods
Transportation
Real Estate
Other, please specify (cement, agriculture)

Exceptions to policy based on
<Not Applicable>

Explain how criteria required, criteria coverage and/or exceptions have been determined
In January 2023 Danske Bank Group published our Climate Action Plan outlining initiatives across its different activities. This plan applies to all Group undertakings including Life and Pension insurance. In the plan key industries are identified for which specific targets have been set. As can be seen in the Risk Management report - Sustainability is a cross cutting risk in the Group's risk taxonomy affecting all other types of risk. The implementation of the EU Sustainable Finance Strategy runs over several years and the implementation is staged whereby reporting requirements and performance requirements will be gradually increasing, therefore it is not possible to give a precise time frame for implementation.

C-FS3.6b

(C-FS3.6b) Provide details of your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Portfolio
Banking (Bank)
Investing (Asset manager)
Investing (Asset owner)

Type of exclusion policy
All fossil fuels
All Coal
All oil & gas

Year of exclusion implementation
2018

Timeframe for complete phase-out
By 2040

Application
New business/investment for new projects
New business/investment for existing projects
Existing business/investment for existing projects

Country/Area/Region the exclusion policy applies to
Other, please specify (All world)

Description
Danske Bank refrains from providing financial services to, or investing in, companies that generate more than 5% of their revenues from thermal coal mining or coal-fired power generation. Danske Bank refrains from investing in, or providing any financial services to, companies or financing for projects, expanding thermal coal mining or coal-fired power generation. Danske Bank will also phase out companies with coal fired power production from its investment and financial product portfolios. We adopt the timeline associated with the IPCC recommendations that all coal-fired power stations in the EU and OECD countries must be shut by 2030 at the latest, and by 2040 in the rest of the world.

Portfolio
Banking (Bank)
Investing (Asset manager)
Investing (Asset owner)

Type of exclusion policy
All Coal
Oil from tar sands
Ultra-deepwater oil and gas

Year of exclusion implementation
2018

Timeframe for complete phase-out
Other, please explain (By 2023, Danske Bank will not offer refinancing or new financial services to any Oil & Gas E&P company that does not set a credible transition plan in line with the Paris Agreement.)

Application
New business/investment for new projects
New business/investment for existing projects
Existing business/investment for existing projects

Country/Area/Region the exclusion policy applies to
Other, please specify (All world)

Description
Danske Bank will not invest in, or provide financial services to, companies that generate more than 5 % of their revenue from coal- or peat-fired power generation, unless they have a credible 2030 phase-out plan. Furthermore, Danske Bank refrains from investing in or providing any financial services to companies, or financing for projects, expanding thermal coal mining, coal-fired power generation or peat-fired power generation. Danske Bank will phase out companies with coal and peat fired power generation from its financial product portfolios by 2030.

Portfolio
Banking (Bank)
Investing (Asset manager)
Investing (Asset owner)

Type of exclusion policy
All oil & gas

Year of exclusion implementation
2018

Timeframe for complete phase-out
By 2040

Application
New business/investment for new projects
New business/investment for existing projects
Existing business/investment for existing projects

Country/Area/Region the exclusion policy applies to
Other, please specify (All world)

Description
Danske Bank refrains from providing financial services to, or invest in, certain E&P Oil & Gas related activities and companies engaging in these. Specifically, Danske Bank will not:
• Provide long-term financing or refinancing to E&P companies that generate more than 5% of their revenues from unconventional (tar sands, shale) or frontier (arctic and ultra-deep sea) Oil & Gas
• Provide long-term financing or refinancing to E&P companies engaging in activities related to oil or gas expansion (applies to conventional, unconventional and frontier O&G expansion)
• Directly finance through, e.g., project finance, expansion of Oil & Gas exploration and production (applies to conventional, unconventional and frontier O&G expansion)
• Invest in E&P companies that generate more than 5% of their revenues from tar sands

Furthermore, Danske Bank will not offer refinancing or new long-term financing to any Oil & Gas E&P company that does not set a credible transition plan in line with the Paris Agreement. This includes a long-term 2050 net zero goal, ambitious short and medium-term reduction targets on scope 1 and 2 emissions as well as material scope 3 emission reduction target. In addition, it includes a commitment to not expand supply of Oil & Gas beyond what was approved for development by 31st of December 2021.

Portfolio
Banking (Bank)
Investing (Asset manager)
Investing (Asset owner)

Type of exclusion policy
Other, please specify (Peat power generation)

Year of exclusion implementation
2018

Timeframe for complete phase-out
By 2030

Application
New business/investment for new projects
New business/investment for existing projects
Existing business/investment for existing projects

Country/Area/Region the exclusion policy applies to
Other, please specify (all World)

Description
Danske Bank refrains from providing financial services to, or invest in, companies that generate more than 5% of their revenues from peat-fired power generation. Danske Bank refrains from investing in or providing any financial services to companies, or financing for projects, expanding peat-fired power generation. Danske Bank will also phase out companies with peat fired power production from its investment and financial product portfolios. Danske Bank will phase out companies with coal and peat fired power generation from its financial product portfolios by 2030. Concerning peat, we may make exemptions to allow the inclusion of certain instances of peat in power-generation as some older boilers are built for partial peat combustion. These select cases would need to meet the thresholds set out in this position statement. While peat can largely be exchanged with other biomass, some peat may be required to avoid corrosion. In these instances, we will engage with clients on a case-by-case basis. In addition, exemptions may be given if clients are advised or requested by governments to maintain coal-fired or peat-fired power production capacity in the winter months in connection with the current energy crises.

C-FS3.7

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

	Climate-related requirements included in selection process and engagement with external asset managers	Primary reason for not including climate-related requirements in selection process and engagement with external asset managers	Explain why climate-related requirements are not included in selection process and engagement with external asset managers and your plans for the future
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS3.7a

(C-FS3.7a) Provide details of the climate-related requirements included in your selection process and engagement with external asset managers.

Coverage
All assets managed externally

Mechanisms used to include climate-related requirements in external asset manager selection
Include climate-related requirements in requests for proposals
Publish requirements of external investment managers in relation to climate issues
Review investment manager's climate performance (e.g., active ownership, proxy voting records, under-weighting in high impact activities)
Review investment manager's climate-related policies

Describe how you monitor and engage with asset managers to ensure investment activities are consistent with your climate strategy
At both Danske Bank and Danica Pension we monitor and engage with our external managers. The Responsible Investment teams has developed an assessment framework that focuses on five pillars; Sustainability risk, Active ownership, SFDR, Reporting and Promoting the development of responsible investments and consist of a qualitative assessment. We assess the external manager on both a firm and strategy level, considering multiple aspects including climate related issues.

The purpose of the qualitative part of the assessment is to assess areas within responsible investments that ESG data cannot capture. That means that the qualitative assessments aim at assessing to which extent the external manager has responsible investment related resources, processes and activities in place that meets our expectations within responsible investments. The assessment focuses on both firm level and investment strategy aspects. Information about the external manager's resources, processes and activities is obtained through a questionnaire, which consist of 14 questions with four pre-defined answer for each question. The questionnaire focuses on five pillars: Sustainability risk, Active ownership, SFDR, Reporting and Promoting the development of responsible investments. The external manager will check the box with the answer that applies best to their organisation as well as provide additional details and examples of their responsible investment processes.

Based on answers given in the questionnaire, the Danske Bank Responsible Investment team performs an in-depth ESG analysis of the external manager, which results in an individual assessment of each external manager. The assessment results in an overall score, a commentary on the aspects evaluated, as well as stipulate points for the external manager to clarify, improve or focus on, and engagement questions. The assessment is done once a year and is supported by engagement meetings with the external manager. We have ongoing meetings with external managers, however, one fixed meeting a year considering the assessment.

C-FS3.8

(C-FS3.8) Does your organization include covenants in financing agreements to reflect and enforce your climate-related policies?

	Climate-related covenants in financing agreements	Primary reason for not including climate-related covenants in financing agreements	Explain why your organization does not include climate-related covenants in financing agreements and your plans for the future
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS3.8a

(C-FS3.8a) Provide details of the covenants included in your organization's financing agreements to reflect and enforce your climate-related policies.

Types of covenants used	Asset class/product types	Coverage of covenants	Please explain
Purpose or use of proceeds clause refers to sustainable project Margin or pricing depends on sustainability criteria Legal mandate to obtain third party verification Covenants related to compliance with your policies	Corporate loans Corporate real estate	All business/investment for all projects	Examples of standard covenants that are included are green use of proceeds financing and general corporate purpose sustainability-linked financing.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target
Portfolio target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition
1.5°C aligned

Year target was set
2022

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2019

Base year Scope 1 emissions covered by target (metric tons CO2e)
790

Base year Scope 2 emissions covered by target (metric tons CO2e)
4480

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
5270

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
15

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
85

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
80

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
1054

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
468

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
1871

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
2339

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
69.5208728652751

Target status in reporting year
New

Please explain target coverage and identify any exclusions
We have set an 80% reduction target in 2030 for scopes 1 and 2 only, ensuring that higher ambitions reflect the greater level of control and influence we have over these categories.
Environmental data covers the actual consumption from the Group's operations in Denmark, Finland, Ireland, Northern Ireland, Norway, Sweden, Lithuania and India, and it also covers the estimated consumption from the Group's remaining operations without registered data.

Plan for achieving target, and progress made to the end of the reporting year
We have several initiatives across our business operations to reduce our emissions. These range from ongoing efficiency measures to one-off transitions towards low-carbon alternatives. With these measures, we will work towards reducing our scope 1, 2 and 3 emissions in accordance with our targets.

Examples:
Electric vehicles in DB Group - Transition to 100% electric company vehicles
On-site heating - 100% biogas solution for Denmark
On-site heating - Transition to district heating across Denmark Portfolio

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Abs 2

Is this a science-based target?
No, but we are reporting another target that is science-based

Target ambition
<Not Applicable>

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2
Scope 3

Scope 2 accounting method
Market-based

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 6: Business travel
Category 7: Employee commuting

Base year
2019

Base year Scope 1 emissions covered by target (metric tons CO2e)
790

Base year Scope 2 emissions covered by target (metric tons CO2e)
4480

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
385

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
9575

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
381

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
10341

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
15611

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
5

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
29

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
2

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
61

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
2

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
66

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
60

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
6244.4

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
468

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
1871

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
187

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
3112

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
1342

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
4641

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
6979

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
92.1572395533064

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
We have set an 60% reduction target in 2030 for scopes 1 ,2 and 3. Although target is not submitted to the SBTi, we have validated target with external consultants to be in line with the Paris Agreement and SBTI methodology.

Environmental data covers the actual consumption from the Group's operations in Denmark, Finland, Ireland, Northern Ireland, Norway, Sweden, Lithuania and India, and it also covers the estimated consumption from the Group's remaining operations without registered data.

Plan for achieving target, and progress made to the end of the reporting year
We have several initiatives across our business operations to reduce our emissions. These range from ongoing efficiency measures to one-off transitions towards low-carbon alternatives. With these measures, we will work towards reducing our scope 1, 2 and 3 emissions in accordance with our targets.

Examples:
Electric vehicles in DB Group - Transition to 100% electric company vehicles
On-site heating - 100% biogas solution for Denmark
On-site heating - Transition to district heating across Denmark Portfolio

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C-FS4.1d

(C-FS4.1d) Provide details of the climate-related targets for your portfolio.

Target reference number
Por1

Year target was set
2021

Portfolio
Investing (Asset manager)

Product type/Asset class/Line of business
Fixed income
Listed equity

Sectors covered by the target
All sectors

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
Million revenues (unit currency as reported in C0.4)

Base year
2020

Figure in base year
14

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Assets under management

Percentage of portfolio covered by the target, using a monetary metric
54

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2030

Figure in target year
7

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science-based target initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions

Target reference number
Por2

Year target was set
2020

Portfolio
Investing (Asset owner)

Product type/Asset class/Line of business
All asset classes

Sectors covered by the target
Real estate

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
Please select

Base year
2019

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Assets under management

Percentage of portfolio covered by the target, using a monetary metric

Frequency of target reviews
Please select

Interim target year
2025

Figure in interim target year

Target year
2030

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets

<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science-based target initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Carbon emission intensity must be reduced 37% by 2025, and 69% by 2030, relative to 2019 levels. By October 2022 carbon emission intensity has reduced by 36%. Scope 1, 2, 3. Metric = CO2e/m2.

Target reference number
Por2

Year target was set
2019

Portfolio
Investing (Asset owner)

Product type/Asset class/Line of business
All asset classes

Sectors covered by the target
All sectors

Target type
Green finance

Target type: Absolute or intensity
Absolute

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
Total green investments (unit currency as reported in C0.4)

Target denominator
<Not Applicable>

Base year
2019

Figure in base year
10

Percentage of portfolio emissions covered by the target
100

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Please select

Percentage of portfolio covered by the target, using a monetary metric
<Not Applicable>

Frequency of target reviews
Please select

Interim target year
2023

Figure in interim target year
50

Target year
2030

Figure in target year
100

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data
<Not Applicable>

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Please select

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions

Target reference number
Por4

Year target was set
2021

Portfolio
Banking (Bank)

Product type/Asset class/Line of business
Corporate loans

Sectors covered by the target
Utilities

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
Please select

Base year
2020

Figure in base year

Percentage of portfolio emissions covered by the target
100

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Please select

Percentage of portfolio covered by the target, using a monetary metric
<Not Applicable>

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2030

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
No, and we do not anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions

Target reference number
Por5

Year target was set

2021

Portfolio
Banking (Bank)

Product type/Asset class/Line of business
Corporate loans

Sectors covered by the target
Transportation

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
Please select

Base year
2020

Figure in base year

Percentage of portfolio emissions covered by the target
100

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Please select

Percentage of portfolio covered by the target, using a monetary metric
<Not Applicable>

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2030

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions

Target reference number
Por6

Year target was set
2021

Portfolio
Banking (Bank)

Product type/Asset class/Line of business
Corporate loans

Sectors covered by the target
Other, please specify (Oil & Gas upstream)

Target type
Other, please specify (Lending exposure)

Target type: Absolute or intensity
Absolute

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
Other, please specify (lending exposure)

Target denominator
<Not Applicable>

Base year
2020

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Please select

Percentage of portfolio covered by the target, using a monetary metric
<Not Applicable>

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2030

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data
<Not Applicable>

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions

Target reference number
Por2

Year target was set
2021

Portfolio
Investing (Asset owner)

Product type/Asset class/Line of business
All asset classes

Sectors covered by the target
Energy

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
Please select

Base year
2019

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Assets under management

Percentage of portfolio covered by the target, using a monetary metric

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2025

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science-based target initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Target = Reduce carbon emission intensity in our investments in the energy sector by 15% by 2025. Status June 2022 = 3% reduction. Scope 1,2, 3. Metric = gCO2e/MJ.

Target reference number
Por2

Year target was set
2021

Portfolio
Investing (Asset owner)

Product type/Asset class/Line of business
All asset classes

Sectors covered by the target
Transportation

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
Please select

Target denominator
Please select

Base year
2019

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Assets under management

Percentage of portfolio covered by the target, using a monetary metric

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2025

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Please select

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions
Target = Reduce carbon emission intensity in our investments in the Transportation sector by 20%. Metric = Shipping: gCO2e/tKM. Automotive: gCO2e/km. Aviation: gCO2e/RTK. Shipping/Aviation: Scope 1. Automotive: Scope 3. Status June 2022 = 10% reduction from car manufacturing; 11 % reduction from shipping; 27% increase from aviation.

Target reference number
Por2

Year target was set

Portfolio
Investing (Asset owner)

Product type/Asset class/Line of business
All asset classes

Sectors covered by the target
Utilities

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
Please select

Base year
2019

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Assets under management

Percentage of portfolio covered by the target, using a monetary metric

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2025

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science-based target initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Target= Reduce carbon emission intensity in our investments in the Utilities sector by 35%. Metric = tCO2e/MWh. Scope 1. Status June 2022 = 41% reduction.

Target reference number
Por2

Year target was set
2021

Portfolio
Investing (Asset owner)

Product type/Asset class/Line of business
All asset classes

Sectors covered by the target
Materials

Target type
Portfolio emissions

Target type: Absolute or intensity
Intensity

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
tCO2e

Target denominator
Please select

Base year
2019

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Assets under management

Percentage of portfolio covered by the target, using a monetary metric

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2025

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science-based target initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Target Cement = Reduce carbon emission intensity in our investments in the cement sector by 20%. Metric = tCO2e/tCement. Scope 1. Status June 2022 = 25% reduction. Target Steel = Reduce carbon emission intensity from our investments in the steel sector by 20%. Metric = tCO2e/tCrude Steel. Scope 1,2. Status June 2022 = 5% reduction.

Target reference number
Por2

Year target was set
2021

Portfolio
Investing (Asset owner)

Product type/Asset class/Line of business
Fixed income
Listed equity

Sectors covered by the target
All sectors

Target type
Portfolio emissions

Target type: Absolute or intensity
Absolute

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
Please select

Target denominator
<Not Applicable>

Base year
2020

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Please select

Percentage of portfolio covered by the target, using a monetary metric
<Not Applicable>

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2030

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science-based target initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Target = Align portfolio temperature score by invested value from 2.5°C to 2.0°C for scope 1, 2. Align portfolio temperature score by invested value from 2.8°C to 2.2°C for scope 1, 2, 3.

Target reference number

Por1

Year target was set
2021

Portfolio
Investing (Asset manager)

Product type/Asset class/Line of business
Fixed income
Listed equity

Sectors covered by the target
All sectors

Target type
Please select

Target type: Absolute or intensity
<Not Applicable>

Scopes included in temperature alignment
<Not Applicable>

Metric (or target numerator if intensity)
<Not Applicable>

Target denominator
<Not Applicable>

Base year
2020

Figure in base year

Percentage of portfolio emissions covered by the target

Monetary metric for portfolio coverage (unit currency as reported in C0.4)
Please select

Percentage of portfolio covered by the target, using a monetary metric
<Not Applicable>

Frequency of target reviews
Please select

Interim target year

Figure in interim target year

Target year
2030

Figure in target year

Figure in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Aggregation weighting used
<Not Applicable>

Proportion of portfolio emissions calculated in the reporting year based on asset level data
<Not Applicable>

Proportion of the temperature score calculated in the reporting year based on company targets
<Not Applicable>

Target status in reporting year
Please select

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science-based target initiative

Target ambition
1.5°C aligned

Please explain target coverage and identify any exclusions
Target = Align portfolio temperature score by invested value from 2.7°C to 2.1°C for scope 1, 2.
Align portfolio temperature score by invested value from 2.9°C to 2.2°C for scope 1, 2, 3.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Banking (Bank)

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2050

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Please explain target coverage and identify any exclusions
Targets for our corporate lending portfolio:
20-30% reduction in carbon emissions relative to customer activity in the Shipping sector. Emissions are measured according to the Poseidon Principles standard. We provide transition financing to Shipping customers to ensure efficiency improvements and to enable the replacement of old vessels with new and more efficient vessels that often run on alternative fuel technologies.

Utility sector: 30% reduction in carbon emissions per kWh of power generation. Our Nordic utilities lending is already well advanced in relation to decarbonising thanks to early and sustained investments in hydropower, wind energy and biomass.

Oil & Gas – Exploration and Production (upstream): 50% reduction in lending exposure. There is currently no clear standard for measuring the transition of oil producing companies. Instead of setting an activity-based target, we target a reduction in our lending exposure. As reflected in key net-zero scenarios, the level follows the decline in investment needs in Nordic Oil & Gas production, while also supporting the most efficient producers – also after 2030.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Unsure

Planned milestones and/or near-term investments for neutralization at target year
<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

Target reference number
NZ2

Target coverage
Investing (Asset manager)

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2050

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Please explain target coverage and identify any exclusions
Reduce the carbon intensity of our investment products by at least 50% by 2030 against a 2020 baseline. To support this commitment, we last year set a concrete emission intensity reduction target for our investment products (investment funds, managed accounts and pooled investment vehicles). This year, we have also set temperature rating targets for listed equities and credits within our investment products to further guide our efforts and enhance transparency on our progress. We have started with these products with the explicit aim of increasing the proportion of AuM covered, until 100% of our assets are included.

Firstly, we have set temperature rating targets. Our SBTi-based temperature rating targets are set for our listed equities and credits within our investment products, covering 37% of our total AuM, and will help identify companies that have Paris-aligned transition plans in place by providing a single number to assess companies' transition plans. The approach is a method to determine a portfolio's current 'temperature value' based on the emissions reduction targets of the invested companies. The set 2030 temperature rating targets 2.1°C (scope 1 and 2) and 2.2°C (scope 1, 2 and 3) will lead our transition from our baseline in 2020 towards 1.5°C by 2040, leaving a decade for the invested companies to execute on their plans and achieve net zero by 2050 or sooner.

Secondly, as part of our commitment to the Net Zero Asset Managers Initiative we, in 2021, set a carbon weighted average intensity target (tonnes of CO2e per million turnover in DKK within the respective investee companies) for our investment products, covering 54% of our total AuM, in order to continuously be able to assess whether our transition is progressing according to plan. The weighted average carbon intensity of our investment portfolio was around 14 tonnes of CO2e per million of turnover in DKK as of year-end 2020.

Thirdly, in relation to our net-zero commitments, we have also set an engagement target through which we commit to engaging with the 100 largest emitters in our investment portfolios by 2025. Our engagement roadmap steers our approach and builds on many years of previous engagement and includes aspects relating to, for example, net-zero alignment criteria, time-bound company-level objectives, and escalation processes.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Unsure

Planned milestones and/or near-term investments for neutralization at target year
<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

Target reference number
NZ3

Target coverage
Investing (Asset owner)

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2050

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Please explain target coverage and identify any exclusions
Through our membership of the UN convened global investor initiative Net-Zero Asset Owner Alliance, Danica Pension has committed to achieving a net-zero investment portfolio by 2050 or sooner in line with the Paris Agreement and to limiting global temperature increase to a maximum of 1.5°C. We have set a number of climate targets to support this commitment, in alignment with guidelines from the Science Based Targets initiative and the Net-Zero Asset Owner Alliance.

Firstly, we have set temperature rating targets to ensure that investee companies have Paris-aligned transition plans in place. The temperature rating targets for 2030 will guide our transition from our baseline in 2020 to 1.5°C by 2040, leaving 10 years for execution, within our investments in equities and corporate credits covering around 32% of our total AuM.

Secondly, as a major real estate owner, we find it important to also have a specific emission intensity reduction target for our real estate portfolio, which we have set to 69%, based on a 1.5°C trajectory model from CRREM (Carbon Risk Real Estate Monitor).

Thirdly, we have set a number of emission intensity reduction targets for five key sectors in Danica Pension's portfolio, namely energy, transportation, utilities, cement, and steel. These targets have been set as part of our commitment to the Net-Zero Asset Owner Alliance. The sector targets for energy, transportation, utilities, cement, and steel were set in March 2021, accounting for approximately 35% of the total portfolios measured CO2e emissions, are in alignment with the 1.5°C goal of the Paris Agreement. We are working proactively through a number of actions to engage with companies in these sectors.

Our temperature rating targets for our life insurance and pension activities and our real estate portfolio target have been submitted for validation by the Science Based Targets initiative.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Unsure

Planned milestones and/or near-term investments for neutralization at target year
<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	4	8
To be implemented*	3	12
Implementation commenced*	18	200
Implemented*	15	266.34
Not to be implemented	7	8

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
4.08

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

55000

Investment required (unit currency – as specified in C0.4)
294000

Payback period
4-10 years

Estimated lifetime of the initiative
>30 years

Comment
Pilot project to replace current lighting system with a smart, remotely programmable LED lighting system in Sønderborg. Gives more control over electricity usage, as well as making it easier to control temperatures and indoor environments to reduce heating/HVAC requirements.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
4.08

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
121164

Investment required (unit currency – as specified in C0.4)
0

Payback period
4-10 years

Estimated lifetime of the initiative
>30 years

Comment
Investment negotiated to be covered by landlord. Installation of LED lighting and motion sensors at Lyngby.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
13.6

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
320000

Investment required (unit currency – as specified in C0.4)
1500000

Payback period
4-10 years

Estimated lifetime of the initiative
>30 years

Comment
Installation of LED lighting and motion sensor systems at Hillerød.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
44.17

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
1227000

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
<1 year

Comment
Reducing temperature - trial and initiatives. Indoor temperature reduced to 19 degrees in September to November 2022. Initiated increase of temperature to 20 degrees during December. Implementation of efficient ventilation controls contribute to the reduction of heating consumption.

Initiative category & Initiative type

Waste reduction and material circularity	Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)
0.26

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
369619

Payback period
No payback

Estimated lifetime of the initiative
3-5 years

Comment
More compact waste press because of reduced waste. Savings on collection of waste (money, CO2). Since 2019, cardboard waste has reduced around 10 tonnes, biowaste around 45 tonnes, energy waste around 33 tonnes. For 2022, estimated 12.2 tonnes.

Initiative category & Initiative type

Other, please specify	Other, please specify (Carbon removal project through tree planting initiative)

Estimated annual CO2e savings (metric tonnes CO2e)
50

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3: Other (downstream)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
14880

Payback period
No payback

Estimated lifetime of the initiative
16-20 years

Comment
Initiative at Danske Bank Lithuania to plant saplings every year. We plant around 5000 trees annually.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
16.43

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
53536800

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
1-2 years

Comment
Several initiatives at our sites in Lithuania, including restricted Air supply, ventilation, Temperature reduction to 21-22°C, air humidity reduction, reduced lighting time and turning off unnecessary lighting and screens.

Initiative category & Initiative type
Please select

Estimated annual CO2e savings (metric tonnes CO2e)
1.31

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
445439

Investment required (unit currency – as specified in C0.4)
1538604

Payback period
4-10 years

Estimated lifetime of the initiative
>30 years

Comment
LED lights and sensors installed in Trondheim.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)
0.74

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
51200

Investment required (unit currency – as specified in C0.4)
800000

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
Installation of BEMS system and upgrades to cooling and ventilation in Trondheim.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
0.51

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Installation of solar panels at Norrmalmstorg, Stockholm in 2022. Installed by landlord, hence no investment by Danske Bank.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
24.32

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period
4-10 years

Estimated lifetime of the initiative
>30 years

Comment
Initiative part of bigger project, hence no details on monetary savings or investment. Installation of smart LED lighting system. Installed 100% LED lights with occupancy-based sensors during the floor renovation, effectively reducing power consumption and heat load.

Initiative category & Initiative type

Waste reduction and material circularity	Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)
40.04

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 3 category 5: Waste generated in operations

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
264043

Investment required (unit currency – as specified in C0.4)
728109

Payback period
<1 year

Estimated lifetime of the initiative
3-5 years

Comment
Implementation of food waste reduction system at six additional sites. Savings and investment based on three-year period.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
1.5

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
32000

Investment required (unit currency – as specified in C0.4)
15000

Payback period
4-10 years

Estimated lifetime of the initiative
>30 years

Comment
Additional scope for LED lights in Sønderborg (Denmark).

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
35

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
11-15 years

Comment
Solution to increase control over HVAC system in Pasila (Finland). Landlord paid for initiative, hence immediate payback, and no investment from Danske Bank.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
30.3

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
191439

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
Ongoing

Comment
Reduced HVAC usage time in Pasila (Finland), resulting in reduced electricity consumption.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	We offset all our CO2 emissions by investing in CO2 credits from different projects. By adding this extra cost to every ton of CO2. We use the CO2 credits to motivate business units and employees to be become more energy efficient. We have a dedicated budget for this extra cost.
Compliance with regulatory requirements/standards	Most employees believe climate change is an important topic for Danske Bank to address including reduction of our own CO2 emissions. We inform about initiatives in our internal communication and report on progress related to our CO2 reduction target.
Dedicated budget for energy efficiency	In addition to our ongoing maintenance budget, in 2021 we dedicated DKK 5,000,000 to sustainability projects, locally in Denmark, Norway, and internationally across sites. The projects focused on reducing energy consumption through lights and sensors, and in kitchens as well as energy monitoring.

C-FS4.5

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?

Yes

C-FS4.5a

(C-FS4.5a) Provide details of your existing products and services that enable clients to mitigate and/or adapt to climate change, including any taxonomy used to classify the products(s).

Product type/Asset class/Line of business

Investing	Listed Equity

Taxonomy or methodology used to classify product

Externally classified using other taxonomy or methodology, please specify (EU Paris Aligned Benchmarks and Climate Transition Benchmarks)

Description of product

We offer six index funds that aim to contribute to the transition to a lower-carbon economy in alignment with the ambitions of the Paris Agreement to keep the increase in the global average temperature well below 2°C and pursue efforts to limit the temperature increase to 1.5°C. The funds apply a passive investment strategy to attain their sustainable investment objectives. The investment strategy follows the MSCI World Climate Paris Aligned Index. The MSCI World Climate Paris Aligned Index is an EU Low Carbon Benchmark (EU Paris-Aligned Benchmark) governed by the EU Benchmark Regulation.

The benchmark aims to represent the performance of an investment strategy that reduces exposures to transition and physical climate risks and supports the transition to a lower-carbon economy while aligning with Paris Agreement requirements. The index incorporates the Task Force on Climate-related Financial Disclosure (TCFD) recommendations and is designed to exceed the minimum standards of the EU Paris-Aligned Benchmark. In meeting the minimum standards of an EU Paris-Aligned Benchmark, the benchmark, and with that the fund over time, targets carbon reduction objectives mainly through:

• Relative Reduction: 50% minimum reduction in Weighted Average Scope 1+2+3 Carbon Emissions Intensity (WACI) relative to the parent index
• Self-Decarbonisation: 7% minimum average reduction (per annum) in WACI

The index excludes companies that are involved in controversial weapons, ESG controversies, tobacco and environmental harm controversies and/or derive revenue above certain limits from thermal coal mining, oil and gas, and power generation.

The funds also promote other environmental and/or social characteristics that are not necessarily decisive to the attainment of the sustainable investment objective.

Exclusions - The funds exclude companies that:
• Do not meet the funds' enhanced sustainability standards
• Are involved in non-ethical and/or controversial activities
• Are involved in activities with significant negative impact on the climate

Active ownership
The funds seek to influence investee companies' impact on sustainability matters through engagement and voting on material sustainability topics.

Product enables clients to mitigate and/or adapt to climate change

Mitigation

Portfolio value (unit currency – as specified in C0.4)

32

% of total portfolio value

5

Type of activity financed/insured or provided

Other, please specify (Investment product with a sustainable investment objective)

Product type/Asset class/Line of business

Banking	Corporate loans

Taxonomy or methodology used to classify product

Green Bond Principles (ICMA)

Description of product

Green lending based on the bank's green bond framework, following the green bond and loan principles.

Product enables clients to mitigate and/or adapt to climate change
Mitigation
Adaptation

Portfolio value (unit currency – as specified in C0.4)
56300000000

% of total portfolio value
6

Type of activity financed/insured or provided
Green buildings and equipment
Low-emission transport
Renewable energy
Nature-based solutions
Sustainable agriculture
Other, please specify (Sustainable waste water)

Product type/Asset class/Line of business

Banking	Corporate loans

Taxonomy or methodology used to classify product
LMA Sustainability Link Loans Principles

Description of product
Granting sustainability-linked loans to corporate customers.

Product enables clients to mitigate and/or adapt to climate change
Mitigation
Adaptation

Portfolio value (unit currency – as specified in C0.4)

% of total portfolio value

Type of activity financed/insured or provided
Other, please specify (Granting sustainability linked loans to corporate customers)

Product type/Asset class/Line of business

Banking	Debt and equity underwriting

Taxonomy or methodology used to classify product
Green Bond Principles (ICMA)

Description of product
Origination of sustainable bonds to corporate customers based on ICMA principles.

Product enables clients to mitigate and/or adapt to climate change
Mitigation
Adaptation

Portfolio value (unit currency – as specified in C0.4)
62500000000

% of total portfolio value
24

Type of activity financed/insured or provided
Green buildings and equipment
Low-emission transport
Renewable energy
Emerging climate technology, please specify (IMCA principles)
Nature-based solutions
Fortified buildings
Sustainable agriculture
Other, please specify (Sustainability-linked bond issuances)

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
No

Name of organization(s) acquired, divested from, or merged with
<Not Applicable>

Details of structural change(s), including completion dates
<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	New category added in scope 3: Emissions from Working From Home (in category 3.7 employee commuting) are added and have been backdated to our baseline year.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 3	The added category Working From Home (employee commuting) has been recalculated, as this corresponds to a significant part (19%) of our 2022 emissions. In general, any method or organisational changes that cause more than 5% changes in data will be recalculated.	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
October 1 2018

Base year end
September 30 2019

Base year emissions (metric tons CO2e)
790

Comment
Scope 1 encompasses our direct CO_2 emissions from heating produced by oil and gas, as well as transportation in company cars.

Scope 2 (location-based)

Base year start
October 1 2018

Base year end
September 30 2019

Base year emissions (metric tons CO2e)
14773

Comment
Scope 2 entails the CO_2 emissions stemming from electricity and heating production purchased from external suppliers.

Scope 2 (market-based)

Base year start
October 1 2018

Base year end
September 30 2019

Base year emissions (metric tons CO2e)
4480

Comment
Danske Bank implemented market-based and location-based emission accounting in 2015. For the market-based methodology, the emissions from electricity consumption were omitted owing to the purchase of renewable electricity certified by Guarantees by Origin and International Renewable Energy Certificates.

Scope 3 category 1: Purchased goods and services

Base year start
October 1 2018

Base year end
September 30 2019

Base year emissions (metric tons CO2e)
385

Comment
This category includes emissions from paper purchased. An initiative to baseline our entire supply chain is underway but not complete at this stage.

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start
October 1 2018

Base year end
September 30 2019

Base year emissions (metric tons CO2e)
9575

Comment
Emissions from air travel and business travel from cars. Air travel is reported directly by our travel agency, American Express, which provides data on the distance travelled, number of trips, and amount of CO2 emissions produced during travel. Travel from cars is reported from mileage claims, reimbursement data, HR reports and mileage reports.

Scope 3 category 7: Employee commuting

Base year start
October 1 2018

Base year end
September 30 2019

Base year emissions (metric tons CO2e)
381

Comment
This includes emissions stemming from Working From Home and is based on the EcoAct methodology.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
IEA CO2 Emissions from Fuel Combustion
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
468

Start date
October 1 2021

End date
September 30 2022

Comment
Scope 1 reported emissions incorporate emissions from on-site heating and company cars.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
787

Start date
October 1 2020

End date
September 30 2021

Comment
Scope 1 reported emissions incorporate emissions from on-site heating and company cars.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
810

Start date
October 1 2019

End date
September 30 2020

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)
790

Start date
October 1 2018

End date
September 30 2019

Comment

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Within Scope 2 we report the emissions arising from:
- Electricity from external suppliers
- Heating from external suppliers

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
7711

Scope 2, market-based (if applicable)
1871

Start date
October 1 2021

End date
September 30 2022

Comment
Based on GHG Protocol Guidance the emissions within scope 2 can be specified according to two different methods: The market based and the location specific reporting methods. Danske Bank Group has purchased renewable electricity through Guarantees of Origins and International Renewable Energy Certificates, which means there are no CO2 emissions from our electricity consumption when following the market-based methodology.

Past year 1

Scope 2, location-based
8.027

Scope 2, market-based (if applicable)
2.786

Start date
October 1 2020

End date
September 30 2021

Comment
Based on GHG Protocol Guidance the emissions within scope 2 can be specified according to two different methods: The market based and the location specific reporting methods. Danske Bank Group has purchased renewable electricity through Guarantees of Origins and International Renewable Energy Certificates, which means there are no CO2 emissions from our electricity consumption when following the market-based methodology.

Past year 2

Scope 2, location-based
10.332

Scope 2, market-based (if applicable)
3.119

Start date
October 1 2019

End date
September 30 2020

Comment
Based on GHG Protocol Guidance the emissions within scope 2 can be specified according to two different methods: The market based and the location specific reporting methods. Danske Bank Group has purchased renewable electricity through Guarantees of Origins and International Renewable Energy Certificates, which means there are no CO2 emissions from our electricity consumption when following the market-based methodology.

Past year 3

Scope 2, location-based
14.773

Scope 2, market-based (if applicable)
4480

Start date
October 1 2018

End date
September 30 2019

Comment
Based on GHG Protocol Guidance the emissions within scope 2 can be specified according to two different methods: The market based and the location specific reporting methods. Danske Bank Group has purchased renewable electricity through Guarantees of Origins and International Renewable Energy Certificates, which means there are no CO2 emissions from our electricity consumption when following the market-based methodology.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
187

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Paper consumption is calculated based on volumes purchased and registered in the Group’s Dynamics AX system or on the basis of statements from external suppliers (only in Lithuania, India and to some extent Finland, Sweden, Norway and Denmark). Paper consumption is defined as copying and printing paper, letterhead, and envelopes with logos as well as printed matter (internal and external publications). The consumption/purchased amount is fully provided by the suppliers. Emissions from paper consumption are based on average emission factors from the Department of Environment, Food and Rural Affairs.

The task of evaluating and assessing our emissions from all other purchased goods and services is an ongoing priority for the organization. This will initially take the form of a spend-based approach, with the intention of moving towards a hybrid approach once a baseline is established.

Capital goods

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
For a financial institution, capital goods could be new buildings. Danske Bank is renting its buildings and has not purchased or built any new buildings in the reporting period, thus there are no emissions related to capital goods in the same period.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
We report our energy usage in scope 1 and 2. As Danske Bank is a provider of financial services and not in the manufacturing sector, we do not consider this section relevant nor material to our business activities.

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
GHG emissions from upstream transportation and distribution are limited to the distribution of bank cards and for clients who have chosen or are unable to receive documents from us digitally, but instead get them via post. As such, category is not considered to be relevant nor material for Danske Bank. Neither banking nor investment involves notable upstream transportation and distribution.

Waste generated in operations

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
As Danske Bank is a provider of financial services and not in the manufacturing sector, ‘Waste generated in operations’ is not material.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
3112

Emissions calculation methodology
Supplier-specific method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Emissions from air travel are reported directly by our travel agency, American Express, which provides data on the distance travelled, the number of trips, and amount of CO2 emissions produced during the travel. Transport in employees’ cars is calculated in kilometres as paid mileage allowance divided by mileage allowance payable according to current government tariffs. For transport by employee's car, we use emission factors from the Department of Environment, Food and Rural Affairs.

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1342

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
With more than 20,000 employees working at hundreds of head offices and branches across the world, we consider the uncertainties tied to calculating the emissions from employee commuting considerable. We have collated data through an employee survey to establish a commuting baseline. This is yet to be validated and not yet assured in external reporting.

As of reporting year 2022, we have included emissions from working from home. Working from home emissions are calculated based on average number of employees' connections through Danske Bank VPN private network when working from home. This is multiplied by average consumption data for a homeworking setup per country. For the Nordics and Lithuania, only electricity consumption for a standard desk set up is incorporated. For India, electricity consumption for an average ceiling fan is included for the summer months. For Ireland and Northern Ireland, gas central heating consumption as specified in the Ecoact methodology is included for the winter months.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
GHG emissions from upstream leased assets are not considered to be relevant nor material for Danske Bank. Neither banking nor investment involves upstream leased assets.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
As Danske Bank is a provider of financial services and not in the manufacturing sector, emissions stemming from 'Downstream transportation and distribution' is not relevant.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
As Danske Bank is a provider of financial services that are digital and intangible, emissions stemming from 'Processing of sold products' is not relevant.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Danske Bank does not sell products with emissions related to direct usage.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
As Danske Bank is a provider of financial services that are digital and intangible, emissions stemming from 'End of life treatment of sold products' is not relevant.

Downstream leased assets

Evaluation status
Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Nordania, a fully owned leasing subsidiary, has a substantial portfolio of everything from vehicles to machinery and equipment. We do not currently have tools good enough to calculate the emissions from that portfolio.

"Home", a real estate broker agency subsidiary, has a portfolio of rented property. We do not currently have tools good enough to calculate the emissions from that portfolio.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Danske Bank does not operate any franchises.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
No other significant upstream emissions have been identified.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
No other significant downstream emissions have been identified.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
October 1 2020

End date
September 30 2021

Scope 3: Purchased goods and services (metric tons CO2e)
185

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)
976

Scope 3: Employee commuting (metric tons CO2e)
1490

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 2

Start date
October 1 2019

End date
September 30 2020

Scope 3: Purchased goods and services (metric tons CO2e)
275

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)
3667

Scope 3: Employee commuting (metric tons CO2e)
1015

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 3

Start date
October 1 2018

End date
September 30 2019

Scope 3: Purchased goods and services (metric tons CO2e)
385

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)
9575

Scope 3: Employee commuting (metric tons CO2e)
381

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)
<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
6e-8

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
2339

Metric denominator
unit total revenue

Metric denominator: Unit total
41203000000

Scope 2 figure used
Market-based

% change from previous year
32

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain
1. Consolidating sites, i.e., reducing square meter footprint across the business premises portfolio.
2. Implementing energy-saving initiatives such as LED lights, upgrades to ventilation systems and reduced office temperatures, have all contributed to the decrease.

Intensity figure
1.984e-7

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
8179

Metric denominator
unit total revenue

Metric denominator: Unit total
41203000000

Scope 2 figure used
Location-based

% change from previous year
4.1

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain
Consolidating sites, i.e., reducing square meter footprint and implementing energy-saving initiatives such as LED lights, upgrades to ventilation systems and reduced office temperatures, have all contributed to the decrease.

Intensity figure
0.11

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
2339

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
21022

Scope 2 figure used
Market-based

% change from previous year
32

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain
Consolidating sites, i.e., reducing square meter footprint and implementing energy-saving initiatives such as LED lights, upgrades to ventilation systems and reduced office temperatures, have all contributed to the decrease.

Intensity figure
0.39

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
8179

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
21022

Scope 2 figure used
Location-based

% change from previous year
4

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain
Consolidating sites, i.e., reducing square meter footprint and implementing energy-saving initiatives such as LED lights, upgrades to ventilation systems and reduced office temperatures, have all contributed to the decrease.

C7. Emissions breakdowns

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?
No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Danske Bank continued to purchase 100% renewable electricity.
Other emissions reduction activities	1234	Decreased	35	In 2022, our CO2 emissions from Scope 1 and Scope 2 amounted to 2337 tonnes CO2, to be compared to 3573 tonnes in 2021. As a result, our CO2 emissions from Scope 1 and 2 decreased by 35% on the Market Based approach. Calculation ((35732337)/3573)*100). Activities that drive our scope 1 reductions relate to on-site heating. We transitioned our on-site heating from gas and oil to electricity in free standing branches in Northern Ireland. For remaining sites using biogas in Denmark, we have from 2022 been purchasing guarantees of origin for biogas to neutralise these emissions. The reduction in scope 2 largely stems from a reduced square meter footprint of our premises through consolidation of sites and moving to more energy efficient facilities. This in effect drives a reduction in energy consumption. The reduction is also a result of energy efficiency improvements at our sites, for example, through LED lights, solar panels installations and upgrading of cooling and ventilation systems.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	1506	1506
Consumption of purchased or acquired electricity	<Not Applicable>	41748	0	41748
Consumption of purchased or acquired heat	<Not Applicable>	0	39048	39048
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>		154	154
Consumption of self-generated non-fuel renewable energy	<Not Applicable>		<Not Applicable>	
Total energy consumption	<Not Applicable>	41748	40708	82456

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
Denmark

Consumption of purchased electricity (MWh)
21675

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
28546

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
50221

Country/area
Finland

Consumption of purchased electricity (MWh)
3205

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
4161

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
7366

Country/area
Sweden

Consumption of purchased electricity (MWh)
1930

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
2114

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
4044

Country/area
Norway

Consumption of purchased electricity (MWh)
3141

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
2223

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
5364

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)
2764

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
1027

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
3791

Country/area
Ireland

Consumption of purchased electricity (MWh)
118

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
118

Country/area
Lithuania

Consumption of purchased electricity (MWh)
7577

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
2637

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
10214

Country/area
India

Consumption of purchased electricity (MWh)
1339

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1339

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Waste

Metric value
1713

Metric numerator
Tonnes

Metric denominator (intensity metric only)

% change from previous year
483

Direction of change
Increased

Please explain
Waste consumption increased severalfold compared to 2021. There are two primary reasons for the increase; (a) increased office occupation compared to covid-19 2020 and (b) improved data collection processes including waste estimations for missing data.

Description
Other, please specify (% waste to recycling)

Metric value
48

Metric numerator
Percentage

Metric denominator (intensity metric only)

% change from previous year
41

Direction of change
Decreased

Please explain
Despite continued focus on waste segregation, the proportion of recycled waste decreased. Much is explained from waste incinerated increased almost 1200% compared to the previous year, while recycled waste only increased 240%. As we are consolidating sites, we also see categories such as construction waste that is contributing to more incineration rather than recycling.

Description
Other, please specify (Waste to landfill)

Metric value
2.4

Metric numerator
Tonnes

Metric denominator (intensity metric only)

% change from previous year
999

Direction of change
Increased

Please explain
Waste to landfill was 0 tonnes in 2021, hence naturally a big % increase from 2021 numbers. The proportion of waste going to landfill is 0.1% and therefore is a small part of the overall waste consumption. We will continue working to eliminate waste going to landfill. There are two primary reasons for the increase; (a) increased office occupation compared to covid-19 2020 and (b) improved data collection processes including waste estimations for missing data.

Description
Other, please specify (Waste to incineration)

Metric value
686

Metric numerator
Tonnes

Metric denominator (intensity metric only)

% change from previous year
999

Direction of change
Please select

Please explain
Despite continued focus on waste segregation, the proportion of incinerated waste increased almost 1200% compared to the previous year. There are two primary reasons for the increase; (a) increased office occupation compared to covid-19 2020 and (b) improved data collection processes including waste estimations for missing data. Within incinerated waste, there may be construction waste stemming from consolidations or renovations.

Description
Other, please specify (Waste to recycling)

Metric value
819

Metric numerator
Tonnes

Metric denominator (intensity metric only)

% change from previous year
241

Direction of change
Increased

Please explain
There are two primary reasons for the increase; (a) increased office occupation compared to covid-19 2020 and (b) improved data collection processes including waste estimations for missing data. We have continued focus on waste management across the group to increase rate of recycling.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Sustainability Report 2022.pdf
Letter to Danske Bank for CDP_Deloitte February 2023_final.pdf

Page/ section reference
Assurance statement - Sustainability report page 48.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Sustainability Report 2022.pdf
Letter to Danske Bank for CDP_Deloitte February 2023_final.pdf

Page/ section reference
Assurance statement - Sustainability report page 48.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Sustainability Report 2022.pdf
Letter to Danske Bank for CDP_Deloitte February 2023_final.pdf

Page/ section reference
Assurance statement - Sustainability report page 48.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Sustainability Report 2022.pdf
Letter to Danske Bank for CDP_Deloitte February 2023_final.pdf

Page/section reference
Assurance statement - Sustainability report page 48.

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 1 and 2)	ISAE3000	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.
C6. Emissions data	Year on year change in emissions (Scope 3)	ISAE3000	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.
C5. Emissions performance	Year on year change in emissions (Scope 1 and 2)	ISAE300	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.
C5. Emissions performance	Year on year change in emissions (Scope 3)	ISAE3000	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.
C7. Emissions breakdown	Year on year change in emissions (Scope 1 and 2)	ISAE3000	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.
C7. Emissions breakdown	Year on year emissions intensity figure	ISAE3000	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.
C8. Energy	Energy consumption	ISAE3000	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.
C9. Additional metrics	Other, please specify (Energy consumption per FTE (MWh/FTE) and Renewable energy share scope 1 and 2 (%))	ISAE3000	We have an annual third-party assurance process in place with the purpose of obtaining limited assurance according to ISAE 3000, that all environmental data in the sustainability report's KPI table (page 48), has been stated in accordance with the criteria mentioned in Danske Bank's reporting principles included in Sustainability report 2022.

C11. Carbon pricing

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?
Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type
Afforestation

Type of mitigation activity
Carbon removal

Project description
Reforestation Project in Mexico. The project is planting teak trees on degraded land in the states of Tabasco, Chiapas, and Campeche, in the south of the United States of Mexico. Part of the areas will be used for sustainable commercial purposes and part will be protected conservation areas to allow wildlife and biodiversity to thrive. The project is driving economic development in a sustainable way by creating new jobs for local people, training them in forest management and creating a supply chain of teak wood. As the trees grow not only do they sequester carbon dioxide, helping to mitigate global warming, but biodiversity, soil quality and water conservation are enhanced.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)
6700

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
Yes

Vintage of credits at cancellation
2018

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
VCS (Verified Carbon Standard)

Method(s) the program uses to assess additionality for this project
Other, please specify (CDM consolidated methodology AR-ACM0003: “Afforestation and reforestation of lands except wetlands” v2.0. For additionality assessment an official data source from the National Forestry Commission (CONAFOR) was used.)

Approach(es) by which the selected program requires this project to address reversal risk
Other, please specify (VCS Non permanence Risk Report for the validation process according to the AFOLU Non Permanence Risk Tool v.3.3.)

Potential sources of leakage the selected program requires this project to have assessed
Other, please specify (The project does not displace pre-project agricultural activities. Thus, neither a leakage management plan nor leakage mitigation measures are required.)

Provide details of other issues the selected program requires projects to address
The CDM consolidated methodology AR-ACM0003: “Afforestation and reforestation of lands except wetlands” v2.0 is applied to this project activity.

Besides the methodological document, the following tools are applied:
• “Combined tool to identify the baseline scenario and demonstrate additionality in A/R CDM project activities”, Version 01
• Estimation of carbon stocks and change in carbon stocks of trees and shrubs in A/R CDM project activities”, Version 04.2
• “Estimation of carbon stocks and change in carbon stocks in dead wood and litter in A/R CDM project activities”, Version 03.1
• “Estimation of non-CO2 GHG emissions resulting from burning of biomass attributable to an A/R CDM project activity”. Version 04.0.0
• Estimation of the increase in GHG emissions attributable to displacement of project agricultural activities in A/R CDM project activity Version 02.0.

Comment

Project type
Biochar

Type of mitigation activity
Carbon removal

Project description
Biochar in French Vineyards. This is based on applications of biochar in agriculture in France. The applications comprise direct soil applications and additives to compost. Most of the biochar has been transformed into products that have been approved for the use in vineyards, to treat vine infected with Esca (a vascular wilt disease that attacks the perennial organs of grapevines). The feedstock for the biochar stems from wood residues and waste wood. Each of these applications is carbon preserving as per the EBC-sink regulation and the biochar will enter soil.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)
279

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
Yes

Vintage of credits at cancellation
2020

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
Other private carbon crediting program, please specify (Carbon Standards International, Carbon sink registry Global Registry CSI)

Method(s) the program uses to assess additionality for this project
Other, please specify (EBC-Sink (European Biochar Certificate). The C-sink potential of a packaging unit of biochar is defined as the amount of carbon it contains minus the carbon expenditure of its production, i.e., all GHG emissions caused by its production.)

Approach(es) by which the selected program requires this project to address reversal risk
Monitoring and compensation
Other, please specify (The EBC's objective is to provide transparent and verifiable monitoring and quality assurance. The EBC guarantees compliance with environmentally relevant limit values, which are valid with permissible test procedures and analytical methods.)

Potential sources of leakage the selected program requires this project to have assessed
Other, please specify (To ensure that the tracking system works without leakage and that only high quality, verifiable C-sinks are sold as a climate service, the EBC has introduced an accreditation protocol of C-sink brokers and trading platforms.)

Provide details of other issues the selected program requires projects to address
The C-sink certification is essentially a two-step process.

The EBC certifies the C-sink potential that biochar has at the factory gate of the biochar producer. This includes all carbon expenditures of the biomass production, transportation, chipping, storing, drying as well as all carbon expenditures of the pyrolysis facility.

At the factory gate, the biochar is taken over by a tracking system that follows the biochar to the final sink and assesses all carbon expenditures and greenhouse gas emissions that occur on these pathways (i.e., transporting, milling, processing). As soon as the biochar is mixed into agricultural substrates such as fodder, compost, liquid manure, and fertiliser or into durable materials such as concrete, resins, or plastics, the C-sink potential can be converted into tradable C-sink certificates.

The certification of the C-sink potential of biochar is a service provided by the EBC to all EBC certified producers in Europe, USA, and Canada. For biochar producers in all other parts of the world, we tailored specially dedicated EBC packages to allow for C-sink certification.

Comment

Project type
Energy distribution

Type of mitigation activity
Emissions reduction

Project description
By capturing gas from wastewater lagoons and converting it into electricity, the Linshu project, located in the Eastern Shandong Province of China, reduces business-as-usual emissions from entering the environment by converting it into renewable electricity. This electricity is then fed back into the industrial plant for energy thus displacing energy that was previously acquired from fossil fuel sources. The project effectively reduces emissions by displacing energy that would otherwise be supplied to the industrial plant from the burning of fossil fuels. In addition, the implementation of an anaerobic biogas recovery system mitigates methane from entering the environment - thus reducing greenhouse gases in multiple ways. Finally, the projects create
employment opportunities, through both the construction and operational phases of the plant boosting the local economy."

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)
279

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
Yes

Vintage of credits at cancellation
2020

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
VCS (Verified Carbon Standard)

Method(s) the program uses to assess additionality for this project
Other, please specify (The project's baseline and additionality is assessed against ACM0014 version 08.0 for large scale project.)

Approach(es) by which the selected program requires this project to address reversal risk
Other, please specify (Non permanence risk analysis not applicable for the project)

Potential sources of leakage the selected program requires this project to have assessed
Other, please specify (Leakage emissions from anaerobic digesters, from electricity consumption and from fossil fuel consumption)

Provide details of other issues the selected program requires projects to address
Assessed against CDM and VCS requirements:
ACM0014: Treatment of wastewater, version 08.0
Tool for the demonstration and assessment of additionality, version 07.0
Tool to calculate the emission factor for an electricity system, version 07.0
Validation Report: VCS Version 4.0
Project and leakage emissions from anaerobic digesters, version 02.0
Baseline, project and/or leakage emissions from electricity consumption and monitoring of electricity generation, version 03.0
Tool to calculate project or leakage CO2 emissions from fossil fuel combustion, version 03.0
Tool to determine the mass flow of a greenhouse gas in a gaseous stream, version 03.0
Project emissions from flaring, version 3.0

Comment

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, our investees

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect climate-related risk and opportunity information at least annually from suppliers
Other, please specify (Environmental protection and climate related policies are essential part of our supplier selection and performance review process.)

% of suppliers by number
46

% total procurement spend (direct and indirect)
58

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
We have developed an ESG Supplier Risk Model where we assess the sustainability risk profiles of all suppliers before entering into a contract with Danske Bank. As an outcome of that risk model, we segment suppliers into high, medium, and low risk/impact category (as inherited risk) and as applying proportionality, we prioritise the high/medium and low risk/impact suppliers in that order. As of June 2023, we have invited more than 50% of our active supplier base to the ESG assessment which represents 58% of the total spend. We aim for 100% and our target by end of 2023 is to have clear visibility over the entire supply base when it comes to sustainability status.

The ESG assessment is done on a third party platform (Integrity Next) and covers the entire ESG area with specific questions about environmental protection and actions focusing on reducing environmental pollution, create visibility in Substances of Concern such as mercury or any other persistent organic pollutants (POPs), waste management and initiatives taken to reduce the carbon footprint. This ESG assessment is part of the supplier selection and evaluation process in tendering as well.

Impact of engagement, including measures of success
Once we assess the inherited risk, we apply differentiated engagement strategy for the supplier depending on the high/medium and low risk / impact status. We make all our suppliers sign our Supplier Code of Conduct which mirrors our ethical guidelines when it comes to sustainability. In addition to the SCOC, for the low and medium risk/impact status we assess the suppliers on environmental protection, health and safety, human rights, antibribery and corruption and supply chain management. The high risk/impact suppliers are assessed on living wages and diversity and inclusion in addition to the 5 basic elements. Certain suppliers which are exposed to higher country/industry risk in the environmental sphere are also invited for carbon footprint reporting in the third-party system. The engagement strategy will result in mitigated risk profile and increased focus and awareness on climate change and ESG related issues internally in Danske Bank and in our supply chain. The measure of success is to get transparency over the ESG performance in our supply chain.

Procurement has a Key Performance Indicator to have all suppliers with active contracts ESG assessed by the end of 2023. As a result of our ESG assessment, we build a resilient supply chain with business partners playing a major role in shaping the ESG agenda within the financial sector. Our supply chain consisting of suppliers mostly from the Nordic region also contributes to improve the environmental awareness and protection in that region (Nordic + Lithuania).

Comment
We use a shared, third-party platform (Integrity Next) for the ESG assessments to make it easier for the supplier and to prevent "assessment fatigue". In addition to Climate change impact of our own operation on Scope 1 and 2, we can engage suppliers in reporting their own emissions in form of Scope 3 reporting. As an example, in a recently signed high risk/high impact contract where we created a detailed ESG annex with clear requirements on circularity, carbon footprint reporting, emission targets which is aligned with Danske Bank own ambitions.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Other, please specify (Creating awareness through Supplier Code of Conduct, ESG assessments and dialogue)

% of suppliers by number
46

% total procurement spend (direct and indirect)
58

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
We assess the risk/impact profiles of all suppliers before entering into a contract on the basis of a self-assessment conducted on a third-party platform. The self-assessment with verified answers is part of the supplier selection and evaluation process and based on the result we enter into a dialogue with the supplier to agree on an improvement plan.

In addition to that, we also engage all our suppliers with active contracts to sign a Supplier Code of Conduct (SCOC) which is a legally binding document and part of our agreements. In the SCOC, suppliers indicate their compliance with Danske Bank ethical guidelines in the topics as Climate, Human Resources, Health and Safety, Anti-bribery and corruption and Responsible Supply Chain.

Impact of engagement, including measures of success
The engagement will result in increased focus and awareness on climate change and ESG related issues internally in Danske bank and among our suppliers. The measure of success is to get transparency over the ESG performance in our supply chain. Procurement has a Key Performance Indicator to have all suppliers with active contracts ESG assessed by the end of 2023.

Comment

C-FS12.1b

(C-FS12.1b) Give details of your climate-related engagement strategy with your clients.

Type of clients
Customers/clients of Banks

Type of engagement
Engagement & incentivization (changing client behavior)

Details of engagement
Engage with clients and potential clients, particularly those with the most GHG-intensive and GHG-emitting activities, on their decarbonization strategies and net-zero transition pathways

% client-related Scope 3 emissions as reported in C-FS14.1a
67

Portfolio coverage (total or outstanding)
46

Rationale for the coverage of your engagement
Engagement targeted at clients with the highest potential impact on the climate

Impact of engagement, including measures of success
In our Climate Action Plan (https://danskebank.com/-/media/danske-bank-com/file-cloud/2023/1/danske-banks-climate-action-plan.pdf) we set decarbonisation targets to sectors where our most significant financed emissions originate from. These include, ~50% emission intensity reduction in Shipping and 50 % reduction in emissions intensity in Power Generation from 2020 to 2030. We have active dialogues with clients in these sectors to understand their emission reduction plans.

Type of clients
Customers/clients of Banks

Type of engagement
Information collection (understanding client behavior)

Details of engagement
Collect climate change and carbon information at least annually from long-term clients

% client-related Scope 3 emissions as reported in C-FS14.1a
42

Portfolio coverage (total or outstanding)
1

Rationale for the coverage of your engagement
Engagement targeted at clients with the highest potential impact on the climate

Impact of engagement, including measures of success
Under Poseidon Principles, our Shipping sector clients provide us annual information about their vessels' actualised emission intensity. The emission intensity is compared to the vessel type's emission intensity in an IMO 2050 scenario to get an individual alignment score. Each alignment score is then aggregated to total portfolio alignment with IMO 2050 and reported, transparently, in an annual disclosure report.

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investees.

Type of engagement
Information collection (Understanding investee behavior)

Details of engagement
Include climate-related criteria in investee selection / management mechanism
Climate-related criteria is integrated into investee evaluation processes
Collect climate-related and carbon emissions information from new investee companies as part of initial due diligence
Collect climate-related and carbon emissions information at least annually from long-term investees

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Investing (Asset managers) portfolio coverage
100

Investing (Asset owners) portfolio coverage
100

Rationale for the coverage of your engagement
Please select

Impact of engagement, including measures of success
Engagement with companies can take numerous forms, for different purposes, and can cover various topics. In general, we approach engagements in two ways:
• Top-down engagements: Engagements conducted on a proactive basis, normally strategic or thematic, driven by an internal agenda with established commitments and objectives, or by an external framework and our commitments thereunder.
• Bottom-up engagements: Engagements conducted on a reactive basis.

For information about our engagement activities, see the Active Ownership Report 2022 through following link: https://danskebank.com/-/media/danske-bank-com/file-cloud/2023/2/active-ownership-report-2022.pdf?rev=787ebbc7f0f54d1d9380750180e96c7a.

Type of engagement
Engagement & incentivization (changing investee behavior)

Details of engagement
Exercise active ownership
Support climate-related shareholder resolutions
Support climate-related issues in proxy voting
Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
Engagement with 20 investees with a focus on highest emitters or those responsible for 65% of emission in portfolio (either Direct, Collective, or via Asset Manager)
Initiate and support dialogue with investee boards to set Paris-aligned strategies
Encourage better climate-related disclosure practices among investees
Encourage investees to set a science-based emissions reduction target

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Investing (Asset managers) portfolio coverage
100

Investing (Asset owners) portfolio coverage
100

Rationale for the coverage of your engagement
Please select

Impact of engagement, including measures of success
For each company, expectations and targets are set for the themes deemed most relevant for the company, based on for example the company's industry, and if there are areas where the company might be lagging peers. Our voting at the company's annual general meeting will be guided by the expectations and targets set in the company's individual engagement strategy, to further strengthen our influence. Companies engaged with will be tracked and followed-up with on an annual basis. After each annual cycle we will assess if companies have progressed sufficiently against our expectations, affirm their status as a priority company, and/or include new priority companies to the extent possible. If the company is not progressing in line with the targets, we will consider escalating the engagement.

For information about our engagement activities, see the Active Ownership Report 2022 through following link: https://danskebank.com/-/media/danske-bank-com/file-cloud/2023/2/active-ownership-report-2022.pdf?rev=787ebbc7f0f54d1d9380750180e96c7a.

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Carry out collaborative engagements with other investors or institutions

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

Investing (Asset managers) portfolio coverage
100

Investing (Asset owners) portfolio coverage
100

Rationale for the coverage of your engagement
Please select

Impact of engagement, including measures of success
Danske Bank is currently partaking in collaborative engagement such as Climate Action 100+, FAIRR and PRI.

For information about our engagement activities, see the Active Ownership Report 2022 through following link: https://danskebank.com/-/media/danske-bank-com/file-cloud/2023/2/active-ownership-report-2022.pdf?rev=787ebbc7f0f54d1d9380750180e96c7a.

C-FS12.2

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

	Exercise voting rights as a shareholder on climate-related issues	Primary reason for not exercising voting rights as a shareholder on climate-related issues	Explain why you do not exercise voting rights on climate-related issues
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS12.2a

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder
Exercise voting rights directly

How do you ensure your shareholder voting rights are exercised in line with your overall strategy or transition plan?
<Not Applicable>

Percentage of voting disclosed across portfolio
100

Climate-related issues supported in shareholder resolutions
Climate transition plans
Climate-related disclosures
Emissions reduction targets
Board oversight of climate-related issues

Do you publicly disclose the rationale behind your voting on climate-related issues?
No

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
Yes

Attach commitment or position statement(s)
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
Ongoing internal alignment with relevant stakeholders, e.g., within Group Sustainability, to ensure consistency in all areas. Our focus is on EU regulation on sustainable finance following from the EU Commission's Sustainable Finance Action Plan and its subsequent Renewed Sustainable Finance Strategy.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (Danske Bank is a member of the financial industry associations in its core markets comprising Finance Danmark, the Swedish Bankers Association, Finance Norway, and Finance Finland. As a Danish bank, Finance Denmark is our most important membership)

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
In general, Finance Denmark (and the Nordic banks and bankers’ associations) are supportive of the EU Commission’s sustainable finance action plan, and contribute constructively to the realisation of the action plan.

In order to progress the sustainable finance agenda, and understanding the impact of transitioning to a “green” economy on financial services/products and our customers, Danske Bank participates actively in industry discussions in relevant working groups and committees of Finance Denmark and the other Nordic bankers’ associations. However, having a Danish banking license and the majority of our business volumes in Denmark, Finance Denmark broadly constitutes our key industry association membership.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
1

Describe the aim of your organization’s funding
We pay memberships fees according to the articles of association.

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Institute of International Finance)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
IIF advocates a coherent international regulatory framework on sustainable finance across jurisdictions, and which we support.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
1

Describe the aim of your organization's funding
We pay memberships fees according to the articles of association.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (The Association of Financial Markets in Europe)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
AFME supports the European Commission's objectives and advocates a coherent regulatory framework for more sustainable financial markets and which we support.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
1

Describe the aim of your organization's funding
We pay memberships fees according to the articles of association.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (The European Banking Federation (EBF))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
EBF supports the European Commission's objectives and advocates a coherent European regulatory framework for sustainable finance and which we support.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
1

Describe the aim of your organization's funding
Danske Bank is not a direct member of EBF and consequently does not pay membership fees. These are paid for by the national finance industry associations, i.e. Finance Denmark, etc.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Insurance & Pension (Forsikring & Pension; F&P))

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
In general, Insurance & Pension are supportive of the EU's sustainable finance action plan and contribute actively to the realisation of the plan. Danica Pension participates actively in industry discussion in work groups and committees in the Insurance & Pension association.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
1

Describe the aim of your organization's funding
We pay membership fees according to the articles of association.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports, incorporating the TCFD recommendations

Status
Complete

Attach the document
Danske Bank Annual report 2022.pdf

Page/Section reference
p. 22-27

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication
In mainstream reports

Status
Complete

Attach the document
Sustainability Report 2022.pdf

Page/Section reference
pp. 10,11, 18,19, 10-29, 43, 48

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment
Our sustainability report informs on progress with our sustainability strategy including climate change, and we report on annual key figures.

Publication
In voluntary communications

Status
Complete

Attach the document
Danske Bank's Climate Action Plan - Our Roadmap to Net Zero.pdf

Page/Section reference
All pages

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment
Our Climate Action Plan informs about our climate targets and our planned steps to reach the targets.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	CDP Signatory Climate Action 100+ Climate Bonds Initiative Partner Programme Montreal Pledge Net Zero Banking Alliance Net Zero Asset Managers initiative Net Zero Asset Owner Alliance Partnership for Biodiversity Accounting Financials (PBAF) Partnership for Carbon Accounting Financials (PCAF) Principle for Responsible Investment (PRI) Science-Based Targets Initiative for Financial Institutions (SBTi-FI) UN Global Compact UNEP FI Principles for Responsible Banking UNEP FI TCFD Pilot Other, please specify	PCAF Danske Bank is an active member of the PCAF. We have used the methodology when mapping our lending portfolios CO2 emissions. PRI At Danske Bank Group, we believe that responsible behaviour is a precondition for long-term value creation. Danske Bank Group has therefore signed the Principles for Responsible Investment (PRI), an investor initiative coordinated by the UNEP Finance Initiative and the UN Global Compact. The PRI addresses environmental, social and governance (ESG) issues and consists of six principles. By signing on to the PRI, Danske Bank Group commits itself to reporting on the implementation of the principles in the annual Report on Progress. TCFD/TCFD Pilot This cements our commitment to integrating climate considerations into our governance, strategy, risk management, metrics, as well as into our external reporting. We report annually on progress in our Sustainability report (2022). We have played an active role in UNEP FI's TCFD pilot Phase II. UNEP FI PRB We signed the PRB in 2019 and are implementing the principles. Climate Action 100+ To enhance Danske Bank´s impact in terms of active ownership, we engage in investor alliances. UNEPFI and Net-zero Banking Alliance, Asset Managers Initiative and Owner Alliance We have backed our new sustainable finance ambition by committing to the UN-convened Net-Zero Banking Alliance, the Net Zero Asset Managers Initiatives and the Net-Zero Asset Owner Alliance to become a net-zero bank by 2050 or sooner, and we will report on progress in the years to come. Montreal Pledge In 2014 we signed the Montreal Pledge. The Montreal Carbon Pledge is a commitment by investors to annually measure and publicly disclose their portfolio's carbon footprint. UN Global Compact Danske Bank has supported Global Compact in many years, and our Sustainability report constitutes our annual COP report. FAIRR Danske Bank is a member of the FAIRR initiative. The investor network focus on engaging on topics such as aqua culture, biodiversity and others. CDP Initiative Danske Bank has reported to CDP since 2009. Climate Bonds Initiative Danske entered the partnership with the Climate Bonds Initiative in 2019, to support the banks engagement in sustainable finance and our ambition to grow the market for green bonds. PACTA Danske is one of the more than 300 financial institutions that have used the PACTA tool to analyse the climate impact and projected transition of the corporate loan book. The Partnership for Biodiversity Accounting Financial: Provides financial institutions with guidance on how to assess the impact of their financing operations on biodiversity. Danske joined the initiative in 2022.

C14. Portfolio Impact

C-FS14.0

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Lending to all carbon-related assets

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
42900000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
The DKK 42.9bn covers the Groups end-2020 on-balance credit exposure to companies internally classified as either Oil & Gas or Utilities and infrastructure. This is aligned with the exposure and industry classification as stated in Table 4.1 of Danske Bank's Climate Action Plan (2023) report.

Lending to coal

Are you able to report a value for the carbon-related assets?
Please select

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
<Not Applicable>

Lending to oil and gas

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
6400000000

New loans advanced in reporting year (unit currency – as specified in C0.4)

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
Covers the Groups end-2020 on-balance credit exposure to companies internally classified as Oil & Gas. This is aligned with the exposure and industry classification as stated in Table 4.1 of Danske Bank's Climate Action Plan (2023) report.

Investing in all carbon-related assets (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
18200000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
3

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
A significant part of Danica Pension's AuM (Asset Owner) is managed by AM. Therefore, certain positions are counted both for AM and Danica Pension. In addition, the numbers should be read with the reservation of overlaps in respect to fund-of-fund investments and lack of assurance in respect to scoping, meaning that they are to be seen as indicative figures.

We apply the fossil fuel definition outlined in the Exclusion Instruction of Danske Bank and Danica Pension, which reads "any of a class of hydrocarbon-containing materials of biological origin occurring within Earth's crust that can be used as a source of energy. Fossil fuels include coal, petroleum, natural gas, oil shales, bitumens, tar sands, and heavy oils".

The definition is supplemented by a revenue threshold targeting all companies (issuers) with more than 5% of revenue deriving from business activities relating to:
• Production: Issuers engaged in the production of fossil fuel through extraction, refining & processing and power generation.
• Distribution: Issuers engaged in essential infrastructure specifically used for the transportation of fossil fuels, such as oil and gas pipelines, and gas distributors. It also includes the marketing and sale of fossil fuels.
• Exploration: Issuers engaged in the pre-production strategies of the extraction of fossil fuels, including prospecting for, acquiring, exploring, and developing resources prior to the point where the production of commercially recoverable quantities commences.
• Services: Issuers involved in fossil fuel related services and part of the GICS classification 101010.

The definition covers both direct operations as well as operations that are >20% owned by the company e.g., subsidiaries, joint ventures, associates and affiliates. Revenue shares are attributed in proportion to ownership.

Investing in coal (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
0

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation

Investing in oil and gas (Asset manager)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
8500000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
2

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
The following definition applies for activities in Oil & Gas:
• Oil & Gas exploration & production companies that generate more than 5% of their revenues from unconventional (tar sands, shale) or frontier (arctic and ultra-deep sea) Oil & Gas.
• Oil & Gas exploration & production companies that engage in activities related to oil or gas expansion (applies to conventional, unconventional and frontier Oil & Gas expansion).
• Oil & Gas exploration & production companies that do not set a credible transition plan in line with the Paris Agreement. This includes a long-term 2050 net zero goal, ambitious short and medium-term reduction targets on scope 1 and 2 emissions as well as material scope 3 emission reduction targets. In addition, it includes a commitment to not expand supply of Oil & Gas beyond what was approved for development by 31st of December 2021.

Investing all carbon-related assets (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
10300000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
3

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
A significant part of Danica Pension's AuM (Asset Owner) is managed by AM. Therefore, certain positions are counted both for AM and Danica Pension. In addition, the numbers should be read with the reservation of overlaps in respect to fund-of-fund investments and lack of assurance in respect to scoping meaning that they are to be seen as indicative figures.

We apply the fossil fuel definition outlined in the Exclusion Instruction of Danske Bank and Danica Pension, which reads "any of a class of hydrocarbon-containing materials of biological origin occurring within Earth's crust that can be used as a source of energy. Fossil fuels include coal, petroleum, natural gas, oil shale, bitumen, tar sands, and heavy oils".

The definition is supplemented by a revenue threshold targeting all companies (issuers) with more than 5% of revenue deriving from business activities relating to:
• Production: Issuers engaged in the production of fossil fuel through extraction, refining & processing and power generation.
• Distribution: Issuers engaged in essential infrastructure specifically used for the transportation of fossil fuels, such as oil and gas pipelines, and gas distributors. It also includes the marketing and sale of fossil fuels.
• Exploration: Issuers engaged in the pre-production strategies of the extraction of fossil fuels, including prospecting for, acquiring, exploring, and developing resources prior to the point where the production of commercially recoverable quantities commences.
• Services: Issuers involved in fossil fuel related services and part of the GICS classification 101010.

The definition covers both direct operations as well as operations that are >20% owned by the company e.g., subsidiaries, joint ventures, associates and affiliates. Revenue shares are attributed in proportion to ownership.

Investing in coal (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
0

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
0

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation

Investing in oil and gas (Asset owner)

Are you able to report a value for the carbon-related assets?
Yes

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)
4800000000

New loans advanced in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)
<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year
1

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets
<Not Applicable>

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future
<Not Applicable>

Details of calculation
The following definition applies for activities in Oil & Gas:
• Oil & Gas exploration & production companies that generate more than 5% of their revenues from unconventional (tar sands, shale) or frontier (arctic and ultra-deep sea) Oil & Gas.
• Oil & Gas exploration & production companies that engage in activities related to oil or gas expansion (applies to conventional, unconventional and frontier Oil & Gas expansion)
• Oil & Gas exploration & production companies that do not set a credible transition plan in line with the Paris Agreement. This includes a long-term 2050 net zero goal, ambitious short and medium-term reduction targets on scope 1 and 2 emissions as well as material scope 3 emission reduction target. In addition, it includes a commitment to not expand supply of oil and gas beyond what was approved for development by 31st of December 2021.

C-FS14.1

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Please explain why you do not measure the impact of your portfolio on the climate
Banking (Bank)	Yes	Portfolio emissions Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Investing (Asset manager)	Yes	Portfolio emissions Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Investing (Asset owner)	Yes	Portfolio emissions Other carbon footprinting and/or exposure metrics (as defined by TCFD)	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-FS14.1a

(C-FS14.1a) Provide details of your organization's portfolio emissions in the reporting year.

Banking (Bank)

Portfolio emissions (metric unit tons CO2e) in the reporting year
18826000

Portfolio coverage
92

Percentage calculated using data obtained from clients/investees
5

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
Covers the emission-assessed part of the Groups end-2020 on-balance credit exposure. Stated in terms of financed emission and is aligned with Table 4.1 of Danske Bank's Climate Action Plan (2023) report.

"Portfolio coverage" and "Percentage calculated using data obtained from clients/investees" are based on share of on-balance exposure to the corporate and personal customer portfolios, using end-2020 data.

Investing (Asset manager)

Portfolio emissions (metric unit tons CO2e) in the reporting year
20757354

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
Based on ISS ESG Climate Impact Assessment. Good data coverage for listed equities and corporate credits, while sovereign debt and the majority of unlisted equities remains a data challenge. The financed carbon emissions of our AuM in Asset Management are calculated by measuring scope 1, 2 and 3 greenhouse gas emissions from the companies in the investment portfolios weighted by our share of investment.

Investing (Asset owner)

Portfolio emissions (metric unit tons CO2e) in the reporting year
10783611

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology
The Global GHG Accounting and Reporting Standard for the Financial Industry

Please explain the details and assumptions used in your calculation
Scope 1, 2 and 3.

C-FS14.1b

(C-FS14.1b) Provide details of the other carbon footprinting and/or exposure metrics used to track the impact of your portfolio on the climate.

Portfolio
Investing (asset manager)

Portfolio metric
Other, please specify (To complement our concrete emission intensity reduction targets, this year we have also set SBTi-based temperature rating targets, using ISS ESG Climate Impact Assessment.)

Metric value in the reporting year

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Calculation methodology
Based on ISS ESG Climate Impact Assessment. The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS).

Portfolio
Investing (asset owner)

Portfolio metric
Other, please specify (To complement our concrete emission intensity reduction targets, this year we have also set SBTi-based temperature rating targets, using ISS ESG Climate Impact Assessment.)

Metric value in the reporting year

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Calculation methodology
Based on ISS ESG Climate Impact Assessment. The scenario alignment analysis compares current and future portfolio greenhouse gas emissions with the carbon budgets for the IEA Sustainable Development Scenario (SDS), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS).

Portfolio
Banking (Bank)

Portfolio metric
Other, please specify (Various exposure-weighted emission intensities related to customers physical activities.)

Metric value in the reporting year

Portfolio coverage
71

Percentage calculated using data obtained from clients/investees

Calculation methodology
Exposure-weighted emission intensities, e.g., gCO_2e/MJ, $kgCO_2/MWh$, tCO_2/t steel, etc, on relevant portfolios. See table 4.2 of Danske Bank's Climate Action Plan (2023) report.

"Portfolio coverage" is based on share of on-balance exposure of the combined corporate and personal customer portfolios, using end-2020 data.

Portfolio
Investing (asset manager)

Portfolio metric
Portfolio carbon footprint (tCO_2e/Million invested)

Metric value in the reporting year
38

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Calculation methodology
ISS ESG Climate Impact Assessment.

Portfolio
Investing (asset owner)

Portfolio metric
Portfolio carbon footprint (tCO_2e/Million invested)

Metric value in the reporting year
9

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Calculation methodology
Scope 1 and 2. The metric value is 86 if also including scope 3.

Portfolio
Investing (asset manager)

Portfolio metric
Weighted average carbon intensity (tCO_2e/Million revenue)

Metric value in the reporting year
69

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Calculation methodology
WACI.

Portfolio
Investing (asset manager)

Portfolio metric
Carbon intensity (tCO_2e/Million revenue)

Metric value in the reporting year
117

Portfolio coverage
78

Percentage calculated using data obtained from clients/investees

Calculation methodology

C-FS14.1c

(C-FS14.1c) Disclose or restate your portfolio emissions for previous years.

Past year 1 for Banking (Bank)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 1 for Investing (Asset manager)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 1 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 2 for Banking (Bank)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 2 for Investing (Asset manager)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 2 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 3 for Banking (Bank)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 3 for Investing (Asset manager)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

Past year 3 for Investing (Asset owner)

Start date

End date

Portfolio emissions (metric unit tons CO2e) in the reporting year

Portfolio coverage

Percentage calculated using data obtained from clients/investees

Emissions calculation methodology

Please explain the details and assumptions used in your calculation

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's portfolio impact?

	Portfolio breakdown	Please explain why you do not provide a breakdown of your portfolio impact
Row 1	Yes, by asset class Yes, by industry	<Not Applicable>

C-FS14.2a

(C-FS14.2a) Break down your organization's portfolio impact by asset class.

Asset class	Portfolio metric	Portfolio emissions or alternative metric
Please select	Absolute portfolio emissions (tCO2e)	18826000
Investing; Other, please specify (Equities (Asset Owner; scope 1,2,3))	Absolute portfolio emissions (tCO2e)	9455222
Investing; Other, please specify (Bonds (Asset Owner; scope 1,2,3))	Absolute portfolio emissions (tCO2e)	1328390
Investing; Other, please specify (Equities (Asset Owner; scope 1,2,3))	Weighted average carbon intensity (tCO2e/Million revenue)	137
Investing; Other, please specify (Bonds (Asset Owner; scope 1,2,3))	Weighted average carbon intensity (tCO2e/Million revenue)	148
Investing; Other, please specify (Equities (Asset Owner; scope 1,2,3))	Portfolio carbon footprint (tCO2e/Million invested)	88
Investing; Other, please specify (Bonds (Asset Owner; scope 1,2,3))	Portfolio carbon footprint (tCO2e/Million invested)	71

C-FS14.2b

(C-FS14.2b) Break down your organization's portfolio impact by industry.

Portfolio	Industry	Portolio metric	Portfolio emissions or alternative metric
Banking (Bank)	Other, please specify (Shipping)	Absolute portfolio emissions (tCO2e)	7878000
Banking (Bank)	Other, please specify (Oil & Gas)	Absolute portfolio emissions (tCO2e)	2834000
Banking (Bank)	Other, please specify (Utilities and infrastructure)	Absolute portfolio emissions (tCO2e)	2647000
Banking (Bank)	Other, please specify (Agriculture)	Absolute portfolio emissions (tCO2e)	2145000
Banking (Bank)	Other, please specify (Construction and building materials)	Absolute portfolio emissions (tCO2e)	402000
Banking (Bank)	Other, please specify (Commercial real estate)	Absolute portfolio emissions (tCO2e)	236000
Banking (Bank)	Other, please specify (Metals and mining)	Absolute portfolio emissions (tCO2e)	145000
Banking (Bank)	Other, please specify (Personal mortgages)	Absolute portfolio emissions (tCO2e)	1034000
Investing (Asset manager)	Utilities	Absolute portfolio emissions (tCO2e)	2906029
Investing (Asset manager)	Materials	Absolute portfolio emissions (tCO2e)	8510515
Investing (Asset manager)	Other, please specify (Industrials)	Absolute portfolio emissions (tCO2e)	2906029
Investing (Asset manager)	Energy	Absolute portfolio emissions (tCO2e)	2490882
Investing (Asset manager)	Other, please specify (Consumer Staples)	Absolute portfolio emissions (tCO2e)	622720
Investing (Asset manager)	Other, please specify (Consumer Discretionary)	Absolute portfolio emissions (tCO2e)	622720
Investing (Asset manager)	Other, please specify (Information Technology)	Absolute portfolio emissions (tCO2e)	415147

C-FS14.3

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

	Actions taken to align our portfolio with a 1.5°C world	Briefly explain the actions you have taken to align your portfolio with a 1.5-degree world	Please explain why you have not taken any action to align your portfolio with a 1.5°C world
Banking (Bank)	Yes	As part of our Climate Action Plan, we have mapped our total carbon footprint and set comprehensive goals in line with the Paris Agreement. We have also set interim climate targets on most of our high-emitting sectors.	<Not Applicable>
Investing (Asset manager)	Yes	As part of our Climate Action Plan, we have mapped our total carbon footprint and set comprehensive goals in line with the Paris Agreement goals. We have also set interim climate targets, which for means reducing weighted-average carbon intensity with 50% by 2030, engaging with the 100 largest emitters by 2025, and reducing the portfolio temperature rating in line with the 1.5°C target.	<Not Applicable>
Investing (Asset owner)	Yes	As part of our Climate Action Plan, we have mapped our total carbon footprint and set comprehensive goals in line with the Paris Agreement goals. We have also set interim climate targets, which means reducing weighted-average carbon intensity with 50% by 2030, engaging with the 100 largest emitters by 2025, and reducing the portfolio temperature rating in line with the 1.5°C target.	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-FS14.3a

(C-FS14.3a) Does your organization assess if your clients/investees' business strategies are aligned with a 1.5°C world?

	Assessment of alignment of clients/investees' strategies with a 1.5°C world	Please explain why you are not assessing if your clients/investees' business strategies are aligned with a 1.5°C world
Banking (Bank)	Yes, for some	We are currently performing assessment of some clients.
Investing (Asset manager)	Yes, for all	<Not Applicable>
Investing (Asset owner)	Yes, for all	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	This oversight and responsibility relate primarily to biodiversity-related impacts, risks and opportunities from financing and investment activities.	Risks and opportunities to our bank lending activities Risks and opportunities to our investment activities Risks and opportunities to our insurance underwriting activities The impact of our own operations on biodiversity The impact of our bank lending activities on biodiversity The impact of our investing activities on biodiversity The impact of our insurance underwriting activities on biodiversity

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	<Not Applicable>	SDG PBAF - Partnership for Biodiversity Accounting Financials

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Portfolio activity

Portfolio activity

Bank lending portfolio (Bank)
Investing portfolio (Asset manager)
Investing portfolio (Asset owner)

Tools and methods to assess impacts and/or dependencies on biodiversity

Bioscope
ENCORE tool
F4B - Finance for Biodiversity
PBAF – Partnership for Biodiversity Accounting Financials
Other, please specify (UN Principles for Responsible Banking Impact Tool)

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

Evaluation of biodiversity-related financial risks and impacts per portfolio and sector. The associated outcomes of the scoping assessment provided insight into the most material impact drivers of environmental change per sector and industry. Outcome is used to inform risk management, commercial considerations and target-setting.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Portfolio activity

Portfolio activity

Bank lending portfolio (Bank)
Investing portfolio (Asset manager)
Investing portfolio (Asset owner)

Tools and methods to assess impacts and/or dependencies on biodiversity

ENCORE tool
F4B - Finance for Biodiversity
PBAF – Partnership for Biodiversity Accounting Financials

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

Evaluation of biodiversity-related financial risks and impacts per portfolio and sector, used to inform risk management, commercial considerations and target-setting.

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Other, please specify (Engagement with corporate clients and investee companies on biodiversity-related risks and opportunities.)

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments	Sustainability Report 2022.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer (CFO)	Chief Financial Officer (CFO)

FW-FS Forests and Water Security (FS only)

FW-FS1.1

(FW-FS1.1) Is there board-level oversight of forests- and/or water-related issues within your organization?

	Board-level oversight of this issue area	Explain why your organization does not have board-level oversight of this issue area and any plans to address this in the future
Forests	No, but we plan to within the next two years	
Water	No, but we plan to within the next two years	

FW-FS1.1c

(FW-FS1.1c) Does your organization have at least one board member with competence on forests- and/or water-related issues?

Forests

Board member(s) have competence on this issue area
Not assessed

Criteria used to assess competence of board member(s) on this issue area
<Not Applicable>

Primary reason for no board-level competence on this issue area

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

Water

Board member(s) have competence on this issue area
Not assessed

Criteria used to assess competence of board member(s) on this issue area
<Not Applicable>

Primary reason for no board-level competence on this issue area

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

FW-FS1.2

(FW-FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests- and/or water-related issues.

FW-FS2.1

(FW-FS2.1) Do you assess your portfolio's exposure to forests- and/or water-related risks and opportunities?

	We assess our portfolio's exposure to this issue area	Explain why your portfolio's exposure is not assessed for this issue area and any plans to address this in the future
Banking – Forests exposure	Please select	<Not Applicable>
Banking – Water exposure	Please select	<Not Applicable>
Investing (Asset manager) – Forests exposure	Please select	<Not Applicable>
Investing (Asset manager) – Water exposure	Please select	<Not Applicable>
Investing (Asset owner) – Forests exposure	Please select	<Not Applicable>
Investing (Asset owner) – Water exposure	Please select	<Not Applicable>
Insurance underwriting – Forests exposure	<Not Applicable>	<Not Applicable>
Insurance underwriting – Water exposure	<Not Applicable>	<Not Applicable>

FW-FS2.2

(FW-FS2.2) Does your organization consider forests- and/or water-related information about clients/investees as part of its due diligence and/or risk assessment process?

	We consider forests- and/or water-related information	Explain why information related to this issue area is not considered and any plans to address this in the future
Banking – Forests-related information	Please select	<Not Applicable>
Banking – Water-related information	Please select	<Not Applicable>
Investing (Asset manager) – Forests-related information	Please select	<Not Applicable>
Investing (Asset manager) – Water-related information	Please select	<Not Applicable>
Investing (Asset owner) – Forests-related information	Please select	<Not Applicable>
Investing (Asset owner) – Water-related information	Please select	<Not Applicable>
Insurance underwriting – Forests-related information	<Not Applicable>	<Not Applicable>
Insurance underwriting – Water-related information	<Not Applicable>	<Not Applicable>

FW-FS2.3

(FW-FS2.3) Have you identified any inherent forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Risks identified for this issue area	Primary reason why your organization has not identified any substantive risks for this issue area	Explain why your organization has not identified any substantive risks for this issue area
Forests	Please select	<Not Applicable>	<Not Applicable>
Water	Please select	<Not Applicable>	<Not Applicable>

FW-FS2.4

(FW-FS2.4) Have you identified any inherent forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Opportunities identified for this issue area	Primary reason why your organization has not identified any substantive opportunities for this issue area	Explain why your organization has not identified any substantive opportunities for this issue area
Forests	Please select	<Not Applicable>	<Not Applicable>
Water	Please select	<Not Applicable>	<Not Applicable>

FW-FS3.1

(FW-FS3.1) Do you take forests- and/or water-related risks and opportunities into consideration in your organization's strategy and/or financial planning?

Forests

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning

Description of influence on organization's strategy including own commitments
<Not Applicable>

Financial planning elements that have been influenced
<Not Applicable>

Description of influence on financial planning
<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
<Not Applicable>

Water

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning

Description of influence on organization's strategy including own commitments
<Not Applicable>

Financial planning elements that have been influenced
<Not Applicable>

Description of influence on financial planning
<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning
<Not Applicable>

FW-FS3.2

(FW-FS3.2) Has your organization conducted any scenario analysis to identify forests- and/or water-related outcomes?

Forests

Scenario analysis conducted to identify outcomes for this issue area

Type of scenario analysis used
<Not Applicable>

Parameters, assumptions, analytical choices
<Not Applicable>

Description of outcomes for this issue area
<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy
<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future
<Not Applicable>

Water

Scenario analysis conducted to identify outcomes for this issue area

Type of scenario analysis used
<Not Applicable>

Parameters, assumptions, analytical choices
<Not Applicable>

Description of outcomes for this issue area
<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy
<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future
<Not Applicable>

FW-FS3.3

(FW-FS3.3) Has your organization set targets for deforestation free and/or water secure lending, investing and/or insuring?

	Targets set	Explain why your organization has not set targets for deforestation free and/or water secure lending, investing and/or insuring and any plans to address this in the future
Forests	Please select	<Not Applicable>
Water Security	Please select	<Not Applicable>

FW-FS3.4

(FW-FS3.4) Do any of your existing products and services enable clients to mitigate deforestation and/or water insecurity?

	Existing products and services that enable clients to mitigate deforestation and/or water insecurity	Explain why your organization does not offer products and services which enable clients to mitigate deforestation and/or water insecurity and any plans to address this in the future
Forests	Please select	<Not Applicable>
Water	Please select	<Not Applicable>

FW-FS3.5

(FW-FS3.5) Does the policy framework for the portfolio activities of your organization include forests- and/or water-related requirements that clients/investees need to meet?

	Policy framework includes this issue area	Explain why your organization does not include this issue area in the policy framework and any plans to address this in the future
Forests	Please select	<Not Applicable>
Water	Please select	<Not Applicable>

FW-FS3.6

(FW-FS3.6) Does your organization include covenants in financing agreements to reflect and enforce your forests- and/or water-related policies?

	Covenants included in financing agreements to reflect and enforce policies for this issue area	Explain how the covenants included in financing agreements relate to your policies for this issue area	Explain why your organization does not include covenants for this issue area in financing agreements and any plans to address this in the future
Forests	Please select	<Not Applicable>	<Not Applicable>
Water	Please select	<Not Applicable>	<Not Applicable>

FW-FS4.1

(FW-FS4.1) Do you engage with your clients/investees on forests- and/or water-related issues?

	We engage with clients/investees on this issue area	Explain why you do not engage with your clients/investees on the issue area and any plans to address this in the future
Clients – Forests	Please select	<Not Applicable>
Clients – Water	Please select	<Not Applicable>
Investees – Forests	Please select	<Not Applicable>
Investees – Water	Please select	<Not Applicable>

FW-FS4.2

(FW-FS4.2) Does your organization exercise its voting rights as a shareholder on forests- and/or water-related issues?

	We exercise voting rights as a shareholder on this issue area	Issues supported in shareholder resolutions	Give details of the impact your voting has had on this issue area	Explain why your organization does not exercise voting rights on this issue area and any plans to address this in the future
Forests	Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water	Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>

FW-FS4.3

(FW-FS4.3) Does your organization provide financing and/or insurance to smallholders in the agricultural commodity supply chain?

	Provide financing and/or insurance to smallholders in the agricultural commodity supply chain	Agricultural commodity	Primary reason for not providing finance and/or insurance to smallholders	Explain why your organization does not provide finance/insurance to smallholders and any plans to change this in the future
Row 1	Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>

FW-FS4.4

(FW-FS4.4) Does your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may impact forests and/or water security?

	External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Explain why you do not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area
Forests	Please select	<Not Applicable>	<Not Applicable>
Water	Please select	<Not Applicable>	<Not Applicable>

FW-FS5.1

(FW-FS5.1) Does your organization measure its portfolio impact on forests and/or water security?

	We measure our portfolio impact on this issue area	Explain how your organization measures its portfolio impact on this issue area, including any metrics used to quantify impact	Primary reason for not measuring portfolio impact on this issue area	Explain why your organization does not measure its portfolio impact on this issue area and any plans to change this in the future
Banking – Impact on Forests	No, and we don't plan to in the next two years	<Not Applicable>	Please select	
Banking – Impact on Water	No, and we don't plan to in the next two years	<Not Applicable>	Please select	
Investing (Asset manager) – Impact on Forests	No, and we don't plan to in the next two years	<Not Applicable>	Please select	
Investing (Asset manager) – Impact on Water	No, and we don't plan to in the next two years	<Not Applicable>	Please select	
Investing (Asset owner) – Impact on Forests	No, and we don't plan to in the next two years	<Not Applicable>	Please select	
Investing (Asset owner) – Impact on Water	No, and we don't plan to in the next two years	<Not Applicable>	Please select	
Insurance underwriting – Impact on Forests	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting – Impact on Water	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

FW-FS5.2

(FW-FS5.2) Does your organization provide finance or insurance to companies operating in any stages of the following forest risk commodity supply chains, and are you able to report on the amount of finance/insurance provided?

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Lending to companies operating in the timber products supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the palm oil products supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cattle products supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the soy supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the rubber supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cocoa supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the coffee supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the timber products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the palm oil products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cattle products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the soy supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the rubber supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cocoa supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the coffee supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the timber products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the palm oil products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cattle products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the soy supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the rubber supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cocoa supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the coffee supply chain	Please select	<Not Applicable>	<Not Applicable>
Insuring companies operating in the timber products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the palm oil products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cattle products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the soy supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the rubber supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cocoa supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the coffee supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>

FW-FS6.1

(FW-FS6.1) Have you published information about your organization's response to forests- and/or water-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms