Danske Bank

Investor Presentation

First nine months 2023

Danske Bank

Agenda

Danske Bank

We are a focused Nordic bank with strong regional roots

3.3m
personal and business customers

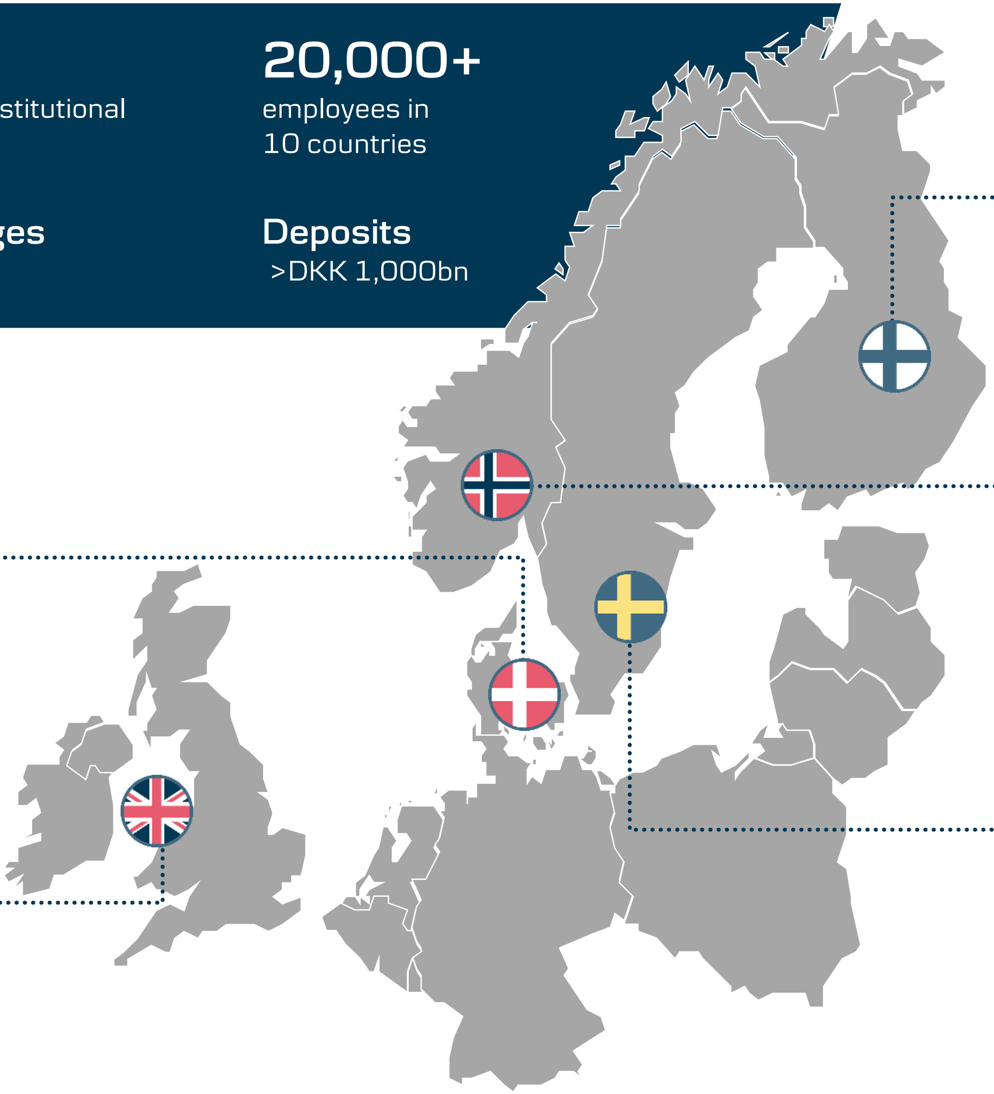
2,000+
large corporate and institutional customers

20,000+
employees in 10 countries

Assets under Management
DKK >690bn*

Loans & Mortgages
>DKK 1,700bn

Deposits
>DKK 1,000bn



Denmark (AAA)
Market leader
Share of Group lending: 44%

GDP growth 2023E: 1.7%
Unemployment 2023E: 2.9%
Leading central bank rate: 3.6%

Northern Ireland (AA)
Market leader
Share of Group lending: 3%

Finland (AA+)
3rd largest
Share of Group lending: 8%

GDP growth 2023E: -0.2%
Unemployment 2023E: 7.2%
Leading central bank rate: 4.0%

Norway (AAA)**
Challenger position
Share of Group lending: 10%

GDP growth 2023E: 1.2%
Unemployment 2023E: 1.9%
Leading central bank rate: 4.25%

Sweden (AAA)
Challenger position
Share of Group lending: 11%

GDP growth 2023E: 0.0%
Unemployment 2023E: 7.5%
Leading central bank rate: 4.0%

Note: Share of Group lending is before loan impairment charges and excludes Large Corporates & Institutions (17%), Asset Finance (3%) and Global Private Banking (4%)
* Asset Management in LC&I.

Nordic Outlook September 2023 - Modest economic cooling in the Nordics

	2022	Forecast 2023	2024
GDP Growth	2.7%	1.7% (1.5%)	1.2% (1.0%)
Inflation	7.7%	4.0% (4.1%)	3.2% (3.2%)
Unemployment	2.6%	2.9% (2.9%)	3.2% (3.4%)
Policy rate*	1.75%	3.60% (3.60%)	2.85% (2.85%)
House prices	-0.1%	-3.0% (-7.0%)	0.0% (-1.5%)

Paranthesis are the old projections (From June 2023)
**End of period*
Source: Danske Bank, Statistics Denmark, Nationalbanken

	2022	Forecast 2023	2024
GDP Growth	2.9%	0.0% (0.5%)	1.7% (1.9%)
Inflation	8.4%	8.4% (8.4%)	1.8% (1.9%)
Unemployment	7.5%	7.5% (7.5%)	7.8% (7.8%)
Policy rate*	2.50%	4.00% (4.00%)	3.00% (3.00%)
House prices	0.0%	-8.0% (-8.0%)	1.0% (1.0%)

Paranthesis are the old projections (From June 2023)
**End of period*
Source: Danske Bank, Statistics Sweden, Riksbanken

	2022	Forecast 2023	2024
GDP Growth	3.8%	1.2% (1.1%)	1.4% (1.4%)
Inflation	5.8%	5.8% (5.3%)	2.5% (2.5%)
Unemployment	1.8%	1.9% (1.9%)	2.3% (2.3%)
Policy rate*	2.75%	4.25% (3.75%)	3.25% (2.75%)
House prices	4.8%	-2.5% (-2.0%)	-1.0% (0.0%)

Paranthesis are the old projections (From June 2023)
**End of period*
Source: Danske Bank, Statistics Norway,
Norwegian Labour and Welfare Organization (NAV), Norges Bank

	2022	Forecast 2023	2024
GDP Growth	1.6%	-0.2% (-0.2%)	0.8% (0.8%)
Inflation	7.1%	6.5% (5.9%)	2.3% (2.1%)
Unemployment	6.8%	7.2% (7.0%)	7.0% (6.8%)
Policy rate*	2.00%	4.00% (4.00%)	3.25% (3.25%)
House prices	0.6%	-6.0% (-5.5%)	2.5% (4.0%)

Paranthesis are the old projections (From June 2023)
**End of period*
Source: Danske Bank, Statistics Finland, EKP

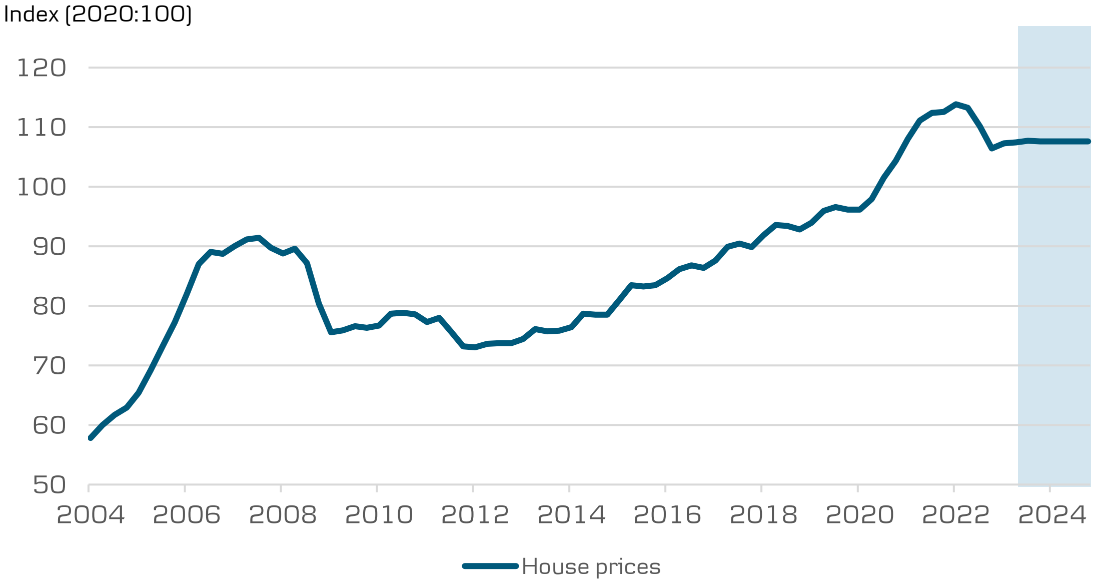
Source: Danske Bank Research http://www.danskebank.com/danskeresearch

Danske Bank

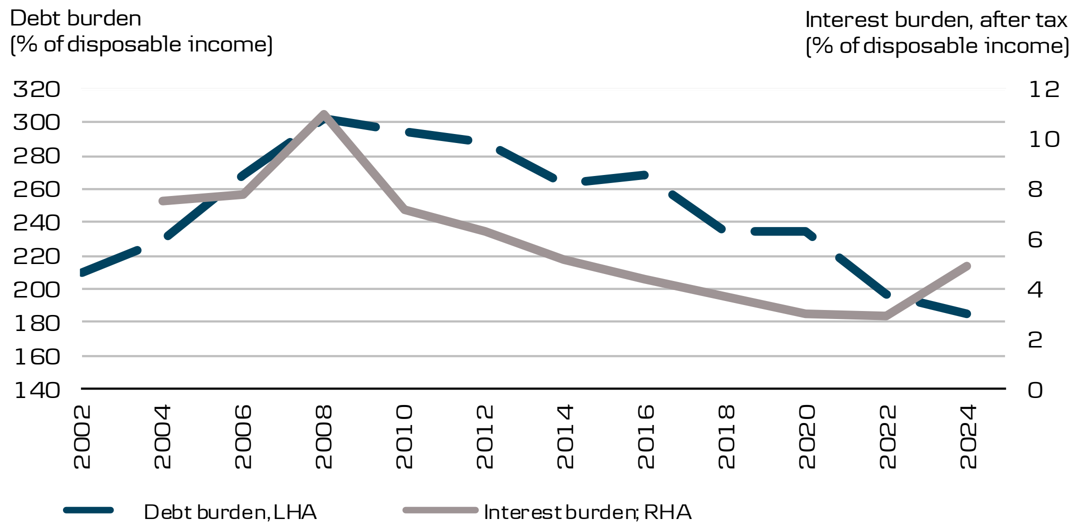
Outlook for Danish housing market

House prices have stabilised faster than expected despite sharply rising interest rates

Forecast for house prices, Denmark



Household debt and interest payments, Denmark



Source: Danske Bank Research http://www.danskebank.com/danskeresearch September 2023. Real Estate Prices, Statistics Denmark

Danske Bank

Highlights – strong financial performance and sustained execution of commercial agenda despite slowdown in economic activity

- ✓ Commercial performance driven by strong NII uplift. Repricing ensures competitive and attractive customer offerings. Steady volume development despite macroeconomic slowdown
- ✓ Steadily improving trend in fee income, despite lower Y/Y, benefiting from increased customer activity in the capital markets and recovery in investment activities, while housing market remains subdued
- ✓ Strong labour market and household finances continue to underpin resilient and well-diversified credit portfolio
- ✓ On track with execution of Financial Crime Prevention Plan, to be completed by year-end, marking another milestone in the significant fundamental improvements as part of Better Bank strategy
- ✓ Forward '28 execution underway to ensure a focused and more profitable approach in all markets. Swift divestment of PC Norway and closing of transaction with Infosys to optimise tech partnership

NII up 46% vs 9M22
supported by margin expansion and tailored pricing initiatives

Net profit of DKK 15.5bn YTD
sustainable profitability enhancement

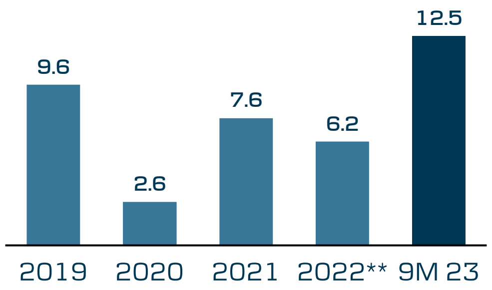
C/I 49%
underpinning enhanced profitability and cost focus

Impairments DKK 294m YTD
(2 bps) testament to strong credit quality

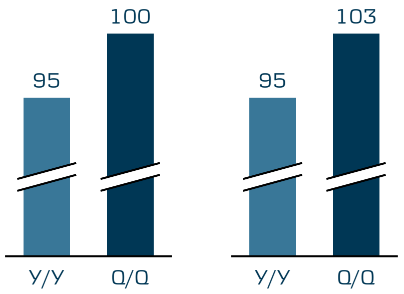
CET1 18.8%
buffer to requirements of 450bp, highlighting solid distribution capabilities

2023 outlook
Narrowing guidance range:
Net profit DKK 19.5 - 20.5bn

Return on Equity (%)



Nominal lending (index) — Deposits

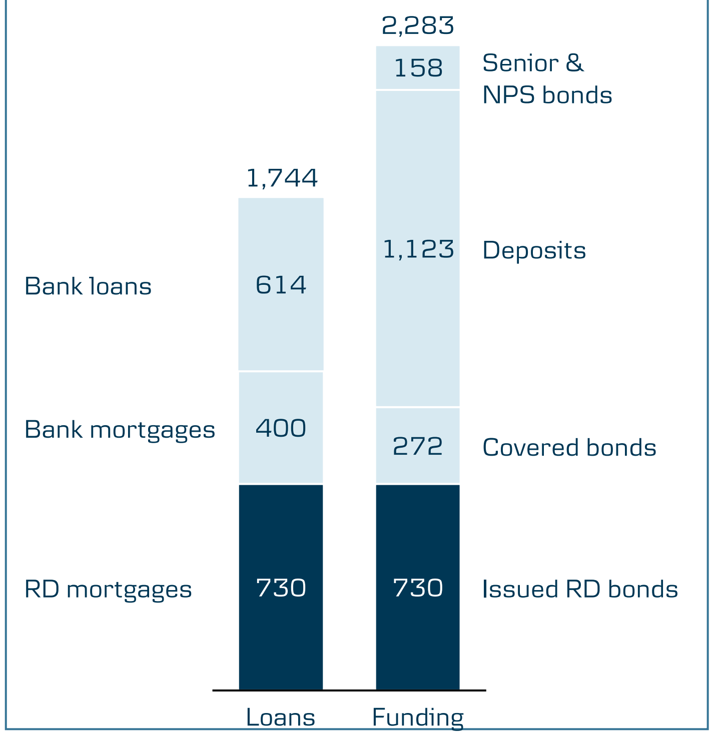


*Adjusted for Estonia matter and GW provision

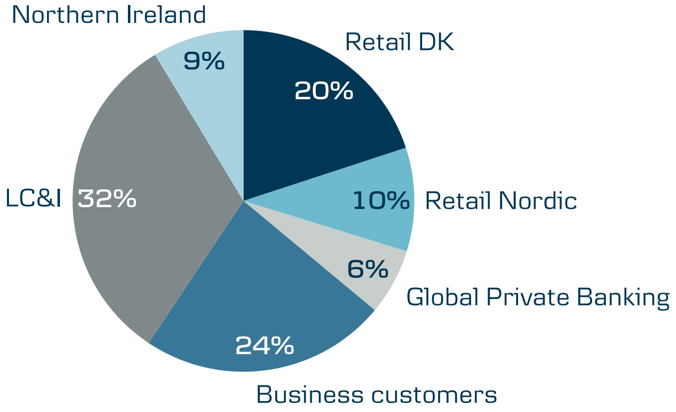
Danske Bank's fortress balance sheet underpins our resilient business model which includes a well-balanced ALM strategy and a very strong liquidity position

- Danske Bank has a sound funding structure and remains very well capitalised with a CET1 capital buffer of DKK +35bn to the current regulatory requirements. Further, our liquidity is underpinned by more than DKK 250bn in cash and a liquidity coverage ratio (LCR) of 173%, well above the minimum requirements
- Diversified and solid deposit mix that includes a retail base where the majority is covered by the Nordic guarantee schemes. Further, the fully-funded pass-through mortgage structure in Denmark provides a structural deposit surplus
- We have executed more than DKK 80bn of our total wholesale funding plan of DKK 80 -100bn for 2023 and have flexibility for the remainder of the year

Sound funding structure (DKK bn)



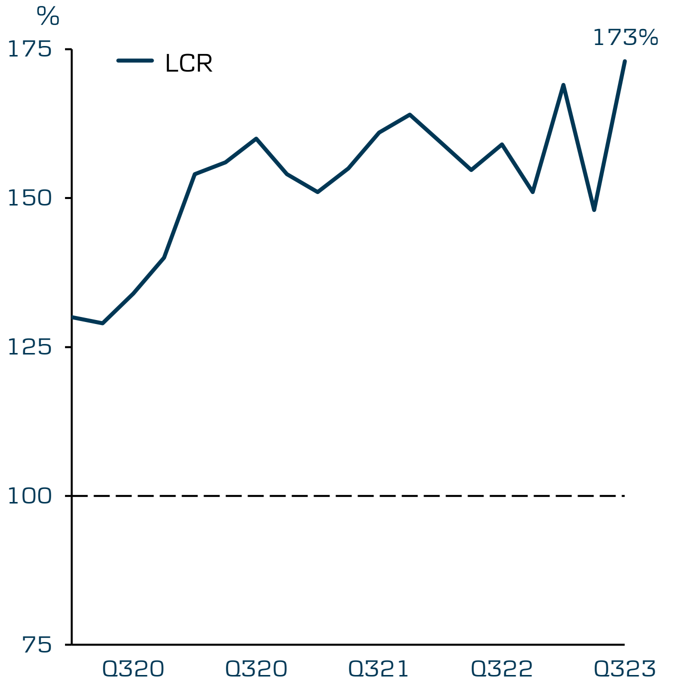
Diversified and stable deposit base



	Q421	Q422	Q123	Q223	Q323
Total bank deposits (DKK bn)	1,168	1,170	1,156	1,093	1,124
of which Stable deposits*	376	388	387	383	378
of which Operational deposits*	297	319	320	316	312
Stable & Operational, % of bank deposits	58%	60%	61%	64%	61%

* Based on regulatory definition. E.g., Stable deposits include fully insured retail deposits to customers with full relationship at Danske Bank. Operational deposits is from Corporate depositors maintained to obtain clearing, custody and cash management

Strong liquidity position



Traction towards our sustainability targets remains positive

	Sustainable finance		Sustainable operations			Impact initiatives	
	Responsible investing	Sustainable financing	Governance & integrity	Employee well-being & diversity	Environmental footprint	Entrepreneurship	Financial confidence
2023 Targets	DKK 150bn in funds that have sustainability objectives [1] and DKK 50bn invested in the green transition by Danica Pension	DKK 300bn in sustainable financing – and setting Paris Agreement aligned climate targets for our lending portfolio	Over 95% of employees trained annually in risk and compliance	More than 35% women in senior leadership positions and an employee engagement score of 77	Reducing our CO_2e emissions by 40% compared to 2019, towards 60% by 2030	10,000 start-ups & scale-ups supported with growth and impact tools, services and expertise (since 2016)	2m people supported with financial literacy tools and expertise (since 2018)
Latest status * indicates Q3 update	**DKK 51bn** * in sust. funds (art. 9) **DKK 48bn** * by Danica Pension	**DKK 348bn** * + Climate Action Plan with targets aligned to Paris Agreement 1.5°C	**97% trained**	**34% women** * **77** * engagement score	**– 55%** for 2022 [2]	**7,600**	**2.3 m**

1) This is a 2030 target to have at least DKK 150bn in investment funds that have sustainability objectives (article 9 funds).

2) Operational emissions are expected to increase for 2023 due to transition to new domicile in Copenhagen.

Danske Bank

Financial outlook: Net profit for 2023 narrowed to be in the range of DKK 19.5-20.5 bn

Income

Net interest income to continue to grow on the basis of the announced central bank rate hikes and our commercial momentum. **Fee income** to be below the level in 2022. **Trading income** at a normalised level including the release of a loss from OCI related to the CET1 FX hedge attributable to the sale of our personal customers business in Norway.** **Income from insurance** lower than the normalised level due to negative valuation effects, higher claims and a provision for potential customer compensation.

Expenses

We continue to expect costs in 2023 to be in the range of 25 – 25.5bn reflecting our focus on cost management and despite the inflationary pressure. The outlook includes continually elevated remediation costs of approximately DKK 1.1bn.

Impairments

We now expect loan impairment charges of up to DKK 1bn due to continually strong credit quality, recoveries in the first half of the year, only few single names, and a lower-than-expected impact in the first nine months of the year of model-driven charges related to weaker macroeconomic outlook.

Net profit *

We expect net profit to be in the range of DKK 19.5-20.5bn. The guidance includes different one-offs recognised during the first nine months and the impact of the new Danish bank tax.

** Note – The outlook is subject to uncertainty and depends on volume growth, and financial market/macroeconomic conditions. ** Subject to regulatory approval.*

Financial highlights – first nine months 2023

Danske Bank

Strong income uplift supported by NII; recovery in trading /insurance despite impact from one-offs; strong credit quality underpins low impairments

Key points 9M23 vs 9M22

- Strong NII uplift (+46% Y/Y) benefiting from normalisation of rates while repricing initiatives and structural balance sheet effects are gradually taking hold
- Fee income resilient despite lower AuM and reduced capital markets-related fees. Lower remortgaging and housing activity also had an impact
- Trading and insurance income recovering towards normalised levels despite one-offs and other income impacted by planned divestment of PC Norway
- Steady progress on costs despite inflation and elevated remediation costs
- Strong credit quality continues to lead to modest impairments, while some cyclical sectors and macro models are reflecting the uncertain outlook
- The effective tax positively affected by reversal of provision following decision from tax authorities regarding exit from international joint taxation and another reversed provision related to dispute around valuation methods

Key points Q323 vs Q223

- NII up 10% Q/Q, benefiting from further rate hikes along with a DKK 0.3bn contribution related to a tax provision, and despite headwinds from higher funding costs
- Fee income improving as capital markets fees recover further and investments fees rebound from low level. Activity-related fees remain solid and offset subdued housing market activity
- Trading income impacted by divestment of PC NO with DKK 786m from unwind of CET1 hedge, and Danica impacted by one-off customer compensation of DKK 250m
- Operating expenses trending according to plan as [efficiencies] offset higher wage inflation
- Strong credit quality supporting below normalised impairments, despite provisions made against few cyclical names

Income statement and key figures (DKK m)

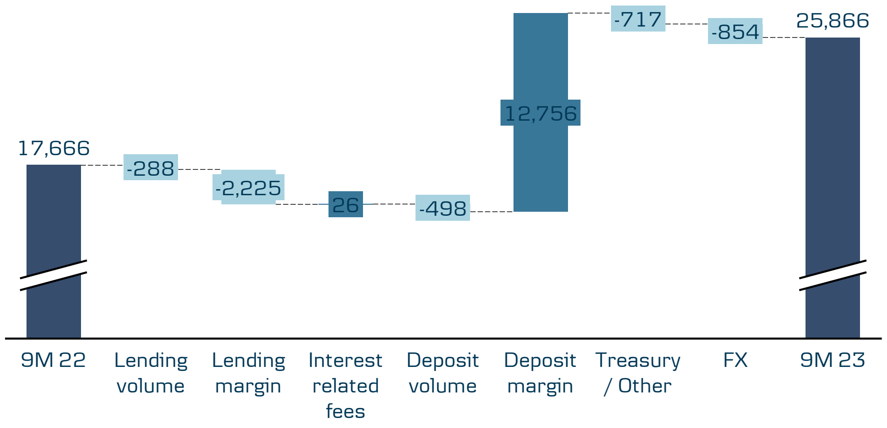
	9M23	9M22	Index	Q323	Q223	Index
Net interest income	25,866	17,666	146	9,326	8,516	110
Net fee income	8,560	9,536	90	2,867	2,739	105
Net trading income	2,946	879	335	174	1,160	15
Net income from insurance business	922	-241	-	233	192	121
Other income	324	1,203	27	431	-431	-
Total income	**38,618**	**29,042**	**133**	**13,031**	**12,176**	**107**
Operating expenses	18,822	19,570	96	6,204	6,338	98
Profit before loan impairments	**19,796**	**9,472**	**209**	**6,827**	**5,838**	**117**
Loan impairment charges	294	794	37	322	-175	-
Profit before tax, core	19,502	8,678	225	6,505	6,013	108
Profit before tax, Non-core	-55	-10	-	-30	5	-
Profit before tax	**19,447**	**8,668**	**224**	**6,475**	**6,018**	**108**
Tax	3,950	2,177	181	1,156	1,007	115
Estonia matter & goodwill impairment	-	15,627	-	-	-	-
Net profit (excl. Estonia matter & GW)	**15,497**	**6,491**	**239**	**5,319**	**5,011**	**106**

NII: Continued deposit margin expansion with deposit volumes remaining elevated; lending volumes have stabilised

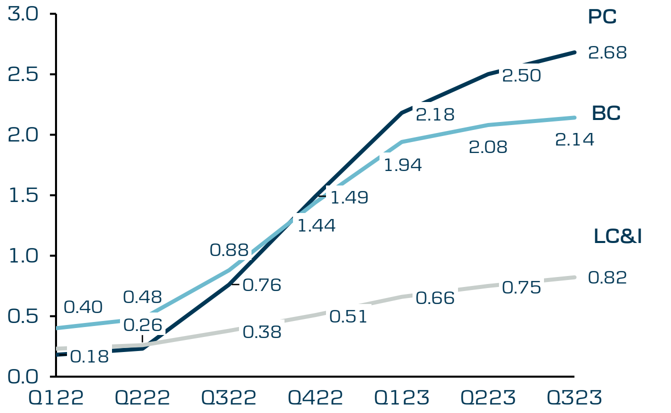
Highlights

- Net interest income continues the positive trend driven by further deposit margin expansion along with diligent repricing initiatives and despite tailored customer offerings (incl. HY savings accounts)
- Lending margins affected by higher funding costs and lagging effects of repricing. BU margins further impacted Q/Q by higher allocation of Treasury costs (no Group impact)
- Other benefited from one-off NII effect of DKK 0.3bn related to previous tax provision.
- Y/Y impacted by costs related to the Group's deposit hedge in Treasury. This should be viewed in light of the healthy margin expansion and has been fully allocated to BU margins in Q3
- NII sensitivity to moderate in year 1: DKK 600m (per 25bps uplift) with higher assumed migration to savings products. Additional uplift in year 2 and 3 of DKK 300m and DKK 200m, respectively, all else equal

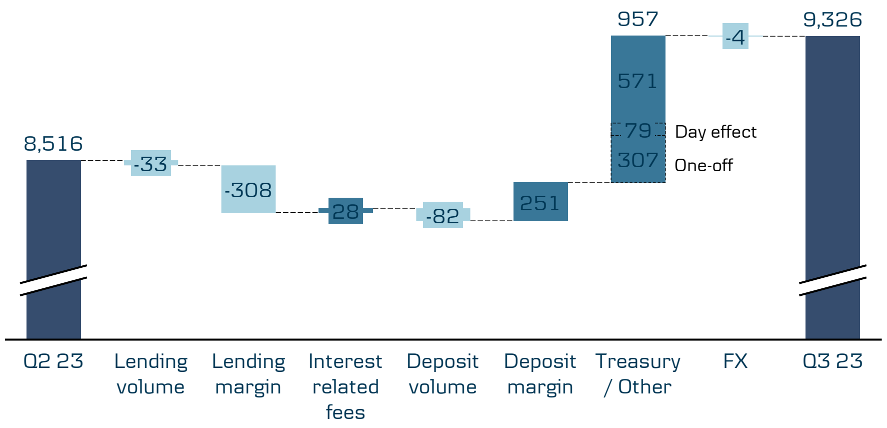
Net interest income 9M23 vs 9M22 (DKKm)



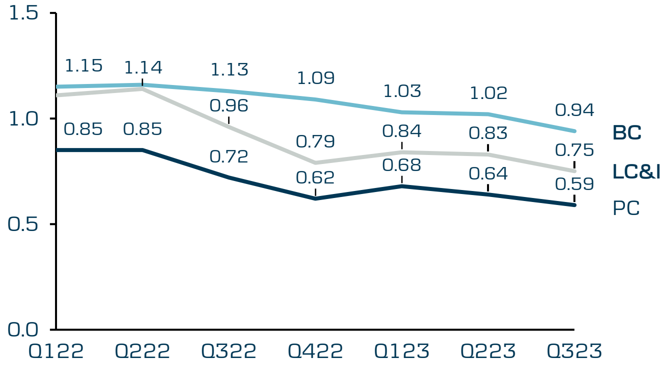
Deposit margin development (%)



Net interest income Q323 vs Q223 (DKKm)



Lending margin development (%)



Fees: Improving trend Q/Q as activity remained solid and capital markets/investment fees recover; Y/Y affected by lower lending activity and reduced AuM

Highlights

Activity-driven fees (transfers, accounts etc.)

- Resilient income from good customer activity, incl. retail spending, transaction banking and cash mgmt., further benefited by pricing initiatives

Lending and guarantee fees

- Y/Y: Lower income from subdued housing market activity and run-off of energy related liquidity facilities
- Q/Q: Stable development as slight improvement in housing market activity offset lower corporate need for liquidity facilities

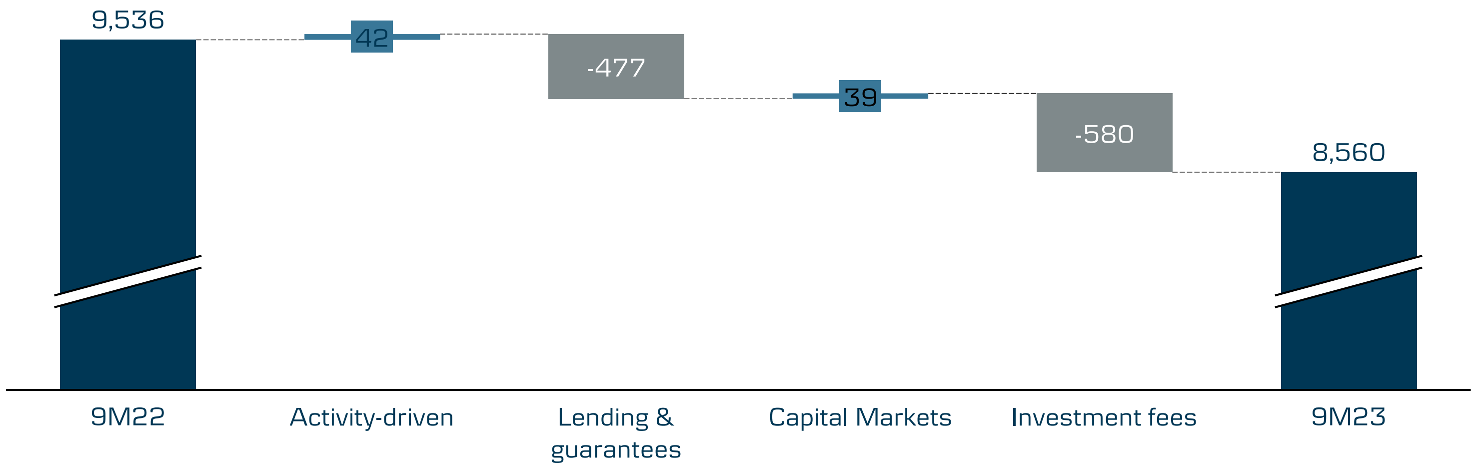
Capital markets fees

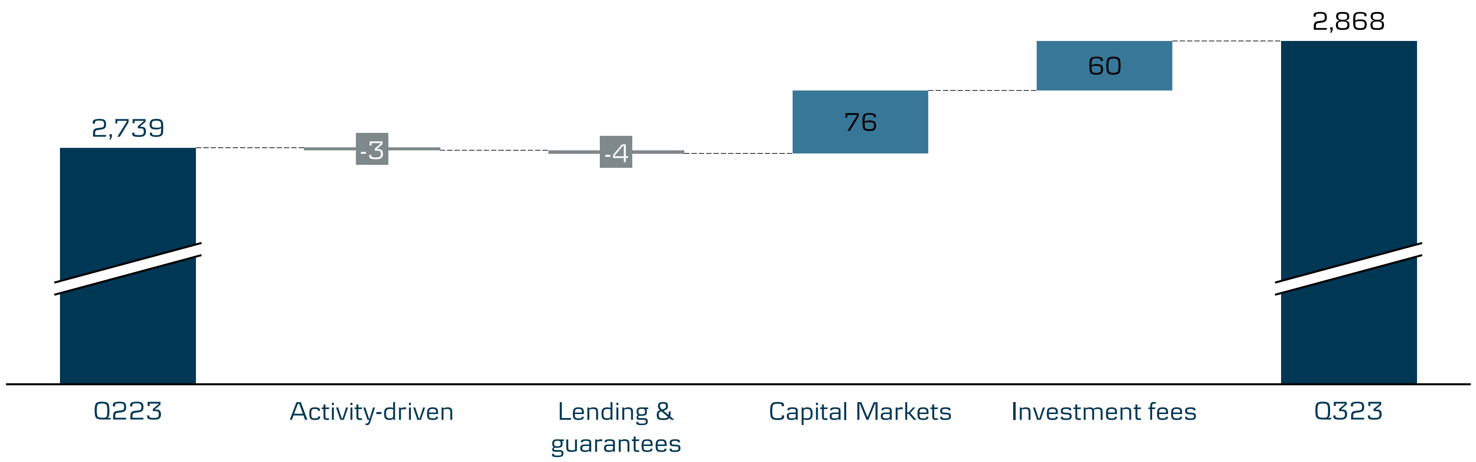
- Solid trend in DCM activity, further supported by recovery of M&A advisory and new ECM activity

Investment fees

- Y/Y: Investment fees impacted by reduced customer activity and lower AuM
- Q/Q: Solid rebound supported by uplift in income from an increase in assets under management

Net fee income (DKK m)





Trading income: Strong recovery compared to 9M'22; Q3 impacted by one-off and seasonality

Highlights

LC&I

- Y/Y: Recovery driven by better market conditions and solid customer activity, underpinned by the new fixed income strategy implemented in 2022 at LC&I
- Q/Q: Lower activity due to seasonal effects

PC and BC

- Y/Y: Good demand for FX risk management products at BC could not fully mitigate lower activity at PC
- Q/Q: Lower activity due to seasonal effects

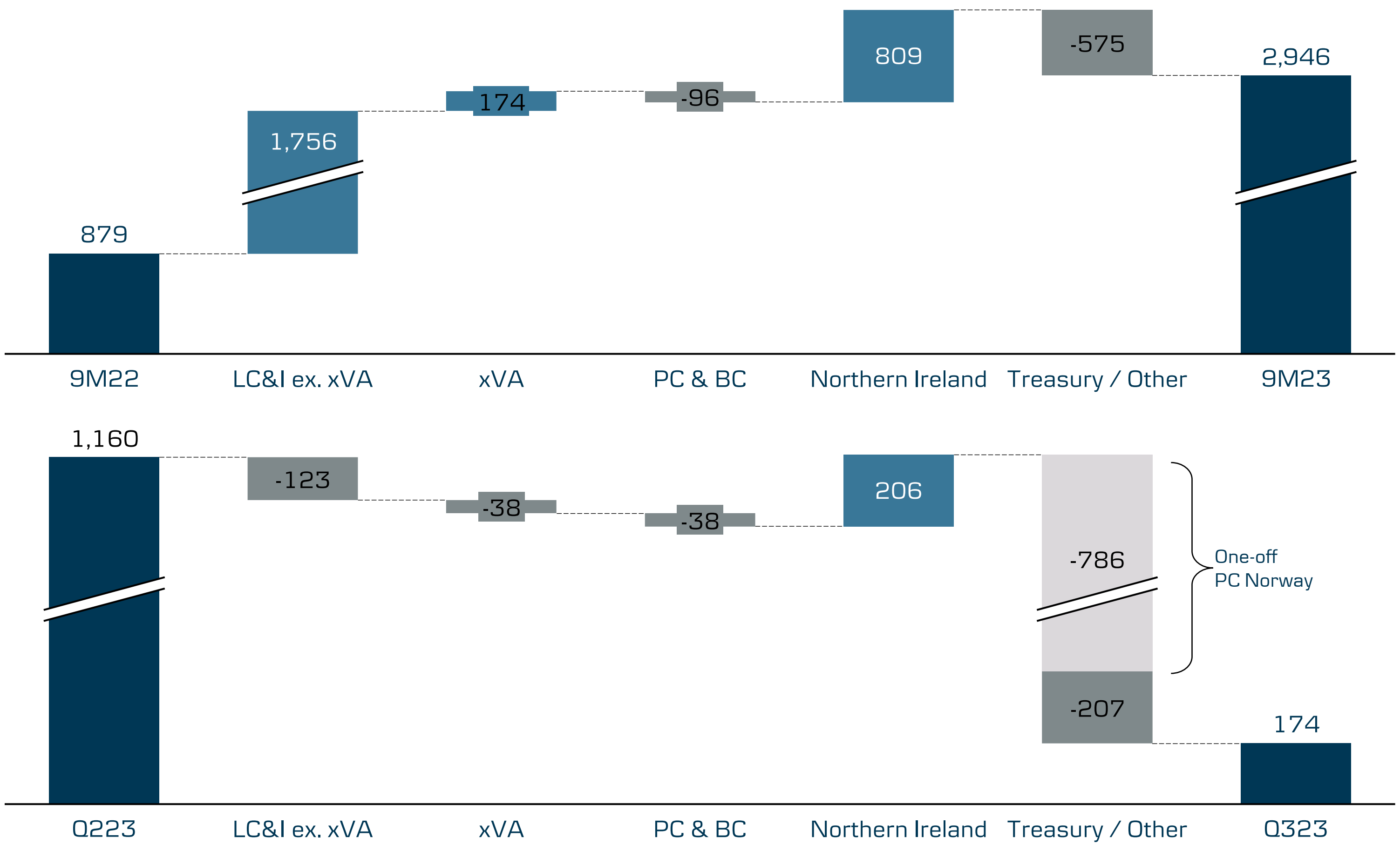
Northern Ireland

- Northern Ireland: Valuation effects on the bank's interest rate hedge supported Y/Y and Q/Q development

Group Functions

- Trading income negatively affected by PC Norway divestment from the recycling of 0.8bn from OCI, related to the CET1 FX hedge
- Q223 positively affected by DKK 0.3bn one-off

Net trading income (DKK m)

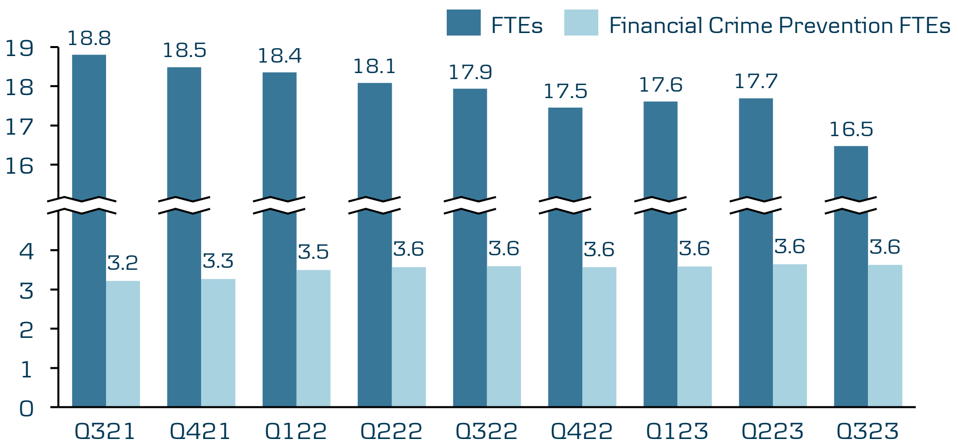


Expenses: Steady cost focus mitigate inflation headwinds and support cost-income ratio of 48%

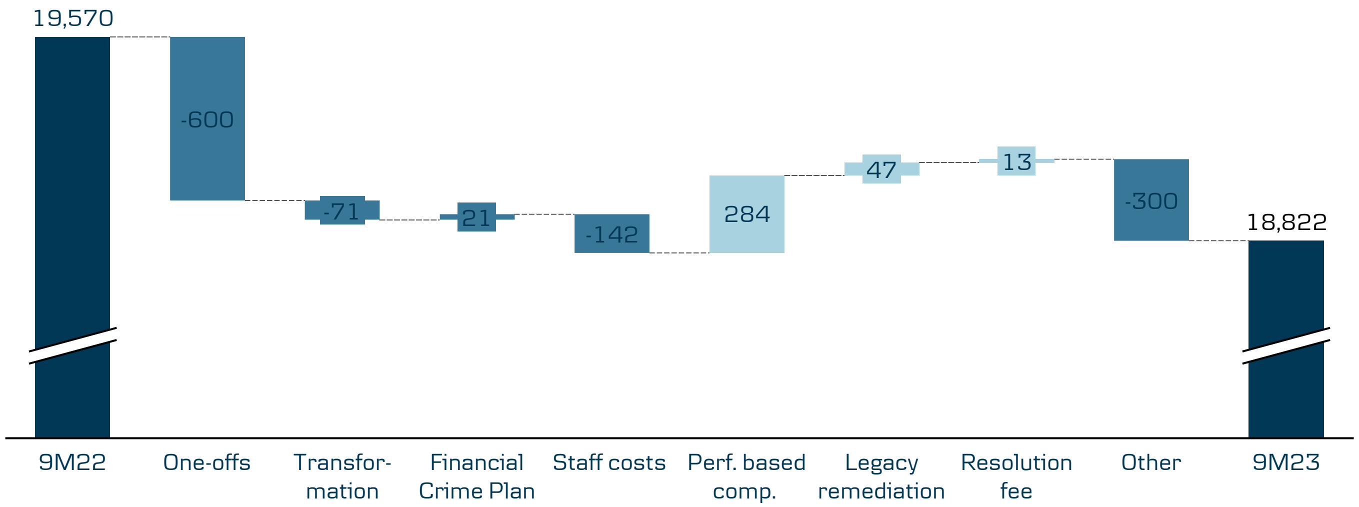
Highlights

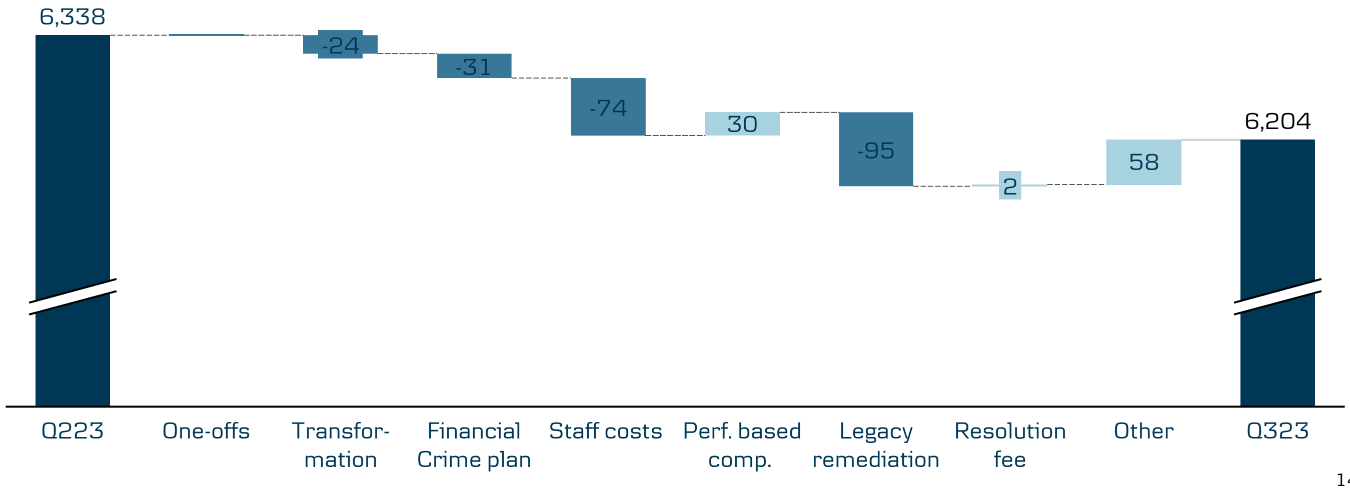
- Lower staff costs following structural cost reductions helped mitigate inflation pressure. FTE lower after closing of the Infosys transaction
- Cost base impacted by elevated level of remediation costs although the trend improved Q/Q. Completion of Financial Crime Prevention plan keeps allocated resources elevated
- Transformation costs coming down according to plan due to finalisation of Better Bank strategy
- Other costs lower Y/Y due to reduced premises, amortisation and consultancy spend. IT costs, e.g. related to the Infosys deal, increased slightly Q/Q

FTEs (#, thousands)



Expenses (DKK m)





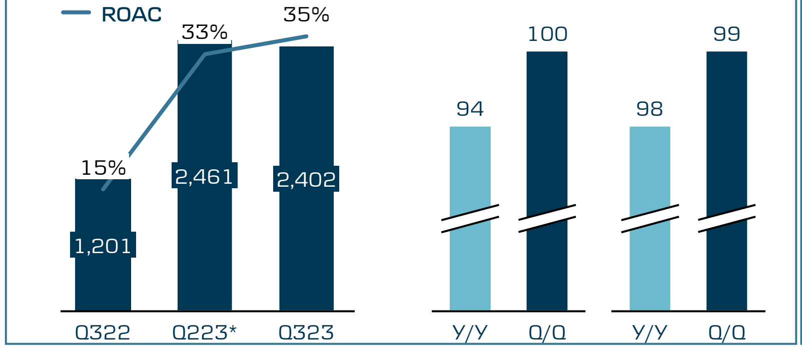
Business & Product Units

Business units: Steady development, enhanced profitability and solid lending uplift Y/Y for business customers

Personal Customers

- ✓ **Solid income** as deposit margin increase continues and fee income holds up well, despite low investment appetite and subdued housing activity
- ✓ **New competitive customer offerings** to ensure a holistic value proposition add deposit inflow to savings products
- ✓ **Supporting customers' green choices** with competitive prices on e.g. green car loans adding to demand. Improving customer flow in targeted segments and CSAT scores
- ✓ **Driving the digital agenda** by integrating investment platform June directly in the Danske Mobile Banking app
- ✓ **Specialist advisory to customers** navigating increased costs of living and increasingly attractive savings and investment offerings in light of higher interest rates

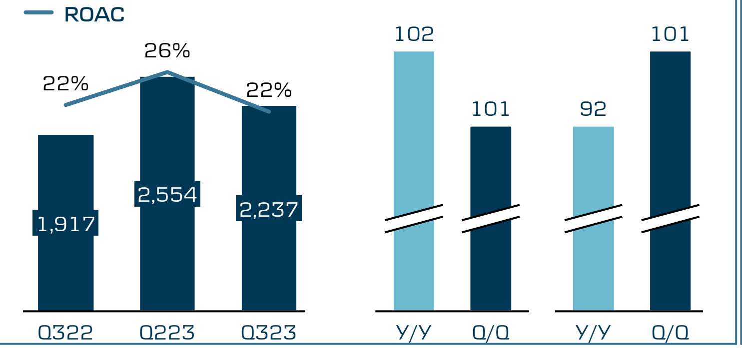
Profit before impairments (DKK m) | Nominal lending | Deposits (index)



Business Customers

- ✓ **Strong profit uplift Y/Y** despite significant FX headwinds and unfavorable market conditions through 2023
- ✓ **Continually positive trajectories for lending and deposits** across the Nordic markets
- ✓ **Customer satisfaction remains high** in both FI and NO, and DK on continually positive upward trajectory
- ✓ **Strong digital offerings** with launch of new external partnerships and increase in use of digitally ordered products through District Marketplace
- ✓ **Strong credit quality** as prudent portfolio management continues to be in focus, particularly in the CRE segment
- ✓ **Continued commitment to ESG initiatives** with development of unified open-source ESG reporting tool in partnership with leading real estate companies

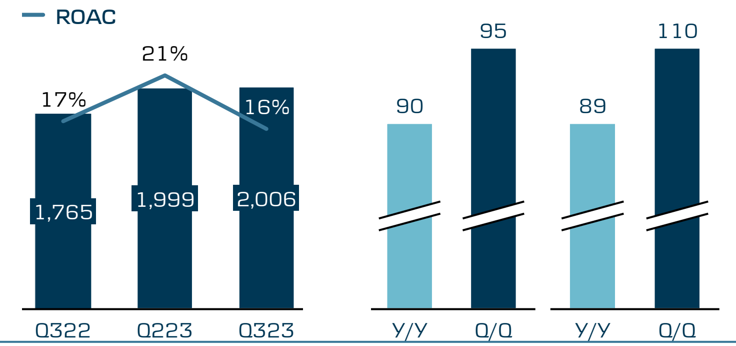
Profit before impairments (DKK m) | Nominal lending | Deposits (index)



LC&I

- ✓ **Higher customer activity in capital markets-related areas** and better deposit margins supported continued improvement in profitability despite lower lending volumes in Q3 driven by run-off of short-term lending facilities
- ✓ **Credit quality remains strong** however some single name deterioration in sectors most affected by interest rate increases
- ✓ Serving clients in their **green transition** with DKK +10bn in sustainable bonds and sustainability-linked loans in Q3, maintaining **LC&I's #1 position****
- ✓ We have continued to **deepen our relationships with Nordic institutional customers** for instance by providing Green Fund Financing

Profit before impairments (DKK m) | Nominal lending | Deposits (index)

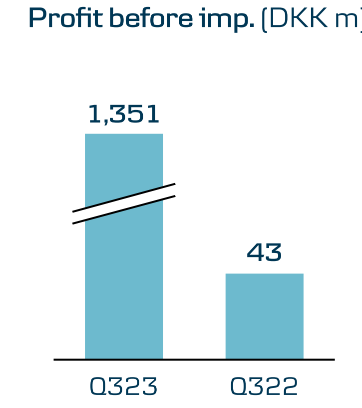


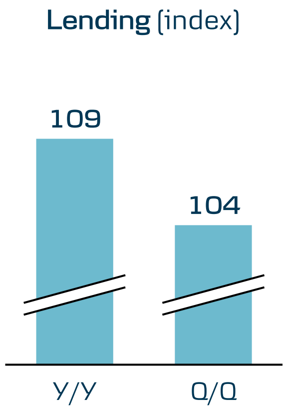
*Adjusted for PC NO divestment costs. ** Based on Bloomberg League tables

Business units: Improved results in Danica; strong profitability in Northern Ireland driven by higher income

Northern Ireland

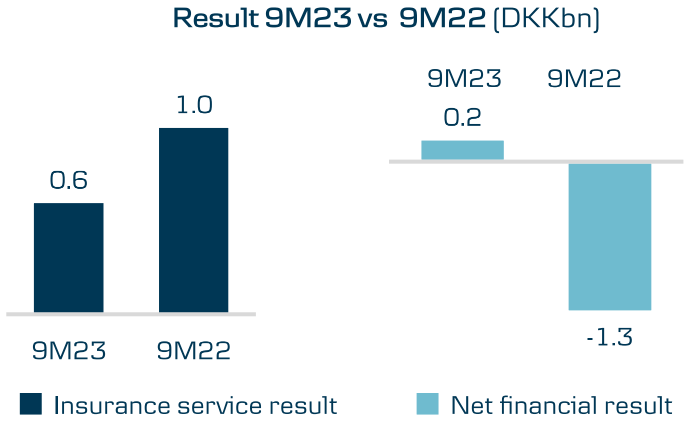
- ✓ Strong performance mainly driven by NII and strong trading income, when comparing to the same period last year
- ✓ The improvement in net trading income reflects mark-to-market movements on the bank's hedging portfolio. The positive movements in the year to date reflect a combination of changing market expectations for UK interest rates and the remaining life cycle of the hedging portfolio
- ✓ Profit before tax increased to DKK 1,469 million (Q1-Q3 2022: DKK 7 million), with a strong underlying income performance based on lending growth and actions taken in response to higher UK rates, as well better trading income





Danica

- ✓ The third quarter of 2023 was characterised by a positive trend in the global markets. The negative returns on our customers' pensions savings in 2022 have been counterbalanced by the positive development driven mainly by equities
- ✓ The insurance service result decreased to DKK 609 million as Danica continued to see a rise in new health and accident claims, which, however, was also a general trend in society
- ✓ The net financial result increased to DKK 243 million. The increase was driven mainly by positive investment results on insurance products where Danica Pension has the investment risk and positive investment returns on Danica Pension's equity capital
- ✓ Danica Pension has informed 35,000 customers about an issue related to the indexation of the state pension age since 2015. To cover the compensation expected to be paid to customers in this connection, we have set aside an amount of DKK 250 million



Realkredit Danmark portfolio overview: Continued strong credit quality

Highlights

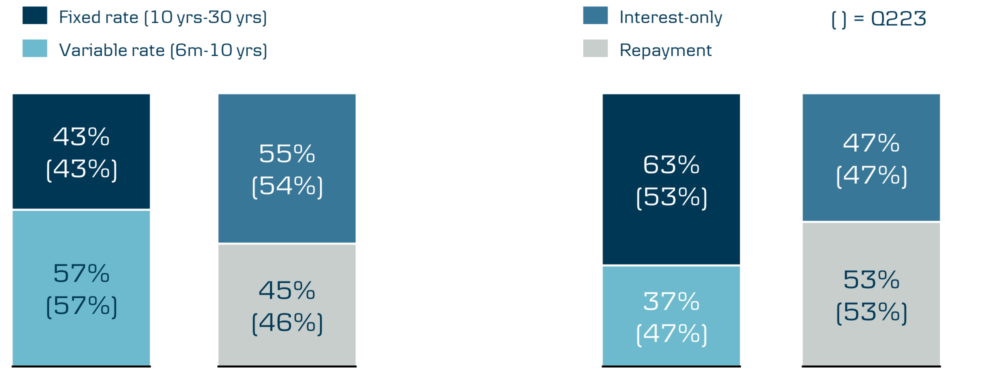
Portfolio facts, Realkredit Danmark, Q3 23

- Approx. 307,500 loans (residential and commercial)
- Average LTV ratio of 52% (50% for retail, 54% for commercial)
- We comply with all five requirements of the supervisory diamond for Danish mortgage credit institutions
- 772 loans in 3- and 6-month arrears (Q223: 793)
- 15 repossessed properties (Q223: 6)
- Less than 2% of the loan portfolio has an LTV above 80%
- DKK 5bn of the loan portfolio is covered by government guarantee

LTV ratio limit at origination (legal requirement)

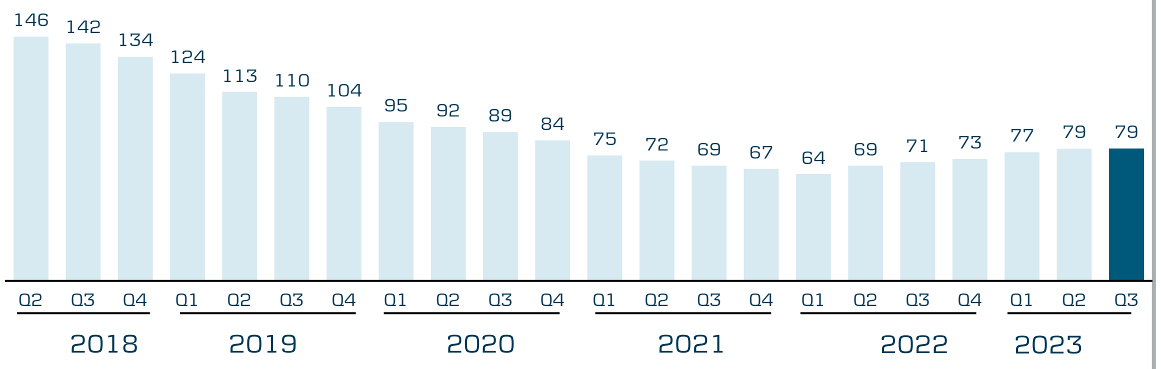
- Residential: 80%
- Commercial: 60%

Retail loans, Realkredit Danmark, Q323 (%)

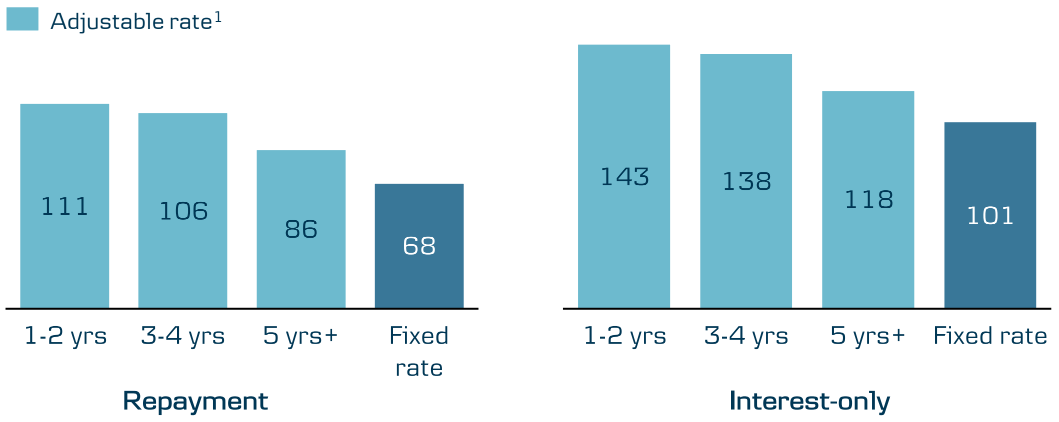


Stock of loans: DKK 430 bn (432bn)   **New lending**: DKK 11 bn (15bn)

Total RD loan portfolio of FlexLån® F1-F4 (DKK bn)



Retail mortgage margins, LTV of 80%, owner-occupied (bp)



[1] In addition, we charge 30 bp of the bond price for refinancing of 1- and 2-year floaters and 20 bp for floaters of 3 or more years (booked as net fee income).

Sustainability

Sustainability is a core strategic priority in our new Forward '28 strategy

Our starting point

✓ Industry leading Climate Action Plan with biodiversity as next priority theme

✓ ESG integrated in key processes: portfolio and capital steering, lending processes, asset management

✓ Strong ESG customer advisory and #1 Nordic Arranger of Green Bonds

What we will do

Large Corporates & Institutions

- Advisory, transition finance and project finance

Personal Customers

- Housing, investments, pensions, mobility and daily banking

Business Customers

- Advisory, transition finance and partnerships

Asset Mgmt. & Danica Pension

- Alternative products, Danica Responsible Choice

Reinforce stronghold in sustainable finance and advisory

	2022	2026
Sustainable finance[1]	#1	A leader in supporting our customers' green transition
ESG advisory[2]	#3	
Sustainable investing[3]	#3	

1. Ranking among Nordic banks in the Bloomberg Global Green Bonds (Corporate & Government League Table)
2. Ranking for the Nordics in Sustainability Advisor survey from Prospera (Corporate & institutional clients)
3. Prospera Nordic External Asset Management question: "Has high competence within sustainable investments?"

…and sustainability has been an integrated element of our Better Bank strategy since 2019 and our corporate targets

Sustainability has been integral to our Better Bank 2023 plan to deliver value for all key stakeholder groups

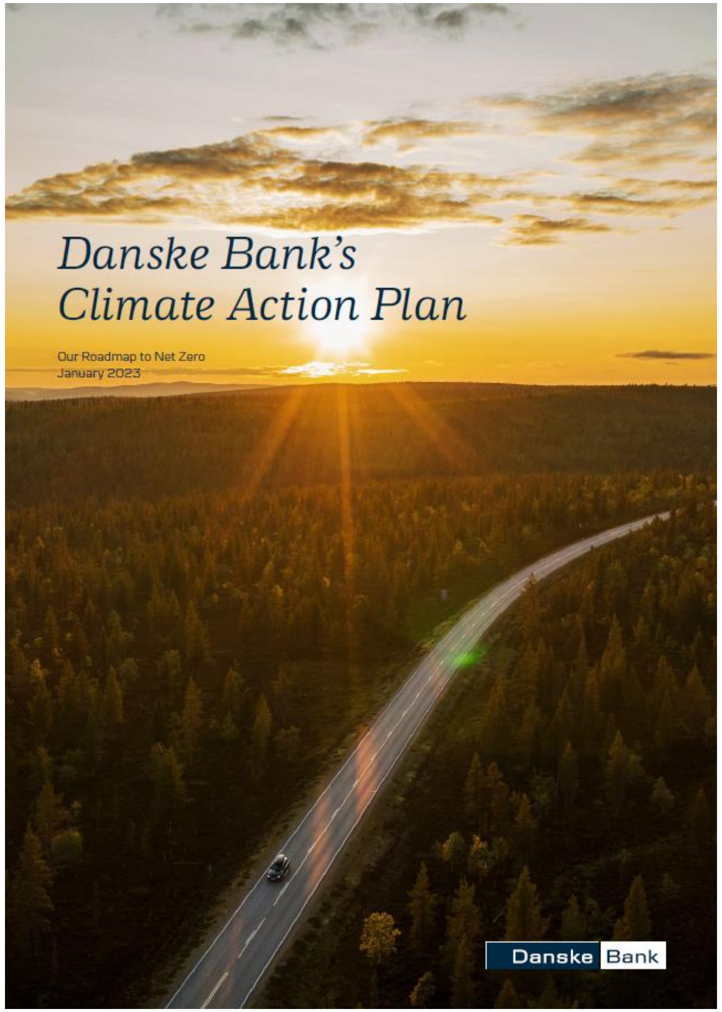
Customers	*On average among top two banks for customer satisfaction in everything we do*
Society	*Operate sustainably, ethically and transparently*
Employees	*Engagement score of 77*
Investors	*RoE of 8.5-9% and a cost/income ratio in the mid-50s*

Danske Bank's 2023 sustainability strategy aims to drive progress by utilising the power of finance

Selected highlights

- Focus areas reflect **material sustainability issues**
- Calibrated against **stakeholder expectations**
- Supports our **Better Bank** agenda and transformation KPIs
- **Embedding** sustainability in core business processes
- **Leadership ambition** on sustainable finance

Climate Action Plan aligned with Paris Agreement launched in January 2023



Carbon footprint of **41.1 mtCO2e** across the Group, with **99.9%** related to financed emissions

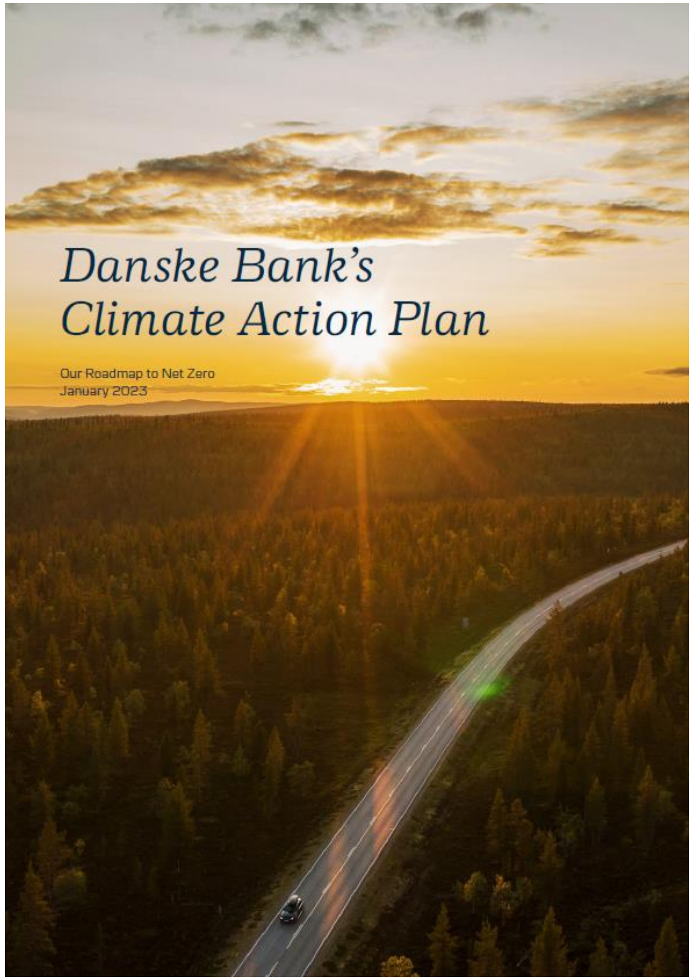
Increased and expanded **2030 targets** based on SBTi guidance to align with **Paris Agreement** goal of **1.5°C**

Activities in Asset Mgmt. and Danica Pension subject to **temperature targets**, in addition to emission reduction targets

Focus on supporting **customer and investee company transitions** as well as increased financing of **renewable energy**

No financing or refinancing of companies intending to **expand supply of oil and gas** production beyond already approved

Our Climate Action Plan sets a clear direction for our efforts across business activities and customer segments, with increased and expanded 2030 targets



Why

We are committed to achieving net zero and supporting our customers in their green transition

What

	Lending	Asset management	Life insurance and pension	Own operations
	The money we lend to customers	The investments we make on behalf of our customers	The pension assets we manage on behalf of our beneficiaries	The emissions we generate through daily operations
Measured CO_2e emissions	18.8 million tCO_2e (2020)	16.6 million tCO_2e (2020)	5.7 million tCO_2e (2020)	0.007 million tCO_2e (2022)
Scope and coverage	Scope 3 92% of corporate and personal customers portfolio	Scope 3 68% of assets under management	Scope 3 73% of assets under management	Scope 1,2 and selected scope 3 categories
	>99%			<0.02%

How

Targets based on methodologies supported by the Science Based Targets initiative to align with the Paris Agreement goal of 1.5°C

Based on methodologies supported by the SBTi, we have developed a comprehensive suite of intermediate 2030 emission reduction targets covering our four impact areas

● Targets submitted for SBTi, validation pending
● Targets not submitted for SBTi validation

Overview of Danske Bank's decarbonisation targets

Lending

2030 sector emission intensity reduction targets 1)

● Shipping	~50%
● Oil and gas upstream[3]	50%
● Oil and gas refineries[4]	25%
● Power generation	50%
● Steel	30%
● Cement	25%
● Commercial real estate [5]	55%
● Personal mortgages [5]	55%

Asset management

2030 temperature rating reduction targets 1)

- ● Implied temperature rating of our investment products from 2.7°C in 2020 to 2.1°C (Scope 1 and 2)
- ● Implied temperature rating of our investment products from 2.9°C in 2020 to 2.2°C (Scope 1, 2 and 3)

2030 carbon intensity reduction target 1)

● Weighted average carbon intensity of investment products	50%

2025 engagement target 1)

- ● Engagement with the 100 largest emitters

Life insurance and pension

2030 temperature rating reduction targets 1)

- ● Implied temperature rating of our listed equities and credits from 2.7°C in 2020 to 2.1°C (scope 1 and 2)
- ● Implied temperature rating of our listed equities and credits from 2.9°C in 2020 to 2.2°C (scope 1, 2 and 3)

2025 sector emission intensity reduction targets 2)

● Real estate	69% [6]
● Energy	15%
● Transportation	20%
● Power generation	35%
● Cement	20%
● Steel	20%

Own operations

2030 emission reduction targets 2)

● Carbon emissions in scope 1 and 2	80%
● Carbon emissions in scope 1, 2 and currently measured scope 3 categories	60%

What's new

- ➢ **Shipping:** Increased target from 20–30% to ~50% reduction by 2030 based on 1.5°C trajectory
- ➢ **Oil and gas:** Expanded our target suite to cover downstream refining. Updated our position statement to not offer new long-term (re)financing to E&P companies expanding supply of oil and gas
- ➢ **Power generation:** Increased ambition from 30% to 50% reduction by 2030
- ➢ **Steel & Cement:** Expanded target suite to cover cement and steel
- ➢ **Commercial Real Estate and Personal Mortgages:** Expanded target suite also covers commercial real estate and personal mortgages
- ➢ **Asset management:** New SBTi-aligned 1.5°C temperature rating targets
- ➢ **Life insurance and pension:** New SBTi-aligned 1.5°C temperature rating targets
- ➢ **Own operations:** New SBTi-aligned reduction target of 80% by 2030 for scope 1 and 2

To validate that our targets are based on the latest scientific research and aligned with the Paris Agreement, we have submitted our targets for validation by the Science Based Targets initiative (SBTi)

1) Baseline year 2020 // 2) Baseline year 2019 // 3) Absolute emission reduction targets set // 4) Partly absolute emission reduction targets set // 5) Based on a weighted portfolio exposure across Denmark, Sweden, Norway and Finland. For Commercial Real Estate in Denmark and Personal Mortgages in Denmark, the target corresponds to a 75% reduction by 2030 // 6) Scope 1, 2 and 3 until 2030

Recent highlights on sustainability agenda contributing to strong performance

Launch of biodiversity engagement targets

Based on an analysis of portfolio data, we have set targets to engage with more than 300 lending customers within three key sectors before the end of 2024 and with 30 large, global investee companies before the end of 2025.

Received 'A' score in Position Green assessment

Danske Bank received 'A' score in Position Green's annual assessment of 300 companies' ESG reporting in Denmark, Norway and Sweden. The assessment examines the degree to which the corporate ESG reporting provides valuable information for stakeholders.

ESG reporting for real estate companies

Danske Bank and Realkredit Danmark ramped up ESG efforts in the property sector where we launched a new reporting tool to help make ESG reporting easier for real estate companies.

#1 Nordic Green Bond Arrangers in Global League table

- Danske Bank continues to rank #1 among Nordic arrangers in the Bloomberg Global League Table
- Danske Bank is the leading Nordic arranger of Sustainable Bonds and the leading arranger of Sustainable Bonds from Nordic issuers

Continued progress on Sustainable Financing target

Danske Bank is progressing well with most of our sustainable finance targets, and with DKK 348 billions in sustainable financing in Q3 2023, we are continuously progressing on our 2023 target of 300 billion, which we surpassed in Q2 this year.

Education of advisors in Business Customers

We started training all frontline employees in Advisory Banking in Business Customers on how sustainability impact businesses and other topics that can be useful in the customer dialogue.

On sustainable finance, Danske Bank aspires to Nordic leadership – our sustainable finance framework has been developed to drive and integrate that ambition

Group ambition for Sustainable finance	Be a leading bank in the Nordics on sustainable finance and the leading bank in Denmark				
KPIs and targets	Group KPIs	**Sustainable financing:** ➢ DKK 300bn in sustainable financing by 2023 ➢ Paris-aligned lending book; 2030 targets set for key sectors ➢ Net-Zero Bank by 2050 [1)]	**Sustainable investing:** ➢ Danica Pension: DKK 50bn invested in the green transition by 2023 and 100bn by 2030 ➢ Asset mgmt.: DKK 150bn in art. 9 by 2030 ➢ Paris-aligned targets set for 2030 ➢ Net-Zero Asset Owner & Manager by 2050 [1)]	➢ *Business and commercial KPIs*	
Guiding principles	*Align societal and business goals*	*Enable our customers' sustainability journey*	*Measure and improve impact*	*Engage and partner with stakeholders*	
Key execution levers	Advisory	Products & solutions	Distribution	Brand & marketing	Risk Management
Critical enablers	Governance	Training & competencies	IT enablement	ESG data & insights	Communication & disclosures
Regulatory implementation	Commercial integration	Portfolio management and financial steering			

1) As defined by commitments to Net-Zero Banking Alliance, Net-Zero Asset Owner Alliance and Net-Zero Asset Managers Initiative. See *Climate Action Plan* for details incl. 2030 targets.

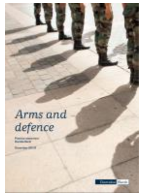
Deep dive: Overview of ESG integration in Danske Bank's lending operations

1. Position statements

- Our position statements are a key tool for aligning with societal goals and communicating our approach to selected themes and sectors with elevated ESG risks

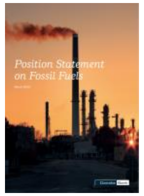
Climate change

Human rights



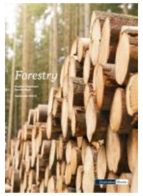
Arms & defence

Agriculture



Fossil fuels

Mining & metals



Forestry

2. Single-name ESG analysis

- ESG analysis is conducted for all large corporate clients using an internally prepared ESG risk tool
- Tool is developed around the concept of *financial materiality* i.e. how the financial performance of the company might be affected by environmental and social trends, legislation and factors
- External sources for the tool include:

SASB INSIDE
Financially material ESG factors

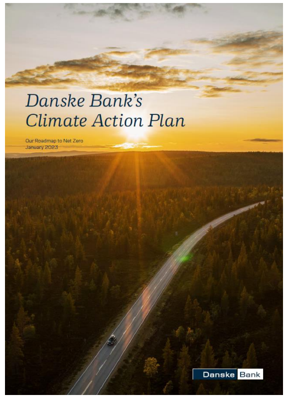
SUSTAINALYTICS
ESG risk exposure and management

RepRisk – ESG data science and quantitative solutions
ESG controversies

CDP – DISCLOSURE INSIGHT ACTION
Climate-related financial risks and opportunities

3. Portfolio-level ESG analysis

- Carbon disclosures for business areas and key sectors published in Danske Bank's Climate Action Plan from January 2023
- Decarbonisation targets set towards 2030, incl. for high-emitting sectors, with SBTi approval pending
- Joined PBAF and Finance for Biodiversity Pledge to support efforts to measure and report on how we impact nature through our financing and investing activities by the end of 2024



Danske Bank supports a range of international agreements, goals, partnerships and standards relating to sustainability – some of these are listed below

Principles for Responsible Banking

Provide the framework for a sustainable banking system. They embed sustainability at the strategic, portfolio and transactional levels, and across all business areas.

Net-Zero Banking Alliance

A worldwide initiative for banks that are committed to aligning their lending and investment (treasury) portfolios with net-zero emissions by 2050 or sooner – and setting intermediate targets using science-based guidelines

Net-Zero Asset Managers Initiative

An international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius

Net-Zero Asset Owner Alliance

Danica Pension joined the global UN-convened investor alliance in 2020, thus committing to transitioning its investment portfolio to net-zero greenhouse gas emissions by 2050

Principles for Responsible Investment

An international investor network that supports the implementation of ESG factors into investment and ownership decisions

Task force on Climate-related Financial Disclosures

Has developed recommendations for more effective climate-related disclosures to promote more informed investment, credit, and insurance underwriting decisions

UN Global Compact

A multi-stakeholder initiative focusing on aligning business operations with ten principles in the areas of human rights, labour, environment and anti-corruption

Partnership for Carbon Accounting Financials

Provides carbon accounting instructions for financial institutions. Danske Bank joined in 2020 as the first major Nordic bank.

UN Environment Programme - Finance Initiative

A partnership between UN and the global financial sector with the aim of understanding societal challenges, why they matter to finance, and how to address them

The Paris Pledge

A pledge to support and act accordingly in regards to the objectives of the Paris Agreement to limit global temperature rise to less than 2 degrees Celsius

More information available at https://danskebank.com/sustainability/our-approach

Our Path to Financial Crime Transformation

2022

We **progress implementation of our Group-wide Financial Crime Plan** and extend it to also cover Fraud, Anti-Bribery and Corruption and Tax Evasion

We take a number of specific and extraordinary decisions and actions to **aid compliance with the newly imposed sanctions against Russia and Belarus**

We **integrate a dedicated data governance workstream into our Financial Crime Plan and centralise financial crime data and analytics teams** to provide an enhanced and holistic view of what we know about our customers, their counterparties and the risk they pose to us

We **incorporate all core scenarios into our enhanced transaction monitoring platform**. All scenarios have been specifically tailored to Danske Bank's risk appetite

We deploy the first version of our **new supervised machine learning hibernation model, which enables us to reduce the number of false positive alerts** and thereby scrutinise transactions for unusual or suspicious activity more effectively

We **analyse training needs to ensure that employees receive targeted training** relevant to their specific roles

We offer **cultural training to customer-facing units across the Nordic countries** to support their dialogue with our customers on the topic of financial crime to supplement our annual Group-wide mandatory eLearning courses on financial crime

We continue to recruit new employees with financial crime expertise, and **by the end of the year, 3,600 full-time members of staff were working on our financial crime prevention agenda** across the Group

We take part in **the creation of the public-private partnership in Denmark**, which is expected to become operational in 2023*****

We develop a set of clearly defined and articulated outcomes that will be achieved at the point of Financial Crime Plan completion, our **"Definition of Done"**

2023

Group Financial Crime Plan expected to be **completed by end of 2023****

* Danske Bank is also an active member and contributor in similar public-private partnerships outside Denmark. These include the Swedish Anti-Money Laundering Intelligence Taskforce; the Finnish Anti-Money Laundering Intelligence Taskforce; and the Norwegian private and public sector collaboration to combat money laundering and financing of terrorism, OPS AT.

**. As we approach completion of the plan, we are subjecting it to closure validation work. This work is currently being performed. There is a possibility that a small number of remaining items on the plan may not be closed out by December 2023; the Bank will prioritise these and seek to close them as soon as possible

Completion of our Financial Crime Transformation by the end of 2023

Establishing a robust compliance function

In the recent years, the Bank has made significant investments to ensure that a robust, well-resourced and expert compliance function is in place across our operations to effectively combat financial crime.

The Bank has made significant changes to ensure that it has the right people, structures and controls in place to continue to achieve and maintain a culture of integrity in everything it does, deliver on the financial crime transformation and manage compliance issues that arise in the future.

In designing the Financial Crime Plan, Danske Bank has, to the extent possible, sought to execute the program in a risk-prioritised way. Wherever possible, the Bank has been adopting an approach of trying to mitigate the most material residual risks first.

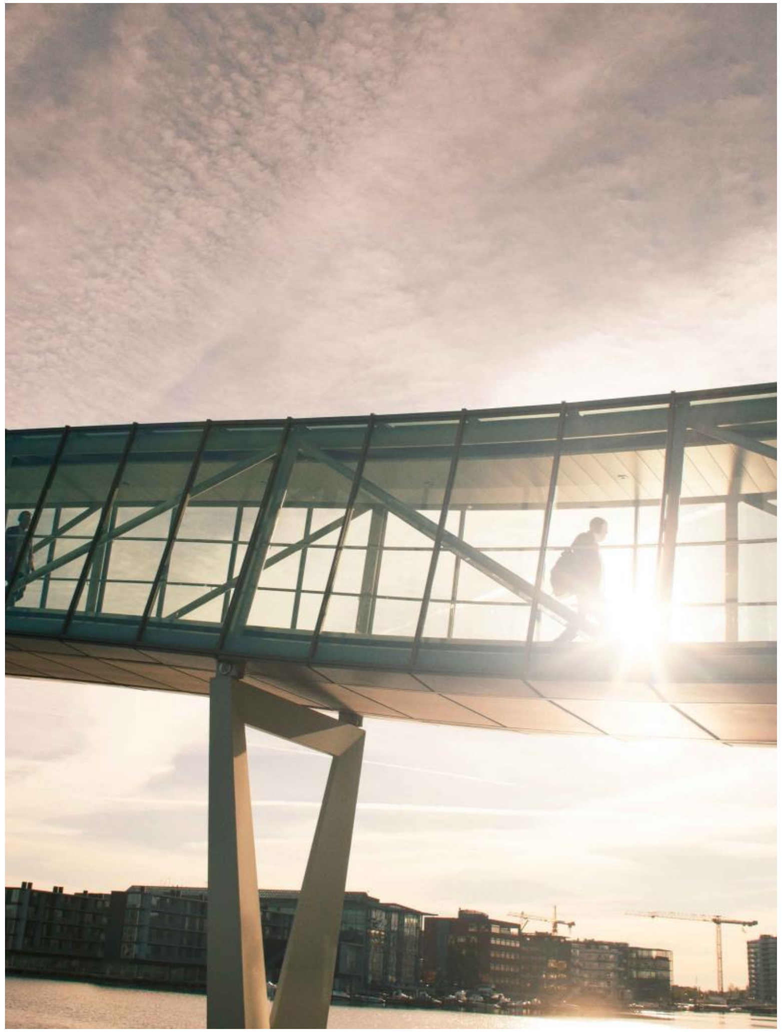
The completion of the Financial Crime Plan is one of the bank-wide objectives set by the ELT for 2023.

Key remaining work for 2023

The Financial Crime Plan includes 22 different workstreams with more than 400 underlying initiatives with completion rate 90%.

We remain committed to completing the plan by our target date of 31 December 2023. As we approach completion of the plan, we are subjecting it to closure validation work. This work is currently being performed. There is a possibility that a small number of remaining items on the plan may not be closed out by December 2023; the Bank will prioritise these and seek to close them as soon as possible.

As the Bank approaches completion of the plan it is also subjecting it to closure validation work which is being performed currently. Once the plan is completed, the Bank will also continue to test these controls to assess that they are embedded effectively and operating as intended.



Regulatory Engagements

Ongoing Dialogue

- We engage in ongoing dialogue with our regulators through regular meetings with the Financial Supervisory Authorities ("FSAs") and Supervisory College to ensure aligned expectations and transparency between our regulators and the Bank
- We provide regular updates and engage in frequent interactions with the Danish FSA on our financial crime transformational progress and remediation work and proactively share information on the progress of our remediation program with other Nordic regulators

Regulatory Inspections

- We track all regulatory inspections closely and continue to address regulatory orders we receive from our regulators in an open and transparent way. Regulatory deliverables are formally documented, and progress is frequently communicated to relevant regulators
- The Bank has completed and closed a number of orders received from inspections following the Estonia matter and is progressing in addressing orders received in relation to subsequent AML inspections
- In the past year, the Danish FSA published the outcomes of two inspections at Danske Bank focusing on money laundering and terrorist financing, and our management of EU sanctions against Russia and Belarus. The reviews did not give rise to any supervisory reactions, which we believe reflects the progress we have made in the implementation of our Financial Crime Plan*
- All remaining orders and recommendations from regulators are incorporated and prioritised in our Financial Crime Plan. We carry out targeted actions to rectify these issues and track them closely to completion. The Bank also addresses topics that are not highlighted in the inspection findings but noted by the Danish FSA

Supervisory Oversight

- The Danish FSA, as well as other relevant FSAs, carry out supervisory oversight of the Bank's remediation work
- The Financial Crime Plan was submitted to the Danish FSA in May 2020. In November 2021, we submitted our recalibrated Financial Crime Plan, and the Danish FSA follows its implementation closely. Our other supervisors receive updates on an ad-hoc basis
- The Danish FSA carries out extensive supervisory oversight of the Bank's financial crime transformation program. In addition to its ongoing supervision, in February 2021, the Danish FSA appointed an Independent Expert to monitor the implementation of the Bank's Financial Crime Plan. The Independent Expert's monitoring is ongoing

* https://danskebank.com/investor-relations/regulation/the-danish-fsaThe Danish FSA (danskebank.com)

Danske Bank

Committee Governance for Compliance Risks

Financial Crime Remediation Steering Committee	Compliance Risk Committee	Conduct and Compliance Committee	Post-Resolution Committee
➢ Provides governance structure and delivery oversight of the Group's Financial Crime Plan ➢ Supported by a Group Financial Crime Project Management Office to track and challenge progress across Business Units ➢ Chaired by the Chief Compliance Officer of Danske Bank	➢ Second Line Committee responsible for providing oversight and challenge of the management of compliance and conduct risk on behalf of the ELT ➢ The Committee reports to the Group All Risk Committee ➢ Chaired by the Chief Compliance Officer of Danske Bank	➢ Board level committee that oversees the Bank's management of conduct and reputational risk, compliance and financial crime as well as other matters delegated by the Board ➢ Responsible for reviewing all relevant Board owned policies concerning compliance, prior to Board approval	➢ Danske Bank's agreement with the Department of Justice ("DOJ") contains post-resolution obligations, which include the obligation for Danske Bank to continue to enhance its compliance programs, including its AML Program, which will be subject to ongoing review by and engagement with the DOJ. ➢ To oversee the implementation of and compliance with post-resolution obligations, the Bank has established a Post-Resolution Committee.

The Resolutions with the Danish and U.S. Authorities

In December 2022, Danske Bank reached the final resolutions with the U.S. Department of Justice (DOJ), the U.S. Securities and Exchange Commission (SEC) and the Danish Special Crime Unit (SCU) following the investigations in relation to the non-resident portfolio at Danske Bank's former branch in Estonia. The resolutions marked an end to the investigations, while also emphasising the importance of the journey ahead.

Pre-Resolution

Already during the investigations, Danske Bank:

- Made significant investments in building systems and upgrading our compliance, risk and control capabilities
- Started implementing a comprehensive transformation program, the Financial Crime Plan (FC Plan), which is scheduled for completion by the end of 2023
- Provided full cooperation with the investigation, which has been acknowledged by the U.S. authorities in the form of a cooperation credit

The Plea Agreement

Danske Bank's Plea Agreement with the DOJ sets out a number of obligations, including:

- Broad disclosure obligations (§11, 13 and 30 of the Plea Agreement and §13 of Appendix D)
- Compliance Commitments and Compliance Reporting Requirements (Appendices C and D)
- Obligations to meet with U.S. authorities quarterly to discuss progress of the remediation (Appendix D)
- Certification requirements (Appendices E and F)

As part of the Plea Agreement, Danske Bank is placed on corporate probation for three years, which is a period of supervision by the U.S. court. Danske Bank will comply with all terms of corporate probation.

Post-Resolution

Danske Bank has set up a comprehensive program to manage the post-resolution obligations in three phases:

1. Addressing immediate disclosure obligations and escalation procedures [completed]
2. Submitting work plan outlining how current gaps against obligations will be addressed [completed]
3. Executing on the commitments made to the U.S. Authorities under the Plea Agreement [ongoing]

Credit quality & Impairments

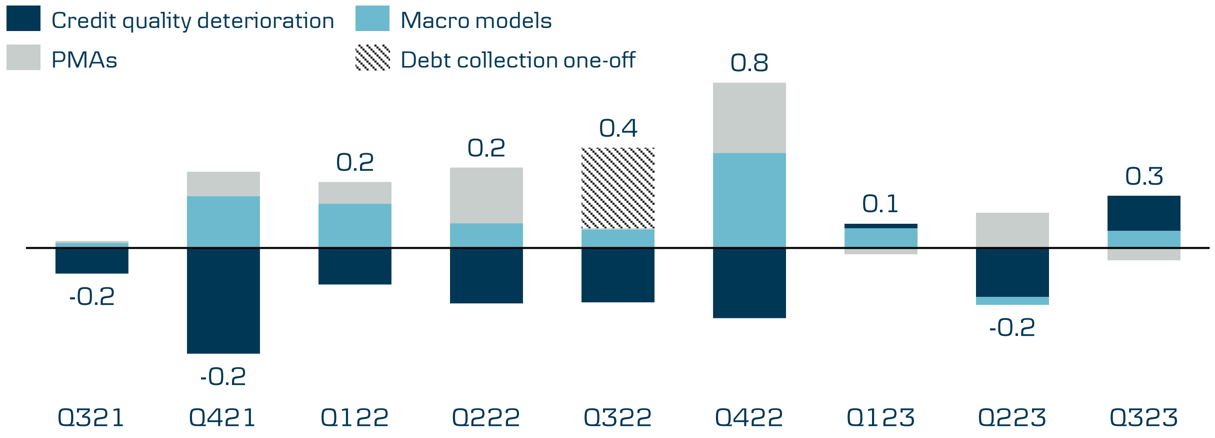
Danske Bank

Impairments: Continually robust credit quality along with stable macroeconomic environment resulted in low charges in Q3

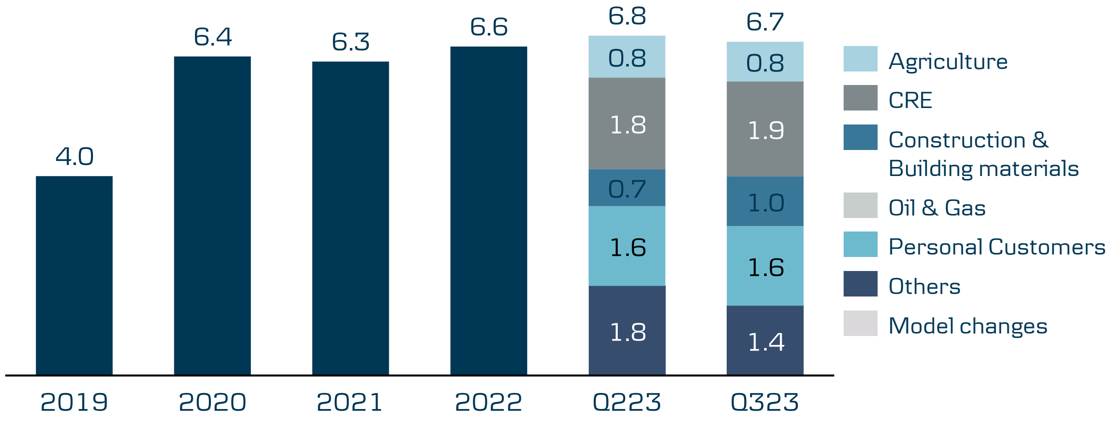
Highlights

- Credit quality remained robust with limited credit quality deterioration and few single-name impairment charges, which remain below normalised through-the-cycle levels
- The macro environment has developed more favourably recently. However, our model scenarios reflect current uncertainties, which added to net charges in Q3
- Some PMAs repurposed to cover real estate and construction-related sectors. Significant PMA buffers remain in place to mitigate any tail risks not evident in the portfolio or captured by our macro models

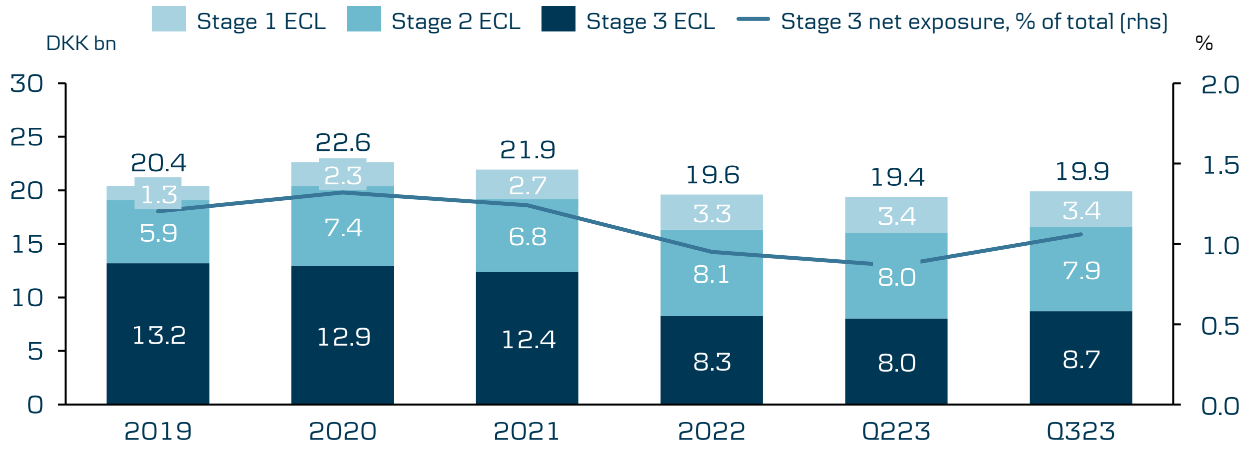
Impairment charges by category (DKK bn)



Post Model Adjustments (PMAs)



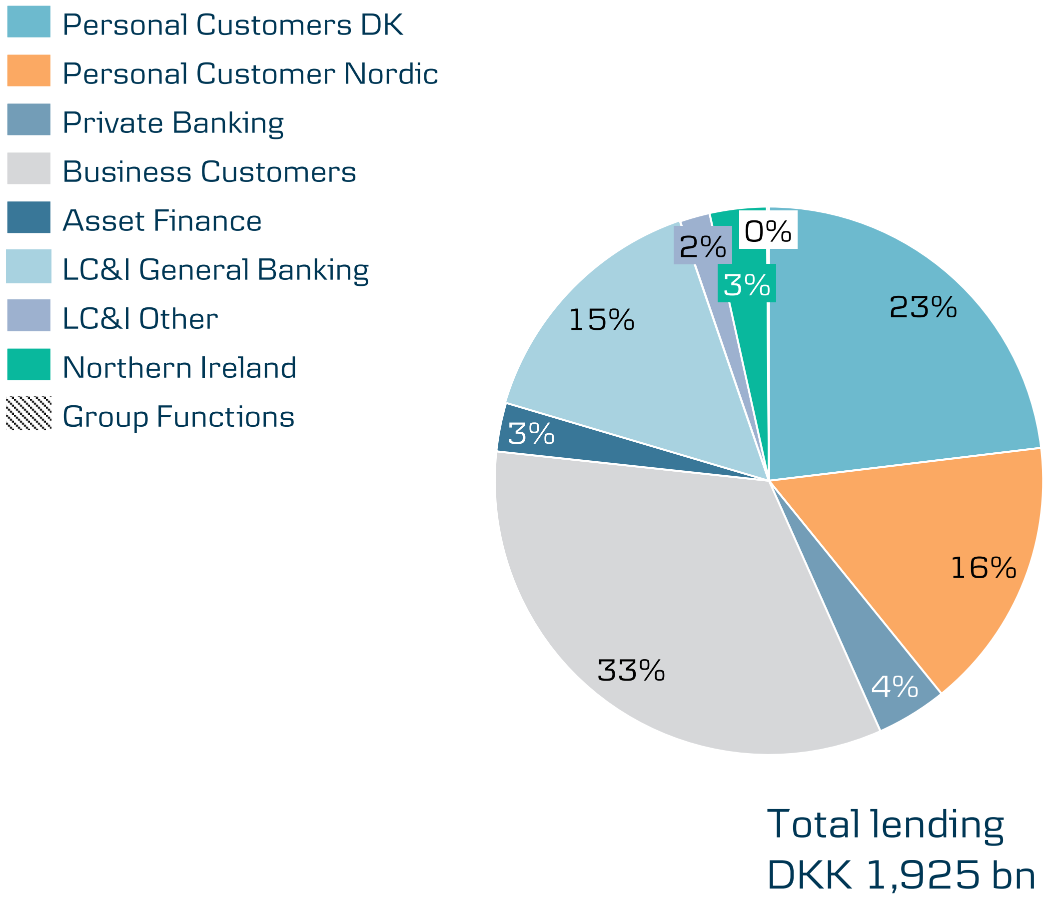
Allowance account by stages (DKK bn)



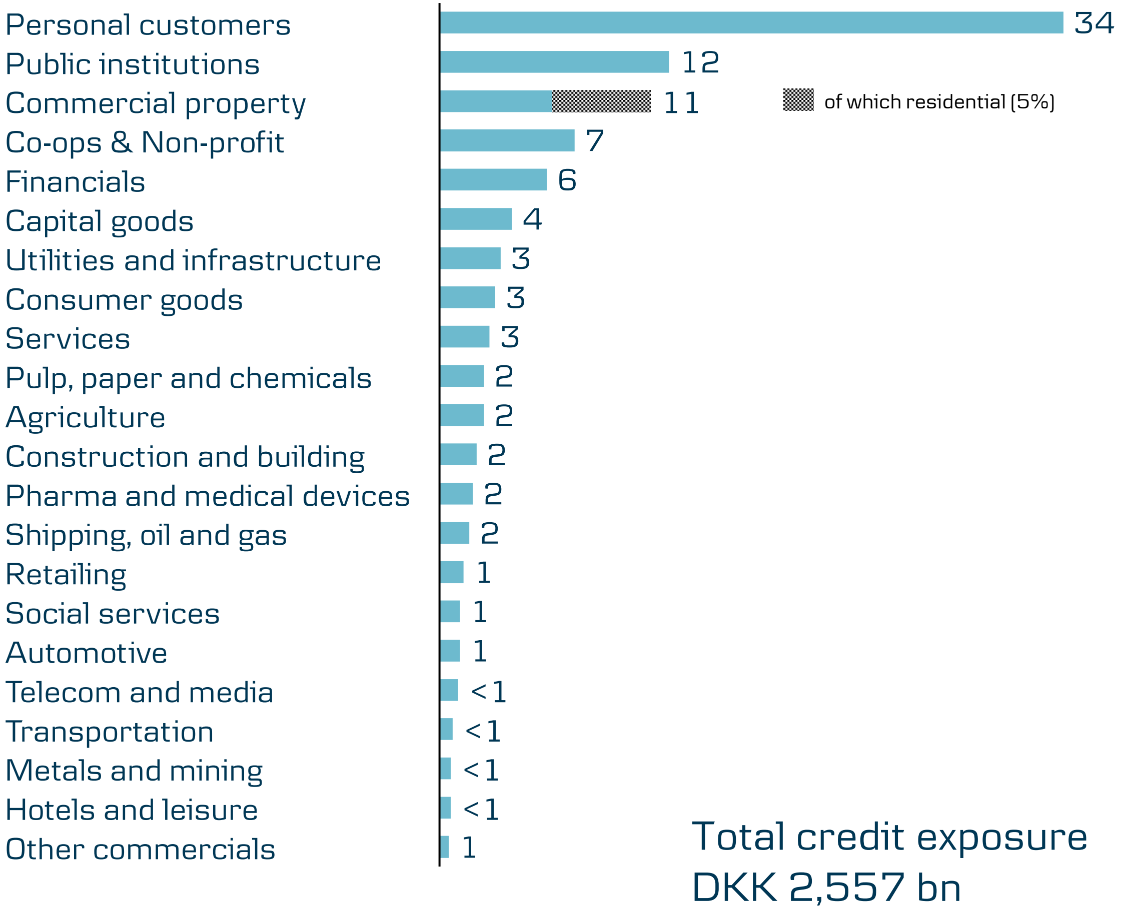
Danske Bank

Strong footprint within retail lending

Lending by segment[1] Q3 23 (%)



Credit exposure by industry Q3 23 (%, rounded)



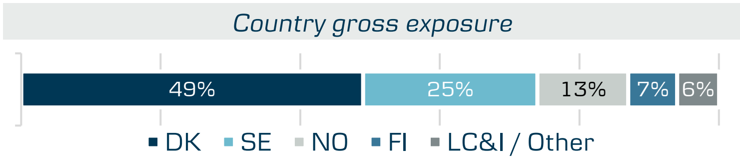
1. Total lending before loan impairment charges.

Danske Bank

Overall strong credit quality in portfolios exposed to macro cyclicality

CRE: Well diversified and prudently managed growth

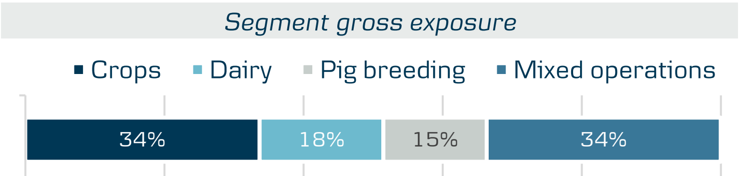
DKK 295 bn in gross exposure and ECL ~1%

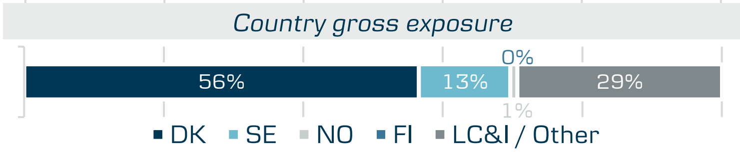


- Conservative lending growth (-4% 4Y-CAGR in non-resi.) given caps and concentration limits within sub-segments and markets, as well as for single-names, limiting downside risks
- Due to our conservative approach, our SE exposure has remained stable, despite market growth, and book is well-diversified with lower concentration risk over the past years
- The group's credit underwriting standards maintain strong focus on cash flows, interest rate sensitivity, LTV and the ability to withstand significant stress.
- PMAs of DKK 1.9 bn made to cover uncertainties regarding the effect of rapid interest rate increases and macroeconomic situation

Agriculture: Well-provisioned agriculture book

DKK 62bn in gross exposure of which 51% RD

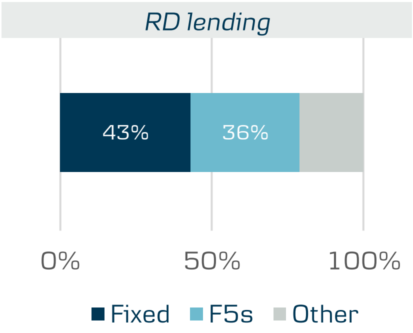


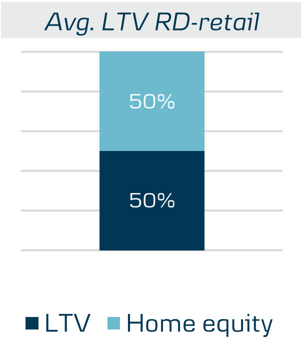


- The credit quality of the portfolio has improved over the past few years, recovering from legacy exposures from the financial crisis
- The current credit risk appetite takes into account the volatility of the sector and remains in place. Furthermore, the group maintains strong underwriting standards on LTV, interest-only loans and interest rate sensitivity
- Post-model adjustments of DKK 0.8 bn have been made for potential future portfolio deterioration due to uncertainties such as African Swine Fewer (ASF) and the RU/UA war

Housing: Low leverage and strong household finances

~80% of RD lending are 5-30yr fixed-rate





- Avg LTV remains at moderate level despite recent price decline, and have been supported over the past years by increasing house prices along with the call feature of DK mortgages
- Affordability measures in our approval process has been tightened, and debt-to-income (DTI) levels remain stable overall
- Portfolio uncertainty risks are being mitigated by continuous monitoring and review of underwriting standards covering interest rate-related stress of affordability and other measures
- Low near-term refinancing risk on RD flex loans.
- Post-model adjustments related to personal customers total DKK 1.6 bn

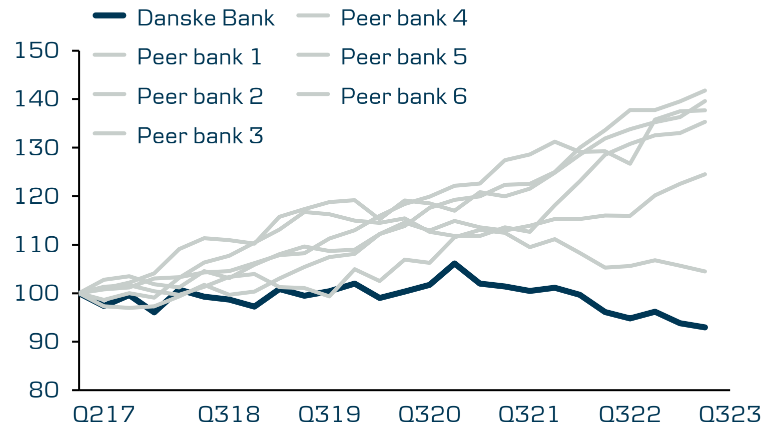
Danske Bank

Commercial property; prudently managed and cash-flow based underwriting standards; sound credit quality and adequate buffers in place to mitigate tail risks

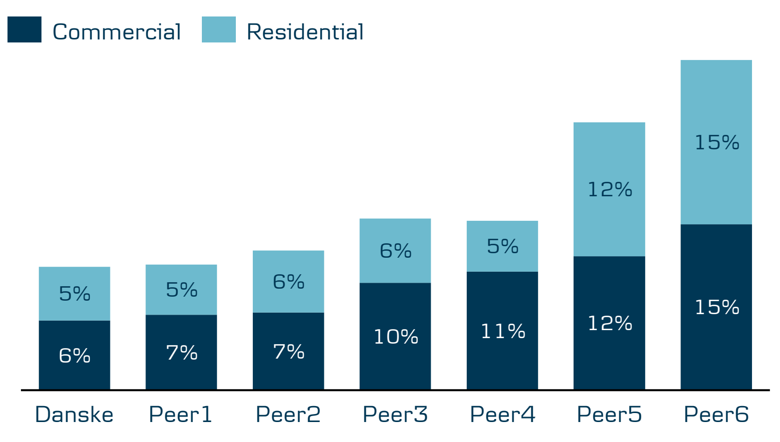
Highlights

- Danske Bank has a relatively low concentration to CRE compared with Nordic peers. The portfolio has been slightly declining due to concentration limits and stringent underwriting standards, particularly towards non-residential segment
- Of the CRE portfolio, 25% is to Sweden, lowest ratio among all Nordic banks active in Sweden. As such, customers with dependence on refinancing of bonds are thus manageable
- In addition to conservative underwriting, we perform rigorous monitoring of exposures, incl. stress tests:
  - ✓ An interest rate stress of 4%-pts on top of the borrower's current avg. interest rate for debt not hedged
  - ✓ Significant stress assessment of rent and vacancy rates
  - ✓ Liquidity stress measuring ability to repay maturing bond debt etc. in the coming 18 months
- The portfolio is well diversified and well provisioned to mitigate a potential material correction in the sector

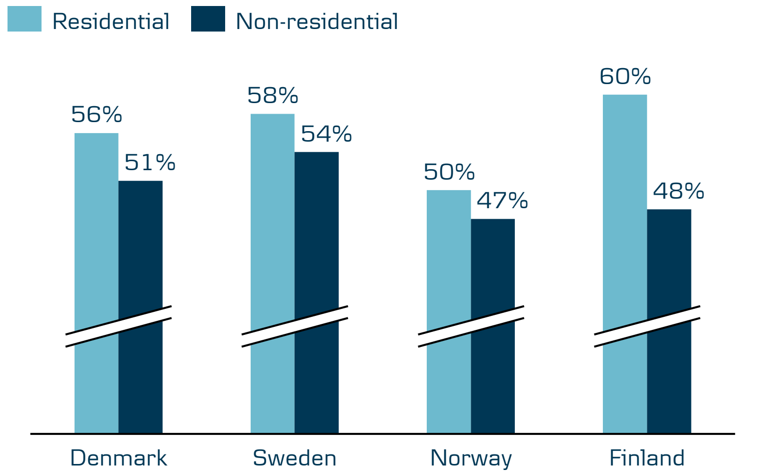
Lending to CRE segment by major peer banks (index)*



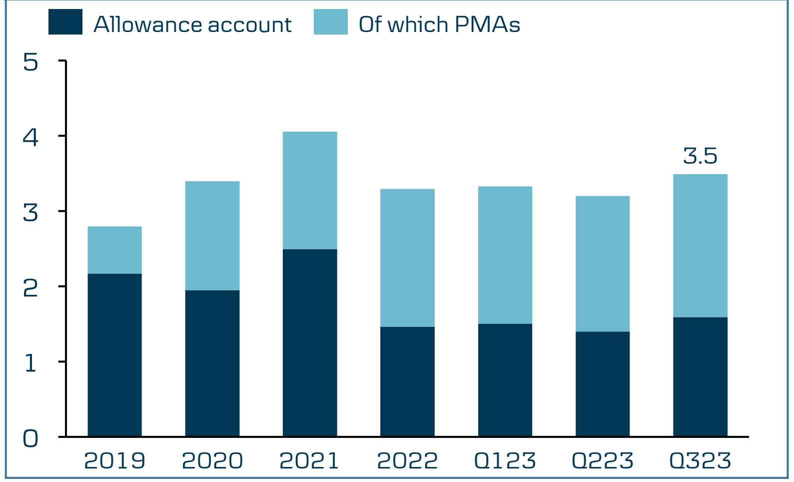
CRE share of total portfolio by major peer banks*



Danske Bank's CRE portfolio avg. LTVs



Danske Bank's CRE allowance account, core (DKKbn)



Source: Companies' interim report. Exposure definitions differ among banks between total lending, credit exposure and EaD.

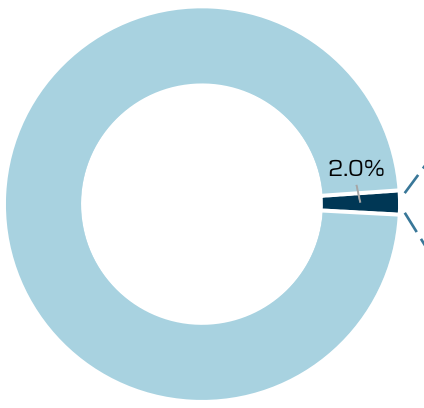
Danske Bank

Fossil fuels (coal, oil and gas) exposure

Key points, Q3 23

- This page shows the current exposure to fossil fuels and includes customers involved in production, refining, and distribution (including shipping) of oil and gas as well as utilities producing heat or power with coal
- Exposure towards oil majors (upstream oil and gas) have been stable during the year and exposure is down by 61% compared to end 2020. The exposure development is aligned with the Group's 2030 climate target of reducing financed emissions by 50% from oil majors. The main risk on oil related exposures lies with exposures other than oil majors, and net exposures are down by 35.5% from end 2020
- Exposures shown on this page is to utility customers with any coal-based power production (DKK 28 bn.) and hereof more than 5% of revenues from coal fired power production (2.6 bn.). Exposure developments have been driven by short-term facilities to help customers manage market risk due to energy price volatility, but exposure volatility has stabilized in 2023. Net exposures has slightly decreased during Q3 2023 and are now 21% lower than a year ago
- Customers' transition plans are continually being assessed as part of the credit process, and customers in the distribution and refining segments and utility customers are generally progressing well on the transition. For instance, by refineries switching to biofuels or by gas stations investing in infrastructure for charging of electric vehicles. Also, for most customers, the use of coal is limited to a few remaining production facilities which are expected to phase-out towards 2030

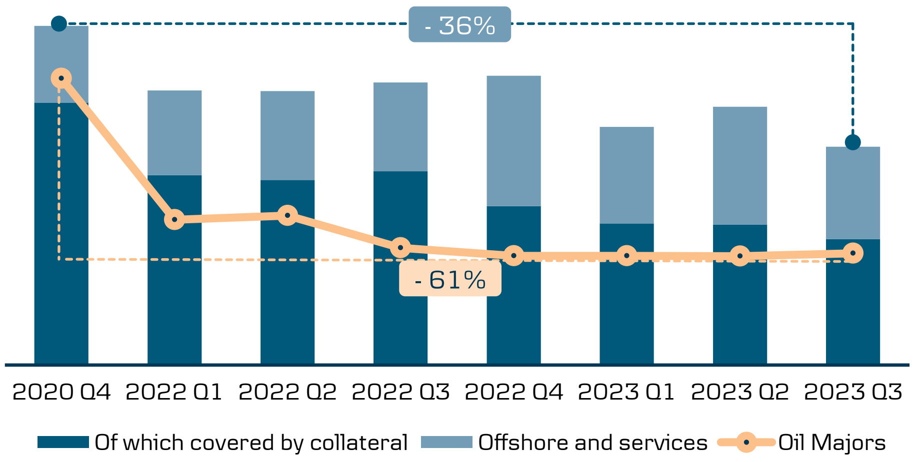
Group gross credit exposure (DKK 2,580 bn.)



Fossil fuels exposure

Segment	Net exposure (DKK m)
Crude, gas and product tankers	4,627
Distribution and refining	9,923
Oil-related exposure	8,178
Oil majors	2,769
Offshore and services	5,409
Power and heating utilities with any coal-based production	27,823
Hereof customers with more than 5% revenue from coal	2,561
Total fossil fuel exposure	**50,551**

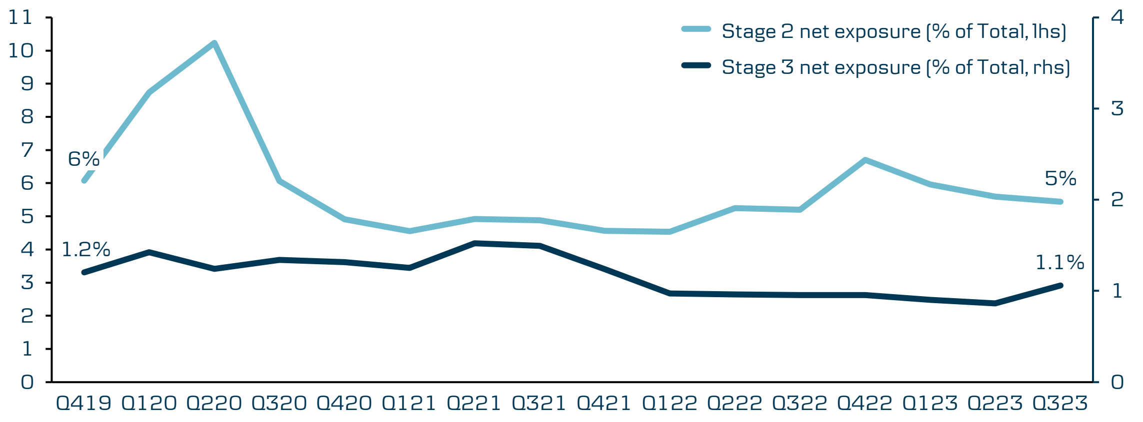
Oil-related net credit exposure development, DKK bn.



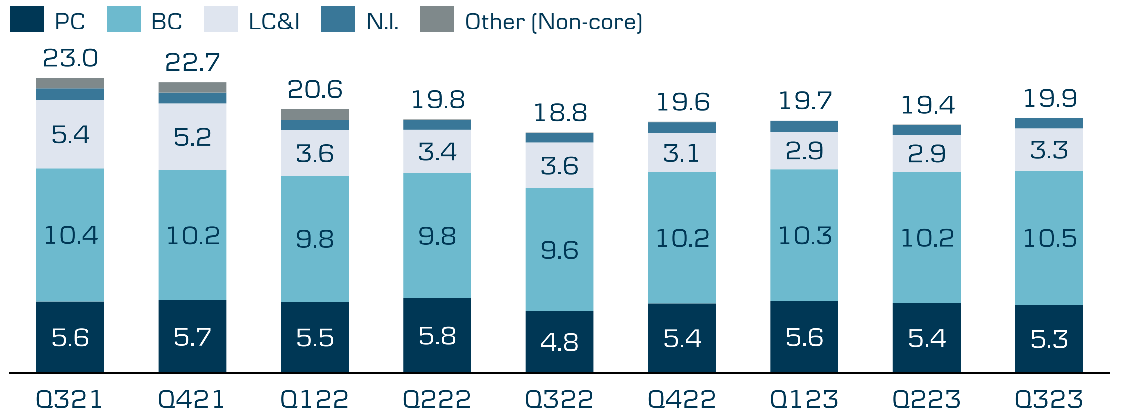
Danske Bank

Credit quality: Low level of actual credit deterioration

Stage 2 and 3 as % of net exposure



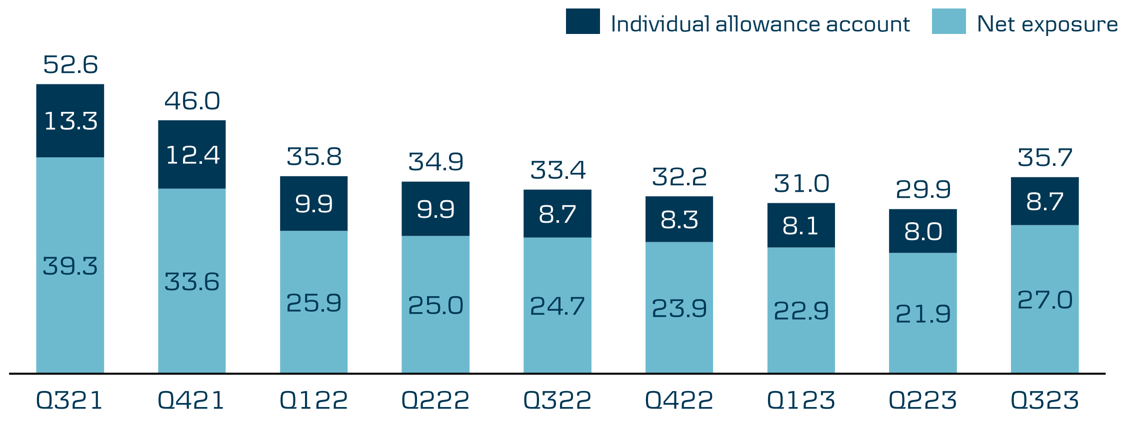
Allowance account by business unit (DKK bn)



Breakdown of stage 2 allowance account and exposure (DKK bn)

	Allowance account	Gross credit exposure	Allowance account as % of gross exposure
Personal customers	1.7	868	0.19%
Agriculture	0.7	62	1.15%
Commercial property	1.9	295	0.65%
Shipping, oil and gas	0	41	0.11%
Services	0.3	69	0.40%
Other	3.2	1,241	0.26%
Total	**7.9**	**2,577**	**0.31%**

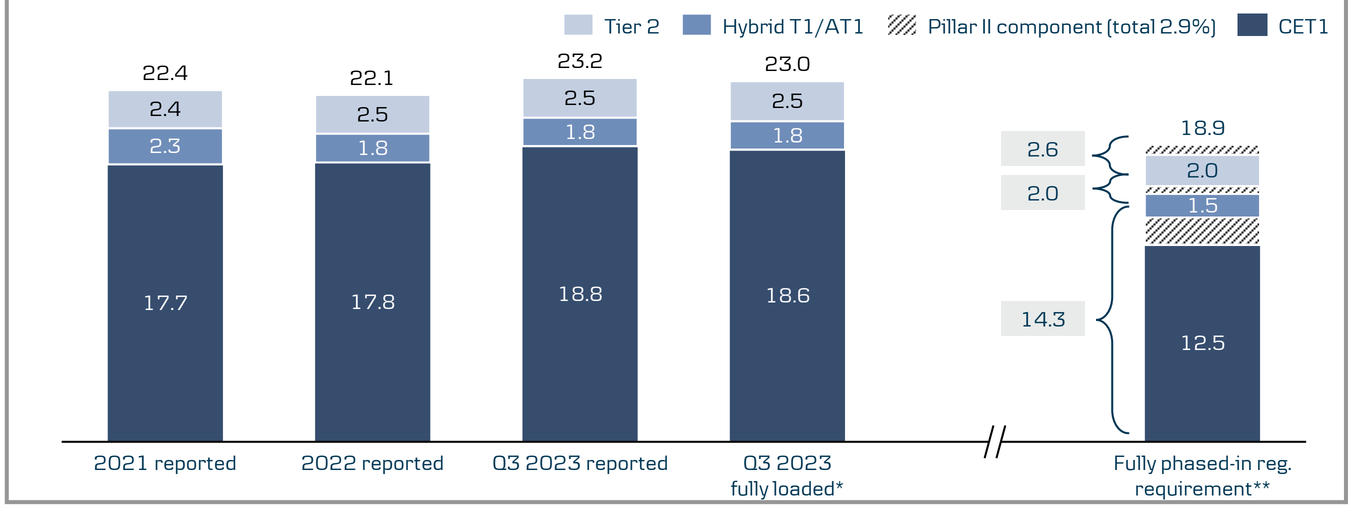
Gross stage 3 loans (DKK bn)



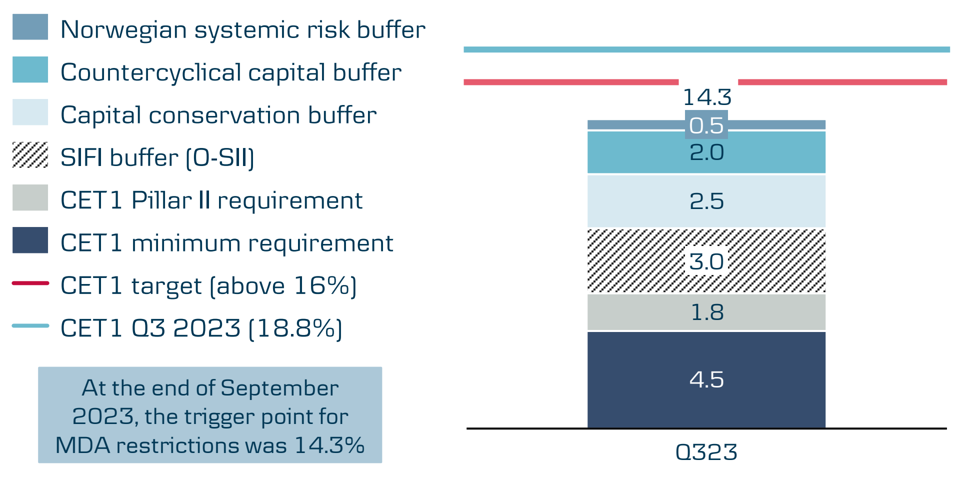
Capital

Capital: Strong capital base with CET1 ratio of 18.8%, leaving a buffer of 450 bps to regulatory requirements

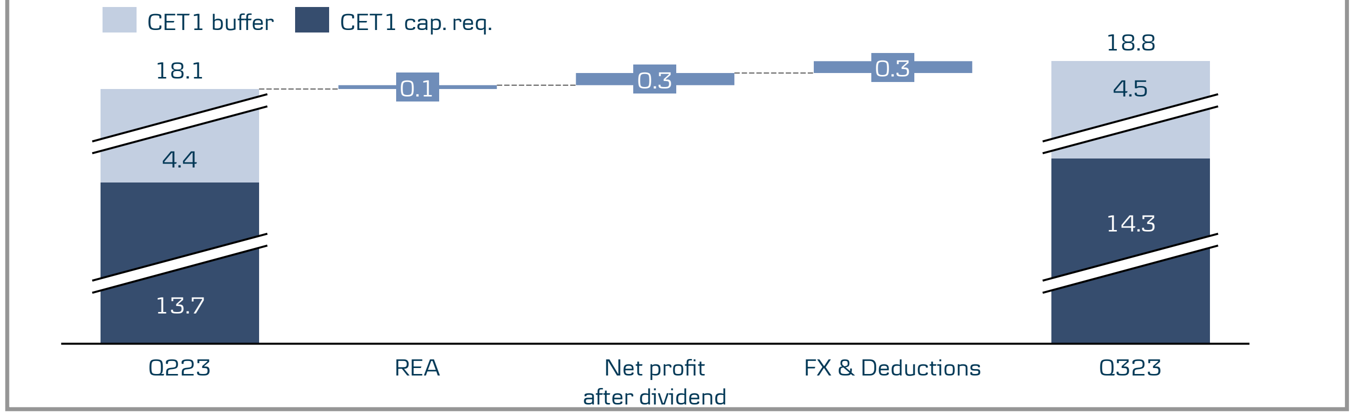
Capital ratios, under Basel III/CRR (%)



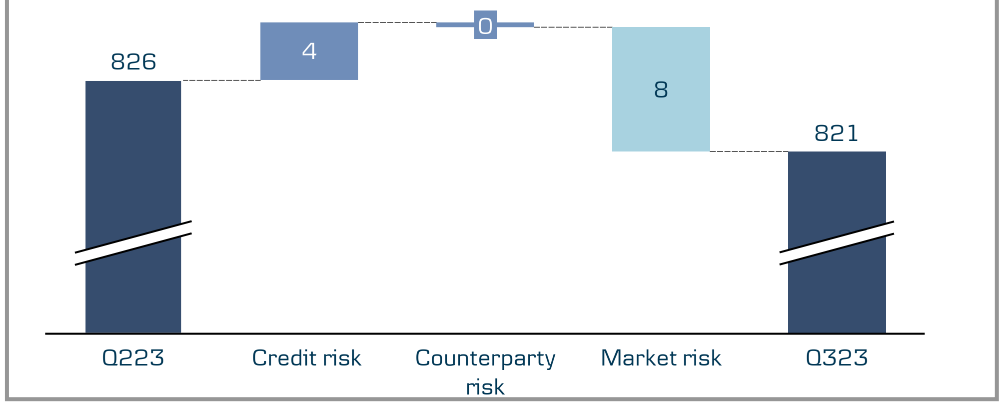
Current capital buffer structure (%)



CET1 development (%)



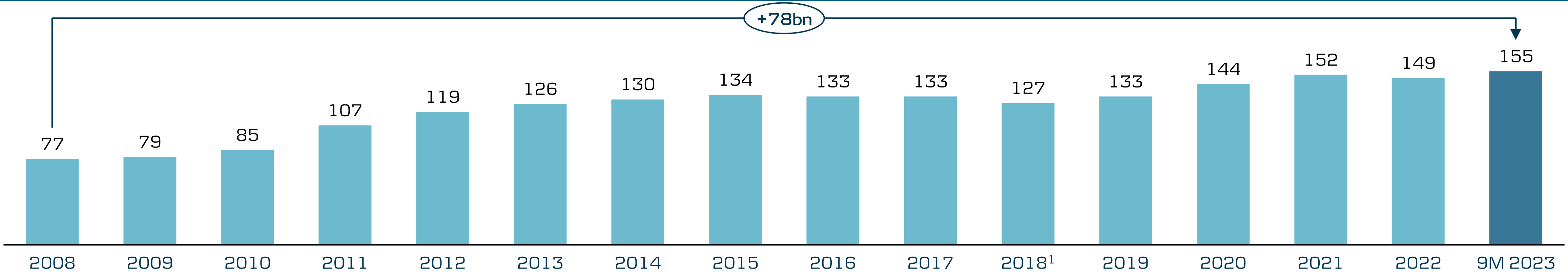
Total REA (DKK bn)



* Based on fully phased-in rules including fully phased-in impact of IFRS 9. ** Pro forma fully phased-in minimum CET1 requirement in September 2024 of 4.5%, capital conservation buffer of 2.5%, SIFI buffer requirement of 3%, countercyclical buffer of 2.0%, systemic risk buffer of 0.5% (on Norwegian exposures), and CET1 component of Pillar II requirement.

Strong CET1 capital build-up since 2008; Available Distributable Items (ADI) well in excess of DKK 100 bn

Common Equity Tier 1, 2008 – 2023 (DKK bn)



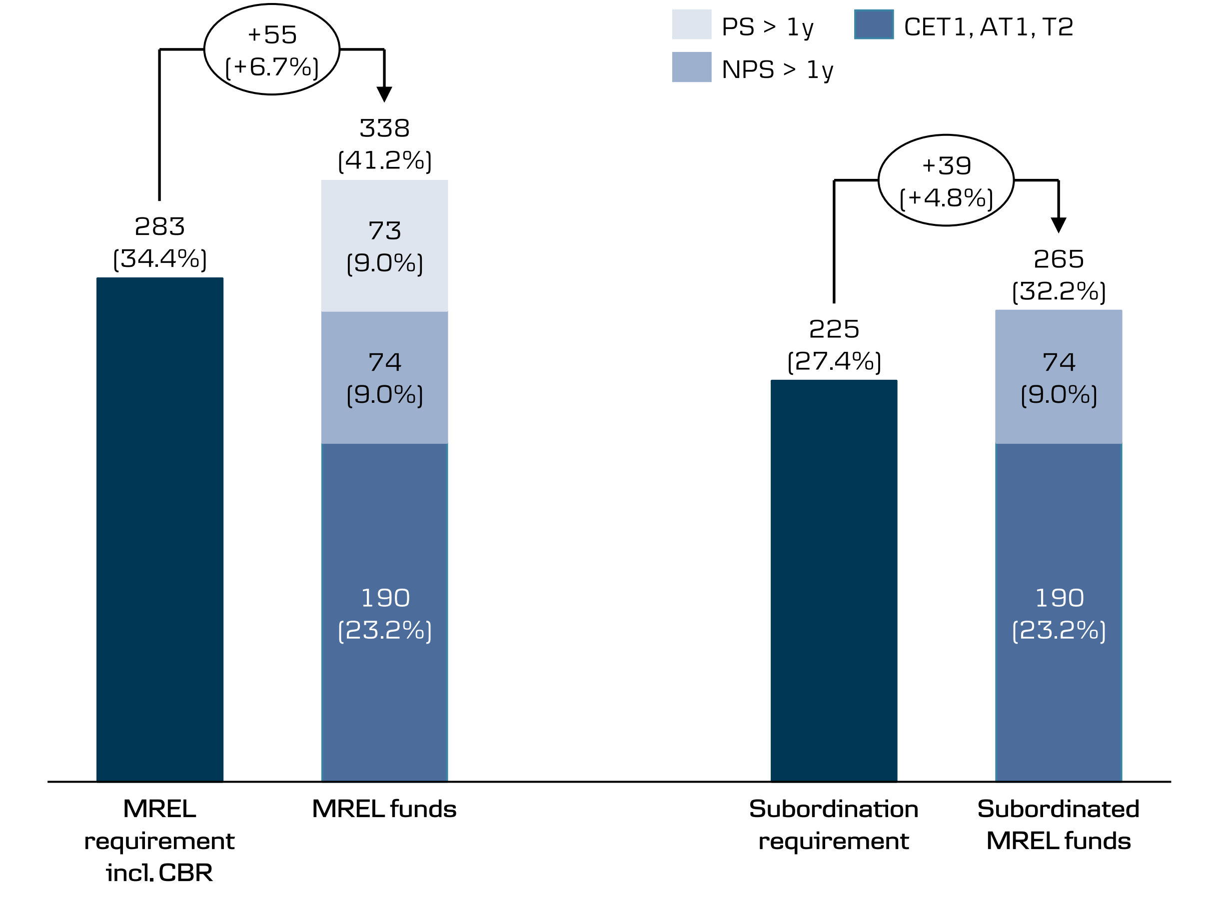
REA, CET1, profit and distribution (DKK bn; %)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	9M 2023
REA	960	834	844	906	819	852	865	834	815	753	748	767	784	860	838	821
CET1 ratio	8.1%	9.5%	10.1%	11.8%	14.5%	14.7%	15.1%	16.1%	16.3%	17.6%	17.0%	17.3%	18.3%	17.7%	17.8%	18.8%
Net profit	1.0	1.7	3.7	1.7	4.7	7.1	13.0[2]	17.7[2]	19.9	20.9	15.0	15.1	4.6	12.9	-5.1	15.5
Distribution to shareholders[3]	0	0	0	0	0	2.0	10.5	17.1	18.9	16.3	7.6	0	1.7	1.7	0	6.0
Total assets	3,544	3,098	3,214	3,424	3,485	3,227	3,453	3,293	3,484	3,540	3,578	3,761	4,109	3,936	3,763	3,829

1. The decline in CET1 capital in 2018 is due mainly to Danica Pension's acquisition of SEB Pension Danmark which led to a higher deduction in Group regulatory capital. 2. Before goodwill impairment charges 3. Based on year-end communicated distributions. 2017 is adjusted for cancelled buy-back. 2019 is adjusted for cancelled dividend.

Fully compliant with MREL and subordination requirement; expect to cover MREL need with both preferred and non-preferred senior

MREL and subordination requirement* and eligible funds Q323
DKK bn (% of Group REA)



*Including Realkredit Danmark's (RD) capital and debt buffer requirements

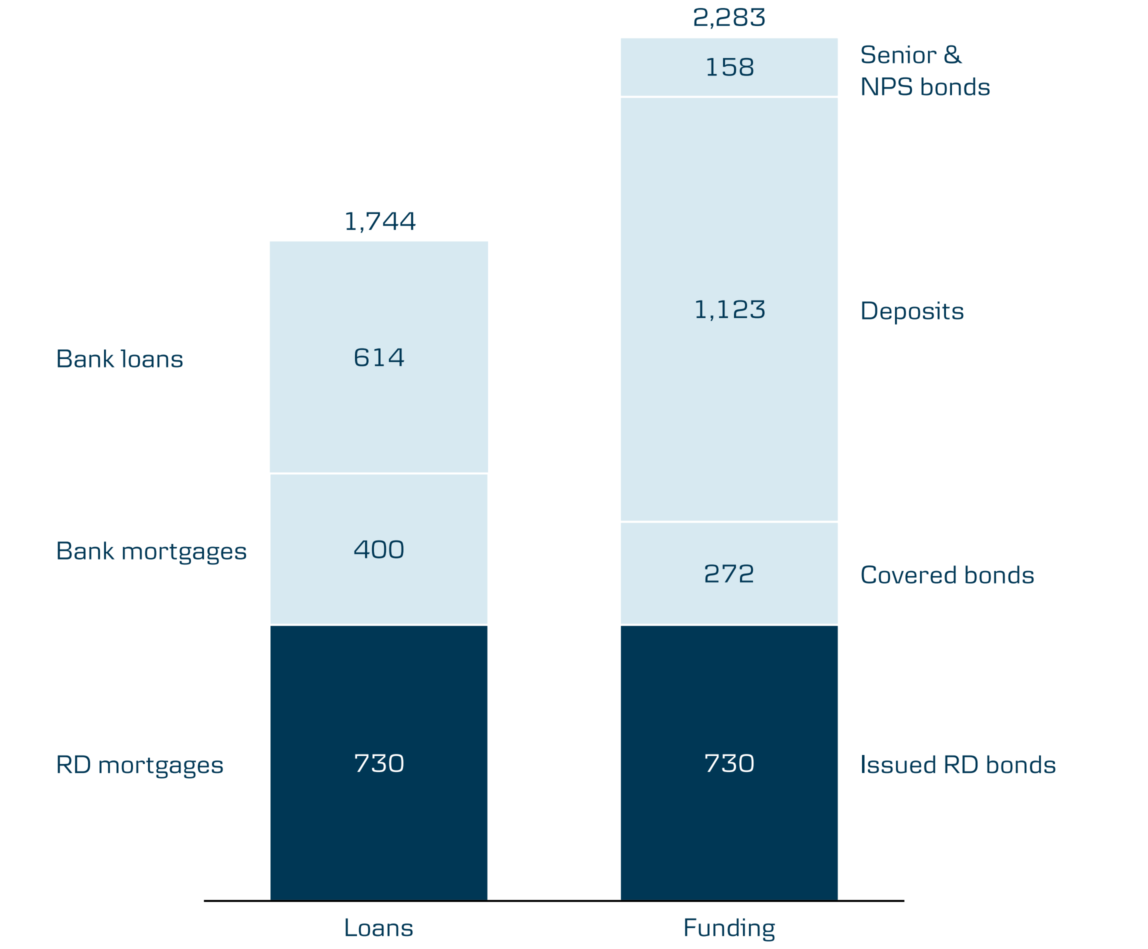
Comments

- The Group has to meet a MREL requirement and a subordination requirement, both adjusted for Realkredit Danmark (RD)
- The subordination requirement is the higher of 2x(P1 + P2) + CBR or 8% TLOF
- The Group's MREL requirement (total resolution requirement) is DKK 283bn incl. RD's capital and debt buffer requirement (DKK 43bn) and the combined buffer requirement (DKK 55bn). Excess MREL funds are DKK 55bn
- The Group's subordination requirement is DKK 225bn incl. RD's capital requirement (DKK 29bn). Excess subordinated MREL funds are DKK 39bn
- This figure shows the Group's MREL and subordination requirement as of end Q3 2023, which constitutes the fully-phased in requirements, i.e. no interim target
- Requirements will, however, be impacted by any changes to the CCyB

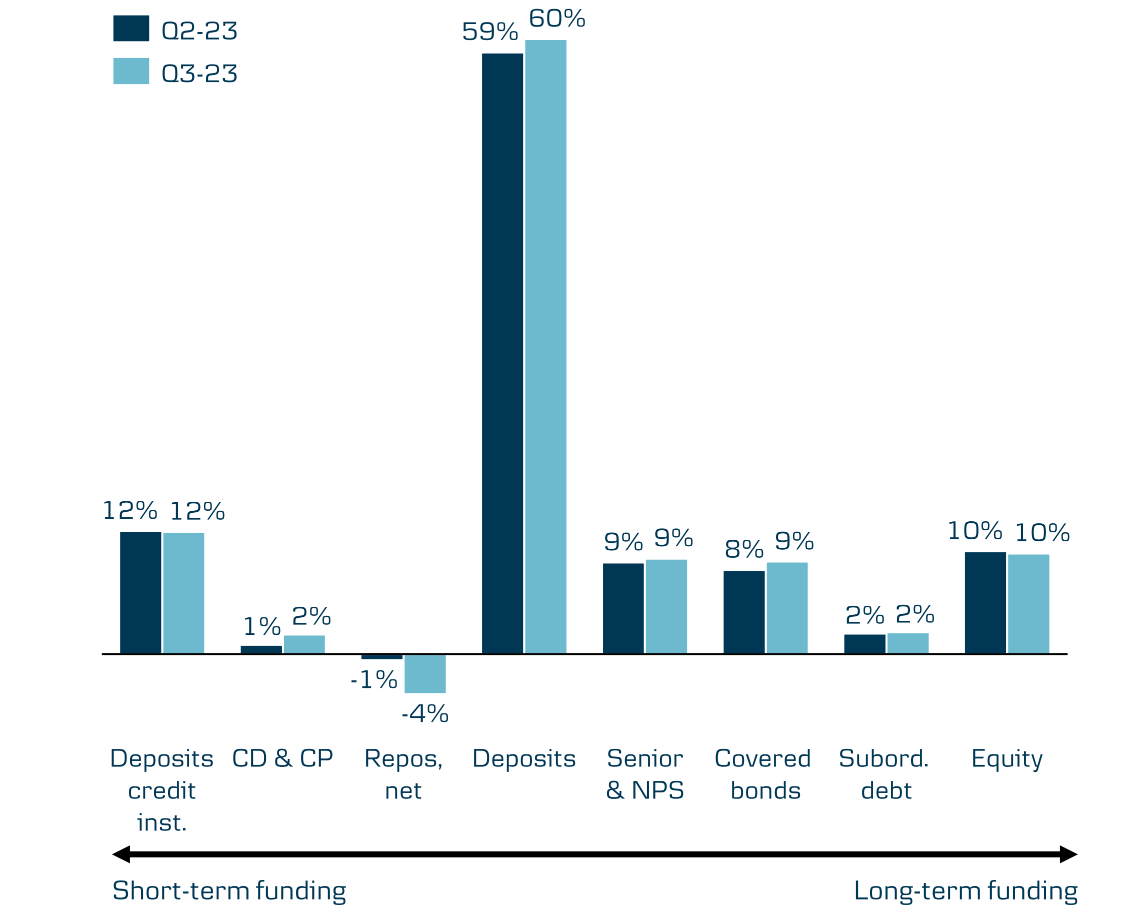
Funding & Liquidity

Funding structure and sources: Danish mortgage system is fully pass-through

Loan portfolio and long-term funding, Q323 (DKK bn)



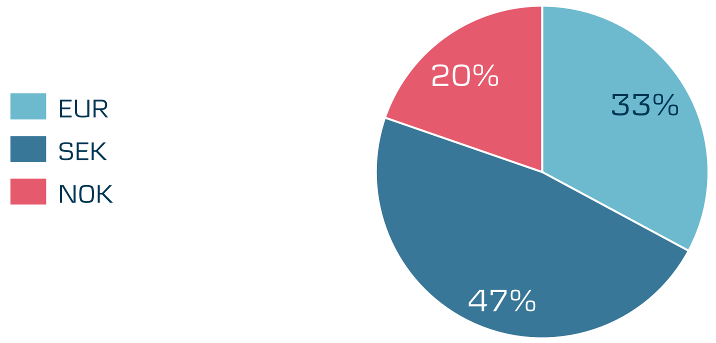
Funding sources* (%)



* *Figures are rounded*

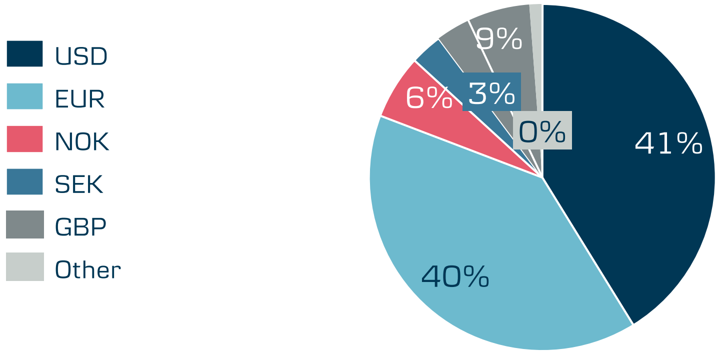
Funding programmes and currencies

Covered bonds by currency, end-Q323



Total DKK 166 bn

Senior debt[1] by currency, end-Q323



Total DKK 172 bn

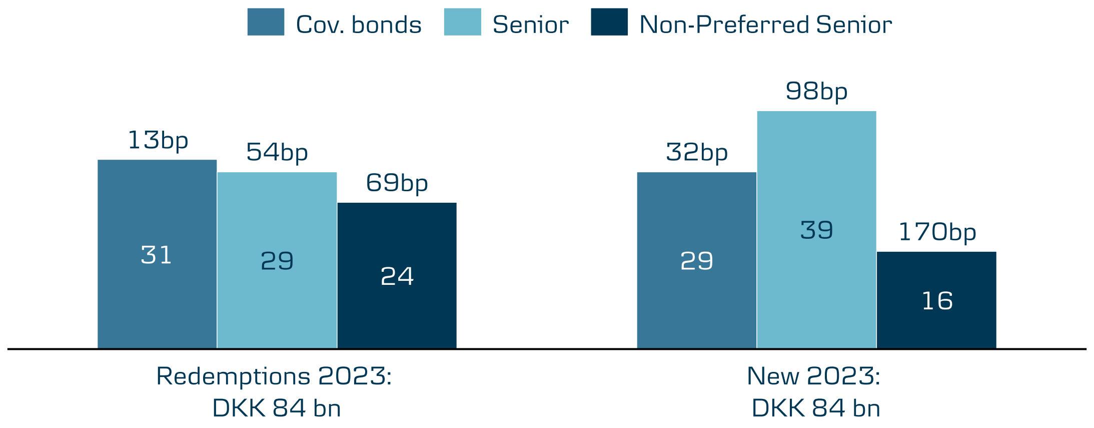
Largest funding programmes, end-Q323

	Utilisation
EMTN Programme Limit – EUR 35bn	45%
Global Covered Bond Limit – EUR 30bn	71%
ECP Programme Limit – EUR 13bn	16%
US MTN (144A) Limit – USD 20 bn	50%
US Commercial Paper Limit – USD 6bn	3%
UK Certificate of Deposit Limit – USD 15bn	5%
NEU Commercial Paper Limit – EUR 10bn	9%

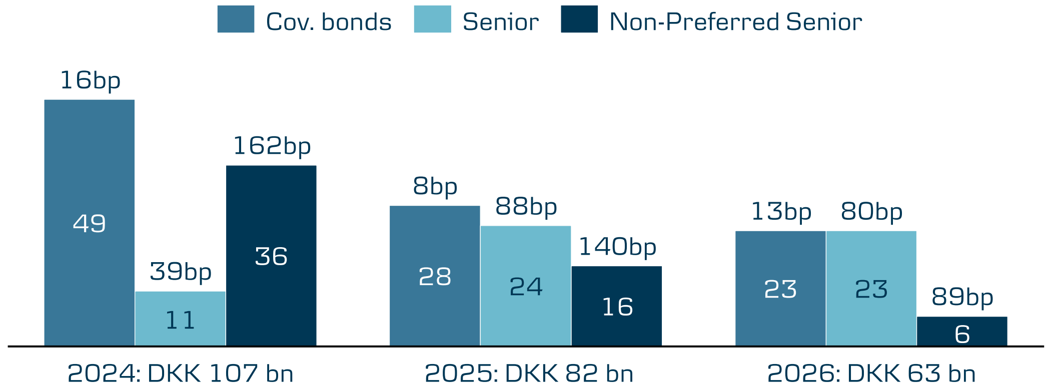
1. Including senior preferred and non-preferred debt

Funding plan on track

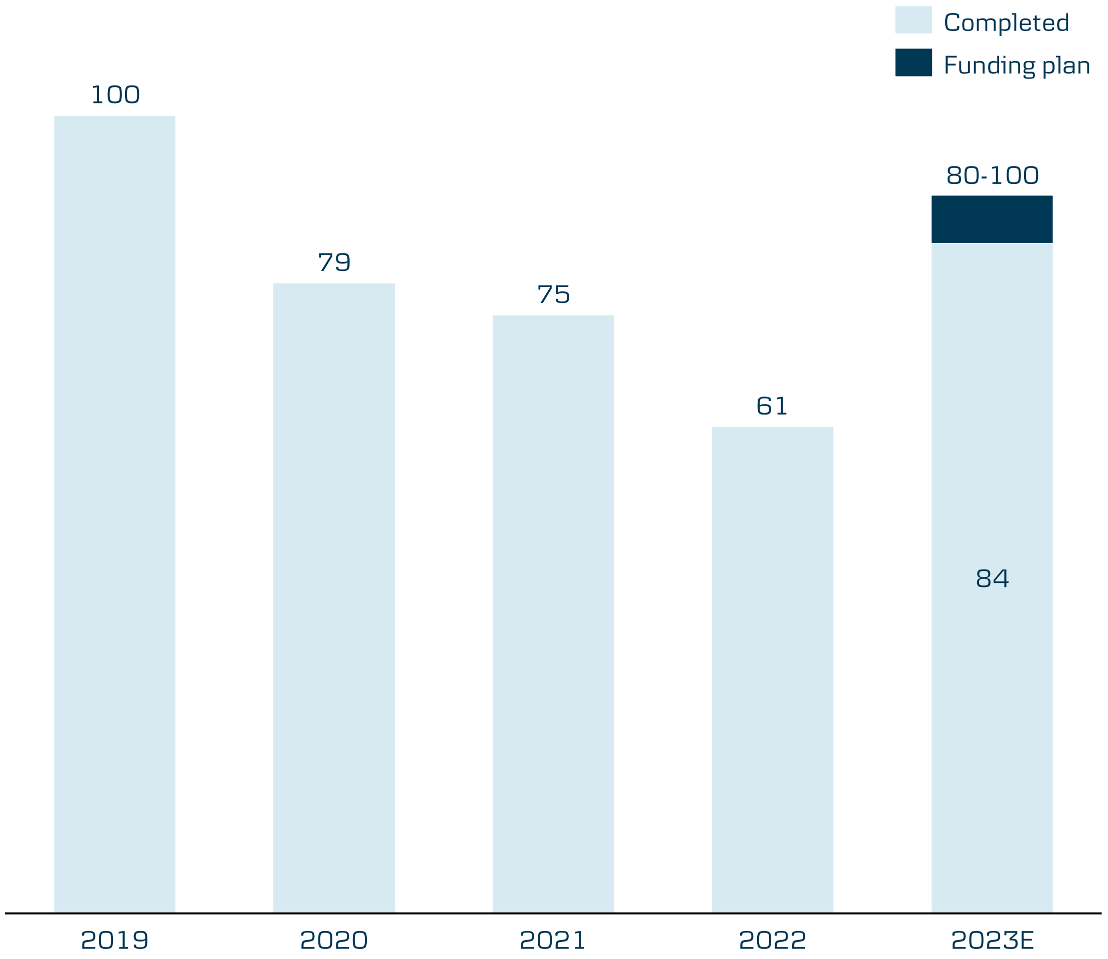
Changes in funding,* 2023 (DKK bn and bp)



Maturing funding,* 2024–2026 (DKK bn and bp)



Long-term funding excl. RD (DKK bn)***



* Spread over 3M EURIBOR.

*** Includes covered bonds, senior, non-preferred senior and capital instruments, excl. RD .

EUR[1] issuance: Danske Mortgage Bank & Danske Bank A/S "D-pool" and "C-pool"

Danske Bank

Residential mortgages

- Denmark, D-pool
- Norway, I-pool (to be sold to Nordea)
- Sweden, Danske Hypotek AB
- Finland, Danske Mortgage Bank Plc

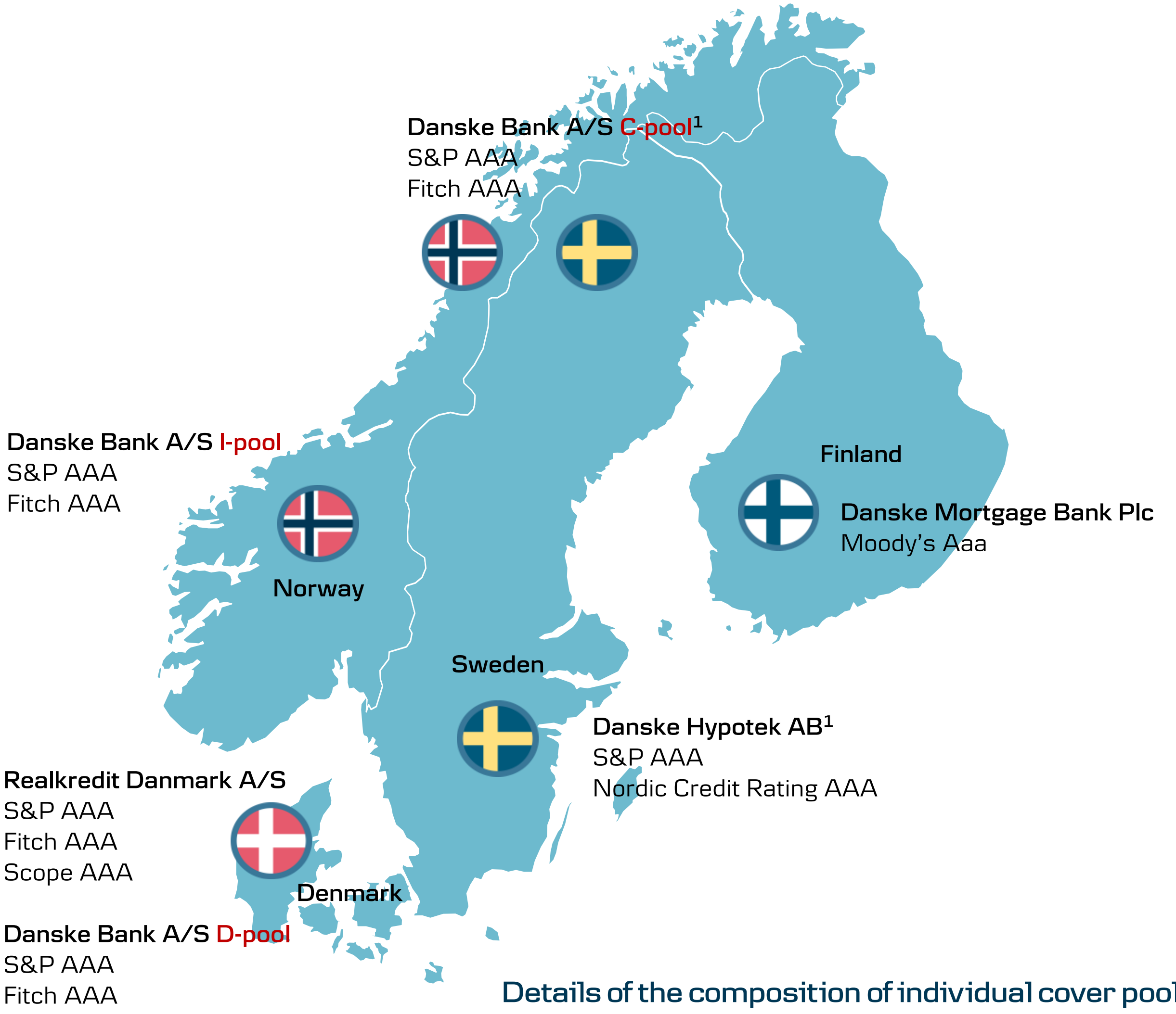
Commercial mortgages

- Sweden and Norway, C-pool

Realkredit Danmark

Residential and commercial mortgages

- Capital Centre T (adjustable-rate mortgages)
- Capital Centre S (fixed-rate callable mortgages)



Details of the composition of individual cover pools can be found on the respective issuers' websites.

[1] The migration of Swedish mortgage loans from Danske Bank's C-pool to Danske Hypotek AB is ongoing.

Credit & ESG Ratings

Danske Bank's credit ratings

Long-term instrument ratings

	Fitch	Moody's	Scope	S&P
Investment grade	AAA	Aaa	AAA	AAA
	AA+	Aa1	AA+	AA+
	AA	Aa2	AA	AA
	AA-	Aa3	AA-	AA-
	A+	A1	A+	A+
	A	A2	A	A
	A-	A3	A-	A-
	BBB+	Baa1	BBB+	BBB+
	BBB	Baa2	BBB	BBB
	BBB-	Baa3	BBB-	BBB-
Speculative grade	BB+	Ba1	BB+	BB+

- Fitch rated covered bonds – RD, Danske Bank
- Moody's rated covered bonds – Danske Mortgage Bank
- Scope rated covered bonds – RD
- S&P rated covered bonds – RD, Danske Bank, Danske Hypotek
- Counterparty rating
- Senior unsecured debt
- Non-preferred senior debt
- Tier 2 subordinated debt
- Additional Tier 1 capital instruments

On 15 September 2023, Fitch Ratings upgraded Danske Bank

On 15 September 2023, Fitch Ratings (Fitch) upgraded Danske Bank's issuer rating to A+ from A. The outlook is Stable. Consequently, all debt ratings were raised one notch. Key drivers were the Group's capitalisation, improved earnings metrics and Fitch's view on the closure of the Estonia case.

On 10 July 2023, Moody's Investors Service (Moody's) revised the outlook for Danske Bank Group to Positive from Stable, while affirming all ratings.

S&P have a Stable outlook on Danske Bank.

Danske Bank

Danske Bank's ESG ratings – No change in Q3 2023

We have chosen to focus on five providers based on their importance to our investors

	Q3 2023		Q2 2023	Q1 2023	End 2022	End 2021	End 2020	Range
CDP[1]	B	283 companies, out of the 18,700 analysed, made the Climate Change A List in 2022	B	B	B	B	B	A to F (A highest rating)
ISS ESG	C+ Prime	Decile rank: 1 (299 banks rated) C+ is the highest rating assigned to any bank by ISS ESG	C+ Prime	C+ Prime	C+ Prime	C Prime	C+ Prime	A+ to D- (A+ highest rating) Decile rank of 1 indicates a higher ESG performance, while decile rank of 10 indicates a lower ESG performance
Moody's ESG Solutions	60	N/A	60	61	61	61	64	100 to 0 (100 highest rating)
MSCI	BBB	MSCI rates 196 banks: AAA 6% AA 32% A 30% BBB 22% BB 9% B 1% CCC 2%	BBB	BBB	BBB	BBB	BB	AAA to CCC (AAA highest rating)
Sustainalytics	Medium Risk	Rank in Diversified Banks 141/360 Rank in Banks 390/1006	Medium Risk	Medium Risk	Medium Risk	Medium Risk	High Risk	Negligible to Severe risk (1 = lowest risk)

[1] Carbon Disclosure Project – primary focus is on climate change/management, also linked to TCFD

Danske Bank

Three distinct methods for rating banks

Danske Bank's rating

Rating methodology

S&P Global Ratings

Anchor SACP[1]	+	1	+	2	+	3	+	4	=	Potential CRA* adjustment	=	SACP**	+	Extraordinary external support	+	ALAC	=	Issuer rating
bbb+		+1		+1		-1		0		0		a-		0		+2		A+ (Stable)

1=Business Position, 2=Capital & Earnings, 3=Risk Position, 4=Funding & Liquidity

Moody's

Macro profile	+	1	+	2	+	3	+	4	+	5	+	Quali-tative factors	=	BCA***	+	Affiliate support	+	LGF****	+	Gov. support	=	Issuer rating
Strong Plus		baa1		a1		baa2		baa2		baa1		-1		baa2		0		+1		+1		A3 (Positive)

1=Asset Risk, 2=Capital, 3=Profitability, 4=Funding Structure, 5=Liquid resources

FitchRatings

Operating environment	+	Business Profile	+	Risk Profile	+	Asset Quality	+	Earnings & Profitability	+	Capitalisation & Leverage	+	Funding & Liquidity	=	Viability Rating	+	Government Support	=	Issuer rating
aa-		a+		a+		a		a		a+		a+		a+		No Support		A+ (Stable)

* Comparable Ratings Analysis ** Stand-Alone Credit Profile *** Baseline Credit Assessment **** Loss Given Failure

Tax & Material one-offs

Tax

Actual and adjusted tax rates (DKK m)

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Profit before tax according to P&L	6,475	6,018	6,954	4,877	-13,032
Permanent non-taxable difference	223	798	547	-1,119	16,559
Adjusted pre-tax profit, Group	6,698	6,815	7,501	3,758	3,527
Tax according to P&L	1,156	1,007	1,787	704	760
Taxes from previous years etc.	503	652	71	158	25
Adjusted tax	1,660	1,658	1,858	862	785
Adjusted tax rate	24.8%	24.3%	24.8%	22.9%	22.3%
Actual-/Effective tax rate	17.9%	16.7%	25.7%	14.4%	-5.8%
Actual-/Effective tax rate exclusive prior year regulation	25.6%	27.6%	26.7%	17.7%	-6.0%

Tax drivers, Q3 2023

- The actual tax rate of 25.6% (excluding prior-year's adjustments) is higher than the Danish rate of 25.2% - due to the tax effect from tax exempt income/expenses
- The Danish financial sector is subject to a statuary corporate tax rate of 25.2% in 2023 and 26% from 2024 onwards
- Adjusted tax rate of 24.8% is lower than the Danish rate of 25.2% due to the differences in statuary tax rates in the various countries in which we operate
- The permanent non-taxable difference derives from tax-exempt income/expenses, such as value adjustments on shares

Material extraordinary items in 2023

	One-off items	Effect (DKK m)	P&L line affected
Q1-23	None		
Q2-23	Transaction costs and prudent valution related to Personal Customers Norway	-693	Other income
	Gain from sale of shares taken over in connection with a loan	327	Trading
	Reversal of provision following a decision from tax auth. rgd. exit of an international joint taxation scheme	576	Tax
Q3-23	interest compensation: Final tax decision regarding tax paid in previous years	307	NII
	Release of loss from OCI related to the CET1 FX hedge attributable to PC in Norway	-786	Trading
	Provision for potential customer compensation case in Danica	-250	Net income from insurance
	Sale of Danske IT to Infosys	104	Other Income
	Correction of tax paid in previous years	670	Tax

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This presentation does not imply that Danske Bank has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.