

Press release

Holmens Kanal 2 - 12
DK - 1092 København K
Tel. +45 45 14 00 00

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Planned Exercise around NOK Denominated Bonds in Cover Pool I

This information supplements the Press release 19 July 2023.

The assets and collateral that will primarily be transferred to Nordea Eiendomskreditt AS (a fully owned mortgage credit subsidiary of Nordea Bank Abp), following the closing of Danske Bank's sale of its personal customer business in Norway to Nordea, have previously supported a material part of Danske Bank's Norwegian assets that benefit the 'I-pool' under Danske Bank's covered bond programme. Danske Bank is committed to ensuring that the interests of its Covered Bond investors are taken into account in such a transaction, and that investors are able to continue to benefit from a pool of assets that complies with the terms and conditions of the relevant Covered Bonds going forward to the extent allowed by the relevant legislation. Given the planned transfer of the assets and collateral to Nordea Eiendomskreditt AS, Danske Bank expects to offer investors in the NOK-denominated 'I-pool' covered issuances the opportunity to transfer their current bonds to Nordea Eiendomskreditt AS whilst generally maintaining their existing economic terms ahead of, but subject to, the closing of the sale; this will significantly reduce the utilisation of the Danske Bank 'I-pool' after the closing of the transaction.

Currently under the 'I-pool' there are c. NOK 39bn NOK-denominated outstanding public and privately-placed bonds which are due from Q4 2024 onwards, being the earliest the transaction is expected to close and so which would be in scope for the exercise. The NOK-denominated bonds represent the majority of the outstanding external funding related to the 'I-pool'. Danske Bank will announce further details of this proposed exercise in due course. Closing of the sale is not conditional upon a transfer of the NOK-denominated 'I-pool' covered bonds to Nordea Eiendomskreditt AS. Regardless of the outcome of the exercise, Danske Bank remains committed to ensure that any variation of the underlying assets contained within the Cover Pool I continues to comply with the relevant legislation.