

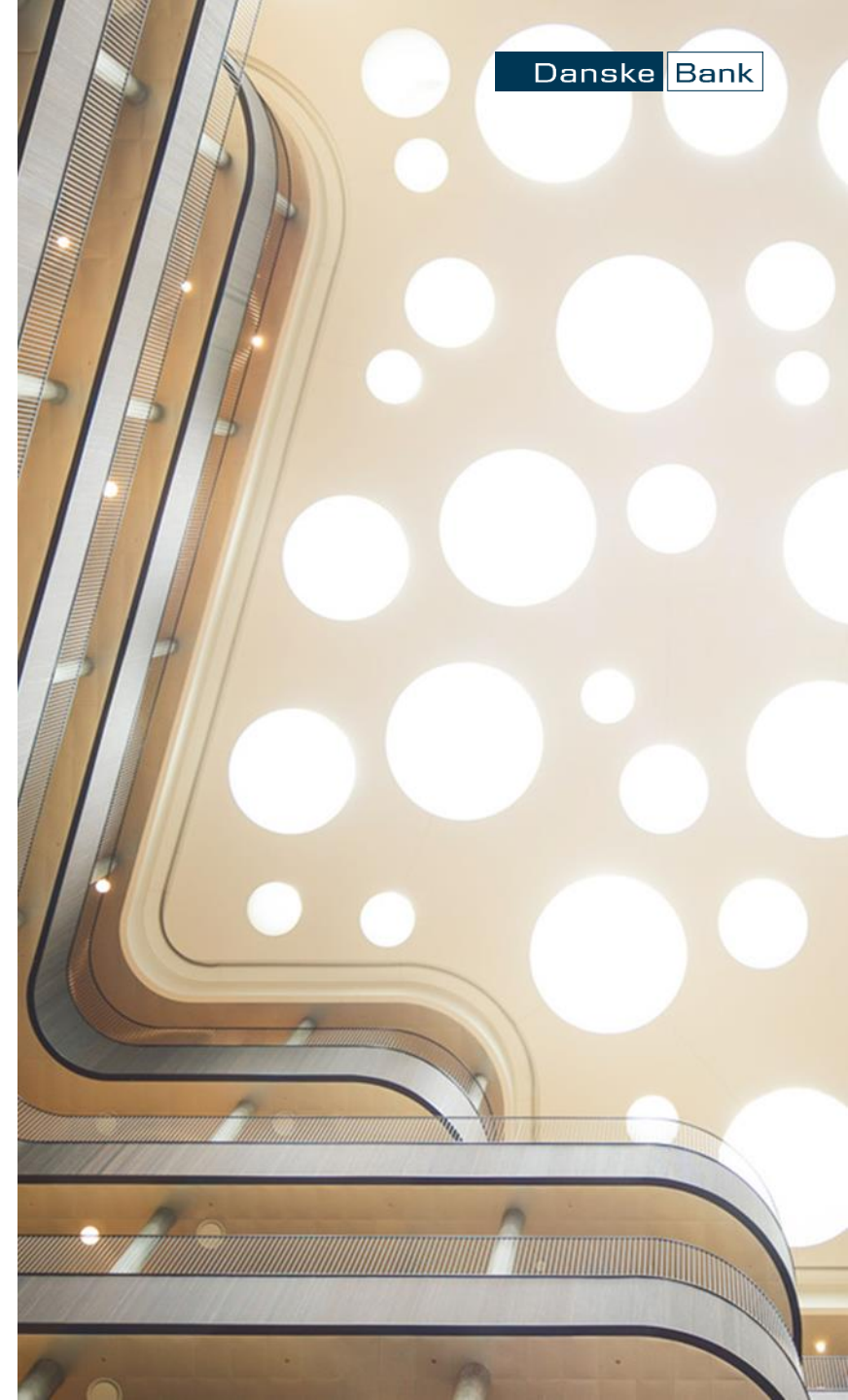
Investor Presentation

Financial results Q2 2024



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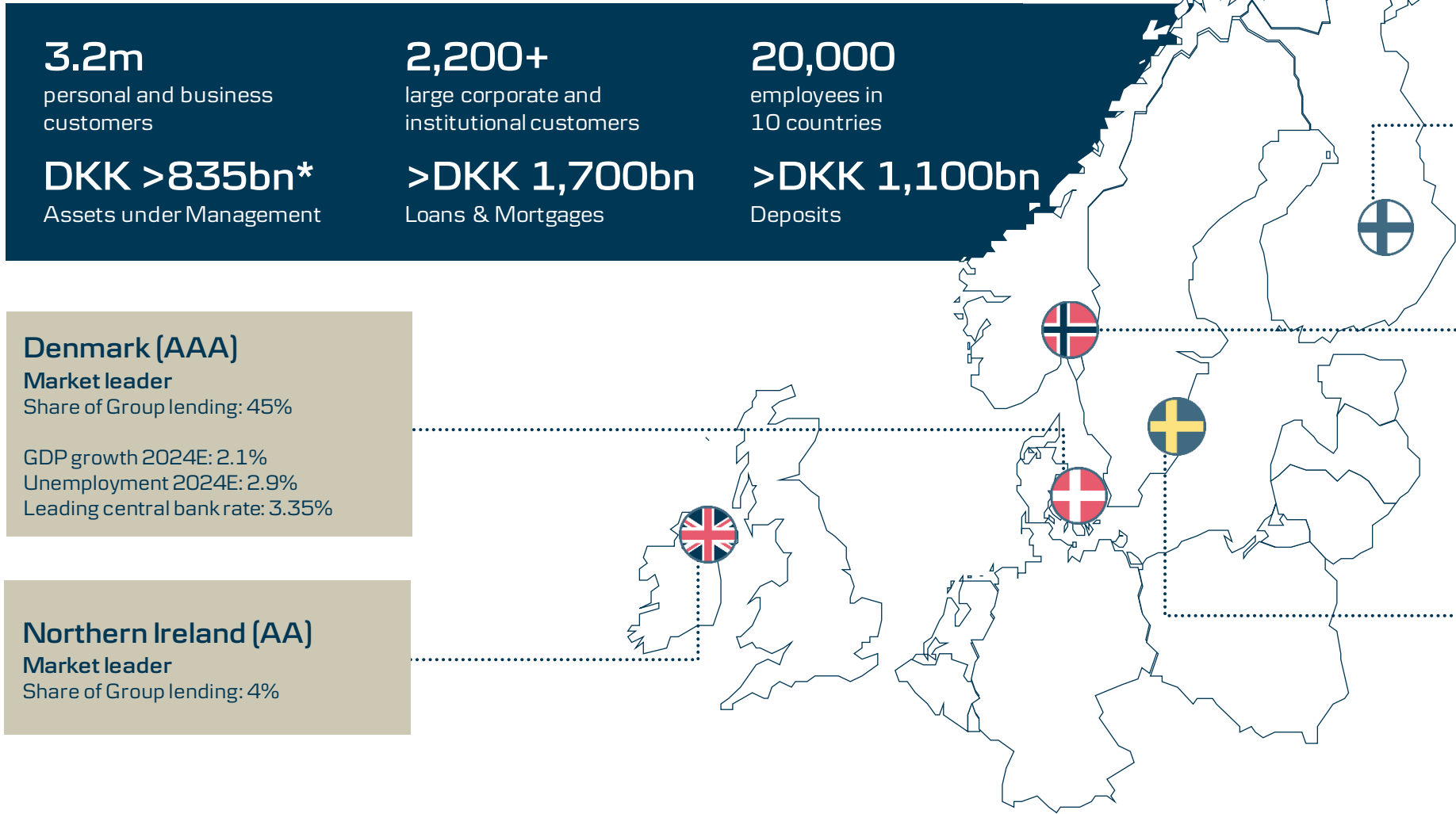
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Danske Bank

- a brief overview

We are a focused Nordic bank with strong regional roots



Denmark (AAA)
Market leader
Share of Group lending: 45%

GDP growth 2024E: 2.1%
Unemployment 2024E: 2.9%
Leading central bank rate: 3.35%

Northern Ireland (AA)
Market leader
Share of Group lending: 4%

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

GDP growth 2024E: -0.4%
Unemployment 2024E: 8.2%
Leading central bank rate: 3.75%

Norway (AAA)
Challenger position
Share of Group lending: 8%

GDP growth 2024E: 0.9%
Unemployment 2024E: 2.1%
Leading central bank rate: 4.5%

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

GDP growth 2024E: 1.5%
Unemployment 2024E: 8.4%
Leading central bank rate: 3.75%

Note: Share of Group lending is before loan impairment charges and excludes Large Corporates & Institutions (1.7%), Asset Finance (3%) and Global Private Banking (4%)
* Asset Management in LC&I.

Nordic Outlook June 2024: Return to Nordic growth

Denmark

	2023	Forecast 2024	Forecast 2025
GDP Growth	1.8%	2.1% (2.1%)	2.0% (2.0%)
Inflation	3.3%	1.8% (2.0%)	2.0% (1.9%)
Unemployment	2.8%	2.9% (3.0%)	3.1% (3.1%)
Policy rate*	3.60%	3.50% (2.85%)	2.75% (1.85%)
House prices	-2.7%	4.0% (3.0%)	2.5% (2.0%)

Parentheses are the old projections (From March 2024)

*End of period

Source: Danske Bank, Statistics Denmark, Nationalbanken

Sweden

	2023	Forecast 2024	Forecast 2025
GDP Growth	0.2%	1.5% (1.5%)	2.0% (2.0%)
Inflation	8.5%	2.5% (2.5%)	1.0% (1.0%)
Unemployment	7.7%	8.4% (8.3%)	8.1% (8.1%)
Policy rate*	4.00%	3.00% (3.25%)	2.00% (2.75%)
House prices	-7.0%	1.0% (1.0%)	5.0% (5.0%)

Parentheses are the old projections (From March 2024)

*End of period

Source: Danske Bank, Statistics Sweden, Riksbanken

Norway

	2023	Forecast 2024	Forecast 2025
GDP Growth	1.1%	0.9% (1.1%)	2.0% (2.1%)
Inflation	5.5%	3.4% (3.8%)	2.0% (2.0%)
Unemployment	1.8%	2.1% (2.3%)	2.4% (2.5%)
Policy rate*	4.50%	4.50% (3.50%)	3.50% (2.50%)
House prices	0.2%	3.0% (0.8%)	5.0% (4.5%)

Parentheses are the old projections (From March 2024)

*End of period

Source: Danske Bank, Statistics Norway, Norwegian Labour and Welfare Organization (NAV), Norges Bank

Finland

	2023	Forecast 2024	Forecast 2025
GDP Growth	-1.0%	-0.4% (-0.4%)	1.8% (1.9%)
Inflation	6.3%	1.8% (2.0%)	1.8% (1.6%)
Unemployment	7.2%	8.2% (7.9%)	7.9% (7.4%)
Policy rate*	4.00%	3.25% (3.25%)	2.25% (2.25%)
House prices	-6.3%	0.0% (0.5%)	3.5% (3.0%)

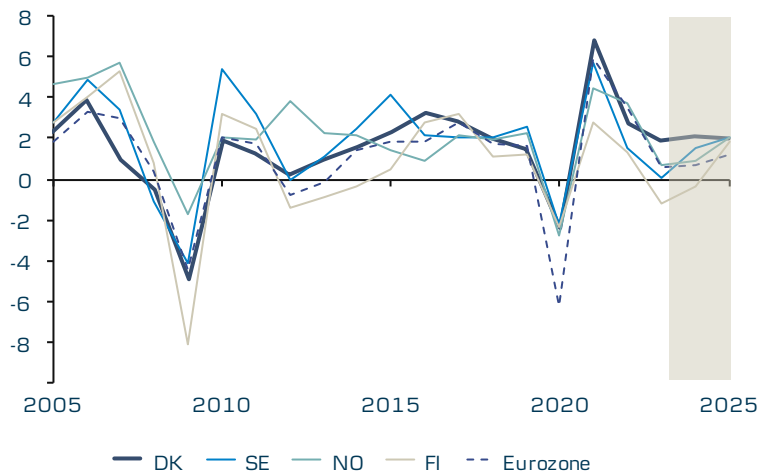
Parentheses are the old projections (From March 2024)

*End of period

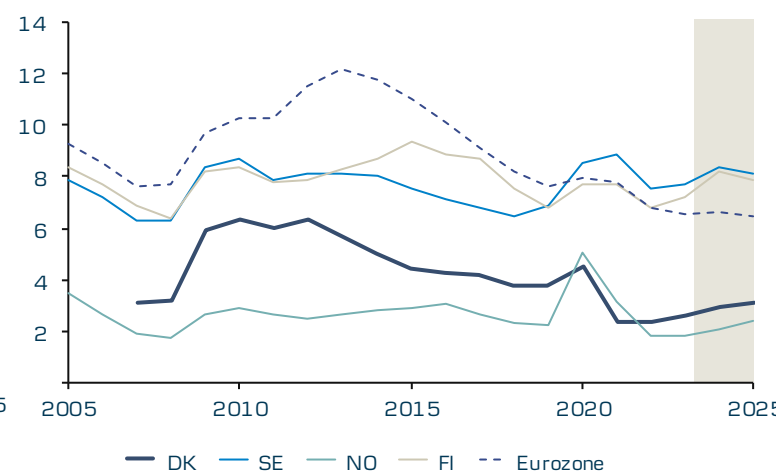
Source: Danske Bank, Statistics Finland, EKP

Historical macroeconomic development in the Nordics

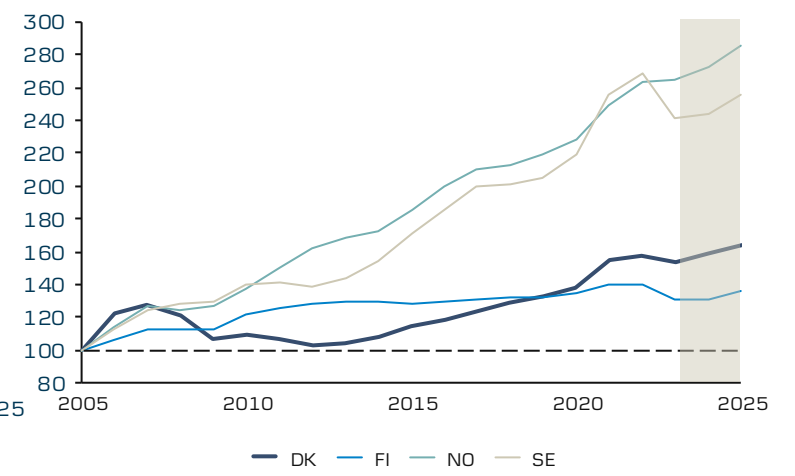
GDP development (%)



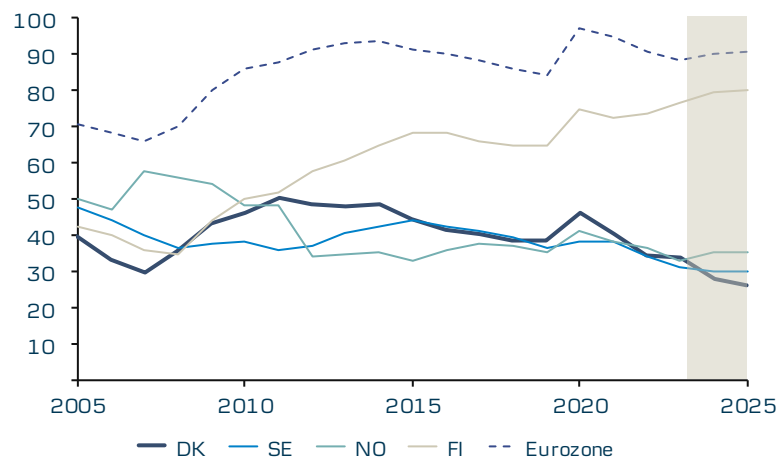
Unemployment (%)



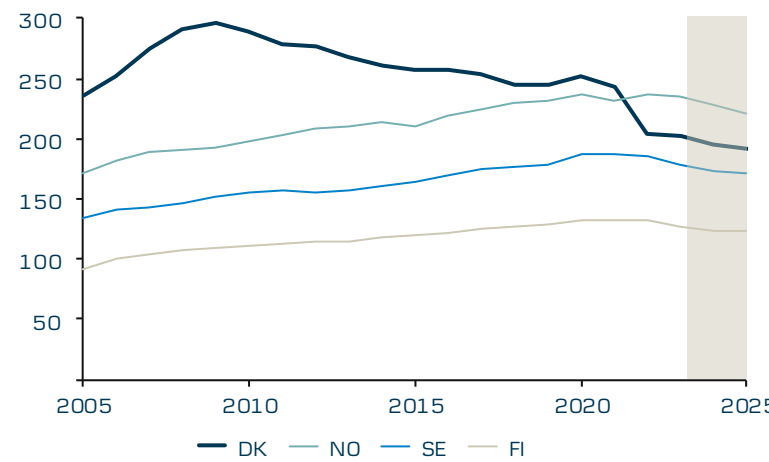
House prices (index 100=2005)



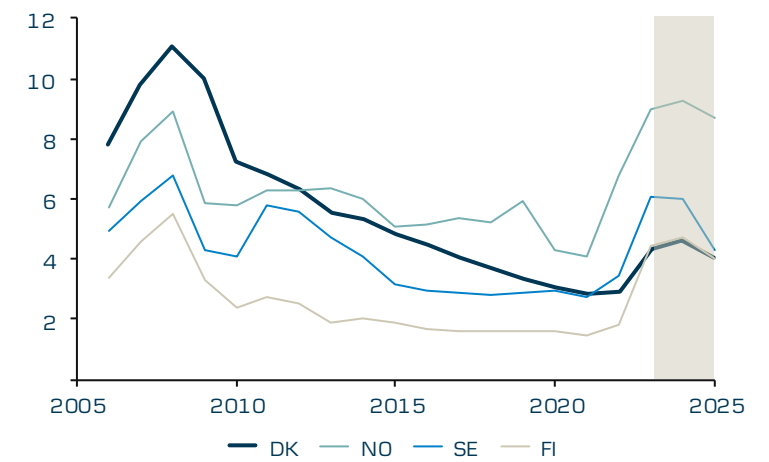
Debt to GDP (%)



Household debt (% of disp. income)



Household interest (% of disp. income)



Our commitments for 2026

Growth in focus segments

- Leading wholesale and business bank in the Nordics
- Leading retail bank in Denmark and Finland
- Grow share of wallet and market share with most attractive segments

Disciplined capital return & cost

- Capital allocation towards most profitable areas that meet our hurdle rates
- Drive productivity and cost takeouts
- Normalise FCRP and remediation cost

Strong capital generation & low risk

- Strong capital generation with ability to distribute consistently over time
- Maintain low and stable risk levels through the cycle

How we measure progress¹

Personal Customers	Number of meetings per advisor (Index: 2023 = 100)	163
	Net new customer in growth segments*	40k
	Customer satisfaction with Mobile Bank	8.5
Business Customers	Annual growth in Daily Banking fees in BC	5%
	Credit cases with automatic decisioning	50%
	Increase in customers highly satisfied with advisory**	+15%
LC&I	Number of new customers outside Denmark**	40
	Annual growth in Daily Banking fees in BC & LC&I	5%
	Ranking in Capital Markets advisory fees	Top 2

Financial targets for '26

13%

Return on Equity

>16% CET1

~45% Cost to Income

Capital distribution

- Dividend potential from 2023-26 of above DKK 50 bn
- Accelerated dividend by H1-23 result targeting the higher end of the 40-60% policy range
- Ambition for further distribution – subject to capital position and market conditions

Increased investments

- Increase yearly digital and tech investments by DKK 1 bn

* Increase vs. 2023 baseline. ** Increase vs. 2022 baseline.

Strong financial performance and traction towards targets highlight progress on Forward '28 strategy; distribution outlook for 2024 in line with financial ambitions

Highlights

- Strong performance and constructive outlook underpinned by dedicated customer focus and improved macro environment
- High activity drives fee uplift, contributing to higher core banking income, while some sectors remain impacted by sentiment
- Strong corporate franchise support customer engagement, supported by high DCM activity and improved lending volumes
- Housing market activity gradually recovers and retail deposit volumes improved further
- Progress on commercial agenda with continued traction within prioritised segments and increased engagement in relation to green financing and advisory offerings
- Capital distribution with reaffirmed CET1 target > 16%:
 - ✓ Announcing accelerated interim dividend of DKK 7.5/share reflecting ~56% of H124 net profit*
 - ✓ Intention to pay an extraordinary dividend of approx. DKK 5.5bn related to release of capital from PC Norway sale (upon closing)
 - ✓ For FY24, the BoD intends to distribute full remaining net profit in 2025**

Net profit of DKK 5.8bn

Equivalent to a ROE of 13.3% in Q2

Core banking income +11%

Underpinned by NII up 11% and solid fee uplift up 13% y/y

Improved efficiency Y/Y Cost/income 46%

Reflecting prudent cost management and targeted investments

Strong corporate activity supports volumes

Leading Nordic bond arranger coupled with higher balance sheet lending

Strong balance sheet and asset quality

Strong CET1 ratio of 18.5% and loan losses well below through-the-cycle assumption

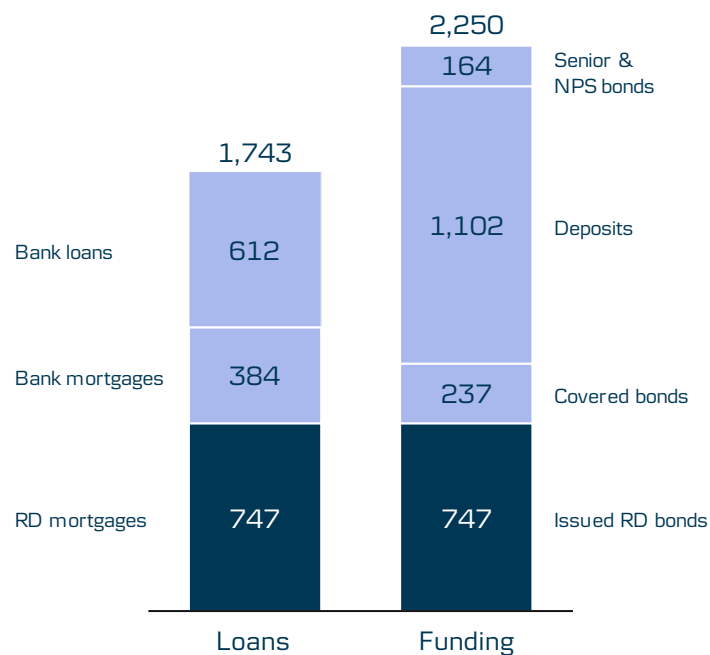
Execution on capital distribution

Accelerated dividend and PC Norway release taking distribution to DKK 30bn since CMD by year-end

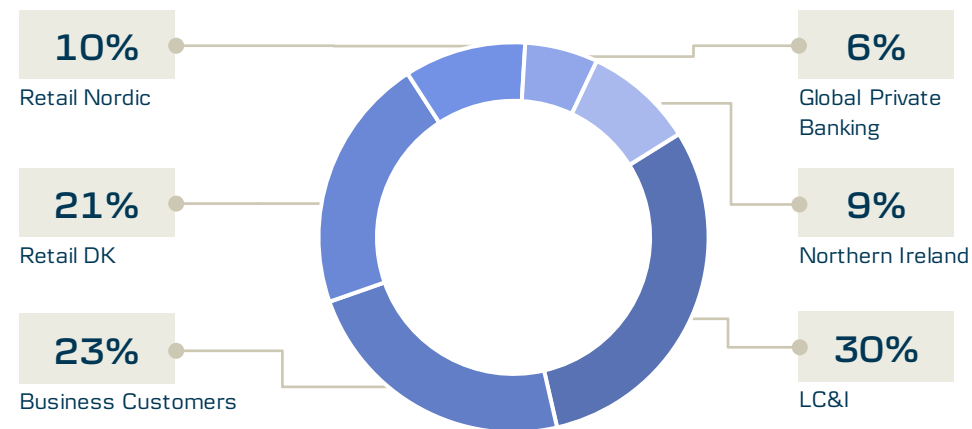
Danske Bank's strong balance sheet underpins our resilient business model which includes a well-balanced ALM strategy and a very strong liquidity position

- Danske Bank has a sound funding structure and remains very well capitalised with a prudent CET1 capital buffer to the current regulatory requirements. Further, our liquidity is underpinned a significant cash position and a liquidity coverage ratio (LCR) of 187%, 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 executed DKK 57 bn of our total wholesale funding plan of DKK 80 -100bn for 2024 by the end of June 2024

Sound funding structure (DKK bn)

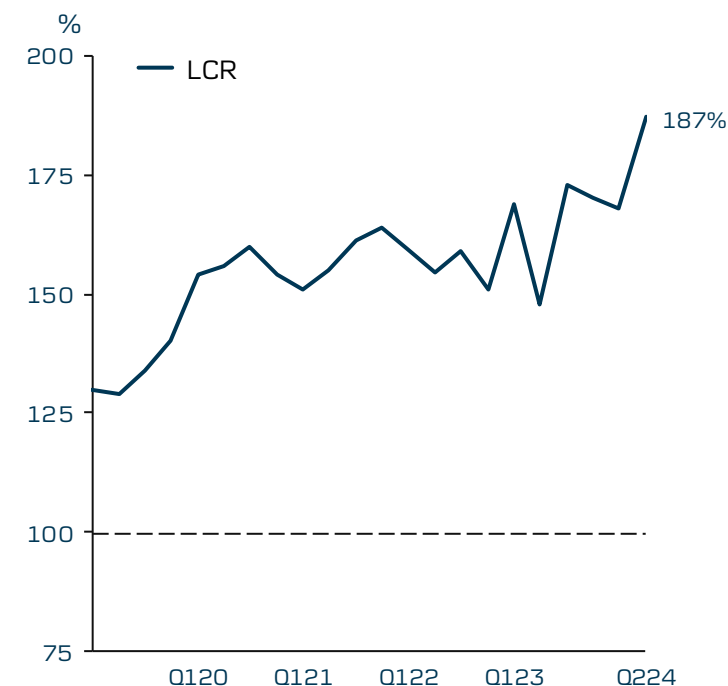


Diversified and stable deposit base



	2021	2022	2023	Q2 24
Total bank deposits (DKK bn)	1,168	1,172	1,140	1,102
of which Stable deposits*	376	388	373	368
of which Operational deposits*	297	319	307	298
Stable & Operational, % of bank deposits	58%	60%	60%	60%

Strong liquidity position



* 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

Our sustainability strategy defines our approach and priorities towards 2028

Our strategic ambition

To be a leading Nordic bank in supporting the sustainability transition of customers, companies we invest in and Nordic societies

Our strategic focus areas



Our prioritised sustainability agendas



Driving sustainability in our core business areas



Financial outlook revised upwards on June 26th

Net profit for 2024 will reflect progress on financial ambitions for 2026

Income	<p>Total income is expected to grow in 2024, driven by higher core income, our continued efforts to drive commercial momentum and in line with our financial targets for 2026. Income from trading and insurance activities will be subject to financial market conditions</p>
Expenses	<p>We expect operating expenses in 2024 to be in the range of 26–26.5 billion, reflecting increased investments in line with our financial targets for 2026 and continued focus on cost management. The outlook includes non-recurring items of approximately DKK 0.6 billion related to the relocation to the new domicile and minor costs for the divestment of Personal Customers Norway</p>
Impairments	<p>Loan impairment charges remain subject to an elevated level of geopolitical and macroeconomic uncertainty. Given our strong credit quality and the reversals seen in H1 24, we now expect full-year loan impairment charges to be up to DKK 0.6 billion</p>
Net profit *	<p>We expect net profit to be in the range of DKK 21–23bn</p>

Financial highlights – first quarter 2024

Strong income uplift driven by NII and continued momentum for fee income; cost trajectory according to plan; strong credit quality and net reversals of impairments

Highlights

- Total income up 9% Y/Y and 1% Q/Q supported by sustained uplift in core banking income, up 11% Y/Y
- NII trajectory in line with expectations
- Multi-period high fee income as a result of high customer activity, incl. cash management, everyday banking activity and strong DCM performance
- Trading income normalising, although Q2 was impacted by slightly lower customer activity and cautious sentiment
- Danica income benefiting from stable financial markets and higher premiums
- Other income affected by lower income from leasing assets
- Cost trajectory Y/Y in line with expectations as inflation and targeted investments are mitigated by efficiency gains and lower FCRP and legacy spend
- Robust credit quality and well-provisioned portfolio led to net reversals in Q2
- Net profit up 13% Y/Y, resulting in a RoE of 13.1%

Income statement (DKK m)

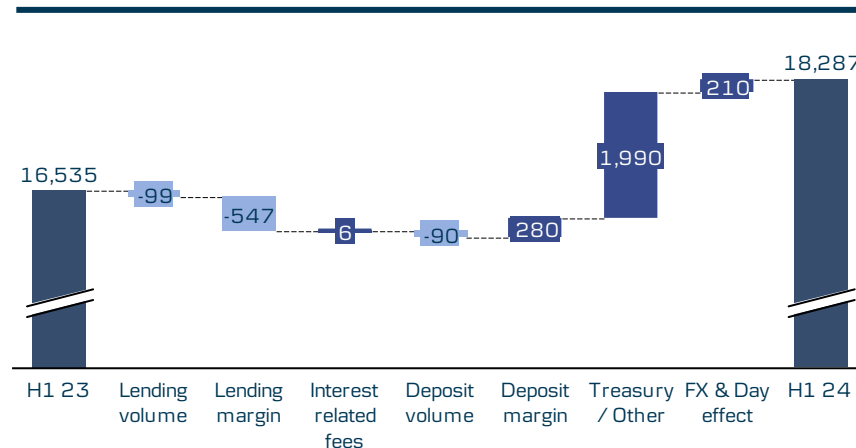
	H1 24	H1 23	Index	Q2 24	Q1 24	Index
Net interest income	18,287	16,535	111	9,145	9,142	100
Net fee income	7,074	6,270	113	3,698	3,376	110
Net trading income	1,377	2,238	62	608	769	79
Net income from insurance business	949	689	138	457	492	93
Other income	324	-145	-	147	176	-
Total income	28,011	25,586	109	14,055	13,955	101
Operating expenses	12,818	12,642	101	6,481	6,337	102
Profit before loan impairments	15,193	12,944	117	7,574	7,618	99
Loan impairment charges	-99	-28	-	-200	101	-
Profit before tax	15,292	12,972	118	7,774	7,517	103
Tax	3,824	2,794	137	1,936	1,888	103
Net profit	11,468	10,178	113	5,839	5,629	104

NII: Sustained uplift in NII as positive volume contribution and treasury portfolio mitigate normalisation of CB policy rates

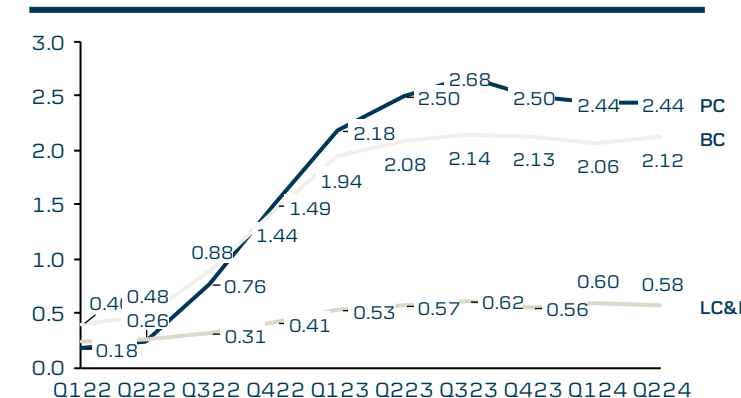
Highlights

- Net interest income trajectory in line with expectations as central banks initiate their path to normalisation of policy rates
- Y/Y benefited from higher return on shareholders' equity along with deposit margin expansion. Lending margins affected by competitive pricing and lagging effects
- Q/Q resilience supported by positive contribution from both lending and deposit volumes. Margins slightly impacted by the CB policy rate cuts and timing of pricing adjustments
- NII sensitivity in year 1: DKK (+/-) 500m (per 25bps move) with assumed migration to savings products. Additional impact in year 2 and 3 of DKK (+/-)300m and DKK (+/-)200m, respectively, all else equal

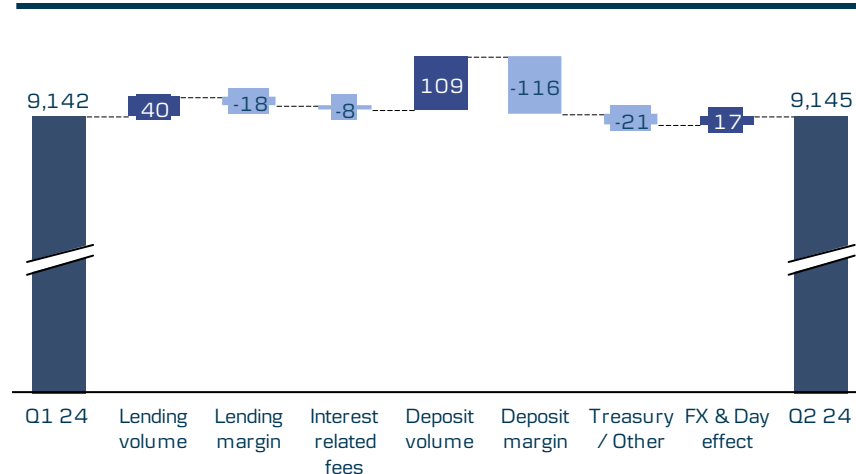
Net interest income H124 vs H123 (DKKm)



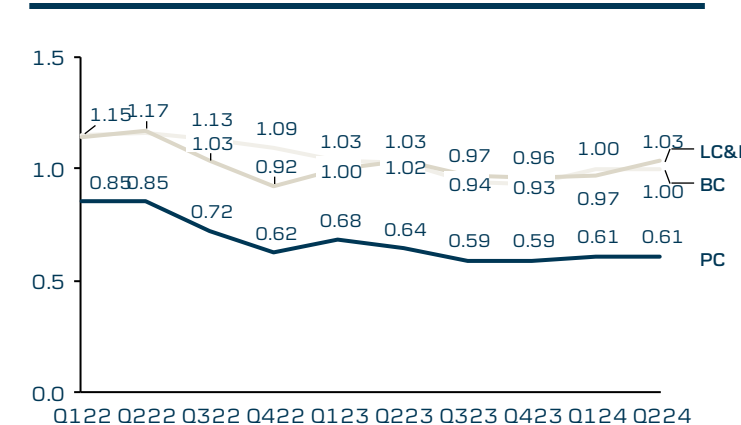
Deposit margin development (%)



Net interest income Q224 vs Q124 (DKKm)



Lending margin development (%)



Fees: Strong fee income, up 13% Y/Y, driven by high customer activity across products lines, especially in investments and everyday banking fees

Highlights

Activity-driven fees (transfers, accounts, etc.)

- Demand for everyday banking solutions such as cards and corporate cash management services continued to be high, underpinned by consumer spending and economic activity

Lending and guarantee fees

- Y/Y: Gradual recovery in housing market activity was a positive, although overall activity remains subdued
- Q/Q: Good activity in short floating rate bond auctions benefited the line

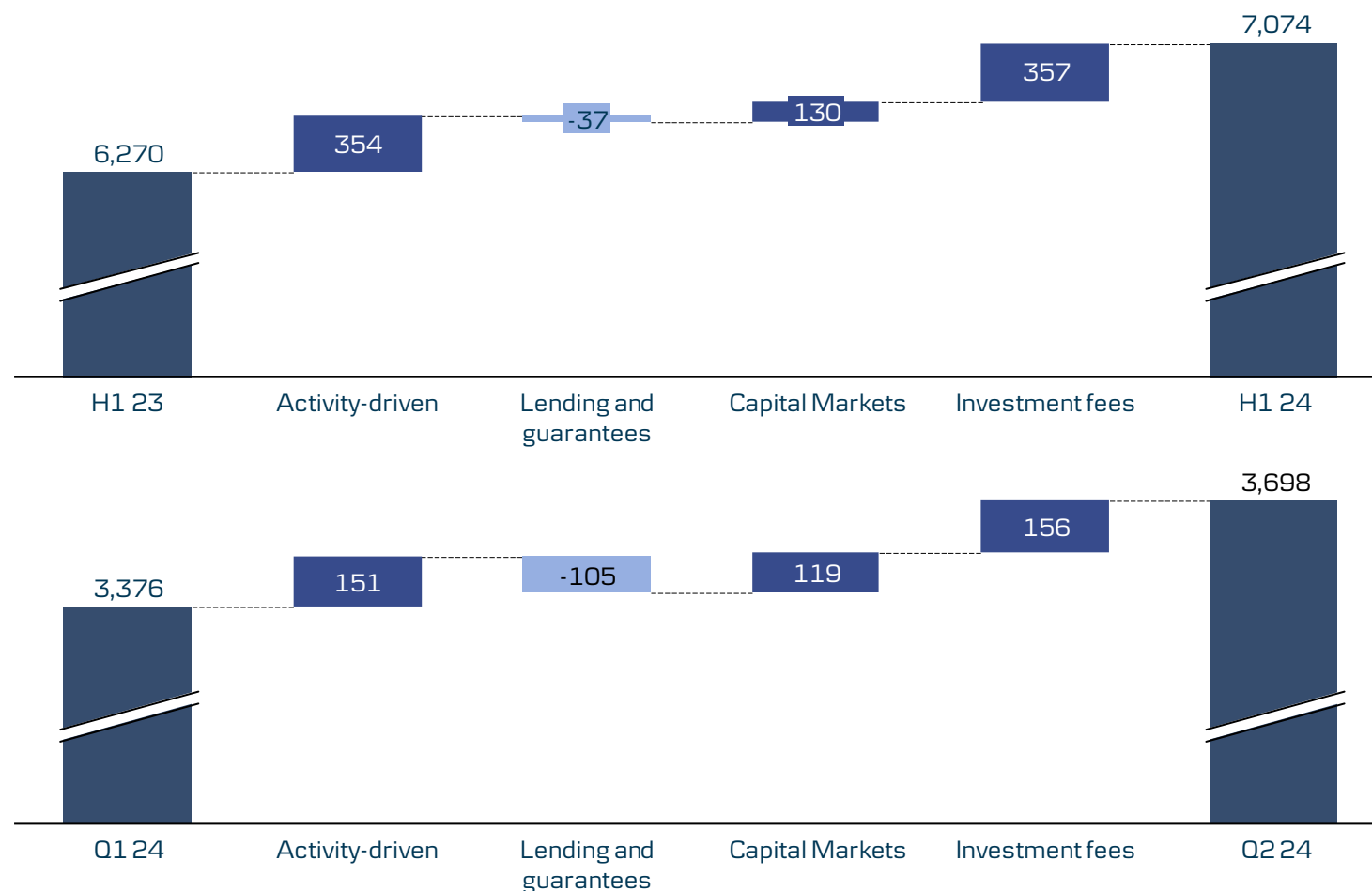
Capital markets fees

- Strong activity in Debt Capital Markets as we remained the leading Nordic bank in both Nordic and European debt capital markets in terms of volumes supported

Investment fees

- AuM continued to grow - up DKK 24bn Q/Q to DKK 840bn driven by rising asset prices and positive net sales of DKK 4bn
- Q/Q: Investment fees up 14% due to strong customer activity and higher AuM

Net fee income (DKK m)



Trading income: Lower customer activity following strong H1-23

Highlights

LC&I

- Y/Y: Lower customer activity and exceptionally strong customer activity at LC&I in H123 led to the decline
- Q/Q: Customer activity was seasonal low in Q224 relative to Q124

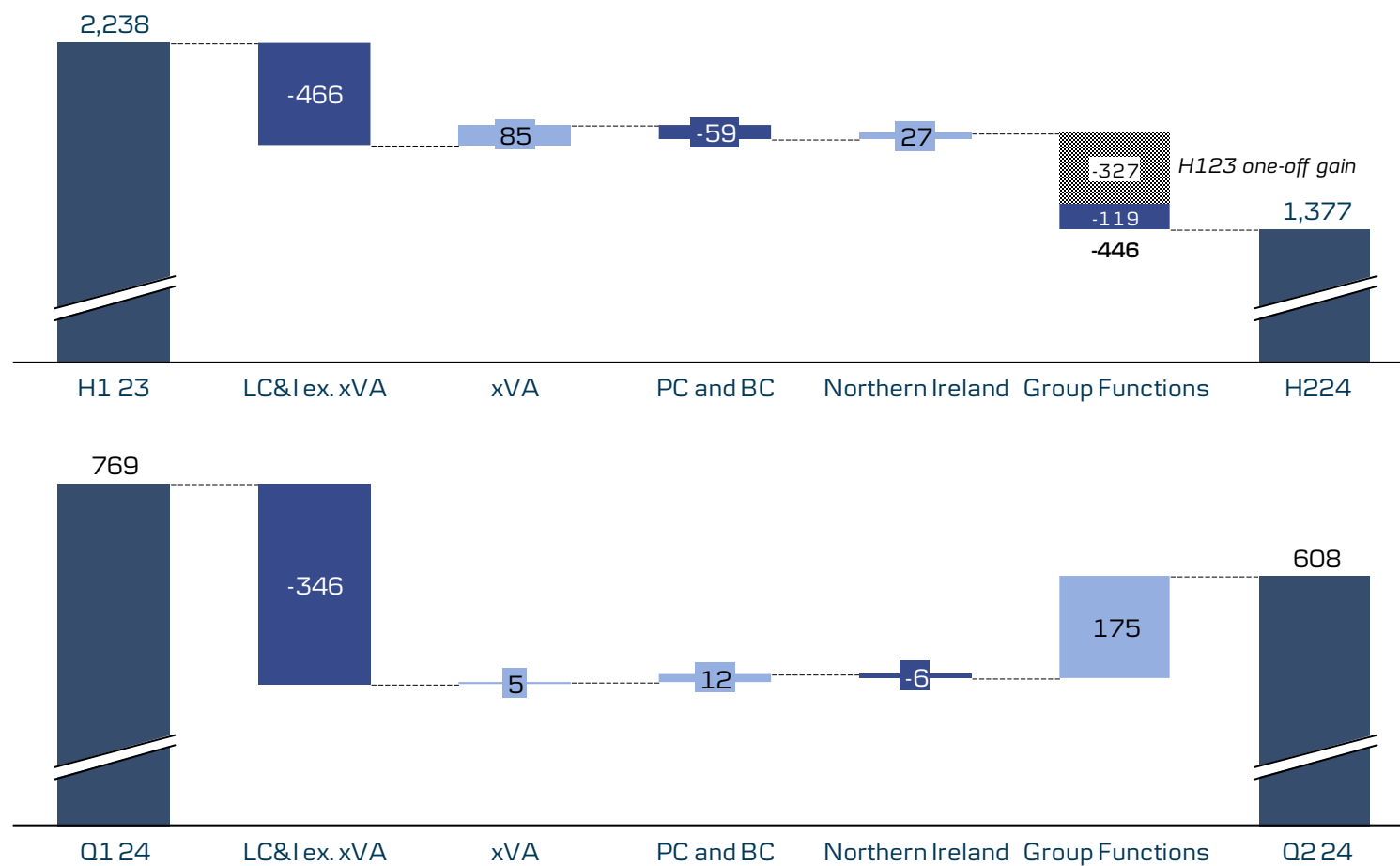
PC and BC

- Y/Y: Trading income at PC was negatively affected by lower income in connection with loans in Sweden and Finland

Group Functions

- Development in currencies drove market value adjustments in Group Treasury's currency transformation instruments
- H123 was positively affected by a one-off gain of DKK 327 million related to the sale of shares taken over in connection with a loan

Net trading income (DKK m)

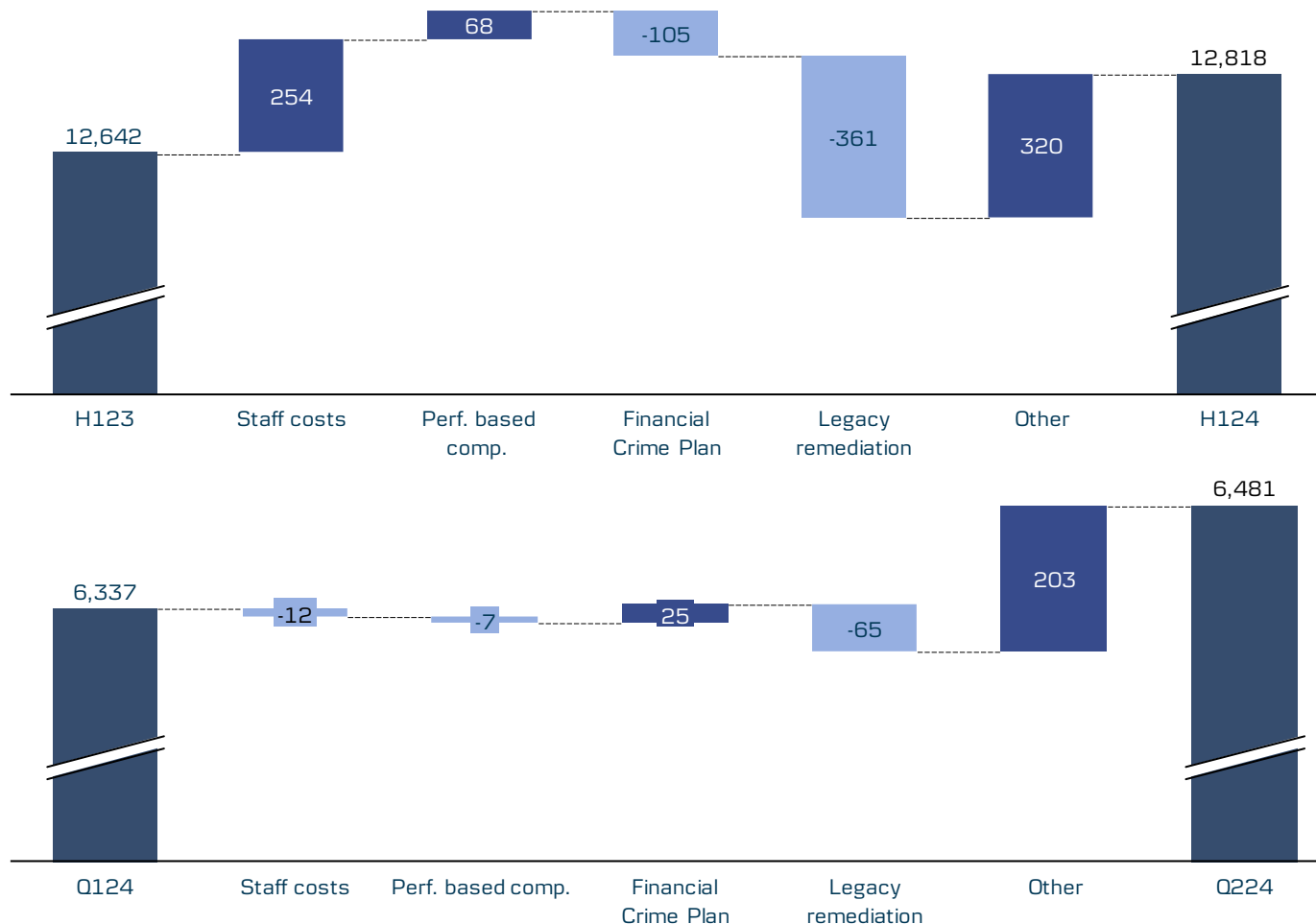


Expenses: Prudent cost management delivering in line with 2026 financial target

Highlights

- Total operating expenses up 2% Q/Q, due to inflation and execution of targeted investments
- Cost/income ratio down to 46% from 49% a year ago
- Staff costs impacted by wage inflation. Also higher performance-based compensation Y/Y while flat Q/Q
- Number of FTEs down 6% since Q2 2023
- Cost trajectory according to plan and FY2024 cost outlook is maintained

Expenses (DKK m)



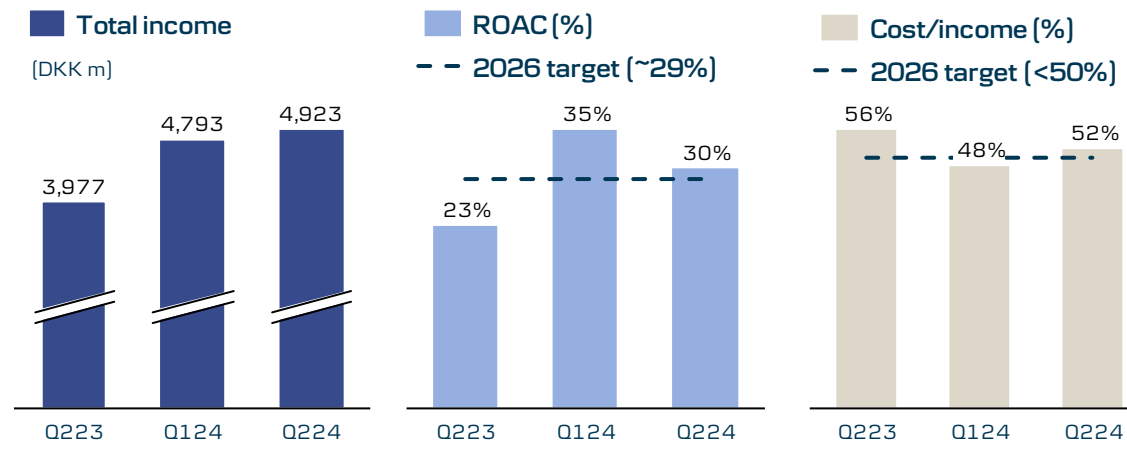
Business & Product Units

Personal Customers: Improved financial performance underpinned by good activity and uplift in core banking income

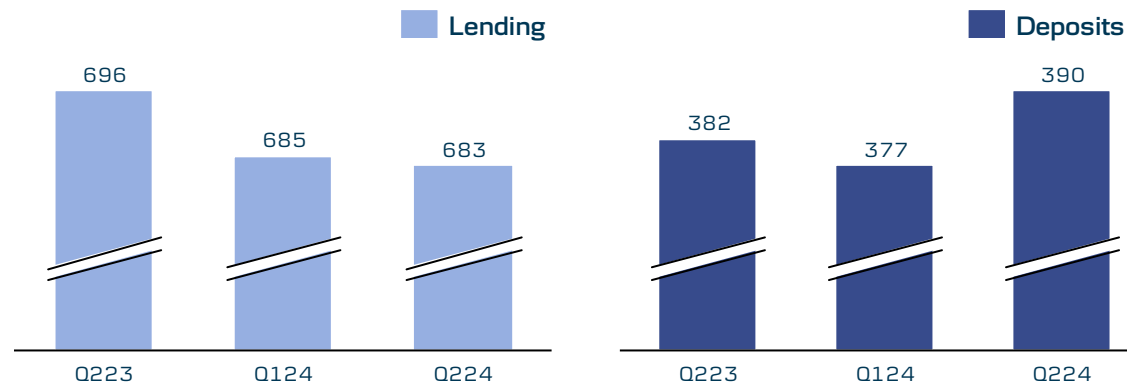
Highlights

- Improved financial performance and customer activity driving 35% y/y increase in profit before tax
- Core banking income up 3% Q/Q and 6% Y/Y, fuelled by higher fee income, particularly from everyday banking and investment fees
- Increase in C/I ratio reflecting ramp-up in investments
- Continued demand for Danske Bolig Fri home loan product partially mitigating muted mortgage demand
- Improved deposit inflow, particularly in PC DK and Global Private Banking
- Sustained momentum for investment products and Private Banking customer inflow - result of strategic ramp-up
- Solid progress with “digital front door” highlights traction for CSAT ambition

Financial performance KPIs



Nominal lending and deposits* (DKK bn, constant FX)



*PC lending includes RD. PC lending and deposits excludes NO.

Strategic KPIs

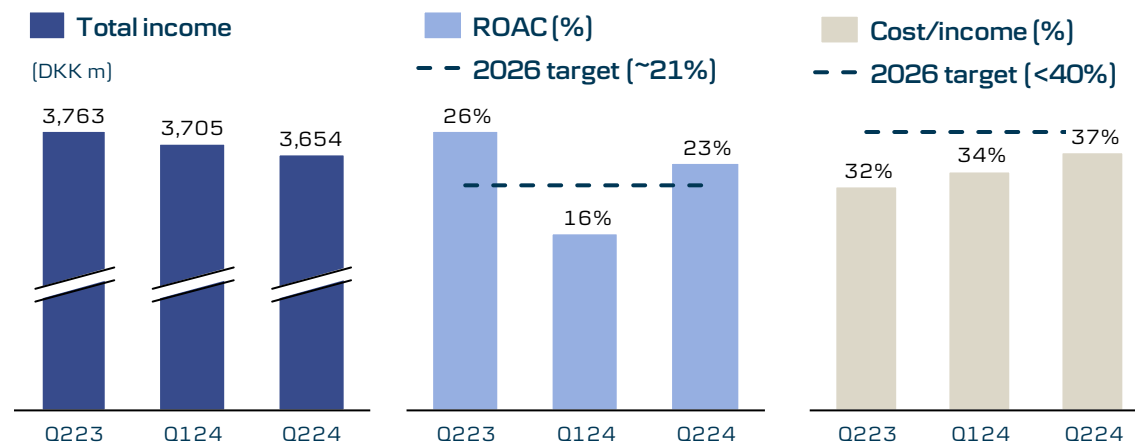
	Q2 24 progress	2026 target
Number of meetings per advisor (index)	120	163
Net new customer in growth segments	~3k	~40k
Customer satisfaction with Mobile Banking	8.5	8.5

Business Customers: Stable core income supported by commercial activity and a strong uplift in lending demand in Q2

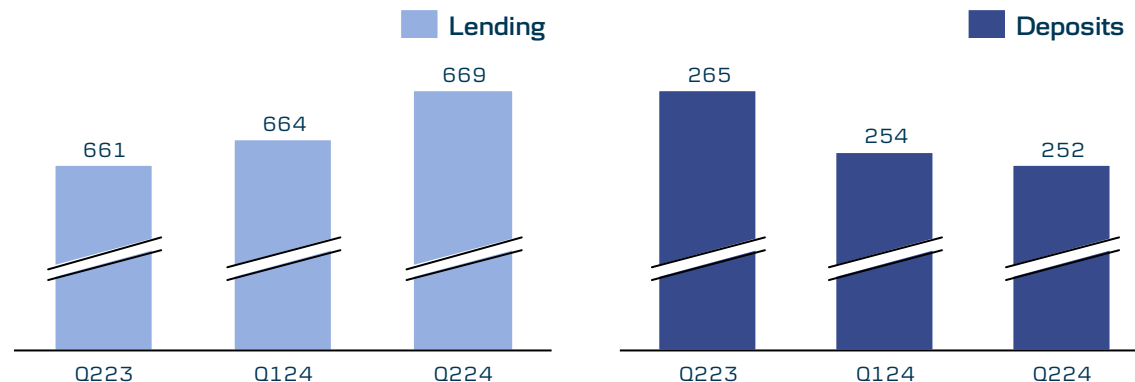
Highlights

- Rebound in profit before tax, supported by steady core banking income and reversals of impairments Q/Q
- Higher activity as well as repricing actions generated an increase in net fee income of 5%, driven primarily by everyday banking fees
- Higher C/I ratio from strategic investments as part of F'28 agenda
- Positive trend in lending volumes, credit demand increased across all Nordic markets Q/Q
- Net inflow of mid-corporate customers and increasing business with existing customers
- 5% YTD increase in customers highly satisfied with advisory services, reflecting investments in upskilling advisors and enhancing analytical capabilities

Financial performance KPIs



Nominal lending and deposits (DKK bn, constant FX)



Strategic KPIs

	Q2 24 progress	2026 target
Annual growth in Daily Banking fees in BC	4.4%	5%*
Credit cases with automatic decisioning	34%	50%
Customers highly satisfied with advisory	+5%	+15%

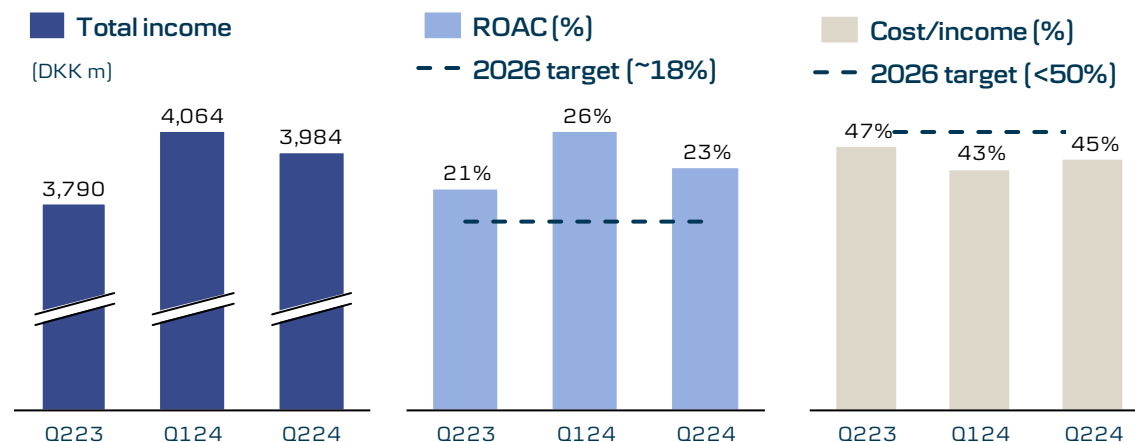
* Shared growth target with LC&I as part of the One Corporate Bank platform.

Large Corporates & Institutions: Strong activity and commercial momentum lift core banking income

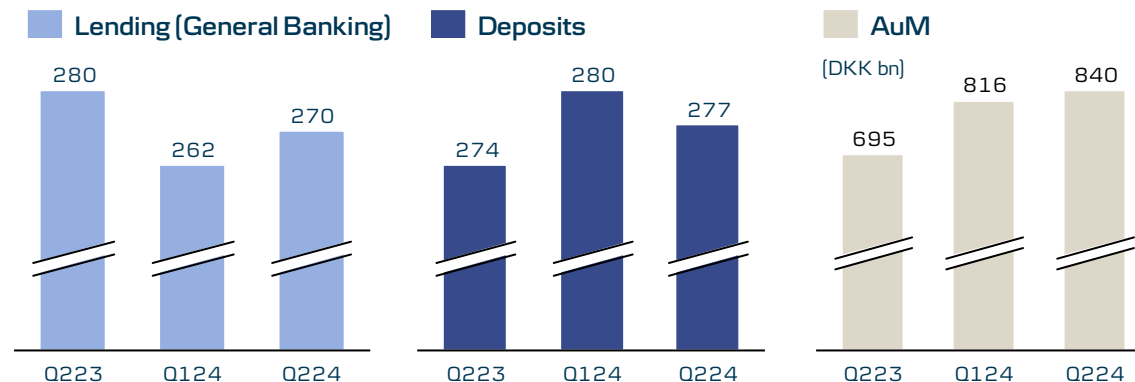
Highlights

- Strong financial performance as NII is supplemented by higher fee income from everyday banking activity, capital markets and investment fees, offsetting more normalised contribution from trading income Q/Q
- Strong activity in DCM, maintaining status as leading Nordic bank by volumes supported (#1 in league table)
- Capital markets activity supplemented by improved lending volumes, particularly in DK and SE
- Positive trend in AuM and net sales reflects progress in our Asset Management strategy
- Strong growth in no. of customers outside Denmark - on track towards 2026 targets

Financial performance KPIs



Nominal lending and deposits (DKK bn)



Strategic KPIs

	Q2 24 progress	2026 target
New customers outside Denmark	23	40
Annual growth in Daily Banking fees in LC&I	9.1%	5%*
Ranking in Capital Markets advisory fees	#3	Top 2

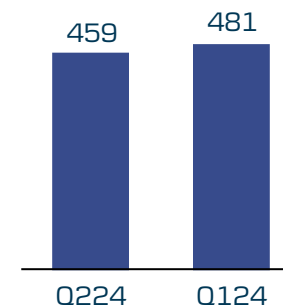
* Shared growth target with BC as part of the One Corporate Bank platform.

Business units: Solid development in Danica; loan growth in Northern Ireland

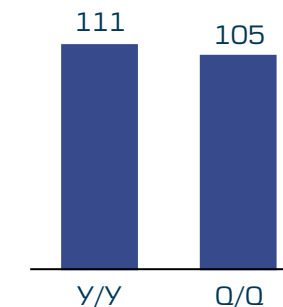
Northern Ireland

- Lending continued to grow in line with our strategy, driven by residential mortgages supporting our market leading position in Northern Ireland
- The second quarter of 2024 saw a profit before tax of DKK 481 million compared to DKK 457 million in Q1 with loan impairments reversals of DKK 21m in Q2
- Net interest income increased to DKK 734 million in Q2 from DKK 710 million in Q1, reflecting balance sheet growth and higher UK interest rates
- The Bank of England (BoE) has introduced a levy on all UK banks, effective from 1 March 2024. This has resulted in additional operating expenses of DKK 5 million in the first half-year

Profit before imp. (DKK m)



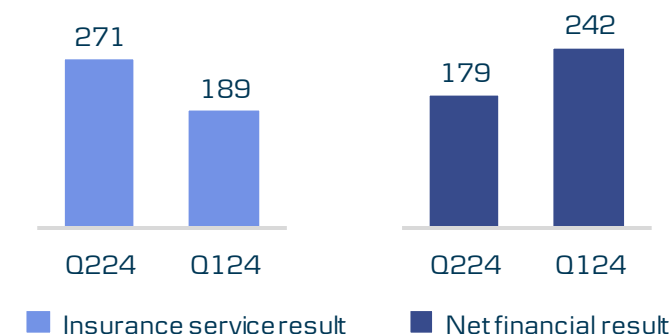
Lending (index)



Danica

- Net income at Danica Pension decreased to DKK 457 million in Q2 from DKK 492 million in Q1
- The net financial result decreased in Q2 to DKK 179 million from DKK 242 million in Q1 due to a less positive development in the investment results on insurance products where Danica Pension has the investment risk
- The insurance service result increased by DKK 82 million to DKK 271 million from DKK 189 million, which was due mainly to an improved result in the health and accident business from the level in the first quarter of 2024

Result Q224 vs Q124 (DKK m)



Realkredit Danmark portfolio overview: Continued strong credit quality

Highlights

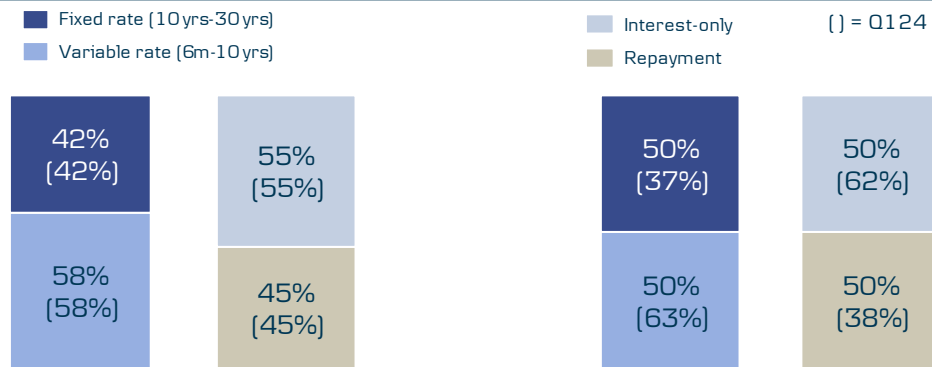
Portfolio facts, Realkredit Danmark, Q224

- Approx. 298,000 loans (residential and commercial)
- Average LTV ratio of 53% (50% for retail, 57% for commercial)
- We comply with all five requirements of the supervisory diamond for Danish mortgage credit institutions
- 739 loans in 3- and 6-month arrears (Q124: 770)
- 11 repossessed properties (Q124: 10)
- Around 1% of the loan portfolio has an LTV above 80%
- DKK 6bn of the loan portfolio is covered by government guarantee

LTV ratio limit at origination (legal requirement)

- Residential: 80%
- Commercial: 60%

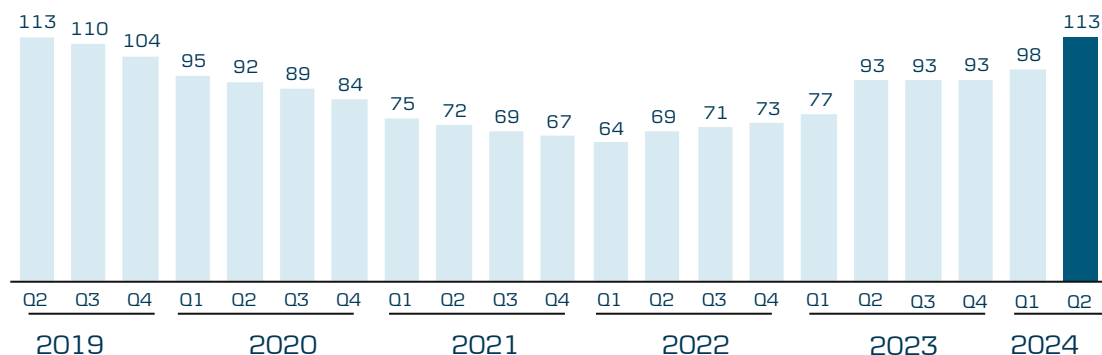
Retail loans, Realkredit Danmark, Q224 (%)



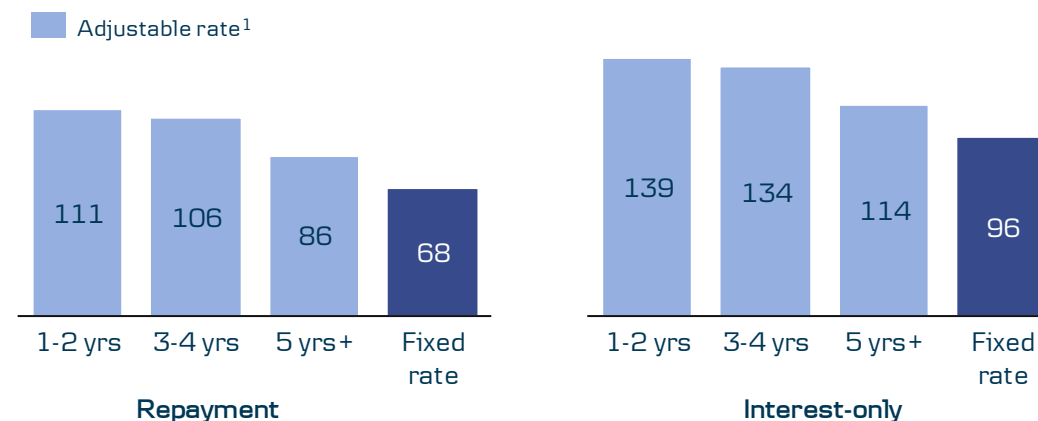
Stock of loans: DKK 419 bn (421bn)

New lending: DKK 8 bn (11bn)

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



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



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).

ESG, Sustainability, Financial Crime Prevention

Sustainability is an integrated element of our 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 advisory offerings and #1 Nordic Arranger of Green Bonds

What we will do

Large Corporates & Institutions

- Sustainable finance advisory services, transition finance and project finance

Personal Customers

- Housing, investments, pensions, mobility and daily banking

Business Customers

- Sustainable finance advisory services, transition finance and partnerships

Asset Mgmt. & Danica Pension

- Alternative investment products, Danica Balance Responsible Choice

Reinforce stronghold in sustainable finance and advisory

Sustainable finance ¹ #1

ESG advisory ² #3

Sustainable investing ³ #3

2022

A leader in supporting our customers' green transition

2026

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?"

We have set targets and ambitions covering each of our three sustainability agendas



Climate change

We reduce emissions across our value chain

Lending	Asset Mgmt.	Danica Pension	Operations
25-55%	50%	15-69%	80%
Across 8 sectors by 2030 (vs. 2020)	CO2e intensity by 2030 (vs. 2020)	Across 6 sectors by 2025* (vs. 2019)	Scope 1+2 by 2030 (vs. 2019)

For details, see our [Climate Action Plan Progress Report](#)



Nature & biodiversity

We engage with high-impact sector companies

Engage with **380+ companies** by end of 2025

- **300+ business customers** in the agricultural sector
- **50+ large corporate customers** within food products, fisheries, forestry, pulp and paper, and shipping
- **30 large global companies** we invest in that have a significant impact on nature and biodiversity

For details, see our [Press Release](#)



Human rights & social impact

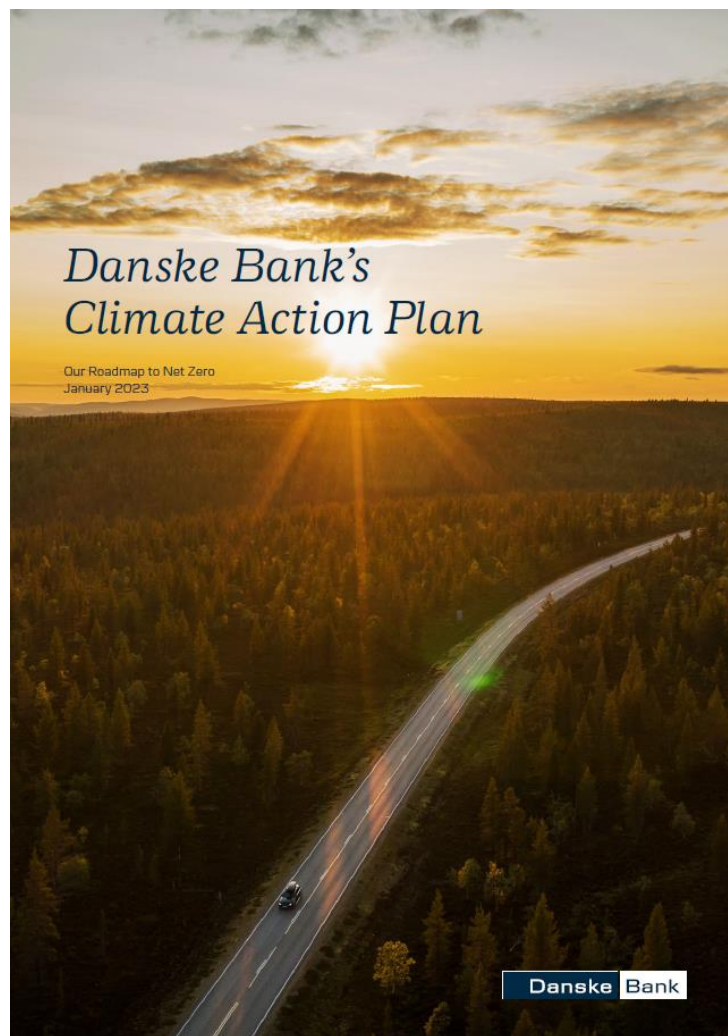
We continuously develop our human rights due diligence processes covering...

Companies we purchase from	Companies we lend to	Companies we invest in
Enhanced risk management	Enhanced assessment for high-risk sectors	Enhanced sustainability screening

For details, see our [Human Rights Report](#)

* Real estate target of 69% applies from 2019 to 2030.

Climate Action Plan aligned with Paris Agreement launched in January 2023



Carbon footprint of **13.3 million tCO₂e** across the Group, with **>99%** related to financed emissions ¹



2030 targets based on SBTi guidance to align with the **goals of the Paris Agreement** - status provided in Climate Action Plan Progress Report published on 2 February 2024



Activities in Asset Management and Danica Pension subject to **temperature rating 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 by end of 2021

¹- Latest status as described in the Climate Action Plan Progress Report

Highlights from Climate Action Plan Progress Report released February 2024

● Below or within 5% above linear trajectory ● 5-10% above linear trajectory ● More than 10% above linear trajectory

Lending	Asset management	Life insurance & pension	Own operations	Highlights from Progress Report 2023
2030 sector emission intensity reduction targets ¹ <ul style="list-style-type: none"> Oil and gas - exploration & production ² 50% Oil and gas - downstream refining ³ 25% Power generation 50% Steel 30% Cement 25% Commercial real estate ⁴ 55% Personal mortgages ⁴ 55% 	2030 temperature rating reduction targets ⁶ <ul style="list-style-type: none"> 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 temperature rating reduction targets ⁶ <ul style="list-style-type: none"> 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) 	2030 emission reduction targets ⁷ <ul style="list-style-type: none"> Carbon emissions in scope 1 and 2 80% Carbon emissions in scope 1, 2 and currently measured scope 3 categories 60% 	<ul style="list-style-type: none"> Decreasing absolute financed emissions - Measured emissions from our lending activities and investee companies (scope 1 and 2) have decreased from 16.2 million to 13.3 million tCO_{2e}, corresponding to a ~18% reduction since 2020 Solid progress on lending emission reduction targets - Among our nine sector targets, five are transitioning faster than a linear trajectory towards our 2030 targets, whereas four are transitioning slower Some challenges in meeting Danica Pension's 2025 sector targets - Energy, transportation and utilities transitioning slower than expected; mitigating actions initiated in line with fiduciary duties Solid reduction of weighted average carbon intensity for investment products - We have seen a 46% reduction since 2020 and a decrease in our temperature ratings scores across our Asset Management and Danica Pension portfolios Updated baseline - Due to updated methodologies, improved data and scope 3 emissions of investee companies not being included in this reporting due to large fluctuations that challenge the comparability of historical data, our 2020 baseline is 16.2 million tCO_{2e} compared to the 41.1 million tCO_{2e} reported in the Climate Action Plan from January 2023 ¹⁰
2030 sector alignment delta targets ¹ <ul style="list-style-type: none"> Shipping ⁵ 0% 	2030 carbon intensity reduction target ¹ <ul style="list-style-type: none"> Weighted average carbon intensity of investment products 50% 	2025 sector emission intensity reduction targets ⁸ <ul style="list-style-type: none"> Real estate ⁸ 69% Energy 15% Transportation ⁹ 20% Utilities 35% Cement 20% Steel 20% 		
	2025 engagement target ¹ <ul style="list-style-type: none"> Engagement with the 100 largest emitters 			

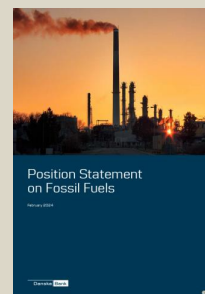
¹. Baseline year 2020, ². Absolute emission reduction targets set, ³. Absolute emission reduction and carbon intensity targets, ⁴. Based on a weighted portfolio exposure across Denmark, Sweden, Norway and Finland. For activities in Denmark, the target corresponds to a 75% reduction by 2030, ⁵. Based on Poseidon Principles methodology, ⁶. Differences in targets between asset management and life insurance & pension reflect different starting points of the portfolios, ⁷. Baseline year 2019, ⁸. 2030 target, ⁹. Automotive, aviation and shipping ¹⁰. See the Climate Action Plan Progress Report 2023 for details on not including the investee scope 3 emissions, methodology and data changes.

Recent highlights on the sustainability agenda contributing to strong performance



Updated strategic approach to sustainability

In February, we announced our [sustainability approach and priorities towards 2028](#), with an ambition to be a leading Nordic bank in supporting the sustainability transition of customers, companies and Nordic societies. To deliver on this ambition, we have defined three strategic focus areas to manage our sustainability opportunities, risks and impacts.



Stricter requirements for fossil fuel companies

Our new fossil fuel policy sets stricter requirements for investment in fossil fuel companies to ensure that they have Paris Agreement-aligned transition plans. This is expected to result in a significant reduction in the number of companies involved with fossil fuels in our investment universe, from almost 1,900 to around 170.



New partnership to make climate reporting easier

Danske Bank has entered into a partnership with EIVÉE, a software company that specialises in carbon footprint calculation. With this partnership, Danske Bank aims to help its business customers with their green transition and support carbon emission reducing initiatives with financing solutions.



Top rating for responsible investments

In the 2024 Responsible Investment Brand Index (RIBI), Danske Bank Asset Management once again achieved the best rating possible. The RIBI examines which asset managers act as responsible investors and commit to sustainable development to the extent that they put it at the very heart of who they are, i.e. their brand - and express it accordingly.



#1 Nordic arranger of sustainable bonds

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



Danica Pension on track with green investments

At the end of Q1, Danica Pension's investments in the green transition amounted to DKK 53.5 billion, thereby up 24% year on year and well on track to reach the 2030 target of DKK 100 billion.

1) Sustainable bonds comprise green bonds, social bonds and sustainability bonds.

Overview of recent sustainability-related publications

2 FEB

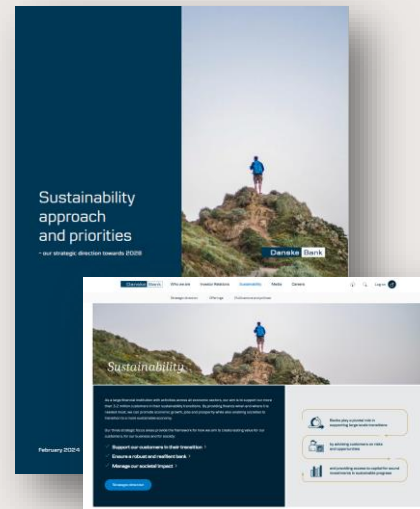


Annual Report incl.
Sustainability statement
+ Fact Book



Climate Action Plan
Progress Report

7 FEB



Sustainability approach
and priorities
(PDF + danskebank.com)

23 FEB



Position Statement
on Fossil Fuels
(updated)

31 MAY



Human Rights Report

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
- Our position statements currently cover the following themes and sectors:



Agriculture



Arms & defence



Climate change



Forestry



Fossil fuels



Human rights



Mining & metals

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:



Financially material ESG factors



ESG risk exposure and management



ESG controversies






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 Progress Report from February 2024
- 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 is committed to a range of sustainability initiatives – including these key examples

 <p>Principles for Responsible Banking</p> <p>Provide the framework for a sustainable banking system. They embed sustainability at the strategic, portfolio and transactional levels, across all business areas</p>	 <p>Principles for Responsible Investment</p> <p>An international investor network that supports the implementation of ESG factors into investment and ownership decisions</p>	 <p>Net-Zero Banking Alliance</p> <p>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</p>	 <p>Net-Zero Asset Owner Alliance</p> <p>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</p>	<p>The Net Zero Asset Managers initiative</p> <p>Net Zero Asset Managers Initiative</p> <p>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</p>
 <p>Finance for Biodiversity Pledge</p> <p>A collaboration of 150+ financial institutions from 24 countries, committing to protect and restore biodiversity through their finance activities and investments</p>	 <p>Science-Based Targets initiative (SBTi)</p> <p>An organisation that aims to drive ambitious climate action in the private sector. Danske Bank has set climate targets in line with SBTi criteria and recommendations</p>	 <p>UN Global Compact</p> <p>A multi-stakeholder initiative focusing on aligning business operations with ten principles in the areas of human rights, labour, environment and anti-corruption</p>	 <p>Partnership for Carbon Accounting Financials</p> <p>Provides carbon accounting instructions for financial institutions; Danske Bank joined in 2020 as the first major Nordic bank</p>	 <p>Task Force on Climate-related Financial Disclosures</p> <p>Has developed recommendations for more effective climate-related disclosures to promote more informed investment, credit, and insurance underwriting decisions (now part of ISSB)</p>

Testing and further strengthening the Financial Crime framework

Testing of the FC Plan deliveries

Four years ago, the Bank launched the Financial Crime Plan (FC Plan), a comprehensive transformation programme, with the ambitious target of completion by the end of December 2023. The Bank completed the FC Plan on target and sees it as a significant achievement.

By concluding the FC Plan the Bank has now in place a Financial Crime framework which meets the regulatory requirements applicable to the Bank and is reasonably designed to manage the Bank's inherent risk in line with its risk appetite and does both these things by harnessing global practice.

Having a sustainable Financial Crime control framework remains one of the Bank's strategic priorities. We will continue testing our controls to ensure that what we have implemented is fully embedded and operating effectively. To the extent possible, this testing will be performed during 2024 as part of the regular oversight by 2LoD Compliance and 3LoD Internal Audit. Should the outcome of the testing require further improvements, those will be addressed as part of normal procedures.

Roadmap ahead

The Financial Crime landscape continues to evolve and the Bank, along with others in the industry, must hold up with developments. The Bank will continue to invest in its Financial Crime control framework with the aim of further maturing and embedding its processes. Embedding and testing the effectiveness of the framework will form the foundation for future strategic developments as the Bank moves beyond remediation.

Ensuring that our control framework is sustainable and demonstrates the ability to improve and evolve is a key priority for the Bank. As part of the FC Plan, the Bank has implemented governance structures and business-as-usual processes to ensure that our controls remain adequate and respond to changes in the external threat landscape and evolutions in our business. The Bank also intends to enhance our controls to make them more customer-centric whilst maintaining risk management effectiveness. In the coming years, the Bank will continue to invest and enhance existing controls by introducing greater automation which will reduce operational risk and increase cost effectiveness resulting in a fall in the Bank's financial crime risk management costs in line with previous forecasts.



The Financial Crime Framework beyond completion of the FC Plan

By concluding the FC Plan Danske Bank has now in place a Financial Crime Framework which meets regulatory requirements applicable to the Bank and is reasonably designed to manage the Bank's inherent risk in line with its risk appetite, while adhering to global best practices. This framework includes, but is not limited to:

Oversight and governance of financial crime controls across the group to identify, mitigate and manage financial crime risks and **a framework of financial crime related policies and instructions** designed to meet regulatory requirements in all jurisdictions in which the Bank operates



An **assessment to risk score customers** at initial onboarding and throughout the customer life cycle and **risk-based KYC processes and controls** prior to the establishment of a business relation and during the ongoing customer lifecycle



Systems and processes in place to **monitor transactions** of relevant products for potentially suspicious activity in all markets and procedures to appropriately **investigate unusual activity and report activity which is deemed to be suspicious** or could point to cases of financial crime



A sanctions framework that is compliant with applicable and relevant laws and regulations to ensure the Bank does not transact with, nor hold as customers, parties or entities subject to financial sanctions and embargoes



Effective oversight over its **correspondent banking relationships** and processes to carry out appropriate, risk-based ongoing and enhanced due diligence on them and facilitate decision-making in line with The Bank's risk tolerance



A financial crime training framework ensuring that training needs are analysed, tailored trainings developed, enhanced, and delivered across the Bank



An enhanced **framework for responding to regulatory requests** made by the Bank's supervisors in all jurisdictions in which the Bank operates



Minimum regulatory standards to manage critical risks in relation to **tax evasion, fraud and bribery & corruption**, as well as plans to ensure appropriate coverage and mitigation of key risks to be transitioned to the Business-As-Usual organisation for delivery



Regulatory Engagements

Ongoing Dialogue

- We engage in ongoing dialogue with our regulators through regular meetings with the Financial Supervisory Authorities (“FSAs”) and the 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 progress in business strategy and other business developments, and how we are meeting any regulatory orders and regulatory compliance. We proactively share information to 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 all orders received before completion of the Financial Crime Plan from inspections following the Estonia matter and orders received in relation to subsequent AML inspections.
- In October 2022, 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 the Financial Crime Plan*.

Supervisory Oversight

- The Danish FSA, as well as other relevant FSAs, carry out supervisory oversight of the Bank’s work and regulatory compliance.
- The Financial Crime Plan was completed in December 2023 and the Bank will continue testing its’ controls, to ensure that the plan is fully embedded and operating effectively. The Bank’s regulators have been following the implementation closely and will continue to do so until testing has been completed. In addition to its ongoing supervision, in early 2021, the Danish FSA appointed an Independent Expert to monitor the implementation of the Bank’s Financial Crime Plan. The last period of monitoring of the Bank’s Financial Crime Plan by the Independent Expert has finished end of Q2 2024, however the Danish FSA has extended the appointment of the Independent Expert for an additional period to monitor the Bank’s commitments and reporting obligations under the US DOJ Plea Agreement.

* <https://danskebank.com/investor-relations/regulation/the-danish-fsa>The Danish FSA (danskebank.com)



Committee Governance for Compliance Risks

2LoD Financial Crime Risk Council

- Provides structured Management Information which fulfils the oversight responsibility for Financial Crime Compliance
- Ensures regulated tasks of the AML Responsible Compliance Officer are included in the reporting for the Council
- Chaired by the Head of Financial Crime Compliance of Danske Bank
- The Committee reports to the Group Compliance Senior Leadership Team

Conduct and Compliance Committee

- 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

Post-Resolution Committee

- 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 has now been completed
- 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]

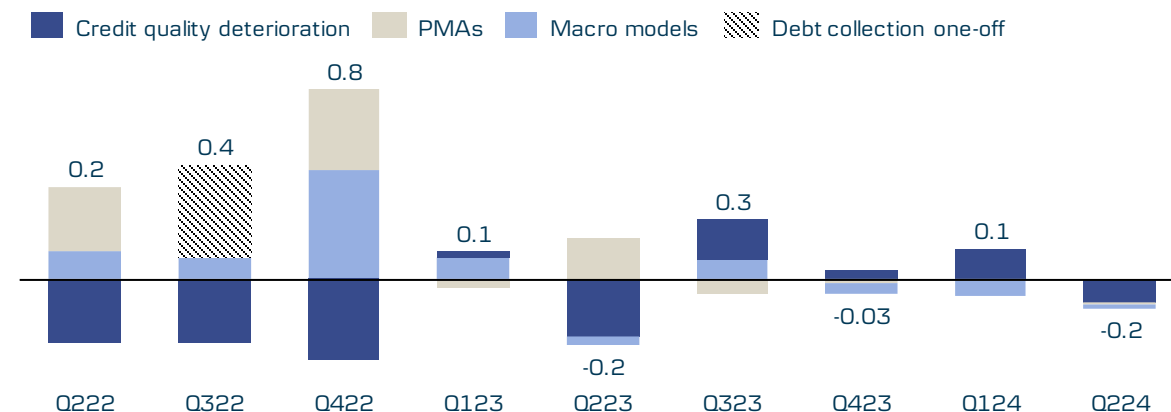
Credit quality & Impairments

Impairments: Strong credit quality with net reversals of impairments; PMA buffers remain in place

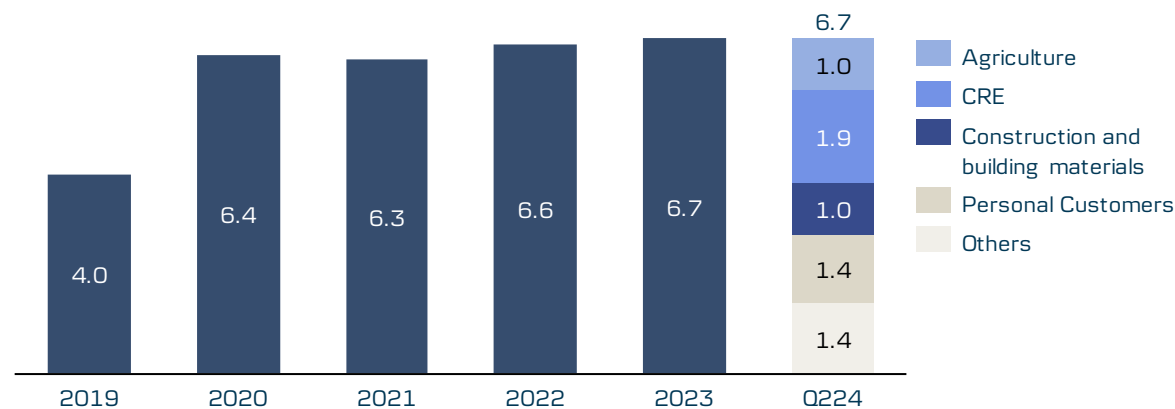
Highlights

- Strong credit quality and single-name work out cases led to net reversals of DKK 0.2 bn in Q2
- Modest revisions in the provisions from macroeconomic models as base case macro-outlook has improved. Model continue to include a severe downturn scenario
- Significant PMA buffers remain in place to mitigate any tail risk not visible in the portfolio or captured by macro models

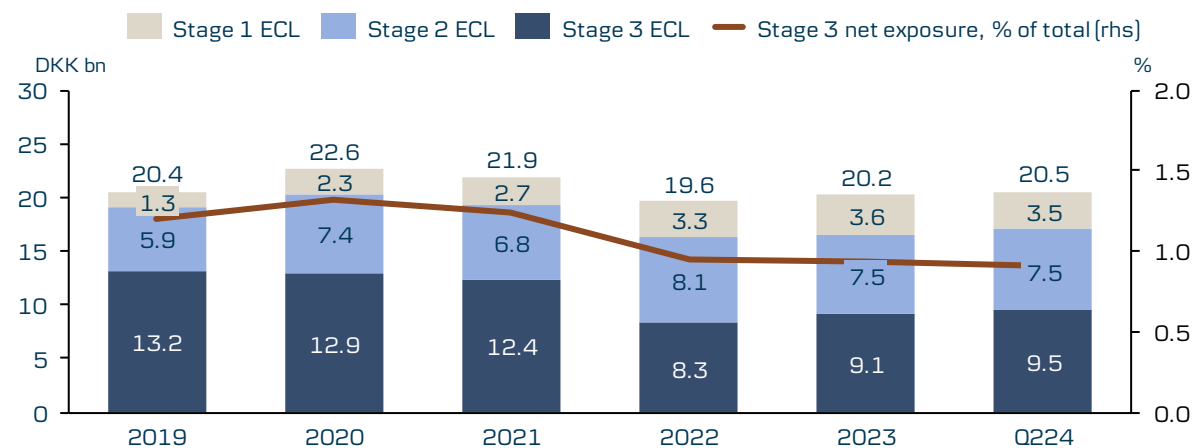
Impairment charges by category (DKK bn)



Post-model adjustments (DKK bn)

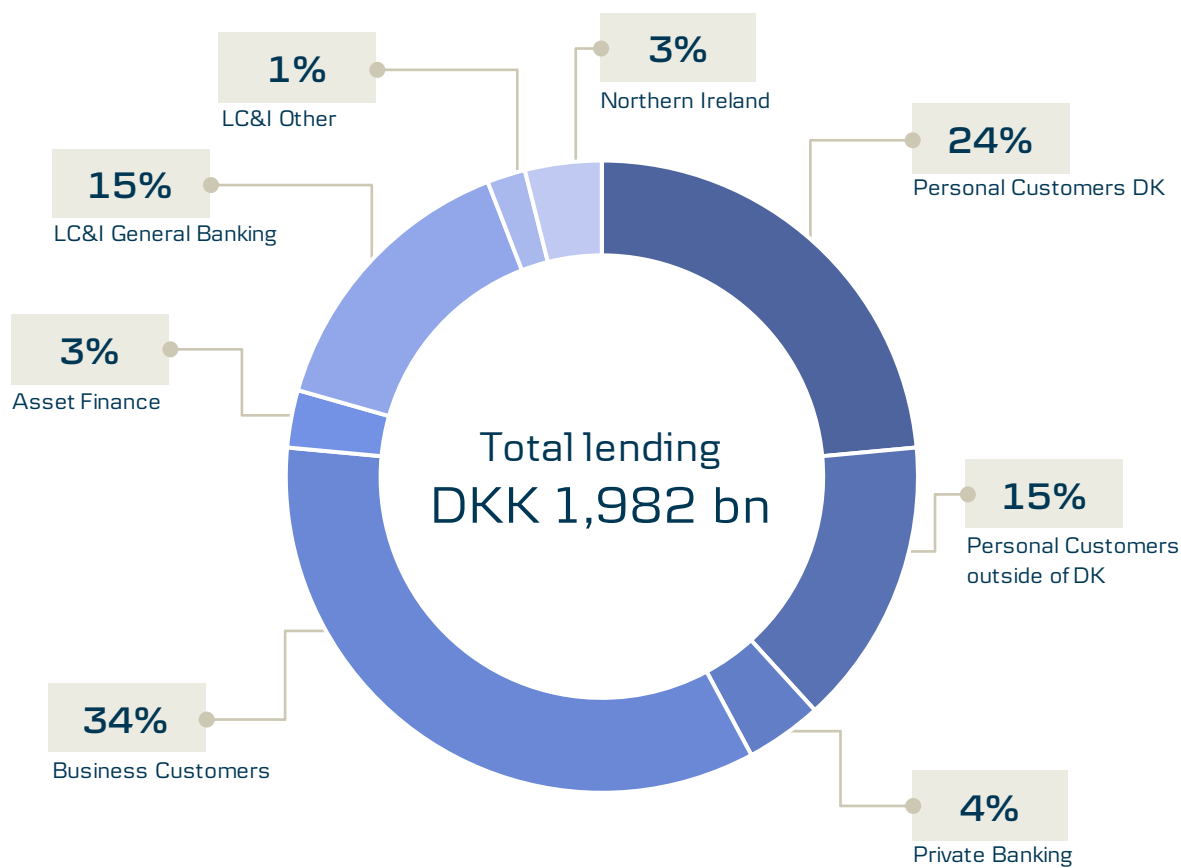


Allowance account by stages (DKK bn)

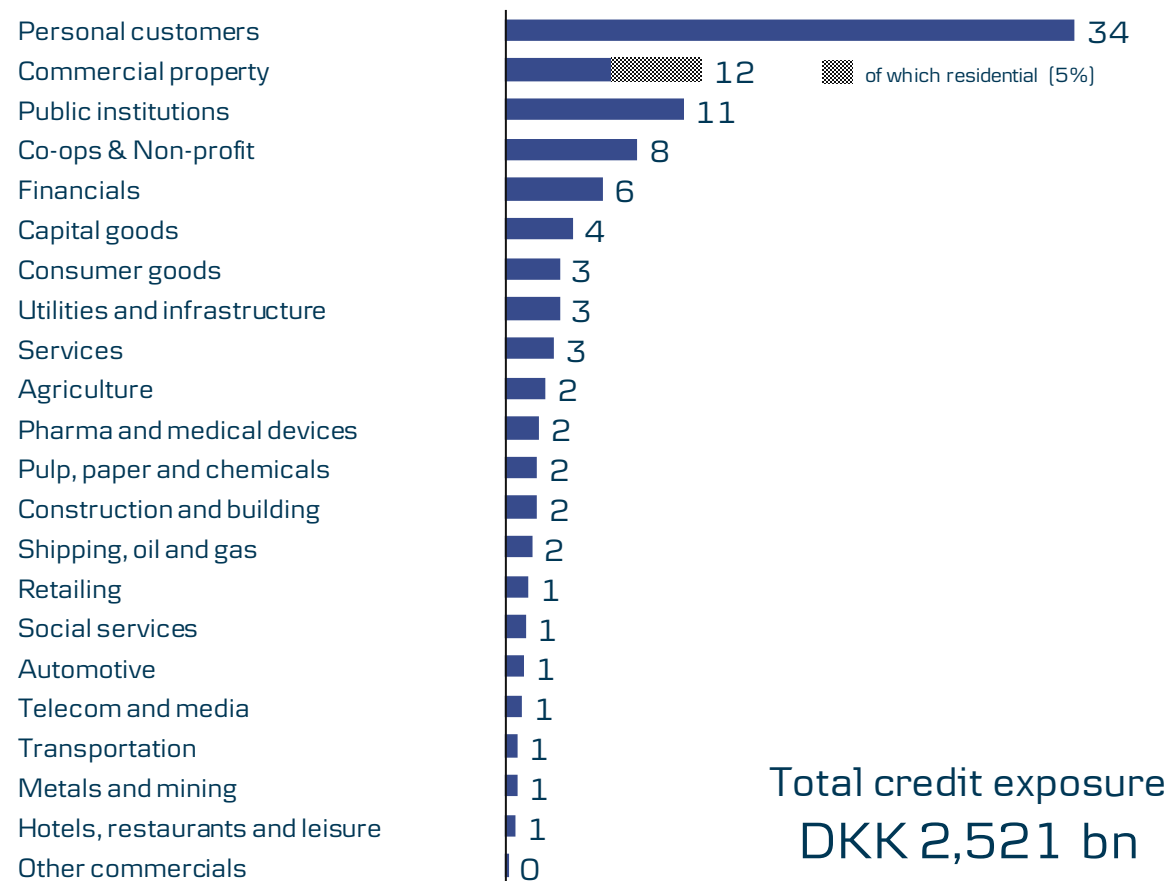


Strong footprint within retail lending

Lending by segment¹ Q2 24 (%)



Credit exposure by industry Q2 24 (% rounded)

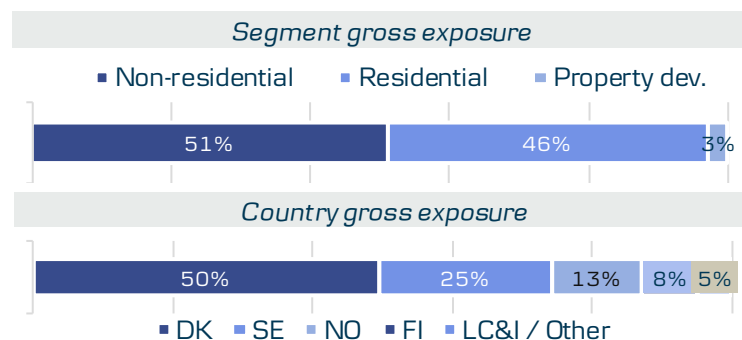


¹Total lending before loan impairment charges.

Overall strong credit quality in portfolios exposed to macro cyclicality

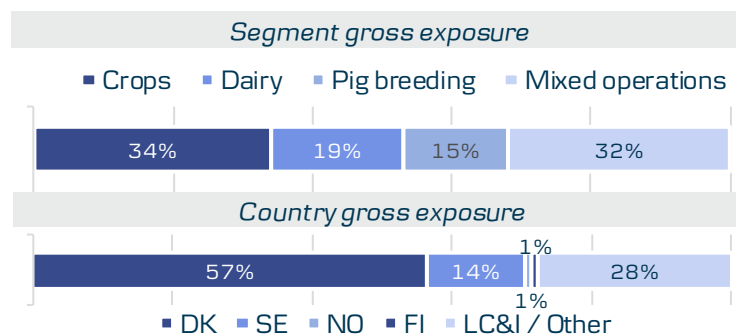
CRE: Well diversified and prudently managed growth

DKK 297 bn in gross exposure and ECL ~1%



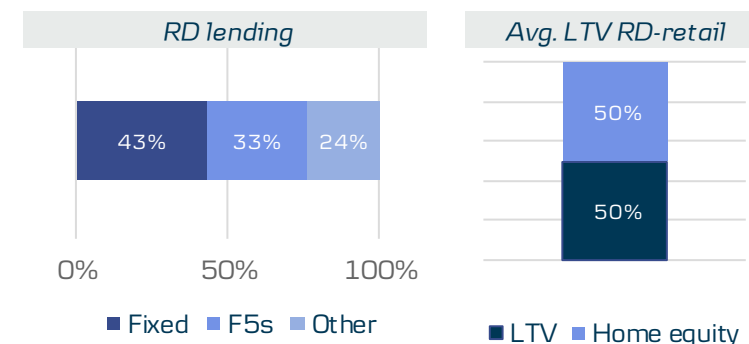
Agriculture: Well-provisioned agriculture book

DKK 60bn in gross exposure of which 53% RD



Housing: Low leverage and strong household finances

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



- Conservative lending growth (-4% 5Y-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
- PMA of DKK 1.9bn to cover uncertainties regarding the effect of rapid interest rate increases and macroeconomic situation

- 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
- PMA of DKK 1 bn have been made for potential future portfolio deterioration including uncertainties not visible in the portfolio such as diseases and implications from green transition

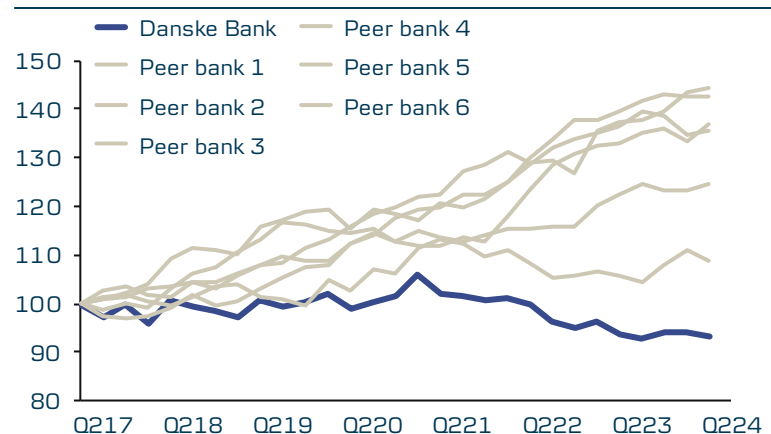
- Avg. LTV remains at moderate level and have been generally supported over the past years by the trend in house prices along with the call feature of DK mortgages
- Affordability measures in our approval process has been tightened, and debt-to-income (DTI) levels remain stable overall
- Portfolio uncertainty 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
- PMA related to personal customers total DKK 1.4 bn

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

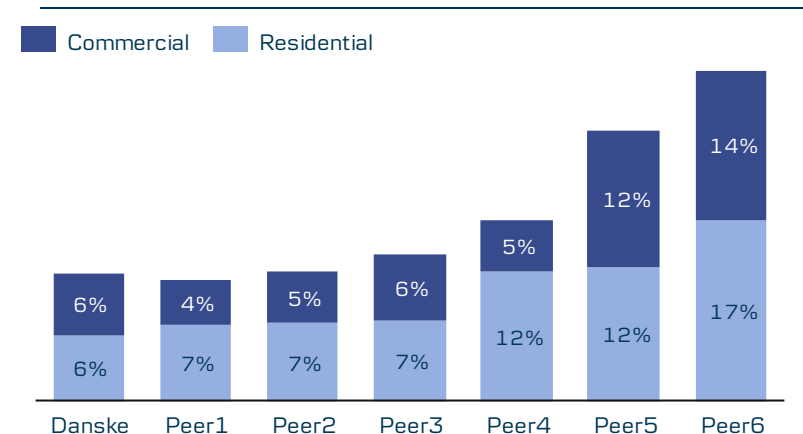
Highlights

- 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 3%-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

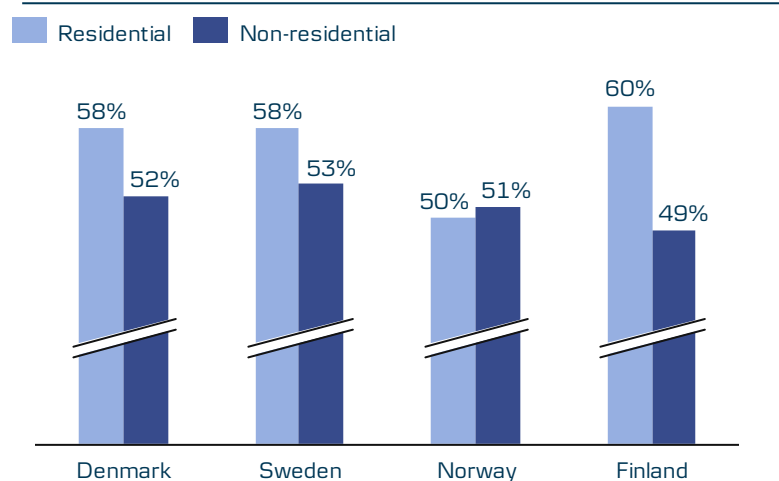
Lending to CRE segment by major peer banks (index)*



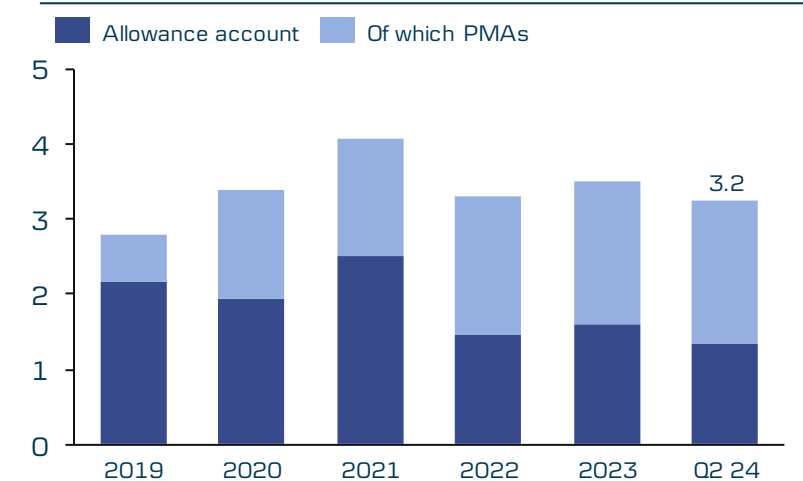
CRE share of total portfolio by major peer banks*



Danske Bank's CRE portfolio avg. LTVs



Danske Bank's CRE allowance account (DKK bn)



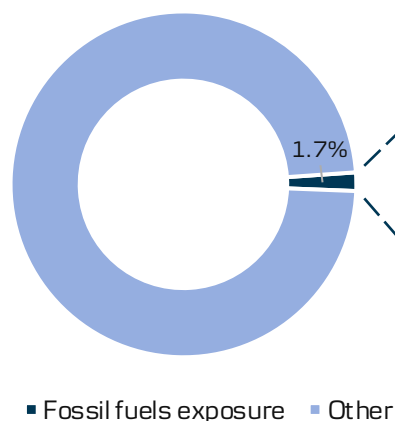
*Source: Companies' interim report. Exposure definitions differ among banks between total lending, credit exposure and EaD.

Fossil fuels (coal, oil and gas) exposure

Key points Q224

- Exposure towards exploration and production (E&P) of oil and gas is down by 74% compared to end 2020. The exposure development is aligned with the Group's 2030 climate target of reducing financed emissions by 50% for the Group's E&P lending portfolio. Other oil related net exposures are down by 51% from end 2020
- Exposures shown on this page is to utility customers with any coal-based power production, and hereof more than 5% of revenues from coal fired power production. In 2022, exposure to power utilities increased due to short-term financing needs driven by volatile energy markets but has been steadily decreasing the past years. In Q2 2024, exposure is down by 34% compared to same quarter last year. The list of customers with more than 5% of revenues from coal fired power production is regularly being reviewed, and exposures have been stable around 3 DKK bn. in 2024
- 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. For most customers, the use of coal is limited to a few remaining production facilities which are expected to phase-out towards 2030. From Q1 2024, offshore pureplay renewables have been excluded from the exposure overview

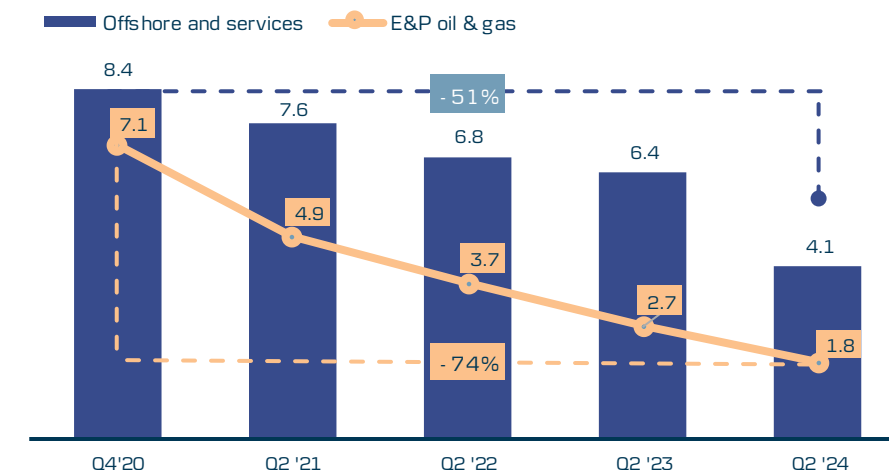
Group gross credit exposure (DKK 2,521 bn.)



Fossil fuels exposure

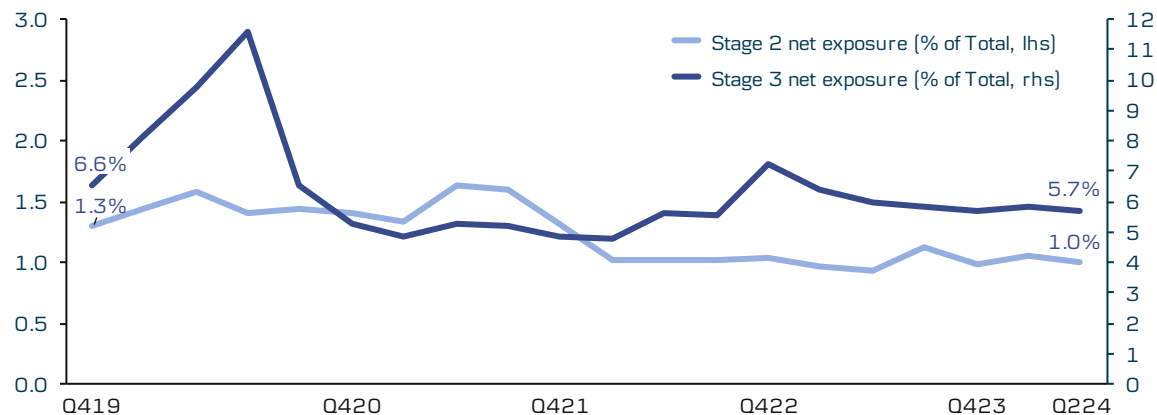
Segment	Net exposure (DKK m)
Crude, gas and product tankers	4,793
Distribution and refining (incl. biofuels)	11,441
Oil-related exposure	5,980
Exploration and production (E&P)	1,831
Offshore and services	4,149
Power and heating utilities with any coal-based production	19,927
Hereof customers with more than 5% revenue from coal	3,056
Total	42,895

Oil-related net credit exposure development (DKK bn.)

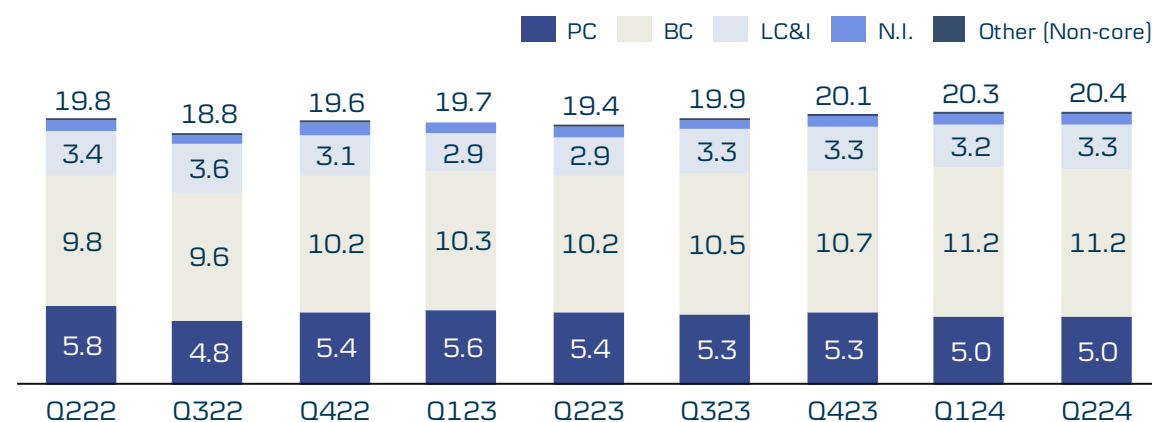


Credit quality: Low level of actual credit deterioration

Stage 2 and 3 as % of net exposure



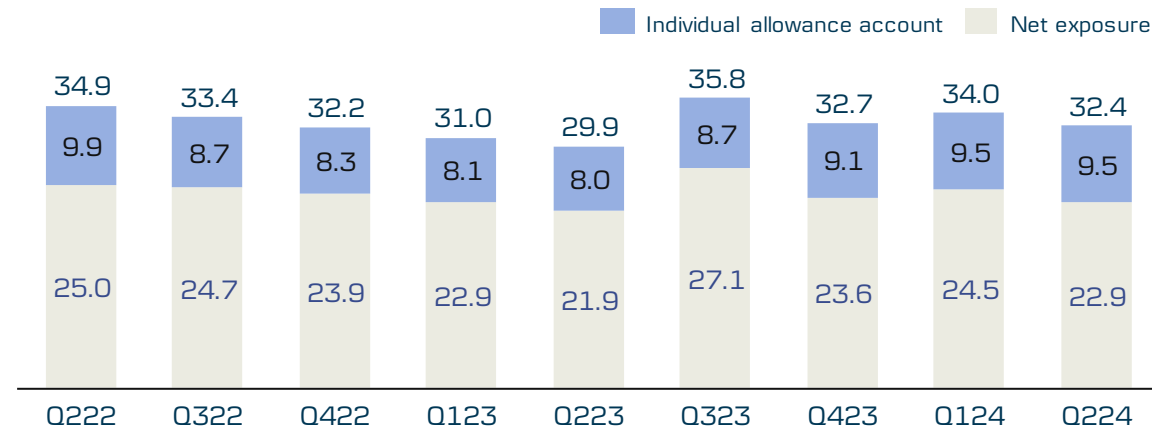
Allowance account by business unit (DKK bn)



Stage 2 allowance account and exposure (DKK bn)

	Allowance account	Gross credit exposure	Allowance account as % of gross exposure
Personal customers	1.5	850	0.18%
Agriculture	0.8	60	1.38%
Commercial property	1.5	297	0.51%
Shipping, oil and gas	0.0	41	0.09%
Services	0.6	77	0.75%
Other	3.1	1,217	0.25%
Total	7.5	2,541	0.30%

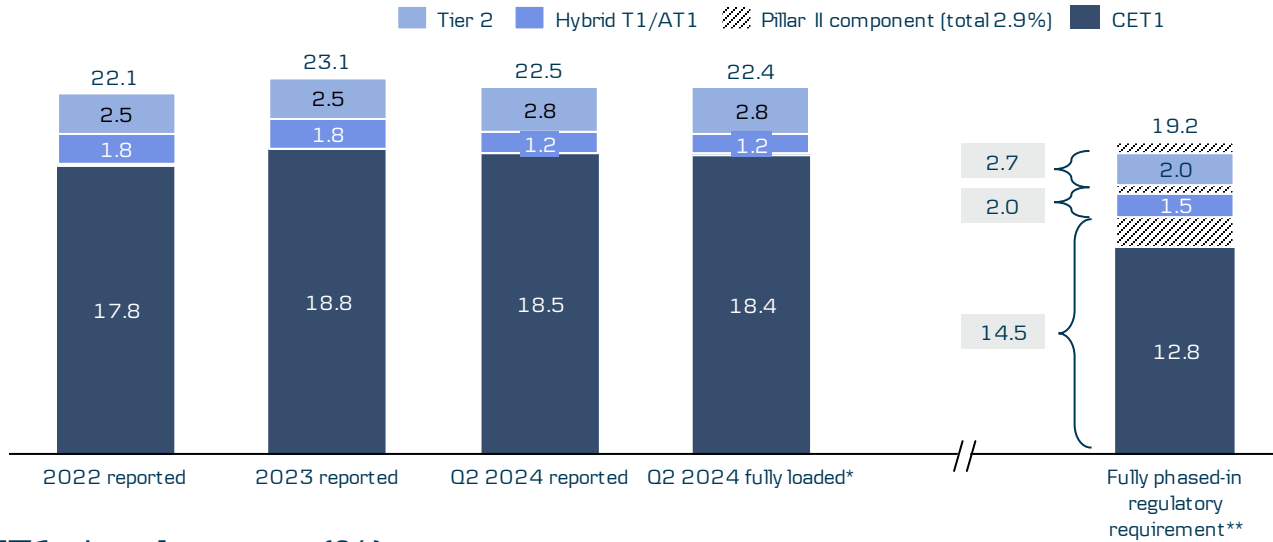
Gross stage 3 loans (DKK bn)



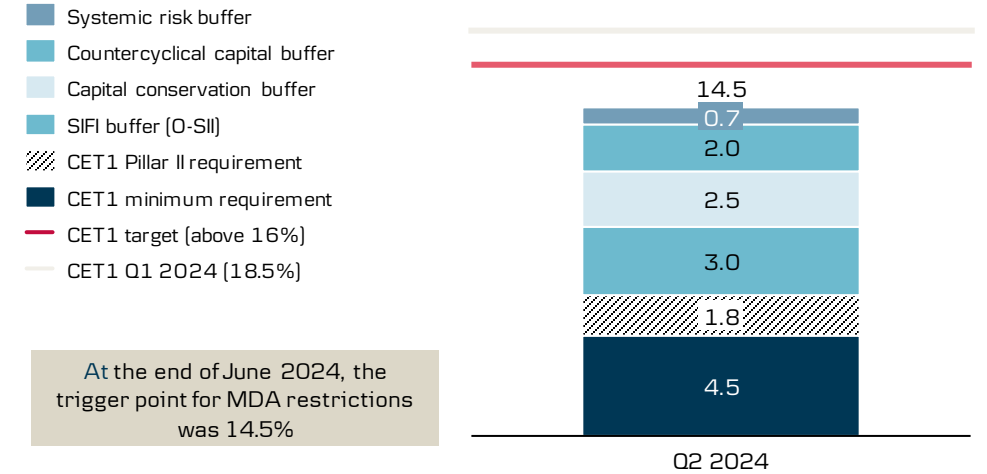
Capital

Capital: Strong capital base with CET1 ratio of 18.5%

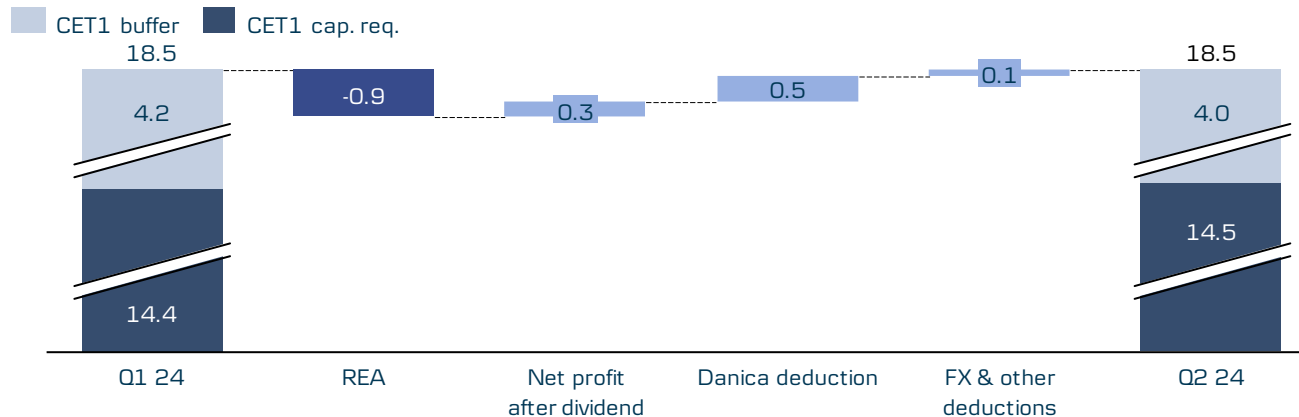
Capital ratios under Basel III/CRR (%)



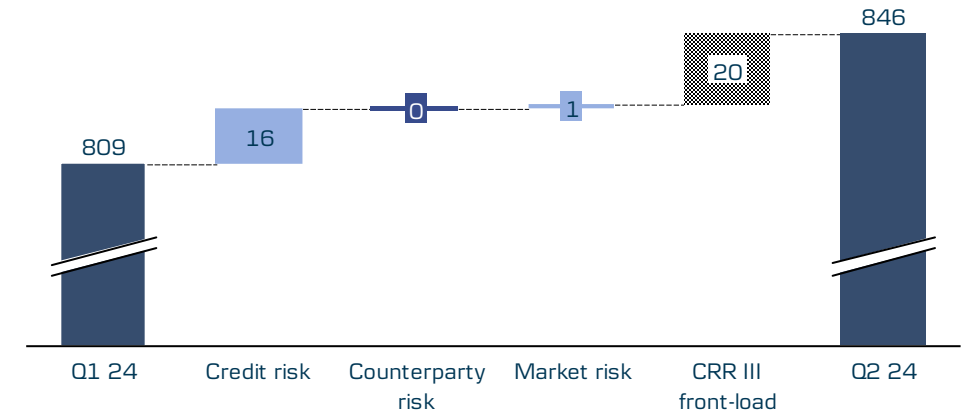
Current capital buffer structure (%)



CET1 development (%)



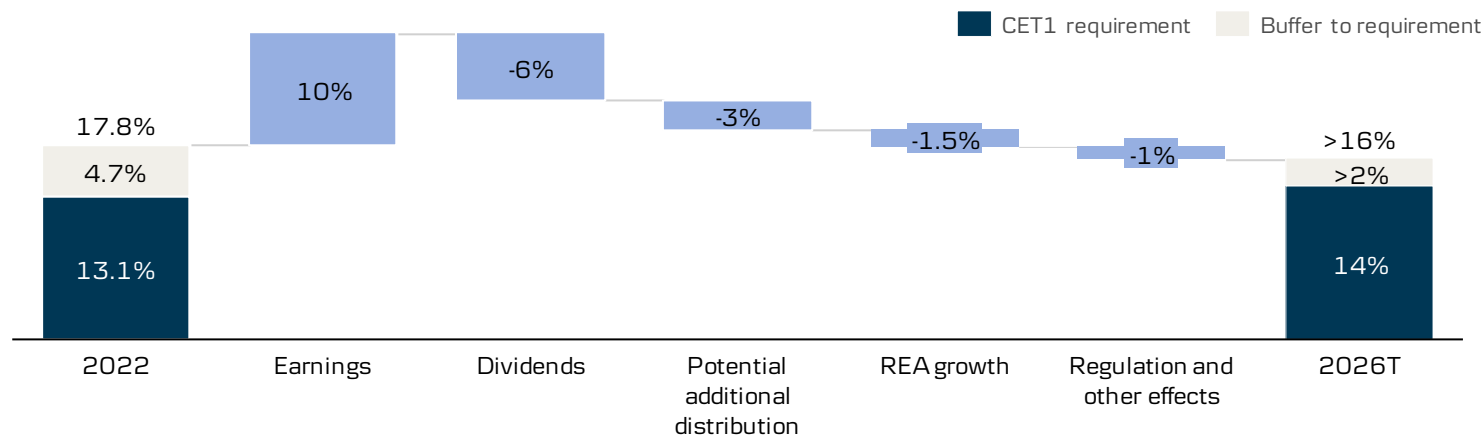
Total REA (DKK bn)



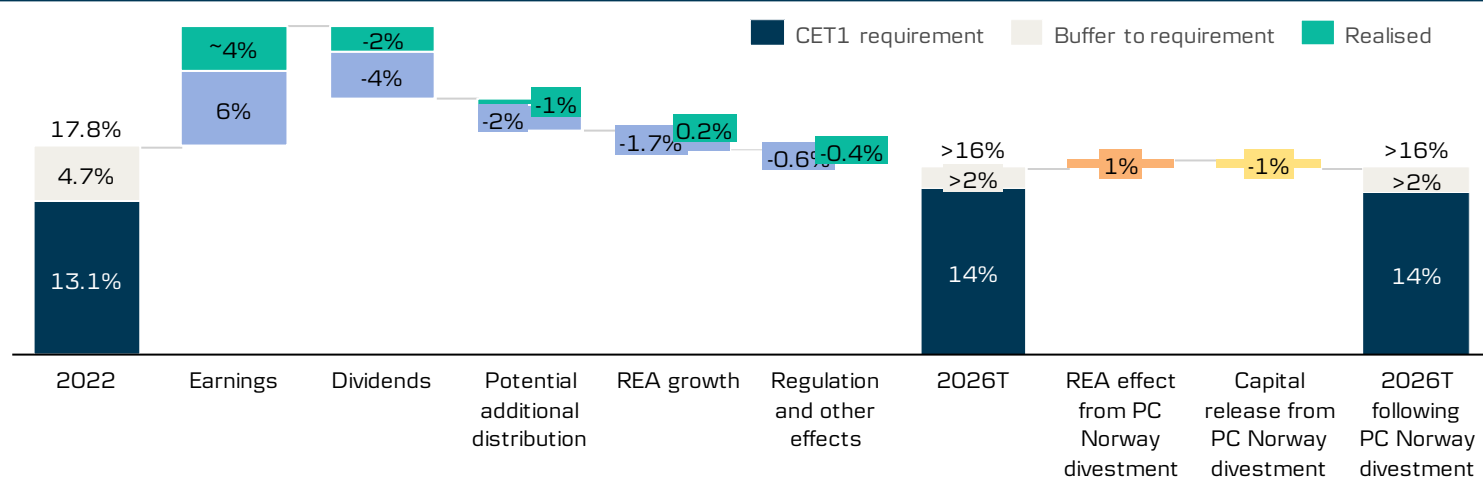
* Based on fully phased-in rules including fully phased-in impact of IFRS 9. ** Fully phased-in minimum CET1 requirement in March 2025 of 4.5%, capital conservation buffer of 2.5%, SIFI buffer of 3%, countercyclical buffer of 2.0%, systemic risk buffer of 0.5% (on Norwegian exposures), and CET1 component of Pillar II requirement

Capital update: CET1 development toward 2026

CET1 capital generation and usage (% of REA) - Capital markets day June 2023



CET1 capital generation and usage (% of REA) - Updated as of June 2024

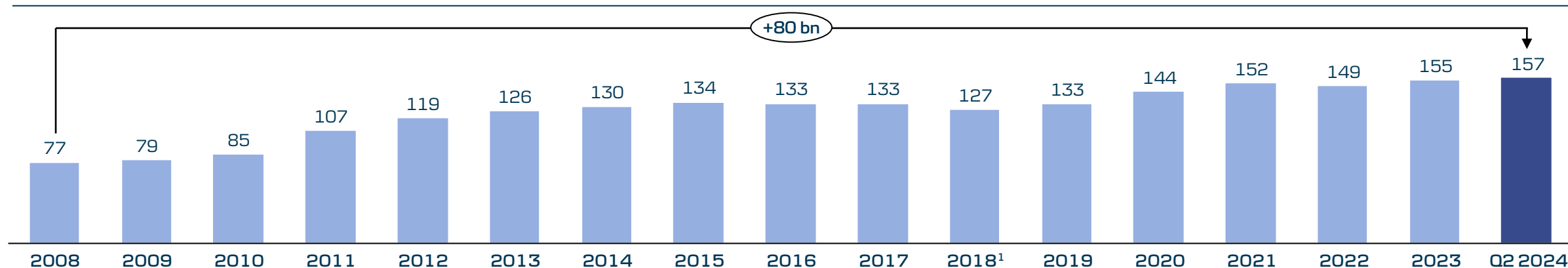


- CET1 capital ratio expected to approach target through capital distribution and REA inflation from growth
- Prudent buffer to requirements including the Danish SyRB/CRE from 30 June 2024 and lower NO requirements post divestment
- Lending and top-line growth drive credit and operational REA inflation
- Regulatory effects include the CRR III impact. In Q2, we have front-loaded DKK 20bn of REA for CRR III. We expect this will cover the majority of the CRR III implementation
- Divestment of PC Norway now reflected in REA and capital release

Note: Capital distributions includes expected and potential distributions related to the 2026 results. With the accelerated Q2 2024 interim dividend the Group has distributed DKK 1.9bn of the dividend ambition of above DKK 5.0bn as communicated at CMD in June 2023.

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

Common Equity Tier 1, 2008 - 2024 (DKK bn)



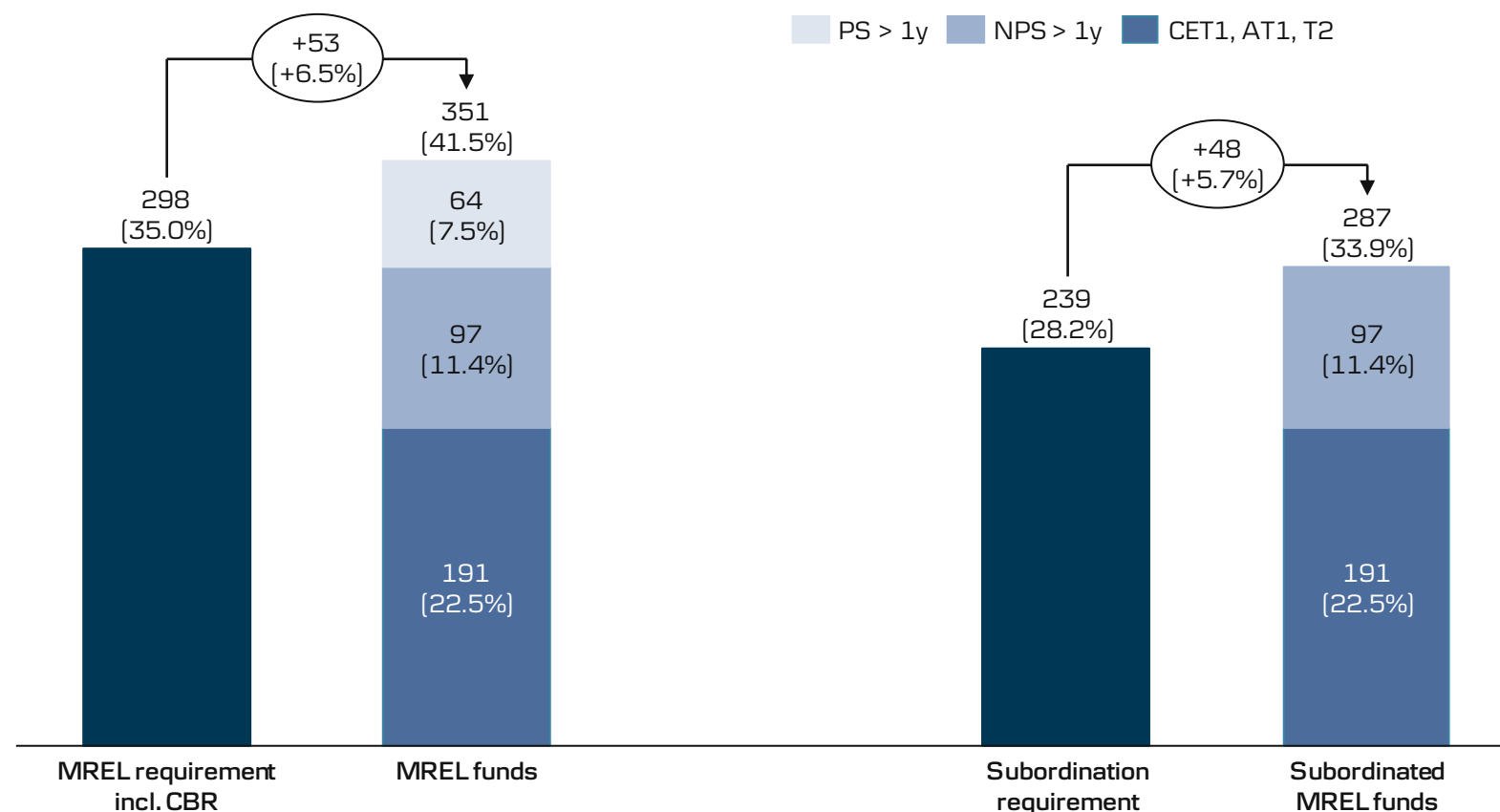
REA, CET1, profit and distribution (DKK bn; %)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	H1 2024
REA	960	834	844	906	819	852	865	834	815	753	748	767	784	860	838	828	846
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%	18.5%
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	21.2	11.5
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	18.0	6.4
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	3,771	3,763

1. The decline in CET1 capital in 2018 is due mainly to Danica Pension's acquisition of SEB PensionDanmark 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 Q224 DKK bn (% of Group REA)



Comments

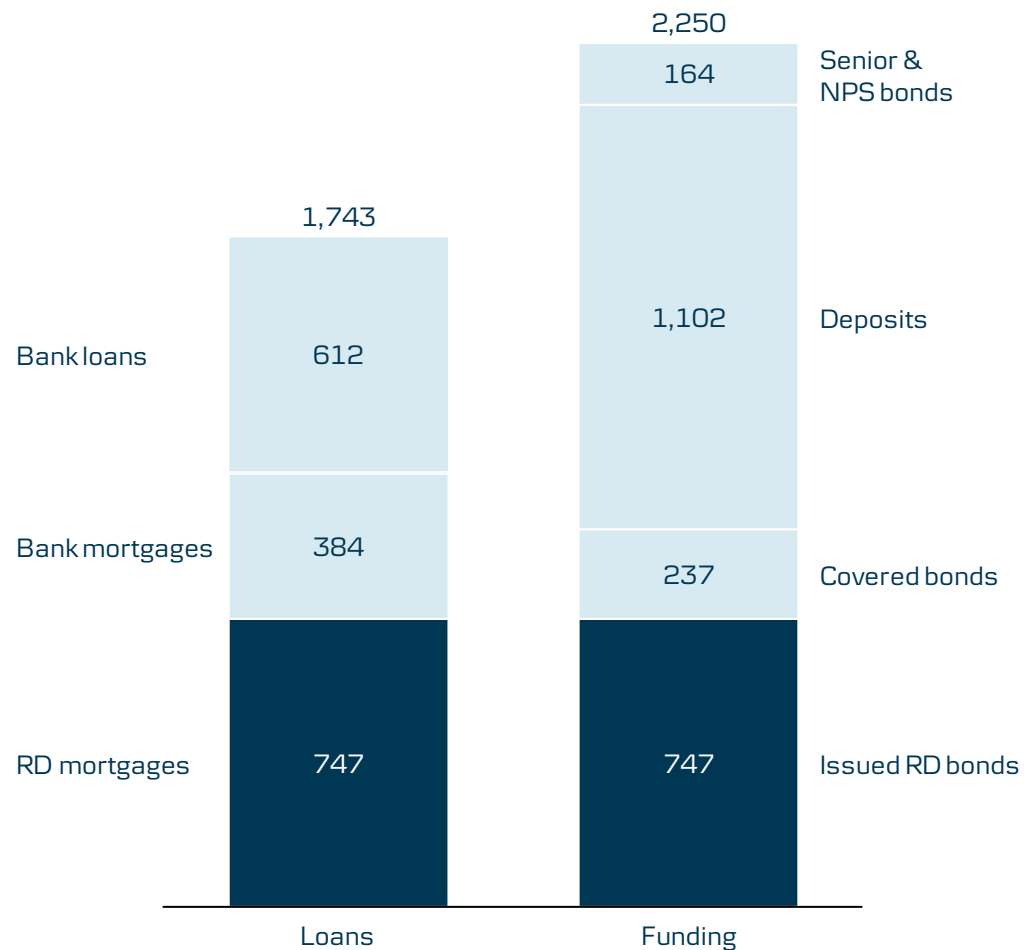
- The Group has to meet a MREL requirement and a subordination requirement, both adjusted for Realkredit Danmark (RD)
- The subordination requirement is the higher of 2x(P1 + P2) + CBR or 8% TLOF
- The Group's MREL requirement (total resolution requirement) is DKK 298bn incl. RD's capital and debt buffer requirement (DKK 45bn) and the combined buffer requirement (DKK 59bn). Excess MREL funds are DKK 53bn
- The Group's subordination requirement is DKK 239bn incl. RD's capital requirement (DKK 30bn). Excess subordinated MREL funds are DKK 48bn
- This figure shows the Group's MREL and subordination requirement as of end Q2 2024, which constitutes the fully-phased in requirements, i.e. no interim target
- Requirements will, however, be impacted by any changes to the CCyB

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

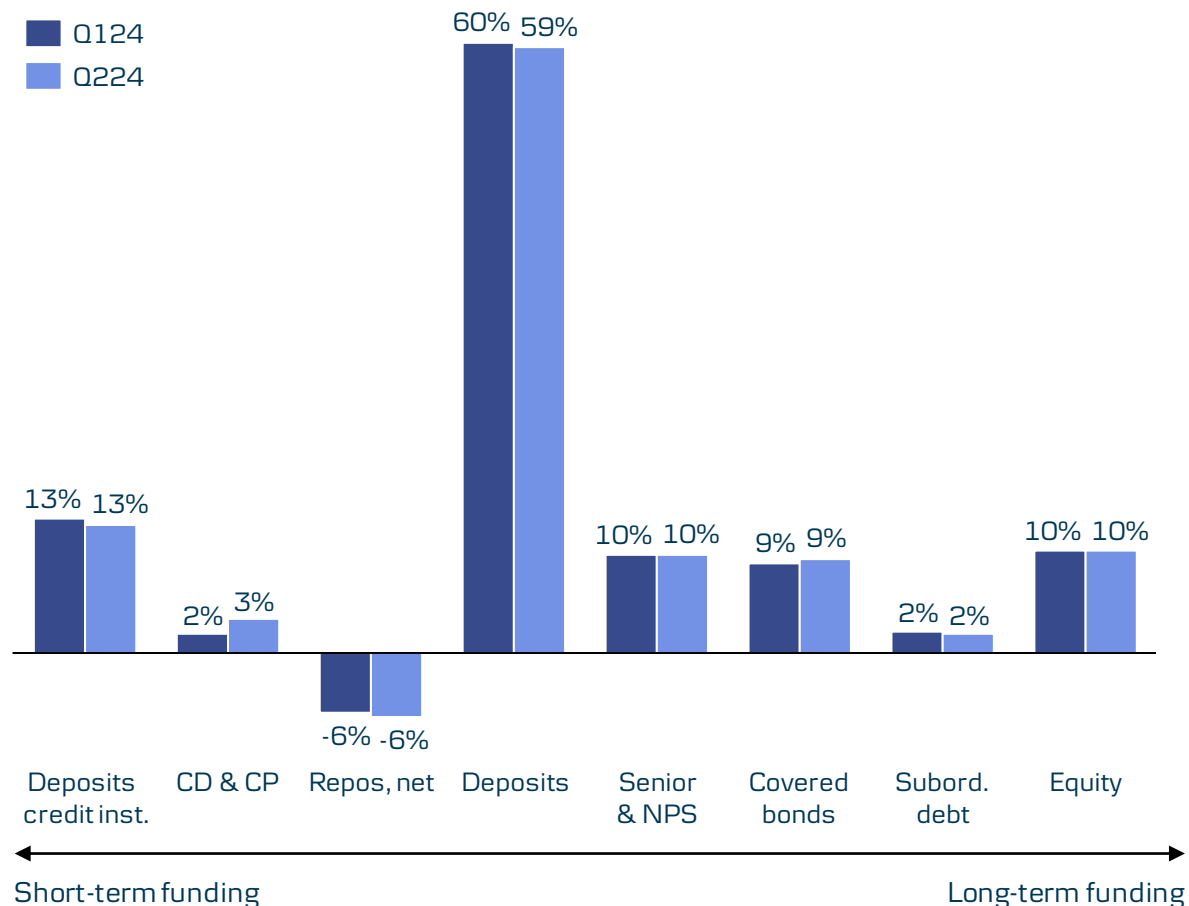
Funding & Liquidity

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

Loan portfolio and long-term funding Q224 (DKK bn)



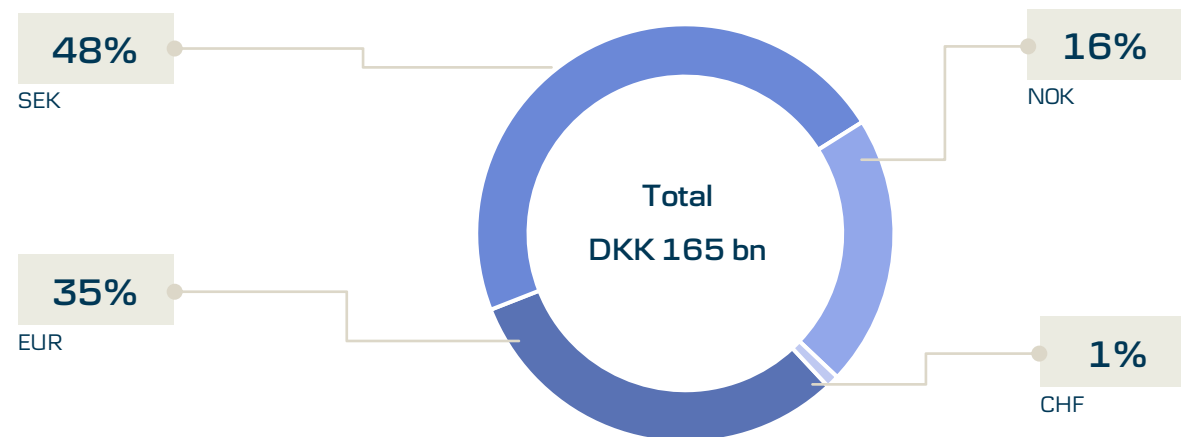
Funding sources* (%)



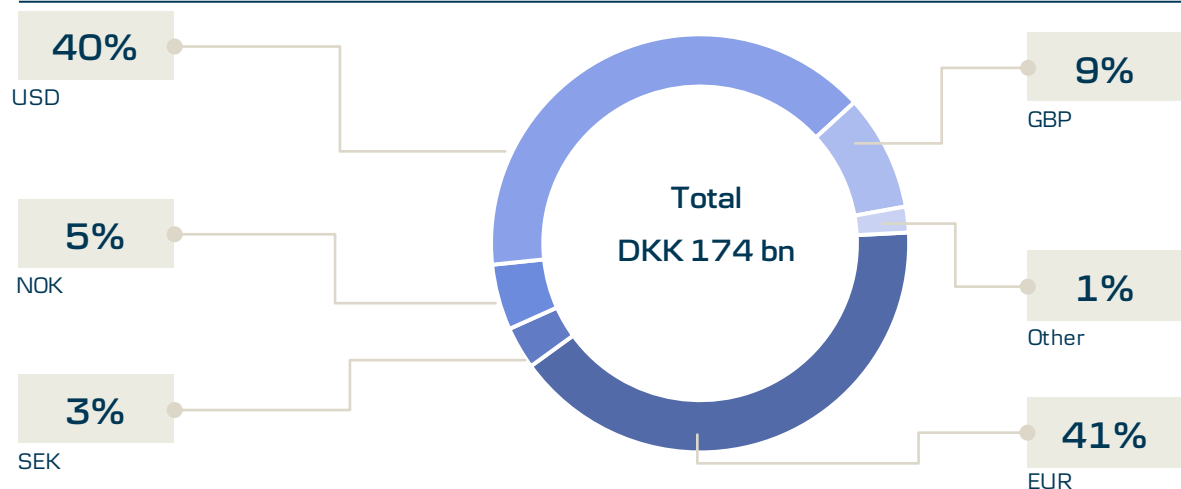
* Figures are rounded

Funding programmes and currencies

Covered bonds by currency Q224

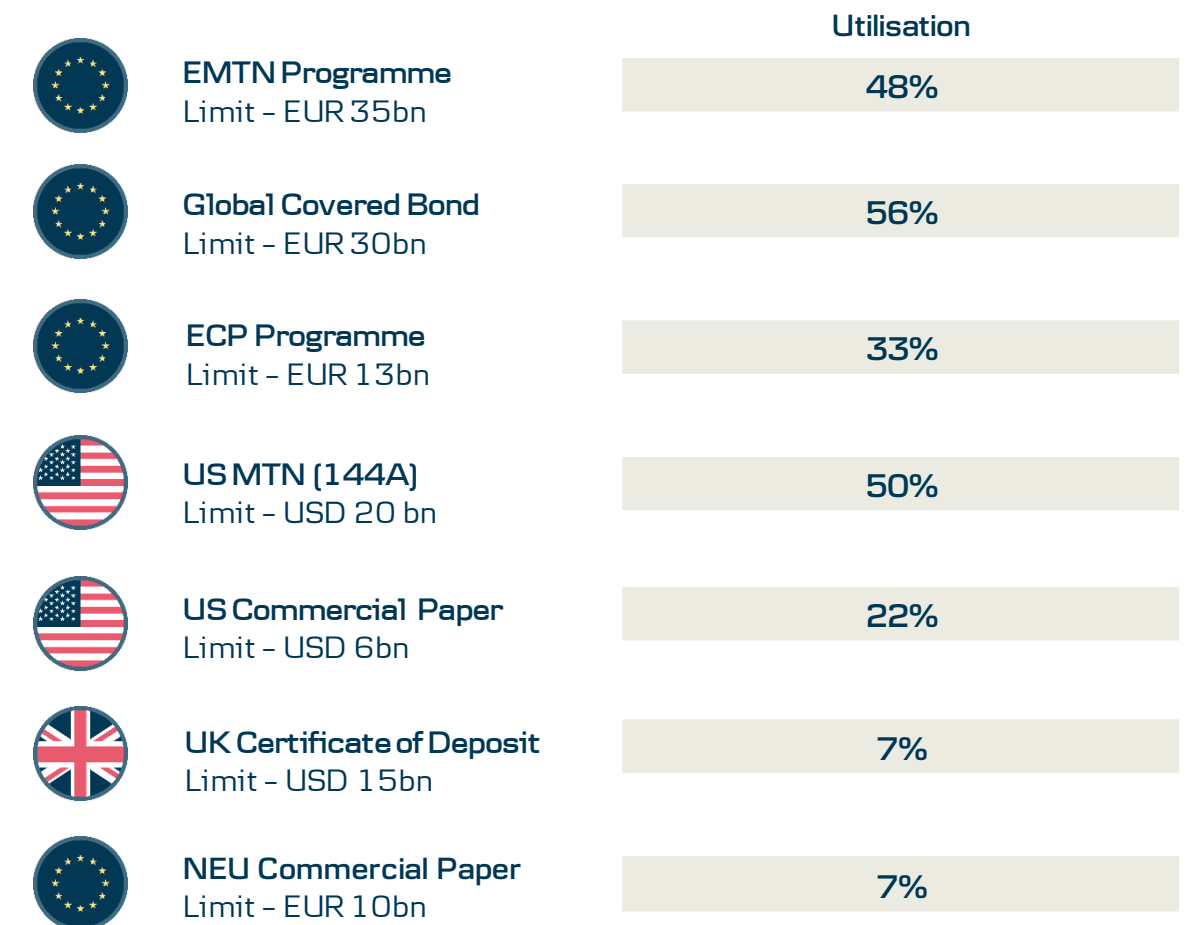


Senior debt¹ by currency Q224



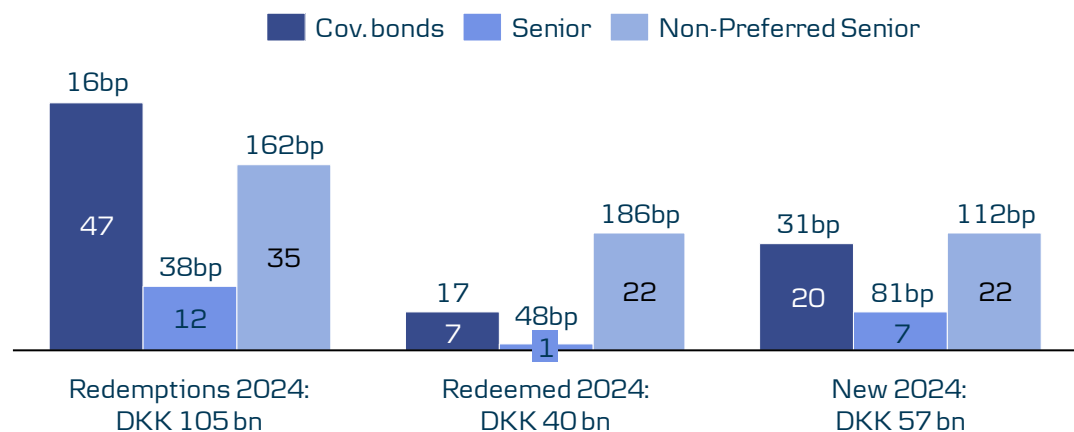
¹ Including senior preferred and non-preferred debt

Largest funding programmes Q224

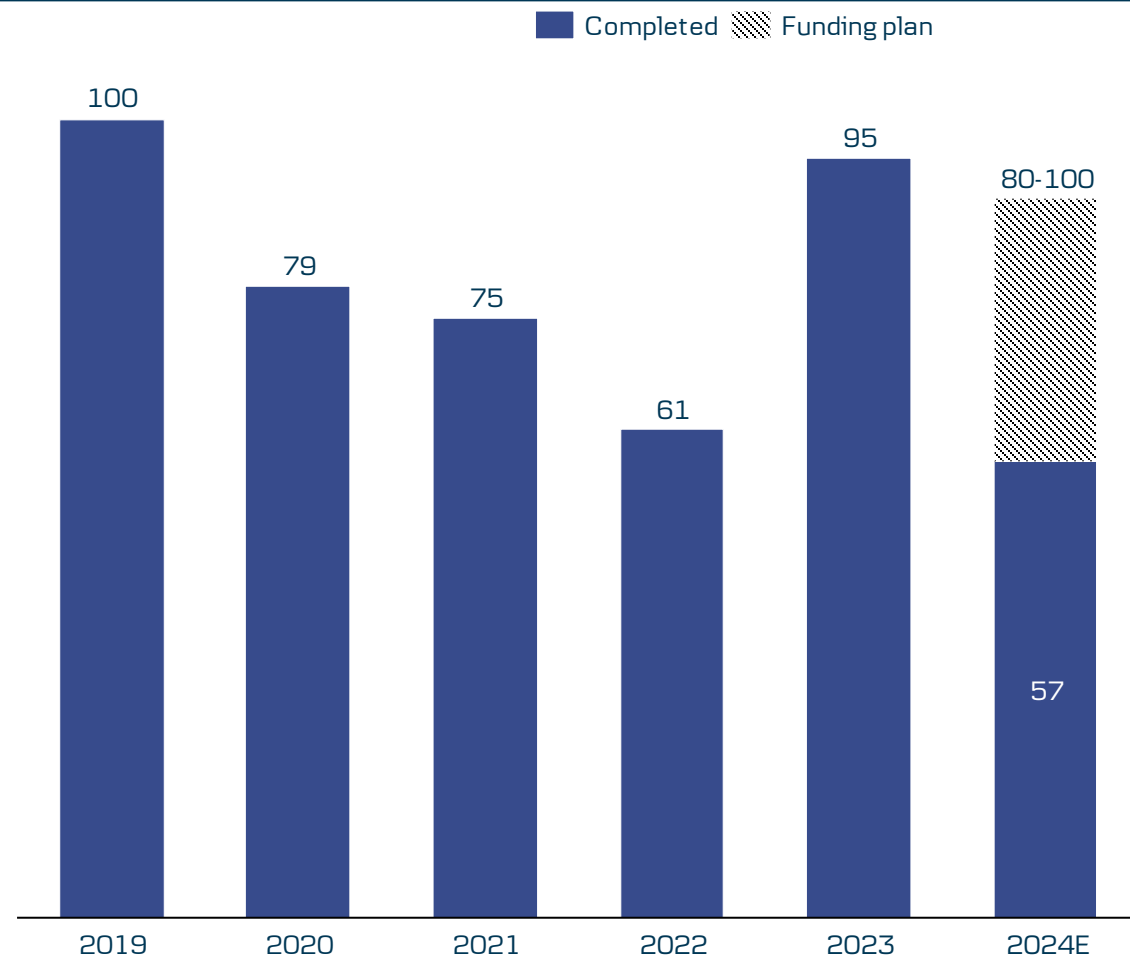


Funding plan

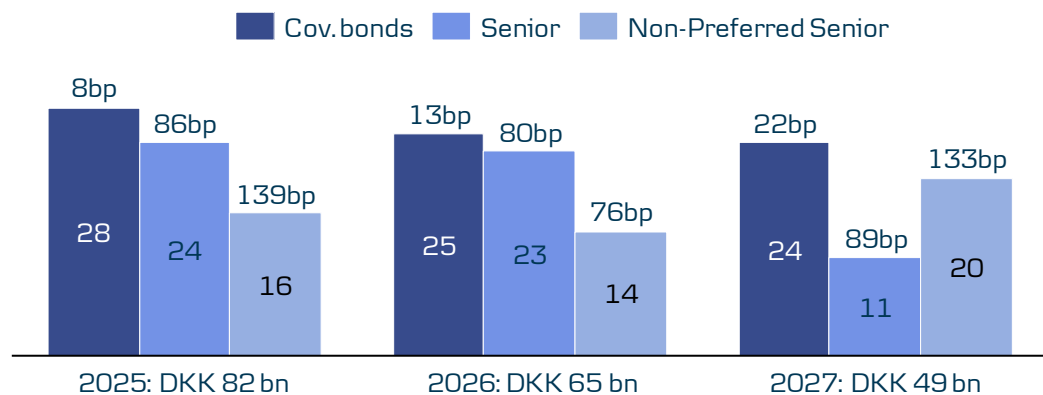
Changes in funding* 2024 (DKK bn and bp)



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



Maturing funding* 2025-2027 (DKK bn and bp)



*Spread over 3M EURIBOR

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

Danske Bank covered bond universe – a transparent pool structure, with EUR issuance by Danske Mortgage Bank & Danske Bank A/S “D-pool” and “C-pool”

Danske Bank

Residential mortgages

- Denmark, D-pool
- Norway, I-pool (existing Norwegian cover pool assets and NOK-denominated liabilities to be sold to Nordea)
- Sweden, Danske Hypotek AB
- Finland, Danske Mortgage Bank Plc

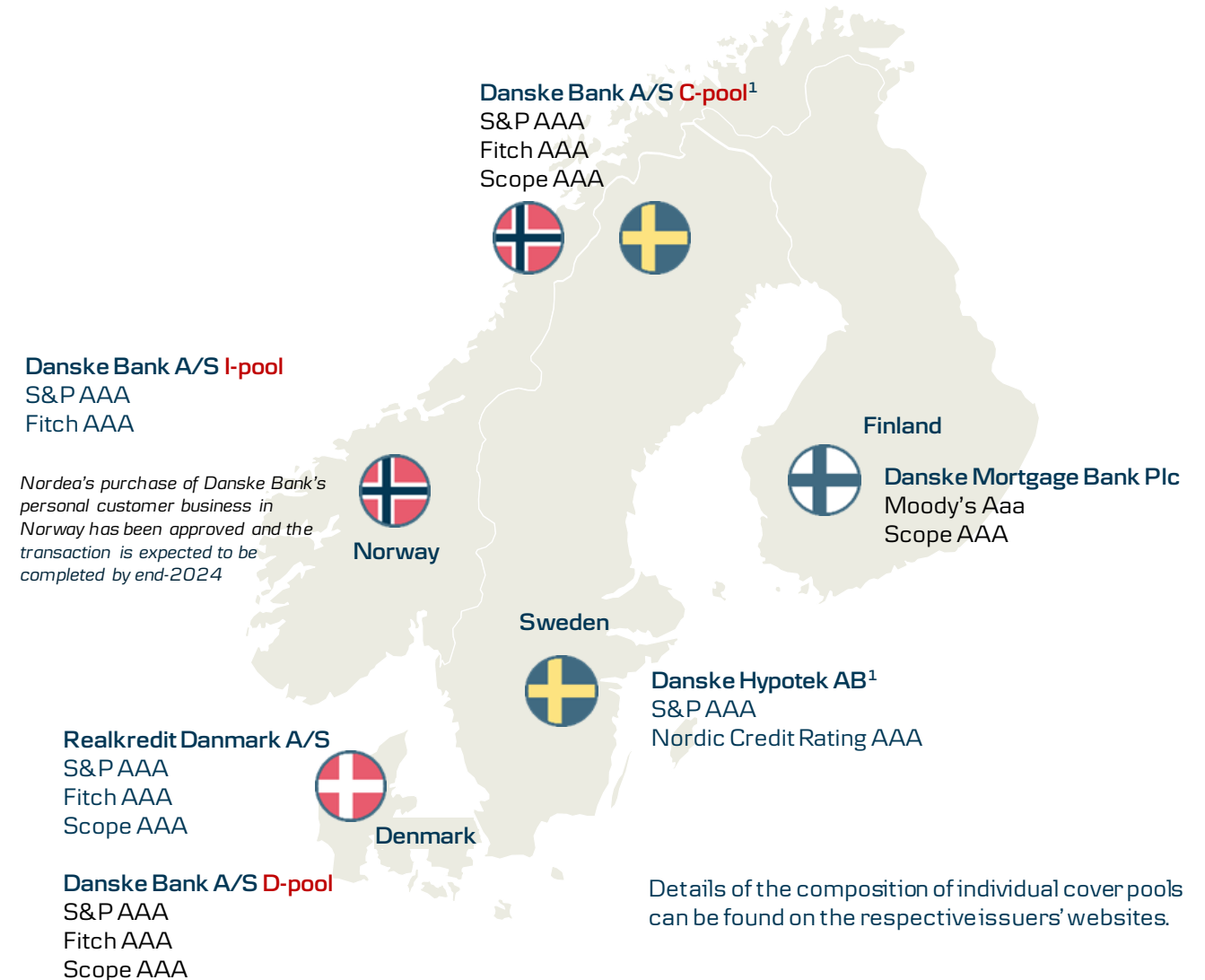
Commercial mortgages

- Sweden and Norway, C-pool

REALKREDIT Danmark

Residential and commercial mortgages

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



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 - Moody's upgrades, and Scope assigns public ratings to Danske Bank

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-
BB+	Ba1	BB+	BB+	

Speculative grade		Fitch rated covered bonds - RD (S + T), Danske Bank (C + D + I)
		Moody's rated covered bonds - Danske Mortgage Bank
		Scope rated covered bonds - RD (S + T), Danske Bank (C + D), Danske Mortgage Bank
		S&P rated covered bonds - RD (S + T + General), Danske Bank (C + D + I), Danske Hypotek
		Counterparty rating
		Senior unsecured debt
		Non-preferred senior debt
		Tier 2 subordinated debt
		Additional Tier 1 capital instruments

Rating summary Q2 2024

On 2 June 2024 Moody's raised its senior debt ratings of Danske Bank A/S. The upgrade reflected Moody's assessment of the closure of the Estonia case and other remediation cases, as well as reassessment of its Loss Given Failure model for the Group. Thus, the Issuer Rating and the preferred-senior debt rating were raised two notches, and the non-preferred senior debt rating was raised one notch. At the same time Moody's raised its short-term rating to P-1. Moreover, Moody's also revised its outlook to Stable from Positive.

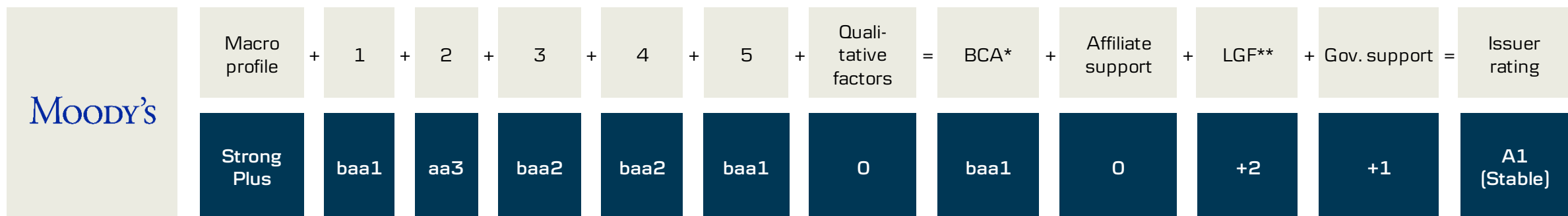
On 18 June 2024 Scope published its ratings on Danske Bank Group.

All credit rating agencies have stable outlooks on Danske Bank.

Danske Bank's credit ratings - Moody's upgrades Danske Bank in Q2 2024

Rating methodology

Danske Bank's rating



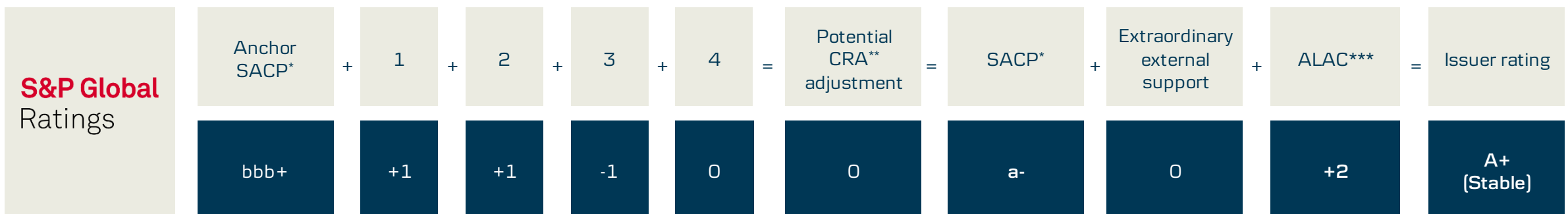
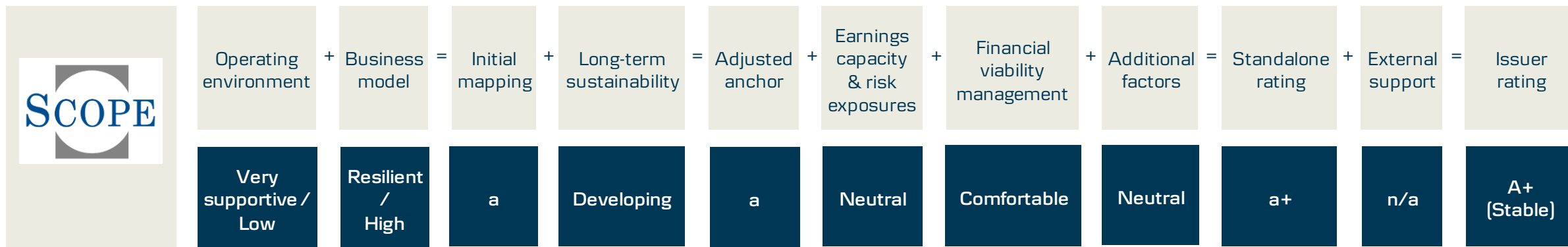
1=Asset Risk, 2=Capital, 3=Profitability, 4=Funding Structure, 5=Liquid resources

*Baseline Credit Assessment ** Loss Given Failure

Danske Bank's credit ratings - Scope issues public ratings on Danske Bank in Q2 2024

Rating methodology

Danske Bank's rating



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

* Stand-Alone Credit Profile, ** Comparable Ratings Analysis, *** Additional Loss Absorbing Capacity

Danske Bank's ESG ratings – Sustainalytics upgrades Dansk Bank in Q2 2024

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

ESG rating agency	Q2 2024		Q1 2024	End-2023	End-2022	End-2021	End-2020	Range
CDP¹	B	362 companies, out of the 21,000 scored, made the 2023 Climate Change A List	B	B	B	B	B	A to F (A highest rating)
ISS ESG	C+ Prime	Decile rank: 1 (300 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	60	61	61	64	100 to 0 (100 highest rating)
MSCI	BBB	MSCI rates 204 banks: AAA 5% AA 37% A 27% BBB 21% BB 7% B 1% CCC 1%	BBB	BBB	BBB	BBB	BB	AAA to CCC (AAA highest rating)
Sustainalytics	Low Risk	Rank in Regional Banks 88/548 Rank in Banks 246/1051	Medium Risk	Medium Risk	Medium Risk	Medium Risk	High Risk	Negligible to Severe risk

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

Tax & Material one-offs

Tax

Actual and adjusted tax rates (DKK m)

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Profit before tax according to P&L	7,774	7,517	7,235	6,475	6,018
Permanent non-taxable difference	421	218	-473	223	798
Adjusted pre-tax profit, Group	8,195	7,736	6,762	6,698	6,815
Tax according to P&L	1,936	1,888	1,470	1,156	1,007
Taxes from previous years etc.	45	24	251	503	652
Adjusted tax	1,981	1,912	1,721	1,660	1,658
Adjusted tax rate	24.2%	24.7%	25.5%	24.8%	24.3%
Actual-/Effective tax rate	24.9%	25.1%	20.3%	17.9%	16.7%
Actual-/Effective tax rate exclusive prior year regulation	25.5%	25.4%	23.8%	25.6%	27.6%

Tax drivers, Q2 2024


- The actual tax rate of 25.5% (excluding prior-year's adjustments) is lower than the Danish rate of 26% - due to the differences in statutory tax rates in the various countries in which we operate and the tax effect from tax exempt income/expenses
- The Danish financial sector is subject to a statutory corporate tax rate of 25.2% in 2023 and 26% from 2024 onwards
- Adjusted tax rate of 24.2% is lower than the Danish rate of 26% due to the differences in statutory 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 2024

In H1 2024, Danske Bank did not report extraordinary items

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In alignment with net-zero recommendations, our climate-related targets, actions and initiatives require forward-looking parameters and long time horizons in order to account for the nature of climate change. The forward-looking statements made in this update reflect our current view of future events and are based on expectations, projections and estimations. These encompass a large degree of uncertainty and risk due to, but not limited to, future market conditions, technological developments, changes in regulation and realisation of government plans and strategic objectives. The forward-looking assessments may therefore be subject to change and should not be viewed as reliable indicators of future performance or as complete or accurate accounts of actual performance. Caution must therefore be exercised when interpreting this progress report.

The achievement of our targets is dependent on the collaboration with and the initiatives of our customers, investee companies, international governing bodies and national governments.

The trajectories towards our sector-specific targets may not be linear because development in technologies and other circumstances may affect individual sectors year-on-year.

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