Climate Progress Report 2025

Danske Bank Group
5 February 2026

Danske Bank

About the Climate Progress Report 2025

The Climate Progress Report 2025 (hereafter 'the report') is a standalone report that serves as an update on the Danske Bank Group's[1] climate targets and provides an overview of actions taken and status in relation to the Group's climate efforts.

Detailed information such as timeframes are provided in the individual sections of this report. Information on data sources, limitations and data quality are provided in a separate publication, Accounting Principles and Methodological Considerations, on our website.[2]

Due to limitations in methodology and data, there remains a degree of uncertainty regarding the reliability of the information in this report.

In 2023, we launched our Climate Action Plan, which is a dynamic plan that evolves in line with the maturation of our knowledge and industry development. Subsequently, we have published follow-up reports for 2023 and 2024 on the progress made. Since the publication of our previous progress report in 2025, we have implemented the following changes:

- Restated our baseline for personal mortgages and commercial real estate to reflect updated emission factors, based on publicly available sources and published by e-nettet
- Restated our baseline for agriculture following the updated emission factors by ConTerra
- Updated our personal mortgages emission reduction target from 55% to 62% following the sale of our Norwegian personal customer portfolio
- Included our Northern Bank portfolio in our targets for personal mortgages, commercial real estate and agriculture
- Set a new target of a 60% reduction in weighted average carbon intensity for our life insurance and pension equity and bond portfolio as our previous 2025 sector targets have been concluded
- Excluded scope 3.7 emissions from employee commuting (working from home) due to insufficient data availability, low data quality and limited control

While this report outlines the progress on our climate ambitions, we acknowledge that climate and nature, including biodiversity, are interrelated. To read more about our biodiversity efforts, please see the Sustainability Statement in Danske Bank's 2025 Annual Report.

Progress is reported using the latest available information with an outset in our baseline years 2019/2020. For activities dependent on reporting on emissions from our customers and investee companies, the latest available company reporting data originates from 2024 company reports. For our investment activities, year-end 2025 data for our assets under management has been used. For our lending activities, exposures as at Q3 2025 have been used as a proxy for year-end 2025 figures. Emissions from our own operations are reported for a non-calendar reporting year starting 1 October and ending 30 September.

In January 2023, we committed to setting science-based emission reduction targets. In July 2025, the Science Based Targets initiative (SBTi) launched a new Financial Institution Net-Zero standard, and we are continuing the constructive dialogue with SBTi.

A list of abbreviations and explanations is provided in appendix 3.

This publication has been prepared by Danske Bank A/S ('Danske Bank'). Danske Bank is under supervision by the Danish Financial Supervisory Authority (Finanstilsynet).

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The forward-looking statements in the publication reflect Danske Bank's current view of future events and are based on expectations, projections, assumptions and estimations, which involve uncertainties and risks, including, but not limited to, evolving science, developing methodologies and scenarios, variation in standards, future market conditions, technological developments (which vary significantly from industry to industry), challenges related to data availability, accuracy, verifiability, changes in regulation and realisation of government plans and strategic objectives.

Climate data, models and methodologies are evolving and do not yet match the standards of financial reporting information. The forward-looking statements should not be viewed as reliable indicators of future performance or as complete or accurate accounts of actual performance. Evolving methodologies and data availability pose challenges for reporting accuracy, and updates to these may alter the conclusions presented, thereby causing descriptions, figures and charts in the report to become outdated. All forward-looking statements made represent only the prevailing sentiment at the time of publication and may require future re-evaluation. As market practices and data quality and availability develop, Danske Bank may be required to update its methodologies or adjust its approach to ESG analysis, possibly amending, updating and recalculating its targets and assessments. Danske Bank undertakes no obligation to update or revise any forward-looking statements in this publication to reflect events or circumstances after the date of publication.

Caution must be exhibited when interpreting this publication. For additional important information regarding data, models and methodologies, please see the separate publication on accounting principles and methodologies.[2]

[1] In this report, 'the Danske Bank Group', 'the Group', 'Danske Bank' and 'we' are used interchangeably, indicating that our climate actions and position cover all Danske Bank Group activities unless otherwise stated in the progress report, with the limitations of data availability as explained in appendices.
[2] See the supplementary publication Accounting Principles and Methodological Considerations

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Foreword

Carsten Egeriis
Chief Executive Officer
Danske Bank

Three years ago, we mapped the emissions that we finance through our lending and investment activities as well as our own carbon footprint, and our findings were published in Danske Bank's Climate Action Plan. We also defined the trajectories towards 2030 for the most carbon-intensive sectors that our financing and investment activities should follow to be aligned with the Paris Agreement.

This is the third progress report we are publishing to follow up on the development of the carbon footprint in our financing and investment activities. The conclusion that stands out is that we continue to see progress in line with the trajectories defined by the Paris Agreement.

In particular, most of the trajectories within our lending portfolio remain on track, mirroring the development in our home markets within the Nordic region. Most indicators for our investment activities also show positive developments, and we continue to see reductions in emissions from our own operations towards our 2030 targets.

Looking outside our Nordic home markets and into the global markets of our investment portfolios, we note that, despite progress, the world continues to face climate challenges, with overall carbon emissions and temperatures continuing to rise and long-term policy actions still being insufficient to meet the global ambition of limiting the global temperature increase to 1.5°C above pre-industrial levels. While some regions, including Europe, continue to see solid commitment to decarbonisation, we see headwinds in other regions that may challenge the speed of the climate transition. Accordingly, the path to a carbon-neutral economy is not going to be linear, and ongoing investments as well as policy changes are still required to support a climate transition in line with the scientific recommendations to limit global temperature increases.

Being one of the largest financial institutions in the Nordic region, Danske Bank is an enabler of the transition to a low-carbon economy. This is at the heart of our purpose as a bank, and it is fully embedded in our commercial strategy. In 2025, we introduced our Approach to Financing the Climate Transition. Our approach sets out how we provide financing to our corporate and business customers that have credible transition plans and how we provide financing to companies in transition-enabling value chains.

Technological development is driving decarbonisation in many sectors and countries, and this represents opportunities for Nordic businesses. As a large Nordic bank, we recognise the transition towards a low-carbon society as a critical foundation for achieving long-term financial stability. We view the transition as a commercial opportunity for our customers and for our own business, and we are committed to supporting our customers as they progress on their transitions towards a carbon-neutral future economy.

Climate targets and progress

Figure 1: Danske Bank's decarbonisation targets

Objective

● Below or within a 5% deviation from a linear target trajectory ● 5-10% above a linear trajectory ● More than 10% above a linear target trajectory

Net zero by 2050

Carbon reduction targets by 2030[3]

Lending[4]

- ● **Shipping**: 0% alignment delta
- ● **Oil and gas – exploration and production:** -50% absolute emissions
- ● **Oil and gas – downstream refining:** -25% emission intensity/ absolute emissions
- ● **Power generation:** -50% emission intensity
- ● **Steel**: -30% emission intensity
- ● **Cement**: -25% emission intensity
- ● **Commercial real estate:** -55% emission intensity
- ● **Personal mortgages:** -62% emission intensity
- ● **Agriculture:** >-30% emission intensity

Asset management[4]

1.5°C-aligned temperature rating targets:
- ● 2.1°C (scope 1 and 2)
- ● 2.2°C (scope 1, 2 and 3)
- ● **Weighted average carbon intensity:** -50%
- ● **Engagement** with the 100 largest emitters by 2025

Life insurance and pension

1.5°C-aligned temperature rating targets[5]:
- ● 2.0°C (scope 1 and 2)
- ● 2.2°C (scope 1, 2 and 3)

● **Real estate[5]:** -69% emission intensity

Concluded: Sector targets
- ● Energy: -15%
- ● Utilities: -35%
- ● Transportation: Automotives: -20%
- ● Transportation: Aviation: -20%
- ● Transportation: Shipping: -20%
- ● Cement: -20%
- ● Steel: -20%

Own operations[5]

- ● **Scope 1 and 2**: -80% absolute emissions
- ● **Scope 1, 2 and 3**: -50% absolute emissions

Measured emissions[6] and share of total emissions

Lending	Asset management	Life insurance and pension	Own operations
5.4 million tCO_2e (2025) 64.2%	2.2 million tCO_2e (2025) 26.2%	0.8 million tCO_2e (2025) 9.5%	0.01 million tCO_2e (2025) 0.1%

Actions to support our targets

Lending:
- Publication of Danske Bank's Approach to Financing the Climate Transition
- Climate transition analysis, advisory services and tools
- Products supporting green and transition activities
- International knowledge sharing
- Sustainability education and targeted training of employees
- Partnerships and collaborations supporting customers' climate transition

Asset management and Life insurance and pension:
- Enhancement of ESG evaluation and parameters in investment decisions
- Active ownership engagement with selected companies
- Excluding companies that have significant negative climate impact
- Knowledge sharing through international initiatives

Own operations:
- Enhance energy-efficiency solutions
- Switch to electric vehicles
- Promote lower-carbon travel through our travel instruction and carbon budget

[3] *Targets have a 2030 time horizon unless otherwise specified.*
[4] *Baseline year 2020*
[5] *Baseline year 2019*
[6] *Financed emissions: scope 1 and 2 only*

Throughout 2025, we continued to work with our customers and investee companies to support them in their sustainability transitions, while at the same time maintaining our focus on reducing emissions from our own operations. As outlined in the sections on Lending, Investments and Own operations in this report, we continue to observe overall good progress towards achieving our intermediate climate targets, although some sectors show slower-than-linear trajectories.

Lending
Within our lending portfolio, we have set ten 2030 intermediate emission reduction targets for high-emitting sectors that play a key role in the transitioning of the real economy.

The transformation of the energy sector is critical for the transition to a carbon-neutral economy. In line with the International Energy Agency's (IEA) emphasis on the need to gradually phase out oil and gas, our Position Statement on Fossil Fuels stipulates that we will not offer long-term financing for any oil and gas exploration and production company that does not have a credible transition plan in line with the Paris Agreement. Consequently, we observe that our absolute financed emissions from these companies have decreased by 91% since the baseline year of 2020, thereby exceeding our 2030 target of 50%.

Within our power generation portfolio, we also observe continued progress, demonstrated by a 56% reduction in emissions intensity in 2025 from our 2020 baseline. This is ahead of our target of a 50% reduction in emissions by 2030, which reflects continuing decarbonisation among our Nordic customers.

Improving the energy efficiency of buildings also plays an important role in the transition of the real economy, with buildings accounting for a large share of global emissions. Within the Nordic countries, we note that political support remains strong, for example in the development of district heating. We observe ongoing progress in our targets for our commercial real estate and personal mortgage lending portfolios, with emission reductions of 22% and 24% respectively from the 2020 baseline to 2025. The most recent year with updated actual emission factors is 2023, and this progress follows a decreasing trend towards our 2030 intermediate emission reduction targets of 55% and 62%.

Our steel and cement portfolios are generally following linear trajectories towards our 2030 emission reduction targets, but for our steel portfolio we observed an increase in the emission intensity in 2025. This can be explained by our financing of companies that are in the process of transitioning their business model, which is reflected by higher emission intensities in the short term. We expect these to decrease over the coming years as these companies continue their transitions.

Our agriculture portfolio also remains on track towards our 2030 target, but continued progress will depend on further supportive policy frameworks, such as the green tripartite agreement on a green transition of the Danish agricultural sector (the green tripartite agreement).

Within our shipping portfolio, however, we observe limited progress, mirroring the global shipping sector and illustrating the complexity of the transition. The shipping sector has faced challenges in aligning with global emissions reduction ambitions due to its reliance on scalable low-carbon fuels and innovation.

Investments
Although our home markets are primarily Nordic, our investment universe is global. Consequently, progress with emission reduction in the investment portfolios for our asset management and our life insurance and pension activities tends to mirror the progress and challenges that persist globally. In 2025, the sector emission reduction targets set for our life insurance and pension portfolio in 2021 were concluded. Despite challenges posed by war, geopolitical tensions and a worsening economic environment for the

Scope 1, 2 and 3 explained

The GHG Protocol Corporate Standard classifies a company's greenhouse gas (GHG) emissions into three scopes:

- **Scope 1** emissions are emissions from company-owned or company-controlled sources and are therefore known as direct emissions, e.g. from vehicles.
- **Scope 2** emissions are emissions from the generation of purchased energy and are therefore known as indirect emissions, e.g. from electricity.
- **Scope 3** emissions occur in the company value chain, including both upstream and downstream emissions, and are therefore known as indirect emissions (not included in scope 2), e.g. from the supply chain. For financial institutions, the largest source of scope 3 emissions is financed emissions, which are generated as a result of financial services, investments and lending. These emissions fall under scope 3 category 15 in the GHG Protocol.

expansion of renewable energy as well as competitive challenges for the production of electric vehicles, we have successfully met five out of the seven sector targets set. Accordingly, as a part of updating Danica's sustainability strategy for 2026-2030, we have set a new 2030 climate target of reducing the weighted average carbon intensity (WACI) of our life insurance and pension equity and bond portfolio by 60% in relation to a 2020 baseline.

The WACI for our asset management portfolio and our life insurance and pension portfolio have decreased by 45% and 56% respectively in relation to the 2020 baselines, thereby exceeding linear trajectories towards our 2030 targets. The decrease from 2020 to 2025 has been driven roughly equally by portfolio drivers and investee company drivers. This supports our strategy to prioritise real-world emissions cuts by investing in companies with credible transition plans, leveraging active ownership where gaps remain and using exclusions in certain cases as a tool.

Looking ahead with our temperature rating approach targets for our asset management as well as life insurance and pension portfolios, we note that the targets covering investee scope 1 and 2 emissions show a positive development, and are on track towards our 2030 intermediate targets. For the targets also covering investee scope 3 emissions, we observe less progress, which is attributable to fewer companies publishing climate targets covering their scope 3 emissions. This may reflect broader global challenges in the transition towards a low-carbon economy and the fact that policy actions are as yet insufficient to support Paris Agreement-aligned transitioning. The current political headwinds for the climate agenda in some regions and the uncertainty of long-term global political direction may hinder investee companies from committing to, investing in and communicating such climate targets. We will monitor these developments closely.

In 2025, we concluded our engagement target, having had dialogues with 99 of the 100 largest emitters in our portfolio. We will continue to engage with investee companies to understand their climate transition plans in order to safeguard the long-term value of the companies and our customers' investments.

The global environment remains complex. Despite this, we continue to see strong momentum where sustainability and commercial opportunities intersect.

Absolute financed emissions

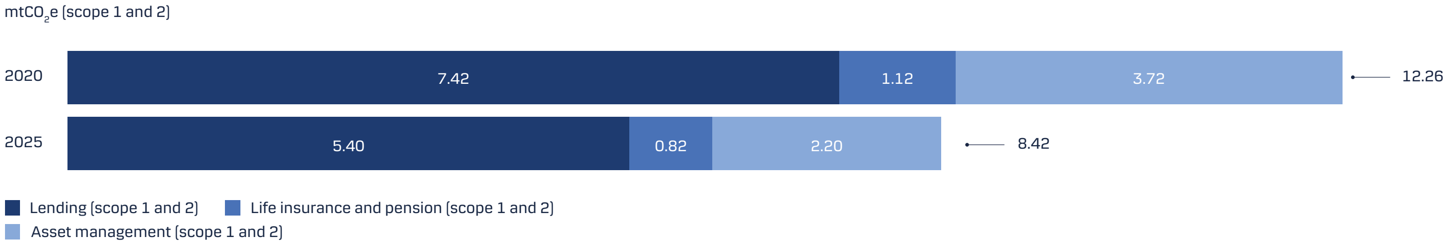
Our overall objective for the climate agenda is to support the transition towards a low-carbon economy in which the total absolute emissions of society decrease in line with the goals of the Paris Agreement. Our climate targets are primarily based on emission intensities to enable steering towards a more CO_2-efficient real economy with our customers and investee companies, but we also monitor the development of our financed emissions.

Across our lending and our investment portfolios, absolute financed emissions (our customers' scope 1 and 2 emissions) have been reduced by 31% since 2020. Progress is not uniform across sectors, reflecting the non-linear nature of the transition and the influence of external factors such as policy, technology and market developments. However, the general direction remains positive, with continued emission reductions supporting the goals of the Paris Agreement.

Own operations

In addition to our financed emissions, emissions from our own operations are also an important focus for us at Danske Bank because these emissions are directly within our control and we aspire to lead by example. Our scope 1 and 2 emissions have decreased by 72% since 2019, and our scope 1, 2 and currently measured scope 3 emissions have been reduced by 70% since 2019. These reductions demonstrate a faster-than-linear trajectory towards our 2030 targets of 80% and 50% respectively, primarily driven by less business travel and ongoing energy-efficiency improvements at our premises.

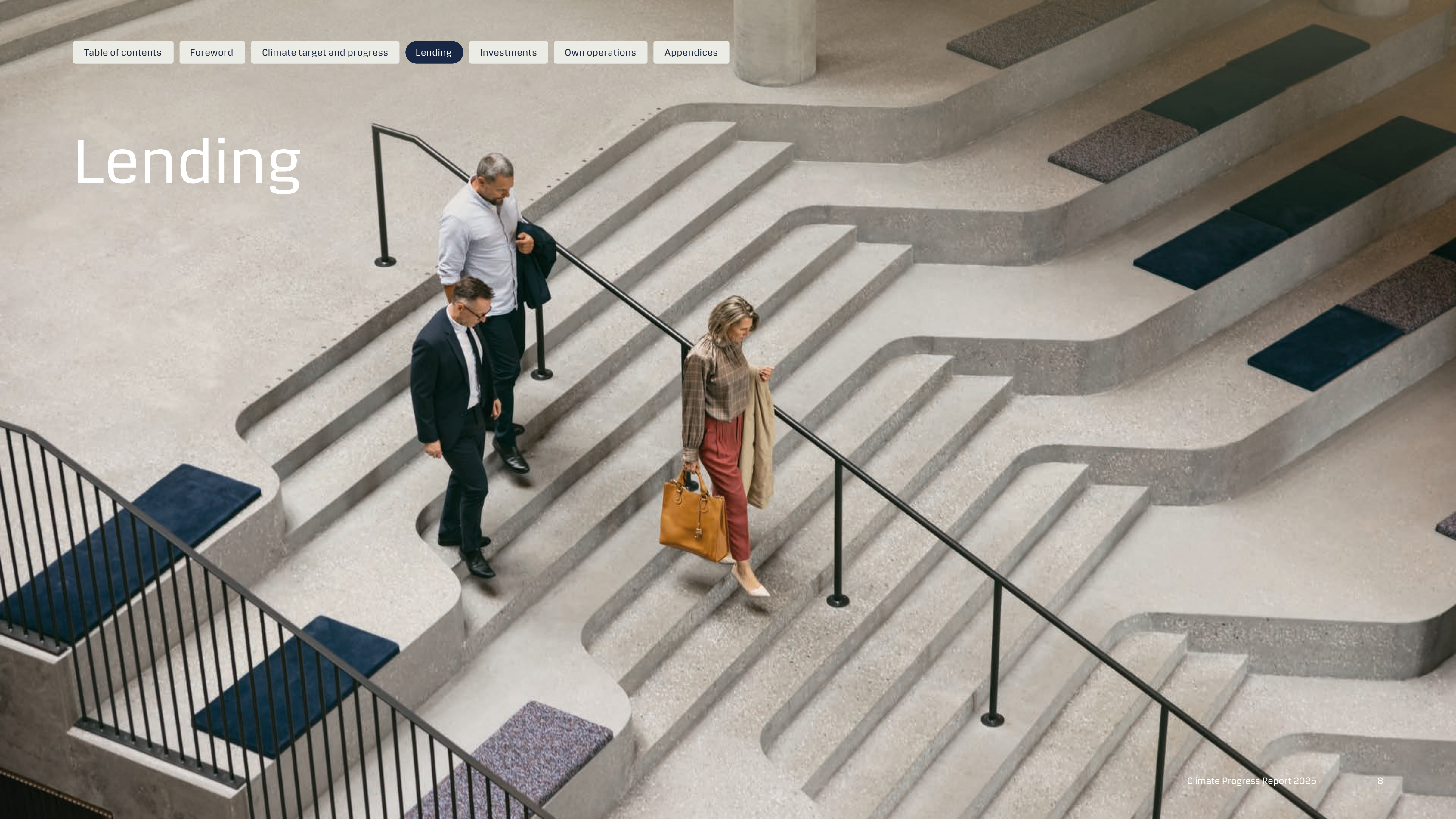
Figure 2: Absolute financed emissions



Outlook

Looking ahead, we expect continued progress towards our intermediate 2030 targets, although we are aware that policies and technology at a global level do not yet sufficiently support a transition that is aligned with the goals of the Paris Agreement. We will continue to support our customers and investee companies in their decarbonisation efforts, and we will follow the traction across sectors and activities alongside monitoring our progress towards achieving our set climate targets. The need to take further actions will be evaluated on an ongoing basis.

Lending



Lending

Danske Bank's core function as a commercial bank is to act as a financial intermediary by taking short-term deposits and providing long-term financing for activities and to companies that are commercially viable.

For our customers and for us as a business, the societal transformation required to tackle climate change involves risks but also offers opportunities.

Risks for our customers include physical risks and transition risks, such as failing to transition quickly enough and becoming irrelevant or uncompetitive in the market. As part of our risk management practices, we have developed a methodology to assess transition risks at customer level to gain a more granular overview of transition risks within relevant high-emitting sectors. The methodology considers the customers' current performance and their short-, medium- and long-term ambitions and plans to meet their decarbonisation strategy and targets, which helps us to steer our portfolios and risks.

To mitigate risks and to address our negative impacts, we have set emission reduction targets for high-emitting sectors within our corporate lending portfolio, including in the areas of shipping, oil and gas, power generation, cement, steel, agriculture, and commercial real estate. We have also set an emission reduction target for our personal mortgage portfolio within the retail customer segment because mortgages constitute a large part of our lending exposure and account for 8.5% of our financed emissions. The targets reflect the importance of these sectors in the decarbonisation of both the overall economy and our lending portfolio.[7] Our climate targets for our lending portfolio cover around 50% of our scope 1 and 2 measured financed emissions and more than 99%[8] of the measured scope 1 and 2 emissions within sectors identified as carbon-intensive in the guidance from the former Net-Zero Banking Alliance.[9]

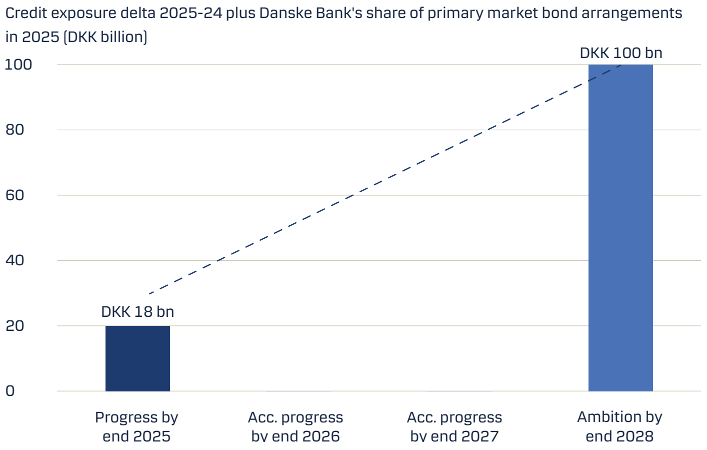
The two main factors that affect the development of our emission reduction targets are changes in our customers' emission profiles and changes in our exposures to customers. Consequently, our ability to meet our climate targets is highly dependent on a strong collaboration with our customers.

Broadening our approach to financing the climate transition
In 2025, we launched a new approach to financing the climate transition, with an ambition to provide financing totalling DKK 100 billion by 2028 (see figure 3).[10] This complements our climate targets by providing customers and other stakeholders with a view of how we will engage on the topic of financing the climate transition for our large corporate customers. Our assessments of our customers' corporate climate transition plans enable us to focus on the growing financing needs of customers that have credible transition strategies and customers in transition-enabling value chains that are navigating complex and often costly climate transitions.

Our new approach expands our view on sustainable finance, moving from solely sustainability-labelled transactions, such as green bonds and loans, to comprehensive entity-level assessments of whole transition plans. Instead of labelling individual products or facilities, we assess the entire company and rate it on a four-level scale using our transition risk assessment methodology in our credit process.

By year-end 2025, we had provided DKK 18 billion in financing for the transition.

Figure 3: Progress towards providing DKK 100 billion in financing for the transition by 2028 in relation to end 2024 baseline[11]



The overall objective of transitioning the real economy is about supporting the transition within the high-emitting sectors, and although this might increase our emission intensities over the short term, we remain supportive of the long-term transitioning of our customers and society.

The progress we have made towards meeting our climate targets for our lending activities is described in more detail in the following sections, which also provide insights into the actions we are taking to achieve our targets.

[7] We have not set a target for our capital market activities as this business segment is considered immaterial in terms of revenue accounting for around 1% of Group revenue at end-Q3 2025.
[8] Our exposure to other carbon-intensive sectors including aluminium, transportation (excl. shipping), iron and coal accounts for around 0.5% of our financed emissions, and accordingly we have not set a target for these.
[9] Guidance for Climate Target Setting for Banks
[10] Danske Bank's Approach to Financing the Climate Transition
[11] For further details, please refer to the supplementary Accounting Principles and Methodological Considerations document and to Danske Bank's Approach to Financing the Climate Transition.

Shipping

Sector	Share of measured financed emissions (customers' scope 1 and 2)	Metric	Emission scope	Baseline year	Baseline value	Target	Target year	2024 status (2023)[12]	Target-setting methodology and benchmark
Shipping	12.64%	Alignment delta	Scope 1, upstream scope 3	2020	25.8%	0%	2030	22.9% (25.7%)	SDA[13]/Poseidon Principles / IMO 'striving for' curve

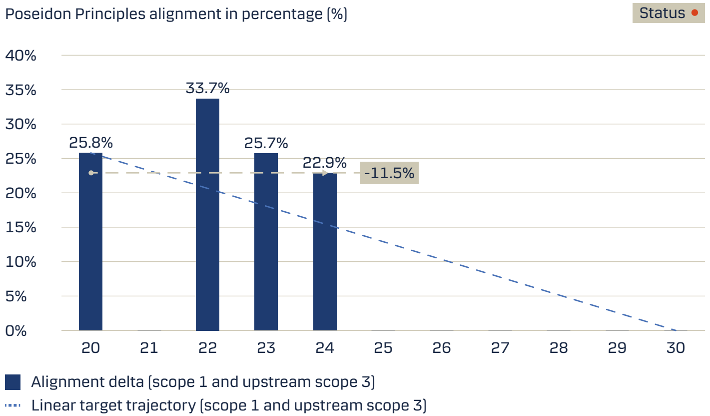
Shipping is considered a hard-to-abate sector due to the lack of scalable solutions for long freight routes. Decarbonisation efforts in the industry are primarily overseen by the International Maritime Organization (IMO). The IMO aims to achieve net-zero greenhouse gas emissions in the shipping industry by around 2050. As part of this ambition, intermediary indicative checkpoints have been established with minimum emissions reductions of 20% (striving for 30%) by 2030 and 70% (striving for 80%) by 2040.[14]

We measure our portfolio alignment against the IMO's 'striving for' goal in accordance with the Poseidon Principles methodology.[15] The Poseidon Principles methodology was recognised by the SBTi[16] in July 2025 as a valid framework for financial institutions to measure and set targets for the emissions from their shipping portfolio. The methodology allows us to calculate how far from this reference curve our portfolio is in a given year.

Development

- With shipping as the second-largest sector in our portfolio, as measured by financed emissions, Danske Bank aims to play a constructive role in supporting the sustainable transition of the shipping sector.
- At year-end 2024, the vessels pledged to Danske Bank as part of loans or other credit facilities were on average 22.9% above the 'striving for' reference curve (see figure 4). In comparison, our portfolio alignment was 25.8% in 2020 and 25.7% in 2023. The improvement is attributable to the increased financing we have provided for more modern vessels that have better operational performance in terms of emission intensity, in particular modern oil tankers and large liquid natural gas (LNG) tankers. This has outweighed negative impacts on the portfolio alignment caused by the financing of small LNG tankers that have higher emission intensity performance.

Figure 4: Decarbonisation trajectory – shipping*



**No status for 2021 as the reporting trajectory was updated in 2022 and 2023.*

[12] *Only 2024 status is available for shipping as reporting is done in accordance with Poseidon Principles reporting*
[13] *Sectoral Decarbonization Approach*
[14] *2023 IMO Strategy on Reduction of GHG Emissions from Ships*
[15] *Resources - Poseidon Principles for Financial Institutions*
[16] *Financial-Institutions-Net-Zero-Standard.pdf*

Actions

- Guided by our Approach to Financing the Climate Transition, we work with our customers to evaluate their transition plans. The approach provides customers and other stakeholders with a transparent view of our transition assessment methodology that ensures that we can effectively support our shipping sector customers while staying aligned with our climate targets.

- We help our customers in the shipping sector to reduce their carbon emissions through our provision of financing for the retrofitting of existing vessels or for the acquisition of newer less-emitting vessels.

- Moreover, we direct funding towards solutions such as alternative fuels and energy efficiency. This underscores the importance our new commercial approach to financing the climate transition assigns to transition-enabling value chains as a means to achieve decarbonisation. For a full list of enabling value chains, please refer to Danske Bank's Approach to Financing the Climate Transition.

Outlook

- Even though we have made some progress in our alignment delta, decarbonising the shipping sector remains a significant challenge and is heavily dependent on the rapid development and availability of low-carbon fuels.

- For Danske Bank, this means re-evaluating portfolios to reduce the risk of older assets becoming stranded, whereas newer vessels present more secure investment prospects. Opportunities lie in financing innovative solutions and in facilitating capital to customers in enabling value chains.

- In 2025, the IMO developed a new Net-Zero Framework[17], the first global initiative to combine stricter fuel standards with a greenhouse gas (GHG) pricing mechanism across an entire industry. Although, there is much uncertainty on whether the new framework will indeed enter into force, it underlines the urgency for change, and it encourages maritime stakeholders to reassess strategies to remain competitive and seize emerging opportunities. Although both the EU Emissions Trading System and the EU's FuelEU maritime regulation serve as incentives to decarbonise for shipping companies active in EU waters, a global net-zero framework would have been a crucial additional measure for promoting equitable conditions for the decarbonisation of the shipping industry worldwide.

- More than ever, reaching our emission reduction target for our shipping portfolio depends on our customers' own efforts to decarbonise. We remain fully committed to supporting shipping companies in continuing their transition journeys, even amid current uncertainty.

[17] *IMO net-zero shipping talks to resume in 2026*

Oil and gas

Sector	Share of measured financed emissions (customers' scope 1 and 2)	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Oil and gas - exploration and production	0.00%	Financed emissions million tCO_2e	Scope 1, 2 and 3	2020	5.0	2.5 (-50%)	2030	0.4 (1.3)	Sector decarbonisation projection
Oil and gas - downstream refining	1.34%	Financed emissions thousand tCO_2e	Scope 1, 2	2020	115.8	86.8 (-25%)	2030	95.2 (101.2)	Sector decarbonisation projection
	1.34%	gCO_2e/MJ	Scope 3	2020	70.9	53.2 (-25%)	2030	54.0 (58.0)	Sector decarbonisation projection

With increasing global pressure to reduce emissions, the future success of oil and gas companies will depend heavily on innovation and adaptability. Regulatory developments, investor expectations and stakeholder demands have pushed companies to adopt more ambitious decarbonisation strategies, such as investing in renewable energy and carbon capture technologies. At Danske Bank, we are committed to supporting this transition by aligning our lending activities with the goals of the Paris Agreement. Our Position Statement on Fossil Fuels outlines the credit policy that guides our involvement in the oil and gas sector, in particular concerning exploration and production activities. Our oil and gas climate targets complement our efforts by defining measurable milestones for reducing our financed emissions towards a low-carbon future.

Development

- In 2025, our financed emissions from the exploration and production segment, which include both on- and off-balance exposures, decreased to 0.4 million tCO_2e from 5.0 million tCO_2e in 2020 (see figure 5). This represents a 91% reduction since 2020 and is attributable to our decision to reduce exposures towards exploration and production companies that lack credible transition plans.
- In the downstream refining segment, scope 1 and 2 financed emissions decreased to 95.2 thousand tCO_2e in 2025, which corresponds to 18% in relation to 2020 (see figure 6). By 2025, the portfolio intensity average for scope 3 emissions from this segment has decreased by 24%, dropping from 70.9 gCO_2e/MJ in our 2020 baseline year to 54.0 gCO_2e/MJ (see figure 7). This improvement in performance was mainly driven by changes in our portfolio composition, supported by our customers' efforts to execute their own transition plans (see figure 8).

Figure 5: Decarbonisation – oil and gas exploration and production

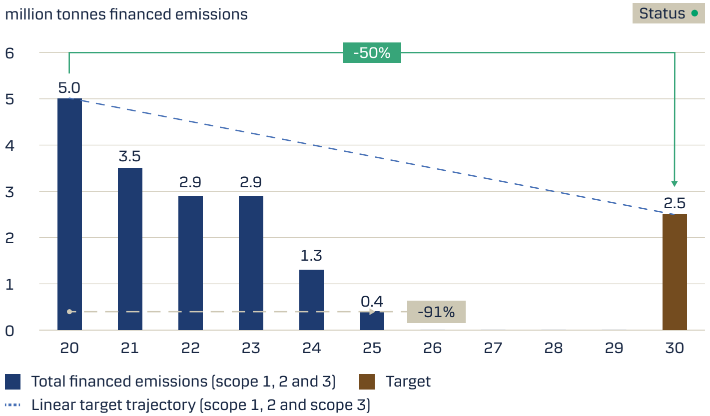


Figure 6: Decarbonisation – oil and gas downstream refining

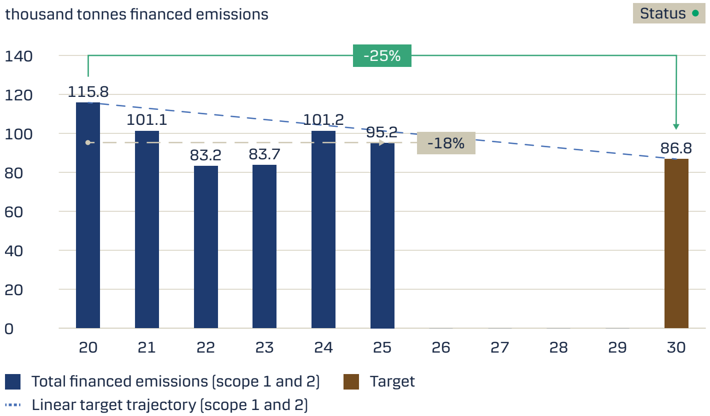


Figure 7: Decarbonisation – oil and gas downstream refining

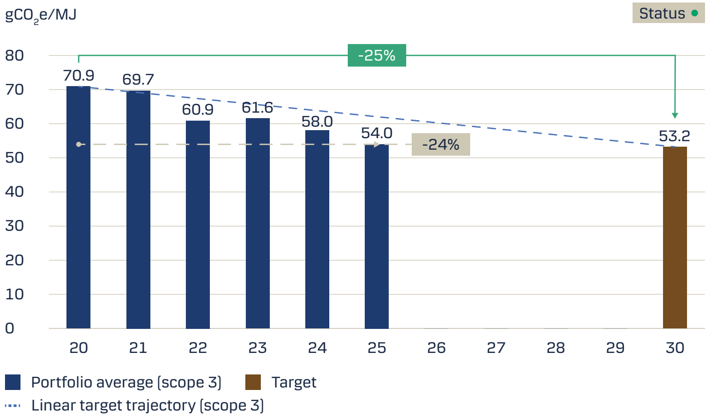
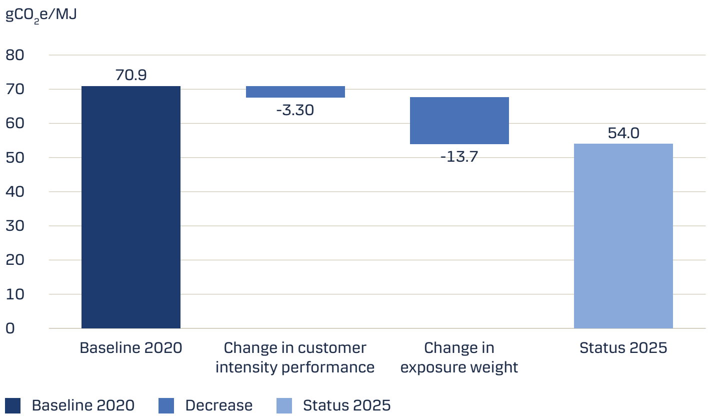


Figure 8: Attribution of portfolio intensity change from 2020 to 2025 – oil and gas downstream refining



Actions

- At Danske Bank, we are dedicated to supporting the transition-related work that our oil and gas customers are undertaking to reduce emissions, transform and innovate.

- Our Position Statement on Fossil Fuels stipulates that we will not provide long-term financing to any oil and gas exploration and production company that lacks a credible transition plan aligned with the Paris Agreement. This includes a long-term 2050 net-zero goal, ambitious short- and medium-term reduction targets on scope 1 and 2 emissions, as well as a material scope 3 emission reduction target. This additionally includes a commitment to not expand the supply of oil and gas beyond that which had been approved for development by 31 December 2021.[18]

- We have discontinued some business relationships with non-compliant exploration and production customers, which has contributed to a reduction in our financed emissions.

Outlook

- We expect to see a continuing reduction in financed emission from the oil and gas sector concurrent with the ongoing maturation of loans provided to customers that do not comply with our requirement to avoid expanding their supply of oil and gas beyond that which was approved for development by 31 December 2021.

[18] *For details, please see the IEA report Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach.*

Power generation

Sector	Share of measured financed emissions (customers' scope 1 and 2)	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Power generation	1.19%	$kgCO_2e/MWh$	Scope 1	2020	108.4	54.2 (-50%)	2030	47.8 (56.5)	SDA/SBTi (world) 1.5°C scenario

Global electricity consumption is expected to surge over the coming years, driven by electrification, increased industrial activity and the growing need for power for AI and data centres. At the same time, the IEA predicts that future additional demand is expected to be met by record-high electricity generation from renewable energy sources and nuclear power[19], which could lead to a plateau in global carbon emissions from the power generation sector.

The Nordic region has progressed further than the rest of the world in decarbonising the power generation sector due to the region's extensive low-carbon electricity supply and widespread district heating networks. This is reflected in the emission intensity average of Danske Bank's power generation portfolio, which is significantly lower than the world sector pathway benchmark.[20]

Development

- In 2025, the emission intensity of our power generation portfolio decreased to 47.8 $kgCO_2e/MWh$, which represents a 56% decrease from the baseline and is ahead of our target of 54.2 $kgCO_2e/MWh$ (see figure 9). This achievement is mainly attributable to our customers' own decarbonisation efforts, and it is further supported by adjustments made to the portfolio composition, with an increased amount of capital being allocated to renewable energy generation (see figure 10).

Figure 9: Decarbonisation – power generation

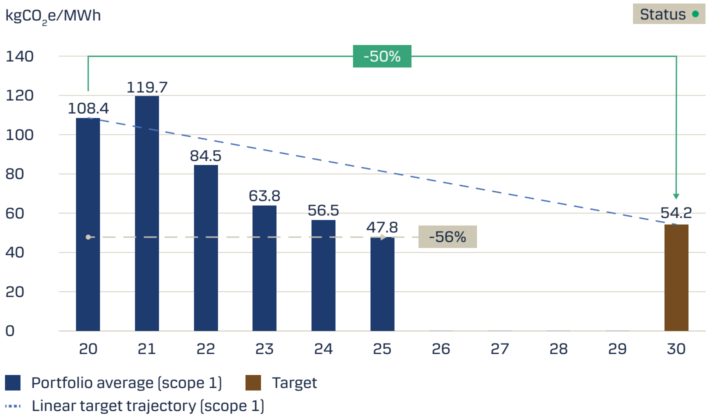
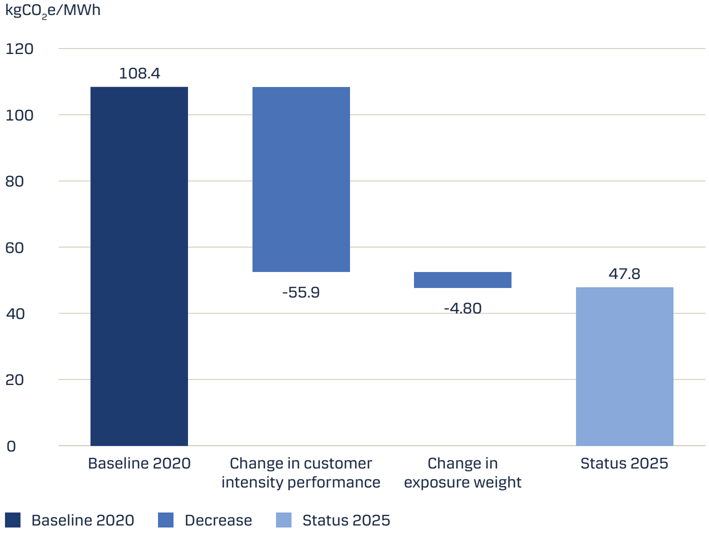


Figure 10: Attribution of portfolio intensity change from 2020 to 2025 – power generation



[19] *Executive summary – Electricity 2025 – Analysis - IEA*
[20] *SBTi's power generation sector decarbonisation approach (world) as available in Power Target Setting Tool in Power Sector - Science Based Targets initiative.*

Actions

- When it comes to reducing our emission intensity, the most significant tangible impact comes from our customers' achievements in implementing their own decarbonisation strategies. Our new corporate approach to financing the climate transition provides clear details of how we monitor the progress of our largest corporate customers to provide effective support while remaining aligned with our climate targets.

- Our new approach to financing the climate transition also highlights the critical role of transition-enabling value chains in decarbonisation. In the electricity sector, storage and power networks, for example, play a pivotal role in providing flexible, balanced and stable low-carbon power systems. At Danske Bank, we see a need for facilitating capital to customers in such enabling value chains to support the scaling of these technologies and practices. For a full list of enabling value chains, please refer to Danske Bank's Approach to Financing the Climate Transition.

Outlook

- We remain dedicated to supporting our customers in advancing their transition towards net-zero emmisions, and we will continue to work towards strengthening our position on renewable energy. We expect that over the coming years the emission intensity of our power generation portfolio will decrease further.

Steel and cement

Sector	Share of measured financed emissions (customers' scope 1 and 2)	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Steel	0.47%	tCO_2e/t	Scope 1, 2	2020	1.17	0.82 (-30%)	2030	1.01 (0.64)	SDA/TPI (world) 1.5°C scenario
Cement	1.80%	tCO_2e/t	Scope 1, 2	2020	0.64	0.48 (-25%)	2030	0.58 (0.60)	SDA/SBTi (world) 1.5°C scenario

The transition of the steel and cement sectors is a critical element in advancing sustainable change. Although these are highly fossil-intensive and hard-to-abate industries, these sectors continue to serve as essential pillars in the development of societal infrastructure, including the growth of renewable systems. If the goals of the Paris Agreement are to be achieved, these sectors must adopt new and innovative technologies and implement cleaner production methods that can significantly reduce the sectors' carbon emissions.

Development

- In 2025, emission intensity in our steel portfolio increased to 1.01 tCO_2e/t after remaining stable at 0.64 tCO_2e/t the two previous years (see figure 11). This increase was primarily driven by substantial changes in portfolio composition during 2025 due to supporting the decarbonisation efforts of customers with more carbon-intensive steel production processes. See figure 12 for an overview of the attribution of portfolio intensity relative to the 2020 baseline.

Figure 11: Decarbonisation – steel

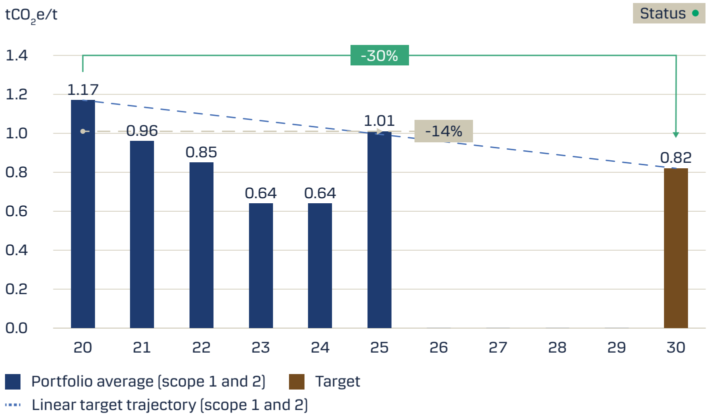
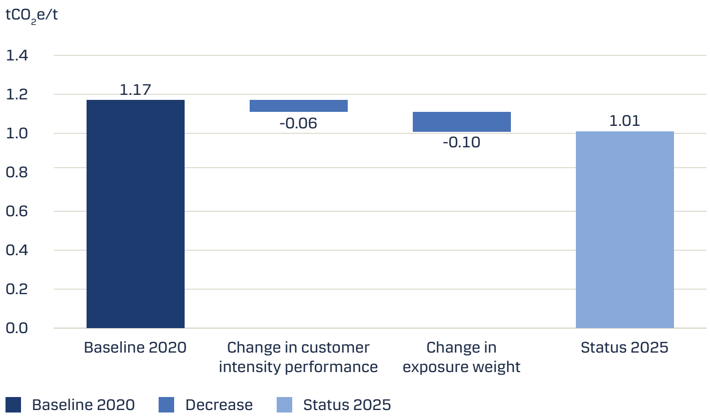


Figure 12: Attribution of portfolio intensity change from 2020 to 2025 – steel



- Overall, the emission intensity of our cement portfolio has been decreasing steadily since 2020. In 2025, our cement portfolio intensity average stood at 0.58 tCO_2e/t, which is 9.2% lower than our baseline (see figure 13). The decrease in intensity is attributable to improved emission reductions among our customers (see figure 14).

Actions

- We have aligned our Approach to Financing the Transition with the evolving needs of the steel and cement sectors. This initiative is part of our new corporate approach to financing the climate transition, which is aimed at supporting customers in hard-to-abate sectors and customers across the enabling value chain. For the steel and cement sectors, 'enabling activities' can include participation in the value chain for manufacturing sustainable energy plants or supplying components for low-carbon transport systems.

- In 2025, we supported the steel company SSAB's green financing arrangement to facilitate the transition to a state-of-the-art fossil-free steel plant in Luleå, Sweden.[21] The financing will enable fossil fuel-based production to be replaced by technology powered by renewable hydroelectric power. This transformation is significant because once the plant is operational it will largely remove the CO_2 emissions from existing operations, equivalent to 7% of Sweden's total carbon emissions.

Outlook

- The emission intensities of the steel and cement companies in our lending portfolio are expected to decrease over the coming years as we, for example, see investments in emission-free steel materialise. The direction this will take depends both on innovations in new production technologies and materials, some of which are still emerging and are higher-risk technologies, and on the adoption of carbon capture and storage technologies within the cement sector.

Figure 13: Decarbonisation – cement

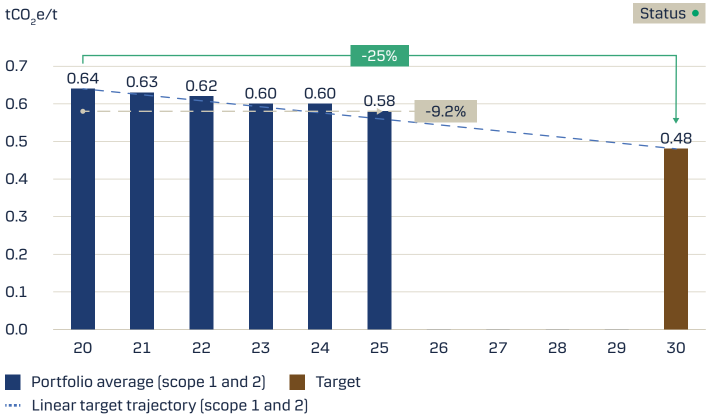
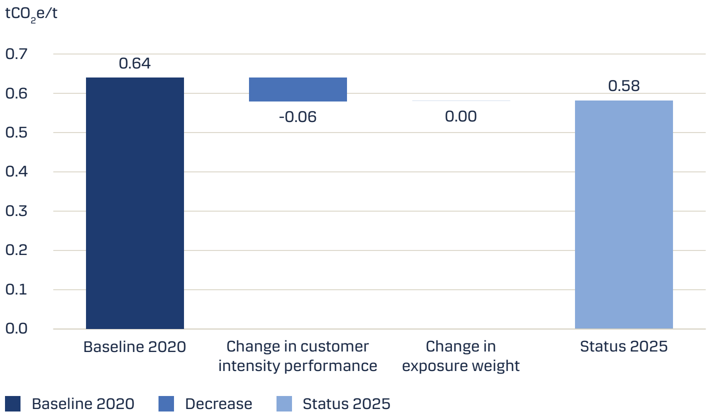


Figure 14: Attribution of portfolio intensity change from 2020 to 2025 – cement



[21] *For more information on the transaction, see SSAB's press release.*

Agriculture

Sector	Share of measured financed emissions (customers' scope 1 and 2)	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Agriculture	21.39%	tCO_2e/mDKK	Scope 1	2020	28.7	20.1 (>-30%)	2030	25.5 (26.6)	Danish national sector target/ SBTi FLAG tool

Stable and sustainable agricultural production is vital for ensuring that sufficient food can be supplied to an ever-growing global population. However, one of the key challenges for the sector is its impact on climate. As well as being responsible for around 20%[22] of total Nordic emissions, the agricultural sector also depletes natural resources and degrades biodiversity through its extensive use of land.

Customers operating in the agricultural sector face both physical and transition risks due to climate change and shifts towards a low-carbon economy, but these challenges also represent opportunities for improved agricultural practices.

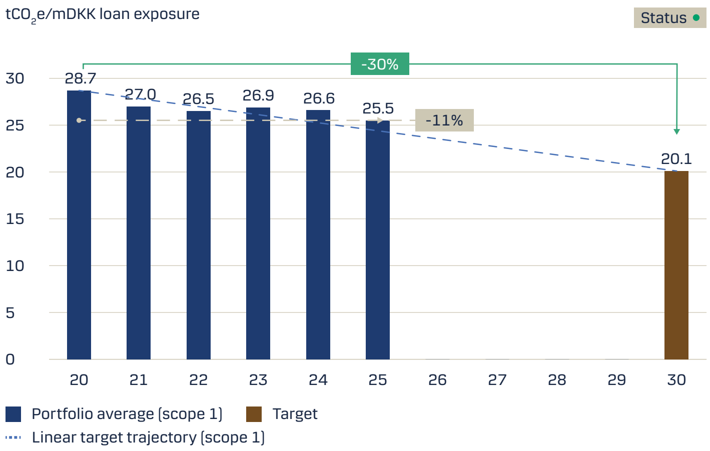
As a large Nordic bank, Danske Bank has an important role to play in supporting agricultural customers by providing advisory services and financing aimed at helping these customers to navigate nature- and climate-related impacts, risks and opportunities.

Lending to the agricultural sector accounts for a significant part of our measured financed emissions, primarily represented by customers in Denmark. From 2025, Northern Bank is included in our emission reduction target. Our target remains unchanged at more than a 30% reduction in emission intensity for this sector.

Development

- Since our baseline year of 2020, emission intensity within our agriculture portfolio covered by our reduction target has decreased from 28.7 tCO_2e/mDKK in 2020 to 25.5 tCO_2e/mDKK in 2025, which corresponds to a 11% reduction. This positions us slightly behind the linear trajectory towards our 2030 target (see figure 15).
- Data covering the lending activities of Northern Bank has been included. Also emission factors provided by ConTerra have been updated with 2024 data. These revised data are now applied retrospectively to previous years, resulting in an approximate 10% increase in emission intensity across all years, which also affects the baseline value.
- Because the 2024 data is the most recently available data, these updated emission factors have also been used in our 2025 calculations. The reduction in emission intensity between these years is therefore not related to changes in emission factors but is primarily driven by portfolio changes.

Figure 15: Decarbonisation – agriculture



[22] *Nordic Stocktake – Pathways to Climate Neutrality*

Actions

- The results from the transition risk assessment[23] conducted in 2024 contributed to an enhanced understanding of where our customers are in their climate transition and nature mitigation efforts. This farm-specific operational data provides us with valuable insight in our ongoing work.

- By identifying key challenges, risks and opportunities, we are able to focus our efforts more effectively and refine our customer interactions to have the greatest impact. We remain committed to conducting transition risk assessments on the topic of climate with customers in our Danish agriculture portfolio, also in relation to the green tripartite agreement.

- In addition to our focus on climate, we also have a focus on nature and biodiversity as there are important feedback loops between nature and biodiversity factors and greenhouse gas emissions.

Outlook

- Achieving our 2030 target depends heavily on the successful implementation of the green tripartite agreement within the Danish agricultural sector. We remain committed to carrying out transition risk assessments with our customers and to continually refining and evolving our initiatives in alignment with the green tripartite agreement.

[23] A transition risk assessment is an evaluation of financial and operational risks associated with the transition to a more sustainable business, including evaluation of customers' readiness for change, the impact of new regulations and market shifts.

Commercial real estate

Sector	Share of measured financed emissions (customers' scope 1 and 2)	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Commercial real estate	2.28%	$kgCO_2e/m^2$	Scope 1, 2	2020	14.2	6.4 (-55%)	2030	11.1 (11.4)	SDA/Danish national sector target/CRREM 1.5°C

The real estate sector plays an important role in meeting the EU's energy and climate objectives, and the European Commission reports that approximately 40% of energy consumption within the EU is attributable to buildings.[24] Over one third of energy-related greenhouse gas (GHG) emissions in the EU are generated by this sector due to activities such as heating and cooling.[25] It is therefore important to address the climate impact this sector has on society. For our customers and for our business, the transition of the commercial real estate sector presents both opportunities as well as risks. From 2025, Northern Bank is incorporated in our target, and we have therefore updated our baseline value. Because Northern Bank represents only a small share of our total exposure, our target of a 55% reduction in emission intensity for our commercial real estate portfolio remains unchanged.

Development

- Electricity and heating systems in the real estate sector have been substantially decarbonised in recent years. Denmark accounts for the largest share of our emission in our commercial real estate portfolio, and updated Danish emission factors from e-nettet enable more accurate calculations that show decreased emission factors for electricity, district heating and natural gas. We have subsequently updated our data from 2020 to 2023, and 2023 data is applied from 2023 onwards because this is the most recently available data, and all 2020-2024 data has consequently been updated. The decarbonisation of the energy grid for 2024 and 2025 is therefore not yet reflected in the data.

- With the updated emission factors in Denmark, our progress is shown to have been aligned with the linear target trajectory until 2023. However, our performance in 2025 was observed to be above the linear trajectory towards our target because updated emission factors for 2025 had yet to be published. Decarbonisation of the Danish energy grid in 2024 and 2025, along with similar trends in other countries, would have a positive effect on our 2025 performance and indicate that updated emission factors will bring our progress closer to a linear target trajectory towards our intermediate 2030 target.

- Emission intensity decreased 22%, from 14.2 $kgCO_2e/m^2$ in 2020 (baseline year) to 11.1 $kgCO_2e/m^2$ in 2025. Progress status shown in figure 16 reflects 2023 data as this is the most recent year for which actual Danish emission factors are available. Because emission factors are a central driver of emission reductions, we believe this represents the most true and fair basis for evaluating progress status within the commercial real estate sector.

- In our Danish commercial real estate portfolio, there has been a clear trend from 2020 to 2025 of a decrease in the number of buildings with low EPC ratings. During this period, the share of buildings with low EPC rating (categories D to G) decreased and the share with high EPC rating (categories A to C) increased. Distributions are based on the count of buildings. In 2020, properties were assigned an ESR identifier, and in 2025 properties have been assigned a BFE identifier.

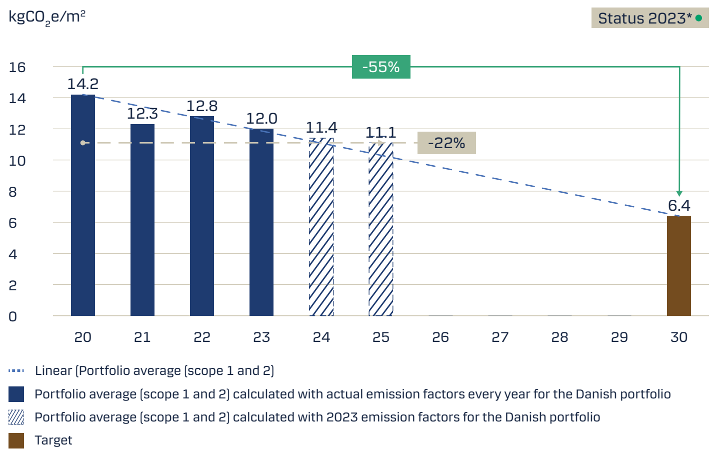
- The green loan volume for green buildings has increased 37%, rising from 35.11 billion in 2024 to 48.18 billion in 2025.

Actions

- To support commercial real estate customers in reducing their GHG emissions, Danske Bank partners with Sweco, one of Europe's largest architecture and engineering consultancies, and Comundo, a climate tech company. These partnerships enable automated energy data collection, real-time monitoring and tailored action plans for energy improvements, and they are active across our four Nordic markets.

[24] Energy Performance of Buildings Directive
[25] Greenhouse gas emissions from energy use in buildings in Europe | Indicators | European Environment Agency (EEA)

Figure 16: Decarbonisation – commercial real estate



**Emission intensities for 2024 and 2025 are based on the latest published actual emission factors from 2023 for Denmark, which constitutes the majority of our commercial real estate portfolio. Therefore, these do not reflect the actual ongoing decarbonisation of the energy grid in Denmark. Consequently, the gradual decline in emission intensities from the baseline to 2023 offers a more precise basis for evaluating progress as it accounts for the use of actual emission factors for each year within the commercial real estate portfolio.*

- We continue to engage with our customers to discuss and understand their transition risks and how they plan for energy efficiency of their real estate portfolio. Furthermore, we discuss the roadblocks our customers face when it comes to making energy renovations economically sustainable, and we support them in finding solutions to overcome these.

- We continue to offer green loans for eligible buildings in accordance with our Green Finance Framework.[26] In addition to covering the financing of energy improvements, this framework also covers the construction and commissioning of new green buildings and acquisition and ownership of existing green properties.

- To inspire and drive sustainable transformation within the property sector, Realkredit Danmark in partnership with the Danish construction and property network Byggesocietetet, hands out its *Det Grønne Fyrtårn* ('The Green Lighthouse') prize to individuals, companies or organisations that have made a significant positive sustainability impact and have demonstrated courage or innovation in their approach to property renovation or redevelopment. The prize is DKK 100,000, and the recipient has the opportunity to donate the money to a sustainable cause of their choice.

Outlook

- To achieve our emission reduction targets, we continue to depend on a broader change within the utilities sector, including its transition from fossil fuel-based heating to more sustainable alternatives. District heating is already prevalent in commercial real estate properties, and the change required involves transitioning the sources of power and heat generation. We engage with our utilities customers to support and finance this transition.

- The revised Energy Performance of Buildings Directive (EPBD) entered into force in all EU countries on 28 May 2024, and although national implementation details are still pending, the EPBD is expected to be an important driver for improving the energy performance of buildings. The EPBD offers opportunities for further progress and an increased demand for financing, but it may also entail risks for some of our customers. We will proactively engage with these customers to mitigate potential risks.

[26] *Green Finance Framework*

Personal mortgages

Sector	Share of measured financed emissions (customers' scope 1 and 2)	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Personal mortgages	8.48%	$kgCO_2e/m^2$	Scope 1, 2	2020	18.9	7.2 (-62%)	2030	14.4 (14.5)	SDA/CRREM 1.5°C scenario

Focus on reducing greenhouse gas emissions from our personal mortgage portfolio is also an important lever in supporting the transition to a low-carbon society. The housing sector contributes to carbon emissions through energy use for heating, cooling and electricity in buildings, and it is necessary to decarbonise this sector if societal climate goals are to be met. By enabling and encouraging sustainable housing solutions, we aim to support our customers in reducing their individual carbon footprints.

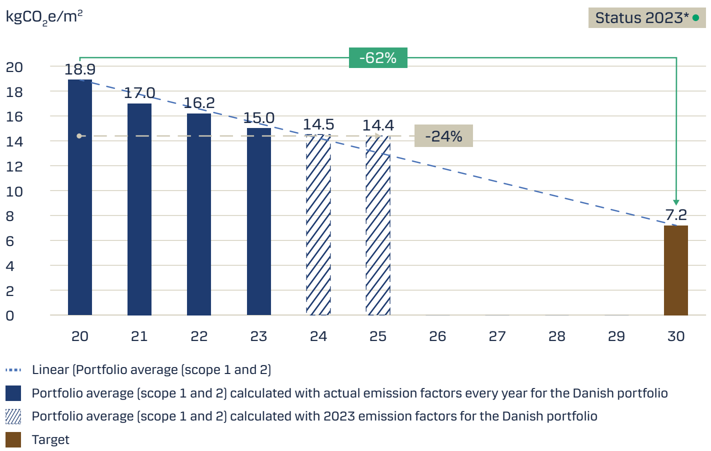
Development

- The target for our personal mortgage portfolio has been adjusted to reflect portfolio changes. The updated Paris-aligned target incorporates our Northern Bank portfolio and reflects the sale of our Norwegian personal customers portfolio. Consequently, our target of a 55% reduction of emission intensity by 2030 for our personal mortgage portfolio has been revised and increased to 62%.

- Since our previous reporting, Finance Denmark has updated its CO_2 model to accommodate the use of updated emission factors published by e-nettet. By using the most recent emission factors in the Danish portfolio, we are able to calculate emissions more accurately, thereby reflecting decarbonisation in the Danish electricity and heating systems. The emission factors for Denmark have been updated until 2023, and all 2020-2024 data has consequently been updated. We observe that the emission intensity for our portfolio in 2023 was in line with a linear trajectory towards our 2030 target. We expect that coming emission factor updates for 2024 and 2025 will bring our progress closer to a linear trajectory towards our intermediate 2030 target.

- The average emission intensity of our personal mortgage portfolio – spanning Denmark, Sweden, Finland and Northern Ireland – decreased by 24% in 2025 (from 2020 baseline). This reduction resulted in an emission intensity of 14.4 $kgCO_2e/m^2$ in 2025, which is above the linear trajectory towards our 2030 target (see figure 17); however, this is based on 2023 emission factors for Denmark. Despite the decrease in our emission intensity over time, the need to accelerate the transitioning of the utilities sector away from fossil fuel-based energy sources towards more sustainable alternatives is still important for enabling us to achieve our target.

Figure 17: Decarbonisation – personal mortgages



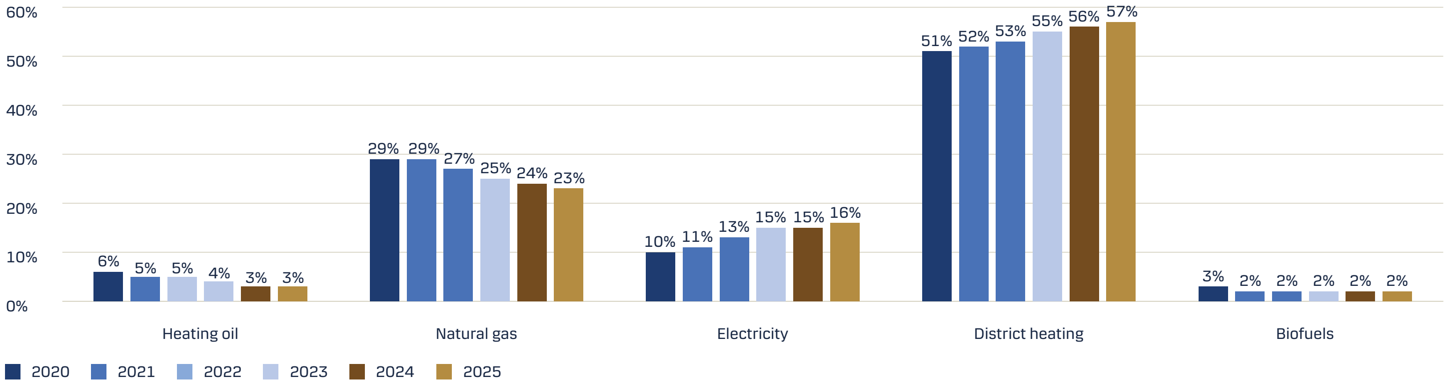
**Emission intensities for 2024 and 2025 are based on the latest published emission factors from 2023 for Denmark, which constitutes the majority of our personal mortgage portfolio. Therefore, these do not reflect the actual ongoing decarbonisation of the energy grid in Denmark. Consequently, the gradual decline in emission intensities from the baseline to 2023 offers a more precise basis for evaluating progress as it accounts for the use of actual emission factors for each year within the personal mortgage portfolio.*

- A comparison of our Danish portfolio between the 2020 baseline and 2025 shows improvements in energy performance, with an increasing trend of the number of properties with higher energy performance certificate (EPC) ratings (A, B or C) and a decreasing trend of the number of properties with lower EPC ratings (D, F or G). However, the changes may not fully reflect actual energy performance improvements because EPC ratings have a validity of up to 10 years and are typically updated only when properties are sold. Due to this limitation, we compare the change in heating sources between 2020 and 2025 (see figure 18). Figure 18 shows an increasing trend in district heating and electricity (that use renewable energy sources) and shows a decreasing trend in heating oil and natural gas.

Actions

- In 2025, we expanded our customer offerings in Finland by introducing loans tailored for home energy improvements. These loans enable customers to implement solutions that reduce energy consumption and the carbon footprint of their homes. Loans for energy-efficiency improvements are now offered in Denmark and Finland, and customers in Denmark are also offered guidance from an external partner to help them identify suitable energy-efficiency measures.
- Additionally, we have expanded the range of renovation projects that are eligible for energy-improvement loans in Denmark and Finland. Customers can now take out energy-improvement loans to install battery systems for electricity storage or to install smart home solutions for optimising energy and heat consumption.
- As the first Nordic bank to do so, we have also added data on household EPC ratings in our mobile banking app in Denmark. This gives our customers additional support by providing them with information about energy performance and about areas where they can optimise energy efficiency.
- Via the Sustainability Unlocked platform, we in 2025 launched business-specific sustainability training. This initiative enables advisers, managers and support functions to continually enhance their sustainability competencies. By equipping advisers with the necessary skills and knowledge, we make sustainable choices such as energy improvements more accessible and understandable.
- In Sweden, we continued to roll out our *Hållbar privatekonomi* ('sustainable personal finances') advisory concept. Customer feedback has helped us further improve our understanding of their needs and preferences, particularly regarding home energy improvements.
- To further support energy efficiency, we continue to promote improvements in EPC ratings within our mortgage portfolio. This includes offering favourable loans for energy improvements in Denmark and Finland, as well as favourable loans for homes with EPC A or B ratings in Sweden and Finland.

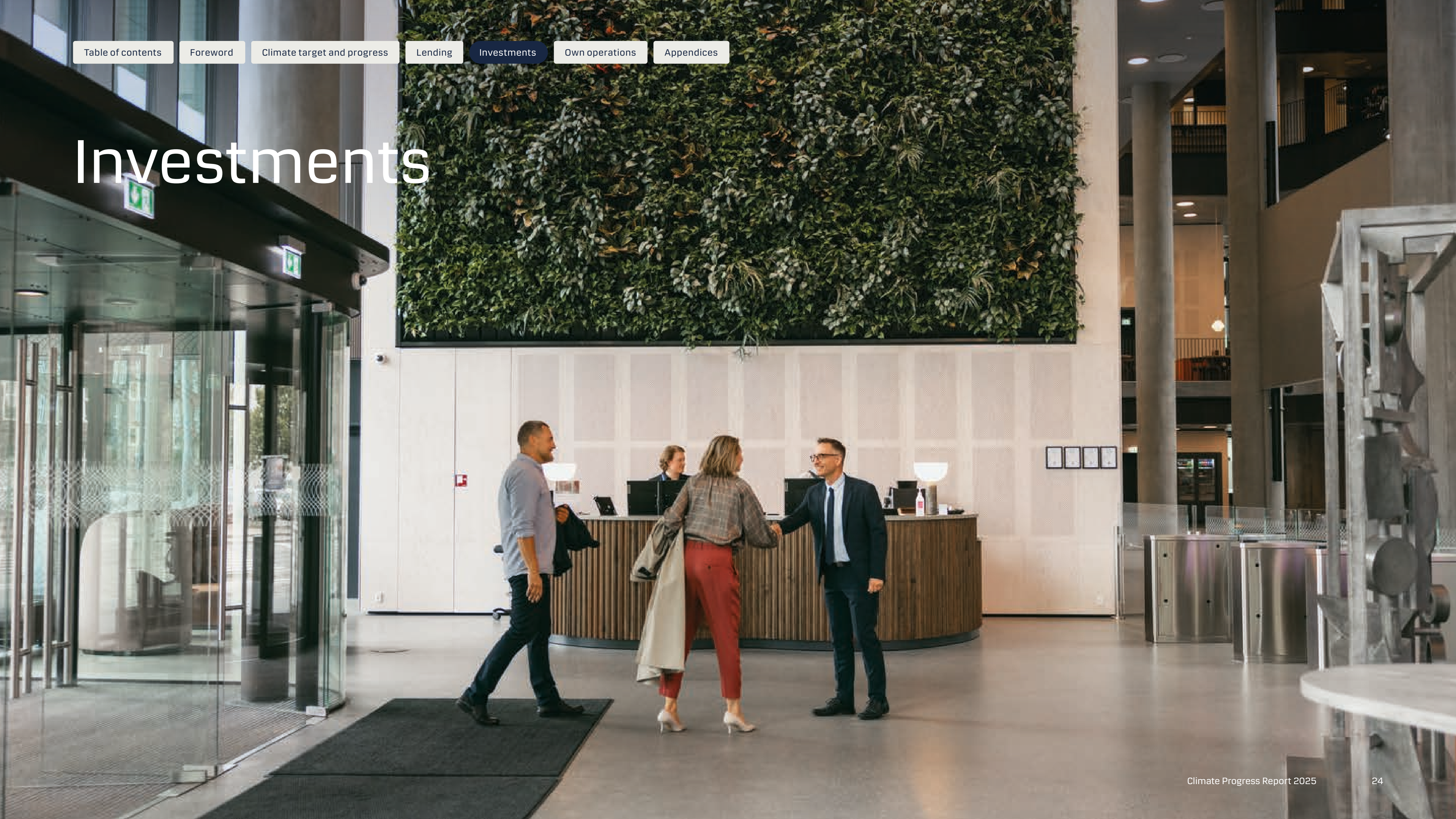
Figure 18: Distribution of on-balance loans and lines of credit secured by properties categorised by heating sources – personal mortgages (DK)



Outlook

- In 2025, we conducted an analysis of government decarbonisation plans for housing sectors in Denmark, Sweden, Finland and Northern Ireland. Analyses indicate ongoing progress in adding renewable energy sources. This shift within the utilities sector is key to providing households with a cleaner energy mix and is critical to achieving our emission reduction target.
- The revised Energy Performance of Buildings Directive (EPBD) entered into force in the EU on 28 May 2024, and adoption into national laws is still pending. The EPBD aims to improve energy performance across EU buildings and drive decarbonisation. This presents opportunities for further progress on the green transition and for an increased demand for financing. We will analyse its implementation in relation to our customer offerings and continue to evaluate how we can best support customers in the transition.

Investments



Investments

When customers place their trust in us to manage their assets and savings, we act in their best interest by offering investment solutions that aim to ensure competitive and long-term performance while accommodating the customers' sustainability preferences. A key aspect of this responsibility is to ensure that we invest responsibly.

Sustainability opportunities and risks can significantly affect the financial performance of our customers' investments. To fulfil our fiduciary duty and deliver value, it is essential that we integrate climate-related perspectives into our portfolio management practices.

Through our double-materiality approach, by which we identify not only how climate related factors affect our investments but also how our investments affect society, we aim to identify physical and transition risks and opportunities so that we can offer responsible investment products that align with our customers' preferences.

We evaluate how companies manage climate-related challenges and opportunities related to the transition. Part of this involves actively engaging with selected companies to enhance our understanding and in certain situations inform about voting decisions as well as to encourage companies in their efforts to reduce their climate transition risks and impacts.

Where significant adverse climate risks are identified, we may address these through event-driven exclusions under our Enhanced Sustainability Standards Exclusion Framework. For certain sectors, such as thermal coal and tar sands, we operate with revenue-based exclusions across most of our managed investment products, and for the majority of our branded Danske Bank, Danske Invest and Danica products we invest in fossil fuel companies only if they meet our requirements in relation to the companies' transition pathway.

To drive progress for carbon reduction in relation to our assets under management, we have established specific targets that guide our efforts, both in relation to our asset management and our life insurance and pension activities.[27] We introduced a WACI target for asset management in 2021. During 2025, following the conclusion of our 2025 sectoral targets and as a part of updating Danica's sustainability strategy from 2026-2030, we have also defined a WACI target for our life insurance and pension portfolio of a 60% reduction from 2020 levels by 2030.

Furthermore, to provide a forward-looking perspective on our climate ambitions, we have adopted temperature rating targets for our asset management and our life insurance and pension portfolios, which take into consideration the future transition plans and climate targets of our investee companies. These targets guide us in understanding the climate transition plans of these companies, and they enable us to engage with the companies to safeguard our investments and deliver long term value for our customers. We have also achieved progressed in relation to our engagement targets, having engaged with 99 out of the 100 largest emitters in our portfolios.

Because our investment universe includes companies from across the world, the progress on our targets will to a large extent be a reflection of international efforts and global results in reducing emissions.

	Sector	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Investments – asset management (investment funds and managed accounts)	All sectors	°C	Scope 1, 2	2020	2.75	2.10	2030	2.17 (2.36)	Temperature Rating Approach developed by CDP/WWF
	All sectors	°C	Scope 1, 2, 3	2020	2.94	2.20	2030	2.76 (2.70)	Temperature Rating Approach developed by CDP/WWF

[27] *We have not set a target for our own investments defined as our investment securities (DKK 292.7 billion at end-Q3 2025). This is due to the purpose of these securities being liquidity and interest rate risk management as part of the overall asset-liability management.*

	Sector	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Investments – asset management (investment funds and managed accounts)	All sectors	Weighted average carbon intensity (tCO_2e/mDKK revenue)	Scope 1, 2	2020	14.3 tCO_2e/ mDKK revenue	7.2 tCO_2e/mDKK revenue (-50%)	2030	7.8 (8.3)	Net Zero investment Framework and the Net-zero Asset Owner Alliance's Target-Setting Protocol/IPCC
	All sectors	Number of engagements	Scope 1, 2, 3	2021	0	Engagement with the 100 largest emitters	2025	99 (76)	Net Zero investment Framework and the Net-zero Asset Owner Alliance's Target-Setting Protocol/IPCC
Investments – life insurance and pension (Danica Balance, Danica Traditionel, Danica Link, Tidspension)	All sectors	°C	Scope 1, 2	2020	2.50	2.00	2030	2.26 (2.43)	Temperature Rating Approach developed by CDP/WWF
	All sectors	°C	Scope 1, 2, 3	2020	2.80	2.20	2030	2.79 (2.72)	Temperature Rating Approach developed by CDP/WWF
	Energy	gCO_2e/MJ	Scope 1, 2, 3	2019	72.6	61.7 (-15%)	2025	68.4 (69.7)	SDA/TPI/OECM
	Utilities	tCO_2e/MWh	Scope 1	2019	0.37	0.24 (-35%)	2025	0.16 (0.18)	SDA/TPI/OECM
	Transportation: **Shipping**	gCO_2e/tKM	Scope 1	2019	7.0	5.6 (-20%)	2025	5.6 (6.1)	SDA/TPI/OECM
	Transportation: **Aviation**	gCO_2e/RTK	Scope 1	2019	885.6	752.8 (-15%)	2025	714.1 (749.5)	SDA/TPI/OECM
	Transportation: **Automotive**	gCO_2e/km	Scope 3	2019	144.6	101.2 (-30%)	2025	121.2 (124.8)	SDA/TPI/OECM
	Steel	tCO_2e/t crude steel	Scope 1, 2	2019	2.03	1.60 (-20%)	2025	1.27 (1.22)	SDA/TPI/OECM
	Cement	tCO_2e/t cement	Scope 1	2019	0.78	0.62 (-20%)	2025	0.52 (0.54)	SDA/TPI/OECM
	Real estate portfolio (Danish)	$kgCO_2e/m^2$	Scope 1, 2, 3	2019	11.0	3.4 (-69%)	2030	6.6 (7.2)	Internal benchmark
Investments – asset management & life insurance and pension	All sectors	Number of engagements	N/A	2023	0	Engagement with 30 large global companies that all have a significant potential impact on nature and biodiversity	2025	30 (27)	Internal benchmark

Development

Sectoral intensity targets

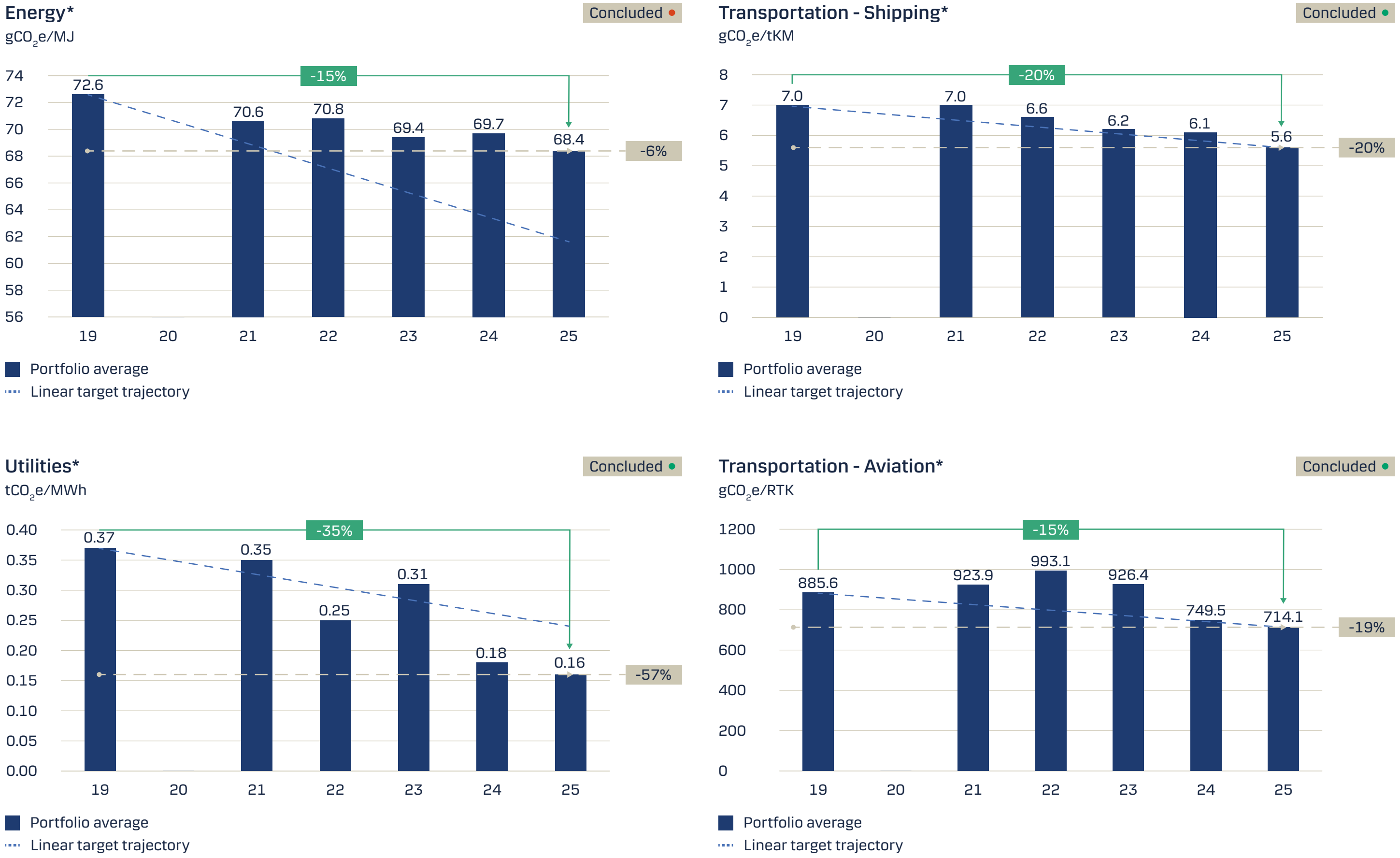
- As part of our climate strategy for our life insurance and pension portfolio, we set carbon emission reduction targets in 2021 for seven sectors that have large global impact on the climate. Despite ongoing challenges in global markets, our life insurance and pension portfolio shows a reduction in emissions intensity across several key sectors, and we met the targets set for five out of the seven climate-critical sectors in the portfolio by the conclusion of the target period at the end of end Q1 2025.

- Targets were met for the following sectors: steel, aviation, cement and the shipping sector.

- The targets for the energy and automotive sectors were not met, largely due to circumstances and challenges related to the war in Ukraine, geopolitical tensions and a worsening economic environment for the expansion of renewable energy and electric vehicles.

- For our real estate portfolio in Danica Ejendomme, we have a target of 69% emission intensity reduction by 2030. By October 2025, Danica Ejendomme had reduced its emission intensity from its Danish real estate portfolio to 6.6 kgCO_2e/m^2, corresponding to an approximate reduction of 40% from the 2019 baseline and following the linear target trajectory. Although the overall energy consumption in the portfolio increased in 2025, the overall carbon emission decreased. The decrease was attributable to lower CO_2 emission factors for heating, water and electricity. The apparent increase in consumption can largely be attributed to a significant improvement in data quality and to a lesser degree to changes in consumption patterns.

Figure 19: Sectoral intensity targets - life and pension (including real estate portfolio)



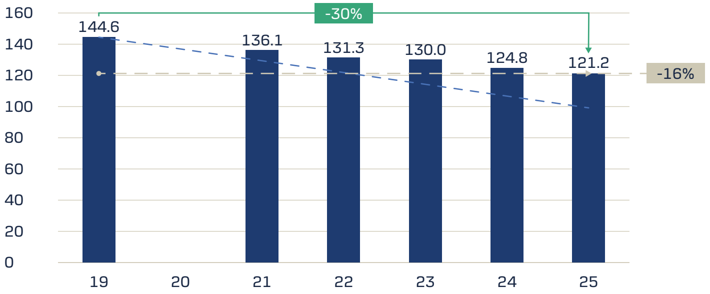
No status for 2020 due to insufficient data coverage and methodological limitations.

Figure 19: Sectoral intensity targets - life and pension (including real estate portfolio) – continued

Transportation - Automotive*

Concluded

gCO_2e/km

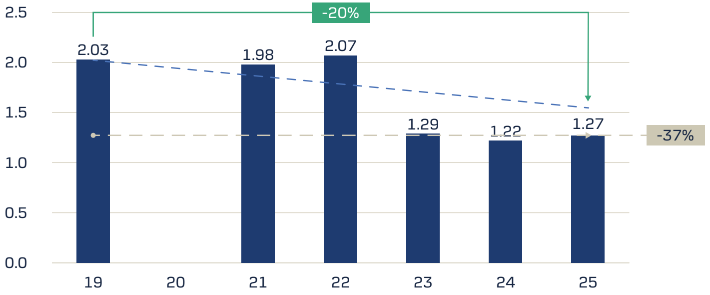


Portfolio average
Linear target trajectory

Steel*

Concluded

tCO_2e/t crude steel

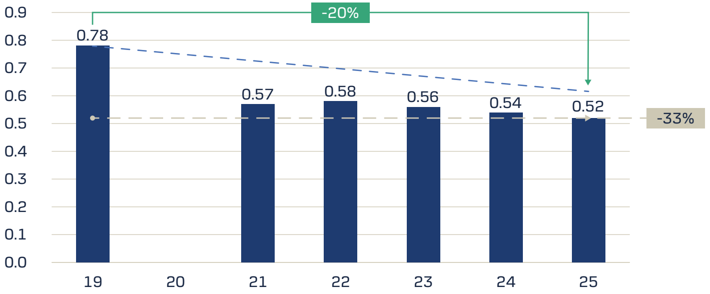


Portfolio average
Linear target trajectory

Cement*

Concluded

tCO_2e/t cement

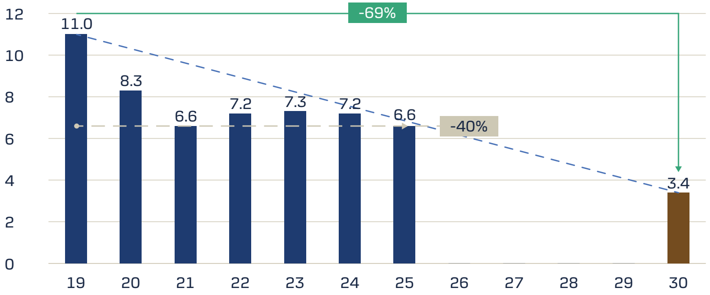


Portfolio average
Linear target trajectory

Real estate

Status

$kgCO_2e/m^2$



Portfolio average
Target
Linear target trajectory

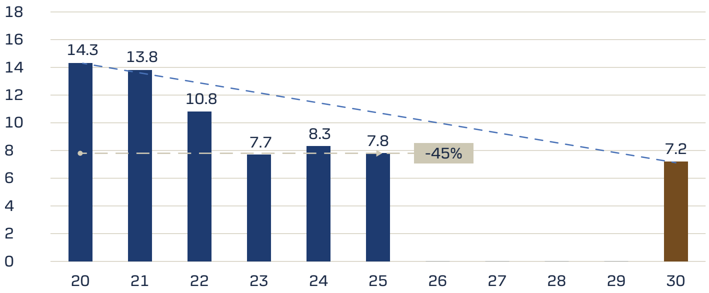
Weighted average carbon intensity targets

- In 2025, the WACI for our asset management activities decreased to 7.8 tCO_2e/mDKK of revenue from 8.3 tCO_2e/mDKK in 2024. We are ahead of our linear trajectory towards our 2030 target of a 50% reduction as we have observed a 45% reduction in WACI from our 2020 baseline of 14.3 tCO_2e/mDKK (see figure 20).
- In 2025, Danica defined a new sustainability strategy for 2026-2030 and set a new target to decrease the WACI for our life insurance and pension activities with 60% by 2030 from a 2020 baseline. In 2020, the WACI was 14.8 tCO_2e/mDKK of revenue, and at the end of 2025 the intensity number stood at 6.54 tCO_2e/mDKK, representing a decrease of 56%.
- Asset Management's portfolio WACI has been reduced by 45% since 2020, driven roughly equally by portfolio drivers (e.g.

Figure 20: Weighted average carbon intensity trajectory – asset management

tCO_2e/mDKK revenue

Status



Status (scope 1 and 2)
Target
Linear target trajectory (scope 1 and 2)

** No status for 2020 due to insufficient data coverage and methodological limitations.*

allocation, selection, exclusions, product offering, investment value) and investee company drivers (e.g. operational efficiency, power sourcing, electrification, product/service mix, asset changes) (see figure 21). This supports Asset Management's strategy to prioritise real-world emissions cuts by investing in companies with credible transition plans, leveraging active ownership where gaps remain and using exclusions in certain cases as a tool.

Temperature rating targets

- For our asset management portfolio, our implied temperature rating covering scope 1 and 2 decreased to 2.17°C in 2025 from 2.36°C in 2024, and our implied temperature rating covering scope 1, 2 and 3 increased from 2.70°C in 2024 to 2.76°C in 2025. (see figure 22).

- For our life insurance and pension portfolio, the implied temperature rating covering scope 1 and 2 decreased to 2.26°C in 2025 from 2.43°C in 2024, and the implied temperature rating covering scope 1, 2 and 3 increased from 2.72°C in 2024 to 2.79°C in 2025 (see figure 23).

- Therefore, while we observe that the scope 1 and 2 trajectories are on track towards meeting 2030 temperature rating targets, trajectories also covering scope 3 are behind the linear trajectories. A linear development in the portfolio is not expected as the average temperature rating on a year-by-year basis may deviate; however, we will continue to monitor these developments closely. The lack of reduction in relation to scope 3 this year is mainly due to fewer investees publishing specific climate targets covering their scope 3 emissions. This creates upward pressure on the portfolio's average temperature rating.

Engagements

- In relation to Asset Management's net-zero commitment, we have set an engagement target through which we have

Figure 21: Carbon intensity drivers - Asset Management

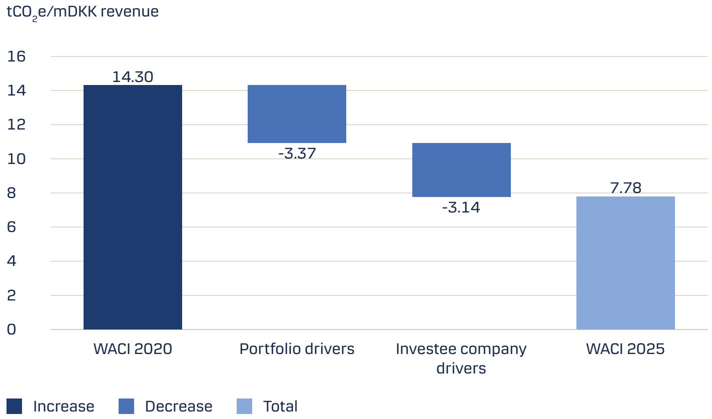


Figure 22: Temperature rating – asset management

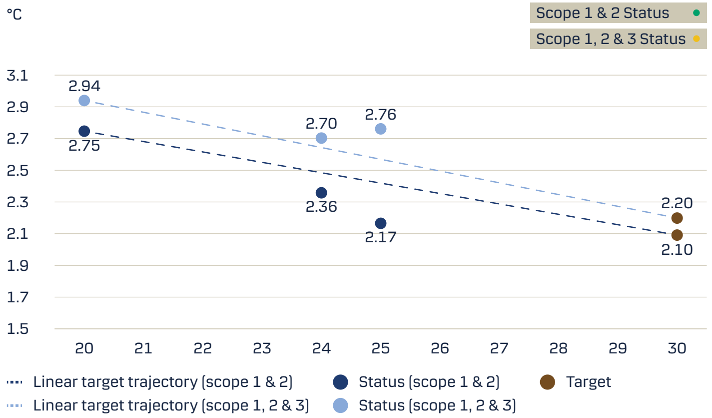


Figure 23: Temperature rating – life insurance and pension

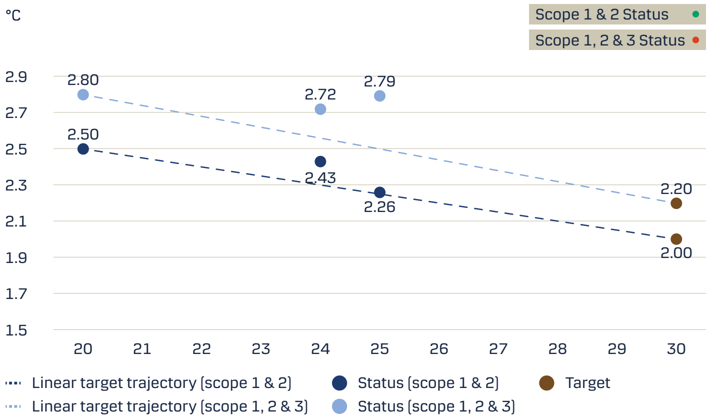
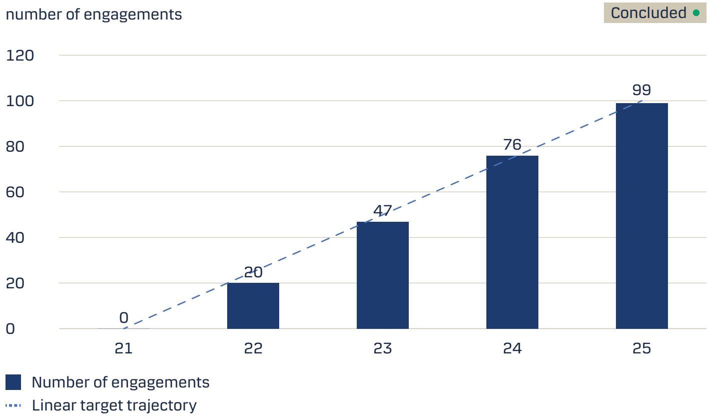


Figure 24: Engagement with the largest emitters – asset management



committed to engage with the 100 largest emitters in our investment portfolios by 2025. We have made good progress since we introduced the target; however, a number of factors have posed challenges for us in relation to determining and ensuring progress among our initial target list. Such factors include but are not limited to headwinds supporting active ownership on climate objectives in certain regions, corporate culture and receptiveness to investor engagement in certain markets and portfolio fluctuations that have required adjustments to the initial list of identified engagement targets. As a result, we have initiated engagement with 99 out of the 100 companies (see figure 24). The engagement targets have now been finalised.

Actions

- In 2025, we finalised the implementation of our new Danske Bank methodology for investing in fossil fuel companies, introduced in 2024. This methodology prioritises investments in companies that have credible transition plans aligned with a low-carbon future and uses the Net-Zero Pathway Framework[28], which assesses companies based on management quality, such as emissions management and strategic integration, and on carbon performance, including alignment with global climate goals. As part of this initiative, we reduced the number of fossil fuel companies in our investment universe from approximately 2,000 to 270, which was achieved by focusing on businesses actively progressing towards net-zero goals.

- Although overall exposure to the fossil fuel sector remains relatively unchanged, the portfolio now centres on companies striving to future-proof their operations in alignment with the goals of the Paris Agreement.

- Over the past several years, Asset Management has been running an ESG education programme in collaboration with EFFAS. This programme is aimed at investment teams and other investment professionals, and it offers these employees the opportunity to become a certified ESG analyst.

- In 2025, we initiated a process to enhance our proprietary ESG Risk Score, with the aim of ensuring even more precise and reliable risk evaluations and integration into our investment processes. By utilising over 700 data points across environmental, social and governance topics, we have upgraded our ability to perform in-house calculation of ESG risk in Danske Bank. This improvement allows us to better assess the risk profiles of complex, multi-sector firms, also when it comes to climate-related risks.

- Since the conclusion of the sector targets in our life insurance and pension portfolio in early 2025, Danica has been working to set new ambitions to support the net-zero transition by 2050 within activities related to life insurance and pension. A new 2030 climate target for investments was defined, with the aim of achieving a 60% reduction in the WACI across the equity and bond portfolio of our life insurance and pension segment from the 2020 baseline. The new target will replace the sector targets, which were concluded in Q1 2025.

- With the aim of optimising energy usage and energy efficiency, Danica Ejendomme continues to invest in energy management technology that provide the necessary insight to plan initiatives to reduce consumption. Energy renovations such as optimisation of existing heating systems or replacement of windows, when viable from both a climate and an economic perspective, also remain a priority for Danica Ejendomme. Ongoing certification of properties in Denmark is another focus area for Danica Ejendomme, and in 2025 a further seven properties were certified (DGNB, LEED or Bream certification), increasing the total number of certified properties to 36 out of 112 by the end of the year. Based on value 52.2% of the portfolio was certified end of 2025.

Outlook

- To meet the needs of customers that have rigorous sustainability preferences, Asset Management has over the past years introduced several investment products focused on reducing greenhouse gas emissions and on supporting the transition to a low-carbon economy. Further development of these offerings remains a priority as this will further empower customers to contribute to the transition.

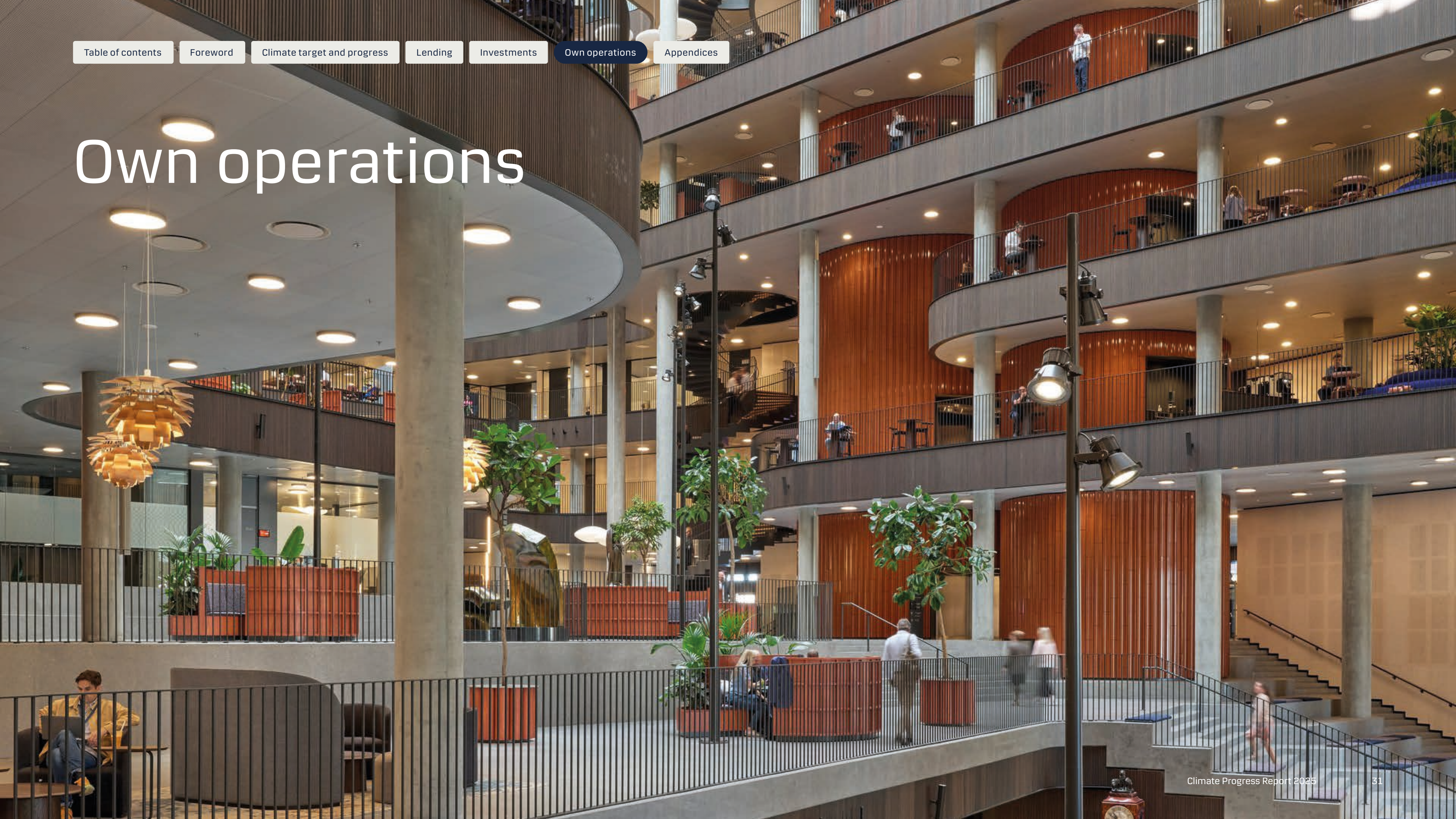
- Divesting from high-emitting sectors brings a risk of neglecting industries that are critical to developing transition solutions. For this reason, we will continue our active ownership activities and will engage with companies in accordance with our Net-Zero Pathway Framework. Engaging on climate-related topics is also important to enable our investment teams to better understand the climate risks associated with our investments, and such engagement will remain key in the years ahead.

- As the work to simplify and standardise sustainability-related regulations within the European Union progresses, we will closely monitor the regulatory environment. We will continue to enhance our tools, ESG data platform and advisory offerings to ensure that we can continually develop better and more reliable integration of sustainability dimensions into our investments, active ownership activities and advisory services. An example of this is our intention to acquire even more detailed and specific data when it comes to physical climate risk and nature. Monitoring of the potential negative impact on climate our investments may cause will remain a priority, and we will work to identify root causes, which may include data quality or data coverage issues, changes in exposures or within the portfolio.

- Our overall ambition remains to continually deliver long-term competitive and sustainable returns for our customers in accordance with their sustainability preferences.

[28] *Net-Zero Pathway Framework for investee companies*

Own operations



Own operations

Sector	Metric	Emission scope	Baseline year	Baseline value	Target (% reduction)	Target year	2025 status (2024)	Target-setting methodology and benchmark
Own operations	tCO_2e	Scope 1, 2	2019	5,106	1,021 (-80%)	2030	1,430 (1,873)	Absolute emission reduction
	tCO_2e	Scope 1, 2, currently measured scope 3 categories	2019	22,346 [29]	11,173 (-50%)	2030	6,622 (9,327)	Absolute emission reduction

At Danske Bank, we are committed to reducing emissions from our own operations in line with the Paris Agreement. Unlike emissions from the downstream value chain within our lending and investment portfolios, emissions from our own operations are more directly under our control. In a globalised world with complex international value chains, it is important that we all keep focus on activities within our direct influence.

Development

- During 2025, scope 1 and 2 emissions from our own operations decreased by 24% to 1,430 tCO_2e relative to 2024 levels, driven mainly by decreased heat consumption. This corresponds to a 72% reduction from the 2019 baseline and is ahead of the linear trajectory towards our 2030 target (see figure 25). Our scope 1, 2 and currently measured scope 3 emissions decreased by 29% to 6,622 tCO_2e relative to 2024 levels, driven primarily by reduced air travel. This corresponds to a 70% reduction from the 2019 baseline and is ahead of our 50% target (see figure 26).

Figure 25: Decarbonisation pathway – own operations (scope 1 and 2)

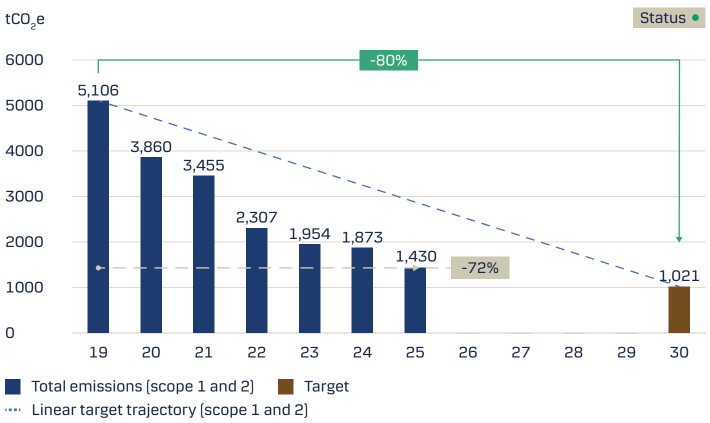
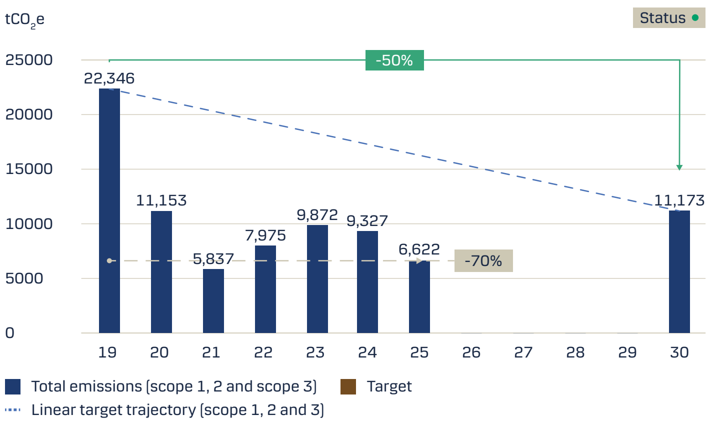


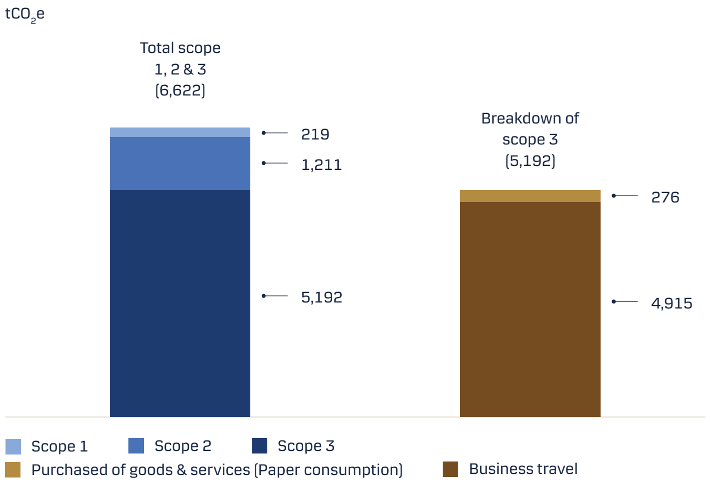
Figure 26: Decarbonisation pathway – own operations (scope 1, 2 and 3)



[29] *Updated baseline due to removed Scope 3.7 employee commuting (reported as working from home emissions).*

- Operational emissions cover emissions stemming from our daily global operations, such as energy for running our premises and from business travel. Business travel by air and road, purchased heat and purchased electricity (reported as 'zero emissions' in the market-based reporting) are the categories within our own operations that generate the highest emissions, with business travel accounting for 74% of total emissions (scope 1, 2 and 3) in 2025 (see figure 27).

Figure 27: Emission distribution across scopes in 2025 (in tCO_2e)



Scope 1

- Direct emissions from Danske Bank Group facilities remained stable. On-site heating increased 2% to 213 tCO_2e in 2025, while direct emissions from company vehicles decreased 1% to 6.6 tCO_2e in 2025.

Scope 2

- Our total emissions from purchased electricity decreased to 1,842 tCO_2e in 2025 driven by reduced consumption across all countries and by the use of updated emissions factors in our calculations.

- Emissions from heating and cooling decreased to 1,211 tCO_2e in 2025, corresponding to a 27% decrease. This is mainly driven by reduced consumption across all countries.

Scope 3

- Emissions from business travel by air decreased to 3,318 tCO_2e in 2025. This is a 36% decrease from 2024, and it is well below our 2019 baseline of 12,919 tCO_2e. The decrease reflects the effective use of air travel carbon budgets aimed at reducing air travel as well as adjustments to emission factor values.

- Emission from business travel by road decreased 19% in 2025 to 1,597 tCO_2e. This represents a reduction of 59% in relation to 2019 levels.

- Emissions in 2025 from purchased goods (paper consumption) increased to 276 tCO_2e, which is a 1% increase.

Actions

- Sustainable travel: We continue to steer business travel emissions through Group-level air travel carbon budgets aligned with our 2030 climate targets. Our internal CO_2e travel dashboard helps business units and functions across the Danske Bank Group to monitor emissions, ensuring that we stay within our overall carbon budget, and our updated travel instruction prioritises sustainable options.

- Carbon offsetting: Reducing emissions from our operations remains a priority. Since 2022, Danske Bank has been offsetting operational emissions through verified carbon removal projects, and we continued to do this in 2025. In 2025, we purchased most credits from nature-based solutions projects such as reforestation and a smaller share in technology-based carbon removal. In 2025, this offsetting was applied to prioritised categories of operational emissions.

Table 1: Emissions development from 2019 to 2025

	Target	Actual			GHG emissions	
Own operations-related GHG emissions (tCO_2e)	**2030**	**Baseline year 2019**	**2024**	**2025**	**2025/2019 (abs.)**	**2025/2019 (%)**
Scope 1 and scope 2 (market-based)	1,021	5,106	1,873	1,430	-3,676	-72%
Scope 1, scope 2 (market-based) and scope 3	11,173	22,346	9,327	6,622	-15,724	-70%

	Actual			
Own operations-related GHG emissions (tCO_2e)	**Baseline year 2019**	**2024**	**2025**	**2025/2024 %**
Scope 1 GHG emissions				
CO_2e emissions	555	215	219	2%
Scope 2 GHG emissions				
CO_2e emissions (location-based)	14,737	4,265	3,053	-28%
CO_2e emissions (market-based)	4,550	1,658	1,211	-27%
Scope 3 GHG emissions				
Total indirect (scope 3) GHG emissions	**17,240**	**7,454**	**5,192**	**-30%**
Scope 3.1 CO_2e emissions – Purchased goods (paper consumption)	385	274	276	1%
Scope 3.6 CO_2e emissions – Business travel (use of employees' cars and business travel by air)	16,855	7,180	4,915	-32%
Scope 3 estimated CO_2e from estimated countries	402	204	140	-31%
Total own operations-related GHG emissions (location-based)	**32,533**	**11,934**	**8,464**	**-29%**
Total own operations-related GHG emissions (market-based)	**22,346**	**9,327**	**6,622**	**-29%**

Outlook

- Table 1 shows the progress we have made in relation to emissions from our own operations since 2019 – categorised into scope 1, 2 and 3
- To further reduce purchased heat and electricity emissions, we will continue to focus on several areas: reducing square metres in our portfolio when we optimise office use, enhancing energy efficiency in existing offices through modernised lighting and heating systems, and prioritising energy efficiency as part of decision making when relocating to new offices. With a decrease in own operations-related CO_2e emissions from 2024 levels, we remain positive that our 2025 initiatives will contribute to keeping us on track towards achieving our 2030 targets.
- We remain committed to continuing to work on reducing the emissions stemming from our own operations, in alignment with the goals of the Paris Agreement.

Appendix 1 – Actions

Table 2: List of actions that support our climate targets for lending and investments

Category	Initiative	Development 2025	Planned action towards 2030	Expected impacts
Remuneration	Incentive schemes	In 2025, as was also the case in 2023 and 2024, the ESG KPI for members of Danske Bank's Executive Leadership Team constituted 10% in the short-term incentive programme, of which progress on Danske Bank's Climate Action Plan constituted 30%. For employees included in the management programme, the same KPI was applied with the same weighting.	We will continue to integrate our Climate Action Plan targets and required actions into our incentive schemes.	Align management incentives with climate objectives to ensure prioritisation and execution.
Capacity building	eLearning platform	In May 2024, we launched a partnership with Sustainability Unlocked, an innovative on-demand video platform initially designed to provide foundational sustainability content for financial institutions. Since its launch, the partnership has expanded to include topics such as finance, data and generative AI, closely aligning with the key focus areas of our Forward '28 strategy. All business units and several strategic areas have developed tailored sustainable finance learning journeys to support frontline staff and other relevant teams to ensure targeted development opportunities. Efforts are also underway to integrate the platform into daily workflows to foster a culture of continuous learning across the organisation.	Building a learning organisation continues to be a cornerstone of our strategic priorities. A key focus is equipping frontline staff and employees across the organisation with tools such as the Sustainability Unlocked platform to enable seamless, in-the-flow-of-work learning experiences while maintaining up-to-date learning offerings on sustainable finance and climate transition. To reinforce this cultural transformation, a working forum of senior leaders – carefully selected to represent all Forward '28 focus areas – has been established. These leaders serve as active and visible sponsors who drive the adoption of a strong learning culture and position the organisation for long-term success.	Support our employees' capacity to better engage with customers and investee companies on the topic of climate transition and to advise on and promote the sustainable transformation of the real economy.
	Business unit-specific training	Group-wide learning solutions and initiatives provide essential foundational knowledge and complement business unit-specific sustainable finance training programmes. These programmes include internal training sessions, topical webinars and targeted certifications on subjects such as sector-specific risks and opportunities in areas such as agriculture and real estate, as well as more product-specific initiatives. For example, we offer the European Federation of Financial Analysts (EFFAS) Certified ESG Analyst® (CESGA) programme to selected employee groups. By end-2025, 194 employees from across the Danske Bank Group had achieved CESGA certification. We also provide broader training, such as the ESG Refresh training in our Business Customers segment, which has been rolled out to 765 employees across the Nordic countries.	We will continue to develop and provide sustainable finance-related learning offerings to the entire organisation. We will increase our focus on training employees who have frontline contact with customers and investee companies to ensure sound engagement with our stakeholders in relation to sustainable finance and climate transition.	Build capacity among our employees so they can better engage with our customers and investee companies about climate transition and advise on and encourage sustainable transition of the real economy.
Process integration	Transition plan assessments	In 2025, we continued to develop our approach to assessing customers' transition plans, and at year end, we had assessed 99.1% of limit exposure towards customers within relevant high-emitting sectors in the LC&I lending portfolio in scope of the assessment.	We will continue to assess customers in high-emitting sectors that are in scope.	Use our transition risk assessment methodology to help us understand if our customers are aligned to a net-zero path-way and to understand the execution risk of their ambitions. We can then identify transition 'leaders' and 'laggards' and use this information in credit-decision processes.

Table 2: List of actions that support our climate targets for lending and investments – continued

Category	Initiative	Development 2025	Planned action towards 2030	Expected impacts
Approach and ambition	Danske Bank's Approach to Financing the Climate Transition	In 2025, we published Danske Bank's Approach to Financing the Climate Transition. The publication is intended to provide customers and other stakeholders with a transparent view of how we engage on the topic of financing the climate transition for our large corporate customers. Our Approach also details the transition risk assessment methodology we use to assess the credibility of our customers' climate transition plans, enabling us to better support customers that have credible transition strategies and assist in their execution. Furthermore, the Approach also recognises the importance of supporting transition-enabling customers.	The Approach encompasses all financial services provided to support customers in executing their climate transition strategies at an entity level as well as all financial services provided to customers that are contributing to the transition to a low-carbon society (transition-enabling value chains). This entity-level approach differs from the more traditional activity-level financing, and it reflects a more holistic approach to financing the transition. By the end of 2028, we aim to have provided DKK 100 billion in financing transitioning and transition-enabling companies while annually reporting our progress towards this ambition.	The main goal of these definitions, guidelines and ambitions is to direct financing towards sectors that need substantial investments to decarbonise.
Data gathering	Real ESG	An ESG reporting standard for commercial real estate companies, pension funds and others was launched in 2024. In October 2025, the standard was simplified to match the voluntary reporting standard VSME. We continued to support the distribution of the standard and became a representative in a new non-profit trade organisation that will ensure the standard's future maintenance.	We will look into digitalisation and into expanding to other markets outside Denmark.	Assist companies in understanding their baseline and initiating their sustainability transitions by providing accessible tools and streamlined processes. The framework also aims to ensure comparability of data across the sector.
	ESG Profilen	Continued development of ESG Profilen, including alignment to the VSME and benchmark feature. In collaboration with EY and Lederne, we launched ESG Trendrapport 2025, which provides an insight to the ESG work being carried out by companies in Denmark.	Ongoing improvements and alignment with new standards and development of additional relevant features.	Provide Danish SMEs with an ESG tool designed to assist them in gaining an understanding of their ESG efforts, expectations from stakeholders, prioritising key focus areas, and initiating the process of data collection and calculation of general ESG metrics.
Tools	mDASH® development	In 2025, we took significant steps to enhance our proprietary ESG Risk Score to ensure more precise and reliable risk evaluations. By utilising over 700 data points across environmental, social and governance topics, we are now able to perform in-house calculation of ESG risk. This improvement allows us to better assess the risk profiles of complex, multi-sector firms.	We will continue to enhance our mDASH® ESG analysis tool by integrating climate-related data as data and research develops.	Enable inclusion of ESG considerations in investment decisions and improve our active ownership engagements with the aim of driving investee company transition.
	Client advisory tool	In 2025, we developed a client advisory tool that aggregates the sustainability performance of the underlying investments to simulate the sustainability performance of a custom-made client portfolio. This provides clear insights into a client-specific portfolio, in which different components can be simulated to ensure the best possible fit with the customers' sustainability preferences.	We will continue to develop our advisory tools to ensure that we can deliver the best possible advice in relation to our customers' sustainability preferences.	Advise institutional customers to make better-informed and more sustainable investment decisions by providing sustainability insights about their investments through our advisory setup, in line with their preferences.
Process integration	ESG risk assessments	92.8% of LC&I's lending portfolio has been assessed (as at year-end 2025 and measured by limit exposure).	We will maintain above 90% assessment rate of LC&I's relevant corporate lending exposure.	We use ESG risk assessments to determine acceptable credit risk related to sustainability and associated ESG events or conditions. This helps us better understand our customers' ESG profiles and incorporate this into credit decisions.

Table 2: List of actions that support our climate targets for lending and investments – continued

Category	Initiative	Development 2025	Planned action towards 2030	Expected impacts
Engagements	Engagements guidelines	In relation to our net-zero commitment, we have also set an engagement target through which we have committed to engage with the 100 largest emitters in our investment portfolios by 2025. By year-end 2025, we had engaged with 99 companies. In 2023, Danske Bank set a target to monitor and engage on biodiversity with 30 large global companies we invest in during 2025. This target was met, and our engagements showed that companies in 2025 were more aware of their biodiversity impacts and dependencies than was the case in 2023.	These engagement targets are now concluded, and we will consider the need for setting new targets.	Support the green transition through our active ownership activities.
	Collaborative engagement initiatives	In 2025, we participated in ten collaborative engagement initiatives. These initiatives aimed at supporting enhanced management practices and performance across a variety of topics, including climate change, biodiversity, human rights and children's rights.	We will continue to utilise the knowledge, research and data that we gain from initiatives such as Climate Action 100+, ShareAction, PCAF and IIGCC.	Have a stronger voice when we engage with companies by working in collaborative efforts.
	Voting	The majority of proposals voted on concerned governance issues, with just under 1.5% of the proposals voted on relating to matters classified as environmental and/or social in 2025. Danske Bank Asset Management supported 38% of all environmental proposals in 2025.	Each year, we update our voting guidelines and review our expectations in relation to companies' climate efforts, and we expect to increase our expectation levels over time.	Support the green transition through our voting activities.
Advocacy efforts	National and international alliances	To develop best practices for supporting the needed transition toward a low-emission economy, we continued to engage nationally and internationally in alliances throughout 2025. Through these alliances, we have built an understanding of effective target setting and customer engagements. We have also been active in political debates, highlighting the sector challenges and the need for political support as well as advocating for Paris-aligned ambitions across high-emitting sectors and the wider society. As an example, in September 2025 we hosted a conference on the future of renewable energy in Europe, with participants including senior Danish and EU policymakers as well as representatives from the energy and financial sector. During 2025 we also hosted a Nordic UNEP FI roundtable discussion in Copenhagen to facilitate knowledge sharing among Nordic financial institutions, and we were a part of the Danish delegation at COP30 in Belém, Brazil.	We will continue to allocate resources for our engagement in knowledge-sharing initiatives. We will also continue to develop best practices and engage in political discussions.	Promote a successful transition through collaboration and knowledge sharing within and across sectors as well as across businesses, academia and in the political sphere.
Partnerships	Commercial real estate (energy)	The partnerships with Sweco (a leading European architecture and engineering consultancy) and Comundo (a climate tech company) support our work towards reducing our customers' CO_2 emissions. Among other things, these partnerships, enhanced by our financial and ESG advisory offerings, facilitate automated real-time energy data and the creation of energy improvement plans.	We will continue to build upon the two partnerships with Sweco and Comundo and build awareness of the comprehensive support we can offer our customers through these partnerships.	Help our customers to reduce CO_2 emissions from their properties and take other relevant measures to support the transition of these.

Table 2: List of actions that support our climate targets for lending and investments – continued

Category	Initiative	Development 2025	Planned action towards 2030	Expected impacts
Partnerships	Position Green	In April 2025, we partnered with Position Green, which provides an integrated ESG solution that combines software and consultancy services tailored to the diverse needs of Danske Bank's business customers. Position Green's offerings enable companies to adopt a strategic and operational approach to ESG, so they can deliver measurable impact, enhance competitiveness and present compelling business cases (in terms of ROI).	We will continue to build awareness of the comprehensive support we can offer our customers through this partnership.	Provide a centralised hub for ESG solutions and services to help our customers work with their transitions in a data-driven and value-focused way.
Products	Sustainable bonds volumes (green, social, sustainability and sustainability-linked bonds), green loans and green and sustainability-linked guarantees	In 2025 our sustainable bonds volume (league tables) was DKK 87.6 billion, and Danske Bank's green loan portfolio eligible to green funding grew to DKK 61.8 billion. In 2025, we launched our Green Product Framework, which enables labelling any asset or activity that is aligned with the EU Taxonomy Substantial Contribution criteria as green.	Our goal is to continue to be a leading Nordic arranger of green loans and green, social and sustainability bonds.	Provide product-specific financing for sustainable activities that support the transition. Our Green Product Framework will strengthen our ability to provide green financing for all assets and activities covered by the EU Taxonomy.
	Energy efficiency	In 2025, we launched our loan for energy improvement for our personal customers in the Finnish market. We therefore now offer favourable financing options to customers in Denmark and Finland for non-fossil energy alternatives and home energy saving solutions. The list of eligible purposes for our energy improvement loan was expanded by including battery energy storage systems and smart home solutions for optimising energy and heat consumption. Home energy performance data (EPC ratings) was added to the mobile banking app for customers in Denmark. Danske Bank also offers favourable loans in Denmark for electric and plug-in hybrid electric vehicles, which provides an incentive for customers to shift to low-emission transportation.	As part of the customer dialogue, we will work to increase awareness among customers of the more sustainable opportunities and benefits. We will communicate to relevant customers about opportunities on improving home energy efficiency in all markets.	Support the sustainable transition by providing favourable financing options for energy upgrades of homes and encouraging customers to improve home energy efficiency and reduce costs.
	European Investment Fund (EIF) guarantees to green financing of assets	The European Investment Fund (EIF) guarantees have expanded from being available only in Finland (where the first deal was completed in 2024) to all Nordic countries.	EIF guarantees enable easier access to financing for companies that focus on product development and sustainable investments, and we will build on the insights gained to explore expansion of the EIF guarantee programme.	Support the availability of bank financing for investments that promote renewal and growth.
	Green transition investments (Danica only)	In 2025, Danica increased its investments in the green transition to DKK 66.4 billion. (2024 DKK 57.4 billion)	We aim to have invested DKK 100 billion in the green transition by 2030.	Promote the green transition through our investments.
	Danica Balance Responsible Choice (DBRC)	Assets under management in the Danica Balance Responsible Choice (DBRC) pension solution amounted to DKK 7.5 billion at year-end 2025, which is an increase of 16% from 2024. The number of policies in DBRC increased by 7% in 2025.	Danica will continue to actively market Danica Balance Responsible Choice to customers.	Enable our customers to invest in the green transition through their pension savings.

Table 3: List of actions that support climate targets for our own operations

Scope	Initiative	Development	Planned action towards 2030
Scope 1 - On-site heating	Transition to district heating in Denmark and to 100% renewable energy sources for heating in Northern Ireland	In Denmark, we are still focusing on the transition to district heating. We are reviewing the two remaining properties in Northern Ireland that use a fossil fuel-based heating source, and we are looking into how these properties could transition to a renewable energy source.	In Denmark, we are in ongoing conversations with landlords and are awaiting municipal action to support the transition to district heating. Concurrent to this, we are also exploring alternative heating solutions. In Northern Ireland, we are evaluating options such as biogas and hydrogen for offices that cannot be electricity driven.
Scope 2 - Purchased heating and electricity	We purchase energy attribute certificates (EACs) to cover 100% of our electricity consumption. Footprint management by optimising energy efficiency in buildings and the use of office spaces.	We currently purchase Energy Attribute Certificates based on geography: • EU: EACs GOs • UK: REGO Ongoing work with footprint optimisation and more energy efficient buildings.	In 2026, we will review our position towards buying EACs.
Scope 3.1 - Purchased goods and services, paper	We continue our transition towards more digitalised ways of working aimed at reducing paper printing.	Although emissions from paper consumption increased from 2024 to 2025, we remain confident that the digitalisation of our processes will lead to a reduction in consumption.	Increased digitalisation to reduce physical consumption of paper products remains our focus.
Scope 3.6 - Business travel by air	Active management of business travel by air through Group-level air travel carbon budgets.	Our internal CO_2e travel dashboard helps business units track their carbon budget, and our updated travel instruction prioritises sustainable options.	The Group's updated travel instruction encourages employees to travel less and provides recommendations on reducing the number of trips taken and on reducing the travel-related carbon footprints of employees.
Scope 3.6 - Business travel by road	Enable 100% electric company benefit cars.	Company car policy in Denmark updated to transition to a 100% electric car fleet. The transition will take place gradually over a period of years as current leasing agreements expire.	We are exploring the possibility of switching benefit cars to electric vehicles, also during business trips abroad.

Appendix 2 – Financed emissions

Lending

Emissions associated with the activities of the companies Danske Bank provides financing to are classified as financed emissions and are attributable to Danske Bank. These financed emissions are not additional to the emissions already produced in society and reported by our customers; they merely mirror those emissions. We can influence these financed emissions indirectly by supporting our customers in their own transitions.

Table 4 below displays financed emissions within our emission measured lending activities, exposure-weighted average PCAF data quality scores and development since 2020. The general uncertainty related to current estimation approaches of companies' scope 3 emissions (e.g., using sector-based emission factors) is so significant that we will only be disclosing financed emissions related to customers' scope 3 emissions if it has a PCAF data quality score of 1 or 2, i.e. that the emissions have been reported by the customers themselves. The only exception is for the subsector related to oil and gas exploration and production where a share of the included scope 3 emission is associated with estimates. This aligns the emission coverage with the oil and gas exploration and production target measure.

Within our lending activities, total customer scope 1 and 2 financed emissions have generally been decreasing since 2020. Between 2020 and 2023, the decrease in financed emissions was largely driven by financed emission reductions in high-emitting sectors such as shipping. The increase in financed emissions from 2023 to 2025 can primarily be attributed to the overall increase in Danske Bank's customer on-balance exposure, mainly in LC&I, which, all else equal, lead to higher financed emissions.

The PCAF data quality scores have remained relatively stable over the years, with a slight improvement from 3.9 to 3.6 for scope 1 and 2 emissions. Because our lending portfolio includes many non-listed companies that often do not report emissions, the PCAF data quality score is typically lower for the lending portfolio than for the investment portfolios.

Reported customer scope 3 financed emissions (PCAF data quality score 1 and 2) fluctuate significantly within several of our portfolios. These fluctuations are likely to persist as companies continue to refine their estimation approaches and best-practice standards evolve further.

Table 4: Development of financed emissions from 2020 to 2025

	Baseline (2020)			2023			2024			2025		
Industry	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**
Agriculture	1,597	3	4.0	1,258	16	4.1	1,248	14	4.1	1,194	0	4.0
Commercial property	199		4.3	138		4.0	141		3.9	123		3.8
Construction and building materials	451	88	4.0	219	2,155	3.8	210	3,140	3.6	264	2,001	3.6
Metals and mining	105	28	3.9	62	31	3.9	114	285	3.5	287	178	3.4
Oil, gas and offshore	456	2,636	2.1	256	2,064	2.6	279	1,718	2.8	244	1,604	2.7
Shipping	2,017	18	1.9	1,051	0	1.5	957	0	1.8	1,075	13	2.3
Utilities and infrastructure	587	411	3.3	430	1,926	3.6	444	1,948	3.7	463	2,561	3.6
Pulp and paper, Chemicals	306	50	3.5	228	13	2.8	261	7	2.9	254	140	2.8
Other corporates	937	7,323	3.9	782	2,285	3.6	859	7,011	3.6	1,040	3,641	3.6
Total – corporates	**6,654**	**10,558**	**3.9**	**4,425**	**8,488**	**3.7**	**4,513**	**14,123**	**3.7**	**4,943**	**10,139**	**3.6**
Personal mortgages	765		3.9	584		3.7	560		3.7	458		3.6
Total	**7,420**	**10,558**	**3.9**	**5,009**	**8,488**	**3.7**	**5,074**	**14,123**	**3.7**	**5,401**	**10,139**	**3.6**

Investments

Table 5: Development of emissions from 2020 to 2025

	Baseline (2020)			2023			2024			2025		
Investments	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**	**Customer scope 1 and 2 ($ktCO_2e$)**	**Customer scope 3 ($ktCO_2e$) – PCAF quality score 1 and 2**	**Scope 1 and 2 PCAF quality score**
Asset management	3,720	0	n/a	2,268	27,954	1.4	2,348	23,113	1.3	2,204	41,937	1.3
Life insurance and pension	1,122	0	n/a	953	6,629	1.4	803	5,966	1.3	802	10,227	1.2
Total	**4,842**	**0**	**n/a**	**3,221**	**34,583**	**1.4**	**3,151**	**29,078**	**1.3**	**3,006**	**52,164**	**1.3**

In this Climate Progress Report, scope 3 emission numbers solely include company-reported figures that have a PCAF data quality score of 1 or 2. This may mitigate a potential estimation risk associated with scope 3 reporting, but it will imply that the actual scope 3 emissions are higher than what is outlined in the report. Approximately 23% (2024: approximately 50%) of the assets under management in Asset Management and Danica have a PCAF data quality score of 3 to 5 for scope 3 emissions, and emissions from these investments are not included in the financed emissions.

Financed emissions from our investments, scope 1 and 2 emissions from our investee companies, decreased from 4,842 $ktCO_2e$ in 2020 to 3,006 $ktCO_2e$ in 2025 (2024: 3,151 $ktCO_2e$), representing a 38% reduction.

For the reporting year 2020, only a limited number of companies disclosed their scope 3 emissions for the financial year 2018. The immaturity of these reported figures led our ESG data vendor to rely on modelled emission data for that year. Over time, ISS ESG has increasingly incorporated company-reported data where available and where the quality is deemed sufficient, replacing previous estimations. Consequently, this report includes only company-reported scope 3 emissions from 2022 onwards.

We acknowledge that this approach does not encompass all real-world emissions as companies that do not report their scope 3 emissions are excluded from our calculations. Additionally, we have observed that companies have been updating their own calculation methodologies over time, which also affects the reported numbers.

We expect the quality of scope 3 emissions data to improve in the future. However, interpretation of scope 3 emissions should be conducted with caution in decision-making processes as there is a significant volatility and uncertainty even in reported numbers. When we report at an aggregated level, the accuracy of scope 3 emission figures can be undermined due to double counting.

The Partnership for Carbon Accounting Financials (PCAF) has developed a methodology to evaluate and rank the quality of emission data using a numerical score from 1 (highest quality) to 5 (lowest quality). Company-reported emissions will receive a quality score of 1 or 2, whereas emissions estimates may receive a score of 5. We anticipate that the average PCAF data quality score will improve as an increasing number of companies disclose their emission data.

Appendix 3 – Abbreviations

EPBD	Energy Performance of Buildings Directive
EPC	Energy performance certificates
ESG	Environmental, social and governance
gCO_2e/km	Gram of carbon dioxide equivalent per kilometre
gCO_2e/MJ	Gram of carbon dioxide equivalent per megajoule
gCO_2e/RTK	Gram of carbon dioxide equivalent per revenue tonne-kilometre
gCO_2e/tKM	Gram of carbon dioxide equivalent per tonne-kilometre
GHG	Greenhouse gas
IEA	International Energy Agency
IPCC	Intergovernmental Panel on Climate Change
ISS	Institutional Shareholder Services
$kgCO_2e/m^2$	Kilogram of carbon dioxide equivalent per square metre
$kgCO_2e/MWh$	Kilogram of carbon dioxide equivalent per megawatt hour
KPI	Key performance indicator
$ktCO_2e$	Tonnes of carbon dioxide equivalent
LC&I	Large Corporates & Institutions
mDash®	Danske Bank proprietary sustainability research platform
OECM	Other effective area-based conservation measures
PCAF	Partnership for Carbon Accounting Financials
REGO	Renewable energy guarantees of origin
SBTi	Science Based Targets initiative
tCO_2e	Kilotonnes of carbon dioxide equivalent
$tCO_2e/mDKK$	Tonnes of carbon dioxide equivalent per million Danish kroner of revenue
tCO_2e/MWh	Tonnes of carbon dioxide equivalent per megawatt hour
tCO_2e/t	Tonnes of carbon dioxide equivalent per tonne
TPI	Transition Pathway Initiative
UNEP FI	United Nations Environment Programme Finance Initiative
WACI	Weighted average carbon intensity
WWF	World Wildlife Fund for Nature