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Principles for
Responsible Banking

Responsible Banking Progress Statement for PRB Signatories



Summary template

Danske Bank Group 2025

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p>Content</p> <p>Danske Bank's Forward '28 commercial strategy defines four strategic priorities: Advisory; Digital; Sustainability; and Simple, Efficient & Secure. It is our aspiration to be a leading Nordic financial institution in supporting individuals, businesses and Nordic societies in their transition towards a more sustainable future. This aspiration is anchored in the Group's strategic priorities for sustainability as the following:</p> <ul style="list-style-type: none"> • supporting our customers in their transition • ensuring a robust and resilient bank • managing our societal impacts <p>To facilitate this, we focus on three interlinked sustainability topics – Climate change, Nature & biodiversity, and Human rights & social impact – and we have set sustainability targets that are key for the realisation of our strategic priorities.</p> <p>We actively support the global shift towards achieving net-zero carbon emissions by 2050 and the goals of the Paris Agreement. We are engaged in various global sustainability initiatives, including the Net-Zero Asset Manager initiative and the Net-Zero Asset Owner Alliance, while we support the UN Guiding Principles on Business and Human Rights, endorse the UN Global Compact, and have signed the Finance</p>	<p>Content</p> <p>In 2025, we reviewed our double materiality assessment aligned with the requirements in the European Sustainability Reporting Standards (ESRS). For the Group's downstream activities, the UNEP FI Portfolio Impact Analysis Tool was used to score the impact of the Group's lending and investment activities. The tool provided us with a framework to assess impacts within the Group's downstream value chain by mapping financial activities and sectors against their actual and potential positive and negative impacts. We made use of the updated impact tool's ESRS interoperability package to enhance ESRS compliance. An extended description of the methodology is provided in the supplement template below.</p> <p>Climate change and biodiversity continue to be two of the Group's most significant impact areas for investments and lending activities.</p> <p>All intermediate carbon emission reduction targets for high-emitting sectors, our temperature rating targets and our engagement targets are disclosed in our Climate Progress Report 2025, including actions taken and progress made.</p> <p>In 2025, we have assessed our existing strategic approach for nature and biodiversity and formulated a roadmap to further strengthen our risk</p>	<p>Content</p> <p>Our ability to achieve our Group climate targets is influenced by three main factors: 1) changes in customers' emission profiles, 2) changes in the Group's exposures, and 3) from an investment management perspective, changes to customers' sustainability preferences. We therefore focus on supporting customers in transitioning towards a sustainable future by allocating capital towards projects and companies that are financially viable and that create sustainable growth, as well as by creating a range of investment products that enable our customers to support the transition.</p> <p>Via the Sustainability Unlocked training platform, we in 2025 launched business-specific sustainability training. This initiative provides advisers, managers and support functions the opportunity to continually enhance their sustainability competencies. Furthermore, we are further developing our service offerings through external partnerships that focus on energy-efficiency home renovations for personal customers and on engineering combined with climate tech for commercial real estate customers.</p> <p>In relation to nature and biodiversity, we continued to engage with our lending customers and investees in identified high-risk sectors. Our ongoing efforts on understanding nature and biodiversity risks in our lending portfolio also included risk screenings of selected customers, and</p>

<p>for Biodiversity Pledge.</p>	<p>management, deepen our understanding of high-impact sectors and their specific requirements and developed methods for steering and measuring progress. Our biodiversity engagement targets for lending customers and investees in selected high-impact sectors concluded in 2025 and we now consider next steps as part of the roadmap.</p>	<p>in our investment decisions, we include considerations relating to activities that negatively affect biodiversity-sensitive areas.</p>
<p>Links & references Annual Report 2025: Our Group sustainability priorities are presented on p. 46. Climate Progress Report 2025: Our climate commitment is presented on p. 4.</p>	<p>Links & references Annual Report 2025: Our impact materiality assessment process is presented on p. 52. Climate targets and actions are presented on pp. 67-71. Biodiversity actions and progress are presented on pp. 79-80. Climate Progress Report 2025: An overview of our climate targets and progress is presented on pp. 5-7 and actions for lending and investments on pp. 11, 13, 15, 17, 19, 20, 23, 30 and pp. 35-29.</p>	<p>Links & references Annual Report 2025: Our key decarbonisation levers are described on pp. 61-62. Our customer and investee engagements on biodiversity are described on p. 80. Climate Progress Report 2025: Our engagements with customers in different sectors and investees are described throughout the report.</p>

<p>Principle 4: Stakeholders</p>	<p>Principle 5: Governance & Culture</p>	<p>Principle 6: Transparency & Accountability</p>
<p>Content We continually engage with a wide range of stakeholders across our operations. These engagements fulfil different purposes, including those of a commercial, informational and policy-related nature.</p> <p>Key findings on the views and interests of stakeholders are included in information provided to the Danske Bank Group's Executive Leadership Team and Board of Directors. Such findings are included for consideration in the annual review of Danske Bank's strategy, and they inform relevant Group policies, strategies and business activities.</p> <p>In 2025, the stakeholder engagement process was enhanced by 1) reviewing existing inputs from previous stakeholder interviews, 2) including additional and existing engagement sources, and 3) engaging with Danske Bank's European Working Council to include perspectives from the European labour union. Findings from this exercise were used to qualify the Group's double materiality assessment.</p> <p>To support the transition to a low-emission economy, we actively participated in national and international alliances throughout 2025. We contributed to political debates, advocated for Paris-aligned goals, and underscored sector challenges. Moreover, we hosted a conference on the future of renewable energy in Europe with policymakers and industry representatives, organized a Nordic UNEP FI roundtable in Copenhagen, and joined the Danish delegation at COP30 in Belém, Brazil.</p>	<p>Content The Danske Bank Group's Board of Directors approves strategies and policies for sustainability and responsible investments. The Executive Leadership Team manages the Group in accordance with the Board's mandates. Sustainability responsibilities are embedded in the management of all business units and support functions</p> <p>Sustainability-related KPIs, including climate-related KPIs, are integrated into our performance management framework to ensure that remuneration programmes reflect our sustainability ambitions and priorities. The KPI structures for variable remuneration are reviewed and endorsed by the Board's Remuneration Committee and are approved by the Board of Director.</p> <p>At Danske Bank, we need to possess the knowledge, training and awareness that will enable us to deliver on our sustainability ambitions and priorities. We address this through sustainability-related training efforts and also as part of our Strategic Workforce Planning (SWP), in which sustainability-related competencies are also included in our identification of potential skill gaps and in our competency strengthening efforts.</p>	<p>Content The Danske Bank Group's Annual Report 2025 includes the statutory Sustainability Statement, which provides information on the Group's sustainability performance. The Sustainability Statement is assured by a third-party with limited assurance.</p> <p>In addition, detailed and segmented ESG data is presented in the Sustainability Fact Book 2025.</p> <p>We publish an annual Climate Progress Report, which is a standalone report and serves as an update to Danske Bank's Climate Action Plan from 2023. We also report annually to CDP.</p> <p>Additionally, we report annually on our human right's due diligence efforts in a standalone Human Rights Report.</p>

<p>In relation to nature, we in 2025 consulted with the Danish Ministry of the Environment on the new Danish biodiversity law and shared insights at nature-related webinars and conferences.</p>		
<p>Links & references Annual Report 2025: Our stakeholder engagements are presented on p. 46 and p. 48 and the double materiality assessment process is presented on pp. 52-53.</p>	<p>Links & references Annual Report 2025: Our sustainability governance, including sustainability incentive schemes and sustainability skills and expertise, is presented on pp. 49-50.</p>	<p>Links & references Annual Report 2025 – Sustainability statement pp. 41-134 Climate Progress Report 2025 Sustainability Fact Book 2025 Human Rights Report 2024 (the 2025 report will be published in Q2 2026)</p>

Supplements template

Principle 2: Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Impact Analysis

Show how your bank has identified, prioritized and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target-setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include assessment of the relevance of the four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector](#), as part of its initial or ongoing impact analysis.

Links & references

[Annual Report 2025](#): Our impact materiality assessment is presented on p. 52.

Response

To assess impact in the Group's downstream value chain, we made use of UNEP FIs Portfolio Impact Analysis Tools for lending and investments and its ESRS interoperability package to ensure CSRD compliance.

The ESRS Conversion tool helped us translate output from the UNEP FI impact tools into ESRS sustainability topics and define materiality. For the 2025 impact materiality assessment, we updated our impact materiality assessment of our lending portfolio using the updated PRB ESRS conversion tool.

The assessment covers our lending activities within the business units: Personal Customers (PC), Business Customers (BC), Large Corporates & Institutions (LC&I) and Northern Bank (NB) within the Nordic countries and UK, covering around DKK 1672bn (~94%) of our total lending activities.

Within our asset management investments activities, the analysis covers around DKK 417bn (~57%) of the total assets under management (AUM), covering listed equity and corporate bonds investments, which are the asset classes of which the PRB tool has identified negative associations. The analysis of Life Insurance and Pension activities (Danica) is based on around DKK 158 bn (~34%) of the total assets under management (AUM), covering listed equity investments, which make up around 72% of the investments with negative associations.

The assessment happened through a three-step process in which we used three different modules:

1. Context Module
2. Identification Modules
3. ESRS Conversion Module

- 1) The **Context Module** enabled us to understand the environmental, social and economic context of the countries and locations in which the Group operates. We performed a context and country needs assessment for the Group based on statistics and policy documents. In our downstream value chain impact analysis, we focused our context analysis on the Nordic countries of Denmark, Sweden, Norway and Finland as well as the UK. For each country, we reviewed the

results of the prefilled statistical scoring and provided country-specific policy evidence to support additional political focus areas in cases where the statistical data did not rightfully reflect the political status of the respective country.

- 2) The **Identification Modules** enabled us to understand the environmental, social and economic impacts (positive and negative) associated with a given portfolio in order to identify the portfolio's most significant impact areas. The imported results of the Context Module acted as a foundation for the Identification Modules, which were available for consumer banking, institutional banking, and investment portfolios. The assessment is based on 2023 EoY exposure data, as the sector exposures has not significantly changed.

Consumer Banking:

Balance sheet exposure towards personal customers including personal customers in Northern Bank corresponding to ~45% of our total loan exposure.

This exposure is divided by country, with Denmark accounting for ~60%, Finland ~11%, Norway ~14%, Sweden ~12%, and the UK ~3%.

Institutional Banking – Large Corporates & Institutions (LC&I)

Balance sheets exposures towards LC&I customers, corresponding to ~17% of our total loan exposure.

This exposure is divided by country with Denmark accounting for ~30%, Finland ~11%, Norway ~15% and Sweden ~29%.

Institutional Banking – Business Customers

Balance sheets exposures towards business customers, corresponding to ~38% of our total loan exposure.

This exposure is divided by country with Denmark accounting for ~56%, Finland ~11%, Norway ~9%, Sweden ~19%, and the UK ~5%.

Investment Portfolio – Danica, Life Insurance and Pension

Our analysis focus on listed equities, accounting for ~34% of total AuM.

Investment Portfolio – LC&I, Asset Management

Analysis focus on listed equities and corporate bonds, accounting for ~57% of total AuM.

- 3) The **ESRS Conversion tool** helped us translate output from the impact tools into ESRS sustainability topics and to define significance. The conversion tool translated the UNEP FI tool's results into significant ESRS topics. The ESRS conversion tool for investments has not yet been fully developed by PRB. While waiting for the completion of the conversion tool, we manually replicated the materiality assessment criteria from the banking tools.

It is important to highlight that the PRB tool *indicates significance* rather than concluding materiality. These findings are hence integral to an aggregated assessment and should be considered as a quantitative input, highlighting potential material ESRS topics for the Group.

A consolidated overview of the material IROs from the impact and financial materiality assessments was presented to and discussed with the Executive Leadership Team. The Executive Leadership Team's approval reflects integration of management oversight and strategic input into the decision-making process.

