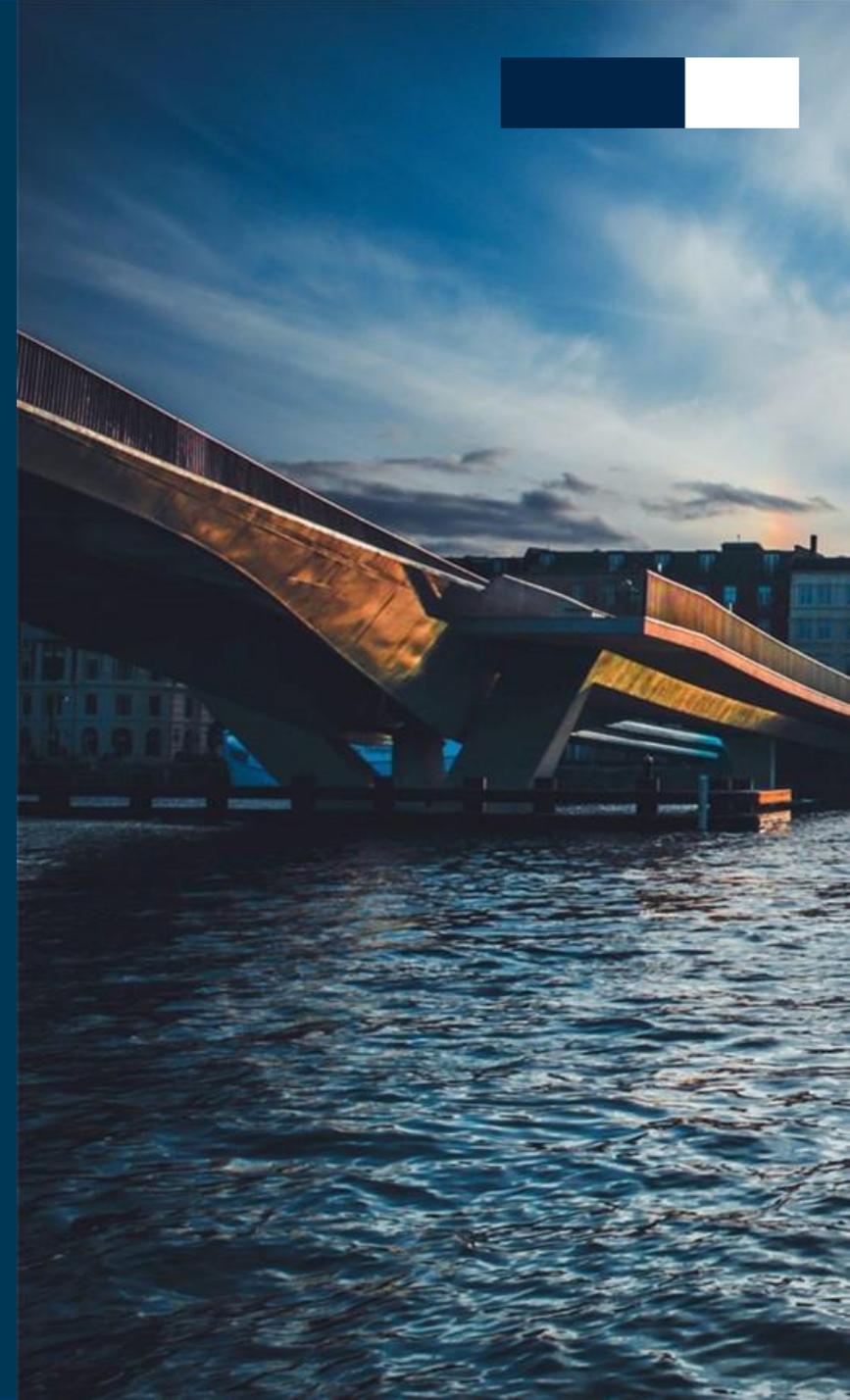


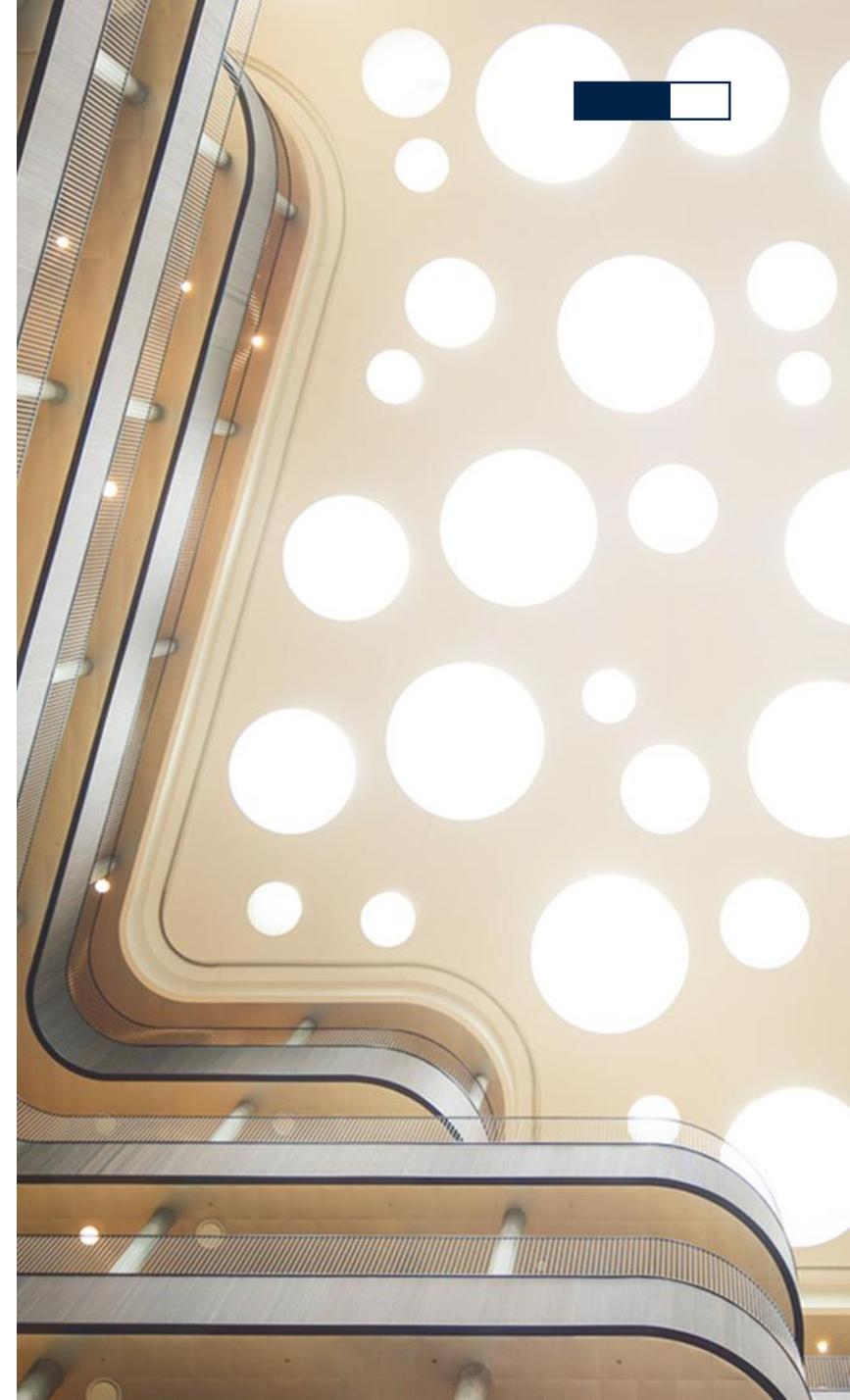
# Financial results Q4 2025

Investor Presentation



# Contents

Danske Bank – brief overview	<b>03 - 11</b>
Financial highlights	<b>11 - 17</b>
Business & Product Units	<b>18 - 23</b>
Credit Quality & Impairments	<b>24 - 31</b>
Capital	<b>32 - 35</b>
Funding & Liquidity	<b>36 - 40</b>
ESG, Sustainability, Financial Crime Prevention	<b>41 - 53</b>
Credit & ESG Ratings	<b>54 - 58</b>
Tax & Material one-offs	<b>59 - 62</b>
Contact info	<b>62</b>



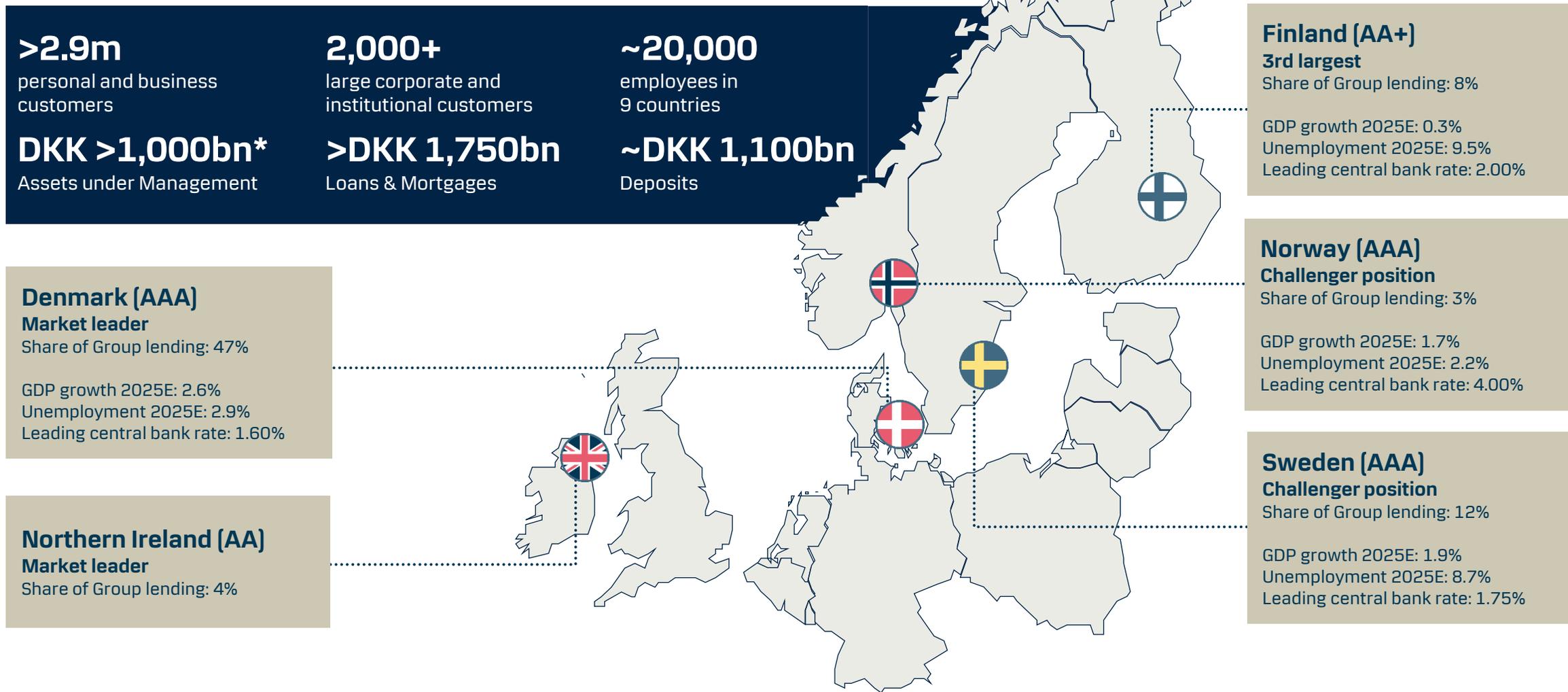


# **Danske Bank**

## **- a brief overview**



# We are a focused Nordic bank with strong regional roots



Note: Share of Group lending is before loan impairment charges and excludes Large Corporates & Institutions (19%), Asset Finance (3%) and Global Private Banking (4%)  
\* Asset Management in LC&I.



# Nordic Outlook December 2025: Volatile politics, steady economies

## Denmark

	2024	Forecast 2025	Forecast 2026	Forecast 2027
<b>GDP Growth</b>	3.5%	2.6% [1.8%]	2.7% [2.3%]	2.1%
<b>Inflation</b>	1.4%	1.9% [1.9%]	1.1% [1.2%]	1.8%
<b>Unemployment</b>	2.9%	2.9% [2.9%]	3.0% [3.0%]	3.0%
<b>Policy rate*</b> (Current: 1.60%)	2.60%	1.60% [1.10%]	1.60% [1.10%]	1.60%
<b>House prices</b>	4.7%	5.9% [5.2%]	6.3% [3.6%]	3.7%

Source: Danske Bank, Statistics Denmark, Nationalbanken

## Sweden

	2024	Forecast 2025	Forecast 2026	Forecast 2027
<b>GDP Growth</b>	0.9%	1.9% [1.1%]	2.6% [2.0%]	2.4%
<b>Inflation</b>	1.9%	2.8% [2.7%]	1.6% [2.1%]	2.0%
<b>Unemployment</b>	8.4%	8.7% [8.7%]	8.3% [8.4%]	7.5%
<b>Policy rate*</b> (Current: 1.75%)	2.75%	1.75% [1.75%]	2.00% [1.75%]	2.25%
<b>House prices</b>	2.1%	1.2% [0.4%]	5.3% [3.0%]	4.2%

Source: Danske Bank, Statistics Sweden, Riksbanken

## Norway

	2024	Forecast 2025	Forecast 2026	Forecast 2027
<b>GDP Growth</b>	0.6%	1.7% [1.9%]	1.6% [1.6%]	1.6%
<b>Inflation</b>	3.1%	3.1% [2.7%]	2.2% [2.3%]	2.4%
<b>Unemployment</b>	2.0%	2.2% [2.2%]	2.3% [2.3%]	2.3%
<b>Policy rate*</b> (Current: 4.00%)	4.50%	4.00% [3.75%]	3.00% [3.25%]	3.0%
<b>House prices</b>	3.0%	6.0% [6.5%]	7.0% [5.5%]	6.0%

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

Parentheses are the previous projections (From September 2025)

\*End of period

## Finland

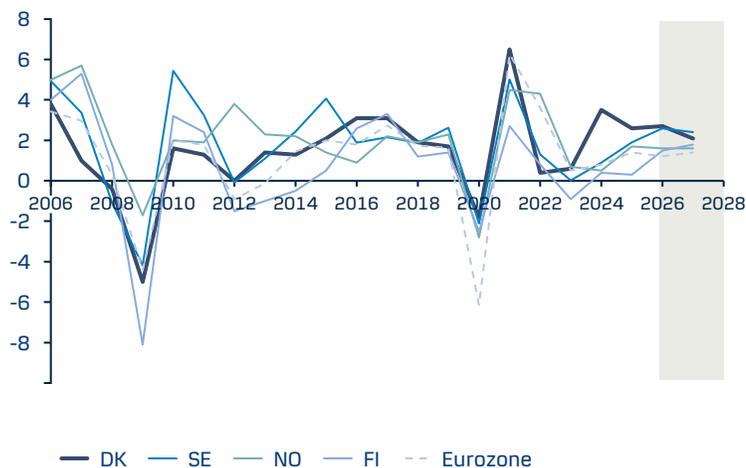
	2024	Forecast 2025	Forecast 2026	Forecast 2027
<b>GDP Growth</b>	0.4%	0.3% [0.9%]	1.5% [2.0%]	1.8%
<b>Inflation</b>	1.6%	0.5% [0.4%]	1.4% [1.2%]	1.8%
<b>Unemployment</b>	8.4%	9.5% [9.1%]	9.3% [8.7%]	8.7%
<b>Policy rate*</b> (Current: 2.00%)	3.00%	2.0% [2.0%]	2.0% [2.0%]	2.0%
<b>House prices</b>	-3.3%	-1.5% [1.0%]	0.8% [3.0%]	2.5%

Source: Danske Bank, Statistics Finland, EKP

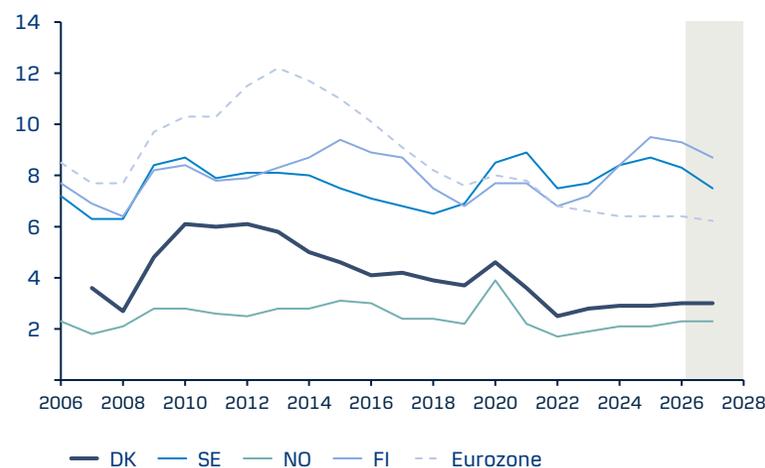


# Macroeconomic development and outlook in the Nordics

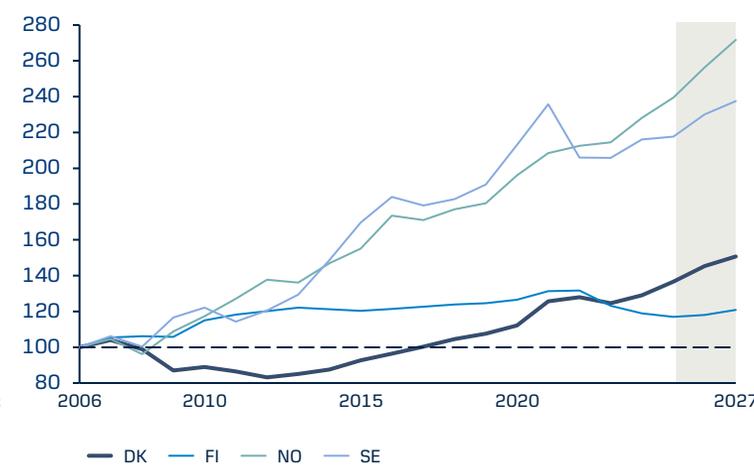
## GDP development (%)



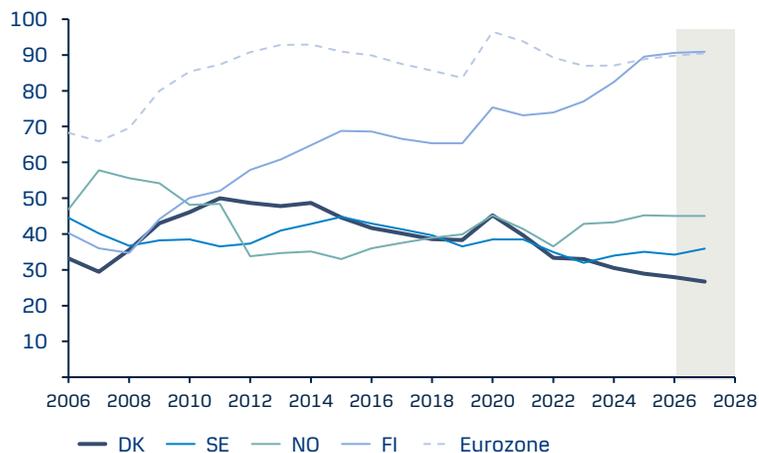
## Unemployment (%)



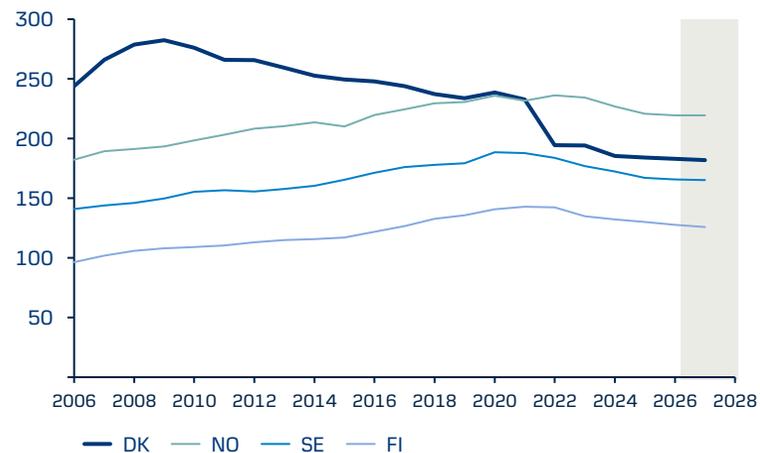
## House prices (index 100=2006)



## Debt to GDP (%)



## Household debt (% of disp. income)



## Household interest (% of disp. income)





# Forward '28 - Our commitments

## Growth in focus segments

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

## Disciplined capital return & cost

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

## Strong capital generation & low risk

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

## Strategic KPIs for '26

Personal Customers	Number of meetings per advisor (Index: 2023 = 100)	163
	Net new customer in growth segments*	40k
	Customer satisfaction with Mobile Bank	8.5
Business Customers	Annual growth in Daily Banking fees in BC	5%
	Credit cases with automatic decisioning	50%
	Increase in customers highly satisfied with advisory**	+15%
LC&I	Number of new customers outside Denmark**	40
	Annual growth in Daily Banking fees in BC & LC&I	5%
	Market share in Capital Markets advisory fees	10.5%

## Financial targets for '26

# 13%

## Return on Equity

### >16% CET1

### ~45% Cost to Income

## Capital distribution

- Dividend potential from 2023-26 of above DKK 50 bn
- Ambition for further distribution - subject to capital position and market conditions

## Increased investments

- Increase yearly digital and tech investments by DKK 1 bn

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

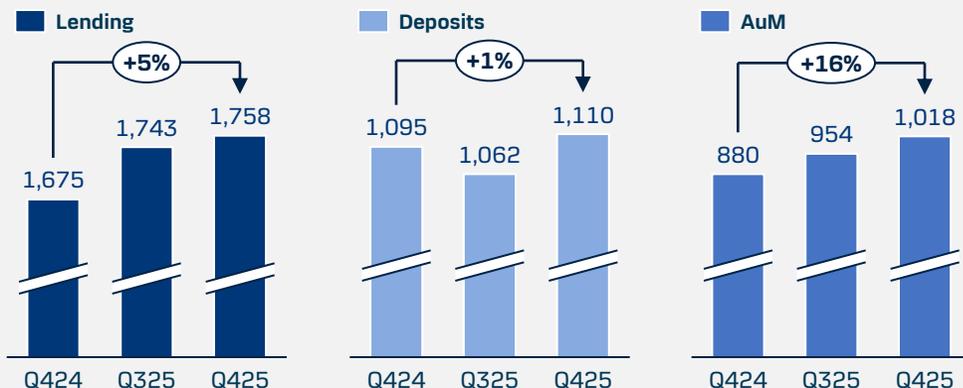


# Highlights: Financial performance underpinned by record-high core banking income, driven by strategy execution and continued business momentum

## Commercial highlights

- Beneficial operating environment and macro backdrop in the Nordics underpin financial performance and net profit outlook for 2026
- Solid financial performance with net profit of DKK 23.0bn reflects record-high core income, disciplined cost management and sustained strong credit quality
- Commercial momentum driven by growth in lending volumes from expanded corporate customer base and growing market shares\* across the Nordics, as well as higher AuM and investment activities
- Launch of new SBB programme of DKK 4.5bn along with 60% ordinary dividend and ~20% extraordinary dividend, taking total DPS to DKK 22.7\*\* and total 2025 distribution to 100%

Group lending, deposits and AuM (DKK bn)



**Net profit 2025**  
DKK 23.0bn - ROE 13.3%

F'28 target for 2026: 13%

### Commercial momentum

Increase in business volumes from strong corporate activity

**Cost/income 45.5%**

Reflecting continued cost discipline

F'28 target for 2026 : ~45%

### Strong credit quality

Loan loss ratio of 2bps

Prudent macro scenarios and PMA buffer ~30bps

### Solid capital position & 100% distribution

CET1 capital ratio of 17.6% fully phased-in (+280bps above requirement)

### 2026 Net profit outlook

**DKK 22 - 24bn**

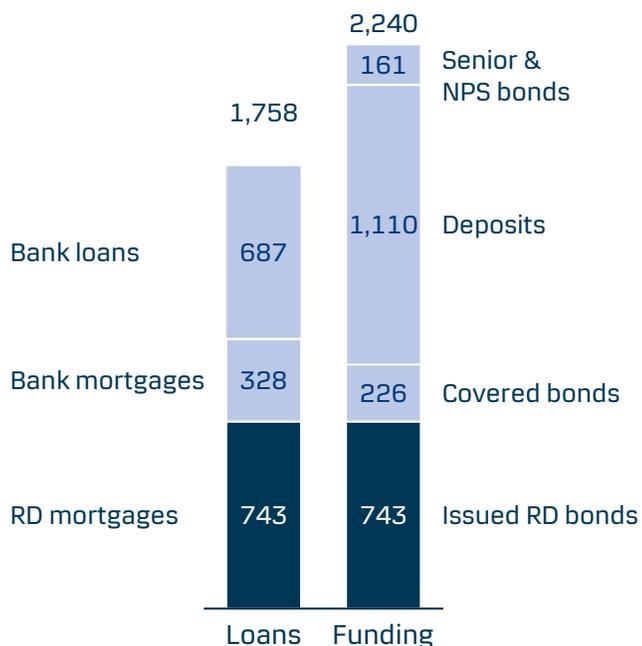
\*Non-financial corporates, Source: Central bank lending market shares. \*\* Subject to AGM decision.



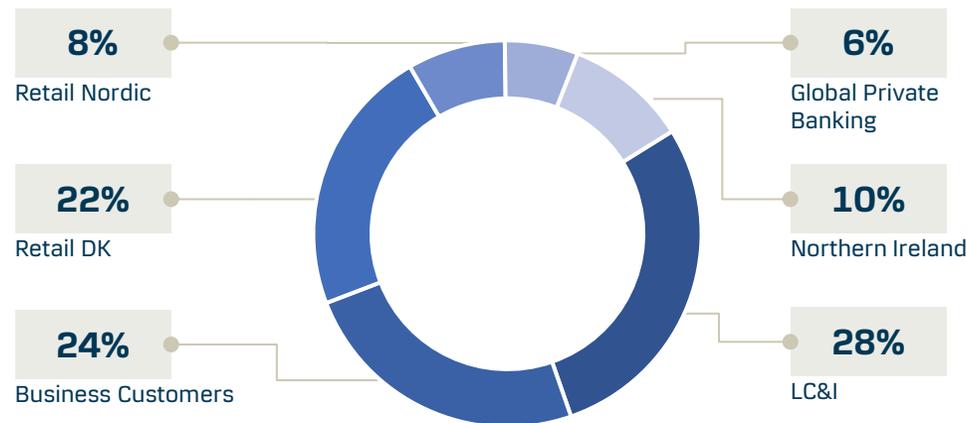
# Danske Bank's strong and liquid balance sheet underpins our resilient business model

- Danske Bank has a sound funding structure and remains very well capitalised with a prudent CET1 capital buffer to the current regulatory requirements. Further, our liquidity is underpinned by a significant cash position and a liquidity coverage ratio (LCR) of 156%, well above minimum requirements
- Diversified and solid deposit mix that includes a retail base where the majority is covered by the Nordic guarantee schemes. Fully-funded pass-through mortgage structure in Denmark provides a structural deposit surplus
- Long-Term wholesale funding: For 2025, we issued around DKK 91 billion. For 2026, our funding plan is 90 -110bn

## Sound funding structure (DKK bn)

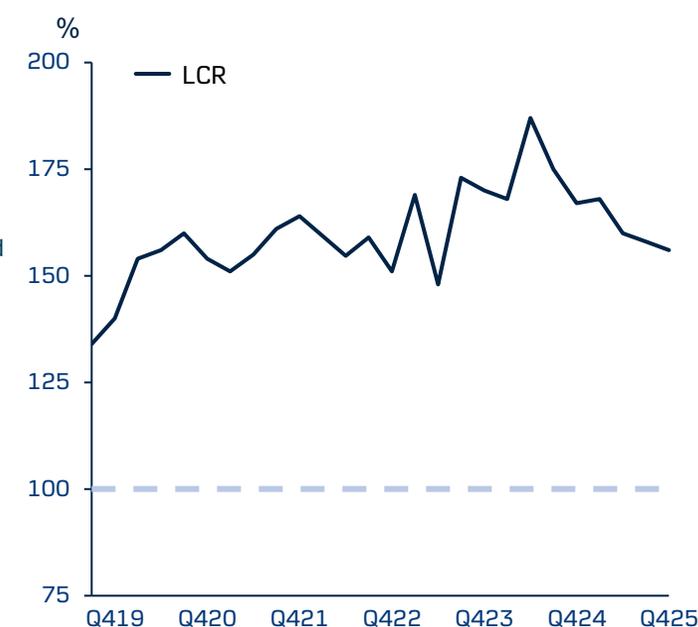


## Diversified and stable deposit base



	2022	2023	2024	2025
<b>Total bank deposits (DKK bn)</b>	1,172	1,140	1,095	1,110
<b>of which Stable deposits*</b>	388	373	363	354
<b>of which Operational deposits*</b>	319	307	299	294
<b>Stable &amp; Operational, % of bank deposits</b>	60%	60%	60%	58%

## Strong liquidity position



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



# Our **strategic approach to sustainability** enables us to capture commercial opportunities, while also managing risks and impacts

## Our strategic ambition

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

## Our strategic focus areas

*Create lasting value for our customers, business and society*



**Support our customers in their transition**

**Ensure a robust and resilient bank**

**Manage our societal impact**

## Our prioritised sustainability agendas



**Climate change**

*Supporting the transition towards Net Zero*



**Nature & biodiversity**

*Supporting the protection of nature and ecosystems*



**Human rights & social impact**

*Supporting the protection of human rights*

## Driving sustainability in our core business areas



**Lending & financing**



**Asset management**



**Life insurance & pension**



**Operations & supply chain**



# Financial highlights



# Solid financial performance driven by income trajectory and cost management

## Highlights

- FY/FY: Total income supported by resilient NII and record fee income. Trading income reflects higher customer activity while insurance business was affected by one-offs
- Q4/Q3: NII up 2% excluding DKK 0.2bn tax-related contribution. Significant fee income growth from record-high performance fee income and sustained uplift in daily banking fee income. Trading income impacted by seasonality and lower fixed income activity. Net income from insurance business impacted by net DKK -0.2bn following model recalibration
- Continued cost management and structural takeouts related to normalisation of financial crime plan and lower resolution fund fee. Q/Q seasonality related to performance compensation and severance
- Strong credit quality and well-provisioned portfolio leading to PMA reversals and sustained low level of impairments

## Income statement (DKK m)

	2025	2024	Index	Q4 25	Q3 25	Index
Net interest income	36,611	36,697	100	9,453	9,074	104
Net fee income	15,423	14,912	103	4,855	3,502	139
Net trading income	2,872	2,668	108	510	626	81
Net income from insurance business	1,357	1,387	98	260	382	68
Other income	577	741	78	149	111	134
<b>Total income</b>	<b>56,840</b>	<b>56,405</b>	<b>101</b>	<b>15,228</b>	<b>13,696</b>	<b>111</b>
Operating expenses	25,848	25,736	100	6,858	6,320	109
<b>Profit before loan impairments</b>	<b>30,992</b>	<b>30,669</b>	<b>101</b>	<b>8,370</b>	<b>7,376</b>	<b>113</b>
Loan impairment charges	294	-543	-	35	-8	-
<b>Profit before tax</b>	<b>30,699</b>	<b>31,212</b>	<b>98</b>	<b>8,334</b>	<b>7,384</b>	<b>113</b>
Tax	7,662	7,583	101	2,028	1,864	109
<b>Net profit</b>	<b>23,037</b>	<b>23,629</b>	<b>97</b>	<b>6,307</b>	<b>5,520</b>	<b>114</b>

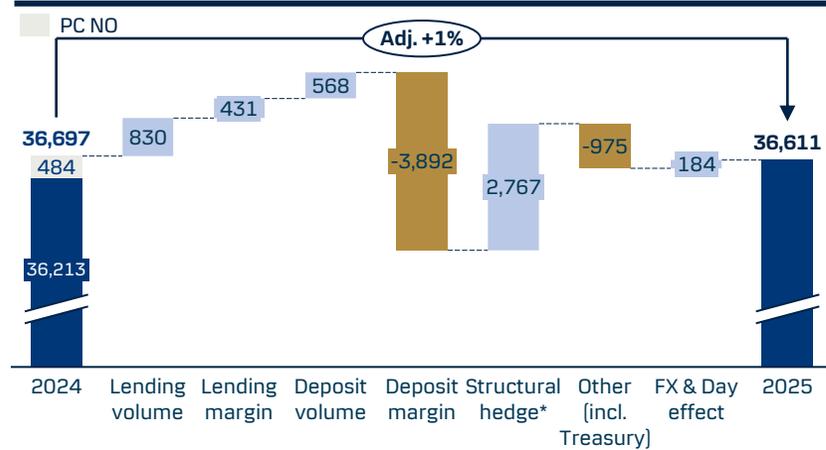


# NII: Resilient NII underpinned by continued growth in volumes and stability derived from structural hedge

## Highlights

- NII stability Y/Y from growing business volumes and structural hedge contribution offsetting impact of lower Central Bank rates and PC Norway income
- Steadily improving trend throughout 2025 highlights positive trajectory as growing lending and deposit volumes along with hedge more than mitigated impact of H1 rate cuts on deposit margins and yield on shareholders' equity
- The bond structural hedge notional grew to circa DKK 180 bn as at Q4 2025 (Q3: DKK ~170bn)
- Q/Q highlights resilient trajectory of NII and was further supported by DKK 0.2bn tax-related benefit as well as other business-related interest items
- NII sensitivity unchanged:  
Year 1: DKK +450m/-650m (per 25bps move up/down). Additional impact in year 2 and 3 of DKK (+/-)300m and DKK (+/-)100m, respectively, all else equal

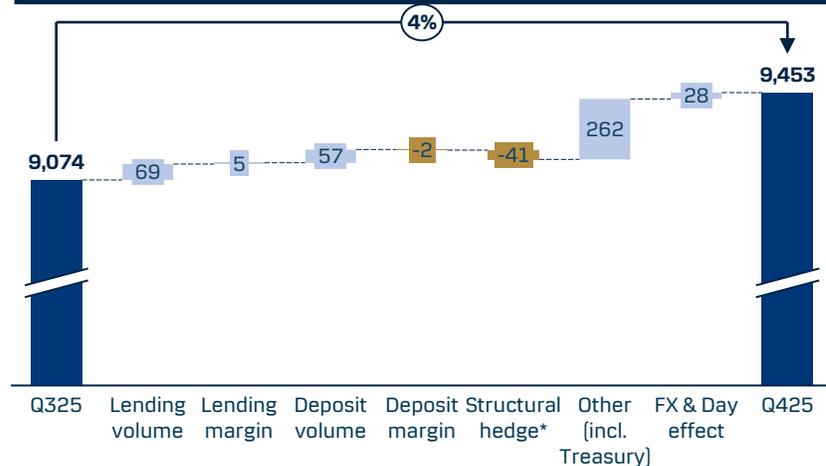
NII 2025 vs 2024 (DKK m)



Deposit margin development\*\* (%)



NII Q425 vs Q325 (DKK m)



Lending margin development\*\* (%)



\* Structural hedge income includes benefits from our bond portfolio and fixed rate assets, net of the development in the yield on shareholders' equity at Danske Bank A/S.

\*\*Margin development trends are the annualised net interest income on lending/deposits as a percentage of average lending/deposits for the period. They include effects from FX, volumes and other interest-related items, incl. structural hedge

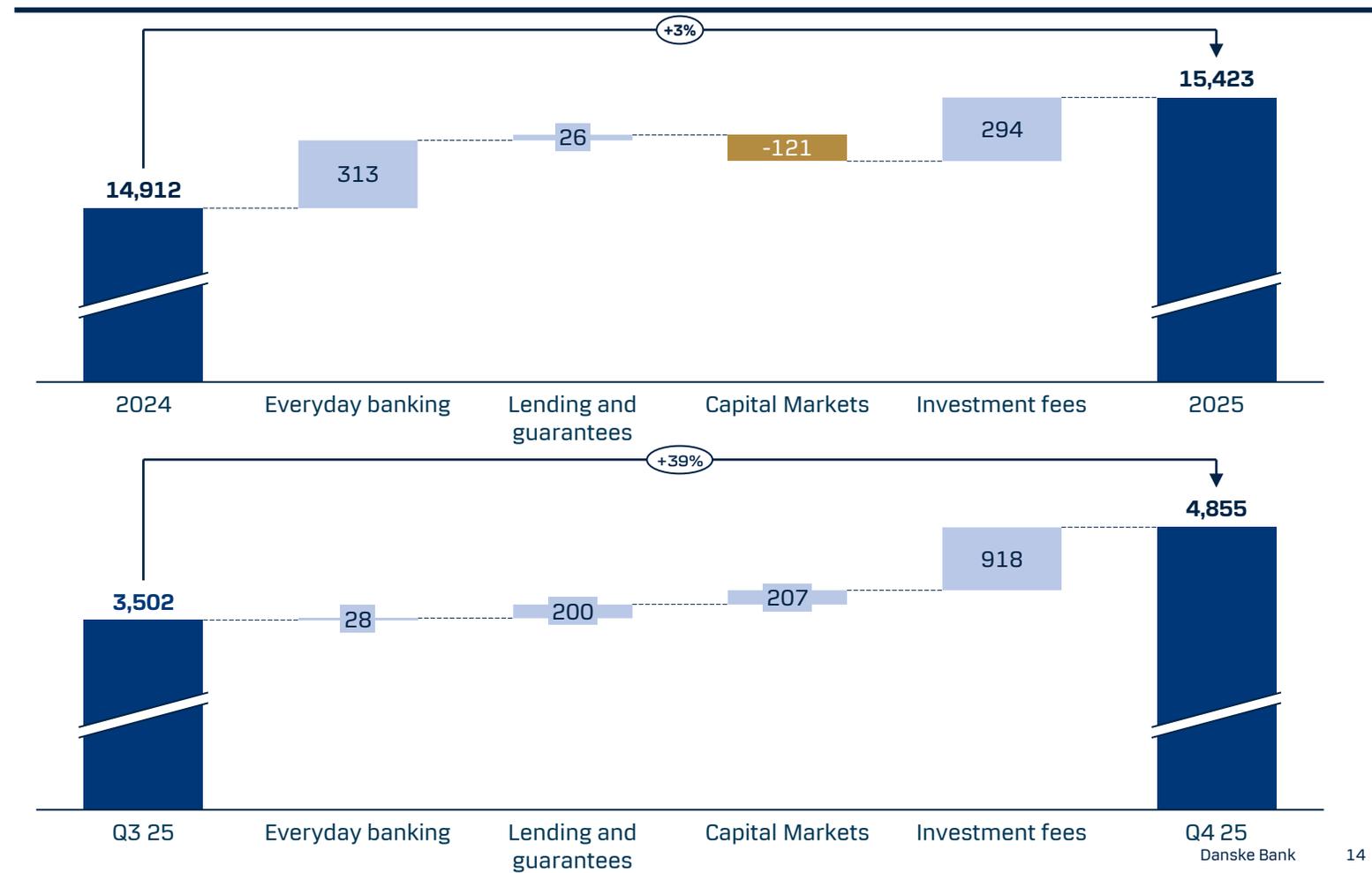


# Fee income: Record fee income driven by strong performance in Asset Management and corporate activity

## Highlights

- Everyday banking fees (e.g. transfers, accounts)**
  - Sustained high customer activity and good demand for our cash management solutions and house bank solutions for corporate customers
- Lending and guarantee fees**
  - Continued solid corporate credit demand both Q/Q and Y/Y, as well as solid refinancing activity for adjustable-rate mortgages in Q4 at Realkredit Danmark
- Capital markets fees**
  - Primary markets volatility through the year partially offset by solid DCM activity; muted ECM but rebound in Q4 driven by Ørsted's rights issue and a pick-up in the Swedish IPO market
- Investment fees**
  - Y/Y: All time high AuM (DKK 1.018bn, +16% Y/Y) driven by growing market share for Danske Invest, strong inflow across segments and improved market conditions
  - Q/Q: Record high performance fees (DKK 909m in Q4, +40% relative to Q4-24) primarily driven by investment performance

Net fee income (DKK m)





# Trading income: Slightly lower customer activity and impact of valuation adjustments

## Highlights

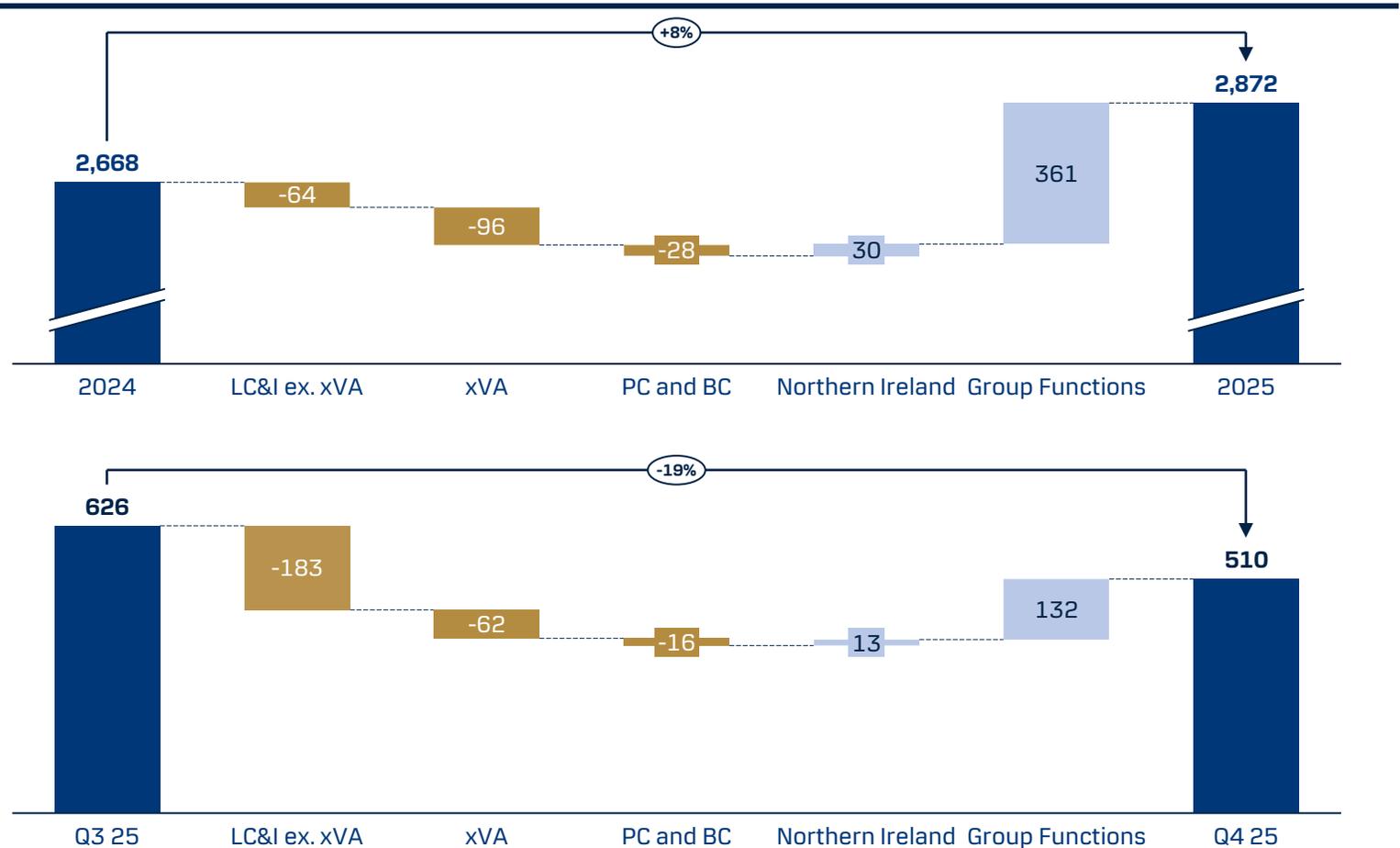
### LC&I

- Y/Y: Stable development as robust customer activity in Fixed Income & Currencies business helped to partially offset lower activity in Equities Sales and Trading
- Q/Q: Seasonality and lower activity in secondary fixed income markets affected the quarter

### Group Functions

- Increase primarily driven by value adjustments in Treasury related to cross-currency swaps and market value adjustments related to interest rate risk management

Net trading income (DKK m)



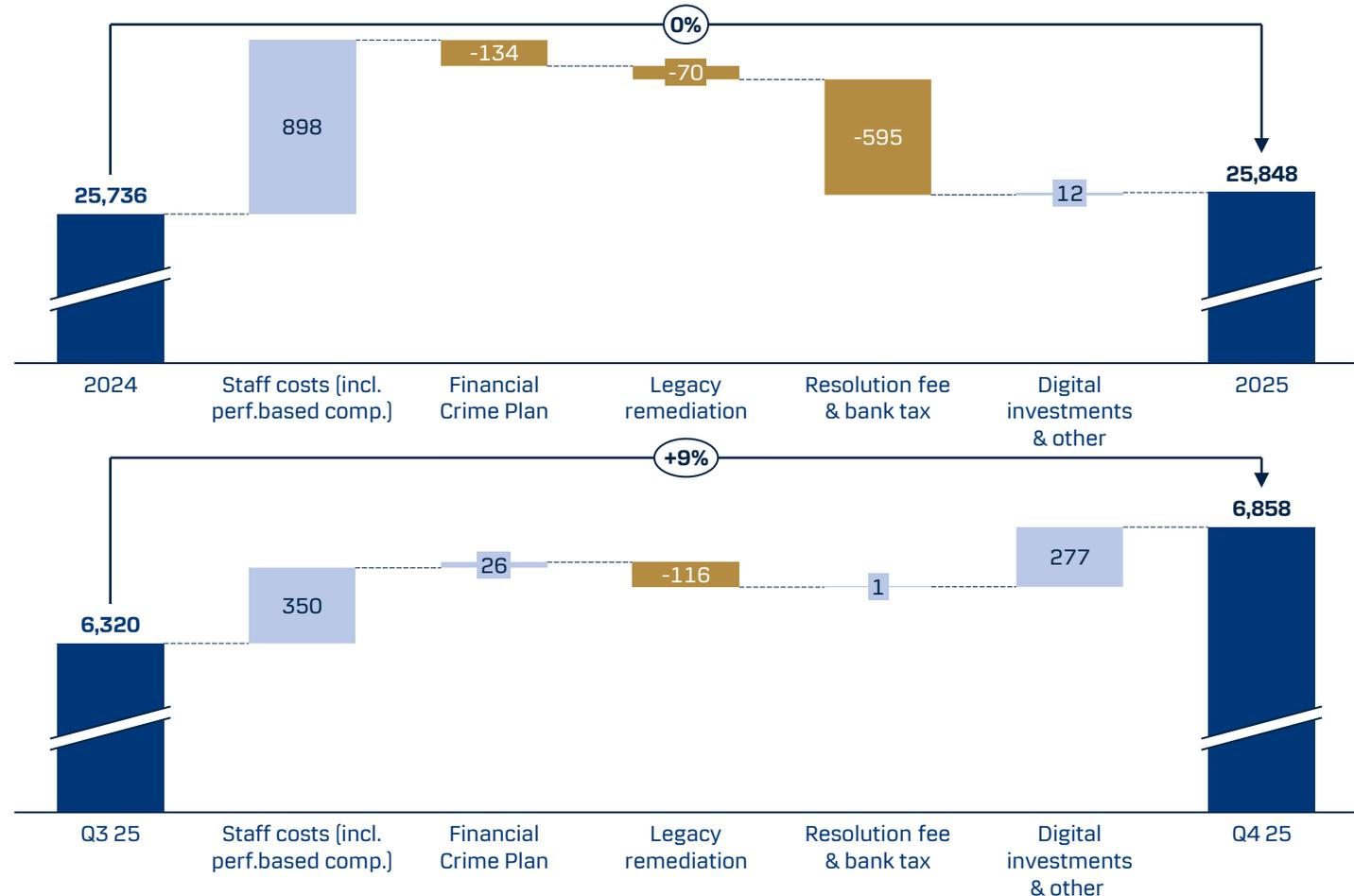


# Expenses: 2025 costs in line with full-year guidance

## Highlights

- FY/FY: Flat cost development as higher staff costs, performance-based compensation and investments were offset by lower FCRP costs, lower remediation costs and lower resolution fund payments as planned
- Q/Q: As guided, costs were higher due to year-end seasonality and investments
- Q/Q: Group FTE's down by ~200 as we continue to simplify and improve efficiency, which also drove higher severance costs in the quarter. Cost/income ratio for 2025 stands at 45.5%
- FY2026 cost outlook in the range of DKK 26 - 26.5 billion and C/I ratio of ~45%

## Expenses (DKK m)





# Financial outlook for 2026

## Income

We expect **total income** to be around DKK 58 billion driven by growing core banking income and our continued efforts to drive commercial momentum and growth in line with our financial targets for 2026

Income from trading and insurance activities remains subject to financial market conditions

## Expenses

We expect **operating expenses** in the range of DKK 26 - 26.5 billion in 2026, reflecting our growth ambitions and continued investment spend alongside a sustained focus on cost management

**Cost/Income** ratio expected to be ~45% in line with target for 2026

## Impairments

**Loan impairment charges** expected to be around DKK 1 billion, below our normalized loan loss ratio of ~8bps, as a result of continued strong credit quality

## Net profit \*

We expect **net profit** to be in the range of DKK 22 - 24 billion, reflecting a Return on Equity above our 2026 ambition of 13%

\* Note - The outlook is subject to uncertainty and depends on volume growth and financial markets/macro-economic conditions



# **Business & Product Units**

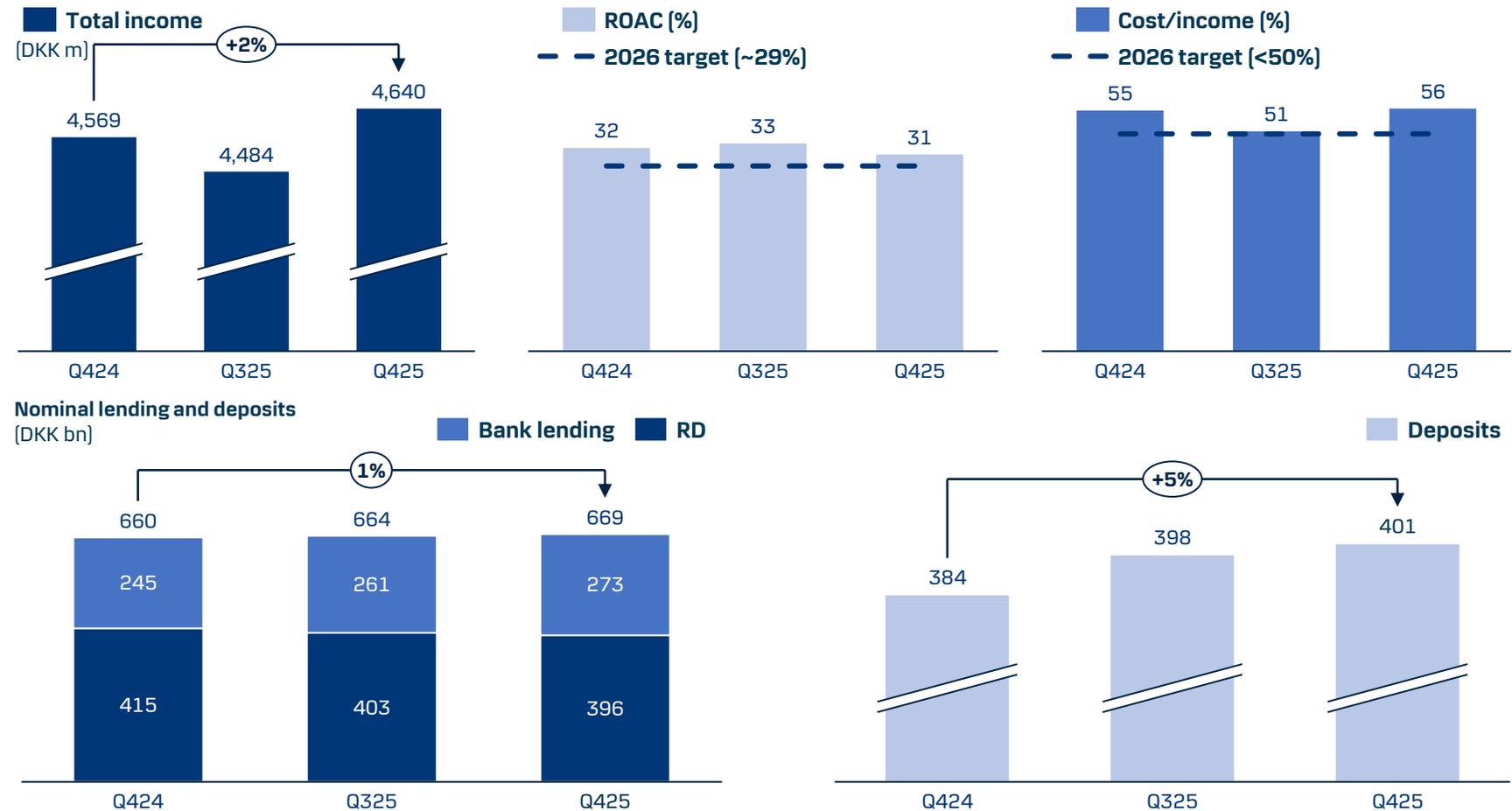


# Personal Customers: Financial performance supported by improving volumes and good customer activity

## Highlights

- Q425/Q424 total income increase of 2% as NII stability was supplemented by higher fee income. ROAC remained above target as seasonally high costs were mitigated by sustained low impairments
- Q425/Q325 income driven by higher NII from increasing bank lending and strong deposits. Fee income increased 14%, driven by Q4 refinancing activity and investment fee income
- Growing volumes across Nordic countries and within private banking, incl. growth in DK bank home lending exceeding decrease in Realkredit Danmark lending volumes
- Sustained momentum in Private Banking, with continued inflow of customers and record-high AuM underpinning market share gains

## Financial performance KPIs





# Business Customers: Sustained commercial momentum supported by expanding customer base and strong growth in business volumes

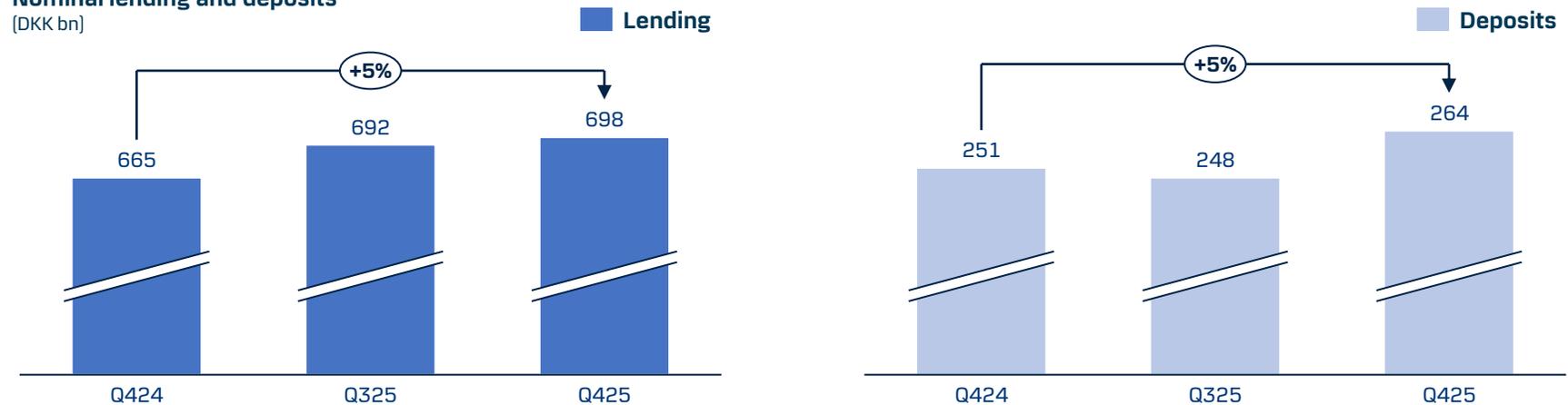
## Highlights

- Q425/Q424 total income up 8%, driven by 10% higher NII and 5% higher fee income, underpinning profitability and a C/I ratio in line with target. ROAC further supported by reversals of impairments
- Q425/Q325 total income up 5%, with NII growing 3% on the back of higher volumes. Fee income 11% higher driven by financing activity and everyday banking fee income
- Total lending up 5% Y/Y, as improved credit demand and a growing customer base led to increasing market shares across all Nordic countries
- Deposits increased 5% and remain elevated, driven by advisory banking customer segment and cash management volumes, particularly in Sweden and Denmark

## Financial performance KPIs



## Nominal lending and deposits (DKK bn)



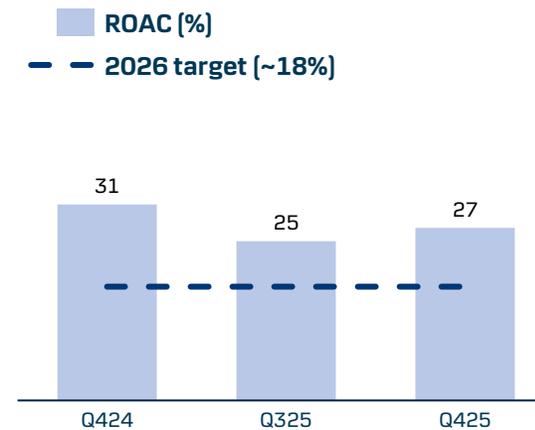
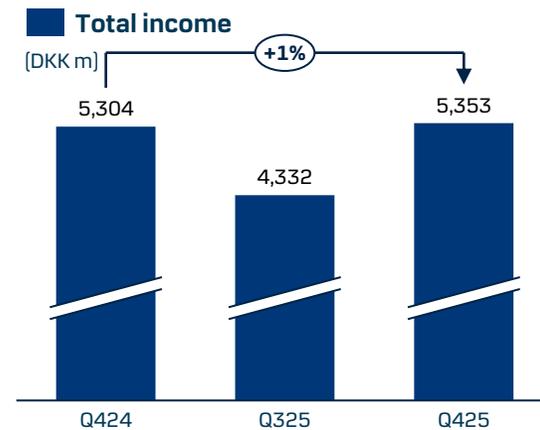


# Large Corporates & Institutions: Record-high total income driven by corporate lending activity and fees from Asset Management

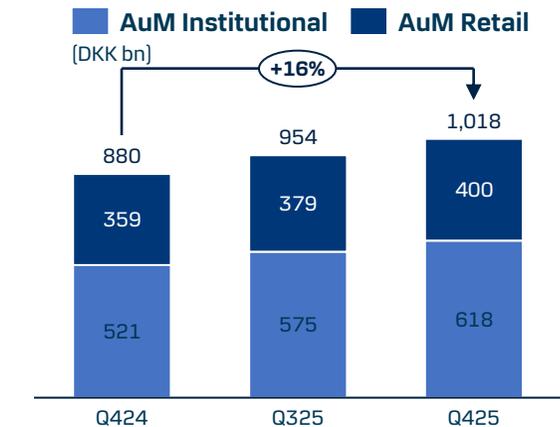
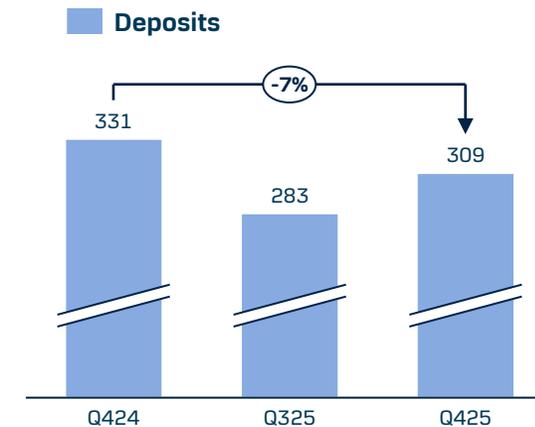
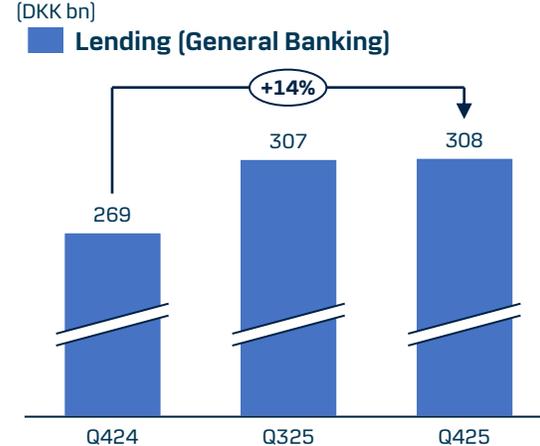
## Highlights

- Total income up 24% Q/Q, driven by NII from strong lending growth and very strong fee income driven by everyday banking fees and record performance fee income in Asset Management
- ROAC was impacted by lower profit before tax due to higher loan impairments
- Cost/income ratio stable and remains better than target
- Sustained strong lending growth (+14% Y/Y), driven by corporate customers in Sweden and Denmark. Fluctuations in deposits mostly related to corporate M&A activity
- Strong performance in Asset Management and improved market share for Danske Invest
- AuM up (+16% Y/Y), leading to record-high AuM driven by strong net sales and strong investment performance

## Financial performance KPIs



### Nominal lending and deposits



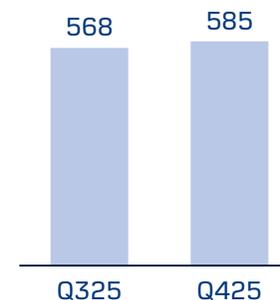


# Business units: Strong business momentum in Northern Ireland; continued focus to improve Health and Accident business at Danica

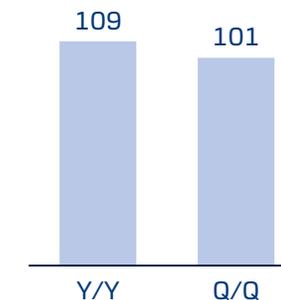
## Northern Ireland

- In Northern Ireland, we have grown our customer numbers and market share, welcoming over 14,000 new personal current account customers. In business and corporate banking, we welcomed over 1,700 new customers
- Profit before tax increased to DKK 2,271 million, 13% higher than in 2024, driven by growth in residential mortgage and corporate banking alongside cost control and strong credit quality
- The fourth quarter of 2025 saw profit before tax of DKK 666 million compared to DKK 495 million in Q32025

Profit before imp. (DKK m)



Lending (index)



## Danica

- Net income at Danica decreased to DKK 260 million from DKK 382 million in Q3 2025 due to lower insurance service result, primarily the result of the health and accident business
- The result of the health and accident business was a loss of DKK 591 million in the fourth quarter of 2025 compared to a loss of DKK 71m in Q32025
- 2025 included a one-off loss of a net DKK 200 million resulting from changes to data and models relating to the health and accident business
- The net financial result increased in the fourth quarter of 2025 and amounted to DKK 679 million compared to DKK 125 in Q32025, due to a more positive development in the investment results

Result Q325 vs Q425 (DKK m)



■ Net income



■ Gross Premiums



# Realkredit Danmark portfolio overview: Continued strong credit quality

## Highlights

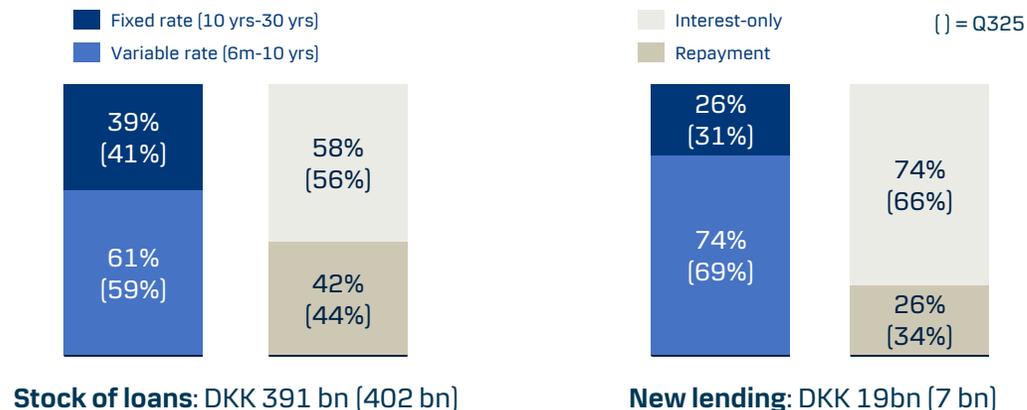
**Portfolio facts, Realkredit Danmark, Q425**

- Approx. 274,000 loans (residential and commercial)
- Average LTV ratio of 49% (46% for retail, 52% for commercial)
- We comply with all five requirements of the supervisory diamond for Danish mortgage credit institutions
- 557 loans in 3- and 6-month arrears (Q325: 600)
- 8 repossessed properties (Q325: 8)
- Around 1% of the loan portfolio has an LTV above 80%
- DKK 4bn of the loan portfolio is covered by government guarantee

**LTV ratio limit at origination (legal requirement)**

- Residential: 80%
- Commercial: 60%

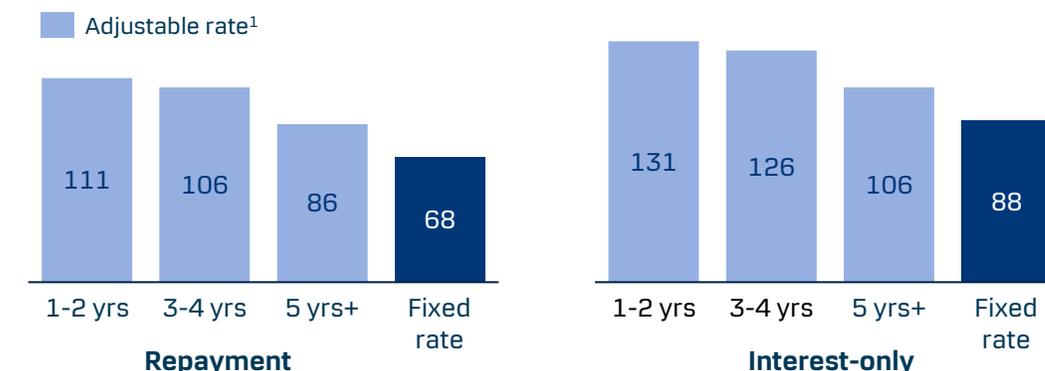
## Retail loans, Realkredit Danmark, Q425 (%)



## Total RD loan portfolio of FlexLån® F1-F4



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



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



# Credit quality & Impairments

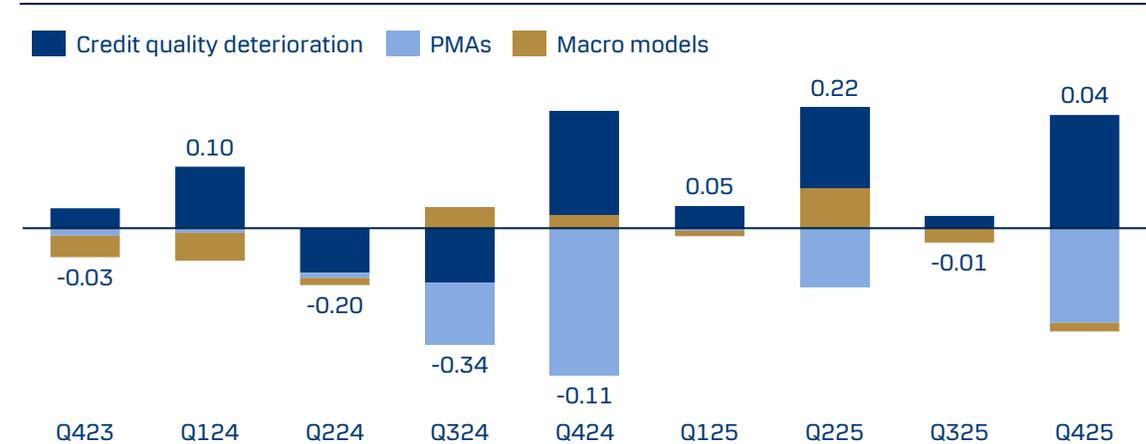


# Asset quality: Strong credit quality drives below-cycle level of impairments; prudent macro scenarios and PMA reversals

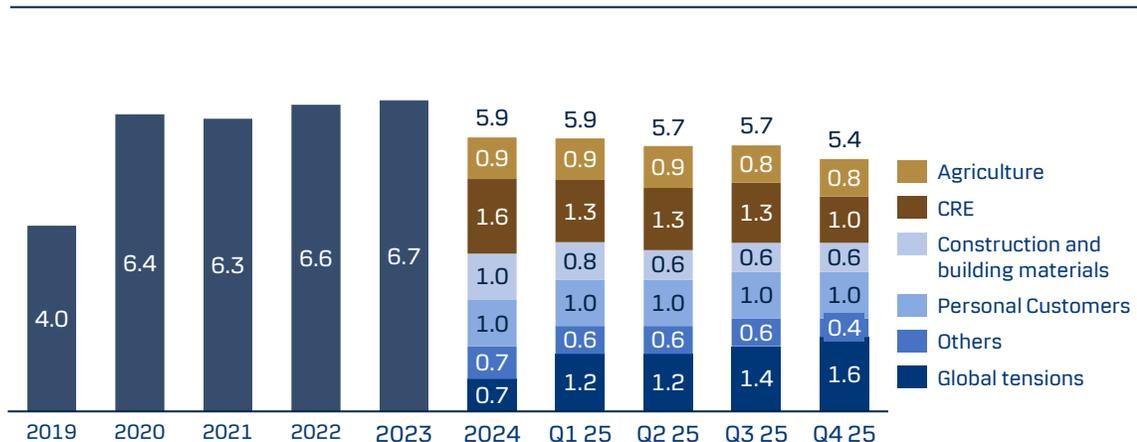
## Highlights

- Strong credit quality and few single-name impairments offset by workout cases and releases of PMAs led to a DKK 35m impairment charge in Q4. Full-year impairments of DKK 294m highlight below-cycle loan loss level of 2 bps
- Macroeconomic charges remain modest. Scenarios continue to reflect ongoing tariff and trade tensions to capture a severe and prolonged adverse impact
- PMA buffer led to net DKK 0.3bn in releases primarily driven by CRE while the buffer related to global tension was further bolstered, underpinning our prudent approach

## Impairment charges by category (DKK bn)



## Post-model adjustments (DKK bn)



## Allowance account by stages (DKK bn)





# IFRS9 macro scenarios: Prudently capturing a severe downside scenario

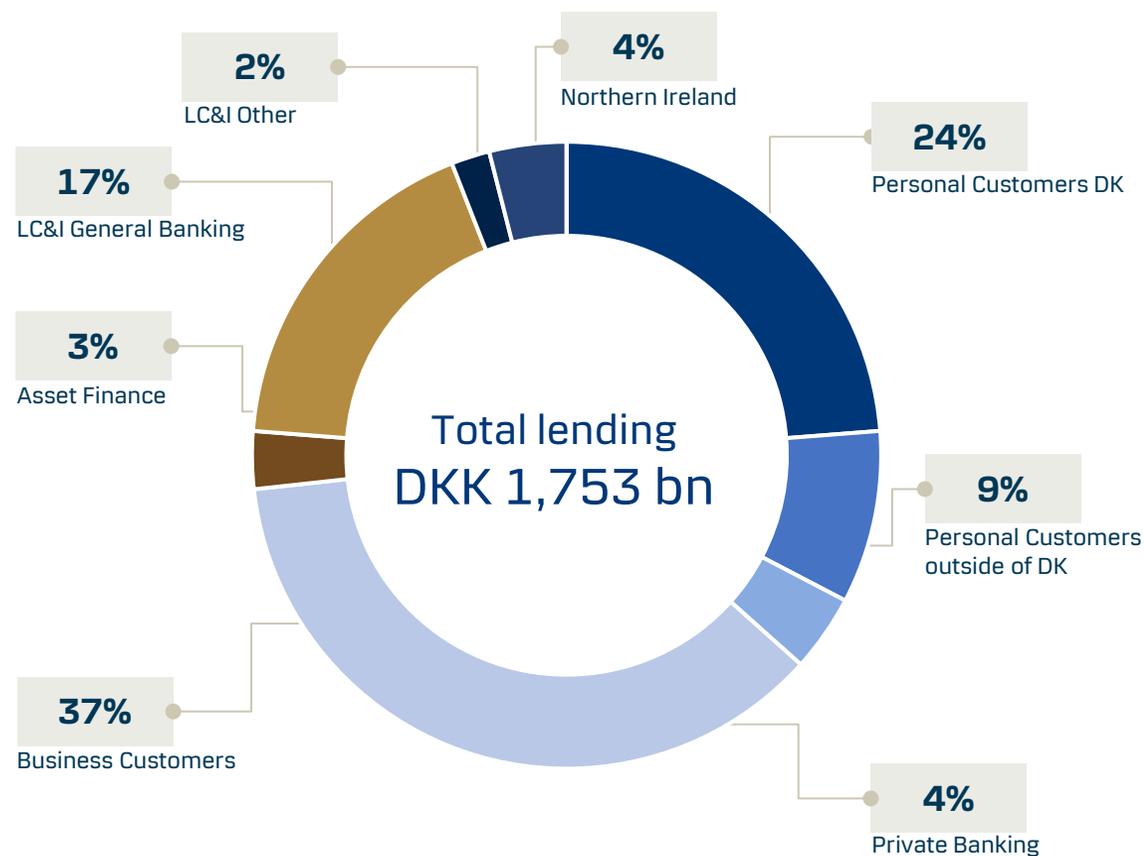
## Q4 25 scenarios

	Base (50%)				Upside (25%)				Downside (5%)				Severe downside (20%)			
Denmark	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
GDP	2.6	2.7	2.1	1.9	2.6	2.9	2.6	2.5	2.5	1.5	1.1	1.8	-3.4	-2.0	0.0	0.0
Industrial Production	5.0	4.9	3.6	2.9	5.0	5.0	4.1	3.6	4.9	3.5	2.3	3.1	-5.1	-3.0	0.0	0.0
Unemployment	2.9	3.0	3.0	3.1	2.9	3.0	2.8	2.8	2.9	3.3	3.6	3.7	6.4	7.4	7.8	7.8
Inflation	1.9	1.1	1.8	2.0	1.9	1.7	2.5	2.3	2.0	1.1	2.0	2.4	4.0	3.0	2.0	2.0
Consumption Expenditure	1.8	2.1	2.8	2.2	1.8	2.1	2.9	2.5	1.8	1.7	2.3	2.1	-4.1	-2.3	-1.0	-1.0
Property prices - Residential	5.9	6.3	3.7	2.5	5.9	7.3	5.7	3.5	5.9	1.3	3.7	3.5	-19.7	-11.0	-6.0	-6.0
Interest rate - 3 month	2.1	2.1	2.1	2.3	2.1	2.2	2.5	2.8	2.1	1.8	1.7	2.3	3.9	4.7	3.4	3.4
Interest rate - 10 year	2.7	2.7	2.8	2.8	2.7	2.9	3.1	3.1	2.7	2.7	2.7	2.8	3.2	3.0	2.7	2.7
Sweden	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
GDP	1.9	2.6	2.4	2.0	1.9	2.7	2.9	2.5	1.8	1.3	1.3	2.2	-3.5	-3.4	-1.0	-1.0
Industrial Production	2.0	2.0	2.0	2.0	2.0	2.1	2.9	3.0	1.9	0.0	0.0	2.5	-5.3	-5.1	-1.5	-1.5
Unemployment	8.7	8.3	7.5	7.1	8.7	8.3	7.4	6.9	8.7	8.5	8.0	7.5	10.2	11.1	11.5	11.5
Inflation	2.8	1.6	2.0	2.0	2.8	1.9	2.2	2.0	2.9	1.7	2.4	2.4	4.9	3.9	2.9	2.9
Consumption Expenditure	1.6	2.5	2.8	1.6	1.6	2.5	3.1	1.7	1.6	1.8	2.1	2.2	-4.6	-4.2	-3.0	-3.0
Property prices - Residential	1.2	5.3	4.2	5.0	1.2	6.3	5.2	6.0	1.2	0.3	4.2	6.0	-22.0	-13.0	-7.0	-7.0
Interest rate - 3 month	2.0	2.2	2.5	2.5	2.0	2.3	2.9	2.9	2.0	1.9	2.0	2.3	4.8	5.6	4.3	4.3
Interest rate - 10 year	2.9	3.0	3.1	3.1	2.9	3.2	3.4	3.4	2.9	3.0	3.0	3.1	3.7	3.5	3.2	3.2
Norway	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
GDP	1.7	1.6	1.6	1.7	1.8	1.7	1.9	2.1	1.7	1.2	1.2	1.8	-2.7	-1.1	0.6	0.6
Industrial Production	3.5	1.0	2.0	2.0	3.5	1.0	2.3	2.4	3.5	0.6	1.3	2.2	-4.1	-1.7	0.9	0.9
Unemployment	2.2	2.3	2.3	2.3	2.2	2.3	2.2	2.1	2.2	2.4	2.4	2.4	5.5	6.4	6.5	6.5
Inflation	3.1	2.2	2.4	2.2	3.1	2.6	2.8	2.2	3.1	2.2	2.7	2.6	4.5	3.0	2.0	2.0
Consumption Expenditure	2.7	2.5	2.5	2.0	2.7	2.5	2.7	2.0	2.7	2.1	2.1	2.3	-4.4	-1.7	-0.5	-0.5
Property prices - Residential	6.0	7.0	6.0	4.0	6.0	8.0	7.0	5.0	6.0	3.0	6.0	5.0	-19.0	-13.0	-7.0	-7.0
Interest rate - 3 month	4.2	3.3	3.3	3.3	4.2	3.4	3.7	3.7	4.2	3.3	3.4	3.3	4.7	5.2	4.3	4.3
Interest rate - 10 year	3.9	3.7	3.8	3.9	3.9	3.9	4.1	4.2	3.9	3.7	3.7	3.9	4.7	4.5	4.2	4.2
Finland	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
GDP	0.3	1.5	1.8	1.5	0.3	1.7	2.2	1.9	0.2	0.2	0.7	1.9	-2.4	-2.0	-0.3	-0.3
Industrial Production	-0.6	0.7	1.6	1.2	-0.6	0.8	1.8	1.6	-0.6	-0.7	0.4	2.1	-3.6	-3.0	-0.5	-0.5
Unemployment	9.5	9.3	8.7	8.2	9.5	9.2	8.5	8.0	9.5	9.5	9.1	8.5	10.9	11.9	11.9	11.9
Inflation	0.5	1.4	1.8	2.0	0.5	1.9	2.4	2.1	0.5	1.4	2.2	2.3	4.0	3.0	2.0	2.0
Consumption Expenditure	-0.7	0.6	1.4	1.3	-0.7	0.6	1.5	1.3	-0.7	-0.4	0.4	1.9	-2.3	-2.4	0.0	0.0
Property prices - Residential	-1.5	0.8	2.5	2.5	-1.5	1.8	4.5	3.5	-1.5	-3.2	2.5	3.5	-14.2	-7.0	-5.0	-5.0
Interest rate - 3 month	2.1	2.1	2.1	2.3	2.1	2.2	2.6	2.8	2.1	1.7	1.7	2.3	4.0	4.8	3.5	3.5
Interest rate - 10 year	3.2	3.3	3.4	3.4	3.2	3.4	3.6	3.6	3.2	3.4	3.3	3.4	3.8	3.6	3.3	3.3

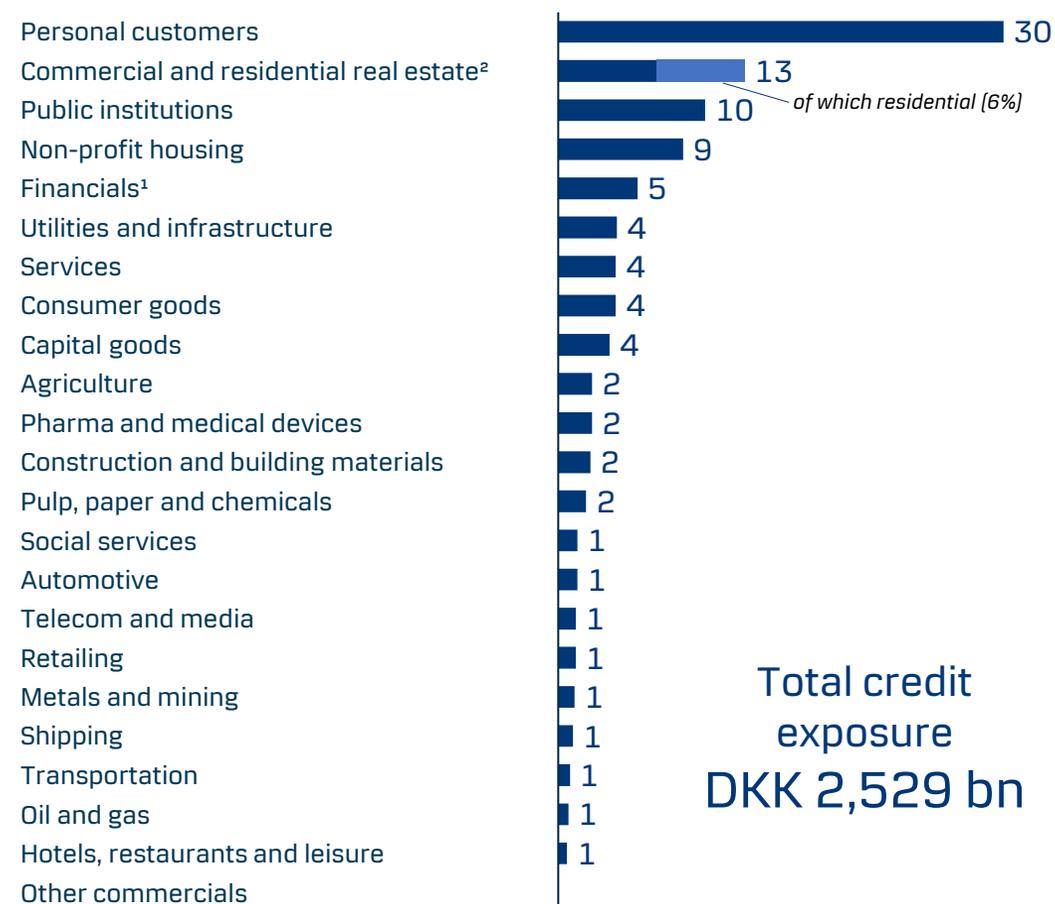


# Strong regional footprint and diversified balance sheet

Lending by segment<sup>1</sup> Q4 25 (%)



Credit exposure by industry Q4 25 (% , rounded)



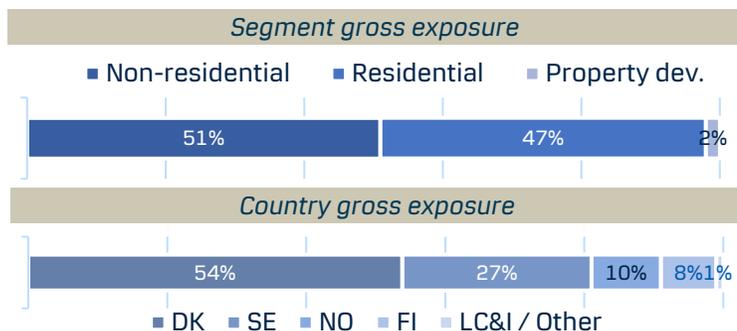
<sup>1</sup>Total lending before loan impairment charges, excl. repos.



# Overall strong credit quality in portfolios exposed to macro cyclicality

## CRE: Well diversified & prudently managed portfolio

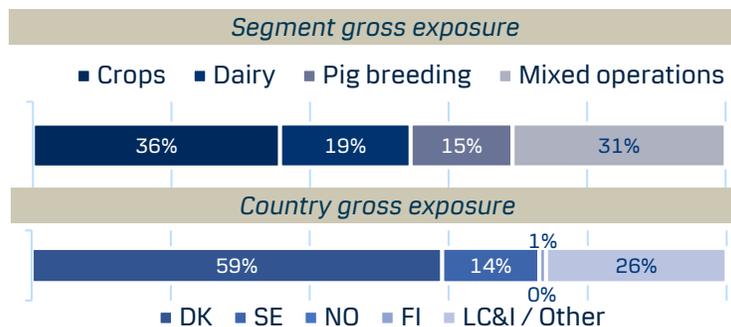
DKK 321 bn in credit exposure and ECL ~1%



- Conservative lending growth (around -3% 5Y-CAGR in non-resi.) given caps and concentration limits within sub-segments and markets, as well as for single-names, limiting downside risks
- Due to our conservative approach, our SE exposure has remained stable, despite market growth, and book is well-diversified with lower concentration risk over the past years
- The Group's credit underwriting standards maintain strong focus on cash flows, interest rate sensitivity, LTV and the ability to withstand significant stress
- PMA of DKK 0.9 bn to cover uncertainties regarding the effect of rapid interest rate increases and macroeconomic situation

## Agriculture: Well-provisioned agriculture book

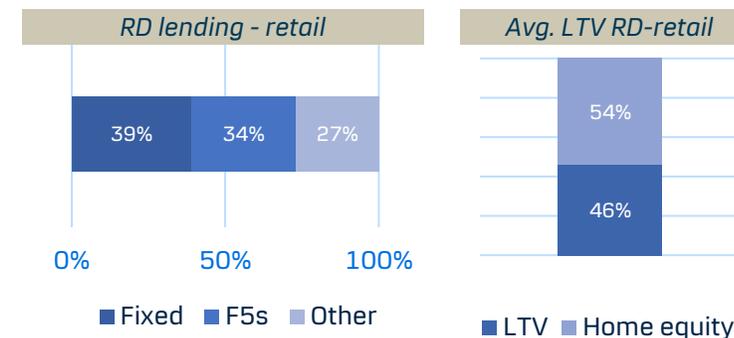
DKK 58bn in gross exposure of which 54% RD



- The credit quality of the portfolio has improved over the past few years, recovering from legacy exposures from the financial crisis
- The current credit risk appetite takes into account the volatility of the sector and remains in place. Furthermore, the Group maintains strong underwriting standards on LTV, interest-only loans and interest rate sensitivity
- PMA of DKK 0.8 bn have been made for potential future portfolio deterioration including uncertainties not visible in the portfolio such as diseases and implications from green transition

## Housing: Low leverage, strong household finances

Around 72% of RD lending are 5-30yr fixed-rate



- Avg. LTV remains at prudent level and has been generally supported over the past years by the trend in house prices along with the call feature of DK mortgage loans
- Affordability measures in our approval process remain prudent, and debt-to-income (DTI) levels remain stable overall
- Portfolio uncertainty risks are being mitigated by continuous monitoring and review of underwriting standards covering interest rate-related stress of affordability and other measures
- Low near-term refinancing risk on RD flex loans
- Total PMAs related to personal customers of DKK 0.9 bn

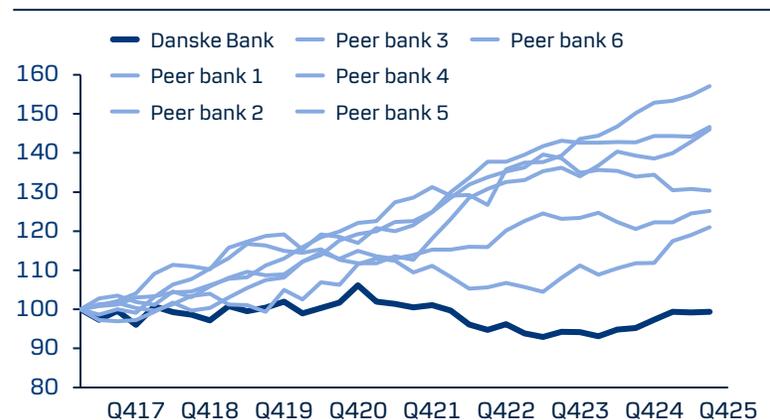


# Commercial property: Prudently managed and cash-flow based underwriting standards; sound credit quality & adequate buffers in place to mitigate tail risks

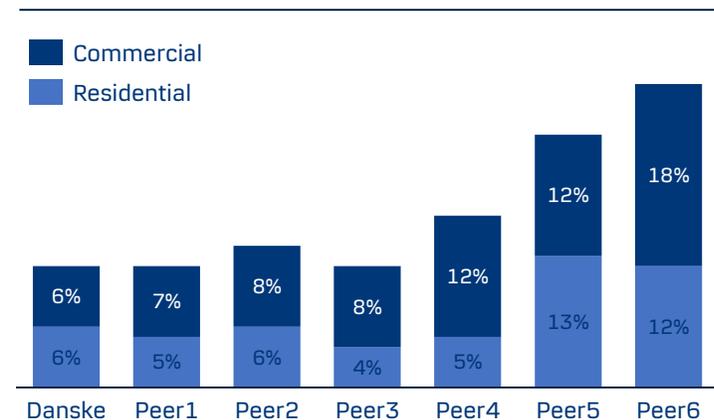
## Highlights

- Danske Bank has a relatively low concentration to CRE compared with Nordic peers. The portfolio has been slightly increasing, but at a slower pace than the general corporate book, due to concentration limits and stringent underwriting standards, particularly towards the non-residential segment
- In addition to conservative underwriting, we perform rigorous monitoring of exposures, incl. stress tests:
  - ✓ An interest rate stress of 2-3% pts on top of the borrower's current avg. interest rate for debt not hedged
  - ✓ Significant stress assessment of rent and vacancy rates
- The portfolio is well diversified and well provisioned to mitigate a potential material correction in the sector

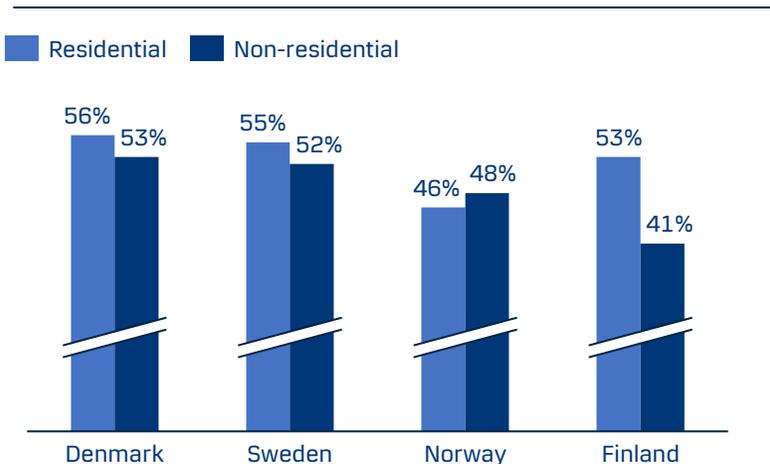
Lending to CRE segment by major peer banks (index)\*



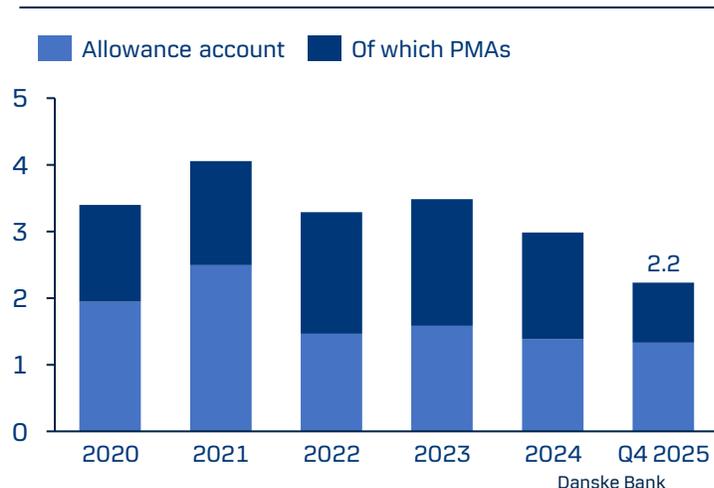
CRE share of total portfolio by major peer banks\*



Danske Bank's CRE portfolio avg. LTVs



Danske Bank's CRE allowance account (DKK bn)



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

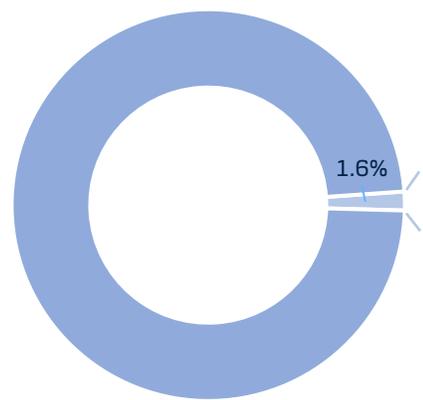


# Fossil fuels (coal, oil and gas) exposure

## Key points for Q4 2025

- Since end 2020, exposure towards exploration and production (E&P) of oil and gas has been decreasing and is now close to zero
- Exposure to other oil-related activities, i.e. offshore and services, is down by 29% from end 2020. During 2025, exposure has increased, which is primarily to customers that are either already transitioning away from fossil fuels or that can work both on oil and gas as well as offshore renewable energy activities. Customers in the distribution and refining segments have generally started on their transition. For instance, by refineries switching to biofuels or by gas stations investing in infrastructure for charging of electric vehicles
- Exposures shown on this page is to utility customers with any coal-based power production, and hereof more than 5% of revenues from coal fired power production. The list of customers with any coal-fired power production is regularly being reviewed and adjusted accordingly
- For most customers, the use of coal is limited to a few remaining production facilities which are expected to phase-out towards 2030

### Group gross credit exposure



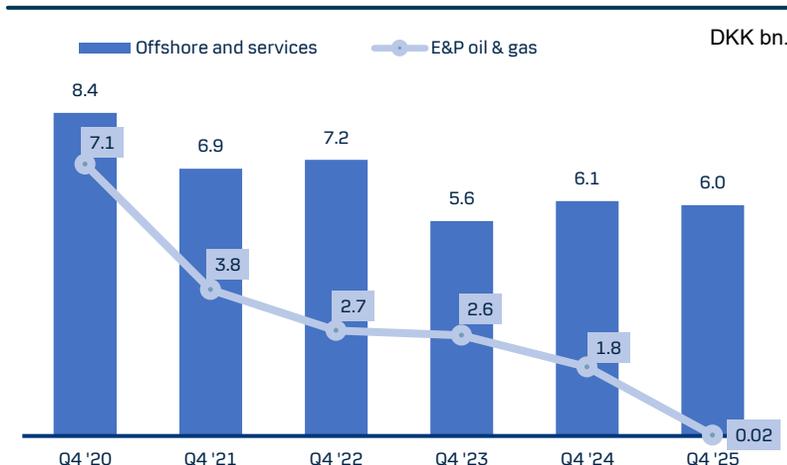
■ Fossil fuels exposure ■ Other

### Fossil fuels exposure

Segment	Net credit exposure (DKK m)	
	Q4 2025	Q4 2024
<b>Crude, gas and product tankers</b>	7,496	9,360
<b>Distribution and refining (incl. biofuels)</b>	11,898	10,929
<b>Oil-related exposure</b>	6,009	7,888
<i>Exploration and production (E&amp;P)</i>	21	1,792
<i>Offshore* and services</i>	5,988	6,096
<b>Power and heating utilities with any coal-based production</b>	14,145	16,977
<i>Hereof customers with more than 5% revenue from coal</i>	1,420	3,082
<b>Total</b>	<b>39,548</b>	<b>45,154</b>

\*From Q1 2024, offshore pureplay renewables have been excluded from the exposure overview.

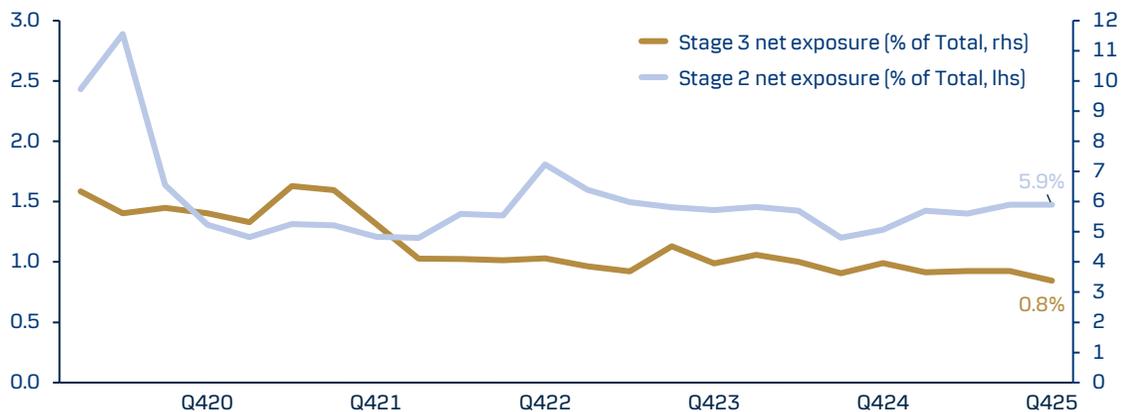
### Oil-related net credit exposure development



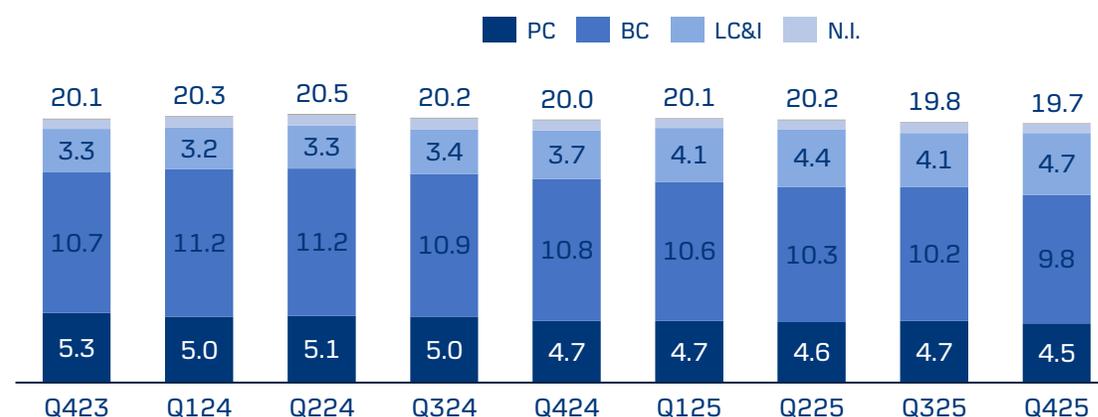


# Credit quality: Remains strong

## Stage 2 and 3 as % of net exposure



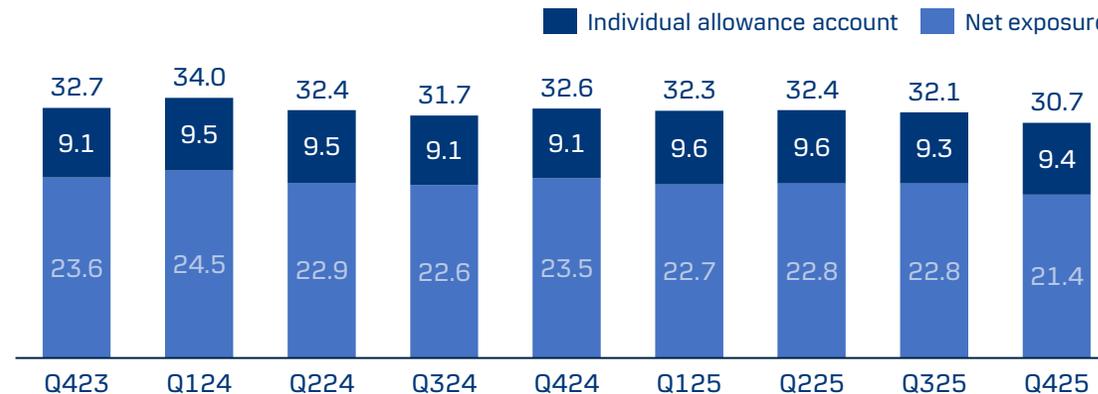
## Allowance account by business unit (DKK bn)



## Stage 2 allowance account and exposure (DKK bn)

	Allowance account	Gross credit exposure	Allowance account as % of gross exposure
Personal customers	1.3	770	0.16%
Agriculture	0.6	58	1.08%
Commercial property	1.0	324	0.30%
Shipping, oil and gas	0.1	25	0.38%
Services	0.4	18	0.00%
Other	4.1	100	0.42%
<b>Total</b>	<b>7.5</b>	<b>2,450</b>	<b>0.29%</b>

## Gross stage 3 loans (DKK bn)



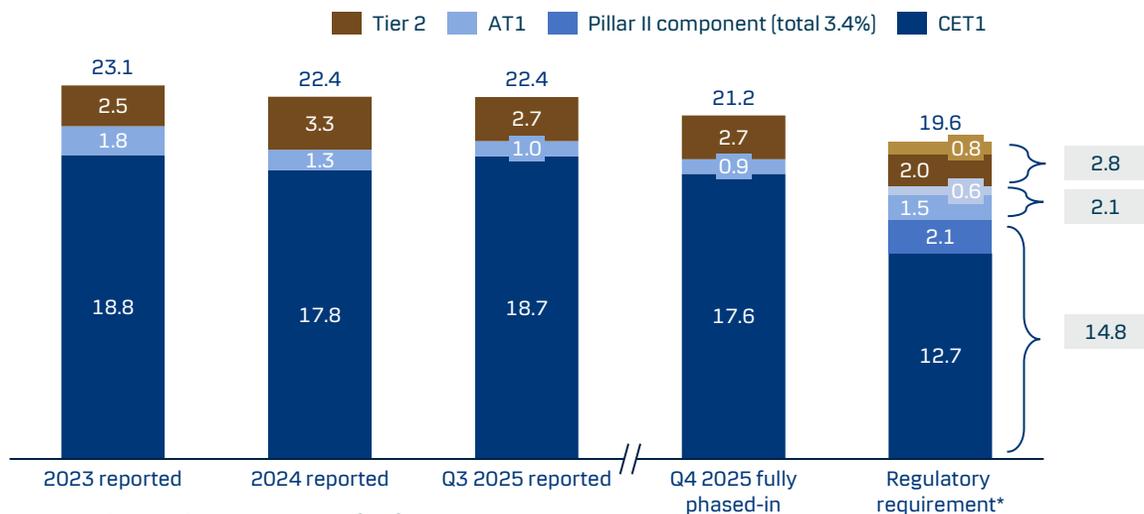


# Capital

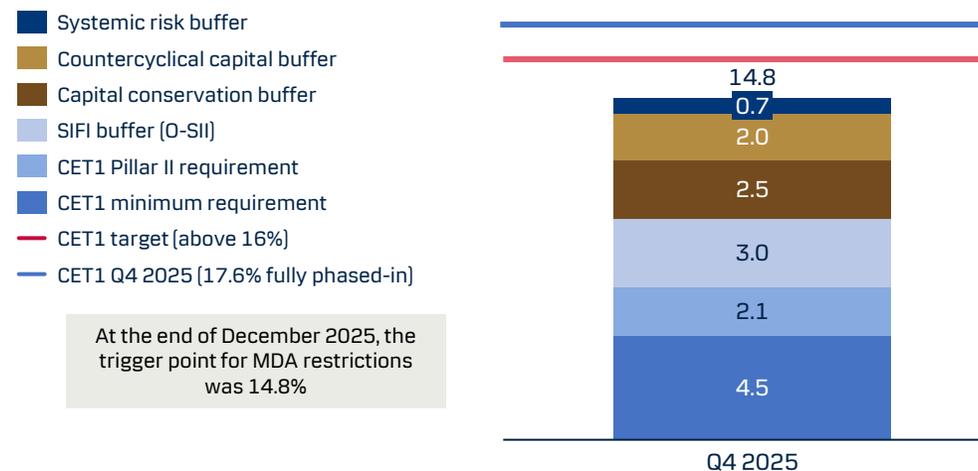


# Capital: Strong capital base with CET1 ratio of 17.6%

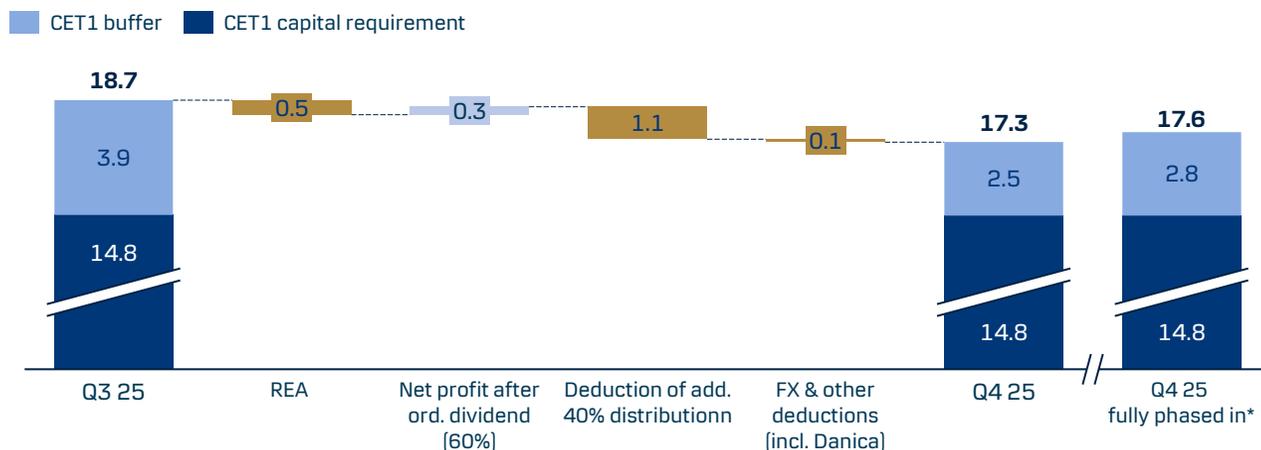
## Capital ratios (%)



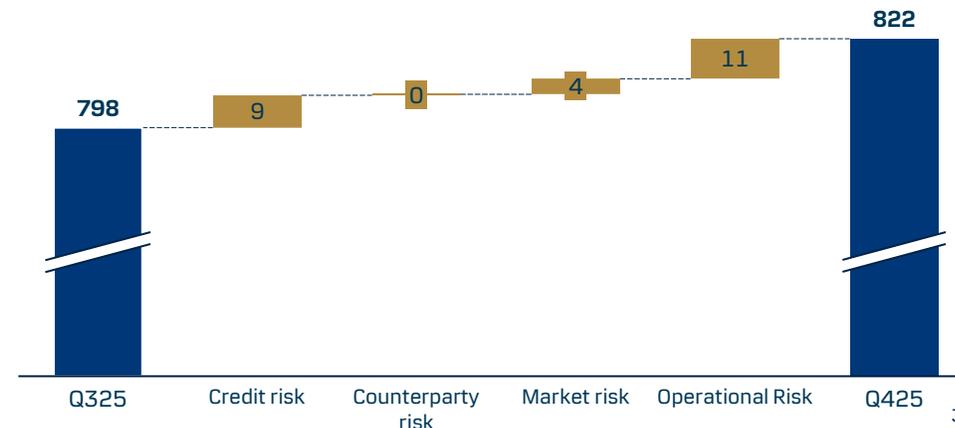
## Current capital buffer structure (%)



## CET1 development (%)



## Total REA (DKK bn)



\* Fully phased in CET1 ratio and requirements.

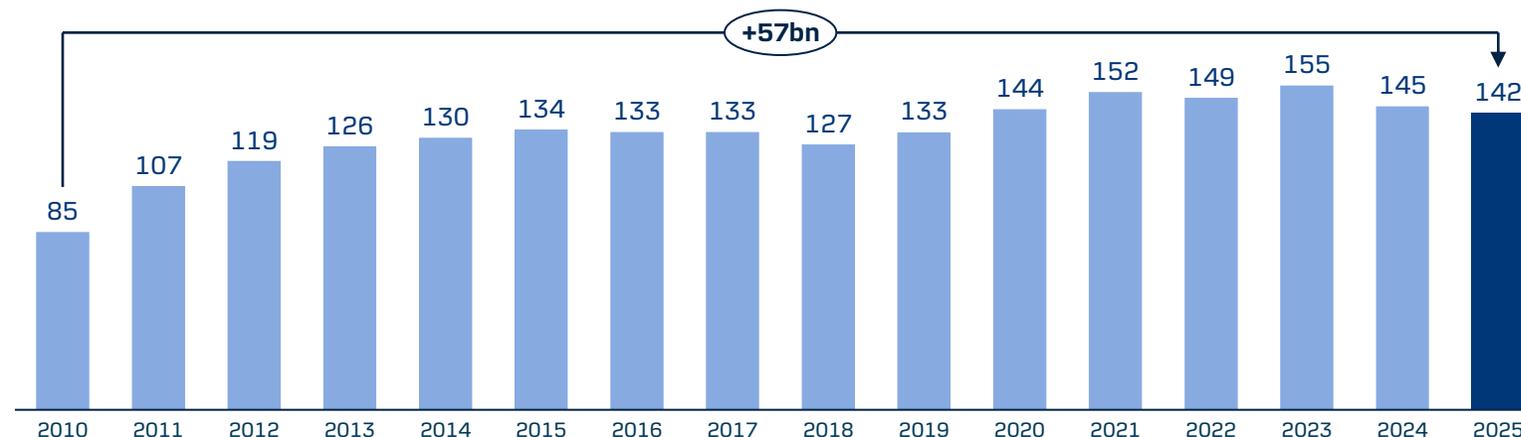


# Strong CET1 capital generation and build-up of reserves

## Highlights

- Strong capital generation of above 270bps annualised since 2024 (before dividend accrual)
- Regulatory impact from EBA guidelines and initial phase of Basel IV accounted for in REA
- Predictable dividend policy (40-60%), and flexibility around additional capital distribution
- Expect to manage CET1 ratio towards >16% target as part of multi-year targets
- Capital plan reflect prudent buffer of ~200bp to CET1 requirements

## Common Equity Tier 1, 2010 - 2025 (DKK bn)



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

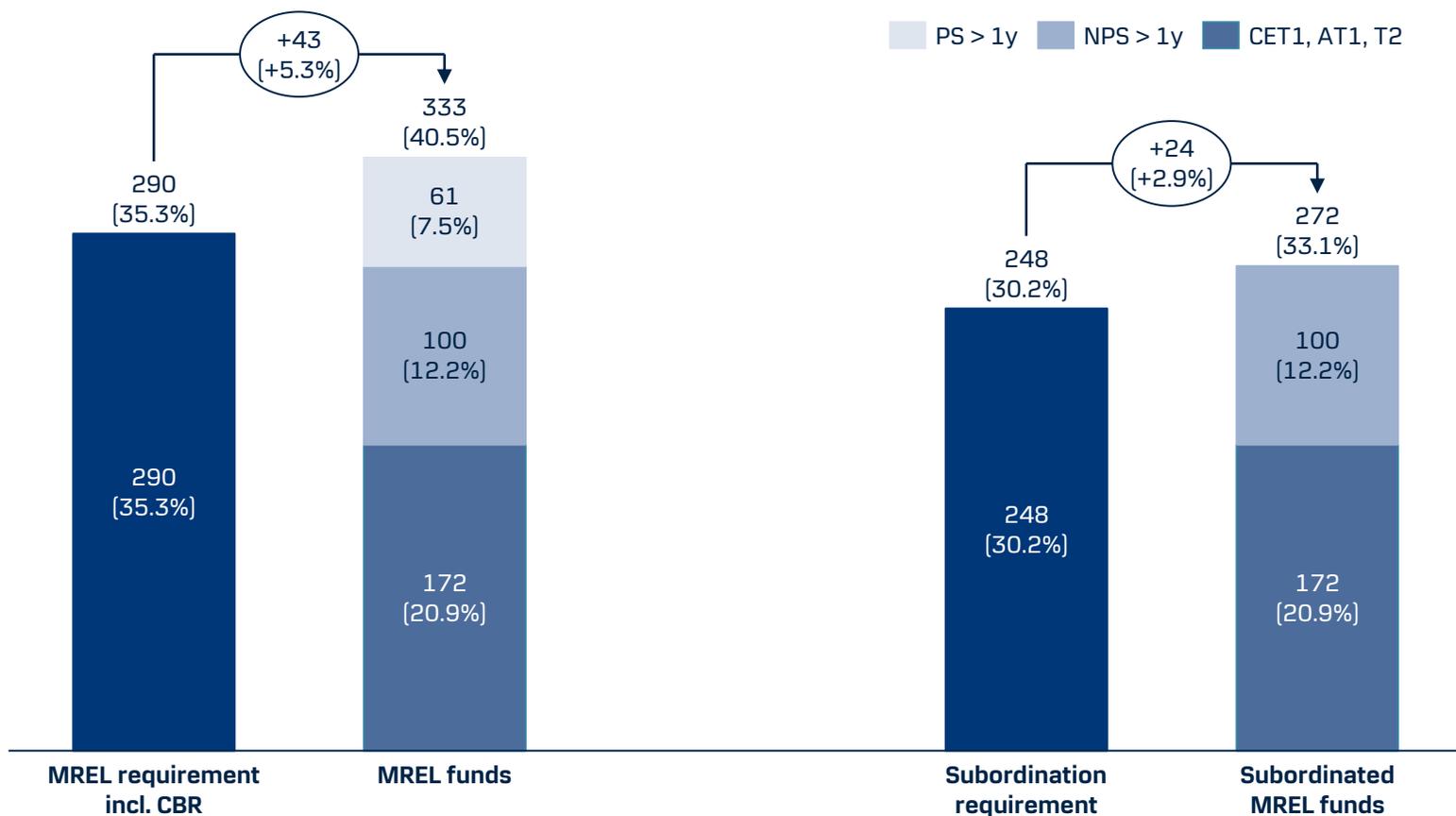
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>REA</b>	844	906	819	852	865	834	815	753	748	767	784	860	838	828	815	822
<b>CET1 ratio</b>	10.1%	11.8%	14.5%	14.7%	15.1%	16.1%	16.3%	17.6%	17.0%	17.3%	18.3%	17.7%	17.8%	18.8%	17.8%	17.3%
<b>Net profit</b>	3.7	1.7	4.7	7.1	13.0 <sup>2</sup>	17.7 <sup>2</sup>	19.9	20.9	15.0	15.1	4.6	12.9	-5.1	21.2	23.6	23.0
<b>Distribution to shareholders<sup>3</sup></b>	0	0	0	2.0	10.5	17.1	18.9	16.3	7.6	0	1.7	1.7	0	18.0	23.6 <sup>4</sup>	23.0
<b>Total assets</b>	3,214	3,424	3,485	3,227	3,453	3,293	3,484	3,540	3,578	3,761	4,109	3,936	3,763	3,771	3,716	3,754

1. The decline in CET1 capital in 2018 is due mainly to Danica Pension's acquisition of SEB Pension Danmark which led to a higher deduction in Group regulatory capital.  
 2. Before goodwill impairment charges 3. Based on year-end communicated distributions. 2017 is adjusted for cancelled buy-back. 2019 is adjusted for cancelled dividend.  
 4. Excluding the execution of the special dividend of DKK 6.5/share paid in December'24, post the PC NO divestment.



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

MREL & subordination requirement\* and eligible funds Q425 DKK bn (% of Group REA)



## Comments

- The Group has to meet a MREL requirement and a subordination requirement, both adjusted for Realkredit Danmark (RD)
- The subordination requirement is the higher of  $2 \times (P1 + P2) + CBR$  or 8% TLOF
- The Group's MREL requirement (total resolution requirement) is DKK 290bn incl. RD's capital and debt buffer requirement (DKK 49bn) and the combined buffer requirement (DKK 55bn). Excess MREL funds are DKK 43bn
- The Group's subordination requirement is DKK 248bn incl. RD's capital and debt buffer requirement (DKK 49bn). Excess subordinated MREL funds are DKK 24bn
- This figure shows the Group's MREL and subordination requirement as of end Q4 2025, which constitutes the fully-phased in requirements, i.e. no interim target.
- Requirements will, however, be impacted by any changes to the CCyB

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

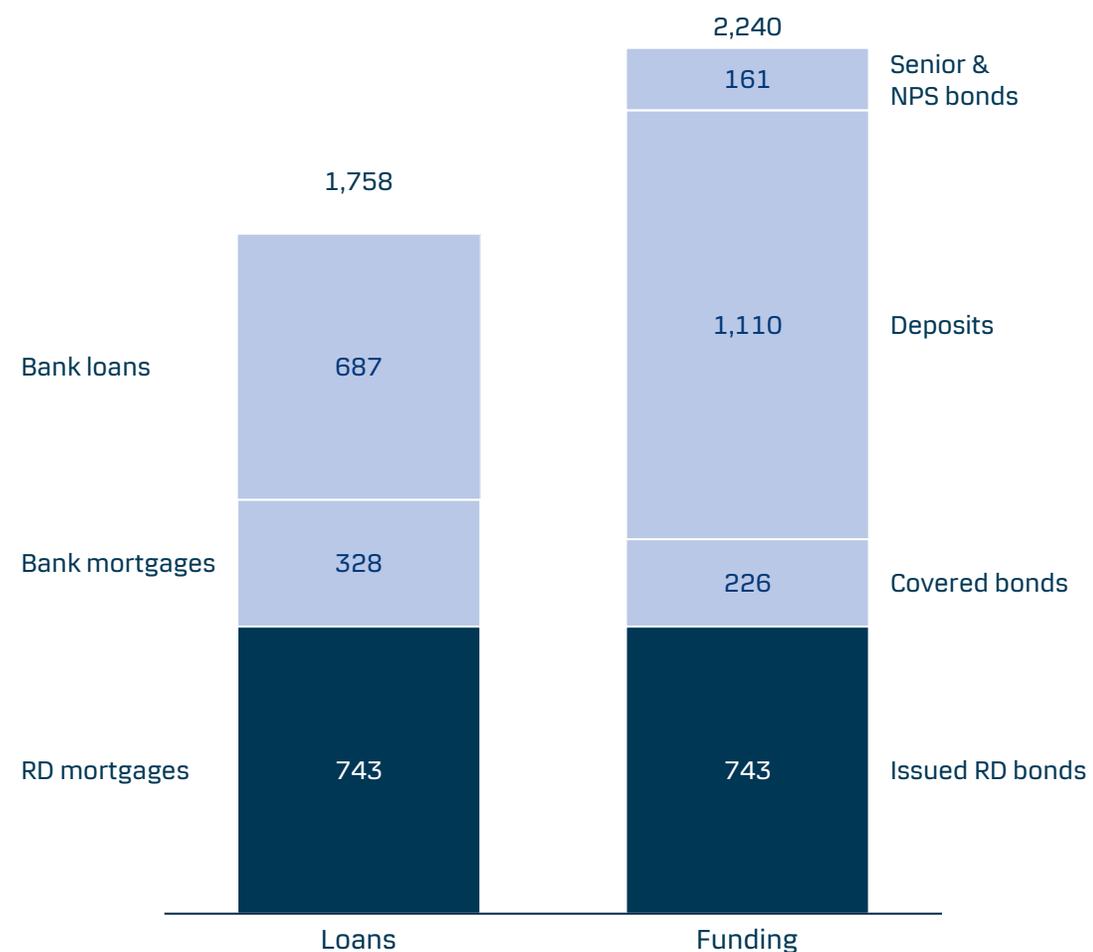


# Funding & Liquidity



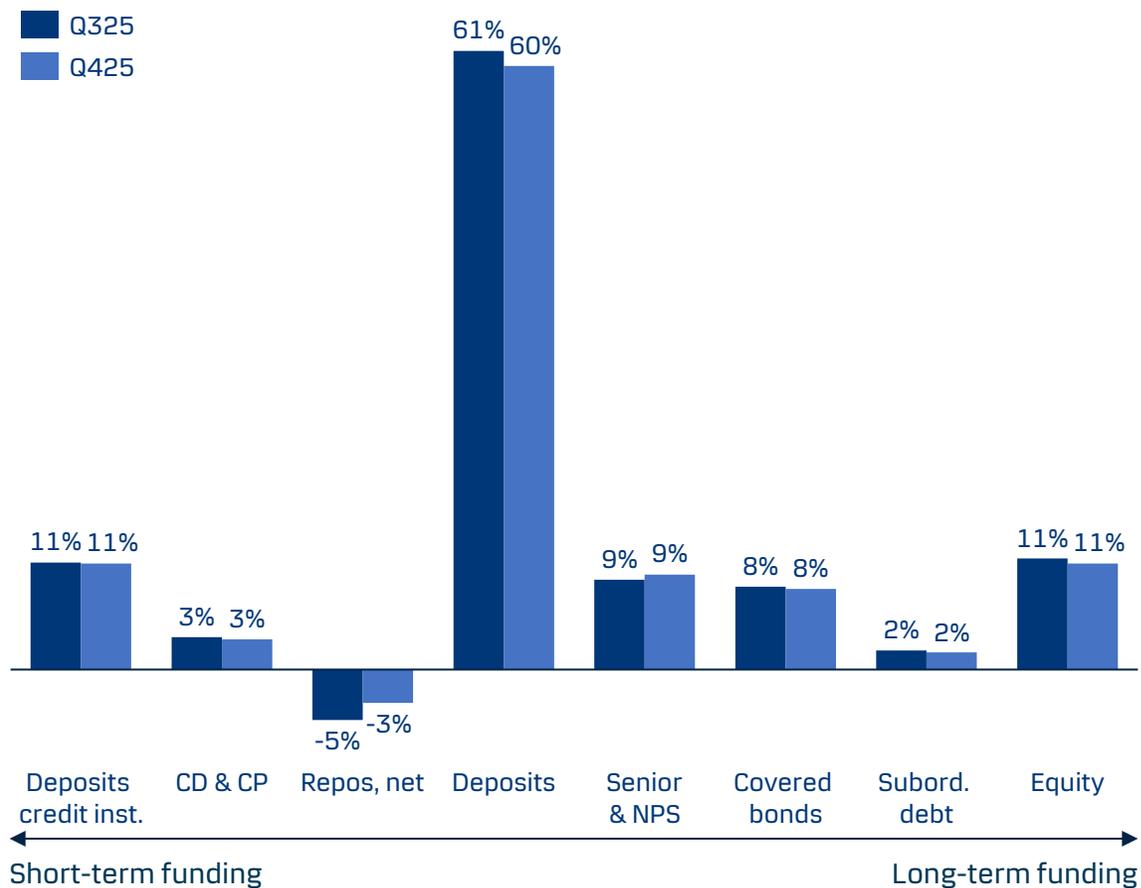
# Funding structure and sources: Danish mortgage system is fully pass-through

Loan portfolio and long-term funding Q425 (DKK bn)



\* Figures are rounded

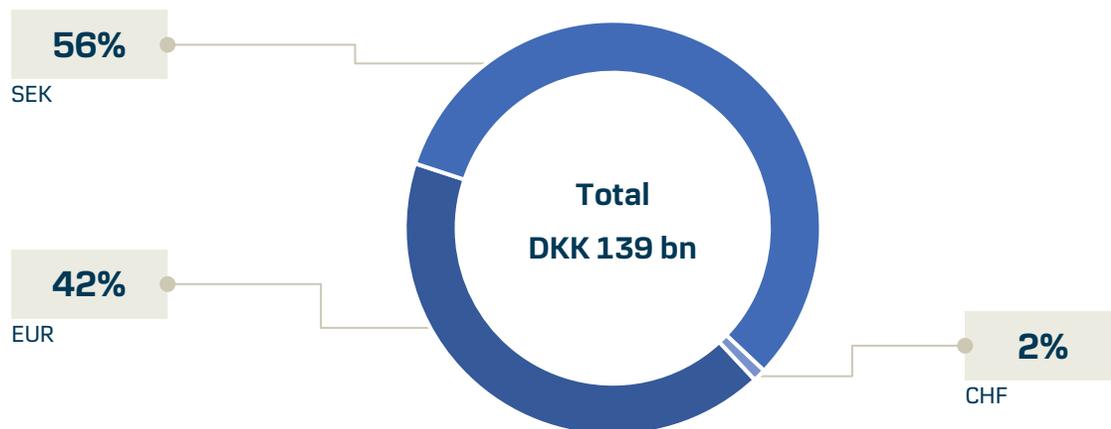
Funding sources\* (%)



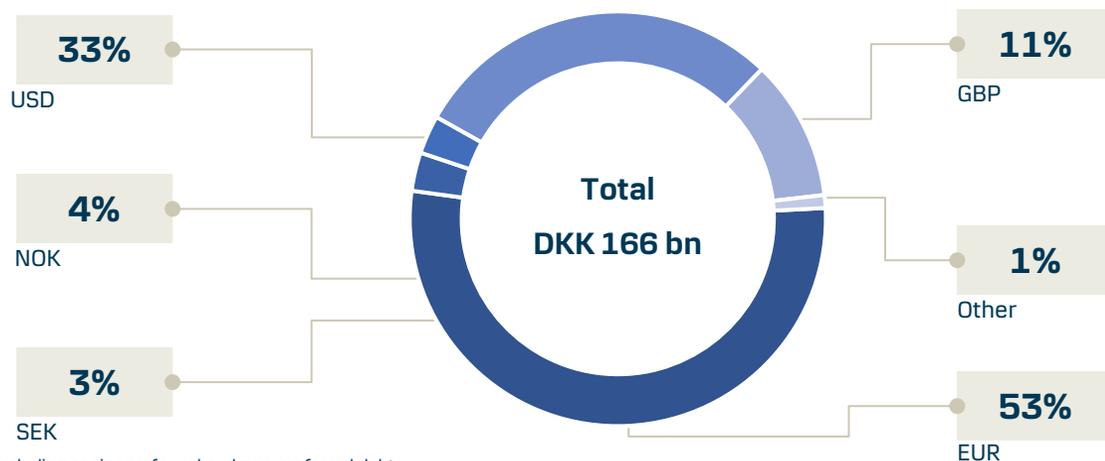


# Funding programmes and currencies

## Covered bonds by currency Q425



## Senior debt<sup>1</sup> by currency Q425



<sup>1</sup> Including senior preferred and non-preferred debt

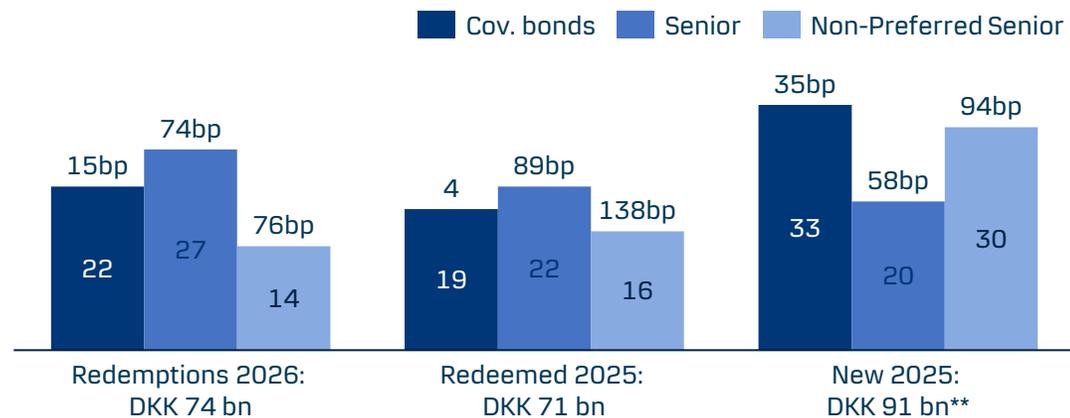
## Largest funding programmes Q425

Programme	Limit	Utilisation
EMTN Programme	EUR 35bn	53%
Global Covered Bond	EUR 30bn	45%
ECP Programme	EUR 13bn	44%
US MTN (144A)	USD 20 bn	37%
US Commercial Paper	USD 6bn	43%
UK Certificate of Deposit	USD 15bn	0%
NEU Commercial Paper	EUR 10bn	2%

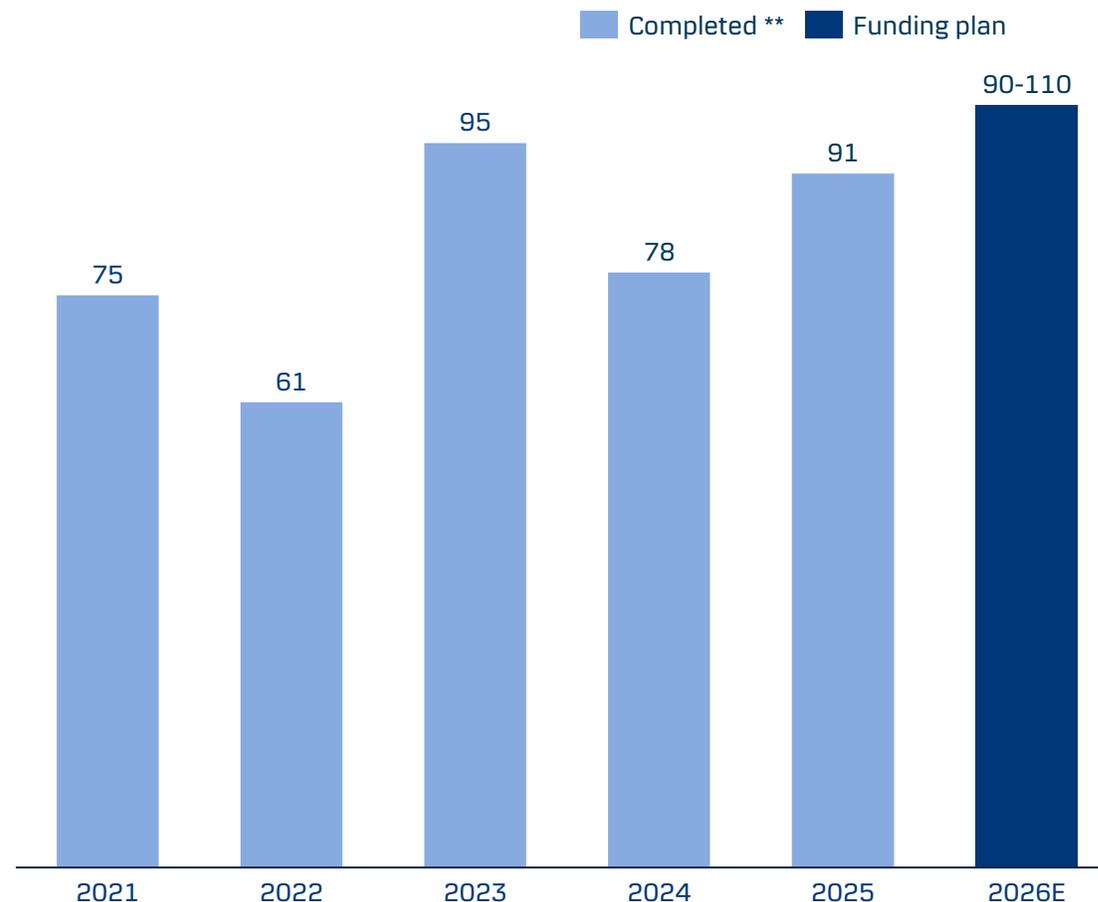


# Funding plan

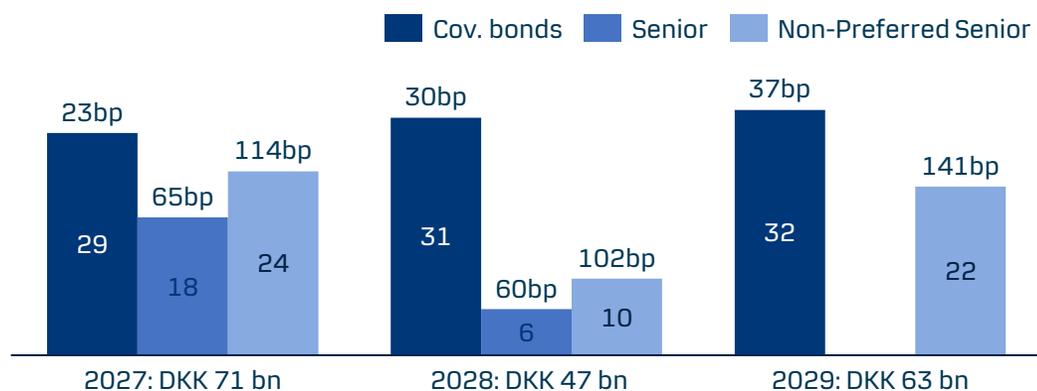
## Changes in funding\* 2025-26 (DKK bn and bp)



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



## Maturing funding\* 2027-2029 (DKK bn and bp)



\*Spread over 3M EURIBOR.

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



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






**Residential mortgages**

- Denmark, D-pool and I-pool
- Sweden, Danske Hypotek AB
- Finland, Danske Mortgage Bank Plc

**Commercial mortgages**

- Sweden and Norway, C-pool




**REALKREDIT Danmark**

**Residential and commercial mortgages**

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

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





# **ESG, Sustainability, Financial Crime Prevention**



# Sustainability is an integrated element of our Forward '28 strategy

## Our position today



- Supporting our customers with advisory and financing for the climate transition
- Strong ESG advisory offerings and #1 Nordic Arranger of Green Bonds
- ESG integrated in key processes, incl. portfolio steering, lending and investments

## Our commercial focus

### Large Corporates & Institutions

- Financing the climate transition and providing sustainable finance solutions and advisory services

### Business Customers

- Supporting companies in their sustainability transition through advisory services, partnerships and financing

### Personal Customers

- Supporting customers with housing energy improvement and climate adaptation, EV financing and sustainability in investments

### Asset Management & Danica

- Protecting and growing customers' investments in line with their preferences while supporting the sustainability transition

## Reinforce stronghold in sustainable finance and advisory

	2022	2026
<b>Sustainable finance <sup>1</sup></b>	<b>#1</b>	<b>A leader in supporting our customers' green transition</b>
<b>ESG advisory <sup>2</sup></b>	<b>#3</b>	
<b>Sustainable investing <sup>3</sup></b>	<b>#3</b>	

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



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



## Climate change

### We support customers in the climate transition

Ambition to provide **100 billion DKK** in financing for the climate transition from 2025 to 2028 <sup>1</sup>

### We manage emissions across our business

Lending	Asset Mgmt.	Life insurance & pension	Operations
<b>25-62%</b>	<b>50%</b>	<b>1.5°C</b>	<b>80%</b>
Across 9 sectors by 2030 (vs. 2020)	CO2e intensity by 2030 (vs. 2020)	Aligned 2030 targets for listed equities and credits	Scope 1+2 by 2030 (vs. 2019)

For details, see our [Climate Progress Report 2025](#)



## Nature & biodiversity

### We advance our ability to support companies in key sectors

- Ongoing development of **data and insights** on nature-related impacts, risks and opportunities
- **Continued engagement** with companies in sectors with heightened impacts, dependencies and potential risks
- Advancing our nature-related **competencies and management capabilities**

For more information on engagements, see our [White Paper](#)



## Human rights & social impact

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



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

1) For details, see our [Climate Progress Report 2025](#) and [Approach to Financing the Climate Transition](#)



# Our Climate Action Plan guides the management of our carbon footprint



- Tracking our carbon footprint across business areas and key portfolios
- Customer engagement and active ownership as key progress levers
- Portfolio steering with transparency on objectives and methodologies

CO<sub>2</sub>

More than **99%** of our carbon footprint relates to **financed emissions** from our lending and investment activities



Focus on supporting **customer and investee company transitions**



**2030 targets** based on best practice guidance to align with the **goals of the Paris Agreement** - with status provided in our [Climate Progress Report 2025](#)



For **lending activities**, we have set targets for the most relevant and high-emitting sectors, primarily based on intensity metrics as well as absolute reduction targets for oil and gas exploration & production



Activities in Asset Management and Danica Pension are subject to **temperature rating targets**, in addition to emission reduction targets



# We observe continued progress across our climate targets in 2025 – driven by close collaboration with customers and investees

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

Lending	Asset management	Life insurance & pension	Own operations	Highlights on target development
<b>2030 sector emission intensity reduction targets <sup>1</sup></b> <ul style="list-style-type: none"> <li>Oil and gas – exploration &amp; production <sup>2</sup> 50%</li> <li>Oil and gas – downstream refining <sup>3</sup> 25%</li> <li>Power generation 50%</li> <li>Steel 30%</li> <li>Cement 25%</li> <li>Agriculture &gt;30%</li> <li>Commercial real estate 55%</li> <li>Personal mortgages <sup>4</sup> 62%</li> </ul> <b>2030 sector alignment delta targets <sup>1</sup></b> <ul style="list-style-type: none"> <li>Shipping <sup>5</sup> 0%</li> </ul>	<b>2030 temperature rating reduction targets <sup>6</sup></b> <ul style="list-style-type: none"> <li>Implied temperature rating of our investment products from 2.75 °C in 2020 to 2.1°C (scope 1 and 2)</li> <li>Implied temperature rating of our investment products from 2.94°C in 2020 to 2.2°C (scope 1, 2 and 3)</li> </ul> <b>2030 carbon intensity reduction target <sup>1</sup></b> <ul style="list-style-type: none"> <li>Weighted average carbon intensity of investment products 50%</li> </ul> <b>2025 engagement target <sup>1</sup></b> <ul style="list-style-type: none"> <li>Engagement with the 100 largest emitters</li> </ul>	<b>2030 temperature rating reduction targets <sup>6</sup></b> <ul style="list-style-type: none"> <li>Implied temperature rating of our listed equities and credits from 2.5°C in 2020 to 2.0°C (scope 1 and 2)</li> <li>Implied temperature rating of our listed equities and credits from 2.8°C in 2020 to 2.2°C (scope 1, 2 and 3)</li> </ul> <b>2025 sector emission intensity reduction targets <sup>8</sup></b> <ul style="list-style-type: none"> <li>Real estate <sup>7</sup> 69%</li> <li>Energy 15%</li> <li>Utilities 35%</li> <li>Cement 20%</li> <li><u>Transportation:</u></li> <li>Shipping 20%</li> <li>Automotive 20%</li> <li>Aviation 20%</li> </ul>	<b>2030 emission reduction targets <sup>8</sup></b> <ul style="list-style-type: none"> <li>Carbon emissions in scope 1 and 2 80%</li> <li>Carbon emissions in scope 1, 2 and currently measured scope 3 categories 50%</li> </ul>	<ul style="list-style-type: none"> <li><b>Overall</b> - We observe good progress on our climate targets across lending and investment activities as well as our own operations.</li> <li><b>Lending</b> - We have launched an ambition to facilitate DKK 100 billion of financing to transition companies by 2028. Across our climate targets, we are progressing in line with linear trajectories towards our intermediate 2030 targets for most sectors. Shipping above linear trajectory, reflecting global transition challenges within this sector</li> <li><b>Investments</b> – Within life insurance &amp; pension, five of seven 2025 sector targets have been reached. These targets have been replaced with a Weighted Average Carbon Intensity reduction target of 60% from 2020 to 2030 for the portfolio.</li> <li>Our asset management Weighted Average Carbon Intensity has been reduced by 42% since 2020, well ahead of a linear trajectory towards the 50% reduction target by 2030.</li> <li>For our temperature rating targets, scope 1 and 2 indicators are on track, while indicators also covering scope 3 are behind linear trajectories, mainly due to fewer investees publishing targets covering scope 3.</li> <li><b>Own operations</b> - Emissions from our own operations (scope 1, 2, and measured scope 3) have been reduced by 70% since 2019, tracking ahead of our 2030 target.</li> </ul>

Source: [Climate Progress Report 2025](#). See also Sustainability Statement in [Annual Report 2025](#).

1) Baseline year 2020; 2) Absolute emission reduction target set; 3) Absolute emission reduction and carbon intensity targets; 4) Our personal mortgages emission reduction target has been updated from 55% to 62% following the sale of our Norwegian personal customer portfolio; 5) Based on Posidon Principles methodology; 6) Differences in targets between asset management and life insurance & pension reflect different starting points of the portfolios; 7) 2030 target; 8) Baseline year 2019



# We continue to advance our insights and capabilities on **nature & biodiversity**

## AMBITION AND EXECUTION

### We advance our ability to support our customers through...

- Ongoing development of **data and insights** on nature-related impacts, risks and opportunities
- **Engagement** with companies in sectors with heightened impacts, dependencies and potential risks
- Advancing our nature-related **competencies and management capabilities**

### ... building on **380+** engagements in 2024-2025

#### Business Customers



✓ **Target reached**

Engagement with 300+ customers within the agriculture sector

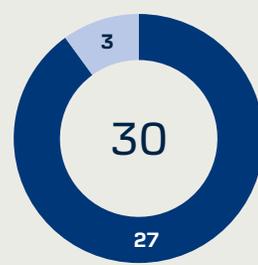
#### Large Corporations & Institutions



✓ **Target reached**

Engagement with 50+ companies across food, fisheries, forestry, pulp and paper and shipping

#### Asset Management



✓ **Target reached**

Engagement with 30 large investee companies, 27 with dialogue established

## INSIGHTS AND ANALYSIS

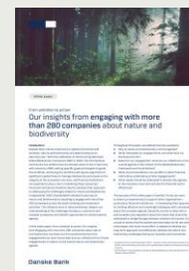
### Examples of publications



Assessing water dependency risk in selected Nordic listed companies



Coverage of climate and nature-related topics in Nordic earnings calls



Insights from 280+ company engagements on nature and biodiversity



Impact of EU deforestation regulation on listed Nordic companies



# Overview of our sustainability-related reporting



[Annual Report 2025 incl. Sustainability Statement](#)



[Climate Progress Report 2025](#)



[Human Rights Report 2024](#)



# Deep dive – Overview of ESG integration in Danske Bank’s lending operations

## 1. Position statements

- Our position statements are a key tool for communicating our approach to selected themes and sectors with elevated ESG risks
- Our position statements currently cover the following themes and sectors:



Agriculture



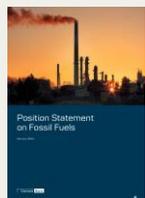
Arms & defence



Climate change



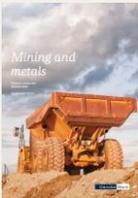
Forestry



Fossil fuels



Human rights



Mining & metals

## 2. Single-name ESG analysis

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



Financially material ESG factors



ESG risk exposure and management



ESG controversies



Climate-related financial risks and opportunities

## 3. Portfolio-level ESG analysis

- Carbon disclosures for business areas and key sectors are published annually in Danske Bank’s Climate Progress Report
- Decarbonisation targets set towards 2030, incl. for high-emitting sectors
- Joined PBAF and Finance for Biodiversity Pledge to support efforts to measure and report on how we impact nature through our financing and investing activities





# Danske Bank is engaged in a number of sustainability initiatives - including these key examples



**Principles for Responsible Banking**

The world's foremost sustainable banking framework, embedding sustainability at the strategic, portfolio and transactional levels, across all business areas



**Principles for Responsible Investment**

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



**Net-Zero Asset Owner Alliance**

An initiative of international institutional investors working to transition their investment portfolios to net-zero greenhouse gas emissions by 2050



**Net Zero Asset Managers Initiative**

An international group of asset managers supporting investing aligned with net-zero greenhouse gas emissions by 2050 or sooner



**Finance for Biodiversity Pledge**

A collaboration of 150+ financial institutions from 24 countries, committing to protect and restore biodiversity through their finance activities and investments



**Science-Based Targets initiative (SBTi)**

An organisation that aims to drive ambitious climate action in the private sector. Danske Bank has committed to set climate targets in line with SBTi criteria.



**Partnership for Carbon Accounting Financials**

An industry-led partnership that provides carbon accounting instructions for financial institutions; Danske Bank joined in 2020 as the first major Nordic bank



**Partnership for Biodiversity Accounting Financials**

An industry-led partnership that provides financial institutions with practical guidance on biodiversity impact and dependency assessments; Danske Bank joined in 2022 as the first Nordic bank



**Poseidon Principles**

A framework for integrating climate considerations into lending decisions to promote the decarbonisation of international shipping



**UN Global Compact**

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



# Maintaining a sustainable Financial Crime

The comprehensive transformation program launched in 2020, the Financial Crime Plan (FC Plan), was successfully completed by December 2023, establishing a framework that meets regulatory requirements, aligns with global best practices where appropriate, and manages inherent risks within the Bank's tolerance.

In 2024, efforts focused on embedding and ensuring the effectiveness of controls implemented through the FC Plan. A testing program that completed in March 2025 confirmed the framework's effectiveness while identifying areas for improvement. The majority of those areas have been addressed in 2025, through the Financial Crime Compliance Program as part of Business As Usual.

In April 2025, Danske Leasing A/S received an order on customer due diligence. Danske Leasing A/S acknowledged the feedback, shared an action plan to resolve the issue by Q2 2026 and continues to provide regular progress updates to the Danish FSA on the resolution.

In August 2025, the Bank received orders on the Group-wide Financial Crime Risk Assessment, requiring improved risk identification, assessment, and updates to its Financial Crime Policy. Actions to address these orders are progressing as planned and expected to be concluded by Q2 2026.

On 15 December 2025, the three-year corporate probation with the U.S. Department of Justice (DoJ) ended, concluding the case related to the former Estonia branch. During the probation, Danske Bank fulfilled post-resolution obligations through a dedicated Post-Resolution Programme and Task Force. Internal reviews confirmed compliance with DoJ expectations and that the Financial Crime Compliance Program was assessed and endorsed as adequate.

While the corporate probation has ended, the maintenance of a sustainable Financial Crime Compliance Program remains a strategic priority to Danske Bank, aiming to ensure ongoing effectiveness and efficiency. This is supported by established governance frameworks, assurance functions, internal audits, and strategic initiatives aligned with the Forward'28 Strategy, as well as monitoring of regulatory developments and market practices.





# Financial Crime Framework after the conclusion of the DoJ probation

The FC Plan established a robust Financial Crime Framework that meets regulatory requirements, manages risk within tolerance, and aligns with global best practices where appropriate. This framework was a key in fulfilling post-resolution obligations to the DoJ related to the former Estonia branch, leading to the successful conclusion of the three-year corporate probation.

As part of concluding the probation, the Financial Crime Compliance Program was assessed and endorsed as adequate.

## The Financial Crime Framework includes, but is not limited to:

- ✓ **Oversight and governance** of financial crime controls across the Bank to identify, mitigate and manage financial crime risks and **a framework of financial crime related policies and instructions** designed to meet regulatory requirements in all jurisdictions in which the Bank operates
- ✓ An **assessment to risk score customers** at initial onboarding and throughout the customer life cycle and **risk-based Know-Your-Customer processes and controls** prior to the establishment of a business relationship and during the ongoing customer lifecycle
- ✓ Systems and processes in place to **monitor transactions** of relevant products for potentially suspicious activity in all markets and procedures to appropriately **investigate unusual activity and report activity which is deemed to be suspicious** or could point to cases of financial crime
- ✓ **A sanctions framework** that is compliant with applicable and relevant laws and regulations to ensure the Bank does not transact with, nor hold as customers, parties or entities subject to financial sanctions and embargoes
- ✓ Effective oversight over its **correspondent banking relationships** and processes to carry out appropriate, risk-based ongoing and enhanced due diligence on them and facilitate decision-making in line with the Bank's risk tolerance
- ✓ **A financial crime training framework** ensuring that training needs are analysed, tailored trainings developed, enhanced, and delivered across the Bank
- ✓ An enhanced **framework for responding to regulatory requests made by the Bank's supervisors** in all jurisdictions in which the Bank operates
- ✓ Regulatory standards to manage critical risks in relation to **tax evasion, fraud and bribery & corruption**, as well as continuous control improvements to ensure appropriate coverage and mitigation of key risks for the financial crime risks.



# Regulatory Engagements

## Ongoing Dialogue

- We engage in ongoing dialogue with our regulators through regular meetings with the Financial Supervisory Authorities (“FSAs”) and the AML Supervisory College to ensure aligned expectations and transparency between our regulators and Danske Bank.
- We provide regular updates and engage in frequent interactions with the Danish FSA on our progress in business strategy and other business developments, and how we are addressing any regulatory feedback. We proactively share information with all regulators.

## Regulatory Inspections

- Danske Bank has completed and closed all financial crime-related orders related to the Estonia matter, including those arising from inspections under the FC Plan.
- In Q2 2025, the Danish FSA issued one financial crime-related order to Danske Leasing A/S following its review of customer due diligence measures and monitoring of customers.
- In Q3 2025, the Danish FSA issued two financial crime-related orders to Danske Bank A/S following its review of the Group’s 2024 Financial Crime Group-Wide Risk Assessment (FC GWRA).
- We have established a framework and process to manage regulatory inspections and requests, ensuring that any regulatory orders are addressed openly and transparently. All regulatory deliverables are formally documented, with progress regularly communicated to the relevant authorities.

## Supervisory Oversight

- The Danish FSA, as well as other relevant FSAs, carry out supervisory oversight of the Bank, branches and subsidiaries and their regulatory compliance.
- The Danish FSA had appointed an Independent Expert to oversee Danske Bank’s commitments and reporting obligations under the DoJ Plea Agreement. The Expert has concluded their appointment in November 2025.
- In December 2025, the Danish FSA released its Risk Picture for the first half (H1) of 2026. In H1 2026, the Danish FSA will focus on enhancing Anti-Money Laundering (AML) efforts within the financial sector. This includes trade-based money laundering with enhanced focus on detecting and preventing trade-based financial crime.



# The Resolutions with the Danish and U.S. Authorities

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



## Pre-Resolution

Already during the investigations, Danske Bank:

- Made significant investments in building systems and upgrading our compliance, risk and control capabilities
- Started implementing a comprehensive transformation program, the FC Plan, which has now been completed
- Provided full cooperation with the investigation, which has been acknowledged by the U.S. authorities in the form of a cooperation credit

## The Plea Agreement

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

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

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

## Post-Resolution

On 15 December 2025, Danske Bank confirmed that its three-year corporate probation with the DoJ has been concluded.

The conclusion marks the end of the process to resolve the case with the U.S. authorities related to the non-resident portfolio at Danske Bank's former Estonia branch.



# Credit & ESG Ratings



# Danske Bank's credit ratings – stable ratings in Q4 2025

## Long-term instrument ratings

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

- Moody's rated covered bonds – Danske Mortgage Bank, Danske Hypotek
- Nordic Credit Rating rated covered bonds – Danske Hypotek
- S&P rated covered bonds – RD [S + T + General], Danske Bank [C + D + I]
- Scope rated covered bonds – RD [S + T], Danske Bank [C + D], Danske Mortgage Bank
- Counterparty rating
- Preferred senior debt
- Non-preferred senior debt
- Tier 2 subordinated debt
- Additional tier 1 capital instruments

## Rating summary

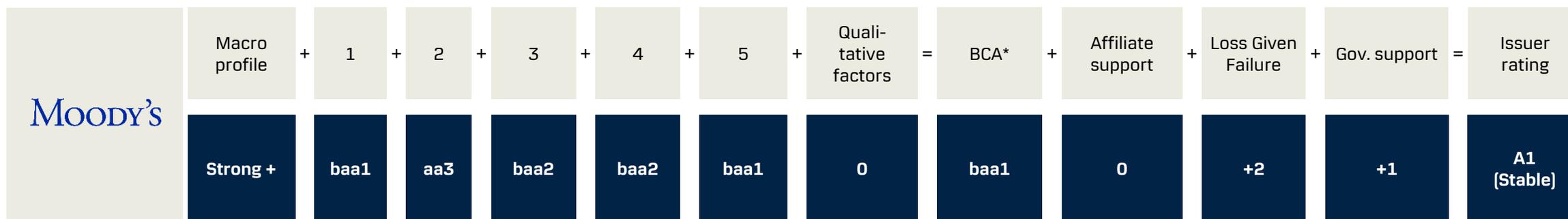
- Fitch, Moody's, Nordic Credit Rating and S&P, all have Stable outlooks for Danske Bank, while Scope Ratings has a Positive outlook



# Danske Bank's credit ratings – stable ratings in Q4 2025

## Rating methodology

 Danske Bank's rating



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

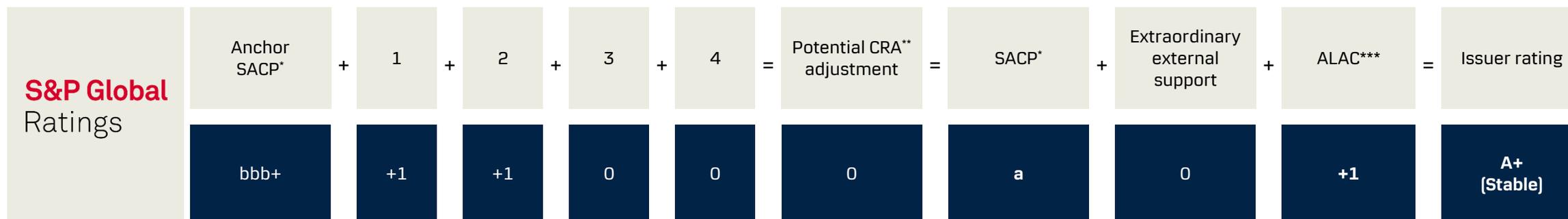
\* Baseline Credit Assessment



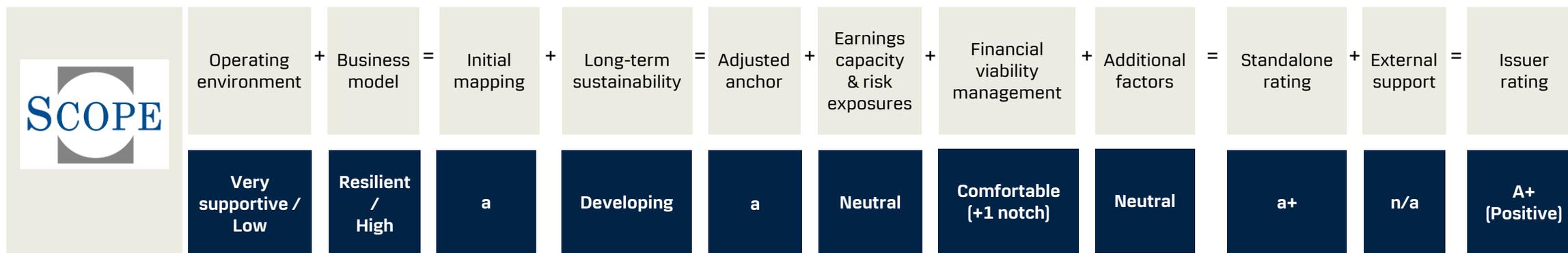
# Danske Bank's credit ratings – stable ratings in Q4 2025

## Rating methodology

 Danske Bank's rating



1=Business Position, 2=Capital & Earnings, 3=Risk Position, 4=Funding & Liquidity  
 \* Stand-Alone Credit Profile, \*\* Comparable Ratings Analysis, \*\*\* Additional Loss Absorbing Capacity





## Danske Bank's ESG ratings – No changes in Q4 2025

ESG rating agency		Q4 2025	Q3 2025	Q2 2025	Q1 2025	End-2024	End-2023	End-2022	Range
<b>CDP</b>	B	4% of the 22,100 climate scored companies made the 2025 CDP A List	B	B	B	B	B	B	A to D (A highest rating)
<b>ISS ESG</b>	C+ Prime	Decile rank: 1 (324 banks rated) C+ is the highest rating assigned to any bank by ISS ESG	C+ Prime	C+ Prime	A+ to D- (A+ highest rating) Decile rank of 1 indicates a higher ESG performance, while decile rank of 10 indicates a lower ESG performance				
<b>MSCI</b>	BBB	MSCI rates 206 banks: AAA 13% AA 44% A 22% BBB 15% BB 3% B 1% CCC 1%	BBB	BBB	BBB	BBB	BBB	BBB	AAA to CCC (AAA highest rating)
<b>Sustainalytics</b>	Low Risk	Rank in Regional Banks 95 / 597 Rank in Banks 227 / 1011	Low Risk	Low Risk	Low Risk	Low Risk	Medium Risk	Medium Risk	Risk categories: Negligible, Low, Medium, High, Severe



# Tax & Material one-offs



# Tax

## Actual and adjusted tax rates (DKK m)

Line		2025 Q4	2025 Q3	2025 Q2	2025 Q1	2025
1	Profit before tax according to P&L	30,699	8,335	7,384	7,390	7,591
2	Permanent non-taxable difference	438	-211	235	160	253
3	<b>Adjusted pre-tax profit, Group</b>	<b>31,137</b>	<b>8,124</b>	<b>7,619</b>	<b>7,550</b>	<b>7,844</b>
4	Tax according to P&L	7,662	2,028	1,864	1,936	1,834
5	Taxes from previous years etc.	-44	-53	-5	-79	94
6	<b>Adjusted tax</b>	<b>7,618</b>	<b>1,975</b>	<b>1,859</b>	<b>1,857</b>	<b>1,928</b>
7	Adjusted tax rate	24.5%	24.3%	24.4%	24.6%	24.6%
8	Actual-/Effective tax rate	25.0%	24.3%	25.2%	26.2%	24.2%
9	Actual-/Effective tax rate exclusive prior year regulation	24.8%	23.7%	25.2%	25.1%	25.4%

## Tax drivers, Q4 2025

- The actual tax rate of 23.7% (excluding prior-year's adjustments) is lower than the Danish rate of 26% - due to the differences in statutory tax rates in the various countries in which we operate and the tax effect from tax exempt income/expenses
- Adjusted tax rate of 24.3% is lower than the Danish rate of 26%, reflecting a weighted average of the statutory tax rates in the countries in which we operate
- The permanent non-taxable difference derives from tax-exempt income/expenses



## Material extraordinary items, 2023 - 2025

Quarter	One-off items	Effect (DKK m)	P&L line affected
Q223	Transaction costs and prudent valuation related to Personal Customers Norway	-693	Other income
	Gain from sale of shares taken over in connection with a loan	327	Trading
	Reversal of provision following a decision from tax auth. regarding exit of an international joint taxation scheme	576	Tax
Q323	Interest compensation: Final tax decision regarding tax paid in previous years	307	NII
	Release of loss from OCI related to the CET1 FX hedge attributable to PC in Norway	-786	Trading
	Provision for potential customer compensation case in Danica	-250	Net income from insurance
	Sale of Danske IT to Infosys	104	Other Income
	Correction of tax paid in previous years	670	Tax
Q423	One-off related to interest on tax related for previous years	-85	NII
Q124	None		
Q224	None		
Q324	Reimbursement of insurance costs	179	Expense
Q424	Management of 15 Danske Invest Horisont funds in Norway sold to Nordea	181	Other income
Q125	Provisions related to legacy life insurance business	-220	Net income from insurance
Q225	None		
Q325	None		
Q425	Model calibration in Danica H&A following FSA order	-200	Net income from insurance



# Contacts

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