

PROSPECTUS SUPPLEMENT NO. 1 DATED 12 DECEMBER 2018
TO THE BASE PROSPECTUS DATED 8 NOVEMBER 2018



EUR 30,000,000,000
GLOBAL COVERED BOND PROGRAMME

This Prospectus Supplement dated 12 December 2018 (the “**Prospectus Supplement**” or “**Prospectus Supplement No. 1**”) to the Base Prospectus dated 8 November 2018 (together with the Prospectus Supplement, the “**Base Prospectus**”) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and is prepared in connection with the Global Covered Bond Programme (the “**Programme**”) established by Danske Bank A/S (the “**Issuer**”). Terms defined in the Base Prospectus have the same meaning when used in this Prospectus Supplement.

This Prospectus Supplement has been approved by the Central Bank of Ireland as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Prospectus Supplement as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information contained in this Prospectus Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

AMENDMENT TO THE BASE PROSPECTUS

The bullet point at the top of page 154 shall be deleted and replaced with the following:

“• BlackRock Inc. on 30 November 2018 announced that it indirectly via shares and other financial instruments holds 5.27 per cent. of the shares and the voting rights of the Issuer.”

RECENT DEVELOPMENTS

In Company Announcement No. 65/2018 released on 7 December 2018, Danske Bank A/S announced that at the extraordinary general meeting held on 7 December 2018, Karsten Dybvad and Jan Thorsgaard Nielsen were elected to the Board of Directors. In Company Announcement No. 62/2018 released on 28 November 2018, Danske Bank A/S announced that it has been preliminarily charged by the Danish State Prosecutor for Serious Economic and International Crime with violating the Danish Anti-Money Laundering Act in the case relating to the Estonian branch. In Company Announcement No. 64/2018 released on 6 December 2018, Danske Bank A/S confirmed that Danica Pension, Livsforsikringsaktieselskab, which is part of the Danske Bank Group, has entered into negotiations with a specific buyer on the takeover of Danica Pension Försikringsaktiebolag (publ) (“Danica Pension Sweden”), and in Company Announcement No. 66/2018 released on 11 December 2018, Danske Bank A/S confirmed that Danica Pension, Livsforsikringsaktieselskab has entered into an agreement to sell Danica Pension Sweden.

Accordingly, the following sections are to be added to the bottom of the “Recent Developments” section on page 167 of the Base Prospectus:

“At the extraordinary general meeting held on 7 December 2018, Karsten Dybvad and Jan Thorsgaard Nielsen were elected to the Board of Directors. At the same time, the Chairman of the Board Ole Andersen and the chairman of the Audit Committee Jørn P. Jensen stepped down from the Board of Directors. At the board meeting held immediately after the extraordinary general meeting, Karsten Dybvad was elected Chairman and Carol Sergeant and Jan Thorsgaard Nielsen were elected Vice Chairmen of the Board of Directors.

Updates Regarding Anti-Money Laundering Investigations Relating to the Issuer's Estonian Branch

On 28 November 2018, the Issuer announced that it had been preliminarily charged by the Danish State Prosecutor for Serious Economic and International Crime (“SØIK”) with violating the Danish Anti-Money Laundering Act on four counts all relating to the Issuer’s Estonian branch in the period from 1 February 2007 to the end of January 2016. Among other things, SØIK alleges that the Issuer’s Estonian branch did not have sufficient procedures, controls and risk management systems to effectively prevent, mitigate and manage the risk of money laundering and financing of terrorism, or sufficient know your customer procedures, and that the monitoring of transactions and reporting of suspicious transactions to the authorities was inadequate. The preliminary charges are the result of an investigation initiated by SØIK in August 2018. The Issuer is cooperating with the authorities.

Negotiations on contemplated sale of pension activities in Sweden

On 6 December 2018, Danske Bank A/S confirmed that Danica Pension, Livsforsikringsaktieselskab, which is part of the Danske Bank Group, has entered into negotiations with a specific buyer on the takeover of Danica Pension Försikringsaktiebolag (publ) (“Danica Pension Sweden”). On 11 December 2018, Danske Bank A/S confirmed that Danica Pension, Livsforsikringsaktieselskab has entered into an agreement with an investor consortium on the takeover of Danica Pension Sweden, The sale is not expected to impact the net profit of the Danske Bank Group for 2018 as payment of the purchase sum awaits completion of the sale. The sale is conditional on approval by the relevant authorities. Final approval is expected in the first half of 2019.”

GENERAL INFORMATION

Paragraphs “Material Change and Significant Change” and “Legal Proceedings” of the “General Information” section on page 186 of the Base Prospectus shall be deemed deleted and replaced with the following paragraphs, respectively:

“Material Change and Significant Change

In the second quarter of 2018, the Issuer increased its solvency need by DKK 5 billion to ensure adequate capital coverage of its compliance and reputational risks as a consequence of the orders issued by the DFSA on 3 May 2018 concerning the Issuer’s Estonian branch. Following the publication of the report regarding the investigation concerning the Estonian branch, the DFSA found that the Issuer’s compliance and reputational risks are higher than previously assumed. As a result, in its decision of 4 October 2018, the DFSA ordered the Issuer to reassess the Group’s solvency need. The DFSA initially estimated that the Issuer, as an absolute minimum, should increase the Pillar II add-on to DKK 10 billion, or 1.3 per cent. of the Group’s total REA as at 30 June 2018. The Board of Directors agreed with the DFSA’s order and has, therefore, reassessed and increased the solvency need by an additional DKK 5 billion, such that the total Pillar II add-on for compliance and reputational risk was DKK 10 billion as at 30 September 2018. The add-on of DKK 10 billion will be met with CET1 capital.

- (i) Save as outlined immediately above and in the section “Updates Regarding Anti-Money Laundering Investigations Relating to the Issuer’s Estonian Branch” in “Recent Developments” on page 167 of the Base Prospectus, there has been no significant change in the financial position of the Issuer or of the Issuer and its Subsidiaries taken as a whole since 30 September 2018, the last day of the financial period in respect of which the most recent financial statements of the Issuer have been prepared; and
- (ii) save as outlined in the sections “Estonia” and “Updates Regarding Anti-Money Laundering Investigations Relating to the Issuer’s Estonian Branch” in “Recent Developments” on page 167 of the Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2017, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.

Legal Proceedings

Save as outlined in the sections “Estonia” and “Updates Regarding Anti-Money Laundering Investigations Relating to the Issuer’s Estonian Branch” in “Recent Developments” on page 167 of the Base

Prospectus, there are no governmental, legal or arbitration proceedings against or affecting the Issuer or any of its Subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous twelve months which have or may have in the recent past, individually or in the aggregate, significant effects on the profitability or the financial position of the Issuer or of the Issuer and its Subsidiaries taken as a whole.”

GENERAL

To the extent that there is any inconsistency between (a) any statement in this Prospectus Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Prospectus Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

See “Risk Factors” in the Base Prospectus for a discussion of certain risks that should be considered in connection with certain types of Covered Bonds which may be offered under the Programme.