

SUPPLEMENT NO. 2 DATED AUGUST 31, 2020
TO THE BASE INFORMATION MEMORANDUM DATED APRIL 8, 2020



U.S.\$ 20,000,000,000
U.S. MEDIUM-TERM NOTE PROGRAM

This Base Information Memorandum Supplement dated August 31, 2020 (the “**Supplement**” or “**Supplement No. 2**”) to the Base Information Memorandum dated April 8, 2020 as supplemented by the Base Information Memorandum Supplement No. 1 dated June 10, 2020 (together with this Supplement, the “**Base Information Memorandum**”) is prepared in connection with the U.S.\$ 20,000,000,000 U.S. Medium-Term Note Program (the “**Program**”) established by Danske Bank A/S (the “**Issuer**”). Terms defined in the Base Information Memorandum have the same meaning when used in this Supplement.

Application has been made to Euronext Dublin for the approval of this Supplement as a listing particulars supplement.

The Issuer accepts responsibility for the information contained in this 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 Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Base Information Memorandum can be viewed online at <https://danskebank.com/-/media/danske-bank-com/pdf/investor-relations/debt/funding-programmes/us-mtn-programme/danske-bank--base-information-memorandum--april-8-2020.pdf> and the Base Information Memorandum Supplement No. 1 dated June 10, 2020 at <https://danskebank.com/-/media/danske-bank-com/pdf/investor-relations/debt/funding-programmes/us-mtn-programme/danske-bank---u,-d-,s,-d,-mtn-program--supplement-no,-d,-1-2020.pdf>.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws and, subject to certain exceptions, may not be offered or sold, directly or indirectly, within the United States or to or for the account or benefit of U.S. persons, as defined in Regulation S under the Securities Act (“**Regulation S**”). The Notes may be offered for sale only (i) in the United States, to qualified institutional buyers (“**QIBs**”) within the meaning of, and in reliance on, Rule 144A under the Securities Act (“**Rule 144A**”) or another available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act; or (ii) outside the United States, to non-U.S. persons in reliance on, and in accordance with, Regulation S, in each case, in compliance with applicable laws, regulations and directives. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. See the sections of the Base Information Memorandum entitled “*Plan of Distribution—Selling Restrictions*” and “*Transfer and Transfer Restrictions.*”

EACH INITIAL AND SUBSEQUENT PURCHASER OF NOTES OFFERED HEREBY IN MAKING ITS PURCHASE WILL BE DEEMED TO HAVE MADE CERTAIN ACKNOWLEDGMENTS, REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF SUCH NOTES AND MAY IN CERTAIN CASES BE REQUIRED TO PROVIDE CONFIRMATION OF COMPLIANCE WITH SUCH RESALE OR OTHER TRANSFER RESTRICTIONS. SEE “TRANSFER AND TRANSFER RESTRICTIONS” IN THE BASE INFORMATION MEMORANDUM.

See “*Important Information*” in the Base Information Memorandum.

INTERIM REPORT – FIRST HALF 2020

On July 17, 2020, Danske Bank A/S published its consolidated unaudited interim financial statements as at and for the first half year period ended June 30, 2020 (the “**Interim report – first half 2020**”). A copy of the Interim report – first half 2020 has been filed with Euronext Dublin and, by virtue of this Supplement, the Interim report – first half 2020 is incorporated by reference in, and forms part of, the Base Information Memorandum, excluding the third sentence of the first quote of the “Executive summary” on page 4, the last sentence of the last paragraph of the section “Financials” on page 5 thereof and the section “Outlook for 2020” on page 6 thereof, as well as the last paragraph of the section “Loan impairments” of the “Financial review” on page 7 and the last paragraph of the section “Impact of the corona crisis” on page 8 thereof. The Interim report – first half 2020 incorporated by reference herein can be viewed online at <https://danskebank.com/-/media/danske-bank-com/file-cloud/2020/7/interim-report--first-half-2020.pdf>.

Cross Reference List

Danske Bank Group

Interim report – first half 2020

June 30, 2020

Income Statement for the Group for the first half year period ended June 30, 2020	page 30
Statement of Comprehensive Income for the Group for the first half year period ended June 30, 2020	page 31
Balance Sheet for the Group as at June 30, 2020	page 32
Statement of Capital for the Group for the first half year period ended June 30, 2020	pages 33–35
Cash Flow Statement for the Group as at and for the first half year period ended June 30, 2020	page 36
Notes to the Financial Statements for the Group as at and for the first half year period ended June 30, 2020	pages 37–84
Statement by the Management as at and for the first half year period ended June 30, 2020	page 85
Independent Auditors' Review Report for the Group as at and for the first half year period ended June 30, 2020	page 86

The Interim report – first half 2020 is incorporated as set out above. The table above sets out the principal disclosures and is not exhaustive. Each page reference refers to the corresponding page in the Interim report – first half 2020.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Information Memorandum to which this Supplement relates.

OVERVIEW

The heading “*Uncertain macroeconomic outlook due to COVID-19*” and the paragraph under such heading of the “*Overview*” section on page 1 of the Base Information Memorandum shall be deemed deleted and replaced with the following:

“Uncertain macroeconomic outlook due to COVID-19

On March 16, 2020, the Bank announced that due to a significant worsening of the macroeconomic outlook as a result of the COVID-19 outbreak, the Bank expects a negative impact on its financial results for the year ending December 31, 2020. In the Interim report – first half 2020, the Bank stated that it expects loan impairment charges to be significantly higher for the year ending December 31, 2020 due to the impact of the COVID-19 pandemic on the economic outlook. For the first half year period ended June 30, 2020, the Group’s loan impairments in core activities amounted to DKK 5.3 billion, an increase of DKK 4.8 billion, as compared to DKK 0.5 billion for the first half year period ended June 30, 2019. This significant increase was directly related to the COVID-19 outbreak, the subsequent economic downturn and significant decline in oil prices. Furthermore, the global financial markets have been and continue to be impacted by very high volatility, which is expected to have a negative impact on the Group’s trading income for the full year ending December 31, 2020 should the volatility continue throughout the year. For the first half year period ended June 30, 2020, the Group’s net trading income decreased by DKK 0.3 billion as compared to the first half year period ended June 30, 2019, due to the turbulence in the financial markets, although the markets recovered towards the end of that period. The macroeconomic outlook and its impact on the Group remains subject to uncertainty and depends on items discussed above and general economic conditions, including developments in monetary policy at central banks.

In the independent auditors’ review report in respect of the interim financial statements included in the Interim report – first half 2020 (the “**First Half 2020 Interim Financial Statements**”), the independent auditors drew attention to note G1 “Significant accounting policies and estimates,” which describes the uncertainty related to the financial impacts of COVID-19 on the measurement of the Group’s exposures. See note G1 “Significant accounting policies and estimates” to the First Half 2020 Interim Financial Statements on pages 37–40 of the Interim report – first half 2020 and the independent auditors’ review report on page 86 of the Interim report – first half 2020.”

RISK FACTORS

The risk factor “COVID-19 outbreak could have a material adverse effect on the Group’s business, results of operations and financial position” of the “Risk Factors” section on page 12 of the Base Information Memorandum shall be deemed deleted and replaced with the following:

“COVID-19 outbreak has had and continues to have a material adverse effect on the Group’s business, results of operations and financial position.

COVID-19, identified in China in late 2019, has spread throughout the world, impacting Asia, Europe, the Middle East, North America and South America. On March 11, 2020, the World Health Organization confirmed that its spread and severity had escalated to the point of pandemic. The outbreak of COVID-19 has resulted in authorities, including those in the Nordic countries, implementing numerous measures to try to contain the virus, such as travel bans and restrictions, curfews, lockdowns, quarantines and shutdowns of businesses and workplaces, and has led to materially increased volatility and declines in financial markets and significant worsening of the macroeconomic outlook. The duration of such restrictions is highly uncertain, but could be prolonged, or re-introduced once removed, and even stricter measures may be put in place. Such restrictions are already in place in all of the Group’s markets.

The spread of COVID-19 has led the Group to modify its operational practices, and it may take further actions required by authorities or that it determines are in the best interests of its employees, customers and other stakeholders. There is no certainty that such measures will be sufficient to mitigate the risks posed by COVID-19, and the implementation of such measures (or their insufficiency) could harm the Group’s ability to perform some of its critical functions and serve its customers. The pandemic and related counter-measures have affected and continue to affect some of the Group’s customers adversely, which in some cases may be material, which, in turn, have had and could continue to have an adverse impact on the Group (for example, through deteriorations in credit quality and higher impairments). In the jurisdictions in which the Group operates, schemes have been initiated by both the Group and national governments to provide financial support to parts of the economy most impacted by the COVID-19 outbreak. The Group has launched a number of initiatives to help both commercial and retail customers that find themselves in a difficult financial situation, including, among others, deferred payments, new or extended overdraft and credit facilities, bridge financing, interest-only loans, and raising the threshold for the charging of negative interest on deposits. The details of how these schemes and initiatives will operate, the impact on the Group’s customers and, therefore, the impact on the Group remain largely uncertain at this stage.

The full economic impact of COVID-19 is outside of the Group’s control and will depend on the spread of the virus and the response of the local authorities and the global community. Based on the financial performance of the Group for the first half year period ended June 30, 2020, the Bank’s estimates based on the assessment of the current situation and the likely impact on the Group’s business for the rest of 2020, the Bank expects that COVID-19 will have a negative impact on its financial results for the year ending December 31, 2020. The Bank expects loan impairment charges to be significantly higher for the year ending December 31, 2020 due to the impact of the COVID-19 pandemic on the economic outlook. For the first half year period ended June 30, 2020, the Group’s loan impairments in core activities amounted to DKK 5.3 billion, an increase of DKK 4.8 billion, as compared to DKK 0.5 billion for the first half year period ended June 30, 2019. This significant increase was directly related to the COVID-19 outbreak, the subsequent economic downturn and significant decline in oil prices. Furthermore, the global financial markets have been and continue to be impacted by very high volatility, which is expected to have a negative impact on the Group’s trading income for the full year ending December 31, 2020 should the volatility continue throughout the year. For the first half year period ended June 30, 2020, the Group’s net trading income decreased by DKK 0.3 billion as compared to the first half year period ended June 30, 2019, due to the turbulence in the financial markets, although the markets recovered towards the end of that period. As a result of the impact of the COVID-19 pandemic, uncertainty is higher than usual, reflecting the limited visibility for the macroeconomic situation and developments in the financial markets. The ability of the Group’s customers to serve their contractual obligations, including to the Group, may also be materially adversely affected. Other potential risks include credit rating migration, which could negatively impact the Group’s risk-weighted assets and capital position, and potential liquidity stress due to, among other factors, increased customer drawdowns, notwithstanding the significant initiatives that governments and central banks have put in place to support funding and liquidity. The degree to which COVID-19 impacts the Group’s results of operations, liquidity, access to funding and financial position will depend on future developments, which, as at the date of this Supplement, remain highly uncertain and cannot be predicted. These developments may include, but are not limited to, the duration and spread of COVID-19, its severity, actions taken to contain the virus or treat its impact, the extent and effectiveness of economic stimulus taken to contain the virus or treat its impact and how quickly and to what extent normal economic and business activity can resume. The macroeconomic outlook and its impact on the Group remains subject to uncertainty and depends on items discussed above and general economic conditions, including developments in monetary policy at central banks.

In the First Half 2020 Interim Financial Statements, the independent auditors drew attention to note G1 “Significant accounting policies and estimates,” which describes the uncertainty related to the financial impacts of COVID-19 on the measurement of the Group’s exposures. See note G1 “Significant accounting policies and estimates” to the First Half 2020

Interim Financial Statements on pages 37–40 of the Interim report – first half 2020 and the independent auditors’ review report on page 86 of the Interim report – first half 2020.

The factors described above could, together or individually, have a material adverse effect on the business, results of operations, financial position and liquidity of the Group.”

The third paragraph under “*There are various investigations and proceedings related to the Bank’s Estonian branch, which may have a material adverse effect on the Bank*” of the “*Risk Factors*” section on page 25 of the Base Information Memorandum shall be deemed deleted and replaced with the following paragraph:

“In note G12 “Guarantees, commitments and contingent liabilities” to the First Half 2020 Interim Financial Statements, the Bank noted that its internal investigation into the non-resident customer portfolio is progressing as planned and it is expected to be completed during the fourth quarter of 2020. However, the overall timing of completion and the outcome of the investigations regarding the terminated non-resident customer portfolio at the Bank’s Estonian branch by, and subsequent discussions with, the authorities are uncertain, and that it is not yet possible to reliably estimate the timing or amount of potential settlement or fines, if any, which could be material. Accordingly, no provision in respect of any investigation or proceeding related to these matters has been recognized, except for the provision of DKK 1.5 billion discussed under “—*The Group mandated an investigation into AML matters at the Bank’s Estonian branch, which has found a significant volume of transactions that are expected to be suspicious and critical deficiencies in governance and controls as well as certain employees that failed to fulfill certain legal obligations*” above. In the independent auditors’ review report in respect of the First Half 2020 Interim Financial Statements, the independent auditors drew attention to this statement in note G12 “Guarantees, commitments and contingent liabilities.” See note G12 “Guarantees, commitments and contingent liabilities” to the First Half 2020 Interim Financial Statements on pages 53–54 of the Interim report – first half 2020 and the independent auditors’ review report on page 86 of the Interim report – first half 2020.”

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following sub-section shall be added as the first sub-section under the “*Operating and Financial Review and Prospects—Recent Developments*” section on page 60 of the Base Information Memorandum:

“Changes to the Organization and the Executive Leadership Team of the Bank

On August 25, 2020, the Bank announced that as a next step in the ongoing transformation, the Bank is changing the organization to reduce complexity, increase efficiency and become even more competitive for its customers. Going forward, the commercial activities will be organized in two business units headed by Glenn Söderholm and Berit Behring.

As a consequence of the organizational change, Jakob Groot will leave the Bank effective August 25, 2020. Head of Group HR, Karsten Breum, will join the Executive Leadership Team, and a new Group Leadership Team will be introduced.

Effective January 1, 2021, the Bank’s commercial activities will be consolidated into two business units:

Personal & Business Customers, which will serve personal customers and small and medium-sized business customers across all markets. This unit will be headed by Glenn Söderholm. Mr. Söderholm has been with the Bank since 1998 and has held several positions across the organization. He has previously headed C&I and is currently Head of Banking Nordic and Interim Head of Banking DK, and will continue to lead both units until the new organization takes effect.

Large Corporate & Wholesale Customers, which will serve large corporates and institutional customers across all markets. This unit will be headed by Berit Behring. Ms. Behring has been with the Bank since 2007 and has held leading positions in C&I, been Country Manager of Danske Bank Sweden and is currently Head of Wealth Management. Until the new organization takes effect, Ms. Behring will head both Wealth Management and C&I.

Furthermore, as employee engagement, leadership and cultural change are essential to the Bank’s transformation, Head of Group HR, Karsten Breum, is appointed member of the Executive Leadership Team as of August 25, 2020. Karsten Breum joined the Bank in February 2020 and has a long career in leading positions within HR.

To increase the Bank’s execution power and commercial focus throughout the organization, the Bank is introducing an extended leadership team, the Group Leadership Team (the “GLT”), aimed at allowing for faster decision-making and implementation. The GLT will consist of the Executive Leadership Team and selected key senior leaders from across the Bank, who are expected to be announced in October 2020.

The new organization will take effect on January 1, 2021. The financial reporting will be aligned with the new organizational structure. The annual report for 2020 will show pro forma figures, whereas the interim report for the first quarter of 2021 will reflect the new structure.”

The heading “*Uncertain macroeconomic outlook due to COVID-19*” and the paragraph under such heading of the “*Operating and Financial Review and Prospects—Recent Developments*” section on page 60 of the Base Information Memorandum shall be deemed deleted and replaced with the following:

“*Uncertain macroeconomic outlook due to COVID-19*”

On March 16, 2020, the Bank announced that due to a significant worsening of the macroeconomic outlook as a result of the COVID-19 outbreak, the Bank expects a negative impact on its financial results for the year ending December 31, 2020. In the Interim report – first half 2020, the Bank stated that it expects loan impairment charges to be significantly higher for the year ending December 31, 2020 due to the impact of the COVID-19 pandemic on the economic outlook. For the first half year period ended June 30, 2020, the Group’s loan impairments in core activities amounted to DKK 5.3 billion, an increase of DKK 4.8 billion, as compared to DKK 0.5 billion for the first half year period ended June 30, 2019. This significant increase was directly related to the COVID-19 outbreak, the subsequent economic downturn and significant decline in oil prices. Furthermore, the global financial markets have been and continue to be impacted by very high volatility, which is expected to have a negative impact on the Group’s trading income for the full year ending December 31, 2020 should the volatility continue throughout the year. For the first half year period ended June 30, 2020, the Group’s net trading income decreased by DKK 0.3 billion as compared to the first half year period ended June 30, 2019, due to the turbulence in the financial markets, although the markets recovered towards the end of that period. The macroeconomic outlook and its impact on the Group remains subject to uncertainty and depends on items discussed above and general economic conditions, including developments in monetary policy at central banks.

In the independent auditors’ review report in respect of the First Half 2020 Interim Financial Statements, the independent auditors drew attention to note G1 “Significant accounting policies and estimates,” which describes the uncertainty related to the financial impacts of COVID-19 on the measurement of the Group’s exposures. See note G1 “Significant accounting policies and estimates” to the First Half 2020 Interim Financial Statements on pages 37–40 of the Interim report – first half 2020 and the independent auditors’ review report on page 86 of the Interim report – first half 2020.”

DESCRIPTION OF THE GROUP

The second paragraph under “*Further Details on Investigations and Proceedings Related to the Bank’s Estonian Branch*” of the “*Description of the Group—Legal and Arbitration Proceedings*” section on page 161 of the Base Information Memorandum shall be deemed deleted and replaced with the following paragraph:

“In note G12 “Guarantees, commitments and contingent liabilities” to the First Half 2020 Interim Financial Statements, the Bank noted that its internal investigation into the non-resident customer portfolio is progressing as planned and it is expected to be completed during the fourth quarter of 2020. However, the overall timing of completion and the outcome of the investigations regarding the terminated non-resident customer portfolio at the Bank’s Estonian branch by, and subsequent discussions with, the authorities are uncertain, and that it is not yet possible to reliably estimate the timing or amount of potential settlement or fines, if any, which could be material. Accordingly, no provision in respect of any investigation or proceeding related to these matters has been recognized, except for the provision of DKK 1.5 billion discussed under “—*The Group’s Investigation into the Bank’s Estonian Branch*” above. In the independent auditors’ review report in respect of the First Half 2020 Interim Financial Statements, the independent auditors drew attention to this statement in note G12 “Guarantees, commitments and contingent liabilities.” See note G12 “Guarantees, commitments and contingent liabilities” to the First Half 2020 Interim Financial Statements on pages 53–54 of the Interim report – first half 2020 and the independent auditors’ review report on page 86 of the Interim report – first half 2020.”

ORGANIZATION AND MANAGEMENT

On August 25, 2020, the Bank announced that Jakob Groot, Head of C&I and member of the Executive Leadership Team, is leaving the Bank due to organizational changes, effective August 25, 2020. Effective August 25, 2020, Karsten Breum, Head of Group HR, assumed his role as Member of the Executive Leadership Team and Chief People Officer. Accordingly, references to Jakob Groot in “*Bank’s Executive Leadership Team*” of the “*Organization and Management*”

section on page 175 of the Base Information Memorandum shall be deemed deleted and the table on page 174 of the Base Information Memorandum shall be deemed deleted and replaced with the following:

“The members of the Executive Leadership Team as at the date of this Base Information Memorandum are as follows:

	Position	Year of birth	Year employed by the Bank⁽¹⁾	Appointed to the Executive Leadership Team
Chris Vogelzang	CEO	1962	2019	2019
Stephan Engels.....	CFO	1962	2020	2020
Berit Behring	Head of Wealth Management and interim Head of C&I	1966	2007	2019
Carsten Rasch Egeriis	Head of Group Risk Management (Chief Risk Officer)	1976	2017	2017
Frans Woelders	COO	1965	2020	2020
Glenn Söderholm.....	Head of Banking Nordic and interim Head of Banking DK	1964	1998	2013
Karsten Breum.....	Head of Group HR (Chief People Officer)	1972	2020	2020
Philippe Vollot.....	Chief Compliance Officer	1967	2018	2018

(1) Includes employment in Group companies and entities acquired by the Bank.”

The following paragraphs shall be inserted as the 18th and 19th paragraphs in “*Bank’s Executive Leadership Team*” of the “*Organization and Management*” section on page 175 of the Base Information Memorandum:

“*Karsten Breum* joined the Executive Leadership Team in 2020 as Chief People Officer. Mr. Breum is the Vice Chairman of Finanssektorens Arbejdsgiverforening (FA) and a member of the board of directors of Finanskompetencepuljen.

Within the last five years, Mr. Breum has been the Head of Group HR at the Bank. Mr. Breum has also been Chief HR Officer and member of the Executive Board of the Panalpina transport and logistics company.”

ADDITIONAL INFORMATION

The paragraphs “*Material Adverse Change and Significant Change*” of the “*Additional Information*” section on pages 251–252 of the Base Information Memorandum shall be deemed deleted and replaced with the following paragraphs, respectively:

“Material Adverse Change and Significant Change

- (i) Save for as described in “*Risk Factors—Risks Related to the Markets in which the Group Operates—COVID-19 outbreak has had and continues to have a material adverse effect on the Group’s business, results of operations and financial position,*” 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 June 30, 2020, 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 for as described in “*Risk Factors—Risks Related to the Markets in which the Group Operates—COVID-19 outbreak has had and continues to have a material adverse effect on the Group’s business, results of operations and financial position*” and the investigations regarding the terminated non-resident customer portfolio at the Bank’s Estonian branch described under “*Description of the Group—Legal and Arbitration Proceedings,*” there has been no material adverse change in the prospects of the Issuer since December 31, 2019, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.”

GENERAL

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

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

See “*Risk Factors*” in the Base Information Memorandum for a discussion of certain risks that should be considered in connection with certain types of Notes which may be offered under the Program.