

PROSPECTUS SUPPLEMENT NO. 5 DATED 5 FEBRUARY 2020
TO THE BASE PROSPECTUS DATED 8 MARCH 2019



EUR 35,000,000,000
EURO MEDIUM TERM NOTE PROGRAMME

This Prospectus Supplement dated 5 February 2020 (the “**Prospectus Supplement**” or “**Prospectus Supplement No. 5**”) to the Base Prospectus dated 8 March 2019 (as supplemented by the Prospectus Supplement No. 1 dated 2 May 2019, the Prospectus Supplement No. 2 dated 18 July 2019, the Prospectus Supplement No. 3 dated 4 November 2019 and the Prospectus Supplement No. 4 dated 18 December 2019, 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 Euro Medium Term Note 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. The Base Prospectus can be viewed online at <https://danskebank.com/-/media/danske-bank-com/pdf/investor-relations/debt/funding-programmes/emtn-programme/8-march-danske-bank-emtn-base-prospectus-2019-final.pdf>.

ANNUAL REPORT 2019

On 5 February 2020, the Issuer published its consolidated audited financial statements as at and for the year ended 31 December 2019 (the “**Annual Report 2019**”). A copy of the Annual Report 2019 has been filed with the Central Bank of Ireland and, by virtue of this Prospectus Supplement, the Annual Report 2019 is incorporated in, and forms part of, the Base Prospectus, excluding the following: the section “Outlook for 2020” of the “Executive summary” on page 11, the last bullet under “Better Bank 2023” of the “Strategy execution” section on page 16 and the last paragraph under “Improved profitability” of the “Strategy execution” section on page 17. The Annual Report 2019 incorporated by reference herein can be viewed online at <https://danskebank.com/-/media/danske-bank-com/file-cloud/2020/2/annual-report-2019.pdf?rev=ce58f68c871c451ab82c07640edbc51f&hash=091E45286122B94B1F719CEA4F23A799>.

Cross Reference List

Danske Bank Group

Annual Report 2019

31 December 2019

Income Statement for the Group for the year ended 31 December 2019	page 70
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The Annual Report 2019 is incorporated as set out above. The table above sets out the principal disclosure requirements which are satisfied by the information and is not exhaustive. Each page reference refers to the corresponding page in the Annual Report 2019.

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 Prospectus to which this Prospectus Supplement relates.

AMENDMENTS TO THE BASE PROSPECTUS

The section "*Legal and Regulatory Proceedings*" on pages 166-168 shall be deemed deleted and replaced with the following:

“Legal and Regulatory Proceedings

Owing to its business volume, the Group is continually a party to various lawsuits and disputes and has an on-going dialogue with public authorities such as the DFSA. In particular, the investigations and events that took place in the Estonian branch are being discussed with the DFSA, the Danish State Prosecutor for Serious Economic and International Crime ("**SØIK**") and other public authorities such as the Estonian Financial Supervisory Authority ("**Estonian FSA**") the U.S. Department of Justice (the "**DOJ**") and the U.S. Securities and Exchange Commission (the "**SEC**").

Danish FSA: The DFSA has assessed the role of the Group's management and senior employees in the matter relating to the now terminated non-resident portfolio (as defined in the Report) at the Group's branch in Estonia. The assessment related to whether rules relating to management and controls, and other Danish rules, had been complied with, and the DFSA stated that serious weaknesses in the Group's governance had been uncovered in a number of areas. Further, the DFSA criticised the Group's governance, internal controls and responses. In its decision document dated 3 May 2018, the DFSA imposed on the Issuer eight orders and eight reprimands. Among other things, the DFSA ordered the Board of Directors and the Executive Board (since re-named to the Executive Leadership Team) to reassess the Issuer's and the Group's solvency need in order to ensure an adequate internal capital coverage of compliance and reputational risks, as a result of weaknesses in the Group's governance. The DFSA initially estimated that a Pillar 2 add-on should amount to at least DKK 5 billion, or approximately 0.7 per cent. of the Group's REA as at 31 December 2017.

The Group has taken note of the DFSA orders and reprimands. In addition to the initiatives already taken in recent years, the Group has launched further measures to ensure that it complies with all orders. The DFSA did not assess compliance with rules on measures to prevent money laundering as, pursuant to European Union regulation, the Estonian FSA supervises compliance by branches in Estonia with such rules. Furthermore, the DFSA noted in its decision document dated 3 May 2018 that the Group's ongoing investigations into the conditions at the Estonian branch could lead to new assessments and supervisory actions by the DFSA. Accordingly, on 20 September 2018, following the Issuer's publication of the Report of 19 September 2018 on its website, the DFSA reopened the investigation, which had resulted in the decision dated 3 May 2018. The reopened investigation is ongoing.

On 4 October 2018, the DFSA issued a follow-up on its decision in the Estonia case of 3 May 2018. As regards the DFSA order on reassessment of the solvency need, the DFSA considered that, at 30 June 2018, the Issuer complied with the order to increase its solvency need by a Pillar 2 add-on of DKK 5 billion.

However, considering the developments since 30 June 2018, including the publication of the Report, which had caused the DFSA to reopen its investigations, the DFSA assessed the Issuer's compliance and reputational risks to be higher than previously estimated following the DFSA's decision of 3 May 2018. Consequently, the DFSA ordered the Issuer to reassess the Issuer's and the Group's solvency need in order to ensure an adequate capital coverage of the increased compliance and reputational risks. The DFSA required an absolute minimum of DKK 10 billion be added to the Group's Pillar 2 requirement (which included the DKK 5 billion Pillar 2 add-on which had been required pursuant to the DFSA's 3 May 2018 decision). In addition to revising its capital targets following the DFSA decisions, the Issuer decided to discontinue the share buy-backs under the share buy-back programme for 2018 in order to gain further flexibility within its new capital targets.

On 4 October 2018, the DFSA further found that the Issuer had not fully complied with one order of its 3 May 2018 decision, as the Issuer's response to the DFSA did not comprise initiatives to address the DFSA's concerns relating to ensuring satisfactory documentation of the decision-making basis, discussions at meetings and decisions made. The Issuer must therefore introduce initiatives with a view to generally strengthening its governance in relation to decision-making processes, including governance at levels below the Board of Directors and the Executive Board (since re-named to the Executive Leadership Team). In relation to the remaining orders of the decision of 3 May 2018, the DFSA found that the Issuer either had complied with the orders by the end of June 2018 or had initiated suitable initiatives to ensure compliance.

SØIK: On 6 August 2018, SØIK announced that it had opened an investigation into the Issuer concerning transactions passing through the Issuer's Estonian branch to examine whether there are grounds for a criminal case against the Issuer for breach of the Act on Measures to Prevent Money Laundering and Financing of Terrorism (the "**Danish AML Act**"). On 28 November 2018, the Issuer was preliminarily charged by SØIK with violating the Danish AML 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 Issuer is cooperating with the authorities.

Estonian Office of the Prosecutor General: In 2018, the Estonian Office of the Prosecutor General opened a criminal investigation into former employees of the Estonian branch.

In addition, in relation to matters relating to the Issuer's Estonian branch, the Issuer is reporting to, responding to inquiries from and cooperating with various authorities (including the *U.S. Department of Justice* and the *U.S. Securities and Exchange Commission*).

New York: On 9 January 2019, a class action lawsuit was filed in New York against the Issuer. The claim is being pursued by four retirement funds purportedly on behalf of purchasers of the Issuer's American Depositary Receipts ("**ADRs**") between 9 January 2014 and 29 April 2019, who claim damages for economic loss in relation to investments in the Issuer's ADRs. The amount of the claim has not yet been calculated.

Tribunal de Grande Instance de Paris: On 7 February 2019, the Issuer was placed under formal investigation ("*mise en examen*") by an investigating judge at the Tribunal de Grande Instance de Paris in connection with an investigation into suspicion of money laundering related to certain transactions in the terminated portfolio of non-resident customers of the Issuer's branch in Estonia in the period from 2007 to 2014. The investigation covers transactions amounting to around EUR 21.6 million. The Issuer has been ordered to post bail in the amount of EUR 10.8 million. The Issuer was first placed under formal investigation in France on 11 October 2017. On 25 January 2018, the Issuer's status in the investigation was changed to that of an assisted witness ("*témoign assisté*"). Subsequently, on 19 September 2018, the Issuer published the Report, which has since been included in the investigation in France. On 7 February 2019, the Issuer was again placed under formal investigation by the Tribunal de Grande Instance de Paris. The Issuer now awaits a decision by the court on whether or not the case will proceed to trial.

The terminated portfolio of non-resident customers is described in more detail in the Report. Whilst the Report showed shortcomings and failures, including late and inadequate handling of the issues arising from the Estonia matter, the investigation into the terminated portfolio of non-resident customers has made no findings which enable it to conclude whether money laundering, tax evasion or other criminal activity has actually taken place.

The timing of the completion of the on-going investigations into the AML matters at the Estonian branch, the outcome and the subsequent discussions with the authorities regarding such matters are subject to uncertainty. It is not yet possible to reliably estimate the timing or amount of any potential settlement or fines, if any, which could be material.

The Issuer does not wish to benefit financially from suspicious transactions in Estonia. Accordingly, the estimated gross income from the non-resident portfolio in Estonia in the period from 2007 to 2015 of DKK 1.5 billion has been set aside net of confiscation as a donation for measures to combat financial crime. The donation will be transferred to an independent foundation, which will be set up to support initiatives aimed at combating international financial crime, including money laundering. The foundation will be set up independently from the Issuer, with an independent board.

Copenhagen City Court and Eastern High Court: On 3 March 2019, a court case was initiated against the Issuer for approval of a class action lawsuit led by a newly formed association with the aim of representing former and current shareholders in a liability action relating to the Estonian AML matter. No specific claim amount has been calculated. In December 2019, the association's application for legal aid was denied by the Danish Department of Civil Affairs. This decision is now awaiting appeal expected in the second quarter of 2020, and the association has indicated that the case may be discontinued without legal aid.

On 14 March 2019, 169 separate cases were further initiated simultaneously concerning shareholder claims relating to the Estonian AML matter with claims totalling approximately DKK 3.5 billion. In October 2019, the claimants' Danish counsel filed an additional 64 claims against the Issuer, increasing the total value of the claims by approximately DKK 2.5 billion and in January 2020 an additional 9 claims were raised (bringing the total to approximately DKK 6.3 billion). These court actions relate to alleged violations in the Issuer's Estonian branch of the rules on prevention of money laundering and alleged failure to timely inform the market of such violations. At present, 228 of the cases have been referred to the Eastern High Court.

On 27 December 2019, 63 private and institutional investors initiated a similar case against the Issuer with a total claim amount of approximately DKK 1.3 billion. The case is pending before the City Court of Copenhagen, but is expected to be referred to the Eastern High Court.

Recent reports in the media have pointed to potential further legal actions being raised against the Issuer in connection with the Estonian case, and the Issuer has received claims for compensation threatening litigation. The timing of completion of any such lawsuits (pending or threatening) and their outcome are uncertain. The Issuer intends to defend itself against the claims. Further similar claims may be filed.

Flexinvest Fri: As stated in the Issuer's press release of 24 June 2019, the Issuer found, in the autumn of 2018, that customers who invested in Flexinvest Fri during a certain period had paid fees that were too high. This was a result of a number of management decisions to change Flexinvest Fri fees in connection with the implementation of MiFID II in 2017. At the time, interest rates were low, and the expected returns were similarly low. The management decisions caused the fees to be set at too high a level in relation to the expected returns, which made Flexinvest Fri unsuitable for some customers.

Upon discovery of the Flexinvest Fri matter, the Issuer notified the DFSA and instructed external counsel to conduct a thorough review. The DFSA issued a decision on 30 August 2019 which contained a number of orders. The Issuer has taken note of the orders and will take and continue to take the steps necessary to ensure compliance with regulatory requirements. In connection with the decision, the DFSA

also filed a criminal complaint against the Issuer. The Issuer is cooperating fully with the authorities and has individually contacted all affected customers by letter. As of 31 December 2019 approximately 83,000 affected customers had received compensation.

The Issuer has an on-going dialogue with the DFSA and expects capital requirements to be subject to change going forward. This is a result of general product governance risk following the Flexinvest Fri investigation and inspection of the Issuer's IT governance structure. The Issuer implemented Pillar II additions of DKK 4 billion in the third quarter of 2019 related to Flexinvest Fri and IT Governance.

On 14 November 2019, following the criminal complaint filed on 30 August 2019 by the DFSA, the Issuer was preliminarily charged by SØIK with violating the Danish Executive Order on Investor Protection.

The Issuer does not comment on the risk of fines being imposed or the amount of such fines, if any. The Issuer will update the financial market via the usual channels (i.e. company announcement or on www.danskebank.com), when and if required.

Moreover, the Issuer has an ongoing dialogue with different authorities and is cooperating with these authorities. The Issuer does not in general comment on its dialogue with authorities. The Issuer has no basis for providing any indication on when the investigations by authorities are expected to be completed."

GENERAL INFORMATION

Paragraphs 6 and 7 of the section "GENERAL INFORMATION" on pages 183-184 of the Base Prospectus shall be deemed deleted and replaced with the following paragraphs, respectively:

- “6. (i) 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 31 December 2019, the last day of the financial period in respect of which the most recent financial statements of the Issuer and the Group have been prepared; and
 - (ii) save as outlined in the section “*Legal and Regulatory Proceedings*” in the Base Prospectus, there has been no material adverse change in the prospects of the Issuer since 31 December 2019, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer and the Group have been prepared.
7. Save as outlined in the section “*Legal and Regulatory Proceedings*” in 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 or any statement incorporated by reference into the Base Prospectus by 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 Notes which may be offered under the Programme.