

*A strategic direction
based on our stakeholders'
input*

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generation in conversations
about money*

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*Going digital to make
money transfer easy
and secure*

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Corporate Responsibility 2015

UN Global Compact
Communication on
Progress



Danske Bank

Five things you should know about this report

In this report, we describe our approach to corporate responsibility and our performance. When you read the report, please note the following:

1. It is our Communication on Progress to the UN Global Compact for the 2015 financial reporting year. With this document, we fulfil the requirements of section 135 and subsection 135a of the Danish Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc. See our compliance overview on page 34.
2. We assess and report on material issues in order to give a balanced overview of corporate responsibility matters related to our business. Material issues are those that either represent a significant risk or opportunity for us in our business operations or could possibly affect our stakeholders' views of Danske Bank. We assess materiality periodically as part of our reporting process. See the results of the assessment that shaped the contents of this report at danskebank.com/CR/reporting.
3. Our reporting is systematic in its scope and treatment of information. The report covers the Group's five main business units and activities in our core markets. We prepare performance data according to our Corporate Responsibility Reporting Principles, which you can find at danskebank.com/CR/reporting. Selected performance data have been verified by Deloitte according to the ISAE 3000 assurance standard.
4. The report constitutes part of Danske Bank Group's annual reporting, along with Annual Report 2015 and Risk Management 2015, which present detailed information about our financial results and risk management practices. You can find the reports at danskebank.com/reports. You can also find more detailed and segmented data on corporate responsibility issues in the Corporate Responsibility Fact Book 2015 and in the Statement of Carbon Neutrality 2015. Both documents are available at danskebank.com/CR/reporting.
5. We welcome and value your feedback and suggestions, which help us improve our reporting. Please contact Dorte Eckhoff, Head of Corporate Responsibility, at deck@danskebank.com.

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At the forefront of the transformation



The societies, markets and economies we are part of are all changing. We want to be at the forefront of the transformation by constantly challenging ourselves and running a sound and profitable business based on strong core values.

As a leading financial institution in the Nordic countries, Danske Bank plays an important role in ensuring financial stability and contributing to the prosperity of our customers and the communities we are part of. We do this by providing capital for investments, absorbing risks, innovating the financial infrastructure, and helping people and businesses realise their ambitions.

While our fundamental role is the same today as it has always been, the societies and markets where we operate are changing rapidly, and banking must adapt to them. Driven by powerful forces such as digitalisation and shifting customer expectations, the financial sector is undergoing radical changes. We want to be at the forefront of this transformation. We want to constantly challenge ourselves and our competitors to improve our products and services and to provide the best possible experience for customers.

We can do that only if we are trusted, and we are on a journey to rebuild the trust that was lost during the financial crisis and the following years. We have taken firm steps in the right direction, but there is more work to be done.

Bringing responsibility to the core of our business

In 2015, we updated our Corporate Responsibility Strategy. In the next three years, we will integrate corporate responsibility further in our core activities. We want to ensure that we conduct our business in a responsible manner and that we use our expertise to increase financial confidence



and access to financial services among our customers and in society as a whole.

As CEO and chairman of the Business Integrity Board, it is important to me that we execute our Corporate Responsibility Strategy throughout the organisation. We maintain our commitment to the ten principles in the UN Global Compact, which provides a framework for our responsibility efforts.

To play an important role in the lives of our customers and the communities we are part of is a huge privilege. It also comes with an equally large responsibility that we are fully committed to honouring. We made progress on our path to becoming the most trusted financial partner in 2015, and the journey will continue in 2016 as we maintain our ambition of running a sound business that creates long-term value for all stakeholders for many years to come.


Thomas F. Borgen
Chief Executive Officer

The Essence of Danske Bank

Danske Bank Group is a Nordic universal bank with a history that goes back more than 140 years. We serve some 3.5 million personal customers, businesses and institutions, and we are driven by an ambition to create long-term value for all our stakeholders. Our Essence is the foundation on which we develop our business, execute our strategies and build relationships.

The Essence of Danske Bank

Vision

To be recognised as the most trusted financial partner

Strategic core

We are a modern bank for people and businesses across the Nordics with deep financial competence and leading, innovative solutions

Customer promise

We help customers be financially confident and achieve their ambitions by making daily banking and important financial decisions easy

Core values

Expertise, Integrity, Value creation, Agility, Collaboration

Serving our customers through five main business units...

We serve customers in five main business units: Personal Banking, Business Banking, Corporates & Institutions, Wealth Management and Northern Ireland. We also offer mortgage finance through Realkredit Danmark, real estate brokerage through "home", and leasing through Nordania Leasing.

Personal Banking serves personal and private banking customers. The unit focuses on providing proactive advice to customers and making day-to-day banking simple and efficient through innovative digital solutions.

6,491 employees
Total income DKK 15.9 billion
Profit before tax DKK 1.8 billion

Business Banking serves small and medium-sized businesses through a large network of national finance centres, branches, contact centres and online channels. The unit offers leading solutions within financing, investing, cash management and risk management.

2,943 employees
Total income DKK 12.5 billion
Profit before tax DKK 6.3 billion

Corporates & Institutions serves large Nordic corporate and institutional customers in the Nordic countries and beyond. This wholesale division of the Bank provides strategic advice, financial solutions and products within Capital Markets; Fixed Income, Currencies and Commodities; and Transaction Banking.

1,832 employees
Total income DKK 9.9 billion
Profit before tax DKK 5.4 billion

Wealth Management serves the Group's entire customer base and encompasses expertise within pension savings, private banking, and wealth and asset management. The unit includes Danica Pension, Danske Capital and Private Banking customers with complex finances and will begin operating from 1 April 2016.

Northern Ireland serves personal and business customers through a network of branches in Northern Ireland and leading digital channels. Since 1 January 2016, Northern Ireland has operated as a separate business unit.

We operate in 15 countries, and our core markets are Denmark, Norway, Sweden and Finland. In these countries, we serve all types of customer, from personal customers and businesses to large institutional clients. We also operate in Northern Ireland, Estonia, Latvia and Lithuania.

We have additional offices in several other European countries, where our main offerings are solutions for Nordic and local businesses as well as private banking clients. We also have offices in the US and Russia and support functions in India.

DKK 44.2 billion

Total income in 2015

DKK 17.8 billion

Profit before tax in 2015

11.6%

Return on equity before goodwill impairments in 2015

3.5 million

Customers*

19,049

Full-time employees, end-2015



* In Personal Banking, Business Banking and Corporates & Institutions, end-2015.

*... and multiple channels in 2015***



300

BRANCHES



10 million

CALLS TO OUR 24/7
TELEPHONE SERVICE

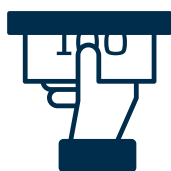


17.7 million

SELF-SERVICE
eBANKING
TRANSACTIONS

43 million

ATM TRANSACTIONS



80 million

MOBILEPAY
TRANSACTIONS



10.8 million

SELF-SERVICE MOBILE
& TABLET BANKING
TRANSACTIONS

** Calls and transactions are from 2015; the number of branches is from the end of 2015.

More insights

You can find more details on our financial performance, market positions, business model and corporate governance in Annual Report 2015, Corporate Governance Report 2015 and our quarterly financial fact books.

Our role in society

Financial institutions play a key role in maintaining financial stability and contributing to economic growth. It is our responsibility to conduct our business in a manner that deserves the trust of society and creates long-term value for all our stakeholders.



We want to be recognised as a trusted financial partner that acts in accordance with our core values while creating long-term value for all stakeholders. We support financial stability by running a sound and profitable business in which we reallocate capital from savers to borrowers, thus enabling businesses and families to make investments and thrive. We also play an important role by innovating the financial infrastruc-

ture and making banking easy and secure.

We will conduct our business in a responsible and transparent manner, engage our stakeholders in a dialogue, and make our expertise available for the benefit of the societies where we operate. We have a formal governance framework, and we coordinate corporate responsibility initiatives throughout the business.

Our international commitments

We recognise the importance of supporting international commitments that assist businesses in operating responsibly. The initiatives that the Group endorses include the following:

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- UN-supported Principles for Responsible Investment
- UN Environment Programme Finance Initiative

Governing corporate responsibility

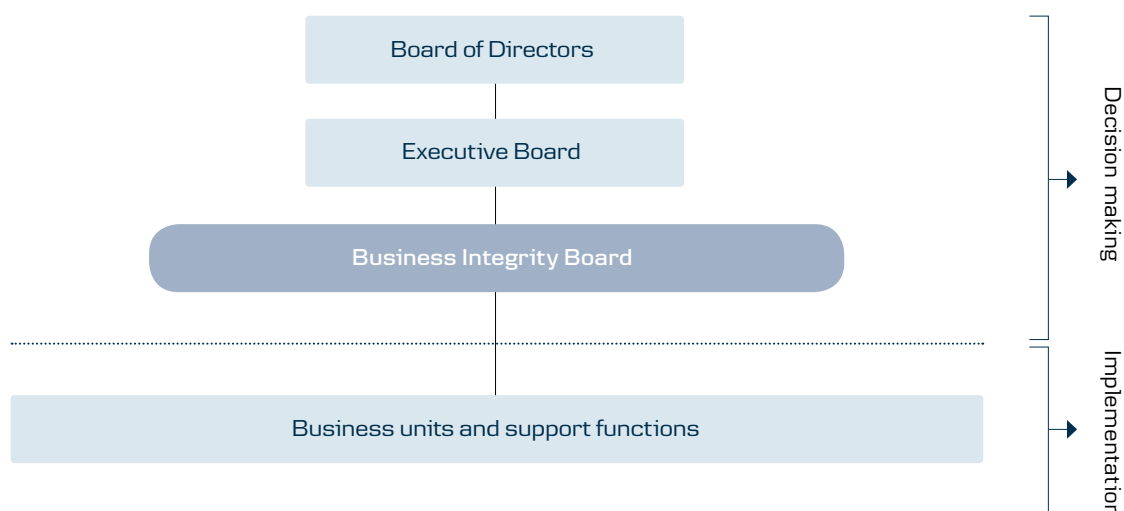
CEO Thomas F. Borgen chairs the Business Integrity Board, which consists of Executive Board members and heads of the Group's business units and support functions. The board plays an important role by making recommendations to the Executive Board on strategic directions and policies and by overseeing the implementation of corporate responsibility decisions. In 2015, the Business

Integrity Board approved the updated Corporate Responsibility Strategy, implementation plans across the organisation, and a new Responsible Investment Strategy.

The Board of Directors receives annual updates on our corporate responsibility performance and activities and has final policy ownership. It approved our updated

Corporate Responsibility Strategy in April 2015 and Corporate Responsibility Policy in late 2015.

The Corporate Responsibility department coordinates the implementation of the Corporate Responsibility Strategy and business integration throughout the organisation. The department also prepares progress reports and implements selected initiatives.



Jeanette Fangel Løgstrup
 Senior Executive Vice President and Head
 of Group Marketing & Communications



Strategic direction

Our updated Corporate Responsibility Strategy for the period 2015 to 2018 focuses on integrating corporate responsibility further in our core business. We also want to engage with stakeholders more closely and use our expertise and competencies to address challenges in the societies where we operate.

We have a clear ambition to integrate corporate responsibility in our core business. That applies to the products and services we deliver, the customer experience we create, and the way we conduct our business. In 2015, we updated our Corporate Responsibility Strategy to ensure that we have a clear strategic direction for achieving that ambition.

Involving stakeholders

As part of the process of updating the strategy, we collected input from various stakeholders for our analysis. For Jeanette Fangel Løgstrup, Senior Executive Vice President and Head of Group Marketing & Communications, the strategy reflects the way we want to engage with stakeholders: "We strive to take stakeholder input into account when we develop our business, and we participate in

partnerships to stimulate innovation and progress."

Corporate responsibility in our core business

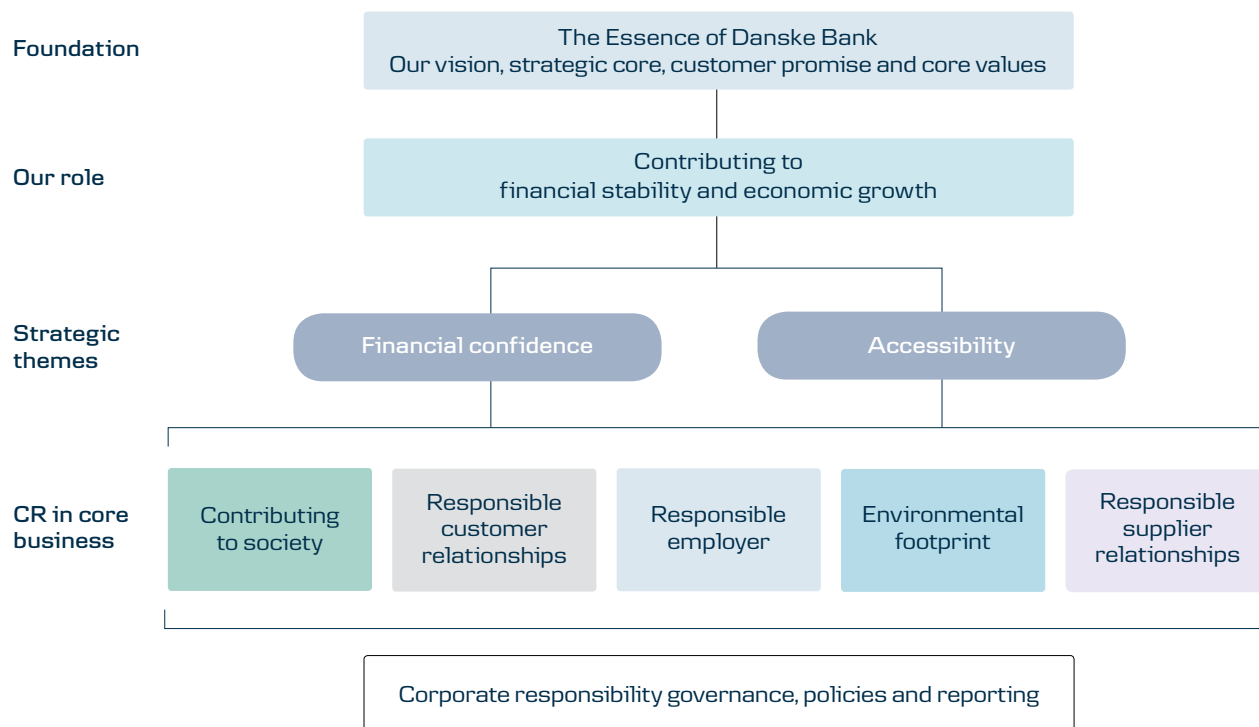
We will continue the work of integrating corporate responsibility in our core business. We have defined five areas for this effort: contributing to society, fostering responsible customer relationships, being a responsible employer, reducing our environmental footprint, and ensuring responsible supplier relationships. For Jeanette Fangel Løgstrup, these objectives are fundamental to how we conduct our business: "It's about living our values, always acting with integrity, and taking into consideration how our decisions and activities can affect society and customers. Customers should feel confident that we take proper care and have a long-term

perspective when we give advice and offer services."

Making a difference for society

We also believe that we have a responsibility to use our expertise and competencies for the benefit of society. We have identified two strategic themes in areas where we can add value: financial confidence, which is about enabling people to make sound financial decisions, and accessibility, which is about a responsible transition to future financial services. On the basis of the strategy, the next steps are clear: "We are already developing corporate responsibility programmes in child and youth education and to support SMEs, for example," says Jeanette Fangel Løgstrup. "We are also looking at how we can measure the societal impact of our initiatives."

Corporate Responsibility Strategy 2015-18



Listening to stakeholders while updating the strategy

As part of the process of updating the Corporate Responsibility Strategy, we consulted a number of stakeholders, including customers. We used surveys, interviews and workshops, asking customers and employees what they expect from Danske Bank in terms of corporate responsibility. We also analysed market trends, regulatory requirements, and business needs and opportunities.

An analysis of the surveys indicated that helping entrepreneurs is high on our business customers' agenda and that the education of children and young people is central for our employees. IT security is important for both personal and business customers, and equal access to financial services is crucial for personal customers.

Danske Bank has an important role in contributing to financial stability and

economic growth and a special role in Denmark because of our history and size. The strategy is flexible so that it can accommodate the needs of the various business units and local markets, and it will be implemented throughout the Group. For example, in order to meet its stakeholders' expectations, Danica Pension has added health as a third strategic theme.

Extract of stakeholder expectations and market trends

Personal Banking

- Financial stability
- Equal access to products and services
- High IT security
- Reduction of environmental impact (resources and waste)
- Economic growth
- Prevention of economic crime

Business Banking

- Financial stability
- High IT security
- Economic growth
- Development of digital solutions
- Support for entrepreneurs
- Equal access to products and services

Employees

- Equal opportunities for all employees
- Healthy working environment
- Financial stability
- Education of children and youth
- Limiting own CO₂ emissions
- High IT security

Market trends

- Less customer loyalty and trust in the financial system
- Increasing demands on corporate responsibility and transparency
- Integration of corporate responsibility in core business

CORE BUSINESS: CONTRIBUTING TO SOCIETY

Creating long-term value

We play a vital role in creating growth and prosperity by providing capital for investments, by absorbing risks, by helping customers achieve their ambitions and by innovating the financial infrastructure. For that reason, we take a broad view on value creation.

VALUE CREATION



Banking customers

DKK 1,609 billion

Loans issued for banking customers in 2015.

Loans to Personal Banking customers represent 50% of all loans and loans to Business Banking customers 41%.



Asset management

DKK 714 billion

Assets under management at Danske Capital at the end of 2015, including assets managed on behalf of mutual funds, households, pension funds and NGOs.



Shareholders

DKK 10.5 billion

Distributed in 2015 to our 279,000 shareholders, including a DKK 5 billion share buy-back. This represents a total yield of 6.3%.

47% of our shareholders are based in Denmark, 16% in the UK, and 18% in the US and Canada.



Suppliers

DKK 8.8 billion

Payments for products and services delivered by our 13,000 suppliers in 2015.

Most of our suppliers are in the IT and banking, premises and facilities management, and professional services fields.



Employees

DKK 13.9 billion

Salaries, bonuses and social security costs paid in 2015 for our 19,000 employees in the 15 countries where we operate.

At the end of 2015, some 51% of our employees were women and 49% were men.

Did you know that in 2015...

- Moody's raised our long-term credit rating to A2, and Standards & Poor's changed its outlook for our A rating to Stable
- We scored 75 on the Dow Jones Sustainability Indices (scale of 0-100)
- We made 32 donations totalling DKK 1.2 million through the Danske Bank Fund
- Our employees spent more than 15,000 hours on corporate volunteering



CONTRIBUTING TO SOCIETY

Policy commitment

We want to contribute to growth and prosperity through the services we deliver and by innovating the financial infrastructure. We are committed to conducting our business in a responsible and transparent manner and to making our expertise available for the benefit of the societies in which we operate, for example through education, corporate volunteering and supporting growth initiatives.*

Ambitions and strategy 2015-18

- Create value for all our stakeholders
- Contribute to financial stability
- Contribute to economic growth
- Transparent tax payments
- Transparency, contributing to communities and stakeholder engagement

Stakeholder target 2015

9.5% ROE

Create value for all our stakeholders, including a return on equity above 12.5% by 2018 at the latest

Performance 2015

11.6% ROE

We created value for all our stakeholders,** including an 11.6% return on equity before goodwill impairments in 2015

Key actions 2015

- Contributed to economic growth and financial stability through our services and innovation of the financial infrastructure
- Updated Stakeholder Engagement Policy and Strategy and engaged in dialogue with a number of stakeholders
- Engaged in dialogue with tax authorities and other relevant organisations and transparent tax reporting
- Updated the Corporate Responsibility Strategy and Group Responsibility Policy
- Engaged in activities and partnerships to support our communities in the areas of financial confidence and accessibility

Outlook for 2016

- Continue implementation of the Corporate Responsibility Strategy and Stakeholder Engagement Strategy
- Further development of corporate responsibility programmes in financial confidence and accessibility
- Continue dialogue with tax authorities and other relevant organisations and transparent tax reporting
- Develop monitoring and reporting on stakeholder engagement
- Develop process for aligning donations with corporate responsibility areas and monitoring corporate volunteering

* From Danske Bank's Responsibility Policy. Other policies supporting this strategic area include our Stakeholder Engagement Policy.

** See page 12.



Tax authorities

DKK 4.6 billion

Tax on the profit for 2015 in the 15 countries where we operate.

Transparency on tax

The Group's policy is to maintain a responsible approach to tax by complying with applicable tax regulations, having an open dialogue with the relevant tax authorities, and paying taxes as required by law in the countries where we operate.

Corporate volunteering and donations

Our employees have participated in corporate volunteering and donations in various ways for many years. One example is the debt counselling programme arranged by the Danish Bankers Association. The programme, which began in 2008, helps people with debt problems manage their finances. Some 27 employees took part in 2015. Read more about our corporate volunteering activities on page 21.

In Estonia, we fund the Educational Awards of the President of the Republic's Cultural Foundation, which are given to people who have achieved exceptional results in education.

Another example is the Christmas donations that we established in the Nordic countries and Northern Ireland in 2015. In Denmark and Northern Ireland, employees voted on the charity that would receive the annual donation. Employees in Denmark selected the Danish Hospital Clowns, who visit children's departments at hospitals spreading cheer at times of difficulty.

CORE BUSINESS: CONTRIBUTING TO SOCIETY

We welcome dialogue with all stakeholders

We have a wide range of stakeholders who are important to our success. We welcome dialogue with all stakeholders, whatever their views, and we want to engage with them in a constructive manner and from a long-term perspective.

In 2015, we updated our Stakeholder Engagement Policy and principles to clarify our aspirations in this area. Although we are still in the process of developing our reporting on stakeholder engagement, we can summarise the various ways in which we engage with stakeholders.

Our principles for engagement build on our core values

Expertise

We want to share our knowledge and expertise with our stakeholders.

Integrity

We act and operate with transparency and integrity.

Value creation

We want to create value for all our stakeholders and to form long-term partnerships of mutual value.

Agility & accessibility

We make ourselves available for dialogue and respond to input and feedback in a timely and agile manner.

Collaboration

We believe in collaboration and base our engagement on genuine dialogue – we engage, listen and act.

A snapshot of stakeholder engagement in 2015



Customers

We strive to be accessible and to act from a long-term perspective for our customers' benefit in a transparent manner.

Example: Any dissatisfied customer is one too many. If a customer takes the time to file a complaint, we treat the complaint as a valuable source of insight into areas in which we can improve.

Employees and their representatives

Our employees and their skills, expertise and dedication are our greatest assets. Management is committed to maintaining a good, honest and collaborative dialogue with employees and their representatives.

Examples: Our Employee Opinion Survey, on which we had an overall index score of 76 in 2015, and our whistleblower system. A small number of whistleblower reports were received, and they were all reviewed and settled by Group Compliance.



Investors

We want to inform investors, analysts and shareholders openly and adequately about Danske Bank Group.

Example: In 2015, we conducted more than 20 road shows across Europe and the US.



Local, national and international regulators and legislators

We want to be a trustworthy partner that provides reliable information about Danske Bank, the financial sector and the economy in general.

Example: Dialogue with Danish legislators and other public officials on revitalising rural areas.



The media, interest groups, local communities and the general public

We want to use and share our expertise and knowledge proactively in a manner that creates real value, and we always strive to make relevant experts available.

Examples: Participation in numerous conferences and meetings on the future of banking, cyber security and digitalisation as well as participation in the People's Political Festival in Denmark and Almedalsveckan in Sweden.



Business partners, suppliers and market participants

We want to establish lasting professional relationships based on innovation with our business partners and suppliers.

Example: The development of the Hub in collaboration with Rainmaking, an experienced player in the startup community, to support growth businesses. The Hub is currently a recruitment platform, and in 2016 it will offer fundraising and best-practices tools as well.

More insights

You can find more details on our financial performance and tax disclosures in Annual Report 2015 and our quarterly financial fact books.

Dialogue on fair financing

Every year, Fair Finance Guide, an organisation that is supported by a number of NGOs, publishes several analyses of banks' positions on integrating social, environmental and human rights standards in their investment practices. In 2015, we held an ongoing dialogue with the organisation in Sweden regarding our responsible investment practices. Feedback from Fair Finance Guide prompted us to look more closely at our communications on responsible investments and ways in which we can improve them. This contributed to our new Responsible Investment Strategy, with a stronger emphasis on active ownership and communication activities.

Invitation to dialogue:

Danske Bank – now and in the future

In 2015, Thomas F. Borgen, CEO, and Thomas Mitchell, Head of Personal Banking Denmark, went on a road trip across Denmark, hosting five dialogues with more than 1,700 customers and others. At the meetings, the two executives shared their views on where the bank has been and, more importantly, where it is going. The meetings gave them the opportunity to answer some tough questions from the audience, for instance on fees and responsible investments, and also allowed us to gather much information that will help us live up to our customers' and local communities' expectations.



CORE BUSINESS: RESPONSIBLE CUSTOMER RELATIONSHIPS

The best possible advice

Lending money to individuals and businesses is a fundamental activity for banks. To an increasing degree, banks are expected to share accountability for customers' use of the funds. That is why we integrate responsibility parameters in our investing and lending practices and offer proactive advice.

Many customers rely on us when they invest their savings and pensions or when they buy a home. It is fundamental to our relationship with customers that they can depend on our integrity and that the advice they receive is customised for them and in their best interest. For example, we are required to advise customers on tax matters as stipulated in the Danish Executive Order on Good Business Practice for Financial Institutions, and if individual tax issues are complex, we refer customers to an accountant or lawyer.

In 2015, we continued our focus on simplifying our products and services, making them more

transparent and easy to understand – an effort that earned us recognition as Bank of the Year for personal customers in Sweden. We also continued our focus on improving the customer experience and delivering the best possible advice to our customers.

Increased commitment to responsible investing

When we invest on behalf of our customers, we take our customers' risk tolerance into account and we make a clear promise to attain the best possible returns in a responsible way. We believe that the ability to manage both financial and non-financial risks is the key to achieving the best risk-adjusted

returns and generating value over the long term.

In 2015, we developed a new strategy for responsible investing that encourages better management of environmental, social and governance (ESG) risks. Screening and company exclusion remain the foundation of our responsible investing process, but we increased our commitment to engaging with companies that may be in violation of international principles of corporate responsibility.

Länsförsäkringar Fondförvaltning, a Swedish customer of ours, evaluates ESG procedures when selecting its asset managers:

"When we work with Danske Capital, it is our clear expectation that they constantly strive to improve their efforts both as active owners and by incorporating ESG factors in their investment decisions," says Sofia Aulin, Head of Responsible Investments at Länsförsäkringar Fondförvaltning.

In 2014, we arranged for Sustainalytics, a Dutch company, to deliver ESG research at the company level, and in 2015 we started to integrate the research in our investment practices. We prefer to address systemic risk and societal concerns such as climate change by participating in investor coalitions and other joint initiatives.

In 2015, we demonstrated our commitment to active ownership by taking part in almost 200 annual general meetings, primarily of Nordic and other European companies where we have a significant ownership share and influence. The instances in which we voted against or refrained from supporting company management proposals concerned mainly the issuance of new debt, the remuneration of directors and board composition.

We are signatories to the UN-backed Principles for Responsible Investment and local social investment forums.

Responsible lending

For private individuals, we grant loans and other facilities on the basis of a professional credit assessment of the customer's needs and financial situation. It is in the interest of both the Group and the customer that credit facilities are granted only when the customer understands the associated obligations and risks. For business customers, we not only assess the customer's needs and repayment ability but also consider the purpose for which the funds will be used and assess possible environmental, social and ethical (ESE) risks.

In 2014, we incorporated ESE principles in the Group's general Credit Policy, and all business customers are expected to adhere to these principles. For Danske Bank, responsible lending means ensuring that customers are offered credit services matching their financial needs and capacity, that they understand their financial obligations now and in the future, and that they follow ESE principles in their own business activities as well. If we see that a customer is not in compliance with the Credit Policy, we seek a solution in collaboration with the customer. If the only option available is terminating the credit relationship, we do it in a controlled process. For us, responsible lending means ensuring a good customer experience and a long-lasting financial partnership based on mutual understanding and trust.



RESPONSIBLE CUSTOMER RELATIONSHIPS

Policy commitment

We want to build responsible customer relationships through advice with a high level of integrity, easy access to financial products and services, responsible investment and lending practices, and high information security.

We integrate environmental, social and governance considerations in our investment practices, and will, when necessary, act as active owners. In addition, we invest with respect for international principles for human rights, labour rights, the environment and anti-corruption, and we strive to mitigate the potential adverse impact of our investment practices.

We want to ensure that loans and credit facilities are granted on the basis of a professional credit assessment, making sure our customers fully understand the implications of taking out loans. In collaboration with our customers, we include environmental, social and governance aspects in our lending activities.*

Ambitions and strategy 2015-18

- Provide responsible customer advice
- Prevent financial exclusion by offering access to financial products and services
- Improve the customer experience
- Offer responsible investment opportunities for customers
- Integrate responsible lending principles in credit practices
- Build customer trust through reliable IT security

Customer satisfaction target Number 1 or 2

in our focus segments in all our countries for Personal Banking and Business Banking. Top three in two-thirds of all relevant surveys for Corporates & Institutions

Performance 2015**

Personal Banking
On target in 1 of 5 countries
Business Banking
On target in 3 of 5 countries
Corporate & Institutions
Fully on target

Key actions 2015

- Launched new initiatives to improve 24/7 availability of products and services, including new website for personal customers that facilitates dialogue
- Launched innovative digital solution that enables corporate customers to improve their liquidity and risk management
- Launched a new digital procedure for onboarding customers, reducing processing to 36 hours
- Continued customer-focused training programmes
- Increased simplicity and transparency in products and services
- Developed new Responsible Investment Strategy
- Evaluated need for industry-specific position statements on responsible investing and lending
- Increased communications to customers on IT security

Outlook for 2016

- Continue to simplify products and services
- Continue customer-focused training programmes
- Conduct human rights risk assessment in accordance with the UN Guiding Principles on Business and Human Rights
- Implement Responsible Investment Strategy, including increasing active ownership activities
- Develop position statements on responsible investing and lending
- Implement action plan to expand communications and education on IT security

* From Danske Bank's Responsibility Policy.

** For more detailed information, see Annual Report 2015.

CORE BUSINESS: RESPONSIBLE CUSTOMER RELATIONSHIPS

Armed with good habits against cyber crime

As we digitalise our business, our responsibility for educating customers, employees and consumers in general about IT security becomes clearer. For our stakeholders and others, greater awareness reduces the risk of becoming victims of IT security threats and helps them to deal with an incident promptly. Customers and employees who exhibit secure online behaviour protect not only themselves but also our business.

So far, our efforts to promote good online behaviour and inform people about IT security include an eLearning module for employees and information on our website about all security issues, from enabling firewalls and identifying phishing e-mail to the safe use of social media and online shopping.

In 2015, we also distributed a newsletter to more than 10,000 SME customers and non-customers informing amongst others

about how to prevent hacking and avoiding the typical traps.

We also use social media to issue warnings about new cyber crime threats. We offer business customers individual advice on IT security, and we also see a growing interest in this area from personal customers who want more direct help and support.

More insights

Read about our initiatives to build financial confidence and ensure accessibility for everyone on pages 26-33. Read more about our customer satisfaction performance in Annual Report 2015.





Advising about green bonds

We have seen a strong investor demand for green, social and sustainability bonds in Sweden. To strengthen our advice to customers on issuing green bonds to finance their sustainability projects, we initiated a Sustainable Products function in 2015: "We offer customers hands-on support in setting up their platform to issue sustainable bonds," says Lars Mac Key, Head of Sustainable Products at Danske Bank Markets. "We also offer to carry the costs related to obtaining a second opinion from an independent external party on the relevance of the platform and whether it is aligned with the company's strategies."

Credit policy for arms and defence industry

In 2014, we adopted a credit policy for the arms and defence industry that reflects our commitment to international conventions on controversial weapons. We recognise that special factors must be considered when we deal with customers that operate in this industry. Specifically, we do not support or finance controversial weapons such as anti-personnel mines, cluster munitions, and biological and chemical

weapons. Moreover, we consider the use of nuclear weapons a violation of human rights, and we therefore do not finance the production of nuclear warheads, missiles carrying nuclear warheads, or activities directly associated with them. In 2015, we communicated this policy to all relevant employees, updated our procedures so that they are aligned with the policy, and checked compliance with the policy regularly.

Did you know that in 2015...

- As part of the Institutional Investors Group on Climate Change, we urged political decision makers to make a commitment in the run-up to COP 21
- We joined the Paris Pledge for Action, committing ourselves to taking concrete steps to limit an increase in temperature to two degrees Celsius
- We were ranked number one in the Nordics by corporate customers in 2015, according to Prospera, the independent customer satisfaction benchmarking company

Preventing money laundering

A key element in establishing and maintaining customer relationships and providing the best possible advice is knowing our customers. Knowing our customers is also important in preventing money laundering and the financing of terrorism. We must prevent criminals and terrorists from using our products and services for illicit fund flows, and to do so, we keep abreast of the regulations and frequent developments in the area and work continually to improve our safeguards.

We are implementing measures to prevent money laundering and the financing of terrorism. Our Policy on Anti-Money Laundering and Countering Terrorist Financing includes procedures for customer due diligence, reporting, recordkeeping, internal controls and risk management. In 2014, we installed a blocking system that improved the verification of customer identity and risk management.

In 2015, we continued to allocate more resources to the area, and we reorganised the Compliance organisation to make the governance of these activities more effective. We also aligned requirements across business units and market areas.

Henriette Fenger Ellekrog,
Senior Executive Vice President and
Head of Group Human Resources

CORE BUSINESS: RESPONSIBLE EMPLOYER

Fostering an engaging and diverse workplace

Businesses play an important role in ensuring the future employability of their staff as well as promoting diversity in the workforce. That is why we develop our employees' skills and support diversity and inclusion initiatives while providing employees a safe and healthy workplace.

Did you know that in 2015...

- We onboarded 2,742 new full-time employees
- Some 16% of employees are below the age of 30, and 5% are above the age of 60
- Some 26% of our employees have been with us for more than 20 years

The skills, expertise and dedication of our more than 19,000 employees are our greatest assets. It is the employees who create value for our customers. Our core values lay the foundation for how we train and develop our employees, foster a culture of diversity, and maintain a safe and healthy working environment.

To Henriette Fenger Ellekrog, Senior Executive Vice President and Head of Group Human Resources, the task is clear: "Fostering an engaging workplace and culture is essential if we are to deliver the customer experience and business results we are aiming for. We draw upon our core values in our efforts to do this – from annual performance reviews to training and development and the way we engage employees. For example, in a pilot project in Corporates & Institutions, we conducted a 360 degree performance review based on the core values. We also introduced a new leadership model and leadership training to support our aims."

Increased attention to diversity
In our transition to widespread

digital banking, the role and value of our employees and culture become even more evident. To stay competitive, we need to be able to continue to attract and retain competent, committed employees globally and nurture a culture of collaboration, agility and empowerment. We also need a diverse workforce.

"The changing needs for skills calls for more attention to diversity," says Henriette Fenger Ellekrog. "It is not enough to look at gender equality and women in management positions. We need a workforce with a variety of backgrounds that mirrors society and our customers. Diversity of opinion, thinking, personality and education will also be important for us. Having said that, we still need to give attention to gender at all management levels to achieve our 2017 targets."

"In 2016, we will continue our initiatives to address the root causes of imbalances in the financial sector, including expanding initiatives to take gender into account in recruitment and succession planning."

An inclusive workforce

Having a diverse and inclusive workforce is essential in delivering the best customer experience. In Sweden in 2015, we ran a preliminary study entitled "Danske Inclusion" in order to understand the elements that go into developing an inclusive work culture.

On the basis of the insights gained from the study, we changed our internal and external communications and trained both current and potential leaders in cultural sensitivity. The initiatives have shown positive results, so we are planning to roll out the programme for all leaders and employees in Sweden.

The ethical foundation for our business decisions

All employees must comply with our Code of Conduct and are expected to live our core values. The Code helps employees in their daily decision making in situations that involve confidential or inside information or conflicts of interest. We have an eLearning Code of Conduct programme that all employees must complete every year.

In 2015, we developed clear guidelines for employees on giving and receiving gifts and registering them. We also improved our internal communications on the whistleblower system, and in 2016 we will further strengthen our training and eLearning.

Corporate volunteering

Being a good corporate citizen includes giving employees opportunities to engage in volunteer work. In 2015, our employees took part in a number of activities. One was the music festival at Roskilde, Denmark, where Danske Bank is responsible for the financial infrastructure. In 2015, some 210 employees contributed 6,720 hours. Another was Familieiværksætterne, a Danish programme that helps new parents prepare for family life. Danske Bank provides guidance on the financial aspects of becoming a family with children.



RESPONSIBLE EMPLOYER

Policy commitment

We want to be a responsible employer through our core values, focus on training and development, embracing diversity and a global culture, and by sustaining a healthy and safe working environment. We want to ensure that our employees feel valued, engaged and employable, while maintaining a healthy working environment.*

The Danske Bank Group is committed to working towards increasing the share of the underrepresented gender (women) in executive and managerial positions. The goal is to increase the number of female managers at all levels.**

Ambitions and strategy 2015-18

- Integrate core values in people practices
- Develop a culture of continual learning
- Broaden the diversity and inclusion agenda
- Ensure a healthy and safe working environment
- Engage employees in corporate volunteering activities

Gender targets 2017

12.5%

women on the Executive Board

25%

Annual General Meeting-elected women on the Board of Directors

38%

women in management positions

Performance 2015

0%

women on the Executive Board

12.5%

Annual General Meeting-elected women on the Board of Directors

35%

women in management positions

Key actions 2015

- Developed HR strategy plan
- Embedded core values and the Essence in HR practices
- Engaged employees in discussions of core value dilemmas
- Updated the Diversity and Inclusion Policy
- Increased attention on female successors
- Developed a leadership model and conducted a leadership training pilot project

Outlook for 2016

- Develop and launch a leadership curriculum
- Implement learning agendas to develop a culture of continual learning
- Increase the visibility of female executives and second-level female managers
- Launch internal health activities and health week at Danica Pension
- Update the Code of Conduct for employees
- Develop a Whistleblower Policy as a supplement to existing process
- Conduct a human rights risk assessment in accordance with the UN Guiding Principles on Business and Human Rights

* From Danske Bank's Responsibility Policy.

** From Danske Bank's Diversity and Inclusion Policy. Other policies supporting this strategic area include our HR policies and the Code of Conduct.

CORE BUSINESS: ENVIRONMENTAL FOOTPRINT

Towards a low-carbon economy

The financial sector can help to limit climate change by creating a financial infrastructure that supports a low-carbon economy. That is why we take the environment and climate change into consideration in our products, services and business conduct.

Did you know that in 2015...

- We reduced our energy consumption per employee by 6%
- We reduced our paper consumption by 7%
- We switched to 100% renewable electricity
- We received the second-best score among Nordic financial institutions in the Carbon Disclosure Project
- We installed 10 solar panels in Northern Ireland
- We invested in 28 new Tele-Presence facilities, bringing the Group's total to 110

Climate change is fundamentally altering the risks that businesses and the financial sector face throughout the world. While the physical impact of climate change already affects companies, many companies also face even more acute non-physical risks, such as shifting market trends and public policies that accelerate a global transition towards a low-carbon economy.

New opportunities also arise as investments in renewable energy and energy-efficient solutions can reconcile financial returns with environmentally sound behaviour.

In order to minimise our CO₂ emissions and manage our environmental impact as effectively as possible, we have implemented an environmental management system that adheres to the ISO 14001 standard. This enables us to improve our environmental performance on an ongoing basis. Danske Bank is involved in the UN Environment Programme Finance Initiative and is a signatory to the Carbon Disclosure Project (CDP). In 2015, our efforts on climate issues were rewarded with another

increase in our CDP score, and we maintained our ranking as the second-best financial institution in the Nordic region.

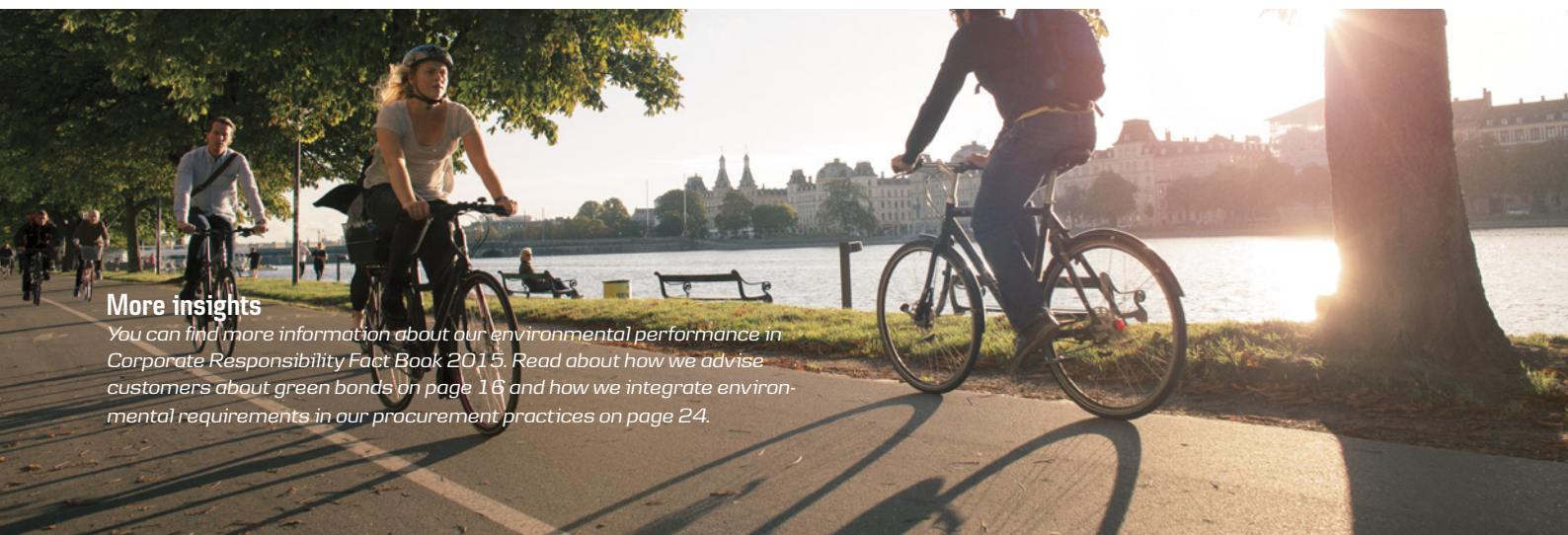
Carbon-neutral operations

In 2015, our total CO₂ emissions came to 18,836 tonnes, a 50% decline from the level in 2014. We achieved this by reducing energy consumption in buildings and paper consumption and by purchasing renewable electricity. In 2015, our energy consumption fell 8%, primarily because of energy-saving projects and branch closures. In addition, our paper consumption fell 7%, owing mainly to the digitalisation of documents.

The 18,836 tonnes of emissions we could not eliminate, we offset by investing in carbon credit projects in India, Turkey, Lithuania and Uganda. All the projects guarantee a reduction of CO₂ emissions. Besides reducing CO₂ emissions, the projects promote sustainable development in the local communities. The investments are managed by a carbon asset management company and are verified according to international standards such as the Gold Standard.

More insights

You can find more information about our environmental performance in Corporate Responsibility Fact Book 2015. Read about how we advise customers about green bonds on page 16 and how we integrate environmental requirements in our procurement practices on page 24.



The largest private owner of solar cell parks in Denmark

In 2015, Danica Pension invested DKK 35 million in energy efficiency, and in the period until 2020, we will invest a total of DKK 200 million. The objective is a 30% reduction of energy consumption in our property portfolio, which covers about 1.7 million square meters of shopping centres and office buildings. Although the energy consumption and related costs are borne by the lessors, we see a competitive advantage in offering environmentally friendly buildings.

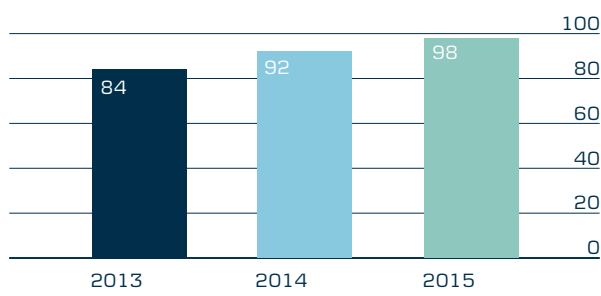
In the same period, we will invest DKK 100 million in 18 large solar cell parks in Danica Pension's property portfolio. In 2015, we invested DKK 72 million. This will bring a reduction of CO₂ emissions by 3,200 tonnes a year – the equivalent of emissions from the annual electricity consumption of 1,400 houses. The investment will make us the largest private owner of solar cell parks in Denmark.

Green investments

Since December 2014, Danske Bank Group Treasury has invested DKK 1 billion in green bonds. Green bonds are issued for large renewable energy projects, large energy-efficiency projects, sustainable transportation projects and climate protection. Green bonds constitute a small but rapidly growing part of our total bond portfolio. We are constantly evaluating new opportunities to invest in green bonds. All the green bond projects are certified according to international standards. Green bonds are typically triple A-rated, making them sound as well as sustainable investments with a good return.

Danske Bank CDP performance

CDP is a not-for-profit organisation that rates companies on their climate change performance, including disclosure of and reporting on climate change risks and opportunities, carbon footprint, resource efficiency, and development and adoption of climate change strategies.



ENVIRONMENTAL FOOTPRINT

Policy commitment

We want to achieve a strong environmental performance by working systematically to limit the negative environmental impact of our business operations. We want to minimise the environmental impact of our operations and reduce our CO₂ emissions through energy and environmental management in accordance with the ISO 14001 standard, among other measures. Further, we want to integrate environmental aspects into selected products, aiming at increasing both financial and environmental performance.*

Ambitions and strategy 2015-18

- Revise the Climate Strategy
- Continue to develop the environmental management system
- Increase transparency and communication
- Reduce energy consumption 15% from the 2014 level (megawatts)

Climate target 2018

15% reduction

15% reduction in overall energy consumption from the level in 2014

Performance 2015

50% reduction

of CO₂ emissions from the level in 2014 (tonnes of CO₂)

8% reduction

of energy consumption from the level in 2014 (megawatts)

Key actions 2015

- Updated the Climate Strategy
- Increased purchase of renewable electricity to 100%
- Developed energy-efficiency strategy at Danica Properties
- Established green bond portfolio at Group Treasury
- Invested in energy-efficient equipment installations across the Group

Outlook for 2016

- Expand environmental management system to include our operations in India
- Engage employees in an Earth Day event to raise awareness of environmental issues and promote behavioural change
- Continue implementing energy-reducing projects and initiatives in order to reach our overall energy-reduction target of 15% by 2018

* From Danske Bank's Responsibility Policy. Other policies that support this effort include Danske Bank's Supplier Policy.

CORE BUSINESS: RESPONSIBLE SUPPLIER RELATIONSHIPS

Revitalising responsible procurement

Responsible procurement can promote a responsible supply chain by managing social, environmental and economic impacts. That is why we are revitalising our approach in a more effective process to ensure that suppliers comply with our responsibility standards.

Did you know that in 2015...

- We spent a total of DKK 8.8 billion, including DKK 2.8 billion on IT and banking, DKK 2.6 billion on premises and facilities management, and DKK 1.5 billion on professional services
- We procured more than 2.2 million credit cards
- We had 13,601 suppliers, about 14% fewer than in 2014
- We had around 5,000 suppliers in Denmark, 4,000 in Finland, 2,000 in Sweden and 1,000 in each of Norway, the UK and Northern Ireland

We strive to establish lasting professional relationships with our suppliers for the benefit of both parties and ultimately of our customers. Danske Bank's Supplier Policy applies to all purchases of goods and services throughout the Group. It contains guidelines for fostering responsible and transparent procurement practices in our supply chain, and specific requirements for each product type are set forth in contracts with individual suppliers. In 2015, we updated the environmental requirements for selected products and services to ensure that they are aligned with industry best practices.

Our supplier screening process includes a risk assessment based on the UN Global Compact principles and other internationally recognised standards and conventions on social, environmental and business ethics issues. The risk assessment ensures that we establish relationships only with suppliers that comply with our standards. If we identify non-compliance with our standards, we initiate a dialogue to clarify the circumstances. If the dialogue does not lead to improvements, we consider terminating the

business relationship with the supplier.

In 2015, we reviewed our screening process and identified a need to revitalise our approach in order to meet stakeholder expectations and make use of new tools available for responsible supply chain management. We will develop an effective risk assessment screening process that focuses on high-risk suppliers and considers country location, impact, product category and spending. This will include aligning the human rights impact assessment with the UN Guiding Principles on Business and Human Rights and determining how we report on responsible procurement going forward. We expect to implement the new process in 2016.

Over the past couple of years we have also reduced the number of suppliers in order to streamline our supply chain management and strengthen the dialogue and relationships with our supplier base. In 2015, Group Procurement carried out more than 600 procurement transactions, and in 2016 we expect the number to be more than 1,000.

Raising the bar for hotels and conference venues

In 2015, we developed new environmental requirements for hotel and conference venues in connection with a tender process in Denmark. We asked 115 conference venues how they comply with the requirements, for example whether they have the official EU or Nordic ecolabels, along with questions about products and prices. Those that did not have an ecolabel were asked to complete a more detailed questionnaire to document their environmental performance against our requirements. We will use the responses in the evaluation of the suppliers, together with factors such as price, quality and availability.

We will also use the suppliers' responses to evaluate the applicability of our new criteria and requirements, for example to determine whether other certifications than those we have included live up to our standards.

ISS: When environmental requirements make the difference

In 2015, ISS won our facility management contract. The ability to comply with our environmental requirements was an essential part of the evaluation. The contract with ISS includes environmental requirements for product categories such as carpets, furniture, cleaning products and paint. ISS is committed to reducing the adverse environmental impacts of its operations. Its cleaning services are conducted in accordance with the Nordic Ecolabel, and its catering services meet our requirements for organic products and reduction of food waste.

For Thomas Kempf, Global Account Director at ISS Facility Services, our environmental requirements fit well with ISS's focus on health, safety and environment (HSE): "Our product development is driven both by our own internal aspirations and also to a large extent by our customers' needs. When our customers also value the environment, it benefits our HSE agenda."

More insights

See more details on responsible procurement on our website www.danskebank.com/suppliers.



RESPONSIBLE SUPPLIER RELATIONSHIPS

Policy commitment

We want to ensure responsible supplier relationships by integrating environmental, social and ethical standards and by focusing on impact and risk. We aim at maintaining constructive relations based on dialogue and improvement and expect that our suppliers adhere to the same standards.*

Ambitions and strategy 2015-18

- Update Supplier Policy with detailed guidelines for environmental and social responsibility
- Implement responsible sourcing screening process
- Conduct dialogue with non-compliant suppliers

Supplier targets 2015

Begin review of current responsible sourcing model and determine how to improve the process

Update environmental requirements for suppliers

Performance 2015

Completed review of current responsible sourcing model and determined how to improve the process

Updated environmental requirements for suppliers

Key actions 2015

- Updated environmental requirements for selected products and services
- Began developing new supplier screening process
- Aligned supplier selection criteria to reflect good procurement practices

Outlook for 2016

- Implement energy management procedures with ISS
- Implement environmental requirements for conference tenders in all Nordic countries
- Screen 80% of suppliers in the high-risk categories in tenders
- Begin human rights risk assessment in accordance with the UN Guiding Principles on Business and Human Rights

* From Danske Bank's Responsibility Policy. Other policies that support this effort include Danske Bank's Supplier Policy.

STRATEGIC THEMES: FINANCIAL CONFIDENCE

Engaging the next generation in conversations about money

Children should be encouraged to learn about personal finance at an early age. It not only benefits the individual later in life – it also contributes to sound economic developments in society. That is why we support children and young people in becoming financially confident.

Our ability to make sound financial decisions as adults depends largely on our parents' attitudes towards money and finances. A recent report shows that young people with debt issues have a lower quality of life and feel their health is poor.

Preventing young people from entering a vicious spiral is not solely the responsibility of parents. As a bank, we see it as an important task for us to support parents in this effort. We develop educational materials and online learning games for children and young people. We collaborate with

various partners to promote financial knowledge and enable young people to make sound decisions and thus achieve their goals and dreams. And we will continue to develop materials that take into account future needs and challenges, such as preventing cybercrime and fraud.

"More than 54,000 young people in Denmark are registered as bad debtors in the national credit report service."

Source: Report from Forbrugerrådet Tænk, a Danish consumer organisation, and TrygFonden, a Danish foundation, 2015.

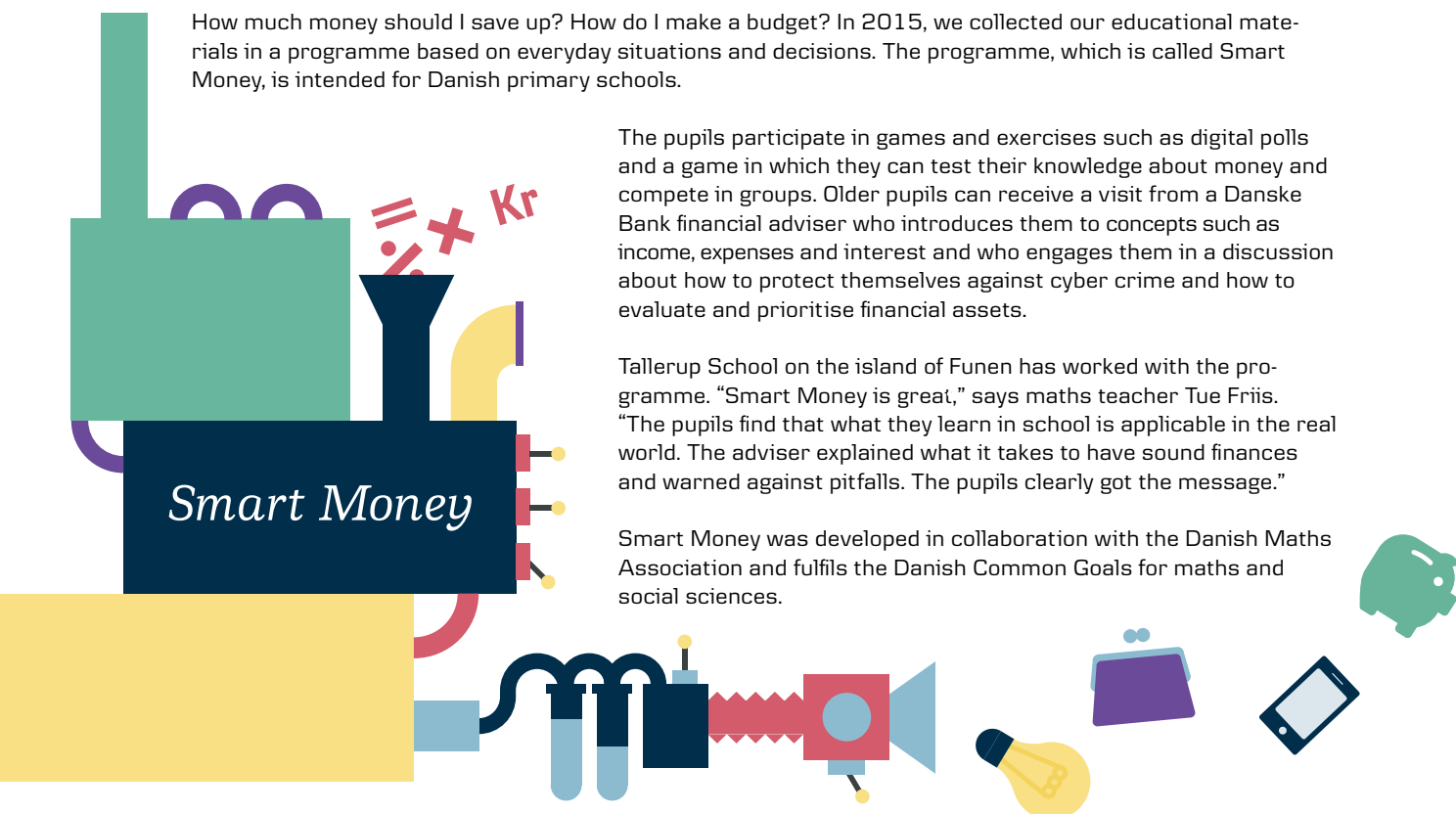
Using maths skills to control your money

How much money should I save up? How do I make a budget? In 2015, we collected our educational materials in a programme based on everyday situations and decisions. The programme, which is called Smart Money, is intended for Danish primary schools.

The pupils participate in games and exercises such as digital polls and a game in which they can test their knowledge about money and compete in groups. Older pupils can receive a visit from a Danske Bank financial adviser who introduces them to concepts such as income, expenses and interest and who engages them in a discussion about how to protect themselves against cyber crime and how to evaluate and prioritise financial assets.

Tallerup School on the island of Funen has worked with the programme. "Smart Money is great," says maths teacher Tue Friis. "The pupils find that what they learn in school is applicable in the real world. The adviser explained what it takes to have sound finances and warned against pitfalls. The pupils clearly got the message."

Smart Money was developed in collaboration with the Danish Maths Association and fulfils the Danish Common Goals for maths and social sciences.



Visit our online educational universes

We offer free online universes where children and young people can gain financial knowledge through games and exercises and where parents can get ideas about how to talk about money and personal finance with their children.

1



Five to nine year-old children can learn about the value of money, earning and saving, prioritising their spending, and balancing income and expenses in **Moneyville**. Since its launch in 2008, the Moneyville website has had over 6.5 million users. More than 500,000 people across our markets have downloaded the Moneyville app.

Ten to 15 year-old youngsters can learn about finances by carrying out missions, such as arranging and financing a trip abroad and moving away from home, at the **Control Your Money** website. The website is designed for maths education in the classroom, and in 2015, some 558 teachers registered their classes, who completed 5,020 missions.

2



3



Young people from 15 to 18 can face challenging questions and dilemmas related to personal finances and their own dreams in the **Dream On** game. They can invite their friends to play and share their point status and dreams on Facebook. Since its launch in 2011, the Dream On website has had more than 16,000 logons.

Parents can find age-specific information about how children and young people develop an understanding of money and personal finance at the **Introducing Money** website. With expert articles and targeted advice, the site supports parents in the dialogue with their children about money and finances. Since its launch at the end of 2014, the website has had 8,386 visits.

4



Podcast introduces children to the world of money

Farzad Farzaneh is a popular host on a children's television show in Sweden and the founder of Sweden's first podcast for children. In 2015, we joined forces with him and co-created a podcast called **Money School**, which teaches children about money in a fun way by explaining, for example, where pocket money comes from.

"I want to be an ambassador who introduces children to the world of money," says Farzaneh. "To me, the podcast – along with supporting films on the platform – is a powerful tool that can bring a family together as they listen and start a conversation about the importance of money."

On the basis of positive responses from parents and teachers, next year we will develop a teaching kit with all the features on personal finance and send it to primary schools in Sweden.

Employees as Youth Ambassadors

In 2015, we launched the SMART Partnership programme for schools in Northern Ireland. The programme consists of three cross-curricular modules for post-primary students aged 13 to 16, and it is conducted by local employees who are trained as Youth Ambassadors.

In the three modules – Budgeting & Saving, Credit & Debit Cards, and Mortgages & Rental – the students learn such things as how to create a personal budget, how credit and debit cards work, how interest is calculated, how to avoid accumulating debt, how to plan for repayments, and the pros and cons of buying versus renting property.

To date, 74 schools have registered for the programme. The students have especially enjoyed the practical exercises such as creating a personal budget and learning how to stick to it.



“Small and medium sized enterprises are important for their contribution to employment, innovation, economic growth and diversity”

Source: Report from OECD, 2015.

STRATEGIC THEMES: FINANCIAL CONFIDENCE

Contributing to growth at startups and SMEs

Entrepreneurs and small businesses are essential for innovation, productivity and economic growth in society. To succeed in their growth ambitions, small businesses must be well equipped to navigate in a competitive business environment. That is why we tailor our advice and solutions so that they foster financial confidence at startups and SMEs.

Companies that succeed and scale their businesses contribute to economic growth and prosperity in the societies they are part of. Our role as a bank is to stimulate investment and economic growth. By absorbing risks, providing advice and facilitating access to capital and financing, we help companies achieve their growth potential and ambitions. To support startups and established small and medium-sized enterprises (SMEs) in reaching their potential, we make our expertise available through various initiatives and tailor it to their needs.

Having financial confidence can help them focus on what matters most – commercialising their business ideas and innovating their business model so that they stay attuned to their customers' expectations and needs and are able to meet them.

We work continually to develop solutions for promising mid-size businesses. For example, in 2015, together with Danica Pension, ATP and PensionDanmark, we established a DKK 1 billion fund to which mid-size businesses can apply for equity loans. We also provide

access to financing through corporate bonds.

Our work in 2015 encompassed the smallest Danish companies as well. In collaboration with partners, we examined the barriers to successful market entry that these businesses face. The main barriers were perceived to be knowledge sharing, recruitment and knowledge about and access to venture capital. Going forward, we will form partnerships, particularly in the digital area, to co-create innovative solutions for these businesses.



Motivational event for SMEs and startups hosted by our Hillerød Branch

How to keep your financial adviser calm

It takes great ideas, courage and dedication to create a successful business – whether you are developing products, entering new markets or starting a new business from notes on a piece of paper. And sometimes it requires help from others – in the form of new knowledge, partnerships or capital.

When Danske Bank's Hillerød Branch hosted a motivational event in 2015, some 200 Danish SMEs and startups attended. Leading experts, consultants, entrepreneurs, business angels and companies shared their experience about growth and business development. The event included keynote speeches, workshops, one-on-one consulting and, not least, the opportunity to

Kristian Ullum Vind participated in order to get ideas from the experienced keynote speakers and also to meet like-minded entrepreneurs. He learned about financing options as well: "I didn't expect that obtaining financing from conventional banks was an option, but Danske Bank showed that they are serious about assisting an entrepreneur like me in getting a head start with their advice and service offers. That was news to me."

network with peers and build new relationships.

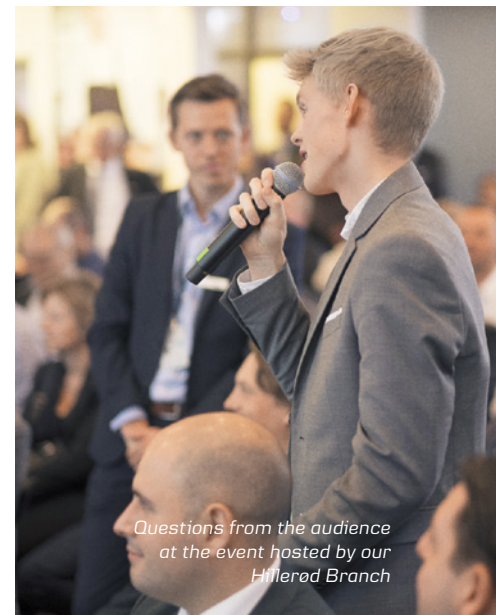
After the event, we shared video interviews with the keynote speakers on social media platforms to provide inspiration for a larger audience. We will use the experience to organise similar events in 2016.

Join our community for scalers

In 2015, we launched the Hub, a digital platform for startups offering recruitment support. In 2016 we will add features facilitating fundraising and giving access to best-practices tools. The Hub is open to all businesses – regardless of their affiliation with Danske Bank. The Hub is intended for SMEs with fewer than 20 employees and high growth ambitions – so-called "scalers".

The Hub will also offer advice, data and tools on issues unrelated to banking that have not been available to startups before. We co-created the content with our strategic partner Rainmaking, customers and subject matter experts, and it was tested by users throughout the development process. For more information, please visit www.thehub.dk.

How to best position your business? What to consider when you are looking for investors? And how to keep your financial adviser calm? Keynote speakers passed on their experience and advice, and many participants also had informal chats with our corporate specialists and experts from the Danish Growth Fund, Innovation Fund Denmark and local business incubators.



Questions from the audience at the event hosted by our Hillerød Branch

Sponsoring a gazelle event

For the past 12 years, Danske Bank Lithuania has sponsored regional conferences in the largest cities to promote growth at SMEs as well as an annual gazelle event at which companies with the highest growth and development rates receive awards.

In 2015, some 1,200 SMEs attended the gazelle event. Keynote speakers from the private sector and educational institutions shared their knowledge and experience, and participants had the opportunity to expand their networks and receive recognition for their business success.

STRATEGIC THEMES: ACCESSIBILITY

Accessibility for everyone

Banking customers are becoming more accustomed to digital services and expect a seamless experience across all channels 24/7. Product needs are changing as the population is ageing and becoming more urbanised. That is why we aim to take a leading role in developing innovative products that are accessible, easy to use, and secure.

Rapid technological advances, changing customer expectations and the trend towards urbanisation in our markets mean that our digital reach will become more important than our physical reach, and we are adapting our delivery model to these future requirements. But while digital options and the number of customers using them are increasing, some customers do not use or are not

confident using digital solutions, computers or smartphones. So it is important for us to ensure a responsible transition to future financial services and to take into account the consequences of a more digital business model. We want all our customers to have access to our services and products and to feel secure using them. We already offer a variety of online and mobile banking

solutions such as eBanking, online meetings, and tablet and mobile apps. These services enable customers to do their banking around the clock and let them manage basic banking transactions without assistance. To increase accessibility for everyone, we have launched several initiatives to customise our solutions for senior citizens, the visually impaired and other customers with special needs.

Cash cards for organisations

How can the cash card be used in organisations and businesses whose clients and members depend on cash? We took up this challenge in 2015 and worked with the Gentofte Local Authority in Denmark, among others, to find a solution. We ran a pilot project to investigate how the cash card could be used to streamline cash administration and improve payment opportunities. For example, nursing home residents can give the card to employees who shop for them instead of cash. The project will be evaluated in 2016.

Accessibility in rural areas

One current societal issue is the situation in many rural areas, where we see challenges concerning the housing market, economic development and lack of jobs. In 2015, we engaged a range of stakeholders, including public officials, in a dialogue to explore how we can do our part to address this problem. Our initiatives encompass a more flexible loan policy at Realkredit Danmark, including allowing prospective buyers with solid personal finances to finance the purchase of an overborrowed residential property with a mortgage loan of up to 95% of the assessed value. In 2016, we will continue to work on this challenge and engage relevant stakeholders in a dialogue on how to support development in rural areas.

Bridging the gap – digital banking for senior citizens

For some elderly people, digital banking is piece of cake, but for others it is a huge challenge. In Denmark and Northern Ireland, we invite elderly customers to “Step-by-step” meetings, where we guide them through all of our banking channels and services. Since 2014, we have hosted 76 meetings in Denmark and 48 meetings in Northern Ireland – reaching around 5,500 elderly

customers. We intend to continue to develop this initiative.

In 2015, Nørreport Branch in Copenhagen took the initiative of offering personal guidance to elderly customers who want to get started with Easy Banking. An adviser helps them carry out small daily banking tasks at the computer, such as money transfers and bill payments. Some 25 senior

citizens received this instruction in 2015.

In Sweden, we developed educational material on digital banking services for senior citizens. Since 2013, we have trained employees at Sweden's five largest senior citizen organisations so that they can help their elderly clients feel more confident and secure using digital banking solutions.

Danske Bank – accessible through many channels



For customers in Denmark who are unable to visit branches or ATMs, need someone else to make payments on their behalf, or have difficulty remembering a PIN, we offer a cash card. It has an easily memorable PIN, a maximum balance of DKK 5,000, and no overdraft facility. It can be used at all ATMs and shops that accept MasterCard.

To increase accessibility for personal customers who need to deposit and withdraw money, we have arranged for some 200 post offices in Denmark to provide these services. We began the collaboration with Post Danmark in 1996, and in 2015, we extended it until 2017.



To help visually impaired customers, we have keyboards in Braille and so-called synthetic speech at many ATMs in Denmark, Sweden and Ireland. In Denmark, we also offer monthly account statements in Braille and home deliveries of cash once a month.



To support young people, in 2014 we launched Youth Direct – a department where advisers have first-hand knowledge of the financial issues young customers face, such as student housing and study abroad. In 2015, we saw positive developments in the number of customers and customer satisfaction.



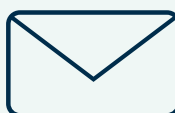
Innovative solutions



To accommodate customers who are not confident with digital banking, we have developed Easy Banking. It is a simplified version of our eBanking system in Denmark. The system has only three basic functions – account overview, bill payment and transfer, including transfers to a cash card.



For all customers with eBanking, we offer online meetings for easy access to advisers. Advisers can show graphics and calculations on the screen during the meetings. In 2015, some 60,000 online meetings were held.



For some 50,000 customers with special needs who have difficulty with digital communications, we offer correspondence by ordinary post at no extra cost.



To keep up with customers' diverse and changing lifestyles, we offer 24/7 telephone service so that personal customers can reach us whenever it suits them best. In 2015, we received about one call per second during business hours.



STRATEGIC THEMES: ACCESSIBILITY

Making money transfer easy and secure

A new generation of consumers is almost exclusively mobile, and they expect digital payment solutions that offer instant access and easy money transfers. For businesses, handling less cash means increased security and reduced administration. That is why we develop the financial infrastructure with mobile payment solutions that benefit both individual consumers and businesses.

Did you know that in 2015...

- More than 2.5 million people in Denmark used MobilePay regularly
- Two-thirds of the users were not Danske Bank customers
- We collaborated with UNICEF, Norwegian Church Aid, Save the Children and the Sunnaas Foundation in Norway to make MobilePay available for donations and collections
- More than 80 million MobilePay transactions took place, with a volume of more than DKK 20 billion
- Some 55 developers worked on MobilePay to ensure that it continues to be the preferred mobile payment solution

For many years, it has been our ambition to use digital and online solutions to make banking easy and readily accessible. In 1973, we were the first bank in Denmark to create an online connection to our branches, and in 1998, we were first to launch online banking. In 2010, we were the first retail bank in Denmark to offer mobile banking, and in 2013, we launched the first mobile payment solution for consumers in Denmark – the MobilePay app.

MobilePay exemplifies the convenience and instant access that digital solutions can offer. It makes payments to friends and businesses as easy as sending a

text message, and it lets people transfer and receive money and make payments in apps as well as in physical shops and online shops simply by using a smartphone. The app is free of charge for all private individuals and available to anyone with a smartphone. In 2014, we launched our first business solution – MobilePay Business – and in 2015 we added a number of MobilePay solutions for businesses that allow consumers to use MobilePay for payments to shops, supermarkets, local authorities, charities and webshops as well as in other businesses' apps. We also launched the app in Norway and Finland.

MobilePay for charity

Charities use the MobilePay Business solution for door-to-door collections and major television donation broadcasts. MobilePay gives them access to a larger donor group because fewer people use cash today. It also makes for fewer missed donations since donations can be made whenever it suits the donor. In 2015, some 257 charitable organisations in Denmark used MobilePay to collect more than DKK 30 million.

To address the needs of charity organisations, in 2015 we began a collaboration with ISOBRØ, the Danish Fundraising Association, that will allow so-called "paragraph 8A-approved organisations" to use MobilePay free of charge for donations and collections in 2016. This includes transactions and subscriptions, training in using MobilePay for fundraisers and collectors, and

marketing materials – all at no charge. We will continue to develop the solution to help the organisations take advantage of fundraising opportunities.

"Danske Bank has been attentive and interested in learning how they can provide us with an even better product," says Mette Grovermann, Head of Secretariat at ISOBRØ. "As a members organisation, we collaborate with various partners on how we can improve conditions for our members, including minimising their expenses and improving fundraising opportunities. MobilePay is a good example of that collaboration."

We are continuing our collaboration by investigating how we can help these organisations report donations to the tax authorities more easily and assist donors in getting their tax deductions.

Supporting the peace agenda

In 2015, we joined the Peace Table campaign, launched by Crisis Management Initiative (CMI), an independent Finnish peace broker, to raise awareness about conflict resolution. We see an ongoing need for independent conflict resolution experts like CMI, which prevents and resolves conflicts by building trust between the opposed parties. According to

their records, one in five people in the world lives under the threat of war, and nearly 60 million people have been forced to flee their homes because of conflicts and persecution.

Besides supporting the initiative and offering MobilePay for donations, we promoted the campaign on our digital channels and invited customers to CMI's events.

Opt out of paper receipts and save CO₂ emissions



In 2015, we launched MobilePay Receipt, which allows users to opt not to receive a paper receipt when they pay with MobilePay in shops in Denmark. Instead, MobilePay stores the receipt electronically and thus saves paper. Dansk Supermarked Group, one of the largest retail chains in Denmark, among others, offers payments with MobilePay, and calculations show that if just 10% of its customers opt not to receive paper receipts, it will save around 30 tonnes of CO₂ – the equivalent of emissions from six flights around the world.



Mobile coffee

In our experience, MobilePay is a desirable alternative to cash particularly for small companies because it is an easy and secure payment method that saves the businesses time counting cash and depositing it at the bank.

Kalles Kaffe, which is one of the largest suppliers of mobile barista services in Denmark, was among the small businesses that initially tested our MobilePay solution. The business has a team of 75 baristas and 25 mobile units touring Denmark to serve coffee at events, at companies and to people on the go. More than 70% of its customers pay with MobilePay: "At many of the places where we sell our coffee, we see that people do not have cash or cards," says CEO Jacob Karlsen – also known as "Kalle". "But they always have their smartphone with them. MobilePay makes our job easier and saves time for us and our customers as they pay while we make their coffee."

Compliance overview

	Corporate responsibility in core business				
	Contributing to society	Responsible customer relationships	Responsible employer	Environmental footprint	Responsible supplier relationships
Voluntary commitments and legal requirements	Pages 12-15	Pages 16-19	Pages 20-21	Pages 22-23	Pages 24-25
UN Global Compact					
Human rights: Principles 1-2	X	X	X		X
Labour: Principles 3-6	X		X		X
Environment: Principles 7-9		X		X	X
Anti-corruption: Principle 10	X	X	X		X
Danish Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.					
Corporate responsibility, including human rights and climate: Section 135	X	X	X	X	X
Gender distribution at management level: Subsection 135a			X		

2015 key performance indicators

	2015	2014	2013
Business operations (DKK millions)*			
Total income	44,201	44,000	39,740
Operating expenses	21,827	22,641	23,794
Profit before tax	17,762	7,969	10,059
Financial services employer tax and social security costs	1,520	1,529	1,526
VAT	933	1,184	1,124
Tax	4,639	4,020	2,944
Net profit for the year	13,123	3,948***	7,115
Net profit for the year before goodwill impairment charges	17,724	13,047***	7,115
Return on avg. shareholders' equity (%)**	8.5	2.5	5.0
Return on avg. shareholders' equity before goodwill impairment charges (%)**	11.6	8.6	5.0
Employees			
Number of full-time employees (FTE), end of year*	19,049	18,603****	19,122
Percentage of women in workforce (%)	51	54	54
Percentage of women in management (%)	35	36	36
Employee turnover (%)	11	9	9
Average years of service	14	15	15
Employee satisfaction and motivation (scale of 0-100)	76	76	74
Absence due to illness (avg. number of illness days per employee)	6	6	7.5
No. of injuries or incidents of post-traumatic stress related to robberies	93	73	67
Opportunities for professional and personal development as perceived by employees (scale of 0-100)	76	76	75
Environment			
CO ₂ emissions (tonnes)†	18,836	37,807	39,168
CO ₂ emissions per employee (tonnes/FTE)	1.0	2.0	2.0
Energy consumption (electricity and heat) (MWh)††	111,708	121,126	139,373
Energy consumption per employee (MWh/FTE)	6.3	6.7	7.2
Electricity consumption (MWh)	57,166	61,355	69,568
Heat consumption (MWh)	54,542	59,861	69,805
Road transport (company vehicles and employees' cars) (1,000 km)	13,969	16,643	16,712
Air transport (1,000 km)	61,392	52,662	51,219
Paper consumption (tonnes)	1,598	1,726	2,227

* Data are from Annual Report 2015 and Fact Book Q4 2015.

** Ratios are calculated as if the additional tier 1 capital were classified as a liability. Average shareholders' equity is calculated as a quarterly average.

*** Changes have been made to the highlights for 2014, as presented in note 2 in Annual Report 2015. Apart from 2011, the effect on the highlights for 2011-13 is not significant, and comparative figures for 2011-13 therefore have not been restated. A restatement of comparative figures for 2011 would have reduced net profit by DKK 387 million.

**** The 2014 figure has been restated because of an adjustment of the number of hourly-paid employees in Norway and Finland.

† Data cover DK, SE, NO, IRL, NI, FIN and LIT and include estimated figures for the remainder of the Group.

†† Data cover DK, SE, NO, IRL, NI, FIN and LIT.

Assurance statement

Independent Assurance Report

To the management and stakeholders of Danske Bank

We have assessed Danske Bank's Corporate Responsibility 2015 report ('the report') to provide limited assurance of selected 2015 data on page 34 of the report. The report covers Danske Bank's international activities from 1 January to 31 December 2015.

We have performed the following work:

- We have reviewed all environmental data and all employee data on page 34 in the report and assessed whether these data have been stated in accordance with the criteria mentioned in the reporting principles;
- We have assessed whether Danske Bank has offset its consolidated CO₂ emissions for 2015.

Management's responsibility

The management of Danske Bank is responsible for collecting, analysing, aggregating and presenting the information in the report, ensuring that data are free from material misstatement, whether due to fraud or error. Danske Bank's non-financial reporting principles contain management's defined reporting scope for each data type. The criteria for the reporting principles can be found at www.danskebank.com/CR/reporting.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion based on our engagement with management and in accordance with the agreed scope of work. We have conducted our work in accordance with ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain limited assurance about whether the selected CR data are free from material misstatement.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR - Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material error, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

We performed our on-site reviews at Danske Bank's head office in Copenhagen in November and December 2015 and in January 2016. Our work has included interviews with key functions in Danske Bank, inquiries regarding procedures and methods to ensure that selected CR data and information have been incorporated in accordance with the reporting principles. We have assessed processes, tools, systems and controls for gathering, consolidating and aggregating CR data at Group level, and performed analytical review procedures and tested CR data prepared at group level to underlying documentation. Furthermore, we have received documentation that the consolidated CO₂ emissions have been offset by purchase of offset certificates. Finally, we have evaluated the overall presentation of the report, including consistency of information.

We have not performed site visits or interviewed external stakeholders, nor have we performed any assurance procedures on baseline data or forward-looking statements such as targets and expectations. Consequently, we draw no conclusion on these statements.

Conclusion

Based on our work, nothing has come to our attention causing us not to believe that:

- the employee and environmental data subject to our review have been stated in accordance with the criteria mentioned in the reporting principles;
- Danske Bank has offset its consolidated CO₂ emissions for 2015.

Copenhagen, 2 February 2016

Deloitte
Statsautoriseret Revisionspartnerselskab
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Jens Ringbæk
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