Danske Bank Group

Interim report - first nine months 2024

Danske Bank

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Income statement

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
Net interest income	27,452	25,852	106	9,165	9,145	100	9,317	98	34,972
Net fee income	10,403	9,422	110	3,329	3,698	90	3,153	106	12,904
Net trading income	2,110	2,127	99	733	608	121	-111	-	2,613
Net income from insurance business	1,407	922	153	459	457	100	233	197	1,472
Other income	464	272	171	140	147	95	417	34	460
Total income	**41,836**	**38,595**	**108**	**13,826**	**14,055**	**98**	**13,009**	**106**	**52,422**
Operating expenses	19,046	18,853	101	6,228	6,481	96	6,211	100	25,478
of which resolution fund, bank tax etc.	682	741	92	228	209	109	245	93	989
Profit before loan impairment charges	**22,790**	**19,741**	**115**	**7,598**	**7,574**	**100**	**6,797**	**112**	**26,944**
Loan impairment charges	-436	294	-	-337	-200	169	322	-	262
Profit before tax	**23,227**	**19,447**	**119**	**7,935**	**7,774**	**102**	**6,475**	**123**	**26,682**
Tax	5,593	3,950	142	1,770	1,936	91	1,156	153	5,420
Net profit	**17,634**	**15,497**	**114**	**6,165**	**5,839**	**106**	**5,319**	**116**	**21,262**

Ratios and key figures

	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
Dividend per share (DKK)**	7.5	7.0		-	7.5		-		14.5
Earnings per share (DKK)	20.7	18.0		7.2	6.8		6.2		24.8
Return on avg. shareholders' equity (% p.a.)	13.4	12.5		13.9	13.3		12.6		12.7
Net interest income as % p.a. of loans and deposits	1.3	1.2		1.3	1.3		1.3		1.2
Cost/income ratio (C/I), (%)	45.5	48.8		45.0	46.1		47.7		48.6
Total capital ratio (%)	23.0	23.2		23.0	22.5		23.2		23.1
Common equity tier 1 capital ratio (%)	19.1	18.8		19.1	18.5		18.8		18.8
Share price (end of period) (DKK)	201.5	164.4		201.5	207.5		164.4		180.4
Book value per share (DKK)	210.4	196.4		210.4	209.8		196.4		204.4
Full-time-equivalent staff (end of period)	20,057	20,097	100	20,057	20,079	100	20,097	100	20,021

* Comparative information has been restated as described in note G2(b).
** Dividend for the first half of 2024 is an interim dividend of DKK 7.5 per share. The dividend was paid out in July 2024. Dividend for 2023 of a total of DKK 14.5 per share consists of an interim dividend of DKK 7.0 per share that was paid out in connection with the interim report for the first half of 2023 and a dividend of DKK 7.5 per share for the second half of 2023 that was paid out on 26 March 2024.

Balance sheet (end of period)

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
Due from credit institutions and central banks	217,423	295,739	74	217,423	254,350	85	295,739	74	271,434
Repo loans	336,530	285,269	118	336,530	340,108	99	285,269	118	272,841
Loans	1,671,217	1,627,119	103	1,671,217	1,652,294	101	1,627,119	103	1,670,142
Trading portfolio assets	514,297	602,915	85	514,297	497,400	103	602,915	85	548,189
Investment securities	266,255	279,830	95	266,255	273,642	97	279,830	95	283,914
Insurance assets	526,507	506,426	104	526,507	522,846	101	506,426	104	496,031
Other assets	211,213	231,900	91	211,213	223,118	95	231,900	91	228,429
Total assets	**3,743,442**	**3,829,199**	**98**	**3,743,442**	**3,763,759**	**99**	**3,829,199**	**98**	**3,770,981**
Due to credit institutions and central banks	87,198	68,821	127	87,198	76,876	113	68,821	127	70,774
Repo deposits	200,997	212,442	95	200,997	233,519	86	212,442	95	197,140
Deposits	1,064,407	1,093,850	97	1,064,407	1,072,032	99	1,093,850	97	1,108,898
Bonds issued by Realkredit Danmark	749,028	716,009	105	749,028	730,638	103	716,009	105	741,062
Other issued bonds	345,785	321,039	108	345,785	356,660	97	321,039	108	315,145
Trading portfolio liabilities	368,184	529,337	70	368,184	372,509	99	529,337	70	454,487
Insurance liabilities	513,257	487,225	105	513,257	506,832	101	487,225	105	482,630
Other liabilities	200,611	192,783	104	200,611	199,586	101	192,783	104	186,332
Subordinated debt	37,059	39,053	95	37,059	37,052	100	39,053	95	38,774
Shareholders' equity	176,916	168,642	105	176,916	178,055	99	168,642	105	175,739
Total liabilities and equity	**3,743,442**	**3,829,199**	**98**	**3,743,442**	**3,763,759**	**99**	**3,829,199**	**98**	**3,770,981**

* Comparative information has been restated as described in note G2(b).

Executive summary

During the first nine months of 2024, Danske Bank consistently delivered satisfactory financial results, while we also progressed on our strategic priorities. In the third quarter, we saw a continuation of the positive financial performance we witnessed through the first half of the year. This was enabled by better profitability and progress in customer volumes, especially on the corporate side, and continually strong credit quality. Although geopolitical tension has unfortunately become more permanent and continues to be the global backdrop, the macroeconomic picture in the Nordic countries has improved, and we maintain our strong focus on our customers and are delivering according to the plan set out in our Forward '28 strategy. We continue to see improved commercial momentum and good interest in our leading advisory solutions for customers with complex needs, and we continue to enhance our products to make everyday banking both simpler and safer. This includes implementing technology such as GenAI and cloud-based solutions to reduce the use of legacy platforms. Our focus on execution and our efforts to improve Danske Bank to the benefit of all stakeholders is moving us forward as expected – which is positive for both our customers and society.

In the third quarter, the macroeconomic outlook improved, as inflation got under control and interest rates were lowered, which all in all is paving the way for an outlook of stable growth. Among the Nordic countries, the macroeconomic outlook is especially positive in Denmark where the labour market remains strong, inflation is low and economic growth is expected to be solid, even without the significant contribution from the pharmaceutical sector. Despite the more positive macroeconomic outlook, we remain prudently aware of the downside risks stemming from the geopolitical situation and concerns about a potential slowdown in economic activity.

On the back of lower inflation, several central banks in the Nordic region lowered their policy rates in the third quarter. Following lower policy rates from the central banks in Sweden and Denmark, we also lowered selected customer rates on lending and deposits while ensuring that our offering remains attractive across customer segments.

In sum, also in the third quarter, we achieved a satisfactory and stable performance, resulting in a return on shareholders' equity of 13.9% for the third quarter and 13.4% for the first nine months of 2024.

Importantly, alongside our satisfactory financial results and better profitability, we continued to make progress on enhancing our foundation for delivering on our Forward '28 strategy, and we continue to invest to improve the bank for all stakeholders.

Capital and funding

Danske Bank's underlying business is strong, our treasury asset and liability management is prudent, and our capital and liquidity positions continue to be solid, with significant buffers well above regulatory requirements. In terms of long-term wholesale funding, as per early October, we had issued more than DKK 70 billion so far in 2024. Our issuance has been well received by the market, enabling us to obtain improved spreads on the back of rating upgrades by Moody's and S&P. This also means that we are progressing well towards meeting our full-year funding plan.

At the end of September 2024, our liquidity coverage ratio stood at 175% (31 December 2023: 170%), with an LCR reserve of DKK 564 billion (31 December 2023: DKK 615 billion), and our net stable funding ratio stood at 121%.

Capital released from personal customer exit in Norway

During the fourth quarter of 2024, once the sale to Nordea has closed, we intend to distribute the capital released from exiting our personal customer business in Norway as an extraordinary dividend payment. The capital released is expected to amount to approximately DKK 5.5 billion.

Distribution of remaining net profit for 2024

It remains the intention of the Board of Directors to distribute the full remaining net profit for the full year of 2024 in 2025. This is subject to a continually strong financial performance, relevant approvals, including from the Danish Financial Supervisory Authority, and our capital ratios remaining above applicable capital requirements.

Share buy-back programme

At the end of September 2024, Danske Bank had bought back around 18.7 million shares for a total purchase amount of DKK 3.8 billion (figures at trade date) of the planned DKK 5.5 billion share buy-back programme.

Financials

Danske Bank delivered a net profit of DKK 17,634 million in the first nine months of 2024, up 14% from the same period last year. Good customer activity combined with low loan impairments supported the financial result for the period.

Net fee income increased 10% from the level in the first nine months of 2023, due mainly to higher investment fees as a result of the improved performance of our funds and a pick-up in activity as a result of the more favourable financial markets. Net sales from assets under management saw a positive development through the first nine months of the year due to a high level of assets under management. Net trading income was stable, which should be viewed in the context of the level in the first half of 2023 having been exceptionally high, but also due to relatively low secondary customer activity and changes in market dynamics in the first nine months of 2024.

Net income from insurance business increased 53% from the level in the first nine months of 2023. The increase was due mainly to an increase in the net financial result. Furthermore, income included a reversal of provisions of DKK 50 million related to the sale of Danica Norway in 2022.

Operating expenses are on track to match our full-year guidance. The year-on-year increase was caused mainly by higher digitisation investments made under our Forward '28 strategy and higher bonus payments and staff costs that were impacted by wage inflation.

Loan impairments reflected overall solid credit quality and were low in the first nine months of 2024, amounting to a net reversal of DKK 436 million. We continue to apply significant post-model adjustments related to the macroeconomic uncertainty and remain watchful of any possible credit deterioration.

Outlook for 2024

We have changed our net profit outlook for the full year, so we now expect net profit in the range of DKK 22.5-23.5 billion. This is the second revision of our outlook this year as we at the end of June revised the outlook for 2024 upwards to a net profit in the range of DKK 21-23 billion from previously DKK 20-22 billion.

We now expect operating expenses for the full year to be around DKK 25.8 billion, reflecting lower than expected non-recurring items, effect from insurance reimbursement and continued focus on cost management. The outlook now includes non-recurring items of approximately DKK 0.3 billion related to the relocation to the new domicile and minor costs for the divestment of our personal customer business in Norway. Previously we expected operating expenses between DKK 26 and DKK 26.5 billion including non-recurring items of approximately DKK 0.6 billion.

In addition, the upgrade follows our continually strong credit quality and net reversals of loan impairment charges in the first nine months of the year. As such, we now expect full-year loan impairment charges to be around zero from previously up to DKK 0.6 billion.

The outlook for income remains unchanged.

Today's change will not have any impact on our financial targets for 2026.

Changes in the Executive Leadership Team

After dedicating almost five years to Danske Bank and a total of 36 years to an active business career, Stephan Engels, Chief Financial Officer and a member of the Executive Leadership Team in Danske Bank, has decided to retire from executive leadership roles. Danske Bank has appointed Cecile Hillary as new Chief Financial Officer. Cecile Hillary will become part of Danske Bank's Executive Leadership Team and will join Danske Bank no later than 1 March 2025.

Financial review

Q1-Q3 2024 vs Q1-Q3 2023

Net profit increased to DKK 17,634 million (Q1-Q3 2023: DKK 15,497 million) as a result of increases in net interest income, net fee income and net income from insurance business. Good customer activity and low loan impairments also supported the financial result for the first nine months of 2024.

Income

Net interest income increased to DKK 27,452 million (Q1-Q3 2023: DKK 25,852 million). The increase was driven by higher income from deposits following repricing actions as well as product development initiatives. Lending margins were under pressure from the rise in market rates relative to the same period last year, but market rates were lowered in the third quarter of 2024.

Net fee income increased to DKK 10,403 million (Q1-Q3 2023: DKK 9,422 million). Everyday banking fees increased due to higher customer activity and repricing actions. Furthermore, investment fees increased on the back of an improved performance of our funds and a pick-up in activity resulting from the more favourable conditions on the financial markets. Net sales from assets under management saw a positive development through the first nine months of the year due to a high level of assets under management. In addition, we saw a non-recurring effect related to a new vendor agreement, which had a retroactive effect.

Net trading income was stable at DKK 2,110 million (Q1-Q3 2023: DKK 2,127 million). Driven by healthy customer activity levels, net trading income remained at a high level, although relatively low secondary customer activity affected net trading income in the first nine months of 2024. The result for the first nine months of 2023 was affected by large one-offs.

Net income from insurance business increased to DKK 1,407 million (Q1-Q3 2023: DKK 922 million). The increase was due to a higher net financial result following the positive developments in the financial markets, which lifted both the investment results on insurance products where Danica Pension has the investment risk and the investment result attributable to shareholders' equity. Danica Pension continued to see a rise in new health and accident claims, which reflects the general trend in society and also resulted in an increase in provisions for insurance contracts.

Other income amounted to DKK 464 million (Q1-Q3 2023: DKK 272 million). Sales of assets in our leasing company and the sale of the Norwegian company Tyssekraft A/S contributed to the result, while holdings in associates had a negative effect on the result. The year-earlier period was affected by a provision related to prudent valuation and expected transaction costs of DKK 693 million that was made in connection with the agreement to sell our personal customer business in Norway.

Operating expenses

Operating expenses amounted to DKK 19,046 million (Q1-Q3 2023: DKK 18,853 million). As expected, the development was impacted by higher digitisation investments made under our Forward '28 strategy, higher bonus payments and staff costs impacted by wage inflation.

Finally, the Resolution fund, Swedish bank tax etc. item stood at DKK 682 million (Q1-Q3 2023: DKK 741 million).

Loan impairment charges

Loan impairments were low in the first nine months of 2024, amounting to a net reversal of DKK 436 million (Q1-Q3 2023: a net charge of DKK 294 million).

The impairment level reflected overall solid credit quality and the fact that macroeconomic growth is expected to gradually return to normal levels, although the macroeconomic landscape remains uncertain. We continue to apply significant post-model adjustments related to the macroeconomic uncertainty and remain watchful of any possible credit deterioration.

Personal Customers saw impairment reversals, contrary to 2023, when there was a net charge. Reversals for the first nine months of 2024 were driven by a combination of updated macroeconomic scenarios and a reduction in post-model adjustments due to the

Loan impairment charges

	Q1-Q3 2024		Q1-Q3 2023	
(DKK millions)	Charges	% of net credit exposure*	Charges	% of net credit exposure*
Personal Customers	-232	-0.04	333	0.05
Business Customers	265	0.05	246	0.05
Large Corporates & Institutions	-403	-0.15	-163	-0.06
Northern Ireland	-62	-0.14	-119	-0.29
Group Functions	-5	-0.28	-4	-0.15
Total	**-436**	**-0.03**	**294**	**0.02**

* Defined as net credit exposure from lending activities, excluding exposure related to credit institutions and central banks and loan commitments.

Net profit

DKK 6,165 million

for the third quarter of 2024

Q3 2024 vs Q2 2024

Net profit increased to DKK 6,165 million (Q2 2024: DKK 5,839 million). An increase in net trading income and stable net interest income more than offset a decrease in net fee income.

- Net interest income amounted to DKK 9,165 million (Q2 2024: DKK 9,145 million), a relatively flat development from the preceding quarter.
- Net fee income decreased to DKK 3,329 million (Q2 2024: DKK 3,698 million), driven by lower capital markets fees and financing fees impacted by slow-down in summer period. In addition, we saw a non-recurring decline in fee expenses due to a new vendor agreement of DKK 102 million being booked in the preceding quarter.
- Net trading income increased to DKK 733 million (Q2 2024: DKK 608 million), driven by higher customer activity and more favourable market conditions on the back of central bank actions.
- Net income from insurance business was flat at DKK 459 million (Q2 2024: DKK 457 million) on the basis of an increase in the net financial result, while the insurance service result decreased.
- Operating expenses decreased to DKK 6,228 million (Q2 2024: DKK 6,481 million), due mainly to our strict cost management and an insurance reimbursement registered in the third quarter of DKK 179 million.
- Loan impairments amounted to a net reversal of DKK 337 million (Q2 2024: a net reversal of DKK 200 million). In both quarters, reversals were driven by solid credit quality, successful restructuring activities and reduced post-model adjustments.
- Tax amounted to DKK 1,770 million (Q2 2024: DKK 1,936 million), corresponding to an effective tax rate of 22.3% (Q2 2024: 24.9%).

improved macroeconomic outlook. Underlying credit quality remained stable.

Business Customers had impairment charges comparable to those in 2023, and underlying credit quality remained solid.

Large Corporates & Institutions continued to see a net reversal owing to successful restructuring that resulted in a decline in charges made against facilities to individual customers.

The macroeconomic scenarios have been updated to reflect a trend towards a more normalised situation. However, the downside scenario continues to be a severe stagflation scenario. The scenario weights were unchanged from the end of 2023 and were as follows: The base-case scenario has a probability of 60% (2023: 60%), the upside scenario has a probability of 20% (2023: 20%) and the downside scenario has a probability of 20% (2023: 20%).

Tax

The tax expense of DKK 5,593 million (Q1-Q3 2023: DKK 3,950 million) corresponded to an effective tax rate of 24.1% (Q1-Q3 2023: 20.3%).

Lending

Lending stood at DKK 1,671 billion (end-2023: DKK 1,670 billion). Mortgage lending at nominal value at Realkredit Danmark amounted to DKK 799 billion (end-2023: DKK 806 billion). Lending volumes in Norway and Sweden saw a negative effect from the depreciation of the currencies.

Following the Forward '28 strategy announcement in June 2023, Danske Bank entered into an agreement to sell its personal customer business in Norway. The sale, which includes, among other things, loans and deposits, is expected to close during the fourth quarter of 2024.

At Large Corporates & Institutions, we have seen a decrease in lending volumes of 4% since the end of 2023, reflecting the volatile operating environment. Lending volumes in General Banking have increased 4% since the end of 2023, however, primarily driven by corporate customer lending in Sweden.

Lending at Business Customers was up 2% from the level at the end of 2023. In local currency, bank lending volumes increased across our Nordic markets, except for Denmark. The depreciation of the currencies in Norway and Sweden reduced bank lending volumes by DKK 4.9 billion, leading to an overall increase of 3% relative to the level at the end of 2023. Mortgage volumes increased 1% relative to the level at the end of 2023.

At Personal Customers, we saw a flat development in total bank lending volumes, although there was a 2% increase in volumes in Denmark that was driven by home finance products, such as Danske Bolig Fri. Total lending across markets was on par with the level at the end of 2023. The depreciation of the Swedish krona had a negative effect of DKK 1.5 billion.

In Denmark, new gross lending, excluding repo loans, amounted to DKK 90.4 billion. Lending to personal customers accounted for DKK 19.8 billion of this amount.

Deposits

Deposits amounted to DKK 1,064 billion at the end of September 2024 (end-2023: DKK 1,109 billion). Deposit volumes in Norway and Sweden decreased, due mainly to the depreciation of the currencies.

Fuelled by our savings products, deposit volumes for Personal Customers increased 3% from the level at the end of 2023. The increase was driven by our Private Banking unit, which saw an increase of 12%, and Personal Customers Denmark and Finland, which saw increases of 2%. The depreciation of the Swedish krona had a small negative effect.

At Business Banking, deposit volumes decreased 5% relative to the level at the end of 2023. We saw a stable development in Finland, driven by an inflow of public-sector customers. In Norway, we continued to deliberately bring down public-sector deposits. Both the Swedish krona and the Norwegian krone depreciated further, with a total effect since the end of 2023 of DKK 2.7 billion.

At Large Corporates & Institutions, deposit volumes decreased 14% from the level at the end of 2023 as we saw an increase in corporate customers choosing to reinvest their cash holdings. We welcomed more new large corporate customers in the first nine months of 2024, continuing to execute on our strategic ambition to grow our corporate customer portfolio outside Denmark.

Credit exposure

Credit exposure from lending activities decreased to DKK 2,515 billion (end-2023: DKK 2,550 billion). The decrease in exposure was caused by lower deposits with central banks as well as a decrease in the Personal Customers Norway exposure due to the decision to exit the personal customer market in Norway as part of the Forward '28 strategy. The decrease was partially countered by an increase in exposure to the Transportation segment.

Risk Management 2023, section 3, which is available at danskebank.com/ir, provides details on Danske Bank's credit risk management.

Credit quality

Credit quality remained strong in the first nine months of 2024 at all business units, and we remain vigilant for any possible deterioration related to the uncertainty mentioned in the loan impairment charges section above.

Stage 3 loans in core segments

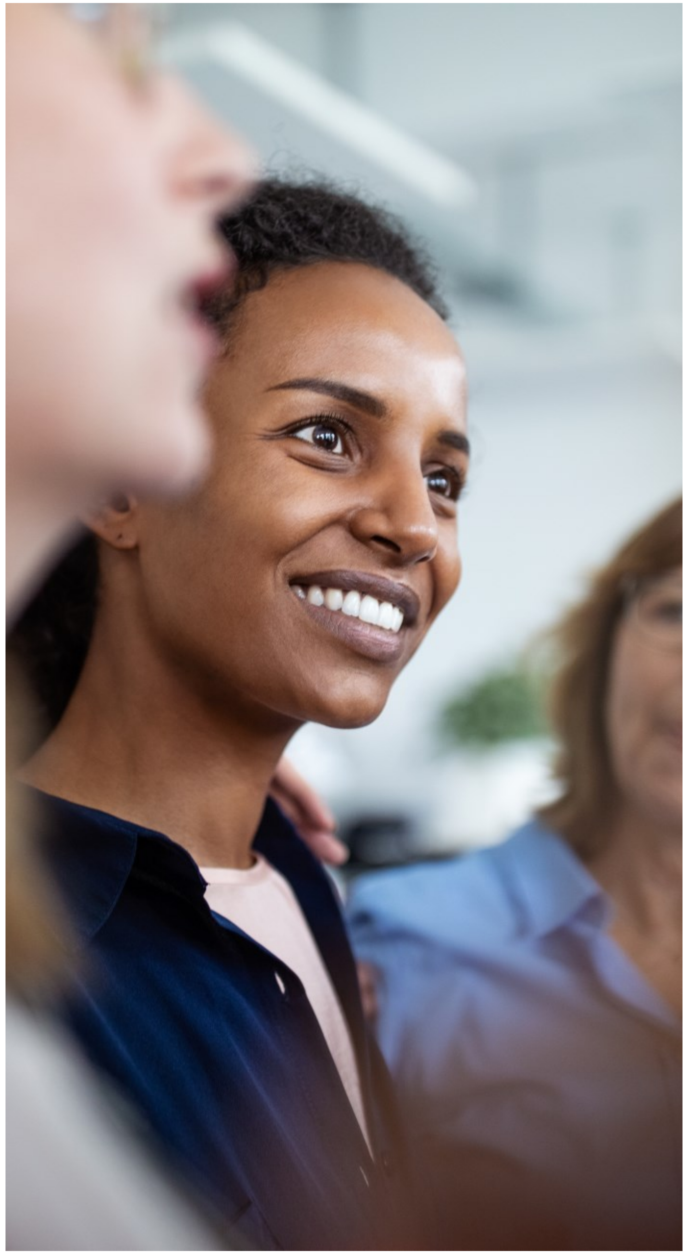
(DKK millions)	30 September 2024	31 December 2023
Gross exposure	31,706	32,686
Allowance account	9,068	9,062
Net exposure	**22,639**	**23,624**
Collateral (after haircut)*	19,303	20,642
Stage 3 coverage ratio (%)*	73	75
Stage 3 gross/total gross credit exposure	1.3%	1.3%

* The stage 3 coverage ratio is calculated as allowance account stage 3 exposures relative to gross stage 3 net of collateral (after haircuts).

Allowance account by business units

Allowance account by business units (DKK millions)	30 September 2024 Accum. impairm. charges	30 September 2024 % of credit exposure*	31 December 2023 Accum. impairm. charges	31 December 2023 % of credit exposure*
Personal Customers	5,008	0.67	5,306	0.68
Business Customers	10,948	1.60	10,705	1.58
Large Corporates & Institutions	3,447	0.94	3,308	0.92
Northern Ireland	801	1.23	794	1.34
Group Functions	20	-0.78	27	1.21
Total	**20,225**	**1.08**	**20,140**	**1.07**

* Relating to lending activities.



Total gross credit exposure in stage 3 was stable at DKK 31.7 billion (end-2023: DKK 32.7 billion), corresponding to 1.3% of total gross exposure. Stage 3 exposure was concentrated on personal customers, commercial property, retailing and agriculture, which combined accounted for 58% of total gross exposure in stage 3.

The allowance account amounted to 1.08% (end-2023: 1.07%) of credit exposure.

Interest rate risk in the banking book

Danske Bank is exposed to interest rate risk in the banking book resulting from providing the Group's core banking customers with conventional banking products and from the Group's funding and liquidity management activities at Group Treasury (for more details, please see section 5.2.3 of Risk Management 2023).

As part of managing the interest rate risk in the banking book, the Group holds high quality liquid bonds, which are included in the calculation of the Group's liquidity cover ratio (LCR). To ensure aligned accounting treatment across the banking book, these bonds are held at amortised cost. The carrying amount and fair value of the Group's hold-to-collect bond instruments can be seen in note G13.

Funding and liquidity

During the third quarter of 2024, the funding markets remained strong despite the summer holidays and the upcoming US election. The well-known and very tense geopolitical situation persisted.

At the end of September 2024, the Group had issued covered bonds of DKK 23.8 billion, preferred senior debt of DKK 6.9 billion, non-preferred senior debt of DKK 21.6 billion and tier 2 capital of DKK 8.4 billion, thus bringing total long-term wholesale funding to DKK 60.7 billion.

In terms of long-term wholesale funding, as per early October 2024, we had issued more than DKK 70 billion. All issues have been well received by the market, enabling us to obtain improved spreads on the back of rating upgrades by Moody's and S&P. This also means that we are progressing well towards meeting our full-year funding plan.

Our strategy is to be a regular issuer in the EUR benchmark format and in the domestic USD market for preferred senior and non-preferred senior bonds in the Rule 144A format. We also maintain the strategy of securing funding directly in our main lending currencies, including the NOK and SEK. The benchmark issues are expected to be supplemented by private placements of bonds.

From time to time, we will make issues in GBP, JPY, CHF and other currencies when market conditions allow. Issuance plans for subordinated debt in either the additional tier 1 or tier 2 format will depend on balance sheet growth and redemptions on the one hand and our capital targets on the other. Any issuing of subordinated debt may cover part of our funding need. Note G7 provides more information about bond issues in the first nine months of 2024.

Danske Bank's liquidity position remained robust. At the end of September 2024, our liquidity coverage ratio stood at 175% (31 December 2023: 170%), with a LCR reserve of DKK 564 billion (31 December 2023: DKK 615 billion), and our net stable funding ratio stood at 121%.

At 30 September 2024, the total nominal value of outstanding long-term funding, excluding debt issued by Realkredit Danmark, was DKK 335 billion (31 December 2023: DKK 337 billion).

Capital ratios and requirements

At the end of September 2024, the Group's total capital ratio was 23.0%, and its CET1 capital ratio was 19.1%, against 23.1% and 18.8%, respectively, at the end of 2023. The movement in the capital ratios in the first nine months of 2024 was driven primarily by a decrease in the capital deduction for Danica Pension.

During the first nine months of 2024, the total REA increased approximately DKK 8 billion, due mainly to the frontloading effect of initial implementation of CRR3 of DKK 20 billion. The rise was partly countered by a decrease in the REA for market risk.

Danske Bank's capital management policies are based on the Internal Capital Adequacy Assessment Process (ICAAP). In this process, Danske Bank determines its solvency need ratio. The solvency need ratio consists of the 8% minimum capital requirement under Pillar I and an individual capital add-on under Pillar II.

At the end of September 2024, the Group's solvency need ratio was 11.0%, an increase of 0.3 percentage points from the level at the end of 2023. The increase was due mainly to a reassessment of capital to cover data risks that increased the solvency need by DKK 2.0 billion. The reassessment was made following the Danish FSA's orders issued on 12 February 2024.

A combined buffer requirement (CBR) applies to financial institutions in addition to the solvency need ratio. At the end of September 2024, the Group's CBR was 8.2%, an increase of 0.2 percentage points from the level at the end of 2023 due to the Danish government's decision to activate the 7% systemic risk buffer with effect from 30 June 2024.

Capital ratios and requirements

(% of the total REA)	30 September 2024	Fully phased-in*
Capital ratios		
CET 1 capital ratio	19.1	19.0
Total capital ratio	23.0	22.9
Capital requirements (incl. buffers)		
CET 1 requirement	14.6	14.6
- portion from countercyclical buffer	2.1	2.0
- portion from capital conservation buffer	2.5	2.5
- portion from systemic risk buffer	0.7	0.7
- portion from SIFI buffer	3.0	3.0
Solvency need ratio	11.0	11.0
Total capital requirement**	**19.3**	**19.3**
Buffer to requirement		
CET 1 capital	4.5	4.5
Total capital	**3.8**	**3.7**

* Based on fully phased-in rules and requirements, including the fully phased-in impact of IFRS 9.
** The total capital requirement consists of the solvency need ratio and the combined buffer requirement. The fully phased-in countercyclical capital buffer is based on the buffer rates announced at the end of September 2024.

Minimum requirement for own funds and eligible liabilities

The Danish FSA sets the MREL at two times the solvency need plus one time the SIFI buffer, the capital conservation buffer and the systemic risk buffer. Furthermore, the CBR must be met in addition to the MREL. In the annual MREL decision from the Danish FSA, the (backward-looking) MREL was set at 27.3% of the total REA adjusted for Realkredit Danmark.

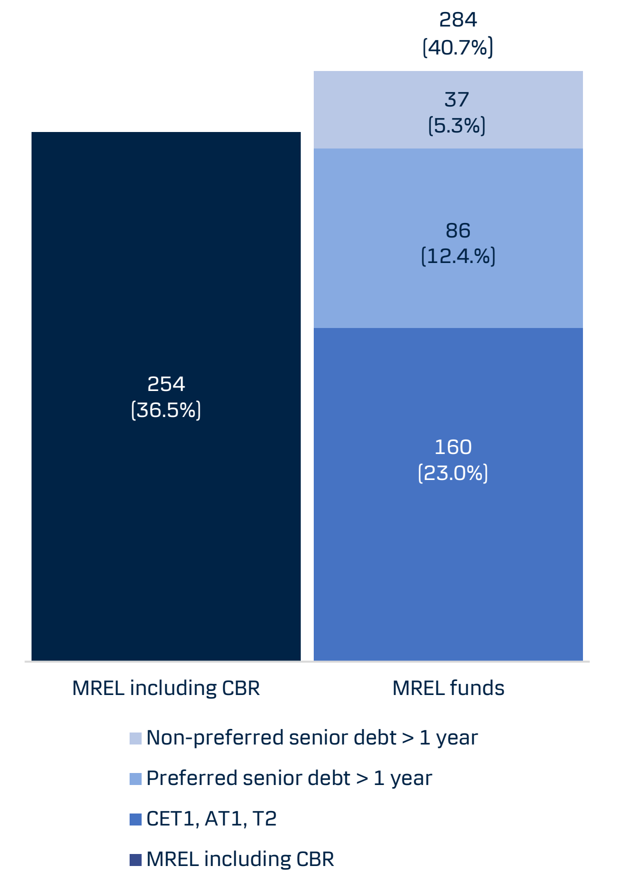
At the end of September 2024, the point-in-time requirement including the CBR was equivalent to DKK 254 billion, or 36.5% of the total REA adjusted for Realkredit Danmark. Taking the deduction of capital and debt buffer requirements for Realkredit Danmark into account, MREL-eligible liabilities amounted to DKK 284 billion. In addition, an MREL of 6% of the leverage ratio exposure (LRE) is in place. The LRE-based requirement equalled 22.5% of the total REA adjusted for Realkredit Danmark, making the REA-based requirement the binding constraint.

The Danish FSA has set the subordination requirement as the higher of 8% of total liabilities and own funds (TLOF) and two times the solvency need plus one time the CBR.

At the end of September 2024, the subordination requirement was equivalent to DKK 211 billion. The backward-looking subordination requirement, as set by the Danish FSA, was 29.3% of the total REA adjusted for Realkredit Danmark. MREL-eligible subordinated liabilities stood at DKK 246 billion.

MREL requirement and eligible funds (first nine months 2024)

DKK billion (% of total REA)



Note: The requirement and eligible funds are adjusted for Realkredit Danmark's capital and debt buffer requirements.

Leverage ratio

At the end of September 2024, the Group's leverage ratio was 5.1% under the transitional rules and 5.0% under the fully phased-in rules.

Capital targets and capital distribution

The CET1 capital ratio target was kept at above 16% and ensures a sufficiently prudent buffer in relation to the capital requirement. Danske Bank fully meets this capital target.

The Board of Directors will continue to adapt the capital targets to regulatory developments in order to ensure a strong capital position.

On the basis of our strong financial performance in the first half year of 2024 and our strong capital position at the end of June 2024, the Board of Directors approved an interim dividend of DKK 7.5 per share, corresponding to 56% of net profit for the first half of 2024. The dividend was paid out in July 2024.

Capital released from personal customer exit in Norway

During the fourth quarter of 2024, once the sale to Nordea has closed, we intend to distribute the capital released from exiting our personal customer business in Norway as an extraordinary dividend payment. The capital released is expected to amount to approximately DKK 5.5 billion.

Distribution of remaining net profit for 2024

Finally, it is the intention of the Board of Directors to distribute the full remaining net profit for full-year 2024 in 2025. This is subject to a continually strong financial performance, relevant approvals, including from the Danish Financial Supervisory Authority, and our capital ratios remaining above the capital requirements.

Danske Bank's dividend policy for 2025 and beyond remains unchanged, targeting a dividend payout of 40-60% of net profit in the form of annual dividend payments.

Danske Bank has strong capital and liquidity positions, and the Board of Directors remains committed to our capital distribution policy.

At 30 September 2024, we had bought back around 18.7 million shares for a total purchase amount of DKK 3.8 billion (figures at trade date) of our planned DKK 5.5 billion share buy-back programme.

The Supervisory Diamond

The Danish FSA has identified a number of specific risk indicators for banks and mortgage institutions and set threshold values with which all Danish banks must comply. The requirements are known as the Supervisory Diamond.

At the end of September 2024, Danske Bank was in compliance with all threshold values. A separate report is available at danskebank.com/ir.

Realkredit Danmark also complies with all threshold values.

New regulation

As part of the EU Banking Package 2021 and in order to implement Basel IV, the European Commission adopted proposals in October 2021. On 27 June 2023, the EU co-legislators reached a provisional political agreement on the proposals for implementing Basel IV. The new rules were adopted by the EU in June 2024 and published in the EU Official Journal. Implementing the Basel IV standard within the EU, CRR3 will apply from 1 January 2025 and onwards. The date on which the Fundamental Review of the Trading Book (FRTB) rules take effect has, however, been postponed and is now 1 January 2026.

On the basis of the Group's current and updated analysis of CRR3, the Group's current capital planning takes into account the expected REA impact of the initial implementation in 2025. The Group decided to frontload part of the expected impact of CRR3 in the second quarter of 2024.

The fully phased-in rules are subject to a lengthy transition period and transitional arrangements. Taking into account the transitional arrangements with regard to the output floor, the Group currently expects the output floor to restrict the Group at the earliest in 2033, when the transitional arrangements are set to lapse.

Credit ratings

On 20 September 2024, S&P upgraded Danske Bank's stand-alone credit profile to 'A' from 'S-'. Consequently, the rating of Danske Bank's non-preferred senior debt, subordinated tier 2 debt and additional tier 1 capital instruments has been raised by one notch. Danske Bank's issuer rating was affirmed at 'A+', and the outlook continues to be set at 'stable'. At the same time, S&P upgraded Danica Pension's issuer rating to 'A' and raised Danica Pension's subordinated tier 2 debt rating one notch to 'BBB+'.

Environmental, Social and Governance (ESG) ratings

The ESG rating agencies monitored by Danske Bank did not change their ratings of Danske Bank in the third quarter of 2024.

Danske Bank Group's credit ratings

	Fitch	Moody's	S&P	Scope
Counterparty rating	AA-	Aa3/P-1	AA-/A-1+	-
Deposits	AA-/F1+	A1/P-1/Stable	-	-
Preferred senior debt	AA-/F1+	A1/P-1/Stable	A+/A-1	A+/S-1+/Stable
Issuer rating	A+/F1/Stable	A1/P-1/Stable	A+/A-1/Stable	A+/S-1+/Stable
Non-preferred senior debt	A+	Baa1	A-	A/Stable
Subordinated Tier 2 debt	A-	-	BBB+	BBB+/Stable
Additional Tier 1 capital instruments	BBB	-	BBB-	BBB-/Stable

Realkredit Danmark A/S's credit ratings

	Fitch	Moody's	S&P	Scope
Issuer rating	A+/F1/Stable			A+/S-1+/Stable

Danske Mortgage Bank plc's credit ratings

	Fitch	Moody's	S&P	Scope
Issuer rating				A+/Stable

Danske Bank's ESG ratings

	Score at 30 September 2024	Score at 30 June 2024
CDP Worldwide, UK	B	B
ISS ESG, USA	C+ Prime	C+ Prime
MSCI ESG Ratings, USA	BBB	BBB
Sustainalytics, USA	Low Risk	Low Risk

Personal Customers in Norway

Following the Forward '28 strategy announcement in June 2023, Danske Bank entered into an agreement to sell its personal customer business in Norway to Nordea. The sale of the personal customer business includes the management of 15 Danske Invest Horisont funds, which are primarily distributed to personal customers in Norway.

On 7 February 2024, we announced that the Norwegian Financial Supervisory Authority had approved the sale, and on 15 December and 20 December 2023, the sale was approved by the Norwegian Competition Authority and the Danish Financial Supervisory Authority, respectively, and all required public authority approvals have thus been obtained.

Danske Bank and Nordea remain committed to making the transition as smooth as possible for both customers and employees. The transaction is expected to be completed by the end of 2024.

Update on debt collection case

As announced on 31 August 2022, Danske Bank has chosen an accelerated solution for its debt collection customers, whereby approximately 90,000 debt collection customers in Denmark will have their debt to the bank set to zero, and Danske Bank will not collect this debt. In the fourth quarter of 2022, we began communicating to customers whose debt is set to zero, and at the end of September 2024, more than 95% of the debt in approximately 90,000 active customer cases had been set to zero.

Furthermore, Danske Bank has decided to pay compensation on the basis of a data-driven model to the customers who were at risk of having been subject to overcollection due to the issues in the historical debt collection systems.

The work involved in paying compensation to the debt collection customers who may have been subject to overcollection began in 2023. Since Danske Bank initiated compensation pay-out in May 2023, the Bank has attempted to pay out compensation to approximately 85% of the customers in scope for the accelerated data-driven solution (excluding estate case customers). Danske Bank will continue paying out compensation to the remaining debt collection customers in scope who may have been subject to overcollection in our efforts to provide finality to affected debt collection customers.

As previously announced, Danske Bank has been working towards restarting its debt collection in respect of personal customer cases in Denmark in collaboration with a debt collection agency, Lowell Danmark A/S. The new debt collection system is live, and the first cases for collection were transferred to Lowell Danmark A/S in December 2023. Danske Bank has initially transferred the least complex debt collection cases to Lowell Danmark A/S for collection. The new IT system is continuously being enhanced and tested to gradually handle more complex case types. This work will be gradually progressing in 2024.

Danske Bank continues to have a dialogue with and report its progress in the debt collection case to the impartial reviewers appointed by the Danish FSA.

Independent expert

In 2021, the Danish FSA appointed an Independent Expert whose role, among other things, was to monitor and report on the progress with delivering on the Financial Crime Plan. The Danish FSA has extended the appointment for an eighth period and has ordered Danske Bank to let one or more experts follow the Bank for a period of six months following the expiry of the previous period for which experts were appointed. The purpose of the appointment is to follow whether the Bank complies with its obligations to the US Department of Justice (the DoJ) and with the Plea Agreement entered into by the Bank in December 2022 as part of the criminal proceedings in the Estonia case. Following this period, further reappointments of the Independent Expert may be expected.

Estonia matter

In September, we announced that we had reached a resolution with the French authorities regarding the Estonia matter, thereby settling the final investigation into the bank by a public authority in relation to the non-resident portfolio at Danske Bank's former Estonia branch.

Business units

Personal Customers

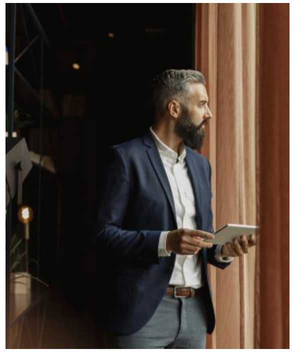
Our Personal Customers unit provides advisory services to personal customers and Private Banking customers in Denmark, Sweden, Norway and Finland. Our advisers and experts are there to help customers when and how it best suits the individual customer - at online meetings, via our websites or, if so required, over the phone or at a branch.

When our customers need to make important financial decisions about, for example, their home, investments or pension, we offer customised advice that is based on their current situation and needs. And with our intuitive digital solutions, we aim to make it as easy as possible for our customers to do most of their banking business whenever and wherever they want.

Business Customers

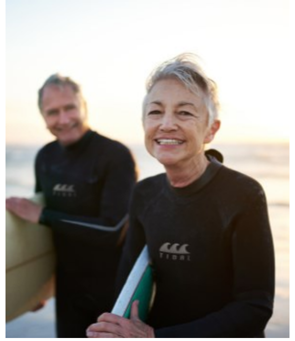
We offer our customers advice that adds value to their business, no matter whether the customer is a sole proprietor or an entity in a multinational group. Our strategic advisory services are always based on the needs of the business, for example in connection with growth, an acquisition, a change of ownership, strategic development or international expansion.

Our business customers have access to the market's most innovative digital solutions that make day-to-day banking easy and pave the way for new insights and opportunities.



Large Corporates & Institutions

Large Corporates & Institutions caters to the most complex financing and transaction needs of large corporate and institutional customers, and we help them to prosper and grow. We offer expertise in financing, risk management, investments and financial advisory services, and our customers have access to our award-winning transaction banking solutions. Thanks to our extensive network and our many years of experience, we serve as intermediary between issuers and investors with a view to creating financing and investment opportunities. Our goal is to be an inspirational partner that understands the customers' strategic agendas and offers tailored solutions to meet their needs.



Danica Pension

Danica Pension's strategy is based on our ambition to be our customers' financial security provider and thereby enhance customer satisfaction. We focus on proactively helping our customers – both personal and business customers – to ensure that they have the right pension, insurance and healthcare solutions, while we also generate attractive returns after costs and contribute to creating a more sustainable society.

Northern Ireland

Danske Bank is the leading bank in Northern Ireland, serving personal, business and corporate customers. The business is also a growing bank in targeted sectors across the rest of the United Kingdom. We support our customers through face-to-face, online and mobile solutions. Our focus in Northern Ireland is on remaining a stable, strong and risk-astute bank, consolidating our market-leading position alongside pursuing prudent low-cost growth opportunities in the rest of the UK.

Personal Customers

During the first nine months of 2024, we continued to support our customers in managing their finances in a market environment characterised by falling interest rate levels. After some stabilisation early in the period, rates have now started to decrease, with two central bank rate cuts so far. The housing market generally witnessed a consistently upward trend following a decline over year-end after a frontloading of trades in and around Copenhagen towards the end of 2023. The frontloading of trades was caused by the anticipated effect of new property tax regulation that took effect at the start of 2024.

In the first nine months of 2024, our Danske Bolig Fri home finance products were in high demand and were named 'Best in Test' by the Danish Consumer Council. The same was the case for our loans targeting first-time home buyers, highlighting our dedication to quality and innovation in home financing. Additionally, we were named the preferred bank for 'Online Advice' by MyBanker. We also saw an increased flow of customers into our Private Banking unit, supported by the successful launch of our first annual Private Banking summits held across Denmark.

Profit before tax amounted to DKK 7,475 million in the first nine months of 2024, representing an increase of 21% from the year-earlier period. Adjusted for the one-off provision in 2023 of DKK 693 million that was recognised under Other income in relation to the divestment of our personal customer business in Norway, the increase was 9%. The result was fuelled primarily by an increase in net fee income, particularly from everyday banking and investment fees, and a net loan impairment reversal. Moreover, we recorded an increase in fees due to a non-recurring discount related to a vendor agreement, which had a retroactive effect.

Business initiatives

During the first nine months of 2024, the economies in our core markets saw a positive development that was characterised by stable to gradually declining inflation and lower interest rates. Our products have gained significant recognition, and overall, market perception of our offerings has improved.

Personal Customers

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
Net interest income	10,704	10,686	100	3,613	3,547	102	3,669	98	14,166
Net fee income	3,589	3,116	115	1,069	1,321	81	1,030	104	4,175
Net trading income	118	160	74	46	37	124	53	87	200
Other income	75	-627	-	42	18	233	23	183	-608
Total income	**14,485**	**13,335**	**109**	**4,770**	**4,923**	**97**	**4,775**	**100**	**17,932**
Operating expenses	7,242	6,835	106	2,377	2,545	93	2,373	100	9,460
of which resolution fund, bank tax etc.	113	127	89	41	31	132	42	98	169
Profit before loan impairment charges	**7,243**	**6,500**	**111**	**2,394**	**2,377**	**101**	**2,402**	**100**	**8,473**
Loan impairment charges	-232	333	-	-53	78	-	-145	37	312
Profit before tax	**7,475**	**6,167**	**121**	**2,447**	**2,299**	**106**	**2,547**	**96**	**8,160**
Loans, excluding reverse transactions before impairments	663,552	646,429	103	663,552	655,043	101	646,429	103	664,866
Allowance account, loans	4,356	4,447	98	4,356	4,348	100	4,447	98	4,435
Deposits, excluding repo deposits	389,057	376,434	103	389,057	391,010	100	376,434	103	377,419
Covered bonds issued	551,628	590,045	93	551,628	556,955	99	590,045	93	587,493
Allocated capital (average)	30,534	29,474	104	30,187	30,352	99	29,274	103	29,306
Net interest income as % p.a. of loans and deposits**	1.39	1.41		1.40	1.39		1.46		1.40
Profit before loan impairment charges as % p.a. of allocated capital	31.6	29.4		31.7	31.3		32.8		28.9
Profit before tax as % p.a. of allocated capital (avg.)	32.6	27.9		32.4	30.3		34.8		27.8
Cost/income ratio (%)	50.0	51.3		49.8	51.7		49.7		52.8
Full-time-equivalent staff	3,976	4,179	95	3,976	4,020	99	4,179	95	4,064

* Comparative information has been restated as described in note G2(b).
** Net interest income as % p.a. of loans and deposits excludes loans and deposits included in the sale of the personal customer business in Norway.

Fact Book Q3 2024 provides financial highlights at customer type level for Personal Customers, Fact Book Q3 2024 is available at danskebank.com/ir.

In the investment area, customer activity stayed on a positive trajectory, not least fuelled by favourable financial markets and decreasing interest rates. Assets under management (AuM packaged products) have increased DKK 39 billion since the end of 2023, bolstered by a net sale inflow of DKK 10.6 billion. Notably, we experienced an improved inflow in Sweden. In addition, our funds performed well relative to those of our peers, which further supported AuM and investment fees. As a result, we observed a continued increase in market share for our Danske Invest retail funds in Denmark – a trend that has now continued for 5 consecutive quarters.

Finally, we have broadened our investment offering in Denmark by making our asset management flagship product, Danske Porteføljepleje Classic, available to all personal customers, while phasing out the Flexinvest Fri product. Furthermore, customers in Denmark now enjoy reduced trading commissions on trades outside the Nordic countries, making it more attractive for them to diversify their investment portfolio.

In the home finance area, we introduced new and more attractive interest rates on cooperative housing loans in the beginning of the year. In June, we expanded our energy improvement loans to include climate adaptation projects, simultaneously providing our customers with access to expert advice from our partner OBH.

In Denmark, we have lowered the interest rate spread on the last 15% of home financing, which is typically covered by a bank loan and is not eligible for a mortgage loan. This adjustment represents a significant step forward for homebuyers as it facilitates access to the housing market for many and ensures more competitive pricing in the future.

In Sweden, we saw improving customer activity in the second and third quarters of 2024, highlighted by an increase in advisory meetings and in mortgage loan applications. To further support our Forward '28 growth strategy, we have implemented several price changes for our mortgage loans along with improvements in terms of digitising and streamlining the lending process. Finally, we have renewed our partnership agreement with TCO to focus more on premium customers with larger volumes.

In Finland, we expanded our key commercial partnership with AKAVA, which targets students, while the Fennia insurance partnership was expanded with the launch of a new API integration.

Q1-Q3 2024 vs Q1-Q3 2023

Profit before tax increased to DKK 7,475 million (Q1-Q3 2023: DKK 6,167 million), up 9% after adjustment for the provision in 2023 related to the divestment of our personal customer business in Norway. The result was driven by higher net fee income and a net loan impairment reversal.

Net interest income remained stable relative to the same period in 2023, amounting to DKK 10,704 million (Q1-Q3 2023: DKK 10,686 million). Excluding the personal customer business in Norway, the increase was 1%. The development was driven largely by our activities in Finland and Denmark, with the increase being due primarily to larger volumes as well as product development initiatives. Lending margins were under pressure from the rise in market rates relative to the same period last year, but market rates were lowered in the third quarter of 2024.

Fuelled by our savings products, total deposit volumes for Personal Customers increased 3% from the level at the end of 2023. The increase was driven by our Private Banking unit, which saw an increase of 12%, and Personal Customers Denmark and Finland, which both saw increases of 2%. The depreciation of the Swedish krona had a small negative effect.

Total bank lending saw a flat development. Personal Customers Denmark saw a 2% increase driven by home finance products such as Danske Bolig Fri. The nominal mortgage lending volume in Denmark decreased 2%. Personal Customers Sweden saw a decrease despite good customer activity, and there was a further negative effect of DKK 1.5 billion from the depreciation of the Swedish krona. Total lending across markets matched the level at the end of 2023 due to favourable fair value adjustments.

Net fee income increased to DKK 3,589 million (Q1-Q3 2023: DKK 3,116 million), driven primarily by higher investment fees and everyday banking fees. Investment fees increased due to the increase in assets under advice (AuA) resulting from the favourable financial markets, an improved fund performance and higher net sales. Fee income from financing activity decreased due to lower customer activity in the first nine months of 2024 than in the year-earlier period, when customer activity was very high due to high remortgaging activity triggered by the increase in market rates. In addition, we saw a non-recurring effect related to a new vendor agreement, which had a retroactive effect.

Net trading income was down to DKK 118 million (Q1-Q3 2023: DKK 160 million) as a result of a decrease in loan termination fees related to the fall in interest rates.

Operating expenses rose to DKK 7,242 million (Q1-Q3 2023: DKK 6,835 million). The rise was driven by investments made in accordance with our Forward '28 strategy and higher bonus payments.

Credit quality remained strong. The increases in interest rates and the cost of living during 2023 were mitigated by household savings and strong labour markets. Average loan-to-value ratio levels remained low.

Loan impairment charges amounted to a net reversal of DKK 232 million in the first nine months of 2024, against charges of DKK 333 million in same period of 2023, when impairments were impacted by the worsened macroeconomic scenarios. Impairments for the first nine months of 2024 benefited from the improved macroeconomic outlook, which also led to a reduction in post-model adjustments.

Credit exposure

Net credit exposure from lending activities amounted to DKK 809 billion at the end of the third quarter of 2024, which was a decrease from DKK 844 billion at the end of 2023 that was driven primarily by a decrease in exposure to personal customers in Norway.

Q3 2024 vs Q2 2024

Total income decreased to DKK 4,770 million in the third quarter (Q2 2024: DKK 4,923 million) due to a decrease in fee income related to non-recurring effects being booked in the second quarter combined with a fall in financing fees that was impacted by a slowdown during the summer period.

- Net interest income saw a 2% increase from the preceding quarter. Despite the central bank rate cuts, income from deposits increased as a result of larger deposit volumes and relatively stable deposit margins due to a combination of repricing actions and our interest rate hedging framework.
- Net fee income decreased 19% from the preceding quarter due to non-recurring effects related to a new vendor agreement being booked in the preceding quarter combined with a fall in financing fees that was impacted by a slowdown during the summer period.
- Operating expenses decreased relative to the preceding quarter due to good cost control and reversals of tax on labour costs.
- The third quarter of 2024 saw low loan impairment reversals of DKK 53 million (Q2 2024: DKK 78 million) related to reductions in post-model adjustments.

Profit before tax

DKK 2,447 million

for the third quarter of 2024

Business Customers

In the first nine months of 2024, the economic landscape in which we operate continued to improve, due primarily to a stabilisation of interest rates in the first part of the period, followed by interest rate cuts by the central banks towards the latter part of the period. We continued to expand the customer base in our focus segments. In addition, we took strategic repricing actions and continued to enhance support for our customers by providing the best possible advice tailored to their needs.

Profit before tax for the first nine months of 2024 amounted to DKK 6,686 million, a decrease of 6% from the same period last year. Net fee income rose as a result of our subscription-based fee service model as well as repricing actions. However, we saw an increase in operating expenses attributable to investments made under our Forward '28 strategy.

Business initiatives

At Business Customers, we continued to support our customers across segments, focusing on providing the best possible advice and solutions tailored to their needs. Building on this, we continued to enhance the digital accessibility of our products by expanding the range of offerings available via our Marketplace self-service platform.

During the first nine months of 2024, we generally saw good progress in terms of customer inflows and a positive development in lending volumes in our medium-sized business segment in line with our Forward '28 strategy. We also experienced growth among subsidiaries of international businesses, which underscores our strong offerings and ability to attract customers with international needs in alignment with our strategic objectives.

Sustainability continues to be an important agenda for our customers and for us, and Danske Bank has been ranked best in industry on parameters within 'Sustainability' & 'Advisory' for business customers in Sweden in a customer satisfaction survey conducted by SKI (Svenskt Kvalitetsindex).

Business Customers

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
Net interest income	8,682	8,605	101	2,912	2,877	101	2,742	106	11,684
Net fee income	1,680	1,608	104	509	581	88	495	103	2,190
Net trading income	17	37	46	-1	13	-	-5	20	54
Other income	521	796	65	122	183	67	259	47	1,024
Total income	**10,900**	**11,045**	**99**	**3,541**	**3,654**	**97**	**3,491**	**101**	**14,952**
Operating expenses	3,949	3,708	106	1,322	1,353	98	1,253	106	5,255
of which resolution fund, bank tax etc.	170	191	89	58	51	114	64	91	255
Profit before loan impairment charges	**6,951**	**7,337**	**95**	**2,219**	**2,301**	**96**	**2,237**	**99**	**9,698**
Loan impairment charges	265	246	108	-326	-118	276	104	-	431
Profit before tax	**6,686**	**7,091**	**94**	**2,545**	**2,419**	**105**	**2,133**	**119**	**9,267**
Loans, excluding reverse transactions before impairments	664,074	639,620	104	664,074	655,140	101	639,620	104	654,246
Allowance account, loans	9,623	9,166	105	9,623	9,966	97	9,166	105	9,511
Deposits, excluding repo deposits	244,904	264,033	93	244,904	251,626	97	264,033	93	257,076
Covered bonds issued	387,715	358,685	108	387,715	373,981	104	358,685	108	371,605
Allocated capital (average)	42,115	39,455	107	42,315	42,156	100	39,450	107	39,644
Net interest income as % p.a. of loans and deposits	1.29	1.27		1.29	1.29		1.23		1.29
Profit before loan impairment charges as % p.a. of allocated capital	22.0	24.8		21.0	21.8		22.7		24.5
Profit before tax as % p.a. of allocated capital (avg.)	21.2	24.0		24.1	23.0		21.6		23.4
Cost/income ratio (%)	36.2	33.6		37.3	37.0		35.9		35.1
Full-time-equivalent staff	1,728	1,652	105	1,728	1,688	102	1,652	105	1,646

*Comparative information has been restated as described in note G2(b).

Fact Book Q3 2024 provides financial highlights at customer type level for Business Customers. Fact Book Q3 2024 is available at danskebank.com/ir.

As one of our latest initiatives on sustainability, we have entered into partnerships with Sweco, one of Europe's largest architecture and engineering consultancies, and climate tech company Comundo to further support the green transition of our commercial real estate customers. The ambition is to increase the number of customers in scope for these two partnerships. Through the partnerships, we are able to offer a streamlined customer journey, which combined with our advisory and financing solutions can support our customers in reducing CO_2-emissions from properties.

Moreover, we are continuing our strategic collaboration with the European Investment Fund (EIF) to support the growth of small and medium-sized businesses across the Nordic countries. In the initial phase, EIF loan guarantees are offered to our customers in Finland to support them in their sustainability transition.

In our medium-sized segment, we have rolled out a cross-Nordic setup to handle leveraged finance transactions for customers being bought by Private Equity Funds. Likewise, we have scaled up our Corporate Finance offerings in Denmark and Norway, providing current and future customers with better access to specialist competencies and advisory services.

Q1-Q3 2024 vs Q1-Q3 2023

Profit before tax amounted to DKK 6,686 million (Q1-Q3 2023: DKK 7,091 million). An increase in net fee income was more than offset by increased operating expenses due to further investments made in accordance with our Forward '28 strategy.

Net interest income increased 1% from the level in the same period last year. We saw a decrease in net interest income from lending due to lower bank lending volumes and narrowing lending margins resulting from the increase in funding costs from the level in the first nine months of 2023. However, increasing deposit margins more than countered this decrease, even if some of the positive effect was offset by a tactical outflow of deposit volumes relative to end-September 2023 that was driven mainly by the public sector in Norway.

Net fee income increased to DKK 1,680 million (Q1-Q3 2023: DKK 1,608 million). The increase was driven primarily by everyday banking fees due to repricing actions.

Other income decreased to DKK 521 million (Q1-Q3 2023: DKK 796 million). The decrease was the result of lower income from the sale of assets in our leasing activities than in the first nine months of 2023, when sales were extraordinarily high. In February 2024, we sold the Norwegian company Tyssekraft A/S, which had a positive effect on other income of DKK 21 million.

Operating expenses amounted to DKK 3,949 million, an increase of 6% from the level in the same period last year. The increase was driven by investments made in accordance with our Forward '28 strategy combined with a generally higher cost level as a result of inflation.

Deposit volumes across Business Customers decreased 5% relative to the end of 2023. The development in Finland was stable, driven by an inflow of public-sector customers. In Norway, we continued to tactically reduce public-sector deposits. Both the Swedish krona and the Norwegian krone depreciated further, with a total effect of DKK 2.7 billion since the end of 2023.

Supported by our strategy execution, we saw an increase in bank lending volumes in local currency across our Nordic markets. The depreciation of the currencies in Norway and Sweden had an adverse effect on total bank lending of DKK 4.9 billion. Adjusted for this, the increase was 3% relative to the end of 2023. Mortgage volumes increased 1% relative to the level at the end of 2023. Combined with the increase in bank lending, this meant that total lending volumes after fair value adjustments increased 2%.

Overall, credit quality remained strong. Higher interest rates and increasing inflation caused a negative rating trend for the year in 2023. However, as of the third quarter of 2024, the rating trend has stabilised.

Loan impairment charges amounted to DKK 265 million in the first nine months of 2024 (Q1-Q3 2023: DKK 246 million) and were driven by a few single-name cases in our leasing operations and an increase in post-model adjustments.

Credit exposure

Net credit exposure from lending activities amounted to DKK 754 billion at the end of September 2024, an increase from DKK 745 billion at the end of 2023 that was driven primarily by an increase in exposure to the Commercial property, Private housing co-ops and non-profit associations, and Services segments.

Q3 2024 vs Q2 2024

Profit before tax increased to DKK 2,545 million in the third quarter of 2024 (Q2 2024: DKK 2,419 million) as the positive effect from loan impairment reversals was partially countered by a decrease in income related to a slowdown during the summer period that resulted in lower financing fees and lower income from the sale of assets.

- Net interest income increased 1% to DKK 2,912 million (Q2 2024: DKK 2,877 million). Though we saw headwind on deposits due to declining rates, this was countered by other net interest income items.
- Net fee income declined 12% from the second quarter of 2024 due to a slowdown during the summer period that caused a decrease in financing fees.
- Operating expenses decreased 2% due to reversals of tax on labour costs.
- Other income decreased, primarily as a result of lower sales of assets.
- The third quarter of 2024 saw loan impairment reversals of DKK 326 million that were driven by our mid-corporate segment (Q2 2024: net reversals of DKK 118 million).

Profit before tax

DKK 2,545 million

for the third quarter of 2024

Large Corporates & Institutions

In the first nine months of 2024, geopolitical uncertainty persisted, though macroeconomic sentiment and indicators were more positive than expected. We continued to see a positive underlying momentum, particularly in our fee business as higher fees from assets under management, everyday banking products and capital markets activities mitigated the decline in net trading income, thus demonstrating the value of our diversified business model. Furthermore, we continued to leverage our strategic commercial strengths as reflected in growth in our corporate customer portfolio outside Denmark, an increased market share of cash management services and the maintaining of our leading position in sustainable finance.

Profit before tax increased to DKK 7,029 million, an increase of 6% from the same period last year. The increase was driven by higher net fee income and loan impairment reversals, although the increase was partly offset by lower net trading income.

Business initiatives

The first nine months of 2024 were characterised by increasing optimism in the capital markets as the economic outlook in the Nordic countries was more positive than expected. As a result, we saw a solid development in our capital markets business. Debt Capital Markets conditions were attractive, and we saw strong activity during the first nine months of the year as funding conditions improved. We thus remained the leading Nordic bank in the European debt capital markets in terms of volumes supported. Among several highlights, we supported Mandatum in raising EUR 300 million in green bonds under their highly successful issue and Nordic Investment Bank with two green bond issues of EUR 750 million and SEK 1 billion. Furthermore, we acted as joint bookrunner for UPM in their EUR 600 million green bond issue.

In Equity Capital Markets, the first nine months of the year were characterised by continually low market volumes, however, we see tentative signs of more active markets when looking into the fourth quarter and further ahead. Within M&A advisory services, we saw

Large Corporates & Institutions

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
Net interest income	5,212	5,140	101	1,717	1,766	97	1,727	99	6,935
Net fee income	4,964	4,497	110	1,698	1,745	97	1,562	109	6,312
Net trading income	1,884	2,115	89	598	472	127	447	134	2,515
Other income	1	12	8	-	1	-	-	-	15
Total income	**12,061**	**11,763**	**103**	**4,013**	**3,984**	**101**	**3,736**	**107**	**15,777**
Operating expenses	5,435	5,273	103	1,883	1,794	105	1,730	109	7,397
of which resolution fund, bank tax etc.	345	368	94	111	109	102	123	90	492
Profit before loan impairment charges	**6,626**	**6,491**	**102**	**2,130**	**2,190**	**97**	**2,006**	**106**	**8,380**
Loan impairment charges	-403	-163	247	110	-137	-	359	31	-367
Profit before tax	**7,029**	**6,653**	**106**	**2,020**	**2,327**	**87**	**1,647**	**123**	**8,747**
Loans, excluding reverse trans. before impairments	297,589	298,655	100	297,589	296,000	101	298,655	100	308,617
of which loans in General Banking	274,166	267,546	102	274,166	269,744	102	267,546	102	262,741
Allowance account, loans (incl. credit institutions)	1,944	1,799	108	1,944	1,458	133	1,799	108	1,665
Deposits, excluding repo deposits	330,703	362,049	91	330,703	328,530	101	362,049	91	382,596
of which deposits in General Banking	282,026	297,585	95	282,026	276,647	102	297,585	95	326,147
Covered bonds issued	28,289	29,391	96	28,289	28,067	101	29,391	96	28,580
Allocated capital (average)	40,455	40,312	100	40,357	40,422	100	40,597	99	40,270
Net interest income as % p.a. of loans and deposits	1.11	1.04		1.10	1.14		1.09		1.06
Profit before loan impairment charges as % p.a. of allocated capital	21.8	21.5		21.1	21.7		19.8		20.8
Profit before tax as % p.a. of allocated capital (avg.)	23.2	22.0		20.0	23.0		16.2		21.7
Cost/income ratio (%)	45.1	44.8		46.9	45.0		46.3		46.9
Full-time-equivalent staff	2,115	2,098	101	2,115	2,105	100	2,098	101	2,085

*Comparative information has been restated as described in note G2(b).

rising deal appetite as advisory needs have become more relevant across the Nordic countries. In Loan Capital Markets, we have seen good activity so far in 2024 and are proud to have supported the financing of some of the largest transactions in Europe, such as Carlsberg's acquisition of Britvic PLC of GBP 3.3 billion and the DSV acquisition of DB Schenker with a transaction value of EUR 14.3 billion.

In Asset Management, we saw strong progress on our journey towards simplifying our value chain, and we are pleased to report an increasing market share in Danske Invest. Furthermore, we continuously expand our sustainability education efforts towards our employees and remain a leader in external certifications among asset managers in the Nordic countries.

Q1-Q3 2024 vs Q1-Q3 2023

Profit before tax increased to DKK 7,029 million (Q1-Q3 2023: DKK 6,653 million), with the increase driven by higher net fee income and loan impairment reversals, although the increase was partly offset by lower net trading income.

Net interest income increased to DKK 5,212 million (Q1-Q3 2023: DKK 5,140 million) as a result of higher income from other interest items, although the effect was partly offset by lower lending margins and deposit volumes. Lending volumes in General Banking increased 4% from the end of 2023 and were driven primarily by corporate customers in Sweden. Deposit volumes decreased 14% from the level at the end of 2023 as we saw an increase in corporate customers choosing to reinvest their cash holdings. We continued to execute on our strategic ambition to grow our corporate customer portfolio outside Denmark, and we are thrilled to have welcomed more new large corporate customers in the first nine months of 2024.

Net fee income increased to DKK 4,964 million (Q1-Q3 2023: DKK 4,497 million) as we saw a widespread increase in fees from assets under management, everyday banking products and capital markets advisory services.

We continued to increase our market share within cash management by adding new house bank mandates in the first nine months of 2024. We saw strong growth in assets under management, partly on the back of rising asset prices, but also due to a strong development in net sales in the institutional and private banking segments, which

Total income

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
General Banking	6,348	6,222	102	2,099	2,139	98	2,068	101	8,378
Markets	3,447	3,708	93	1,130	998	113	993	114	4,628
of which xVA**	60	-55	-	14	25	56	-16	-	21
Asset Management	1,747	1,556	112	617	603	102	558	111	2,334
of which performance fees	77	34	226	28	39	72	21	133	302
Investment Banking	520	278	187	168	244	69	117	144	437
Total income	**12,061**	**11,763**	**103**	**4,013**	**3,984**	**101**	**3,736**	**107**	**15,777**

Assets under management

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23	Full year 2023*
Institutional clients***	497,837	387,268	129	497,837	484,181	103	387,268	129	442,473
Retail clients***	363,514	310,657	117	363,514	355,771	102	310,657	117	328,584
Total assets under management******	**861,351**	**697,925**	**123**	**861,351**	**839,952**	**103**	**697,925**	**123**	**771,056**

* Comparative information has been restated as described in note G2(b).
** The xVA acronym covers Credit (CVA), Debit (DVA), Funding (FVA) and Collateral (ColVA) Valuation Adjustments to the fair value of the derivatives portfolio. From 2023, FVA is calculated to include both funding cost and funding benefit, and therefore DVA is offset to avoid double counting between DVA and the funding benefit. Danske Bank has a centralised xVA desk responsible for quantifying, managing and hedging xVA risks. The PnL result of the xVA desk is thus the combined effect of the net xVA position and funding and collateral costs of the trading book.
*** The split of assets under management between institutional and retail clients was adjusted in Q2 2023, and comparative information has been restated accordingly.
**** Includes assets under management from Group entities.

contributed to positive net sales. Furthermore, we continued our strong investment performance relative to both peers and benchmarks, particularly across our hedge fund franchise and multi-asset solutions.

Net trading income decreased to DKK 1,884 million (Q1-Q3 2023: DKK 2,115 million) as an extraordinarily strong result in the first half of 2023 drove the year-earlier income level. Relatively low secondary customer activity also affected net trading income in the first nine months of 2024.

Operating expenses increased and amounted to DKK 5,435 million (Q1-Q3 2023: DKK 5,273 million) as a result of higher digitisation investments.

Overall, credit quality remained strong in the first nine months of 2024 and has proven resilient in the face of external economic uncertainty. Loan impairment charges in the first nine months amounted to a net reversal of DKK 403 million (Q1-Q3 2023: net reversal of DKK 163 million). Reversals continue to be driven by successful restructuring activities.

Credit exposure

Net credit exposure from lending activities increased to DKK 687 billion at the end of the third quarter of 2024 (end-2023: DKK 633 billion). The increase was driven primarily by an increase in exposure to the Transportation, Pharma and medical devices, and Consumer goods segments.

Q3 2024 vs Q2 2024
Profit before tax decreased to DKK 2,020 million (Q2 2024: DKK 2,327 million), primarily because of higher operating expenses and loan impairment charges, although the increases in these items were partly offset by higher net trading income.

- Net interest income decreased to DKK 1,717 million (Q2 2024: DKK 1,766 million) as a result of lower deposit margins.
- Net fee income decreased to DKK 1,698 million (Q2 2024: DKK 1,745 million), mainly as a result of lower capital markets fees.
- Net trading income increased to DKK 598 million (Q2 2024: DKK 472 million), with the increase being driven by higher customer activity and more favourable market conditions on the back of central bank actions.
- Operating expenses increased to DKK 1,883 million (Q2 2024: DKK 1,794 million), with the increase being caused primarily by higher provisions for performance-based compensation.
- Loan impairment charges amounted to DKK 110 million (Q2 2024: reversal of DKK 137 million). Loan impairment charges were attributable to single-name exposures, while overall credit quality remained resilient.

Profit before tax

DKK 2,020 million

for the third quarter of 2024

Danica Pension

Through high levels of volatility, the global markets continued their positive trend in the third quarter of 2024. Despite seeing a large decline in August, the markets quickly recovered and regained the positive momentum following expectations of central bank rate cuts.

The investment return on our pension customers' savings in the first nine months of the year profited from the favourable trend in the global financial markets. We have thus had a prolonged period throughout 2023 and 2024 during which we have been able to deliver significant returns for our customers.

However, we continued to see challenges in the health and accident business due to a rise in new health and accident claims. This reflects the general trend in society and has also resulted in an increase in provisions for insurance contracts.

Net income at Danica Pension increased to DKK 1,407 million in the first nine months of 2024, up 53% from the level in the first nine months of 2023, due to an increase in the net financial result.

Business initiatives

New strategy for Danica Pension

Danica Pension has developed a new commercial strategy, which will apply from 1 January 2025 and will replace the current strategy. The content of the strategy will be presented externally in the fourth quarter of 2024 and will include a series of strategic ambitions, commercial objectives and the plans for achieving those ambitions and objectives.

Revised pricing structure

Danica Pension is revising the pricing structure for employees in small and medium-sized enterprises (SMEs) in response to recent regulatory changes requiring life insurance companies to balance income and expenses in their health and accident business. Customers will thus experience an increase in health insurance premiums and a discount on investment costs. This change aims to attract more SMEs, leveraging Danica Pension's strong relationship with such businesses through Danske Bank. The impact on customers will vary; some may see cost increases, others will break

Danica Pension

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023	Index 24/23	Full year 2023
Insurance service result	393	609	65	-68	271	-	175	-	779
Net financial result	935	243	-	514	179	287	2	-	615
Other income	79	69	114	13	6	217	57	23	78
Net income before tax in Danica Pension	**1,407**	**922**	**153**	**459**	**457**	**100**	**233**	**197**	**1,472**
Insurance liabilities	522,851	506,094	103	522,851	520,986	100	506,094	103	493,544
Liabilities under investment contracts	26,264	20,784	126	26,264	25,608	103	20,784	126	23,113
Allocated capital (average)	20,152	19,644	103	20,392	19,854	103	19,825	103	19,738
Net income as % p.a. of allocated capital	9.3	6.3		9.0	9.2		4.7		7.5
Solvency coverage ratio	216	213		216	217		213		170
Full-time-equivalent staff	920	905	-	920	912	-	905	-	912

Asset under management

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023	Index 24/23	Full year 2023
Total	479,900	412,451	116	479,900	466,778	103	412,451	116	440,319

Premiums

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023	Index 24/23	Full year 2023
Gross premiums, Denmark	32,483	29,458	110	10,914	11,022	99	9,407	116	38,647

even, and some will benefit. Overall, the aim is to ensure that the majority of customers will benefit from the new structure. The revised pricing structure for SMEs corresponds to the repricing of individual corporate agreements that has been ongoing since 2022.

Pioneering effort in carbon capture
As part of Danica Properties' broader efforts to reduce its carbon footprint and support the development of future climate solutions, Danica Pension has launched a pioneering pilot project in Aarhus, establishing the world's first integrated carbon capture system in a commercial property. This innovative system is designed to capture, store and utilise CO_2 from indoor air, specifically targeting emissions from human respiration at the workplace.

Q1-Q3 2024 vs Q1-Q3 2023

Net income at Danica Pension amounted to DKK 1,407 million (Q1-Q3 2023: DKK 922 million). The increase was due to an increase in the net financial result, which more than offset the decrease in the insurance service result.

The insurance service result decreased to DKK 393 million (Q1-Q3 2023: DKK 609 million) as Danica Pension continued to see a rise in new health and accident claims, which reflects the general trend in society and has also resulted in an increase in provisions for insurance contracts.

The net financial result increased to DKK 935 million (Q1-Q3 2023: DKK 243 million) due to the positive developments in the financial markets, which lifted both the investment results on insurance products where Danica Pension has the investment risk and the investment result attributable to shareholders' equity.

Assets under management continued the upward trend, showing an increase of DKK 67 billion from the year-earlier period following the positive development in the financial markets.

Premiums increased 10% from the same period in 2023 following an increase in both single and regular premiums.

Q3 2024 vs Q2 2024
Net income at Danica Pension increased to DKK 459 million (Q2 2024: DKK 457 million) on the basis of an increase in the net financial result, while the insurance service result decreased.

- The insurance service result decreased DKK 339 million, due mainly to a rise in new health and accident claims, which has also resulted in an increase in provisions for insurance contracts.
- The net financial result increased in the third quarter of 2024 and amounted to DKK 514 million (Q2 2024: DKK 179 million). The increase was attributable to a more positive development in the investment results on insurance products where Danica Pension has the investment risk and the investment result attributable to shareholders' equity.
- Total premiums decreased 1% following a minor decrease in single premiums.
- Assets under management increased DKK 13 billion due primarily to the positive developments in the financial markets in the third quarter of 2024.

Net income in Danica Pension

DKK 459 million

for the third quarter of 2024

Northern Ireland

Our focus in Northern Ireland is to remain a stable, strong and risk-astute bank, consolidating our market-leading position alongside pursuing select low-cost growth opportunities in the rest of the UK. The strong underlying financial performance reflects business growth in a higher interest rate environment.

Profit before loan impairments was 7% higher than in the first nine months of 2023, while profit before tax of DKK 1,506 million represented an increase of 3% year-on-year.

Business initiatives

We are a leading bank in Northern Ireland, serving personal, business and corporate customers, and the Northern Ireland market remains our regional focus in the UK, while we also seek growth in targeted sectors across the rest of the UK.

The strategy in Northern Ireland aligns with the Group's key focus areas, including digitisation, customer journeys, sustainability, and simplicity and efficiency, all underpinned by ensuring high levels of employee engagement.

Acquisition of new personal and small business customers has increased approximately 60% and 50%, respectively, year-on-year, supported by successful customer bank switching campaigns.

Residential mortgage lending volumes have continued to grow, supported by sustained demand for housing in the marketplace and low unemployment levels. Customer lending was up 5% in local currency.

The Bank of England (BoE) introduced a levy on all UK banks, effective from 1 March 2024. This resulted in additional operating expenses of DKK 10 million in the first nine months of 2024, albeit profit neutral given an offsetting income benefit from broader BoE funding model changes.

Northern Ireland

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023	Index 24/23	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023	Index 24/23	Full year 2023
Net interest income	2,211	1,888	117	768	734	105	652	118	2,549
Net fee income	238	248	96	82	80	103	80	103	319
Net trading income	129	198	65	50	37	135	145	34	288
Other income	8	13	62	3	2	150	3	100	15
Total income	**2,585**	**2,346**	**110**	**902**	**853**	**106**	**880**	**103**	**3,171**
Operating expenses	1,141	995	115	399	394	101	339	118	1,368
Profit before loan impairment charges	**1,444**	**1,351**	**107**	**503**	**459**	**110**	**541**	**93**	**1,804**
Loan impairment charges	-62	-119	52	-65	-21	-	13	-	-113
Profit before tax	**1,506**	**1,469**	**103**	**568**	**481**	**118**	**528**	**108**	**1,917**
Loans, excluding reverse transactions before impairments	64,002	59,353	108	64,002	63,100	101	59,353	108	58,600
Allowance account, loans	752	745	101	752	795	95	745	101	755
Deposits, excluding repo deposits	106,712	97,696	109	106,712	103,458	103	97,696	109	97,396
Allocated capital (average)*	6,392	6,466	99	6,724	6,289	107	7,177	94	6,750
Net interest income as % p.a. of loans and deposits	1.75	1.60		1.76	1.74		1.63		1.61
Profit before tax as % p.a. of allocated capital (avg.)	31.4	30.3		33.8	30.6		29.4		28.4
Cost/income ratio (%)	44.1	42.4		44.2	46.2		38.5		43.1
Full-time-equivalent staff	1,248	1,261	99	1,248	1,240	101	1,261	99	1,267

* Allocated capital equals the legal entity's capital.

Q1-Q3 2024 vs Q1-Q3 2023

Profit before tax increased 3% to DKK 1,506 million (Q1-Q3 2023: DKK 1,469 million), reflecting a strong net interest income performance. Profit before impairments was 7% higher than for the same period in 2023.

Net interest income increased to DKK 2,211 million (Q1-Q3 2023: DKK 1,888 million), driven by growth in lending, deposits and actions taken in response to higher UK interest rates.

Net fee income decreased to DKK 238 million (Q1-Q3 2023: DKK 248 million), due primarily to the sale of our offsite ATM network in the first half-year of 2023, with underlying activity and related fees remaining robust.

Net trading income includes a positive mark-to-market movement of DKK 98 million (Q1-Q3 2023: positive movement of DKK 163 million) on the bank's hedging portfolio, reflecting a combination of changing market expectations for UK interest rates and the reducing remaining life of the impacted hedging portfolio. With market expectations continuing to fluctuate, trading income remained volatile.

Operating expenses amounted to DKK 1,141 million (Q1-Q3 2023: DKK 995 million). The increase was driven primarily by higher regulatory costs (including the new BoE levy and higher costs for anti-fraud measures) and higher costs for services provided by the Group. The increase also incorporates the impact of inflationary pressures on locally incurred costs. The bank has a continued cost and efficiency focus across local and Group cost drivers. The number of full-time-equivalent staff was lower year-on-year.

Credit quality remained strong, with a net loan impairment reversal of DKK 62 million relative to a net reversal of DKK 119 in the first nine months of 2023.

Q3 2024 vs Q2 2024

The third quarter of 2024 saw profit before tax of DKK 568 million (Q2 2024: DKK 481 million).

- Net interest income increased to DKK 768 million (Q2 2024: DKK 734 million), reflecting continued growth in both lending and deposits.
- Net fee income increased to DKK 82 million (Q2 2024: DKK 80 million), reflecting strong underlying activity levels.
- Net trading income amounted to DKK 50 million (Q2 2024: DKK 37 million), primarily reflecting mark-to-market movements on the hedging portfolio.
- Operating expenses increased to DKK 399 million (Q2 2024: DKK 394 million), with higher costs for services provided by the Group being partially offset by lower locally incurred costs.
- Loan impairment charges saw a further net reversal in the third quarter, and we continue to have a strong focus on credit quality.

Profit before tax

DKK 568 million

for the third quarter of 2024

Group Functions

Group Functions includes Group Treasury, Technology & Services and other Group functions. In addition, Group Functions includes eliminations. As of 1 January 2024, Non-core is no longer reported as a separate business unit. Instead, the remaining Non-core activities are included under Group Functions.

In the first nine months of 2024, the loss before tax was reduced and amounted to DKK 876 million, against a loss of DKK 2,855 million in the first nine months of 2023. The improvement was driven, among other things, by an increase in net interest income to DKK 642 million (Q1-Q3 2023: net expense of DKK 467 million) that related primarily to higher interest income at Group Treasury's Internal Bank, including interest on shareholders' equity.

Initiatives

Group Functions supports, among other things, the business units by allocating capital, interest-bearing capital costs and long-term funding costs through Group Treasury's Internal Bank setup. Group Treasury also manages, among other things, the Group's liquidity bond portfolio and the investment of shareholders' equity for Realkredit Danmark as well as the interest rate risk on the non-trading book. Operating expenses related to the sub-units within Group Functions are allocated to the business units. This is done to ensure cost efficiency throughout the Group.

We continue to improve our products to make everyday banking simpler and safer. This includes implementing technology such as GenAI and cloud-based solutions to reduce the use of legacy platforms.

Q1-Q3 2024 vs Q1-Q3 2023

Group Functions posted a loss before tax of DKK 876 million (Q1-Q3 2023: a loss of DKK 2,855 million).

Net interest income increased to DKK 642 million (Q1-Q3 2023: net expense of DKK 467 million). The increase was due primarily to higher interest on shareholders' equity and higher income from Internal Bank allocation to business units, including interest rate risk management costs related primarily to the hedging of the interest

Group Functions

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Index 24/23*	Q3 2024	Q2 2024	Index Q3/Q2	Q3 2023*	Index 24/23*	Full year 2023*
Net interest income	642	-467	-	155	222	70	528	29	-362
Net fee income	-66	-46	143	-28	-28	100	-15	187	-92
Net trading income	-38	-382	10	40	49	82	-751	-	-444
Other income	-140	78	-	-26	-57	46	132	-	15
Total income	**397**	**-817**	**-**	**141**	**185**	**76**	**-106**	**-**	**-884**
Operating expenses	1,278	2,042	63	248	395	63	516	48	1,998
of which resolution fund, bank tax etc.	54	54	100	18	18	100	16	113	72
Profit before loan impairment charges	**-881**	**-2,859**	**31**	**-107**	**-210**	**51**	**-622**	**17**	**-2,882**
Loan impairment charges	-5	-4	125	-2	-2	100	-9	22	-1
Profit before tax	**-876**	**-2,855**	**31**	**-105**	**-208**	**50**	**-613**	**17**	**-2,881**
Full-time-equivalent staff	10,069	10,001	101	10,069	10,115	100	10,001	101	10,046

Profit before tax

(DKK millions)									
Group Treasury	1,114	-1,053	-	439	411	107	-490	-	-752
Own shares and issues	-194	61	-	-38	-25	152	60	-	23
Additional tier 1 capital	-2	-1	200	-1	-1	100	1	-	-
Group support functions	-1,857	-1,808	103	-502	-585	86	-154	-	-2,065
Non-core	63	-55	-	-2	-7	29	-30	7	-87
Total Group Functions	**-876**	**-2,855**	**31**	**-105**	**-208**	**50**	**-613**	**17**	**-2,881**

*Comparative information has been restated as described in note G2(b).

rate risk on deposits to the business units, which is made in the form of an internal deduction from deposit margins. The first nine months of 2023 benefited from an interest compensation payment of DKK 307 million from the Danish tax authorities.

Net trading income amounted to a loss of DKK 38 million (Q1-Q3 2023: a loss of DKK 382 million). The first nine months of 2023 were affected by a release from Other comprehensive income of a loss of DKK 786 million on a NOK structural CET1 FX branch hedge following the announcement of Danske Bank's exit from the personal customer market in Norway and a one-off gain of DKK 327 million related to the sale of shares taken over in connection with a loan.

Other income amounted to a loss of DKK 140 million (Q1-Q3 2023: an income of DKK 78 million) related, among other things, to holdings in associates. The first nine months of 2023 included a gain of DKK 104 million on the sale of Danske IT in India to Infosys.

Operating expenses decreased, due mainly to increased allocation to the business units, and amounted to DKK 1,278 million (Q1-Q3 2023: DKK 2,042 million). Furthermore, in the third quarter of 2024, an insurance reimbursement of DKK 179 million was recognised.

Loan impairment charges amounted to a net reversal of DKK 5 million (Q1-Q3 2023: net reversal of DKK 4 million).

The number of full-time-equivalent staff was 10,069 (end-Q3 2023: 10,001).

Q3 2024 vs Q2 2024
Group Functions posted a loss before tax of DKK 105 million (Q2 2024: loss of DKK 208 million).

- Net interest income decreased to DKK 155 million (Q2 2024: DKK 222 million). Group Treasury interest rate risk management income and income on the bond portfolio that is held at amortised cost increased. However, the increases were more than offset by lower interest on shareholders' equity and lower income from Internal Bank allocations.
- Net trading income amounted to DKK 40 million (Q2 2024: DKK 49 million).
- Operating expenses, after allocation to the business units, amounted to DKK 248 million (Q2 2024: DKK 395 million). An insurance reimbursement of DKK 179 million was recognised in the third quarter.
- Loan impairment charges amounted to a net reversal of DKK 2 million (Q2 2024: net reversal of DKK 2 million).

Profit before tax

DKK -105 million

for the third quarter of 2024

Definition of alternative performance measures

Danske Bank's management believes that the alternative performance measures (APMs) used in the Management's report provide valuable information to readers of the financial statements. The APMs provide a more consistent basis for comparing the results of financial periods and for assessing the performance of the Group and each individual business unit. They are also an important aspect of the way in which Danske Bank's management defines operating targets and monitors performance.

Throughout the Management's report, performance is assessed on the basis of the financial highlights and segment reporting, which represent the financial information regularly provided to management. There is no difference between the financial highlights and the IFRS income statement.

Definitions of additional ratios presented on page 3 and in other sections of the Management's report:

Ratios and key figures	Definition
Dividend per share (DKK)	Total dividend per share, consisting of the interim dividend per share (if any) paid out during the year, and the dividend per share proposed in the Annual Report and paid to shareholders in the subsequent year.
Return on average shareholders' equity (% p.a.)	Net profit as disclosed in the financial highlights divided by the average of the quarterly average shareholders' equity (beginning and end of each quarter) within the year. The denominator represents equity equal to a decrease in the average of the quarterly average equity of DKK 394 million (2023: a decrease of 540 million) compared to a simple average of total equity (beginning and end of the period).
Net interest income as % p.a. of loans and deposits	Net interest income in the financial highlights divided by the daily average of the sum of loans and deposits. If the ratio was calculated applying the sum of loans and deposits at the end of the period, the ratio for 2024 would be 1.34% (2023: 1.26%) due to the daily average of the sum of loans and deposits being DKK 14.9 billion lower (2023: DKK 45.1 billion lower) than if calculating the ratio by applying the end-of-period sum of loans and deposits. The purpose of the ratio is to show whether the growth in net interest income follows the growth in loans and deposits. The daily average is a more faithful representation of the growth in loans and deposits.
Cost/income ratio (C/I), (%)	Operating expenses and impairment charges on goodwill divided by total income.
Book value per share	Shareholders' equity divided by the number of shares outstanding at the end of the period.
Loan impairment charges as % of net credit exposure	This ratio is calculated on the basis of loan impairment charges and loans and guarantees. The numerator is the loan impairment charges of DKK -436 million (2023: DKK 262 million) annualised. The denominator is the sum of Loans at amortised cost of DKK 918.6 billion (2023: DKK 1,082.8 billion), Loans at fair value of DKK 753.3 billion (2023: DKK 724.1 billion), Loans held for sale of DKK 110.4 billion (2023: DKK 0 billion) and guarantees of DKK 75.9 billion (2023: DKK 81.4 billion) at the beginning of the year, as disclosed in the column "Lending activities" in the "Breakdown of credit exposure" table in the notes to the financial statements. The ratio is calculated for each business unit.
Allowance account as % of net credit exposure	This ratio is calculated on the basis of the allowance account and loans and guarantees. The numerator is the allowance account of DKK 20.2 billion (2023: DKK 20.1 billion) at the end of the period, as disclosed in the "Allowance account broken down by segment" table in the notes to the financial statements. The denominator is the sum of Loans at amortised cost of DKK 915.5 billion (2023: DKK 918.6 billion), Loans at fair value of DKK 758.2 billion (2023: DKK 753.3 billion), Loans held for sale of DKK 77.8 billion (2023: DKK 110.4 billion) and guarantees of DKK 92.9 billion (2023: DKK 75.9 billion) at the end of the period, as disclosed in the column "Lending activities" in the "Breakdown of credit exposure" table in the notes to the financial statements. The ratio is calculated for each business unit.

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Income statement – Danske Bank Group

Note	(DKK millions)	Q1-Q3 2024	Q1-Q3 2023*	Q3 2024	Q3 2023*	Full year 2023*
	Interest income calculated using the effective interest method**	44,804	42,744	15,940	15,442	59,770
	Other interest income**	14,254	12,369	4,354	4,028	16,287
	Interest expense**	31,606	29,261	11,130	10,153	41,085
	Net interest income from banking activities	**27,452**	**25,852**	**9,165**	**9,317**	**34,972**
G4	Fee income	13,718	12,440	4,467	4,254	17,108
G4	Fee expenses	3,315	3,018	1,138	1,102	4,203
	Net fee income	**10,403**	**9,422**	**3,329**	**3,153**	**12,904**
	Net trading income or loss	**2,110**	**2,127**	**733**	**-111**	**2,613**
	Insurance revenue	4,320	4,198	1,317	1,436	5,735
	Insurance service expenses	3,891	3,551	1,375	1,253	5,094
	Net return on investments backing insurance liabilities	36,634	9,193	12,424	-3,833	35,228
	Net finance income or expense from insurance	-35,699	-8,949	-11,910	3,835	-34,613
	Other insurance related income	43	31	3	49	216
	Net insurance result	**1,407**	**922**	**459**	**233**	**1,472**
G4	Gain or loss on sale of disposal groups	41	-590	25	103	-555
G4	Other income	423	862	116	313	1,015
	Total other income	**464**	**272**	**140**	**417**	**460**
	Total income	**41,836**	**38,595**	**13,826**	**13,009**	**52,422**
	Operating expenses	19,046	18,853	6,228	6,211	25,478
	Profit before loan impairment charges	**22,790**	**19,741**	**7,598**	**6,797**	**26,944**
G5	Loan impairment charges	-436	294	-337	322	262
	Profit before tax	**23,227**	**19,447**	**7,935**	**6,475**	**26,682**
	Tax	5,593	3,950	1,770	1,156	5,420
	Net profit	**17,634**	**15,497**	**6,165**	**5,319**	**21,262**
	Earnings per share (DKK)	20.7	18.0	7.2	6.2	24.8
	Diluted earnings per share (DKK)	20.7	18.0	7.2	6.2	24.7
	Dividend per share (DKK)***	7.5	7.0	-	-	14.5

* Comparative information has been restated, as described in note G2(a).
** Q3 2024 is affected by adjustments for Q1 – Q2 2024 between Interest income calculated using the effective interest method, Other interest income and Interest expense.
***As announced in the Interim report – first half 2024, the Board of Directors approved an interim dividend of DKK 7.5 per share, which was paid out in July 2024.

Statement of comprehensive income – Danske Bank Group

Note	(DKK millions)	Q1-Q3 2024	Q1-Q3 2023	Q3 2024	Q3 2023	Full year 2023
	Net profit	17,634	15,497	6,165	5,319	21,262
	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	Remeasurement of defined benefit pension plans	85	-1,019	43	-905	-1,220
	Tax*	-1	-259	-4	-244	-301
	Items that will not be reclassified to profit or loss	**86**	**-760**	**47**	**-661**	**-919**
	Items that are or may be reclassified subsequently to profit or loss					
	Translation of units outside Denmark	-988	-2,794	-175	1,738	-1,404
G10	Hedging of units outside Denmark	331	1,313	16	-947	589
	Reclassification to the income statement on disposal of units outside Denmark**	-	806	-	806	806
	Unrealised value adjustments of bonds at fair value (OCI)	714	105	941	166	1,114
	Realised value adjustments of bonds at fair value (OCI)	75	19	35	33	106
	Tax*	24	-101	210	438	306
	Items that are or may be reclassified subsequently to profit or loss	**107**	**-449**	**607**	**1,358**	**905**
	Total other comprehensive income	**194**	**-1,209**	**654**	**697**	**-14**
	Total comprehensive income	**17,827**	**14,287**	**6,820**	**6,016**	**21,248**

* A positive amount is a tax expense, and a negative amount is a tax income.
** Reclassification to the income statement on disposal of units outside Denmark in 2023 includes a reduction in the structural FX hedge.

Balance sheet – Danske Bank Group

Note	(DKK millions)	30 September 2024	31 December 2023	30 September 2023
	Assets			
	Cash in hand and demand deposits with central banks	167,989	259,156	272,280
	Due from credit institutions and central banks	167,975	114,813	134,158
	Trading portfolio assets	514,297	548,189	602,915
	Investment securities	266,255	283,914	279,830
	Loans at amortised cost	915,451	918,628	902,384
	Loans at fair value	980,599	928,239	905,580
	Assets under pooled schemes and investment contracts	75,477	70,900	66,847
G6	Insurance assets	526,507	496,031	506,426
G8	Assets held for sale	78,099	110,704	118,408
	Intangible assets	6,165	6,064	6,069
	Tax assets	10,133	3,264	3,930
G9	Other assets	34,496	31,079	30,371
	Total assets	**3,743,442**	**3,770,981**	**3,829,199**

Note	(DKK millions)	30 September 2024	31 December 2023	30 September 2023
	Liabilities			
	Due to credit institutions and central banks	188,886	154,608	172,183
	Trading portfolio liabilities	368,184	454,487	529,337
	Deposits	1,163,715	1,222,203	1,202,929
G7	Issued bonds at fair value	751,570	748,780	726,799
G7	Issued bonds at amortised cost	256,454	214,234	224,102
	Deposits under pooled schemes and investment contracts	76,467	71,253	67,410
G6	Insurance liabilities	513,257	482,630	487,225
G8	Liabilities in disposal groups held for sale	50,771	56,476	57,750
	Tax liabilities	1,742	1,557	3,009
G9	Other liabilities	71,632	57,046	64,613
G7	Non-preferred senior bonds	86,789	93,194	86,147
G7	Subordinated debt	37,059	38,774	39,053
	Total liabilities	**3,566,526**	**3,595,242**	**3,660,557**
	Equity			
	Share capital	8,622	8,622	8,622
G10	Foreign currency translation reserve	-3,296	-2,639	-3,305
	Reserve for bonds at fair value (OCI)	482	-306	-1,402
	Retained earnings	171,107	163,596	164,726
	Proposed dividends	-	6,466	-
	Total equity	**176,916**	**175,739**	**168,642**
	Total liabilities and equity	**3,743,442**	**3,770,981**	**3,829,199**

Statement of capital – Danske Bank Group

Changes in equity

(DKK millions)	Share capital	Foreign currency translation reserve	Reserve for bonds at fair value (OCI)	Retained earnings	Proposed dividends	Total
Total equity as at 1 January 2024	8,622	-2,639	-306	163,596	6,466	175,739
Net profit	-	-	-	17,634	-	17,634
Other comprehensive income						
Remeasurement of defined benefit pension plans	-	-	-	85	-	85
Translation of units outside Denmark	-	-988	-	-	-	-988
Hedging of units outside Denmark	-	331	-	-	-	331
Reclassification on disposal of units outside Denmark	-	-	-	-	-	-
Unrealised value adjustments	-	-	714	-	-	714
Realised value adjustments	-	-	75	-	-	75
Tax	-	-	-	-23	-	-23
Total other comprehensive income	-	-657	788	62	-	194
Total comprehensive income	-	-657	788	17,696	-	17,827
Transactions with owners						
Dividends paid*	-	-	-	-6,310	-6,466	-12,777
Acquisition of own shares	-	-	-	-23,772	-	-23,772
Sale of own shares	-	-	-	19,898	-	19,898
Total equity as at 30 September 2024	8,622	-3,296	482	171,107	-	176,916

* Dividends paid in 2024 consists of the dividend proposed to the AGM for the second half of 2023 and paid in March 2024, and the interim dividend approved by the Board of Directors and paid in July 2024, net of dividends on own shares.

(DKK millions)	Share capital	Foreign currency translation reserve	Reserve for bonds at fair value (OCI)	Retained earnings	Proposed dividends	Total
Total equity as at 1 January 2023	8,622	-2,630	-1,526	155,812	-	160,278
Net profit	-	-	-	15,497	-	15,497
Other comprehensive income						
Remeasurement of defined benefit pension plans	-	-	-	-1,019	-	-1,019
Translation of units outside Denmark	-	-2,794	-	-	-	-2,794
Hedging of units outside Denmark	-	1,313	-	-	-	1,313
Reclassification on disposal of units outside Denmark	-	806	-	-	-	806
Unrealised value adjustments	-	-	105	-	-	105
Realised value adjustments	-	-	19	-	-	19
Tax	-	-	-	361	-	361
Total other comprehensive income	-	-675	124	-659	-	-1,209
Total comprehensive income	-	-675	124	14,838	-	14,287
Transactions with owners						
Dividends paid	-	-	-	-6,011	-	-6,011
Acquisition of own shares	-	-	-	-17,349	-	-17,349
Sale of own shares	-	-	-	17,437	-	17,437
Total equity as at 30 September 2023	8,622	-3,305	-1,402	164,726	-	168,642

Share buy-back programme
On 5 February 2024, the Group initiated a share buy-back programme of DKK 5.5 billion, which may run until 4 February 2025. At the end of September 2024, the Group had acquired 18,667,665 shares for a total amount of DKK 3,779.4 million under the share buy-back programme.

Dividend
As announced in the Interim report – first half 2024, the Board of Directors approved an interim dividend of DKK 7.5 per share, which was paid out in July 2024.

Statement of capital – Danske Bank Group

Number of shares

	30 September 2024	31 December 2023
Share capital (DKK)	8,621,846,210	8,621,846,210
Number of shares	862,184,621	862,184,621
Number of shares outstanding	840,890,218	859,773,706
Average number of shares outstanding for the period	851,727,936	858,899,954
Average number of shares outstanding, including dilutive shares, for the period	853,512,594	860,043,309

Total capital and total capital ratio

(DKK millions)	30 September 2024	31 December 2023
Total equity	176,916	175,739
Revaluation of domicile property at fair value	209	211
Tax effect of revaluation of domicile property at fair value	-27	-27
Total equity calculated in accordance with the rules of the Danish FSA	**177,098**	**175,923**
Common equity tier 1 capital instruments	177,098	175,923
Adjustment to eligible capital instruments	-2,198	-914
IFRS 9 reversal due to transitional rules	765	1,634
Prudent valuation	-986	-890
Prudential filters	-	-
Expected/proposed dividends	-4,114	-6,466
Intangible assets of banking operations	-5,603	-5,690
Minimum Loss Coverage for Non-Performing Exposures	-2,672	-916
Deferred tax on intangible assets	293	316
Deferred tax assets that rely on future profitability, excluding temporary differences	-526	-733
Defined benefit pension plan assets	-959	-845
Statutory deduction for insurance subsidiaries	-1,396	-6,111
Common equity tier 1 capital	**159,704**	**155,308**
Additional tier 1 capital instruments	9,794	14,805
Tier 1 capital	**169,498**	**170,113**
Tier 2 capital instruments	22,964	20,790
Total capital	**192,461**	**190,902**
Total risk exposure amount	835,887	827,882
Common equity tier 1 capital ratio (%)	19.1%	18.8%
Tier 1 capital ratio (%)	20.3%	20.5%
Total capital ratio (%)	23.0%	23.1%

Total capital and the total risk exposure amount are calculated in accordance with the rules applicable under the Capital Requirements Regulation (CRR), taking transitional rules into account as stipulated by the Danish Financial Supervisory Authority. In terms of the transitional arrangements for the impact of IFRS 9 on regulatory capital, the Group applies the so-called dynamic approach in accordance with the CRR.

The Internal Capital Adequacy Assessment Report provides more details about the Group's solvency need. The report is available at danskebank.com/investor-relations/reports.

Cash flow statement – Danske Bank Group

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023	Full Year 2023
Cash flow from operations			
Profit before tax	23,227	19,447	26,682
Tax paid	-12,363	-1,908	-4,565
Adjustment for non-cash operating items	4,456	8,592	8,426
Cash flow from operations before changes in operating capital	**15,320**	**26,131**	**30,543**
Changes in operating capital			
Amounts due to/from credit institutions and central banks	36,869	27,632	10,778
Trading portfolio	-52,410	10,899	-9,225
Acquisition/sale of own shares	-95	88	53
Investment securities	17,659	7,593	3,509
Loans at amortised cost and fair value	-16,179	89,154	57,952
Deposits	-63,023	-27,446	-9,490
Issued bonds at amortised cost and fair value	45,072	60,316	73,513
Insurance assets/liabilities	-1,099	-5,129	1,903
Other assets/liabilities	9,274	-10,567	-18,036
Cash flow from operations	**-8,612**	**178,671**	**141,500**
Cash flow from investing activities			
Sale of businesses	26	45	45
Acquisition of intangible assets	-523	-391	-540
Acquisition of tangible assets	-287	-721	-841
Sale of tangible assets	-	5	7
Cash flow from investing activities	**-784**	**-1,062**	**-1,329**

(DKK millions)	Q1-Q3 2024	Q1-Q3 2023	Full Year 2023
Cash flow from financing activities			
Issue of subordinated debt	8,378	-	-
Redemption of subordinated debt	-10,748	-	-
Issue of non-preferred senior bonds	21,604	16,101	22,425
Redemption of non-preferred senior bonds	-29,241	-23,377	-23,696
Dividends paid	-12,777	-6,011	-6,011
Share buy back programme	-3,779	-	-
Principal portion of lessee lease payments	-454	-450	-605
Cash flow from financing activities	**-27,017**	**-13,737**	**-7,887**
Cash and cash equivalents as at 1 January	365,609	232,531	232,531
Foreign currency translation	998	954	794
Change in cash and cash equivalents	-36,413	163,872	132,284
Cash and cash equivalents, end of period	**330,194**	**397,357**	**365,609**
Cash and cash equivalents, end of period			
Cash in hand	6,843	6,275	6,419
Demand deposits with central banks	161,146	266,005	252,737
Amounts due from credit institutions and central banks within three months	162,205	125,077	106,453
Total	**330,194**	**397,357**	**365,609**

Notes – Danske Bank Group
G1. Material accounting policies and estimates

(a) General
The report has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for listed financial companies. The report is condensed and should be read in conjunction with the Group's Annual Report 2023.

With effect from 1 January 2024, the Group has changed the presentation in the IFRS Income statement in relation to Markets, Operating leases and margins on customer transactions in foreign currencies. At the same time, the Group's Financial highlights have been changed to align them with the IFRS financial statements. The changes have been applied retrospectively, resulting in reclassifications between lines in the IFRS Income statement. The reclassifications have no impact on the net profit, Balance sheet or Equity for 2023. In addition, amendments to IFRS 7, IFRS 16, IAS 1 and IAS 7 became effective on 1 January 2024, and have no impact on the financial statements. Further information on the changes to accounting policies and presentation in 2024 can be found in note G2(a). Except for these changes, the Group has not changed its material accounting policies from those applied in Annual Report 2023. Annual Report 2023 provides a full description of the material accounting policies.

Financial statement figures are stated in Danish kroner and whole millions, unless otherwise stated. As a result, rounding discrepancies may occur because totals have been rounded off and the underlying decimals are not presented to financial statement users. The interim report for the first nine months of 2024 has not been audited or reviewed.

(b) Significant accounting estimates and judgements
The preparation of financial information requires, in some cases, the use of judgements and estimates by management. This includes judgements made when applying accounting policies. The most significant judgements made when applying accounting policies relate to the classification of financial assets and financial liabilities under IFRS 9, especially related to the business model assessment, and the solely payments of principal and interest (SPPI) test (further explained in note G15 of the Annual Report 2023) and the designation of financial liabilities at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch (further explained in note G16 of the Annual Report 2023). An overview of the classification and measurement basis for financial instruments can be found in note G1(c) of the Annual Report 2023.

The determination of the carrying amounts of some assets and liabilities requires the estimation of the effects of uncertain future events on those assets and liabilities. The estimates are based on premises that management finds reasonable, but which are inherently uncertain and unpredictable. The premises may be incomplete, unexpected future events or situations may occur, and other parties may arrive at other estimated values. In view of the inherent uncertainties and the high level of subjectivity and judgement involved in the recognition and measurement of the items listed below, it is possible that the outcomes in the next reporting period could differ from those on which management's estimates are based.

Measurement of expected credit losses on loans, financial guarantees and loan commitments, and bonds measured at amortised cost or fair value through other comprehensive income
The three-stage expected credit loss impairment model in IFRS 9 depends on whether the credit risk has increased significantly since initial recognition. If the credit risk has not increased significantly, the impairment charge equals the expected credit losses resulting from default events that are possible within the next 12 months (stage 1). If the credit risk has increased significantly, the loan is more than 30 days past due, or the loan is in default or otherwise impaired, the impairment charge equals the lifetime expected credit losses (stages 2 and 3). In determining the impairment for expected credit losses, management exercises judgement and uses estimates and assumptions as explained in the following paragraphs.

The expected credit losses are calculated for all individual facilities as a function of probability of default (PD), exposure at default (EAD) and loss given default (LGD) and incorporate forward-looking information. The estimation of expected credit losses involves forecasting future economic conditions over a number of years. Such forecasts are subject to management judgement and those judgements may be sources of measurement uncertainty that have significant risk of resulting in a material adjustment to a carrying amount in future periods. The incorporation of forward-looking elements reflects the expectations of the Group's senior management and involves the creation of scenarios (base case, upside and downside), including an assessment of the probability for each scenario. The purpose of using multiple scenarios is to model the non-linear impact of assumptions about macroeconomic factors on the expected credit losses. Note G14 provides information on the scenarios as at 30 September 2024.

The base case scenario enters with a probability of 60% (31 December 2023: 60%), the upside scenario with a probability of 20% (31 December 2023: 20%) and the downside scenario with a probability of 20% (31 December 2023: 20%). On the basis of these assessments, the allowance account as at 30 September 2024 amounted to DKK 20.2 billion (31 December 2023: DKK 20.1 billion). If the base case scenario was assigned a probability of 100%, the allowance account would decrease DKK 2.2 billion (31 December 2023: DKK 2.0 billion). Compared to the base case scenario, the allowance account would increase DKK 11.0 billion (31 December 2023: DKK 10.2 billion), if the downside scenario was assigned a probability of 100%. The increase reflects primarily the transfer of exposures from stage 1 to stage 2 and increased expected credit losses within stage 2. If instead the upside scenario was assigned a probability of 100%, the allowance account would decrease DKK 0.2 billion (31 December 2023: DKK 0.2 billion) compared to the base case scenario.

Management applies judgement when determining the need for post-model adjustments. As at 30 September 2024, the post-model adjustments amounted to DKK 6.4 billion (31 December 2023: DKK 6.7 billion) which are predominantly linked to macroeconomic uncertainties related to inflation and increasing interest rates, and other sector-specific factors that ensure prudent coverage of expected credit losses for the Group's credit exposures. On the types of risks covered by post-model adjustments, more information can be found in note G14.

Note G15 of the Annual Report 2023 and the section on credit risk in note G14 in the Interim report – first nine months 2024 provide more details on expected credit losses. As at 30 September 2024, financial assets covered by the expected credit loss model accounted for about 54.8% of total assets (31 December 2023: 54.8%).

Fair value measurement of financial instruments
At the end of September 2024, no unusual challenges in obtaining reliable pricing apart from insignificant parts of the portfolio remained. The majority of valuation techniques continues to employ only observable market data, and there has been no significant increase in financial instruments measured on the basis of valuation techniques that are based on one or more significant unobservable inputs. The latter continues to include only unlisted shares, certain bonds and some long-dated derivatives for which there is no active market. On the derivatives portfolio, the Group makes fair value adjustments to cover changes in counterparty risk (CVA) and to cover expected funding costs (FVA and ColVA) on derivatives, bid-offer spreads on the net open position of the portfolio of assets and liabilities with offsetting market risk recognised at mid-market prices, and model risk on level 3 derivatives. As at 30 September 2024, the adjustments totalled DKK 0.4 billion (31 December 2023: DKK 0.4 billion), including the adjustment for credit risk on derivatives that are credit impaired. Note G13 of this report and note G33(a) of the Annual Report 2023 provides more details on the fair value measurement of financial instruments.

G1. Material accounting policies and estimates - continued

Measurement of goodwill
Goodwill is tested for impairment once a year or more frequently if indications of impairment exist. Impairment testing requires management to estimate the present value of future cash flows. A number of factors affect the value of such cash flows, including discount rates, changes in the economic outlook, customer behaviour and competition. At 30 September 2024, goodwill amounted to DKK 4.4 billion (31 December 2023: DKK 4.4 billion)

In connection with the quarterly reporting, management performs an impairment review to assess whether there are indications that goodwill might be impaired. This includes a review of decline in income, increase in loan impairment charges, decline in the market value of assets under management, major restructurings, macroeconomic developments etc. No indications of impairment have been noted at the end of September 2024.

Goodwill mainly consists of DKK 2.1 billion (31 December 2023: DKK 2.1 billion) in Markets, DKK 1.8 billion (31 December 2023: DKK 1.8 billion) in Asset Management and DKK 0.5 billion (31 December 2023: DKK 0.5 billion) in General Banking (all part of the business segment Large Corporates & Institutions) showing significant amounts of excess value in the impairment tests in 2023.

Note G19 of the Annual Report 2023 provides more information about impairment testing and sensitivity to changes in assumptions.

Measurement of liabilities under insurance contracts (part of Insurance liabilities)
Liabilities under insurance contracts are measured using either the General Measurement Model (GMM), Variable Fee Approach (VFA) or Premium Allocation Approach (PAA). GMM and VFA both comprise fulfilment cash flows, which are estimates of the present value of future cash flows for insurance contracts, adjusted for time value of money and effect of financial risk including a risk adjustment for non-financial risk, and a contractual service margin (CSM).

Estimates of future cash flows include actuarial computations that rely on estimates of a number of variables such as mortality rates and disability rates. Mortality rates are based on the Danish FSA's benchmark, whilst others are estimated based on data from the Group's own portfolio of insurance contracts.

The discount rate is fixed on the basis of a zero-coupon yield curve, which is adjusted by a currency and credit risk deduction and a volatility adjustment. The yield curve is calculated according to principles and based on data that results in a curve based on European Insurance and Occupational Pension Authority (EIOPA) discount yield curve, which can be found at eiopa.europa.eu/tools-and-data/risk-free-interest-rate-term-structures_en.

For life insurance contracts, risk adjustment for non-financial risks is calculated based on a safety margin on applied actuarial assumptions, such as mortality rates and longevity. The confidence level used to determine the risk adjustment is at least 85%. For insurance contracts measured using VFA, CSM is calculated on the basis of stochastic models, whereas a deterministic model is used for life insurance contracts measured using GMM.

For health and accident insurance contracts, the loss element includes expectations about mortality, reactivation, reinstatement and repurchase, as well as expected costs offset by premiums not yet due. Risk adjustment for non-financial risk is calculated based on a safety margin on applied actuarial assumptions. The confidence level used to determine the risk adjustment is at least 85%.

Note G18 of the Annual Report 2023 provides more information about liabilities under insurance contracts.

G2. Changes in accounting policies, Financial highlights and segment reporting

(a) Changes in accounting policies
With effect from 1 January 2024, the Group has changed the presentation in the IFRS Income statement in relation to income and expenses in Markets, Operating leases and margins on customer transactions in foreign currencies. At the same time, the Group's Financial highlights have been changed to align them with the IFRS financial statements. See note G2(b) for changes in the Financial highlights. The changes in presentation have been applied retrospectively, resulting in reclassifications between lines in the IFRS Income statement as described below:

Markets (part of Large Corporates & Institutions) and Group Treasury (part of Group Functions)
Under IFRS 9, the financial assets in Markets are mandatorily measured at fair value through profit or loss (FVPL) due to having a business model that is neither "hold to collect" nor "hold to collect and sell". The Group has aligned presentation of income in Markets with its business model; as such, all income and expenses in Markets (including interest on the net funding of operations in Markets) have been changed to be presented as Net trading income, except any fixed income from customer transactions (presented as interest income or fee income, depending on the customer agreement).

Group Treasury holds portfolios of financial assets with the business model "hold to collect", "hold to collect and sell" and "other" under IFRS 9 within Internal Bank, and financial assets mandatorily measured at fair value through profit or loss (FVPL) outside Internal Bank. To align the income in Group Treasury with its business models, all income at Internal Bank remains presented by the type of income, whereas all other income in Group Treasury (including interest on the net funding of investments in Group Treasury) is presented as Net trading income.

Operating leases
Under IFRS, gains or losses on the sale of operating lease assets (excluding properties) is to be presented on a gross basis if an entity routinely sells items of property, plant and equipment that have been held for rental purposes as part of its ordinary activities. The Group has assessed that, although it does sell operating lease assets (primarily leased cars) that have previously been held for rental, this is not a primary activity of the Group. Therefore gains and losses on the sale of operating lease activities have been changed in 2024 to be presented on a net basis in the IFRS income statement. This results in the income from lease assets sold in 2023 being reclassified from Other income to Operating expenses.

Margins on customer transactions in foreign currencies
The Group has changed the presentation of its fixed margin on customer transactions in foreign currencies from Net trading income to Fee income, because it is a fee in substance. This income in 2023 has been reclassified.

G2. Changes in accounting policies, Financial highlights and segment reporting - continued

The tables below shows the impact of the alignment on the IFRS income statement for the first nine months 2024 and full-year 2023.

(DKK millions)	Q1-Q3 2024	Markets and Group Treasury	Operating leases	Margins on customer transactions in foreign currencies	Restated Q1-Q3 2023
Interest income calculated using the effective interest method	43,553	-809	-	-	42,744
Other interest income	13,812	-1,443	-	-	12,369
Interest expense	33,420	-4,159	-	-	29,261
Net interest income from banking activities	**23,945**	**1,907**	**-**	**-**	**25,852**
Fee income	11,737	-52	-	756	12,440
Fee expenses	3,236	-218	-	-	3,018
Net fee income	**8,501**	**165**	**-**	**756**	**9,422**
Net trading income or loss	**4,954**	**-2,071**	**-**	**-756**	**2,127**
Insurance revenue	4,198	-	-	-	4,198
Insurance service expenses	3,551	-	-	-	3,551
Net return on investments backing insurance liabilities	9,193	-	-	-	9,193
Net finance income or expense from insurance	-8,949	-	-	-	-8,949
Other insurance related income	31	-	-	-	31
Net insurance result	**922**	**-**	**-**	**-**	**922**
Gain or loss on sale of disposal groups	-590	-	-	-	-590
Other income	3,399	-	-2,537	-	862
Total other income	**2,809**	**-**	**-2,537**	**-**	**272**
Total income	**41,131**	**-**	**-2,537**	**-**	**38,595**
Operating expenses	21,390	-	-2,537	-	18,853
Profit before loan impairment charges	**19,741**	**-**	**-**	**-**	**19,741**
Loan impairment charges	294	-		-	294
Profit before tax	**19,447**	**-**	**-**	**-**	**19,447**
Tax	3,950	-	-	-	3,950
Net profit	**15,497**	**-**	**-**	**-**	**15,497**

(DKK millions)	Full year 2023	Markets and Group Treasury	Operating leases	Margins on customer transactions in foreign currencies	Restated Full year 2023
Interest income calculated using the effective interest method	60,842	-1,073	-	-	59,770
Other interest income	18,752	-2,465	-	-	16,287
Interest expense	47,325	-6,241	-	-	41,085
Net interest income from banking activities	**32,269**	**2,704**	**-**	**-**	**34,972**
Fee income	16,111	-52	-	1,049	17,108
Fee expenses	4,481	-278	-	-	4,203
Net fee income	**11,630**	**225**	**-**	**1,049**	**12,904**
Net trading income or loss	**6,590**	**-2,928**	**-**	**-1,049**	**2,613**
Insurance revenue	5,735	-	-	-	5,735
Insurance service expenses	5,094	-	-	-	5,094
Net return on investments backing insurance liabilities	35,228	-	-	-	35,228
Net finance income or expense from insurance	-34,613	-	-	-	-34,613
Other insurance related income	216	-	-	-	216
Net insurance result	**1,472**	**-**	**-**	**-**	**1,472**
Gain or loss on sale of disposal groups	-555	-	-	-	-555
Other income	4,446	-	-3,431	-	1,015
Total other income	**3,891**	**-**	**-3,431**	**-**	**460**
Total income	**55,852**	**-**	**-3,431**	**-**	**52,422**
Operating expenses	28,908	-	-3,431	-	25,478
Profit before loan impairment charges	**26,944**	**-**	**-**	**-**	**26,944**
Loan impairment charges	262	-	-	-	262
Profit before tax	**26,682**	**-**	**-**	**-**	**26,682**
Tax	5,420	-	-	-	5,420
Net profit	**21,262**	**-**	**-**	**-**	**21,262**

G2. Changes in accounting policies, Financial highlights and segment reporting - continued

Amendment to IFRS 16, Leases
The amendment to IFRS 16 clarifies how a seller-lessee should apply subsequent measurement requirements in IFRS 16 to the lease liability that arises in a sale and leaseback transaction. The seller-lessee must measure the lease liabilities arising from the leaseback transactions such that it does not recognise any gain or loss that relates to the right of use it retains.

The amendment has no impact on the financial statements.

Amendment to IAS 1, Presentation of financial statements
The first amendment to IAS 1 provides a more general approach to classifying liabilities as current or non-current, based on the contractual arrangements in place at the reporting date, rather than based on whether management intends to exercise a right to defer the settlement of the liability. In addition, this amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

The second amendment clarifies that only covenants with which an entity must comply on or before the reporting date affect the classification of the liability as current or non-current. In addition, an entity must disclose information in the notes that enables users of the financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The amendments have no impact on the financial statements.

Amendment to IAS 7, Statement of cash flows, and IFRS 7, Financial instruments: disclosures
The amendments to IAS 7 and IFRS 7 require entities to provide additional disclosures about supplier finance arrangements, in order to assess how the arrangements affect the entity's liabilities and cash flows, and to allow users of the financial statements to understand the effect of supplier finance arrangements on the exposure to liquidity risk, and how the entity may be affected if it no longer has access to the arrangements.

The amendments have no impact on the financial statements.

(b) Changes in Financial highlights and segment reporting
With effect from 1 January 2024, the Group implemented the following changes to the Financial highlights in order to align with IFRS reporting.

- Non-core has ceased to exist as a separate segment, and is now a sub-segment of Group Functions. Therefore income, expenses, assets and liabilities in the former Non-core segment have been reclassified to the relevant lines within Group Functions.
- The presentation in the Financial highlights' balance sheet of loans and deposits that are reported in the IFRS Balance sheet as Assets held for sale and Liabilities in disposal groups held for sale has been changed to be presented within Other assets and Other liabilities respectively.
- Various minor adjustments to align with IFRS reporting.

The change in presentation of fixed margin on customer transactions in foreign currencies described in note G2(a) has also been applied to the Financial highlights, and reclassifies an amount of DKK 756 million from Net trading income to Fee income for the first nine months 2023.

G3. Business segments

Business model and business segmentation
The Group's commercial activities are organised in five reporting business units:

- Personal Customers, which serves personal customers across all markets.
- Business Customers, which serves small and medium-sized business customers across all markets, and includes the Group's Asset Finance operations.
- Large Corporates & Institutions, which serves large corporates and institutional customers across all Nordic markets.
- Danica Pension, which specialises in pension schemes, life insurance policies and health insurance policies in Denmark.
- Northern Ireland, which serves retail and commercial customers through a network of branches and business centres in Northern Ireland alongside digital channels.

Besides the five commercial business units, the Group's reportable segments under IFRS 8 include Group Functions, as presented in the tables on the following page.

Business segments first nine months 2024

(DKK millions)	Personal Customers	Business Customers	Large Corporates & Institutions	Danica	Northern Ireland	Group Functions	Eliminations	Total
Net interest income	10,704	8,682	5,212	-	2,211	787	-145	27,452
Net fee income	3,589	1,680	4,964	-	238	-226	160	10,403
Net trading income	118	17	1,884	-	129	63	-101	2,110
Net income from insurance business*	-	-	-	1,407	-	-	-	1,407
Other income**	75	521	1	-	8	1,796	-1,936	464
Total income	**14,485**	**10,900**	**12,061**	**1,407**	**2,585**	**2,420**	**-2,023**	**41,836**
Operating expenses	7,242	3,949	5,435	-	1,141	3,159	-1,882	19,046
of which resolution fund, bank tax etc.	113	170	345	-	-	54	-	682
Profit before loan impairment charges	**7,243**	**6,951**	**6,626**	**1,407**	**1,444**	**-739**	**-141**	**22,790**
Loan impairment charges	-232	265	-403	-	-62	-5	-	-436
Profit before tax	**7,475**	**6,686**	**7,029**	**1,407**	**1,506**	**-735**	**-141**	**23,227**
Loans, excluding reverse transactions	659,195	654,451	295,645	-	63,250	16,420	-17,744	1,671,217
Other assets	475,387	173,596	2,890,655	573,738	66,120	5,350,594	-7,457,865	2,072,225
Total assets	**1,134,583**	**828,047**	**3,186,299**	**573,738**	**129,370**	**5,367,014**	**-7,475,609**	**3,743,442**
Deposits, excluding repo deposits	389,057	244,904	330,703	-	106,712	7,520	-14,489	1,064,407
Other liabilities	715,484	540,634	2,815,520	573,738	15,772	5,302,091	-7,461,121	2,502,120
Allocated capital	30,042	42,509	40,076	-	6,886	57,402	-	176,916
Total liabilities and equity	**1,134,583**	**828,047**	**3,186,299**	**573,738**	**129,370**	**5,367,014**	**-7,475,609**	**3,743,442**
Profit before tax as % p.a. of allocated capital (avg.)	32.6	21.2	23.2	9.3	31.4	-2.3	-	17.6
Cost/income ratio (%)	50.0	36.2	45.1	-	44.1	-	-	45.5
Full-time-equivalent staff, end of period	3,976	1,728	2,115	920	1,248	10,069	-	20,057

* Net income from insurance business in the Financial highlights and Business segments is equivalent to Net insurance result in the IFRS financial statements.
** Other income in the Financial highlights and Business segments is equivalent to Total other income in the IFRS financial statements.

Business segments first nine months 2023

(DKK millions)	Personal Customers*	Business Customers*	Large Corporates & Institutions*	Danica	Northern Ireland	Group Functions*	Eliminations*	Total*
Net interest income	10,686	8,605	5,140	-	1,888	-336	-131	25,852
Net fee income	3,116	1,608	4,497	-	248	-186	140	9,422
Net trading income	160	37	2,115	-	198	-363	-19	2,127
Net income from insurance business**	-	-	-	922	-	-	-	922
Other income***	-627	796	12	-	13	2,194	-2,116	272
Total income	**13,335**	**11,045**	**11,763**	**922**	**2,346**	**1,308**	**-2,125**	**38,595**
Operating expenses	6,835	3,708	5,273	-	995	4,106	-2,064	18,853
of which resolution fund, bank tax etc.	127	191	368	-	-	54	-	741
Profit before loan impairment charges	**6,500**	**7,337**	**6,491**	**922**	**1,351**	**-2,798**	**-61**	**19,741**
Loan impairment charges	333	246	-163	-	-119	-4	-	294
Profit before tax	**6,167**	**7,091**	**6,653**	**922**	**1,469**	**-2,794**	**-61**	**19,447**
Loans, excluding reverse transactions	641,982	630,455	296,855	-	58,608	27,244	-28,025	1,627,119
Other assets	465,183	189,239	3,807,369	551,834	65,479	4,508,236	-7,385,261	2,202,080
Total assets	**1,107,165**	**819,693**	**4,104,224**	**551,834**	**124,087**	**4,535,481**	**-7,413,286**	**3,829,199**
Deposits, excluding repo deposits	376,434	264,033	362,049	-	97,696	3,572	-9,934	1,093,850
Other liabilities	701,820	516,339	3,701,948	551,834	20,817	4,477,301	-7,403,352	2,566,707
Allocated capital	28,912	39,321	40,227	-	5,574	54,607	-	168,642
Total liabilities and equity	**1,107,165**	**819,693**	**4,104,224**	**551,834**	**124,087**	**4,535,481**	**-7,413,286**	**3,829,199**
Profit before tax as % p.a. of allocated capital (avg.)	27.9	24.0	22.0	6.3	30.3	-10.5	-	15.8
Cost/income ratio (%)	51.3	33.6	44.8	-	42.4	-	-	48.8
Full-time-equivalent staff, end of period	4,179	1,652	2,098	905	1,261	10,001	-	20,097

* Comparative information has been restated, as described in note G2(b).
** Net income from insurance business in the Financial highlights and Business segments is equivalent to Net insurance result in the IFRS financial statements.
*** Other income in the Financial highlights and Business segments is equivalent to Total other income in the IFRS financial statements.

G4. Income

(a) Fee income
Note G6 of the Annual Report 2023 provides additional information on the Group's accounting policy for fee income, including the description by fee type.

Fee income first nine months 2024

(DKK millions)	Fee income	Fee expenses	Net fee income
Investment	6,212	2,593	3,620
Money transfers, account fee, cash management and other fees	4,719	576	4,144
Lending and Guarantees	1,632	110	1,522
Capital markets	1,154	36	1,118
Total	**13,718**	**3,315**	**10,403**

Fee income first nine months 2023

(DKK millions)	Fee income*	Fee expenses*	Net fee income*
Investment	5,328	2,179	3,149
Money transfers, account fee, cash management and other fees	4,381	674	3,707
Lending and Guarantees	1,692	101	1,592
Capital markets	1,039	64	975
Total	**12,440**	**3,018**	**9,422**

* Comparative information has been restated, as described in note G2(a) and G2(b).

(b) Gain or loss on sale of disposal groups
Gain or loss on sale of disposal groups amounted to DKK 41 million for the nine months ending 30 September 2024, compared to a loss of DKK 590 million in the same period in 2023, which included the expected costs directly attributable to the sale of the personal customers business in Norway, as announced in July 2023.

(c) Other income
Other income amounted to DKK 423 million for the nine months ending 30 September 2024 (30 September 2023: DKK 862 million). Other income includes income from investment property and real estate brokerage, and income from holdings in associates.

G5. Loan impairment charges and reconciliation of total allowance account

Loan impairment charges include impairment charges for expected credit losses on loans, lease receivables, bonds at amortised cost and fair value through other comprehensive income, certain loan commitments and financial guarantee contracts as well as fair value adjustments of the credit risk on loans measured at fair value.

Loan impairment charges

(DKK millions)	30 September 2024	30 September 2023
ECL on new assets	2,617	2,201
ECL on assets derecognised	-2,228	-2,160
Impact of net remeasurement of ECL (incl. changes in models)	89	682
Write-offs charged directly to income statement	97	467
Received on claims previously written off	-713	-676
Interest income, effective interest method	-298	-220
Total	**-436**	**294**

G5. Loan impairment charges and reconciliation of total allowance account - continued

Reconciliation of total allowance account

(DKK millions)	Stage 1	Stage 2	Stage 3	Total
ECL allowance account as at 1 January 2023	3,273	8,082	8,290	19,645
Transferred to stage 1 during the period	2,023	-1,924	-99	-
Transferred to stage 2 during the period	-198	487	-289	-
Transferred to stage 3 during the period	-19	-355	374	-
ECL on new assets	492	843	867	2,201
ECL on assets derecognised	-391	-957	-811	-2,160
Impact of net remeasurement of ECL (incl. changes in models)	-1,781	1,779	685	682
Write-offs debited to the allowance account	-2	-	-318	-320
Foreign exchange adjustments	-29	-85	-37	-152
Other changes	-1	-1	12	11
ECL allowance account as at 30 September 2023	**3,366**	**7,868**	**8,673**	**19,907**
ECL allowance account as at 1 January 2024	3,592	7,486	9,062	20,140
Transferred to stage 1 during the period	984	-894	-90	-
Transferred to stage 2 during the period	-243	516	-273	-
Transferred to stage 3 during the period	-22	-343	364	-
ECL on new assets	452	1,285	880	2,617
ECL on assets derecognised	-400	-1,175	-652	-2,228
Impact of net remeasurement of ECL (incl. changes in models)	-695	713	71	89
Write-offs debited to the allowance account	-9	-	-267	-276
Foreign exchange adjustments	-15	-63	-23	-101
Other changes	1	-11	-6	-16
ECL allowance account as at 30 September 2024	**3,645**	**7,512**	**9,068**	**20,225**

The movements on the allowance account are determined by comparing the classification and amount in the balance sheet at the beginning and the end of the period. For further information on the decomposition of the allowance account on facilities in stages 1-3 under IFRS 9, see note G14.

G6. Insurance assets and Insurance liabilities

Insurance assets comprise assets earmarked for policyholders. As at 30 September 2024, Insurance asset totals DKK 546,753 million (31 December 2023: DKK 518,555 million) before own bonds of DKK 5,210 million (31 December 2023: DKK 5,984 million) and other intra-group balances of DKK 15,036 million (31 December 2023: DKK 16,540 million).

Insurance liabilities comprise DKK 448,828 million of Liabilities under insurance contracts as defined by IFRS 17 (31 December 2023: DKK 415,414 million) and DKK 74,023 million of Other insurance-related liabilities (31 December 2023: DKK 78,130 million), before intra-group balances of DKK 9,594 million (31 December 2023: DKK 10,914 million).

Note G18 of Annual Report 2023 provides additional information on Insurance assets and Insurance liabilities.

G7. Issued bonds, subordinated debt and additional tier 1 capital

Issued bonds at fair value

(DKK millions)	30 September 2024	31 December 2023
Bonds issued by Realkredit Danmark (covered bonds)	749,028	741,062
Commercial papers and certificates of deposits	275	5,228
Structured retail notes	2,266	2,489
Total	**751,570**	**748,780**

Issued bonds at amortised cost and non-preferred senior bonds

(DKK millions)	30 September 2024	31 December 2023
Commercial papers and certificates of deposits	53,734	24,419
Preferred senior bonds	62,502	63,345
Covered bonds	139,385	124,703
Structured retail notes	833	1,766
Issued bonds at amortised cost, total	**256,454**	**214,234**
Non-preferred senior bonds	86,789	93,194

Further information on issued bonds at fair value through profit or loss can be found in note G16 of the Annual Report 2023. The issuance and redemption of bonds (including commercial papers and certificates of deposits at fair value) during the year are presented in the tables below.

G7. Issued bonds, subordinated debt and additional tier 1 capital - continued

Other issued bonds

Other issued bonds in the following tables comprises Issued bonds at fair value excluding Realkredit Danmark, Issued bonds at amortised cost and Non-preferred senior bonds.

Nominal value of other issued bonds

(DKK millions)	1 January 2024	Issued	Redeemed	Foreign currency translation	30 September 2024
Commercial papers and certificate of deposits	29,613	64,101	45,438	5,657	53,934
Preferred senior bonds	65,545	6,954	7,139	-1,439	63,921
Covered bonds	129,419	23,800	10,280	-1,195	141,743
Structured retail notes	4,076	-	1,012	245	3,309
Non-preferred senior bonds	97,900	21,670	29,321	-2,154	88,095
Total	**326,553**	**116,525**	**93,190**	**1,114**	**351,002**

(DKK millions)	1 January 2023	Issued	Redeemed**	Foreign currency translation	31 December 2023
Commercial papers and certificate of deposits	9,128	66,432	36,812	-9,135	29,613
Preferred senior bonds*	52,421	39,700	25,430	-1,146	65,545
Covered bonds	156,740	33,000	65,850	5,529	129,419
Structured retail notes*	6,927	-	2,414	-437	4,076
Non-preferred senior bonds	100,586	22,500	23,700	-1,486	97,900
Total	**325,801**	**161,633**	**154,206**	**-6,675**	**326,553**

*DKK 4.1 billion of Structured retail notes as at 31 December 2023 that were previously included within Preferred senior bonds are now presented separately. There is no impact on total Other issued bonds.

**Covered bonds redeemed in 2023 include DKK 25.9 billion of Covered bonds that were reclassified to Liabilities in disposal groups held for sale. See note G8 for more detail.

Subordinated debt and additional tier 1 capital

As at 30 September 2024, the nominal value of subordinated debt, including liability accounted additional tier 1 capital, amounted to DKK 37,684 million (31 December 2023: DKK 40,069 million). During the nine months ended 30 September 2024, the Group issued EUR 750 million of tier 2 capital and SEK 4,250 million of tier 2 capital. The Group also redeemed USD 750 million of liability accounted additional tier 1 capital and EUR 750 million of tier 2 capital during the nine months ended 30 September 2024. During 2023, the Group did not issue or redeem any additional tier 1 or tier 2 capital instruments.

For the additional tier 1 capital, Danske Bank A/S may, at its sole discretion, omit interest payments to bondholders. Any interest payments are paid out of distributable items, which primarily consist of retained earnings in Danske Bank A/S and Danske Bank Group. As at 30 September 2024, distributable items for Danske Bank A/S amounted to DKK 121.8 billion (31 December 2023: DKK 119.2 billion). The additional tier 1 capital will be temporarily written down or converted into a variable number of ordinary shares, depending on the terms of each issued bond, if the common equity tier 1 capital ratio falls below 7% for Danske Bank A/S or Danske Bank Group. As at 30 September 2024 the common equity tier 1 capital ratio was 22.2% (31 December 2023: 21.9%) for Danske Bank A/S. The ratios for the Danske Bank Group are disclosed in the Statement of capital.

G8. Assets held for sale and Liabilities in disposal groups held for sale

(DKK millions)	30 September 2024	31 December 2023
Assets held for sale		
Loans	77,848	110,415
Other	250	289
Total	**78,099**	**110,704**
Liabilities in disposal groups		
Deposits	26,064	30,599
Covered bonds	24,707	25,877
Total	**50,771**	**56,476**

In the table above, loans and deposits consist of loan portfolios where the Group has entered into sales agreements. As announced in July 2023, Danske Bank has entered into an agreement to sell its personal customers business Norway. The sale, which includes loans, deposits and covered bonds, is expected to close during the fourth quarter of 2024.

Assets held for sale also includes lease assets (where the Group acts as lessor) put up for sale at the end of the lease and properties taken over by the Group under non-performing loan agreements. The Group expects to sell the properties through a real estate agent within 12 months from the date of acquisition. The properties are primarily in Denmark.

G9. Other assets and Other liabilities

(DKK millions)	30 September 2024	31 December 2023
Other assets		
Accrued interest and commissions due	8,837	7,264
Prepayments, accruals and other amounts due	12,843	10,811
Defined benefit pension plan, net assets	922	806
Investment property	377	157
Tangible assets	7,221	7,418
Right of use lease assets	3,767	4,010
Holdings in associates	529	612
Total	**34,496**	**31,079**
Other liabilities		
Sundry creditors	42,161	33,005
Accrued interest and commissions due	18,908	12,902
Defined benefit pension plans, net liabilities	462	301
Other staff commitments	1,152	1,175
Lease liabilities	3,868	4,102
Loan commitments and guarantees etc.	3,110	3,161
Reserves subject to a reimbursement obligation	2	2
Provisions, including litigations	1,968	2,398
Total	**71,632**	**57,046**

In the table above, Provisions, including litigations includes customer remediation of DKK 1,365 million, regulatory and legal proceedings of DKK 4 million, restructuring costs of DKK 209 million and other provisions of DKK 390 million.

G10. Foreign currency translation reserve

As at 30 September 2024, the Group has granted loans to its branches in Sweden, Norway and Finland in the currency of the foreign unit for a total of DKK 33,182 million (31 December 2023: DKK 37,999 million). The loans are part of the net investment in those units and the foreign currency gains/losses on these loans are recognised in Other comprehensive income. The funding of the loans is partly done in DKK in order to create a so-called structural FX hedge position in accordance with banking regulations, i.e. to reduce the impact on capital ratios resulting from changes in the risk exposure amount due to changes in currency rates. The Group’s net investment in its subsidiaries Danske Hypotek AB (Sweden) and Danske Mortgage Bank Plc (Finland) is included in the structural FX hedge position to extend the hedge to the risk exposure amount measured by currency for EUR, NOK and SEK across the entire Group balance sheet, although with constraints to the size of the loans to the foreign branches and the net investments in the foreign subsidiaries. This strategy of partly hedging the sensitivity to capital ratios from volatility in foreign currency rates, increases the volatility in Other comprehensive income and the Foreign currency translation reserve in equity under IFRS since it decreases the hedge of the currency risk on the net investments in those units. As at 30 September 2024, the structural FX hedge position totalled DKK 37,257 million (31 December 2023: DKK 37,641 million) and a loss of DKK 632 million has been recognised in Other comprehensive income during the first nine months of 2024, primarily due to a weakening of SEK and NOK against DKK throughout the first nine months of 2024. For comparison, a total loss of DKK 1,397 million was recognised in Other comprehensive income during the first nine months of 2023, of which DKK 611 million was primarily due to a weakening of SEK against DKK. The remaining loss of DKK 786 million in 2023 was realised and reclassified to Other comprehensive income to the Income statement due to the adjustment made for the structural FX hedge position held in NOK, to reflect the reduction in long term risk exposure amount (REA) in NOK coming from the announced sale of personal customer business in Norway.

G11. Guarantees, commitments and contingent liabilities

Contingent liabilities consist of possible liabilities arising from past events. The existence of such liabilities will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control. Contingent liabilities that can, but are not likely to, result in an outflow of economic resources are disclosed.

The Group uses a variety of loan related financial instruments to meet customers' financial requirements. Instruments include loan offers and other credit facilities, guarantees and instruments not recognised in the balance sheet. If an instrument is likely to result in a payment obligation, a liability is recognised under Other liabilities corresponding to the present value of expected payments.

(a) Guarantees

(DKK millions)	30 September 2024	31 December 2023
Financial guarantees	17,380	4,348
Other guarantees	75,561	71,536
Total	**92,941**	**75,883**

(b) Commitments

(DKK millions)	30 September 2024	31 December 2023
Loan commitments shorter than 1 year	220,806	197,007
Loan commitments longer than 1 year	233,062	220,285
Other unutilised commitments	16,705	16,719
Total	**470,573**	**434,011**

In addition to credit exposure from lending activities, loan offers made and uncommitted lines of credit granted by the Group amounted to DKK 161 billion (31 December 2023: DKK 232 billion). These items are included in the calculation of the total risk exposure amount in accordance with the CRR.

(c) Regulatory and legal proceedings
Estonia matter
In December 2022, Danske Bank entered into final coordinated resolutions with the US Department of Justice (DoJ), the US Securities and Exchange Commission (SEC) and the Danish Special Crime Unit (SCU) following the investigations into failings and misconduct related to the non-resident portfolio at Danske Bank's former Estonia branch. The aggregate amounts payable to the US and Danish authorities were paid in January 2023. The coordinated resolutions marked the end of the criminal and regulatory investigations into Danske Bank by the authorities in Denmark and the United States.

As part of the Bank's agreement with DoJ, Danske Bank was placed on corporate probation for three years from 13 December 2022 until 13 December 2025 and Danske Bank committed to continue improving its compliance programs. Danske Bank has taken extensive remediation action to address those failings to prevent any similar occurrences, and the Bank remains in contact with DoJ as a matter of post-resolution obligations set forth in the agreement with DoJ.

The Bank has been subject to a criminal investigation by authorities in France. The Bank has cooperated with the French authorities and has reached a resolution with the French National Financial Prosecutor to settle this investigation by agreeing to pay EUR 6.33 million. As previously communicated, the coordinated resolutions reached with the US and Danish authorities in December 2022 did not include the French investigation. The resolution marks the end of the French investigation of Danske Bank. Danske Bank had posted bail in the amount of DKK 80 million in connection with the French investigation, and the financial impact of this resolution was previously provisioned for.

The civil claims filed against Danske Bank by institutional investors can be summarised to six case complexes with a current total claim amount of approximately DKK 12.8 billion. One of the case complexes has partly been referred to the Eastern High Court, while the remaining case complexes are stayed or pending before the Copenhagen City Court. The civil claims were not included in the coordinated resolutions with DoJ, SEC, and SCU. Danske Bank will continue to defend itself vigorously against these claims. The timing of completion of such civil claims (pending or threatening) and their outcome are uncertain and could be material.

Danske Bank has been procedurally notified in two claims filed against Thomas F. Borgen. Under Danish law, the purpose of a procedural notification is to make a formal reservation of rights to bring a potential claim against the notified party. The first case was dismissed in the first instance and subsequently appealed by the claimants. The original claim amount for both claims was approximately DKK 3.2 billion but has been reduced to approximately DKK 1.7 billion.

An action has been filed in the United States District Court for the Eastern District of New York against Danske Bank and others. The complaint sought unspecified punitive and compensatory damages. On 29 December 2022, the action was dismissed by the court and on 27 January 2023, the complainants filed an appeal of the dismissal. The timing of the completion of the lawsuit and the outcome are uncertain.

Other
Owing to its business volume, Danske Bank is continually a party to various other lawsuits and disputes, and has an ongoing dialogue with public authorities, such as the Danish FSA and the Danish Tax Agency on other matters. In general, Danske Bank does not expect the outcomes of any of these other pending lawsuits and disputes, or its dialogue with public authorities to have any material effect on its financial position. Provisions for litigations are included in Other liabilities, see note G9.

(d) Further explanation
A limited number of employees are employed under terms which, if they are dismissed before reaching their normal retirement age, grant them a severance and/or pension payment in excess of their entitlement under ordinary terms of employment. As the sponsoring employer, the Group is also liable for the pension obligations of a number of company pension funds.

The Group participates in the Danish Guarantee Fund and the Danish Resolution Fund. The funds' capital must amount to at least 0.8% and 1%, respectively, of the covered deposits of all Danish credit institutions by 31 December 2023.

The Danish Guarantee Fund is currently fully funded, but if the fund subsequently does not have sufficient means to make the required payments, extraordinary contributions of up to 0.5% of the individual institution's covered deposits may be required. Extraordinary contributions above this percentage require the consent of the Danish FSA.

G11. Guarantees, commitments and contingent liabilities - continued

Danske Bank A/S and Realkredit Danmark A/S make contributions to the Danish Resolution Fund based on their size and risk relative to other credit institutions in Denmark. The contribution to the Resolution Fund is recognised as operating expenses. After payment of the contribution for 2024, the Resolution Fund is fully funded. If the Resolution Fund does not have sufficient means to make the required payments, extraordinary contributions of up to three times the latest annual contributions may be required.

In addition, Danish banks participate in the Danish Restructuring Fund, which reimburses creditors if the final dividend is lower than the interim dividend in respect of banks that were in distress before 1 June 2015. Similarly, Danish banks have made payment commitments totalling DKK 1 billion to cover losses incurred by the Danish Restructuring Fund for the withdrawal of distressed banks from data centres etc. Payments to the Danish Restructuring Fund are calculated based on the individual credit institution's share of covered deposits relative to other credit institutions in Denmark. However, each institution's contribution to the Danish Restructuring Fund may not exceed 0.2% of its covered deposits.

The Group is a member of deposit guarantee schemes and other compensation schemes in Norway and the UK. As in Denmark, the contributions to the schemes in these countries are annual contributions combined with extraordinary contributions if the means of the schemes are not sufficient to cover the required payments.

Danske Bank A/S is taxed jointly with all Danish entities of Danske Bank Group and is jointly and severally liable with these for payment of Danish corporation tax and withholding tax, etc.

G12. Assets provided or received as collateral

As at 30 September 2024, the Group had deposited securities (including bonds issued by the Group) worth DKK 4.4 billion as collateral with Danish and international clearing centres and other institutions (31 December 2023: DKK 4.5 billion).

As at 30 September 2024, the Group had provided cash and securities (including bonds issued by the Group) worth DKK 81.1 billion as collateral for derivatives transactions (31 December 2023: DKK 90.6 billion).

As at 30 September 2024, the Group had registered insurance assets (including bonds and shares issued by the Group) and investment contracts worth DKK 493.8 billion (31 December 2023: DKK 443.2 billion) as collateral for policyholders' savings of DKK 461.3 billion (31 December 2023: DKK 426.0 billion).

As at 30 September 2024, the Group had registered loans at fair value and securities (including bonds issued by the Group) worth a total of DKK 764.3 billion (31 December 2023: DKK 759.6 billion) as collateral for bonds issued by Realkredit Danmark. Similarly, the Group had registered loans and other assets worth DKK 271.4 billion (31 December 2023: DKK 308.8 billion) as collateral for covered bonds issued under Danish, Finnish and Swedish law.

The table below shows assets provided as collateral for liabilities or contingent liabilities. Assets provided as collateral under repo transactions are shown separately whereas the types explained above are included in the column 'Other'.

Assets provided as collateral

	30 September 2024			31 December 2023		
(DKK millions)	**Repo**	**Other**	**Total**	**Repo**	**Other**	**Total**
Due from credit institutions	-	25,722	25,722	-	15,922	15,922
Trading and investment securities	167,183	57,947	225,130	164,189	48,326	212,514
Loans at fair value	-	758,200	758,200	-	753,277	753,277
Loans at amortised cost	-	280,906	280,906	-	340,297	340,297
Insurance assets and assets under investment contracts	-	473,589	473,589	-	420,701	420,701
Total	**167,183**	**1,596,365**	**1,763,548**	**164,189**	**1,578,522**	**1,742,711**
Own issued bonds	33,558	23,344	56,901	33,693	30,665	64,358
Total, including own issued bonds	**200,741**	**1,619,708**	**1,820,449**	**197,882**	**1,609,187**	**1,807,069**

Securities provided as collateral under agreements that entitle the counterparty to sell the securities or provide them as collateral for other loans amounted to DKK 167.2 billion as at 30 September 2024 (31 December 2023: DKK 164.2 billion).

As at 30 September 2024, the Group had received securities worth DKK 382.0 billion (31 December 2023: DKK 315.5 billion) as collateral for reverse repo transactions, securities lending, derivatives transactions and other transactions entered into on the standard terms for such transactions. As the party receiving the collateral, the Group is entitled in most cases to sell the securities or provide the securities as collateral for other loans in exchange for returning similar securities to the counterparty at the expiry of the transactions. As at 30 September 2024, the Group had sold securities or provided securities as collateral worth DKK 119.5 billion (31 December 2023: DKK 113.6 billion).

The Group also receives many other types of assets as collateral in connection with its ordinary lending activities. The Group has not received the ownership of these assets. Note G40 of the Annual Report 2023 provide more details on assets received as collateral in connection with ordinary lending activities.

G13. Fair value information for financial instruments

Financial instruments are recognised in the balance sheet at fair value or amortised cost.

	30 September 2024		31 December 2023*	
(DKK millions)	Fair value	Amortised cost	Fair value	Amortised cost
Financial assets				
Cash in hand and demand deposits with central banks	-	167,989	-	259,156
Due from credit institutions and central banks	112,311	55,663	92,985	21,829
Trading portfolio assets	514,297	-	548,189	-
Investment securities held at amortised cost	-	140,978	-	155,398
Investment securities held at fair value	125,278	-	128,516	-
Loans at amortised cost	-	915,451	-	918,628
Loans at fair value	980,599	-	928,239	-
Assets under pooled schemes and investment contracts	75,477	-	70,900	-
Insurance assets	487,983	-	460,747	-
Loans held for sale	-	77,848	-	110,415
Total	**2,295,945**	**1,357,929**	**2,229,576**	**1,465,425**
Financial liabilities				
Due to credit institutions and central banks	101,688	87,198	85,548	69,060
Trading portfolio liabilities	368,185	-	454,487	-
Deposits	99,797	1,063,918	120,213	1,101,990
Issued bonds at fair value	751,570	-	748,780	-
Issued bonds at amortised cost	-	256,454	-	214,234
Deposits under pooled schemes and investment contracts	76,467	-	71,253	-
Insurance liabilities*	55,188	-	60,136	-
Liabilities held for sale	-	50,771	-	56,476
Non-preferred senior bonds	-	86,789	-	93,194
Subordinated debt	-	37,059	-	38,774
Loan commitments and guarantees	-	3,110	-	3,161
Total	**1,452,894**	**1,585,299**	**1,540,417**	**1,576,889**

* The table above has been restated to include Insurance liabilities as at 31 December 2023 which meet the definition of financial instruments.

Insurance liabilities in the Balance sheet comprises Liabilities under insurance contracts (as defined by IFRS 17) and Other insurance-related liabilities. The table above does not include Liabilities under insurance contracts as they are measured using the General Measurement Model, Variable Fee Approach or Premium Allocation Approach as defined by IFRS 17.

Investment securities at fair value includes bonds measured at fair value through other comprehensive income, see the table on bonds in note G14. All other financial assets in the column 'Fair value' are mandatorily measured at fair value through profit or loss under IFRS 9. Except for trading portfolio liabilities, all other financial liabilities at fair value are measured at fair value through profit or loss using the fair value option.

Financial instruments at amortised cost

The liquidity portfolio managed by Group Treasury includes different portfolios with different business models (see note G13 in Annual Report 2023 for further description of business models). Bonds held within a business model for the purpose of collecting contractual cash flows (hold to collect) and with cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost. For bonds classified as hold-to-collect, amortised cost exceeded fair value as of 30 September 2024 with DKK 3,669 million (31 December 2023: DKK 6,489 million). This portfolio mainly contains Danish mortgage bonds and central and local government bonds and has a weighted average rating factor of 4.2, following Moody's numerical rating factor to scale, which corresponds to a strong Aa1 rating. The interest rate risk duration for the portfolio is 2.9 years. Without any reinvestments, respectively 33%, 46% and 21% of this portfolio will reach maturity within a period of 1 year, between 1 to 5 years, and after 5 years. The difference between amortised cost and fair value has reduced significantly during the third quarter of 2024 due to a decrease in market interest rate levels. The difference is now less than 3% of the amount invested and held at amortised cost. Note G33 in Annual Report 2023 provides information on the difference between the carrying amount and the fair value of financial instruments recognised at amortised cost.

Financial instruments at fair value

Note G33(a) of the Annual Report 2023 provides more information about fair value calculation methods for financial instruments.

Financial instruments valued on the basis of quoted prices in an active market are recognised in the Quoted prices category. Financial instruments valued substantially on the basis of other observable input are recognised in the Observable input category. This category covers instruments such as derivatives valued on the basis of observable yield curves and exchange rates and illiquid mortgage bonds valued by reference to the value of similar, liquid bonds. Other financial instruments valued substantially on the basis of non-observable input are recognised in the Non-observable input category. This category covers instruments such as unlisted shares, some unlisted bonds and a very limited portion of the derivatives portfolio.

If, at the balance sheet date, a financial instrument's classification differs from its classification at the beginning of the year, the classification of the instrument changes. Changes are considered to have taken place at the balance sheet date. Developments in the financial markets have resulted in reclassification between the categories. Some bonds have become illiquid and have therefore been moved from the Quoted prices to the Observable input category, while other bonds have become liquid and have been moved from the Observable input to the Quoted prices category. The amounts transferred are insignificant.

G13. Fair value information for financial instruments – continued

Financial instruments at fair value

(DKK millions)	Quoted prices	Observable input	Non-observable input	Total
30 September 2024				
Financial assets				
Due from credit institutions and central banks	-	112,311	-	112,311
Derivatives	10,220	264,198	2,510	276,928
Trading portfolio bonds	158,792	22,275	-	181,067
Trading portfolio shares	56,139	-	162	56,301
Investment securities, bonds	102,689	22,089	-	124,778
Investment securities, shares	-	-	500	500
Loans at fair value	-	980,599	-	980,599
Assets under pooled schemes and investment contracts	75,477	-	-	75,477
Insurance assets, bonds	169,203	40,386	3,211	212,800
Insurance assets, shares	192,642	5,654	35,124	233,420
Insurance assets, derivatives	946	40,119	698	41,763
Total	**766,108**	**1,487,631**	**42,205**	**2,295,945**
Financial liabilities				
Due to credit institutions and central banks	-	101,688	-	101,688
Derivatives	11,458	234,750	2,527	248,735
Obligations to repurchase securities	117,084	2,366	-	119,450
Deposits	-	99,797	-	99,797
Issued bonds at fair value	751,570	-	-	751,570
Deposits under pooled schemes and investment contracts	-	76,467	-	76,467
Insurance Liabilities	467	54,176	544	55,187
Total	**880,579**	**569,244**	**3,071**	**1,452,894**

(DKK millions)	Quoted prices	Observable input	Non-observable input	Total
31 December 2023				
Financial assets				
Due from credit institutions and central banks	-	92,985	-	92,985
Derivatives	6,723	343,134	1,865	351,722
Trading portfolio bonds	168,031	9,532	-	177,563
Trading portfolio shares	18,785	-	119	18,904
Investment securities, bonds	100,554	27,470	-	128,023
Investment securities, shares	-	-	493	493
Loans at fair value	-	928,239	-	928,239
Assets under pooled schemes and investment contracts	70,900	-	-	70,900
Insurance assets, bonds	189,297	22,318	2,458	214,073
Insurance assets, shares	153,310	5,121	34,755	193,186
Insurance assets, derivatives	141	52,436	911	53,488
Total	**707,741**	**1,481,235**	**40,601**	**2,229,576**
Financial liabilities				
Due to credit institutions and central banks	-	85,548	-	85,548
Derivatives	7,360	331,954	1,604	340,918
Obligations to repurchase securities	111,657	1,853	59	113,569
Deposits	-	120,213	-	120,213
Issued bonds at fair value	748,780	-	-	748,780
Deposits under pooled schemes and investment contracts	-	71,253	-	71,253
Insurance liabilities*	-	58,976	1,160	60,136
Total	**867,797**	**669,797**	**2,823**	**1,540,417**

* The table above has been restated to include Insurance liabilities as at 31 December 2023 which meet the definition of financial instruments.

G13. Fair value information for financial instruments – continued

Financial instruments in level 3 (Unobservable inputs)

Financial instruments valued on the basis of unobservable inputs

		Sensitivity (change in fair value)		Gains/losses for the period	
(DKK millions)	Carrying amount	Increase	Decrease	Realised	Unrealised
30 September 2024					
Unlisted shares allocated to insurance contract policyholders	35,124	-	-	1,642	-1,203
Unlisted shares other	662	66	66	85	10
Illiquid bonds	3,211	64	64	-	-221
Derivatives, net fair value	137	-	-	-	301
31 December 2023*					
Unlisted shares allocated to insurance contract policyholders	34,755	-	-	522	-522
Unlisted shares other	553	55	55	302	-160
Illiquid bonds	2,458	56	56	2	-152
Derivatives, net fair value	12	-	-	-	1,102

* The table above has been restated to include Insurance liabilities as at 31 December 2023 which meet the definition of financial instruments.

For unlisted shares allocated to insurance contract policyholders, the policyholders assume most of the risk on the shares. Therefore, changes in the fair value of those shares will only to a limited extent affect the Group's net profit. The Group's remaining portfolio of unlisted shares consists primarily of banking-related investments and holdings in private equity funds. The sensitivity of the fair value measurement to changes in the unobservable input disclosed in the table is calculated as a 10% increase or 10% decrease in fair value. Under current market conditions, a 10% decrease in the fair value is considered to be below a possible alternative estimate of the fair value at the end of the period. The unrealised adjustments in the nine months ended 30 September 2024 were attributable to various unlisted shares.

The estimated fair value of illiquid bonds depends significantly on the estimated credit spread. In the table, the sensitivity of the fair value measurement to changes in non-observable input is calculated as a 50bps widening or narrowing of the credit spread.

A substantial number of derivatives valued on the basis of non-observable input are hedged by similar derivatives or are used for hedging the credit risk on bonds also valued on the basis of non-observable input. Changing one or more of the non-observable inputs to reflect reasonable, possible alternative assumptions would not change the fair value of the derivatives significantly above what is already covered by the reserve related to fair value adjustment for model risk.

Reconciliation from beginning to end of period

	30 September 2024			31 December 2023		
(DKK millions)	Shares	Bonds	Derivatives	Shares	Bonds	Derivatives
Fair value at 1 January	35,308	2,458	12	48,292	3,369	-1,084
Value adjustment through profit or loss	534	-221	301	142	-150	1,102
Acquisitions	9,370	271	-82	3,152	161	-250
Sale and redemption	-9,426	-18	-35	-16,278	-922	-125
Transferred from quoted prices and observable input	-	721	-	-	-	295
Transferred to quoted prices and observable input	-	-	-58	-	-	74
Fair value end of period	**35,786**	**3,211**	**137**	**35,308**	**2,458**	**12**

The value adjustment through profit or loss is recognised under Net trading income or loss. The transfer of derivatives to the Observable input category consists primarily of maturity reductions, implying that the yield curves have become observable.

G14. Risk management notes

The consolidated financial statements for 2023 provide a detailed description of the Group's risk management practices.

Breakdown of credit exposure

(DKK billions) 30 September 2024	Total	Lending activities	Counterparty credit risk	Trading and investment securities	Customer-funded investments
Balance sheet items					
Demand deposits with central banks	161.1	161.1	-	-	-
Due from credit institutions and central banks	168.0	55.7	112.3	-	-
Trading portfolio assets	514.3	-	276.9	237.4	-
Investment securities	266.3	-	-	266.3	-
Loans at amortised cost	915.5	915.5	-	-	-
Loans at fair value	980.6	758.2	222.4	-	-
Assets under pooled schemes and investment contracts	75.5	-	-	-	75.5
Insurance assets	526.5	-	-	-	526.5
Assets held for sale	77.8	77.8	-	-	-
Off-balance-sheet items					
Guarantees	92.9	92.9	-	-	-
Loan commitments shorter than 1 year	220.8	220.8	-	-	-
Loan commitments longer than 1 year	233.1	233.1	-	-	-
Other unutilised commitments	16.7	-	-	-	16.7
Total	**4,249.1**	**2,515.1**	**611.6**	**503.7**	**618.7**

(DKK billions) 31 December 2023*	Total	Lending activities	Counterparty credit risk	Trading and investment securities	Customer-funded investments
Balance sheet items					
Demand deposits with central banks	252.7	252.7	-	-	-
Due from credit institutions and central banks	114.8	21.8	93.0	-	-
Trading portfolio assets	548.2	-	351.7	196.5	-
Investment securities	283.9	-	-	283.9	-
Loans at amortised cost	918.6	918.6	-	-	-
Loans at fair value	928.2	753.3	175.0	-	-
Assets under pooled schemes and investment contracts	70.9	-	-	-	70.9
Insurance assets	496.0	-	-	-	496.0
Assets held for sale	110.4	110.4	-	-	-
Off-balance-sheet items					
Guarantees	75.9	75.9	-	-	-
Loan commitments shorter than 1 year	197.0	197.0	-	-	-
Loan commitments longer than 1 year	220.3	220.3	-	-	-
Other unutilised commitments	16.7	-	-	0.1	16.6
Total	**4,233.8**	**2,550.1**	**619.7**	**480.5**	**583.6**

* With effect from 1 January 2024, Non-core ceased to exist as a separate segment. Credit exposure as at 31 December 2023 previously reported under Non-core has been reclassified, and comparatives have been restated to reflect this change.

In addition to credit exposure from lending activities, Danske Bank had made uncommitted loan offers and granted uncommitted lines of credit of DKK 161 billion at 30 September 2024 (31 December 2023: DKK 232 billion). These items are included in the calculation of the total risk exposure amount in accordance with the Capital Requirements Directive.

Credit exposure

Credit exposure from lending activities
Credit exposure from lending activities in the Group's banking business includes loans, amounts due from credit institutions and central banks, guarantees and irrevocable loan commitments. The exposure is measured net of expected credit losses and includes repo loans at amortised cost. For reporting purposes, all collateral values are net of haircuts and capped at the exposure amount.

The Group's definition of default for accounting aligns with the regulatory purposes. All exposures in stage 3 are considered default. This includes all non-performing loans. A small amount of credit exposure in stage 3 can be found outside default. This is due to impairment staging being updated monthly (after each month-end), whereas default is updated daily. For the same reason, some credit exposure in default is outside stage 3. The stage 3 coverage ratio is 73 % (31 December 2023: 75%).

For further details about the Group's credit risk management and the use of information on expected credit losses for risk management purposes, see Risk Management 2023.

Credit portfolio broken down by rating category and stages
The table below breaks down the credit exposure by rating categories and stages. Further information on classification of customers can be found on page 181 in Annual report 2023.

Credit exposure – continued

Credit exposure broken down by rating categories

(DKK billions)	PD level		Gross exposure			Expected credit loss			Net exposure			Net exposure, ex collateral		
30 September 2024	Upper	Lower	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
1	-	0.01	98.0	0.1	-	-	-	-	98.0	0.1	-	79.2	-	-
2	0.01	0.03	271.0	0.3	-	-	-	-	271.0	0.3	-	160.4	-	-
3	0.03	0.06	554.3	2.2	-	0.1	-	-	554.2	2.1	-	280.0	1.8	-
4	0.06	0.14	613.8	2.5	-	0.2	-	-	613.6	2.5	-	273.8	1.5	-
5	0.14	0.31	432.0	6.9	0.1	0.4	0.1	-	431.6	6.8	0.1	147.8	4.4	-
6	0.31	0.63	284.7	37.8	-	0.6	0.6	-	284.1	37.2	-	81.4	16.1	-
7	0.63	1.90	90.3	42.0	0.1	1.2	1.7	0.1	89.1	40.3	-	30.5	13.6	-
8	1.90	7.98	12.3	27.6	0.1	0.8	2.3	0.1	11.5	25.3	-	3.4	5.9	-
9	7.98	25.70	0.9	4.7	-	-	0.7	-	0.9	4.0	-	0.1	1.1	-
10	25.70	99.99	0.5	19.6	1.8	-	2.0	0.3	0.5	17.5	1.5	0.1	6.6	-
11 (default)	100.00	100.00	0.8	1.4	29.5	0.3	-	8.5	0.5	1.4	21.0	-	0.1	3.3
Total			2,358.7	145.0	31.7	3.6	7.5	9.1	2,355.0	137.4	22.6	1,056.7	51.2	3.3

(DKK billions)	PD level		Gross exposure			Expected credit loss			Net exposure			Net exposure, ex collateral		
31 December 2023*	Upper	Lower	Stage1	Stage2	Stage3	Stage1	Stage2	Stage3	Stage1	Stage2	Stage3	Stage1	Stage2	Stage3
1	-	0.01	127.8	0.1	-	-	-	-	127.8	0.1	-	108.9	-	-
2	0.01	0.03	288.1	0.3	-	-	-	-	288.1	0.3	-	178.3	-	-
3	0.03	0.06	537.9	0.7	-	0.1	-	-	537.8	0.6	-	263.2	0.4	-
4	0.06	0.14	607.8	1.9	-	0.2	-	-	607.6	1.9	-	274.9	0.5	-
5	0.14	0.31	434.8	8.1	0.1	0.4	-	-	434.5	8.0	0.1	136.5	5.5	-
6	0.31	0.63	290.0	36.9	0.1	0.7	0.6	-	289.3	36.3	0.1	87.2	18.7	-
7	0.63	1.90	92.3	47.3	0.1	1.2	1.9	-	91.1	45.3	0.1	27.9	17.7	-
8	1.90	7.98	12.2	28.1	0.4	0.9	2.8	-	11.3	25.2	0.4	1.7	6.3	0.2
9	7.98	25.70	1.0	4.8	-	-	1.0	-	1.0	3.8	-	0.2	1.0	-
10	25.70	99.99	0.6	14.8	1.3	-	1.0	0.5	0.6	13.8	0.8	0.2	3.7	0.5
11 (default)	100.00	100.00	0.6	1.5	30.7	-	-	8.6	0.6	1.5	22.1	0.4	0.2	2.2
Total			2,393.3	144.2	32.7	3.6	7.5	9.1	2,389.7	136.7	23.6	1,079.4	54.1	3.0

* With effect from 1 January 2024, Non-core ceased to exist as a separate segment. Credit exposure as at 31 December 2023 previously reported under Non-core has been reclassified, and comparatives have been restated to reflect this change.

Credit exposure – continued

Credit portfolio broken down by industry (NACE) and stages
The table below breaks down credit exposure by industry. The industry segmentation is based on the classification principles of the Statistical Classification of Economic Activities in the European Community (NACE) standard that has been adapted to the Group's business risk approach used for the active management of the credit portfolio.

Credit exposure broken down by industry

(DKK billions)	Gross exposure			Expected credit loss			Net exposure			Net exposure, ex collateral		
30 September 2024	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**
Public institutions	230.0	1.4	0.3	-	-	-	230.0	1.4	0.2	228.0	-	-
Financials	154.5	2.8	1.1	-	0.1	0.2	154.4	2.8	0.9	136.5	2.1	0.6
Agriculture	52.7	5.6	1.8	0.3	0.7	0.5	52.3	4.9	1.3	12.7	1.5	-
Automotive	24.1	3.8	0.3	-	0.2	0.1	24.1	3.5	0.1	17.9	1.7	-
Capital goods	89.4	12.0	1.0	0.3	0.4	0.5	89.1	11.6	0.6	78.9	9.4	0.2
Commercial property*	263.2	30.8	4.2	0.7	1.5	1.0	262.5	29.2	3.2	38.2	4.2	0.5
Construction and building materials	42.2	8.5	1.7	0.4	1.0	0.8	41.8	7.5	0.8	30.3	3.7	0.4
Consumer goods	76.0	8.3	1.2	-	0.5	0.4	76.0	7.8	0.9	61.5	5.2	0.2
Hotels, restaurants and leisure	12.6	1.3	0.7	-	-	0.2	12.6	1.3	0.5	3.2	0.3	0.1
Metals and mining	16.9	2.9	-	-	-	-	16.9	2.9	-	14.2	2.2	-
Other commercials	2.8	0.4	0.4	0.1	-	0.1	2.7	0.4	0.2	-	0.1	-
Pharma and medical devices	54.6	0.7	-	-	-	-	54.6	0.7	-	51.3	0.5	-
Private housing co-ops and non-profit associations	197.3	3.5	0.5	0.1	0.1	0.1	197.3	3.3	0.4	25.7	0.4	-
Pulp, paper and chemicals	43.6	2.8	0.6	-	0.1	0.2	43.6	2.6	0.4	31.7	1.5	0.1
Retailing	27.3	4.9	2.0	0.1	0.4	0.6	27.3	4.5	1.4	17.2	3.6	0.7
Services	68.2	9.6	1.1	0.2	0.5	0.4	68.0	9.1	0.7	55.6	7.6	0.3
Shipping, oil and gas	39.0	1.5	1.5	-	0.1	0.2	39.0	1.4	1.3	22.6	0.3	0.2
Social services	29.1	1.3	0.3	-	0.1	0.1	29.1	1.3	0.2	12.4	0.8	-
Telecom and media	23.1	1.3	1.3	-	0.1	0.7	23.1	1.3	0.6	17.4	1.1	0.1
Transportation	40.2	2.5	1.2	-	0.1	0.3	40.2	2.4	0.9	32.4	0.6	-
Utilities and infrastructure	83.4	0.7	-	-	-	-	83.3	0.7	-	63.5	0.6	-
Personal customers	788.6	38.3	10.4	1.2	1.5	2.6	787.4	36.8	7.8	105.5	3.7	-
Total	**2,358.7**	**145.0**	**31.7**	**3.6**	**7.5**	**9.1**	**2,355.0**	**137.4**	**22.6**	**1,056.7**	**51.2**	**3.3**

*As at 30 September 2024, DKK 143 billion of the net exposure in Commercial property is towards residential assets.

As at 30 September 2024, oil and gas exposures (within the Shipping, oil and gas industry) represent a gross exposure of DKK 19.9 billion (31 December 2023: DKK 18.1 billion) and expected credit losses of DKK 0.1 billion (31 December 2023: DKK 0.3 billion). Those exposures represent the majority of the exposures in stage 3 within the Shipping, oil and gas industry at the end of September 2024.

Credit exposure – continued

(DKK billions)	Gross exposure			Expected credit loss			Net exposure			Net exposure, ex collateral		
31 December 2023*	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Public institutions	298.6	1.0	0.3	-	-	-	298.6	1.0	0.3	295.9	-	-
Financials	150.0	3.4	0.4	0.1	0.1	0.1	149.9	3.3	0.2	131.7	2.7	0.2
Agriculture	54.8	4.6	2.2	0.3	0.7	0.6	54.5	3.9	1.7	13.1	0.9	-
Automotive	24.9	2.5	0.3	-	0.1	0.1	24.9	2.4	0.1	19.9	1.1	-
Capital goods	82.7	13.3	1.2	0.1	0.3	0.5	82.6	13.0	0.7	74.3	10.9	0.3
Commercial property**	258.0	32.4	4.7	0.8	1.8	0.9	257.3	30.6	3.8	28.8	4.7	0.4
Construction and building materials	42.8	6.5	2.1	0.3	1.0	0.9	42.5	5.6	1.2	30.3	2.8	0.5
Consumer goods	67.5	8.3	1.3	0.1	0.4	0.5	67.4	7.8	0.9	53.5	5.6	0.2
Hotels, restaurants and leisure	12.7	1.8	0.7	-	0.1	0.2	12.7	1.8	0.5	3.0	0.5	0.1
Metals and mining	14.6	1.2	-	-	-	-	14.6	1.2	-	12.6	0.9	-
Other commercials	11.6	0.3	0.3	0.1	-	0.1	11.5	0.3	0.2	7.9	0.1	-
Pharma and medical devices	44.1	2.9	-	-	-	-	44.0	2.9	-	40.6	2.5	-
Private housing co-ops and non-profit associations	191.1	4.5	0.6	0.1	0.3	0.2	191.1	4.2	0.5	22.6	1.0	0.1
Pulp, paper and chemicals	40.7	3.7	0.9	-	0.1	0.2	40.7	3.6	0.7	29.4	2.6	0.3
Retailing	27.7	5.2	1.9	0.1	0.3	0.7	27.6	4.9	1.2	17.6	3.8	0.5
Services	63.4	7.6	1.0	0.2	0.3	0.4	63.2	7.3	0.6	51.3	5.9	0.3
Shipping, oil and gas	36.3	1.9	2.4	-	0.1	0.4	36.3	1.9	2.0	20.4	0.6	-
Social services	29.5	1.3	0.3	-	0.1	0.1	29.4	1.2	0.2	13.0	0.7	-
Telecom and media	23.7	0.8	1.7	-	0.1	0.7	23.7	0.7	0.9	18.4	0.6	-
Transportation	15.6	2.1	0.4	-	0.1	0.1	15.6	2.0	0.3	7.2	0.7	-
Utilities and infrastructure	84.0	1.3	-	-	-	-	84.0	1.3	-	62.2	1.2	-
Personal customers	819.0	37.7	10.2	1.4	1.6	2.5	817.5	36.1	7.7	125.5	4.2	-
Total	**2,393.3**	**144.2**	**32.7**	**3.6**	**7.5**	**9.1**	**2,389.7**	**136.7**	**23.6**	**1,079.4**	**54.1**	**3.0**

* With effect from 1 January 2024, Non-core ceased to exist as a separate segment. Credit exposure as at 31 December 2023 previously reported under Non-core has been reclassified, and comparatives have been restated to reflect this change.
** As at 31 December 2023, DKK 139 billion of the net exposure in Commercial property is towards residential assets.

Credit exposure – continued

Collateral
The Group uses a number of measures to mitigate credit risk, including collateral, guarantees and covenants. The main method is obtaining collateral. In Annual Report 2023, a table showing collateral by type (after haircut) is included. The mitigating effect from collateral at the end of September 2024 can be found as the difference between the columns 'Net exposure' and 'Net exposure, ex collateral' and amounted to DKK 1403.8 billion at 30 September 2024 (31 December 2023: DKK 1,413.5 billion).

The table below breaks down credit exposure by business unit and underlying segment.

Credit exposure by business unit

(DKK billions)	Gross exposure			Expected credit loss			Net exposure			Net exposure, ex collateral		
30 September 2024	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Personal Customers												
Personal Customers Denmark	431.8	20.1	6.3	0.8	1.0	1.4	431.0	19.1	4.9	53.8	1.5	-
Personal Customers Sweden	99.6	3.2	0.5	0.1	0.2	0.1	99.6	3.0	0.4	28.9	0.5	-
Personal Customers Finland	75.7	5.5	2.0	0.1	0.2	0.6	75.6	5.3	1.4	4.4	0.3	-
Personal Customers Norway	89.9	3.7	0.4	-	0.1	0.1	89.9	3.7	0.3	8.5	0.4	-
Global Private Banking	71.9	3.2	0.7	-	0.1	0.3	71.9	3.1	0.5	12.1	0.6	-
Personal Customers Other	-	0.1	-	-	-	-	-	0.1	-	-	0.1	-
Total Personal Customers	**769.0**	**35.7**	**9.8**	**1.1**	**1.5**	**2.4**	**767.8**	**34.2**	**7.4**	**107.6**	**3.3**	**-**
Business Customers												
Asset Finance	49.0	10.4	2.6	0.1	0.3	0.7	48.9	10.0	1.9	17.3	2.3	-
Business Customers	313.2	35.3	10.8	1.2	3.1	3.9	312.0	32.3	6.9	101.4	12.4	0.9
Commercial Real Estate	317.0	24.9	1.2	0.4	0.9	0.3	316.6	24.0	0.9	51.1	3.5	0.1
Business Customers Other	0.4	-	-	-	-	-	0.4	-	-	0.4	-	-
Total Business Customers	**679.5**	**70.6**	**14.6**	**1.7**	**4.3**	**4.9**	**677.8**	**66.3**	**9.6**	**170.1**	**18.2**	**1.0**
Large Corporates & Institutions	**649.8**	**35.0**	**5.7**	**0.6**	**1.6**	**1.3**	**649.2**	**33.4**	**4.4**	**571.5**	**29.2**	**2.3**
Northern Ireland	**105.6**	**3.5**	**1.6**	**0.3**	**0.1**	**0.5**	**105.3**	**3.4**	**1.1**	**55.0**	**0.4**	**-**
Group Functions	**154.8**	**0.1**	**-**	**-**	**-**	**-**	**154.8**	**0.1**	**-**	**152.4**	**0.1**	**-**
Total	**2,358.7**	**145.0**	**31.7**	**3.6**	**7.5**	**9.1**	**2,355.0**	**137.4**	**22.6**	**1,056.7**	**51.2**	**3.3**

Credit exposure – continued

	Gross exposure			Expected credit loss			Net exposure			Net exposure, ex collateral		
31 December 2023*	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 1**	**Stage 2**	**Stage 3**
Personal Customers												
Personal Customers Denmark	424.0	18.6	6.2	1.0	0.9	1.3	423.0	17.7	4.9	49.4	1.8	-
Personal Customers Sweden	101.8	2.9	0.3	0.1	0.2	0.1	101.7	2.7	0.3	32.1	0.4	-
Personal Customers Finland	76.9	5.6	1.9	0.2	0.2	0.6	76.7	5.4	1.3	4.2	0.2	-
Personal Customers Norway	125.9	4.3	0.5	-	0.1	0.1	125.8	4.2	0.4	30.1	0.7	-
Global Private Banking	76.5	3.1	0.7	-	0.1	0.2	76.4	3.0	0.5	16.2	1.0	-
Personal Customers Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Personal Customers	**805.0**	**34.6**	**9.6**	**1.3**	**1.6**	**2.4**	**803.7**	**33.0**	**7.3**	**132.1**	**4.1**	**-**
Business Customers												
Asset Finance	52.7	9.4	1.4	0.1	0.5	0.5	52.6	8.8	0.9	19.5	1.6	-
Business Customers	309.6	36.8	10.4	1.1	3.0	3.7	308.5	33.8	6.7	93.3	13.8	0.6
Commercial Real Estate	308.0	24.9	2.3	0.4	1.1	0.3	307.6	23.8	2.0	44.8	3.9	0.1
Business Customers Other	0.4	-	0.1	-	-	-	0.4	-	0.1	0.4	-	-
Total Business Customers	**670.6**	**71.1**	**14.2**	**1.6**	**4.7**	**4.5**	**669.0**	**66.4**	**9.7**	**158.0**	**19.3**	**0.6**
Large Corporates & Institutions	**595.9**	**33.8**	**6.9**	**0.4**	**1.1**	**1.8**	**595.5**	**32.7**	**5.1**	**511.5**	**29.8**	**2.1**
Northern Ireland	**89.4**	**4.7**	**1.9**	**0.3**	**0.1**	**0.4**	**89.1**	**4.6**	**1.5**	**48.1**	**0.8**	**0.2**
Group Functions**	**232.3**	**0.1**	**-**	**-**	**-**	**-**	**232.3**	**0.1**	**-**	**229.7**	**-**	**-**
Total	**2,393.3**	**144.2**	**32.7**	**3.6**	**7.5**	**9.1**	**2,389.7**	**136.7**	**23.6**	**1,079.4**	**54.1**	**3.0**

* Personal Customers Sweden, Personal Customers Finland and Personal Customers Norway are new sub-segments in Personal Customers in 2024. Comparatives have been reclassified. There is no change to total credit exposure for Personal Customers as at 31 December 2023.
** With effect from 1 January 2024, Non-core ceased to exist as a separate segment, and became a new sub-segment of Group Functions. Credit exposure as at 31 December 2023 previously reported under Non-core has been reclassified to Group Functions.

Credit exposure – continued

Exposures subject to forbearance measures
The Group adopts forbearance plans to assist customers in financial difficulty. Concessions granted to customers include interest-reduction schedules, interest-only schedules, temporary payment holidays, term extensions, cancellation of outstanding fees, waiver of covenant enforcement and debt forgiveness. Forbearance plans must comply with the Group's Credit Policy. They are used as an instrument to retain long-term business relationships during economic downturns if there is a realistic possibility that the customer will be able to meet its obligations again or are used for minimising losses in the event of default.

If it proves impossible to improve the customer's financial situation by forbearance measures, the Group will consider whether to subject the customer's assets to a forced sale or whether the assets could be realised later at higher net proceeds. At the end of the first nine months of 2024, the Group had recognised properties taken over in Denmark at a carrying amount of DKK 16 million (2023: DKK 17 million), and there were no properties taken over in other countries (2023: DKK 0 million). The properties are held for sale and included under Assets held for sale in the balance sheet.

The Group applies the European Banking Authority's (the EBA's) definition of loans subject to forbearance measures. The EBA definition states that a probation period of a minimum of two years must pass from the date when forborne exposures are considered to be performing again. Forbearance measures lead to changes in staging for impairment purposes, and impairments relating to forborne exposures are handled according to the principles described in note G15 in Annual Report 2023.

Exposures subject to forbearance measures

(DKK millions)	30 September 2024	31 December 2023
Stage 1	227	297
Stage 2	7,477	5,279
Stage 3	7,446	7,023
Total	**15,150**	**12,598**

Credit exposure - continued

Allowance account broken down by stage

(DKK millions)	Stage 1	Stage 2	Stage 3*	Total
ECL allowance account as at 1 January 2023	3,273	8,082	8,290	19,645
Transferred to stage 1 during the period	2,023	-1,924	-99	-
Transferred to stage 2 during the period	-198	487	-289	-
Transferred to stage 3 during the period	-19	-355	374	-
ECL on new assets	492	843	867	2,201
ECL on assets derecognised	-391	-957	-811	-2,160
Impact of net remeasurement of ECL (incl. changes in models)	-1,781	1,779	685	682
Write-offs debited to the allowance account	-2	-	-318	-320
Foreign exchange adjustments	-29	-85	-37	-152
Other changes	-1	-1	12	11
ECL allowance account as at 30 September 2023	**3,366**	**7,868**	**8,673**	**19,907**
ECL allowance account as at 1 January 2024	3,592	7,486	9,062	20,140
Transferred to stage 1 during the period	984	-894	-90	-
Transferred to stage 2 during the period	-243	516	-273	-
Transferred to stage 3 during the period	-22	-343	364	-
ECL on new assets	452	1,285	880	2,617
ECL on assets derecognised	-400	-1,175	-652	-2,228
Impact of net remeasurement of ECL (incl. changes in models)	-695	713	71	89
Write-offs debited to the allowance account	-9	-	-267	-276
Foreign exchange adjustments	-15	-63	-23	-101
Other changes	1	-11	-6	-16
ECL allowance account as at 30 September 2024	**3,645**	**7,512**	**9,068**	**20,225**

* With effect from 1 January 2024, Non-core ceased to exist as a separate segment. The allowance account in 2023 previously reported under Non-core has been reclassified, and comparatives have been restated to reflect this change.

Allowance account broken down by segment

(DKK millions)	Personal Customers	Business Customers	Large Corporates & Institutions	Northern Ireland	Group Functions*	Total
ECL allowance account as at 1 January 2023	5,427	10,235	3,050	863	70	19,645
ECL on new assets	387	1,343	421	58	-7	2,201
ECL on assets derecognised	-547	-1,531	-41	-33	-8	-2,160
Impact on remeasurement of ECL (incl. change in models)	201	677	-47	-121	-28	682
Write-offs debited to allowance account	-134	-142	-33	-11	1	-320
Foreign currency translation	-25	-109	-42	25	-1	-152
Other changes	-16	20	8	1	-2	11
ECL allowance account as at 30 September 2023	**5,291**	**10,494**	**3,315**	**781**	**25**	**19,907**
ECL allowance account as at 1 January 2024	5,306	10,705	3,308	794	27	20,140
ECL on new assets	346	1,457	672	140	1	2,617
ECL on assets derecognised	-554	-1,575	-56	-40	-2	-2,228
Impact on remeasurement of ECL (incl. change in models)	21	594	-408	-115	-3	89
Write-offs debited to allowance account	-95	-130	-40	-12	-	-276
Foreign currency translation	-21	-95	-16	33	-1	-101
Other changes	6	-8	-13	-	-1	-16
ECL allowance account as at 30 September 2024	**5,008**	**10,948**	**3,447**	**801**	**20**	**20,225**

* With effect from 1 January 2024, Non-core ceased to exist as a separate segment. The allowance account in 2023 previously reported under Non-core has been reclassified, and comparatives have been restated to reflect this change.

The method used for calculating expected credit losses is described in detail in note G15 of the Annual Report 2023.

Credit exposure - continued

Forward-looking information
The incorporation of forward-looking information reflects the expectations of the Group's senior management and involves both macroeconomic scenarios (base case, upside and downside scenarios), including an assessment of the probability for each scenario, and post-model adjustments. The purpose of using multiple scenarios is to model the non-linear impact of assumptions about macroeconomic factors on the expected credit losses. Post-model adjustments are used to capture specific risks which are not fully covered by the macroeconomic scenarios, as well as the process related risk, which could lead to an underestimation of the expected credit losses.

Macroeconomic scenarios
The forward-looking information is based on a three-year forecast period converging to steady state in year seven. That is, after the forecast period, the macroeconomic scenarios revert slowly towards a steady state.

The applied scenarios that drive the expected credit loss calculation in the first nine months of 2024 have been updated with the latest macroeconomic data. For the Nordic markets overall compared to the end of 2023, the base case and upside scenarios have been revised to reflect expectations of lower inflation, improved house prices and decreasing interest rates. There are however slight deviations within individual Nordic countries' expectations for inflation and interest rates.

The base case is an extension of the Group's official view of the Nordic economies (the Nordic Outlook report). At 30 September 2024, the base case scenario reflects a soft landing with economic growth moving toward normalised levels. Inflation is coming down and reductions in interest rates are expected during 2024-2025. The Nordic property markets have generally recovered, and modest price increases are expected.

The upside scenario represents a slightly better outlook than the base case scenario across the macroeconomic parameters. In this scenario, it is predominantly the European businesses' profit margins and not prices that absorb the adjustment to higher wage costs and inflation returns more sustainably to target than in the base case. Central banks no longer hesitate to cut interest rates and all Nordic central banks loosen policies a bit quicker than in the base case. This boosts consumer sentiment, increasing private consumption and strengthening the housing market.

The downside scenario is a severe recession with high interest rates scenario (reflecting a stagflation scenario) applied in the Group's ICAAP processes, which is similar in nature to regulatory stress tests. The severe recession scenario reflects negative growth, increasing interest rates, and falling property prices for a longer period. The use of the downside scenario was introduced to better capture the elevated risk from high interest rates and high inflation. A trigger of the economic setback could be continued macroeconomic worsening and challenges linked to high business costs while inflation remains elevated. This adversely impacts the labour market and results in higher and more persistent unemployment. This would lead to a severe slowdown in the economies in which the Group is represented.

The scenario weighting is unchanged from 2023. The weight on the base case scenario is 60% (60% in 2023), the upside scenario is weighted 20% (20% in 2023), and the downside scenario is weighted 20% (20% in 2023).

The main macroeconomic parameters in the base case, upside and downside scenario entering into the ECL calculation for the forecast horizon across the Group's Nordic markets are included below.

Credit exposure – continued

Macroeconomic scenarios

30 September 2024	Base-case			Downside			Upside		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Denmark									
GDP	1.8	2.0	1.7	-3.4	-2.0	-	1.8	2.3	1.9
Unemployment	2.9	3.1	3.2	6.4	7.4	7.8	2.9	3.0	3.1
Inflation	1.6	2.0	1.8	4.0	3.0	2.0	1.5	1.5	1.8
Property prices - Residential	4.0	2.5	2.3	-19.7	-11.0	-6.0	4.0	4.5	4.3
Interest rate - 3 month	3.1	2.6	2.2	5.0	5.0	3.0	2.9	2.2	2.2
Sweden									
GDP	1.2	2.4	1.8	-3.5	-3.4	-1.0	1.2	2.7	2.2
Unemployment	8.4	8.2	7.8	9.8	10.7	11.1	8.4	8.1	7.6
Inflation	2.8	0.6	1.5	4.9	3.9	2.9	2.7	0.1	1.4
Property prices - Residential	3.5	5.0	3.0	-22.0	-13.0	-7.0	3.5	7.0	5.0
Interest rate - 3 month	2.6	2.1	2.1	5.7	5.7	3.7	2.4	2.1	2.1
Norway									
GDP	0.7	2.0	2.5	-2.7	-1.1	0.6	0.7	2.3	2.7
Unemployment	2.1	2.4	2.5	5.5	6.4	6.5	2.1	2.3	2.4
Inflation	3.7	2.4	2.0	4.5	3.0	2.0	3.7	2.1	1.9
Property prices - Residential	3.3	6.9	7.9	-19.0	-13.0	-7.0	3.3	7.9	9.9
Interest rate - 3 month	4.7	3.5	2.5	6.3	6.3	4.3	4.5	3.0	2.5
Finland									
GDP	-0.4	1.8	1.5	-2.4	-2.0	-0.3	-0.4	2.1	1.9
Unemployment	8.3	8.0	7.2	10.9	11.9	11.9	8.3	7.9	7.1
Inflation	1.9	1.5	1.7	4.0	3.0	2.0	1.8	1.0	1.6
Property prices - Residential	-1.0	4.0	2.0	-14.2	-7.0	-5.0	-1.0	5.0	4.0
Interest rate - 3 month	3.1	2.7	2.3	5.1	5.1	3.1	3.1	2.0	2.3

Credit exposure – continued

31 December 2023		Base-case			Downside			Upside	
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Denmark									
GDP	1.0	1.6	1.6	-3.4	-2.0	-	2.5	1.8	0.4
Unemployment	3.1	3.3	3.4	6.3	7.5	7.9	2.7	2.6	3.2
Inflation	2.0	1.9	1.8	4.0	3.0	2.0	2.4	2.5	1.4
Property prices - Residential	1.5	2.0	2.1	-19.7	-11.0	-6.0	3.5	3.0	2.1
Interest rate - 3 month	3.1	2.3	2.0	5.4	6.4	3.9	4.3	3.5	2.5
Sweden									
GDP	1.2	1.8	2.4	-3.5	-3.4	-1.0	2.6	2.1	1.3
Unemployment	8.2	8.0	7.9	9.4	10.3	10.7	7.9	7.5	7.7
Inflation	1.9	1.3	1.6	4.9	3.9	2.9	2.0	1.6	1.5
Property prices - Residential	-1.0	4.0	5.0	-22.0	-13.0	-7.0	1.0	5.0	5.0
Interest rate - 3 month	3.4	2.3	2.0	5.7	5.7	3.7	4.6	3.6	2.6
Norway									
GDP	1.1	2.1	1.5	-2.7	-1.1	0.6	2.5	2.4	0.4
Unemployment	2.3	2.5	2.5	5.5	6.4	6.5	2.0	2.0	2.3
Inflation	3.0	2.0	2.0	4.5	3.0	2.0	3.2	2.3	1.8
Property prices - Residential	-1.0	5.0	4.0	-19.0	-13.0	-7.0	-	6.0	4.0
Interest rate - 3 month	3.7	2.9	2.5	6.3	6.3	4.3	5.0	4.0	3.0
Finland*									
GDP	0.3	1.9	1.3	-2.4	-2.0	-0.3	1.3	2.2	0.4
Unemployment	7.8	7.2	6.5	9.9	10.9	10.9	7.6	6.9	6.4
Inflation	1.9	1.5	2.0	4.0	3.0	2.0	2.2	1.8	1.7
Property prices - Residential	2.0	3.0	2.0	-14.2	-7.0	-5.0	3.0	4.0	2.0
Interest rate - 3 month	3.1	2.3	2.0	5.1	5.1	3.1	4.3	3.5	2.5

* Macroeconomic parameters for Finland have been corrected as at 31 December 2023.

Credit exposure – continued

The base case scenario enters with a probability of 60% (31 December 2023: 60%), the upside scenario with a probability of 20% (31 December 2023: 20%) and the downside scenario with a probability of 20% (31 December 2023: 20%). On the basis of these assessments, the allowance account as at 30 September 2024 amounted to DKK 20.2 billion (31 December 2023: DKK 20.1 billion). If the base case scenario was assigned a probability of 100%, the allowance account would decrease by DKK 2.2 billion (31 December 2023: DKK 2.0 billion). Compared to the base case scenario, the allowance account would increase by DKK 11.0 billion (31 December 2023: DKK 10.2 billion), if the downside scenario was assigned a probability of 100%. The increase reflects primarily the transfer of exposures from stage 1 to stage 2 and increased expected credit losses within stage 2. If instead the upside scenario was assigned a probability of 100%, the allowance account would decrease by DKK 0.2 billion (31 December 2023: DKK 0.2 billion) compared to the base case scenario. It should be noted that the expected credit losses in the individual scenarios (i.e. without the weighting) do not represent forecasts of expected credit losses (ECL).

Post-model adjustments
Management applies judgement when determining the need for post-model adjustments. At 30 September 2024, the post-model adjustments amounted to DKK 6.4 billion (31 December 2023: DKK 6.7 billion). The post-model adjustments primarily relate to the following types of risks:

- specific macroeconomic risks on certain industries not fully captured by the expected credit loss model, for instance the agriculture industry. For such industries, supplementary calculations are made to ensure sufficient impairment coverage. This also includes post-model adjustments relating to effects from climate risk or the macroeconomic uncertainty.
- non-linear downside risk, for instance on the property market in Copenhagen and other high growth areas for which the macroeconomic forecasts used in the models are based on the property market as a whole.
- portfolios where the credit risk assessment process has identified an underestimation of the expected credit losses.

Following the significant impact on the expected credit losses from post-model adjustments, the table below provides more information about the adjustments.

Post-model adjustments by industries

(DKK billions)	30 September 2024	31 December 2023
Agriculture	0.9	0.8
Commercial Property	1.9	1.9
Construction and building materials	1.0	1.0
Personal customers (including other retail exposures)	1.3	1.6
Others*	1.4	1.4
Total	**6.4**	**6.7**

* No individual industry included in Others exceeds DKK 0.3 billion at 30 September 2024 (2023: DKK 0.2 billion).

The total balance of post-model adjustments is reduced compared to the end of 2023. The post-model adjustment related to personal customers is decreased due to the improved macroeconomic outlook. At the same time, the existing post-model adjustment related to climate risks for agriculture is increased due to enhanced analysis related to potential CO_2 taxation models for agriculture in Denmark, however reduced from Q2.

The Group continues to have significant post-model adjustments related to the current macroeconomic uncertainties characterised by the risk of slowing growth environment, labour shortages, higher for longer interest rates and elevated prices giving rise to a new set of challenges that affect economic and business activity. The post-model adjustments cut across industries that are sensitive to price rises on energy, e.g. agriculture and metals, and industries vulnerable to business cycles, higher interest rates and refinancing risks, which have been assessed for idiosyncratic risks to ensure a prudent coverage of expected credit loss in the Group's portfolios.

Counterparty credit risk and credit exposure from trading and investment securities

Exposure to counterparty credit risk and credit exposure from trading and investment securities

(DKK billions)	30 September 2024	31 December 2023
Counterparty credit risk		
Derivatives with positive fair value	276.9	351.7
Reverse transactions and other loans at fair value*	334.7	267.9
Credit exposure from other trading and investment securities		
Bonds	446.8	461.0
Shares	56.8	19.4
Other unutilised commitments**	-	0.1
Total	**1,115.3**	**1,100.1**

* Reverse transactions and other loans at fair value included as counterparty credit risk are loans at the trading units of Large Corporates & Institutions. These loans consist of reverse transactions of DKK 334.1 billion (31 December 2023: DKK 267.4 billion), of which DKK 111.7 billion relates to credit institutions and central banks (31 December 2023: DKK 92.4 billion), and other primarily short-term loans of DKK 0.6 billion (31 December 2023: DKK 0.6 billion), of which DKK 0.6 billion (31 December 2023: DKK 0.6 billion) relates to credit institutions and central banks.
** Other unutilised commitments comprise private equity investment commitments and other obligations.

Derivatives with positive fair value

(DKK millions)	30 September 2024	31 December 2023
Derivatives with positive fair value before netting	723,859	892,840
Netting (under accounting rules)	446,930	541,118
Carrying amount	**276,928**	**351,722**
Netting (under capital adequacy rules)	196,721	262,273
Net current exposure	**80,207**	**89,450**
Collateral	70,352	80,713
Net amount	**9,855**	**8,736**
Derivatives with positive fair value after netting for accounting purposes:		
Interest rate contracts	201,622	240,621
Currency contracts	73,388	110,275
Other contracts	1,919	826
Total	**276,928**	**351,722**

Bond portfolio

(DKK millions)	Central and local government bonds	Quasi-government bonds	Danish mortgage bonds	Swedish covered bonds	Other covered bonds	Corporate bonds	Total
30 September 2024							
Held-for-trading (FVPL)	117,892	2,669	20,601	27,783	4,461	7,662	181,067
Managed at fair value (FVPL)	1,868	163	16,728	1,415	232	-	20,406
Held to collect and sell (FVOCI)	20,872	3,093	52,159	2,302	23,998	1,948	104,372
Held to collect (AMC)	40,931	8,467	87,548	3,070	812	150	140,978
Total	**181,563**	**14,391**	**177,035**	**34,570**	**29,503**	**9,760**	**446,822**
31 December 2023							
Held-for-trading (FVPL)	117,986	1,179	29,084	20,862	3,272	5,179	177,563
Managed at fair value (FVPL)	1,845	291	17,069	1,307	286	-	20,798
Held to collect and sell (FVOCI)	23,669	2,905	49,470	4,776	25,077	1,330	107,226
Held to collect (AMC)	47,892	8,551	92,699	5,093	1,013	150	155,398
Total	**191,392**	**12,926**	**188,321**	**32,038**	**29,648**	**6,659**	**460,984**

At 30 September 2024, the Group had an additional bond portfolio, including bond-based unit trust certificates, worth DKK 212,800 million (31 December 2023: DKK 214,073 million) recognised as recognised as insurance assets and thus and thus not included in the table above. The section on insurance risk in Annual Report 2023 provides more information. For bonds classified as hold-to-collect, amortised cost exceeded fair value as at 30 September 2024 and 31 December 2023, see note G13 for more information.

Counterparty credit risk and credit exposure from trading and investment securities continued

Bond portfolio broken down by geographical area

(DKK millions)	Central and local government bonds	Quasi-government bonds	Danish mortgage bonds	Swedish covered bonds	Other covered bonds	Corporate bonds	Total
30 September 2024							
Denmark	36,054	-	177,035	-	-	1,063	214,153
Sweden	31,180	-	-	34,570	-	3,030	68,779
UK	9,665	303	-	-	4,154	1,146	15,268
Norway	4,163	-	-	-	23,363	2,747	30,273
USA	15,488	3,230	-	-	-	19	18,737
Spain	898	-	-	-	1	-	899
France	15,994	179	-	-	345	23	16,542
Luxembourg	-	5,210	-	-	-	125	5,335
Finland	9,659	3,237	-	-	1,193	694	14,783
Ireland	430	-	-	-	-	42	471
Italy	3,876	-	-	-	-	3	3,879
Portugal	6	-	-	-	-	-	6
Austria	2,740	-	-	-	-	147	2,886
Netherlands	2,980	2	-	-	41	386	3,409
Germany	47,576	-	-	-	208	101	47,884
Belgium	854	1,588	-	-	-	-	2,443
Other	-	643	-	-	198	235	1,076
Total	**181,563**	**14,391**	**177,035**	**34,570**	**29,503**	**9,760**	**446,822**

(DKK millions)	Central and local government bonds	Quasi-government bonds	Danish mortgage bonds	Swedish covered bonds	Other covered bonds	Corporate bonds	Total
31 December 2023							
Denmark	28,754	-	188,321	-	-	870	217,945
Sweden	61,267	-	-	32,038	-	1,362	94,667
UK	11,141	291	-	-	3,518	1,009	15,959
Norway	6,049	-	-	-	23,902	1,358	31,309
USA	15,529	3,274	-	-	-	7	18,810
Spain	1,243	-	-	-	1	-	1,244
France	4,703	19	-	-	237	116	5,075
Luxembourg	-	5,205	-	-	-	123	5,328
Finland	10,224	2,954	-	-	1,089	909	15,176
Ireland	550	-	-	-	-	94	643
Italy	1,413	-	-	-	-	5	1,418
Portugal	3	-	-	-	-	-	3
Austria	4,513	-	-	-	66	113	4,691
Netherlands	3,349	1	-	-	17	510	3,877
Germany	42,152	-	-	-	216	96	42,465
Belgium	503	442	-	-	1	-	946
Other	-	740	-	-	602	87	1,429
Total	**191,392**	**12,926**	**188,321**	**32,038**	**29,648**	**6,659**	**460,984**

Counterparty credit risk and credit exposure from trading and investment securities continued

Bond portfolio broken down by external ratings

(DKK millions)	Central and local govern-ment bonds	Quasi-government bonds	Danish mortgage bonds	Swedish covered bonds	Other covered bonds	Corporate bonds	Total
30 September 2024							
AAA	117,515	12,857	176,919	34,551	28,725	2,623	373,189
AA+	25,704	1,514	-	-	14	24	27,255
AA	10,946	-	-	19	764	1,680	13,409
AA-	22,365	21	-	-	-	115	22,500
A+	-	-	-	-	-	66	66
A	725	-	116	-	-	1,201	2,042
A-	6	-	-	-	-	306	312
BBB+	173	-	-	-	-	897	1,070
BBB	2,473	-	-	-	-	1,668	4,141
BBB-	1,403	-	-	-	-	533	1,936
BB+	-	-	-	-	-	165	165
BB	-	-	-	-	-	344	344
BB-	-	-	-	-	-	43	43
Sub. "investment-grade" or unrated	253	-	-	-	-	97	350
Total	181,563	14,391	177,035	34,570	29,503	9,760	446,822

(DKK millions)	Central and local govern-ment bonds	Quasi-government bonds	Danish mortgage bonds	Swedish covered bonds	Other covered bonds	Corporate bonds	Total
31 December 2023							
AAA	137,601	12,461	187,903	32,017	28,925	1,623	400,530
AA+	27,061	442	-	-	28	2	27,533
AA	8,556	-	-	21	692	965	10,234
AA-	15,515	23	-	-	-	117	15,654
A+	-	-	-	-	-	266	266
A	1,132	-	418	-	4	984	2,538
A-	3	-	-	-	-	196	199
BBB+	111	-	-	-	-	505	617
BBB	377	-	-	-	-	987	1,364
BBB-	1,036	-	-	-	-	596	1,632
BB+	-	-	-	-	-	97	97
BB	-	-	-	-	-	187	187
BB-	-	-	-	-	-	36	36
Sub. "investment-grade" or unrated	-	-	-	-	-	97	97
Total	191,392	12,926	188,321	32,038	29,648	6,659	460,984

Statement by the management

The Board of Directors and the Executive Leadership Team (the management) have today reviewed and adopted the Interim report – first nine months 2024 of the Danske Bank Group.

The consolidated interim financial statements have been presented in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. Furthermore, the interim report has been prepared in accordance with legal requirements, including the disclosure requirements for interim reports of listed financial institutions in Denmark.

In our opinion, the consolidated interim financial statements give a true and fair view of the assets, liabilities, shareholders´ equity and financial position at 30 September 2024 and of the results of the Group's operations and the consolidated cash flows for the period starting on 1 January 2024 and ending on 30 September 2024.

Moreover, in our opinion, the management's report includes a fair view of developments in the Group's operations and financial position and describes the significant risks and uncertainty factors that may affect the Group.

Copenhagen, 31 October 2024

Executive Leadership Team

Carsten Egeriis
CEO

Magnus Agustsson	Joachim Alpen	Christian Bornfeld
Karsten Breum	Stephan Engels	Johanna Norberg
Dorthe Tolborg		Frans Woelders

Board of Directors

Martin Blessing Chairman	Martin Nørkjær Larsen Vice Chairman	Lars-Erik Brenøe
Jacob Dahl	Raija-Leena Hankonen-Nybom	Lieve Mostrey
Allan Polack	Helle Valentin	Bente Bang Elected by the employees
Kirsten Ebbe Brich Elected by the employees	Aleksandras Cicasovas Elected by the employees	Louise Aggerstrøm Hansen Elected by the employees

Supplementary information

Financial calendar

31 October 2024	Interim report – first nine months 2024
07 February 2025	Annual Report 2024
20 March 2025	Annual general meeting
02 May 2025	Interim report – first quarter 2025
18 July 2025	Interim report – first half 2025
31 October 2025	Interim report – first nine months 2025

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Danske Bank's financial statements are available online at danskebank.com/Reports.

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