

## **Amendment to Program Information**

**Danske Bank A/S**

## AMENDMENT TO PROGRAM INFORMATION

Type of Information:	Amendment to Program Information
Date of Announcement:	April 4, 2018
Issuer Name:	Danske Bank A/S (the " <b>Issuer</b> ")
Name and Title of Representative:	Jacob Aarup-Andersen Chief Financial Officer
Address of Head Office:	2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark
Telephone:	+45 33 44 00 00
Contact Person:	Attorney-in-Fact: Hirohito Akagami, Attorney-at-law Wataru Higuchi, Attorney-at-law Yoshiki Mizoguchi, Attorney-at-law  Anderson Mori & Tomotsune Address: Akasaka K-Tower 2-7, Motoakasaka 1-chome Minato-ku, Tokyo  Telephone: +81-3-6888-1000
Type of Securities:	Notes
Address of Website for Announcement:	<a href="https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html">https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html</a>
Status of Submission of Annual Securities Reports or Issuer Filing Information:	None
Guarantor Name:	None
Name of Joint-Lead Manager (for the purpose of this Amendment to Program Information):	Barclays Bank PLC
Information on initial Program Information	
Date of Announcement:	May 15, 2017
Scheduled Issuance Period:	May 16, 2017 to May 15, 2018
Maximum Outstanding Issuance Amount:	EUR 35,000,000,000

This amendment, consisting of this cover page and the Base Prospectus dated March 20, 2018, is filed to replace the Base Prospectus dated December 6, 2017 included in the Program Information dated May 15, 2017 as amended on August 14, 2017 and December 22, 2017 (together, the "**Program Information**"). The following "Notes to Investors" prevail over those included in the Program Information in connection with Notes to be issued by the Issuer after the Date of Announcement of this Amendment to Program Information.

Notes to Investors:

1. The TOKYO PRO-BOND Market is a market for "specified professional investors, etc." (*Tokutei Tousehika tou*) as defined in Article 2, Paragraph 3, Item 2(b)(2) of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") (the "**Professional Investors, Etc.**"). Notes listed on the market ("**Listed Notes**") may involve high investment risk. Investors should be aware of the listing eligibility and timely disclosure requirements that apply to issuers of Listed Notes on the TOKYO PRO-BOND Market and associated risks such as the fluctuation of market prices and shall bear responsibility for their investments. Prospective investors should make investment decisions after having carefully considered the contents of this Program Information.
2. Where this Program Information (a) contains any false statement on important matters, or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content, a person who, at the time of announcement of this Program Information, is an officer (meaning an officer stipulated in Article 21, Paragraph 1 of the FIEA (meaning a director (*torishimari-yaku*), accounting advisor (*kaikei-sanyo*), corporate auditor (*kansa-yaku*) or executive officer (*shikkou-yaku*), or a person equivalent to any of these) (each an "**Officer**") of the Issuer) that announced this Program Information shall be liable to compensate persons who acquired the Notes for any damage or loss arising from the false statement or lack of information in accordance with the provisions of Article 21, Paragraph 1, Item 1 of the FIEA applied *mutatis mutandis* in Article 27-33 of the FIEA and of Article 22 of the FIEA applied *mutatis mutandis* in Article 27-34 of the FIEA. However, this shall not apply to cases where the person who acquired the Notes was aware of the existence of the false statement or the lack of information at the time of subscription for acquisition of the Notes. Additionally, such Officer shall not be required to assume the liability prescribed above, where he/she proves that he/she was not aware of, and was unable to obtain knowledge of, even with reasonable care, the existence of the false statement or the lack of information.
3. The regulatory framework for the TOKYO PRO-BOND Market is different in fundamental aspects from the general regulatory framework applicable to other exchange markets in Japan. Investors should be aware of the rules and regulations of the TOKYO PRO-BOND Market, which are available on Japan Exchange Group, Inc. website.
4. Tokyo Stock Exchange, Inc. ("**Tokyo Stock Exchange**") does not express opinions or issue guarantees, etc. regarding the content of this Program Information (including but not limited to, whether this Program Information (a) contains a false statement or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content) and shall not be liable for any damage or loss.
5. This Program Information is prepared pursuant to Rule 206, Paragraph 2 of the Special Regulations of Securities Listing Regulations Concerning Specified Listed Securities of Tokyo Stock Exchange (hereinafter referred to as the "**Special Regulations**") as information prescribed in Article 2, Paragraph 1, Item 1 of the Cabinet Office Ordinance on Provision and Publication of Information on Securities, etc. Accordingly, this Program Information shall constitute "Specified Securities Information" stipulated in Article 27-31, Paragraph 1 of the FIEA.
6. In this Program Information, references to "**Danish Kroner**", "**kroner**", "**DKr**" or "**DKK**" are to the currency of Denmark, to "**EUR**" or "**euro**" are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, of those members of the European Union which are participating in the European economic and monetary union (the "**Eurozone**"), to "**CNY**" and "**Renminbi**" are to the lawful currency of the People's Republic of China (the "**PRC**") which, for the purposes of this definition only, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan, to "**Japanese Yen**" or "**Yen**" are to the currency of Japan and all references to "**U.S.\$**", "**USD**" and "**U.S. Dollars**" are to the currency of the United States of America.
7. All prospective investors who purchase the Notes shall be required to (i) (in the case of an offer to acquire the Notes to be newly issued) (x) enter into and agree to the terms of a transfer restriction agreement with each of the Issuer and the person making a solicitation or (y) agree to comply with the terms of a transfer restriction that is described as constituting terms of the Notes or the conditions of the transactions for the Notes in a document describing the information on the Notes and is explained by the person making a solicitation who is a financial instrument business operator etc., or (ii) (in the case of an offer to sell or a solicitation of an offer to purchase the Notes already issued) enter into and agree to the terms of a transfer restriction agreement with the person making a solicitation. The terms of such transfer restriction agreement or transfer restriction provide that

prospective investors agree not to sell, transfer or otherwise dispose of the Notes to be held by them to any person other than the Professional Investors, Etc., except for the transfer of the Notes to the following:

- (a) the Issuer or an officer (meaning an officer as prescribed in Article 11-2, Paragraph 1, Item 2 (c) of the Cabinet Office Ordinance on Definitions under Article 2 of the FIEA (the "**Definitions Cabinet Office Ordinance**") (meaning a director (*torishimari-yaku*), corporate auditor (*kansa-yaku*), executive officer (*shikkou-yaku*), board member (*riji*) or auditor (*kanji*), or a person equivalent to any of these) of the Issuer) who holds shares or equity pertaining to voting rights exceeding 50% of all the voting rights in the Issuer which is calculated by excluding treasury shares or any non-voting rights shares (the "**Voting Rights Held by All the Shareholders, Etc.**" (*Sou Kabunushi Tou no Giketsuken*)) (as prescribed in Article 29-4, Paragraph 2 of the FIEA) of the Issuer under his/her own name or another person's name (each a "**Specified Officer**" (*Tokutei Yakuin*)), or a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc., are held by the Specified Officer (the "**Controlled Juridical Person, Etc.**" (*Hi-Shihai Houjin Tou*)) (as prescribed in Article 11-2, Paragraph 3 of the Definitions Cabinet Office Ordinance) including a juridical person (excluding the Issuer) whose shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. are jointly held by the Specified Officer and the Controlled Juridical Person(s), Etc. under their own name or another person's name (as prescribed in Article 11-2, Paragraph 2 of the Definitions Cabinet Office Ordinance); or
  - (b) a company that holds shares or equity pertaining to voting rights exceeding 50% of the Voting Rights Held by All the Shareholders, Etc. of the Issuer in its own name or another person's name.
8. When (i) a solicitation of an offer to acquire the Notes or (ii) an offer to sell or a solicitation of an offer to purchase the Notes (collectively, "**Solicitation of the Note Trade**") is made, the following matters shall be notified from the person who makes such Solicitation of the Note Trade to the person to whom such Solicitation of the Note Trade is made:
- (a) no securities registration statement (pursuant to Article 4, Paragraphs 1 through 3 of the FIEA) has been filed with respect to the Solicitation of the Note Trade;
  - (b) the Notes fall, or will fall, under the Securities for "Specified Professional Investors" (*Tokutei Toushika Muke Yukashoken*) (as defined in Article 4, Paragraph 3 of the FIEA);
  - (c) any acquisition or purchase of the Notes by such person pursuant to any Solicitation of the Note Trade is conditional upon such person (i) (in the case of an offer to acquire the Notes to be newly issued) (x) entering into an agreement providing for the restriction on transfer of the Notes as set forth in note 7 above with each of the Issuer and the person making such Solicitation of the Note Trade, or (y) agreeing to comply with the restriction on transfer of the Notes as set forth in note 7 above, or (ii) (in the case of an offer to sell or a solicitation of an offer to purchase the Notes already issued) entering into an agreement providing for the restriction on transfer of the Notes as set forth in note 7 above with the person making such Solicitation of the Note Trade;
  - (d) Article 4, Paragraphs 3, 5 and 6 of the FIEA will be applicable to such certain solicitation, offers and other activities with respect to the Notes as provided in Article 4, Paragraph 2 of the FIEA;
  - (e) the "Specified Securities Information, Etc." (*Tokutei Shouken Tou Jouhou*) (as defined in Article 27-33 of the FIEA) with respect to the Notes and the "Issuer Information, Etc." (*Hakkosha Tou Jouhou*) (as defined in Article 27-34 of the FIEA) with respect to the Issuer have been or will be made available for the Professional Investors, Etc. by way of such information being posted on the web-site maintained by the TOKYO PRO-BOND Market (<https://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html> or any successor website), in accordance with Rules 210 and 217 of the Special Regulations; and
  - (f) the Issuer Information, Etc. will be provided to the holders of the Notes or made public pursuant to Article 27-32 of the FIEA.
9. The Danske Bank A/S EUR 35,000,000,000 Euro Medium Term Note Programme under the Base Prospectus dated March 20, 2018 has been rated (i) A1 (senior unsubordinated long-term debt/long-term Issuer default rating) and P-1 (senior unsubordinated short-term debt/short-term Issuer default rating) by Moody's Investors Service Limited ("**Moody's**"), (ii) A (senior unsubordinated long-term debt/long-term Issuer default rating) and

A-1 (senior unsubordinated short-term debt/short-term Issuer default rating) by Standard & Poor's Credit Market Services Europe Limited ("**S&P**") and (iii) A (senior unsubordinated long-term debt/long-term Issuer default rating) and F1 (senior unsubordinated short-term debt/short-term Issuer default rating) by Fitch Ratings Ltd ("**Fitch**"). Those credit rating firms have not been registered under Article 66-27 of the FIEA ("**Unregistered credit rating firms**").

Unregistered credit rating firms are not subject to any supervision of the Financial Services Agency of Japan or regulations applicable to credit rating firms, including obligations to disclose information, nor any obligation to publicize information regarding such matters as listed in Article 313, Paragraph 3, Item 3 of the Ordinance of the Cabinet Office Concerning Financial Instruments Business, Etc. (the "**Cabinet Office Ordinance**").

Moody's has Moody's Japan K.K. (registration number: Commissioner of Financial Services Agency (*kakuzuke*) No. 2), S&P has Standard & Poor's Ratings Japan K.K. (registration number: Commissioner of Financial Services Agency (*kakuzuke*) No. 5) and Fitch has Fitch Ratings Japan Limited (registration number: Commissioner of Financial Services Agency (*kakuzuke*) No. 7), within their respective groups as credit rating firms registered under Article 66-27 of the FIEA ("**Registered credit rating firms**"), and Moody's, S&P and Fitch are specified affiliated corporations (as defined in Article 116-3, Paragraph 2 of the Cabinet Office Ordinance) of the respective Registered credit rating firms above. The assumptions, significance and limitations of the credit ratings given by Moody's, S&P and Fitch are made available for the public on their respective websites of (i) Moody's Japan K.K., at "Assumptions, Significance and Limitations of Credit Ratings" posted under "Related to Explanation of Unregistered Credit Ratings" in the column titled "Use of Ratings of Unregistered Firm" on its website in the Japanese language ([https://www.moodys.com/pages/default\\_ja.aspx](https://www.moodys.com/pages/default_ja.aspx)), (ii) Standard & Poor's Ratings Japan K.K., at "Assumptions, Significance and Limitations of Credit Ratings" posted under "Information on Unregistered Credit Ratings" on its website ([http://www.standardandpoors.com/ja\\_JP/web/guest/regulatory/unregistered](http://www.standardandpoors.com/ja_JP/web/guest/regulatory/unregistered)) and (iii) Fitch Ratings Japan Limited, at "Assumptions, Significance and Limitations of Credit Ratings" posted under "Overview of Policies etc. for Credit Rating" in the "Regulatory Affairs" section in the column titled "About Fitch" on the left bar on its website (<http://www.fitchratings.co.jp>).

10. The selling restrictions set forth in notes 7 and 8 above shall prevail over those set forth in the section entitled "SUBSCRIPTION AND SALE" in the Base Prospectus dated March 20, 2018 included in this Program Information.
11. Copies of the documents incorporated by reference in the Base Prospectus dated March 20, 2018 and the supplements thereto are available for viewing at:  
<https://danskebank.com/-/media/danske-bank-com/pdf/investor-relations/debt/funding-programmes/emtn-programme/danskebankemtnprospectusmarch-2018final.-.la=en.pdf>

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

This Base Prospectus (the “**Base Prospectus**”) has been approved by the Central Bank of Ireland (the “**Central Bank**”), as competent authority under the Prospectus Directive (as defined below). The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and European Union law pursuant to the Prospectus Directive. Such approval relates only to the Notes (as defined below) which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, “**MiFID II**”) and/or which are to be offered to the public in any Member State of the European Economic Area (each, a “**Member State**”).

This Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and has been prepared for the purpose of giving information with regard to the issue of notes (the “**Notes**”) under the programme (the “**Programme**”) during the period of twelve months from the date of its publication.

Application has been made to the Irish Stock Exchange plc (the “**Irish Stock Exchange**”) for Notes issued under the Programme (other than Exempt Notes) to be admitted to the Official List of the Irish Stock Exchange and trading on its regulated market. References in this Base Prospectus to Notes being “**listed**” (and all related references) on the Irish Stock Exchange shall mean that such Notes have been admitted to the Official List of the Irish Stock Exchange and to trading on its regulated market. The regulated market of the Irish Stock Exchange is a regulated market for the purposes of MiFID II.

The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer (as defined below).

The requirement to publish a prospectus under the Prospectus Directive only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive. References in this Base Prospectus to “**Exempt Notes**” are to Notes for which no prospectus is required to be published under the Prospectus Directive. The Central Bank has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes.

Under the Programme, Notes may be (i) preferred senior notes (“**Preferred Senior Notes**”), (ii) non-preferred senior notes (“**Non-Preferred Senior Notes**”), (iii) subordinated and, on issue, constituting Tier 2 Capital (as defined in the Terms and Conditions of the Notes) (“**Subordinated Notes**”) or (iv) subordinated and, on issue, constituting Additional Tier 1 Capital (as defined in the Terms and Conditions of the Notes) (“**Additional Tier 1 Capital Notes**”) as indicated in the relevant Final Terms or Pricing Supplement (each as defined below). The minimum denomination of each Note admitted to trading on a regulated market for the purposes of MiFID II or offered to the public in a Member State in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive will be EUR 100,000 (or, if the relevant Notes are denominated in a currency other than euro, the equivalent amount in such currency).

The Additional Tier 1 Capital Notes are not intended to be sold and should not be sold to retail clients in the European Economic Area, as defined in the rules set out in the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015 (as amended or replaced from time to time, the “**PI**”) other than in circumstances that do not and will not give rise to a contravention of those rules by any person. Prospective investors are referred to the section headed “**Restrictions on marketing and sales to retail investors**” on page 4 of this Base Prospectus for further information.

In addition, prospective investors of all Notes are referred to the sections headed “**MiFID II Product Governance/Target Market**” and “**European Economic Area Retail Investors**” on page 4 of this Base Prospectus.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) (the “**Securities Act**”) and may include Notes in bearer form which are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account of, any U.S. persons. The Notes may be offered and sold outside the United States to non U.S. persons in reliance on Regulation S (“**Regulation S**”) under the Securities Act and within the United States to “**qualified institutional buyers**” (each, a “**QIB**”) as defined in and pursuant to Rule 144A under the Securities Act (“**Rule 144A**”). Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms or Pricing Supplement and other offering material relating to the Notes, see “**Subscription and Sale**”.

An investment in Notes issued under the Programme involves certain risks. Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition. For a discussion of these risks see “**Risk Factors**” below.

---

Arrangers for the Programme

**BNP PARIBAS**

**DANSKE BANK**

**HSBC**

*Dealers*

BARCLAYS  
BOFA MERRILL LYNCH  
CREDIT SUISSE  
DEUTSCHE BANK  
HSBC  
MORGAN STANLEY

BNP PARIBAS  
CITIGROUP  
DANSKE BANK  
GOLDMAN SACHS INTERNATIONAL  
J.P. MORGAN  
SOCIÉTÉ GÉNÉRALE CORPORATE &  
INVESTMENT BANKING

UBS INVESTMENT BANK

This Base Prospectus should be read and construed together with any supplement hereto and with any documents incorporated by reference herein and, in relation to any Tranche (as defined in “Terms and Conditions of the Notes” below) of Notes, should be read and construed together with the relevant Final Terms or Pricing Supplement.

Danske Bank A/S (the “**Issuer**”) has confirmed to the dealers (the “**Dealers**”) named under “Subscription and Sale” that this Base Prospectus (including for this purpose, the relevant Final Terms or Pricing Supplement) is true, accurate and complete in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held, are based on reasonable assumptions and are not misleading; that there are no other facts in relation to the information contained or incorporated by reference in this Base Prospectus the omission of which would, in the context of the Programme or the issue of the Notes, make any statement herein or opinions or intentions expressed herein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing.

No person is or has been authorised by the Issuer or any Dealer to give any information or to make any representation not contained in or not consistent with this Base Prospectus (including any documents incorporated by reference in this Base Prospectus referred to below under “Documents Incorporated by Reference”) or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus, any Final Terms or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change in the financial situation of the Issuer since the date thereof, or, as the case may be, the date upon which this Base Prospectus has been most recently supplemented or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Base Prospectus by reference or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws. Unless otherwise specified in any supplement to this Base Prospectus, each Tranche of Notes is initially being offered for sale outside the United States to non-U.S. persons in reliance on, and in accordance with, Regulation S or privately placed exclusively to persons reasonably believed by the relevant Dealer(s) to be QIBs within the meaning of Rule 144A. Each Tranche of Notes in registered form will be represented by a registered Note (each a “**Registered Note**”). Registered Notes which are sold in an “offshore transaction” within the meaning of Regulation S under the Securities Act (“**Regulation S Notes**”) will initially be represented by a permanent global registered Note (each a “**Regulation S Global Note**”) without interest coupons, which will be deposited on the relevant issue date either (a) in the case of a Tranche intended to be cleared through Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking SA (“**Clearstream, Luxembourg**”), with a common depository or common safe-keeper, as the case may be, on behalf of Euroclear and Clearstream, Luxembourg or (b) in the case of a Tranche intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg, or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer(s). Registered Notes which are sold in the United States to QIBs within the meaning of Rule 144A (“**Rule 144A Notes**”) will initially be represented by a permanent global registered Note (each a “**Rule 144A Global Note**”) and together with the Regulation S Global Notes, the “**Global Registered Notes**”), without interest coupons, which will be deposited on the relevant issue date with a custodian (the “**Custodian**”) for, and registered in the name of Cede & Co. as nominee for, The Depository Trust Company (“**DTC**”). **Neither this Base Prospectus nor any Final Terms or Pricing Supplement may be used for the purpose of an offer or**

**solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

The distribution of this Base Prospectus and any Final Terms or Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms or any Pricing Supplement comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions.

Neither this Base Prospectus nor any Final Terms or any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus, any Final Terms or any Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Base Prospectus, any Final Terms or any Pricing Supplement shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The rating of certain Series (as defined in “Terms and Conditions of the Notes” below) of Notes to be issued under the Programme may be specified in the relevant Final Terms or Pricing Supplement. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EU) No. 1060/2009, as amended (the “**CRA Regulation**”) will be disclosed in the relevant Final Terms or Pricing Supplement. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused. A list of registered credit rating agencies is available on the European Securities and Markets Authority (“**ESMA**”) website at [www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) (list last updated on 15 March 2018).

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”). If any such reference rate does constitute such a benchmark, the relevant Final Terms or Pricing Supplement will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms or Pricing Supplement. The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms or Pricing Supplement to reflect any change in the registration status of the administrator.

All references in this Base Prospectus to “**Danish Kroner**”, “**kroner**”, “**DKr**” or “**DKK**” are to the currency of Denmark, to “**EUR**” or “**euro**” are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, of those members of the European Union which are participating in the European economic and monetary union (the “**Eurozone**”), to “**CNY**” and “**Renminbi**” are to the lawful currency of the People’s Republic of China (the “**PRC**”) which, for the purposes of this definition only, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan, to “**Japanese Yen**” or “**Yen**” are to the currency of Japan and all references to “**U.S.\$**”, “**USD**” and “**U.S. Dollars**” are to the currency of the United States of America.



## MIFID II PRODUCT GOVERNANCE/TARGET MARKET

The relevant Final Terms or Pricing Supplement in respect of any Notes will include a legend titled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purposes of the MiFID Product Governance Rules.

## EUROPEAN ECONOMIC AREA RETAIL INVESTORS

If the relevant Final Terms or Pricing Supplement in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors” the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIPs Regulation.

## RESTRICTIONS ON MARKETING AND SALES TO RETAIL INVESTORS

The Additional Tier 1 Capital Notes are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Additional Tier 1 Capital Notes to retail investors.

In particular, in June 2015, the United Kingdom Financial Conduct Authority published Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015, which took effect from 1 October 2015 (the “**PI Instrument**”). Under the rules set out in the PI Instrument (as amended or replaced from time to time, the “**PI Rules**”), certain contingent write-down or convertible securities, such as the Additional Tier 1 Capital Notes, must not be sold to retail clients in the European Economic Area and there must not be any communication or approval of an invitation or inducement to participate in, acquire or underwrite such securities (or the beneficial interest in such securities) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the European Economic Area (in each case, within the meaning of the PI Rules), other than in accordance with the limited exceptions set out in the PI Rules.

Certain of the Dealers are required to comply with the PI Rules. In addition, by purchasing, or making or accepting an offer to purchase, any Additional Tier 1 Capital Notes from the Issuer and/or the Dealers, each prospective investor in relation to the Additional Tier 1 Capital Notes represents, warrants, agrees with and undertakes to the Issuer and each of the Dealers that:

1. it is not a retail client in the European Economic Area (as defined in the PI Rules);

2. whether or not it is subject to the PI Rules, it will not sell or offer the Additional Tier 1 Capital Notes to retail clients in the European Economic Area or communicate (including the distribution of this Base Prospectus) or approve an invitation or inducement to participate in, acquire or underwrite the Additional Tier 1 Capital Notes (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the European Economic Area (in each case within the meaning of the PI Rules), other than (i) in relation to any sale of or offer to sell Additional Tier 1 Capital Notes to a retail client in or resident in the United Kingdom, in circumstances that do not and will not give rise to a contravention of the PI Rules by any person and/or (ii) in relation to any sale of or offer to sell Additional Tier 1 Capital Notes to a retail client in any European Economic Area member state other than the United Kingdom, where (a) it has conducted an assessment and concluded that the relevant retail client understands the risks of an investment in the Additional Tier 1 Capital Notes and is able to bear the potential losses involved in an investment in the Additional Tier 1 Capital Notes and (b) it has at all times acted in relation to such sale or offer in compliance with MiFID II to the extent it applies to it or, to the extent MiFID II does not apply to it, in a manner which would be in compliance with MiFID II if it were to apply to it; and
3. it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the European Economic Area) relating to the promotion, offering, distribution and/or sale of the Additional Tier 1 Capital Notes, including any such laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Additional Tier 1 Capital Notes by investors in any relevant jurisdiction.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Additional Tier 1 Capital Notes from the Issuer and/or the Dealers, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

## **RESPONSIBILITY STATEMENT**

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms or Pricing Supplement for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. References herein to this “**Base Prospectus**” are to this document, as supplemented from time to time, including the documents incorporated by reference.

## **STABILISATION**

**IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE RELEVANT FINAL TERMS OR PRICING SUPPLEMENT MAY OVER ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

## TABLE OF CONTENTS

	Page
Risk Factors .....	8
Documents Incorporated by Reference .....	34
General Description of the Programme .....	37
Overview of Form of the Notes .....	47
Terms and Conditions of the Notes .....	55
Pro Forma Final Terms.....	115
Pro Forma Pricing Supplement.....	130
Use of Proceeds .....	145
Description of the Danske Bank Group.....	146
Subscription and Sale .....	167
Taxation.....	170
General Information .....	172

## RISK FACTORS

*Prospective investors should read the entire Base Prospectus and reach their own views prior to making any investment decision.*

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it and which it may not currently be able to anticipate.*

*The following is a general discussion of certain risks typically associated with the Issuer and the acquisition and ownership of Notes. In particular, it does not consider an investor's specific knowledge and/or understanding about risks typically associated with the Issuer and the acquisition and ownership of Notes, whether obtained through experience, training or otherwise, or the lack of such specific knowledge and/or understanding, or circumstances that may apply to a particular investor.*

*Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated. References to a numbered "Condition" shall be to the relevant Condition in the Terms and Conditions of the Notes.*

### **Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme**

*The Danske Bank Group is exposed to a variety of risks, the most significant of which are credit risk, market risk, liquidity risk, operational risk, insurance risk, pension risk and business risk*

The Danske Bank Group (the "**Group**") is exposed to a number of risks, and manages them at different organisational levels. The principal categories of risk are as follows:

- Credit risk: Credit risk is the risk of losses because debtors or counterparties fail to meet all or part of their payment obligations to the Group.
- Market risk: Market risk is the risk of losses because the market value of the Group's financial assets, liabilities and off-balance-sheet items varies with changes in market prices and rates.
- Liquidity risk: Liquidity risk is the risk of losses because the Group's funding costs become excessive, lack of funding prevents the Group from maintaining its business model, or lack of funding prevents the Group from fulfilling its payment obligations.
- Operational risk: Operational risk is the risk of losses resulting from inadequate or failed internal processes, people and systems, or from external events, including legal risks.
- Insurance risk: Insurance risk in the Group is defined as all types of risk in the Danica group, including market risk and life insurance risk.
- Pension risk: Pension risk is the risk that the Group will be liable for additional cash contributions to Group defined benefit pension plans for current and former employees.

- Business risk: Business risk is the risk that income will not be able to cover losses caused by events affecting the Group's profit before impairment charges, market losses and operational losses.

*Regulatory changes could materially affect the Issuer's business*

The Issuer is subject to financial services laws, regulations, administrative actions and policies in Denmark and in each other jurisdiction in which the Issuer carries on business. Changes in supervision and regulation, in particular in Denmark, could materially affect the Issuer's business, the products and services offered or the value of its assets. Although the Issuer works closely with its regulators and continually monitors the situation, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Issuer.

Various aspects of banking regulations are still under debate internationally, including *inter alia*, proposals to review standardised and internally modelled approaches for capital requirements for credit, market and operational risk (together with a proposed capital floor based on the revised standardised approaches for financial institutions using internal models) as well as proposals to increase a financial institution's ability to absorb losses in a situation where it is deemed no longer viable.

The Issuer is subject to risks as a result of implementation of the European Banking and Capital Markets Union. The Group has entities both within and outside the Eurozone.

*The Group operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory risks*

The Group may become involved in various disputes and legal proceedings in Denmark and other jurisdictions, including litigation and regulatory investigations. The Group's banking and other operations, including its insurance operations, like those of other financial services companies, have been the subject of regulatory scrutiny from time to time. For example, the Group is subject to applicable anti-money laundering and terrorist financing laws. The supervisory authorities conduct on-going inspections from time to time of the Group's compliance with anti-money laundering legislation that can potentially lead to supervisory actions.

*The Issuer faces increased capital and liquidity requirements as a result of the Basel III Framework*

The Basel III framework is implemented through Regulation No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (the "**CRR**") and Directive (2013/36/EU) of the European Parliament and of the Council (the "**CRD IV Directive**"). The CRR entered into force on 1 January 2014, and the CRD IV Directive was implemented in Denmark in March 2014. Each of the CRR and the CRD IV Directive covers a wide range of prudential requirements for banks across Member States of the European Economic Area, including capital requirements, stricter and aligned definitions of capital, risk-exposure amounts ("**REA**"), large exposure framework and liquidity and funding requirements. The CRD IV Directive covers the overall supervisory framework for banks (including the individual risk assessment) and other measures such as the combined capital buffer requirements, systemically important financial institution ("**SIFI**"), governance and remuneration requirements. As a consequence of the European Banking Authority's (the "**EBA**") outstanding regulatory technical standards, the Group is subject to the risk of possible interpretational changes.

In addition, the CRD IV Directive includes a requirement for credit institutions to calculate, report, monitor and publish their leverage ratios, defined as their tier 1 capital as a percentage of their total exposure measure. Until a minimum leverage ratio requirement is implemented in the EU, the regulators may apply such measures as they consider appropriate. In Denmark, the risk of excessive leverage is addressed under "Pillar 2".

On 23 November 2016, the European Commission published its proposal for an EU Banking reform package (the "**EU Banking Reform**") as part of the finalisation of the Basel III framework and its implementation in the EU. The EU Banking reform package includes proposals to amend the CRR and the CRD IV Directive. The

proposed amendments include, *inter alia*, changes to the market risk framework by implementing the fundamental review of the trading book (“**FRTB**”), the counterparty credit risk framework, introduction of a formal minimum leverage ratio requirement and a net stable funding ratio (“**NSFR**”) requirement, revisions to the Pillar 2 framework, transition of International Financial Reporting Standards (“**IFRS**”) 9 and its impact on capital ratios and revisions to the framework concerning interest rate risk in the banking book (“**IRRBB**”). An agreement on the transition of IFRS 9 effect on prudential capital was reached in November 2017 with effect from 1 January 2018. The implementation of IFRS 9 is expected to have a limited impact on the Issuer’s capital ratios. Measured at 1 January 2018, the transitional impact was 0.1 percentage points (fully phased in: 0.2 percentage points). Finalisation of the remaining Banking Reform is not expected before well into 2018.

On 7 December 2017, the Basel Committee on Banking Supervision (the “**BCBS**”) published revised standards for measuring credit and operational risk, constraints on the use of internal model approaches and the possible implementation of a broad REA floor based on the standardised approaches for measuring credit, market and operational risk. The amendments of the Basel standards may increase the Group’s REA, but it is still too early to assess the impact of these potential changes as the political dialogue on how and when to implement the revised standards in the EU has not yet been initiated. The stipulations of EU legislation are not expected to be fully known until 2021 at the earliest. On the basis of the strong earnings capacity and capitalisation, the Group is confident that it will be able to adapt smoothly to the future changes in EU regulatory requirements in relation to the revised Basel standards.

#### *Additional Capital Buffer Requirements*

Under the CRR, institutions are required to hold a minimum amount of regulatory capital equal to 8 per cent. of REA (of which at least 4.5 per cent. must be Common Equity Tier 1 capital, and at least 6 per cent. must be Tier 1 capital). In addition to these so-called minimum own funds Pillar 1 requirements, the CRD IV Directive (including but not limited to, Article 128) also introduces capital buffer requirements in addition to the minimum “own funds” requirements, which must be met with Common Equity Tier 1 capital. The capital buffer is comprised of five elements (referred to collectively as the “combined buffer”): (i) the capital conservation buffer; (ii) the institution-specific countercyclical buffer; (iii) the global systemically important institutions buffer; (iv) the other systemically important institutions buffer; and (v) the systemic risk buffer. Subject to applicable transitional provisions and national implementation, some or all of these capital buffers are expected to apply to the Issuer.

Under Article 141 of the CRD IV Directive, Member States must require that institutions that fail to meet the “combined buffer requirement” (broadly, the combination of the capital conservation buffer, the institution-specific counter-cyclical buffer and the higher of (depending on the institution), the systemic risk buffer, the global systemically important institutions buffer and the other systemically important institution buffer, in each case as applicable to the institution) will be subject to restricted “discretionary payments” (which are defined broadly by the CRD IV Directive as distributions in connection with Common Equity Tier 1 capital, payments on Additional Tier 1 instruments and payments of variable remuneration). The restrictions will be scaled according to the extent of the breach of the combined buffer requirement and calculated as a percentage of the profits of the institution since the most recent decision on the distribution of profits or discretionary payment. Such calculation will result in a “maximum distributable amount” in each relevant period. As an example, the scaling is such that in the bottom quartile of the combined buffer requirement, no discretionary distributions will be permitted to be paid. As a consequence, in the event of breach of the combined buffer requirement it may be necessary to reduce discretionary payments, including potentially exercising the discretion to cancel (in whole or in part) interest payments in respect of Additional Tier 1 Capital Notes. Further, there can be no assurance that the Issuer’s combined buffer requirement will not be increased in the future, which may exacerbate the risk that discretionary payments, including payments of interest on Additional Tier 1 Capital Notes, are cancelled.

In addition to the minimum own funds Pillar 1 capital requirements described above, the CRD IV Directive (including but not limited to Article 104(1)(a)) contemplates that competent authorities may require additional “Pillar 2” capital to be maintained by an institution relating to elements of risks which are not fully captured by the minimum own funds Pillar 1 requirements (“**additional own funds requirements**”) or to address macro-prudential requirements.

According to the implementation of the CRD IV Directive in Denmark, the combined buffer requirement is stacked on top of the “Pillar 2” capital requirements. If the combined buffer requirement is breached, the institution has to submit a capital conservation plan for approval by the DFSA. However, for the purpose of determining automatic restrictions on discretionary payments (i.e. the Maximum Distributable Amount or the “MDA”), “Pillar 2” capital requirements should not be taken into account. Nonetheless, the DFSA may choose to impose restrictions on discretionary payments on the basis of the submitted capital conservation plan.

The EBA published guidelines on 19 December 2014 addressed to national supervisors on common procedures and methodologies for the supervisory review and evaluation process (“SREP”) which contained guidelines proposing a common approach to determining the amount and composition of additional own funds requirements. Under these guidelines, national supervisors should set a composition requirement for the additional own funds requirements to cover certain risks of at least 56 per cent. Common Equity Tier 1 capital and at least 75 per cent. Tier 1 capital. The guidelines also contemplate that national supervisors should not set additional own funds requirements in respect of risks which are already covered by capital buffer requirements and/or additional macro-prudential requirements; and, accordingly, the combined buffer requirement is in addition to the minimum own funds requirement and to the additional own funds requirement. The EBA guidelines are currently under review. A final version is expected to be published by the EBA in 2018.

There can be no assurance as to the relationship between any of the aforementioned or future incremental own funds requirements, any combined buffer requirement and the associated restrictions on discretionary payments, and as to how and when effect will be given to the EBA’s minimum guidelines in Denmark, including as to the consequences for an institution of its capital levels falling below the minimum, buffer and additional requirements referred to above. With effect from 1 January 2016, the DFSA has issued an executive order implementing the composition requirements outlined in SREP. Under this executive order, additional own funds requirements must be met with at least 56 per cent. Common Equity Tier 1 and at least 75 per cent. Tier 1 capital. Capital instruments issued prior to 31 December 2015 that were eligible to cover additional own funds requirements will be grandfathered until 31 December 2021.

The capital requirements applicable to the Issuer and/or Group are, by their nature, calculated by reference to a number of factors any one of which or combination of which may not be easily observable or capable of calculation by investors. Holders of Additional Tier 1 Capital Notes may not be able to predict accurately the proximity of the risk of discretionary payments (of Interest and principal) on the Additional Tier 1 Capital Notes being prohibited from time to time as a result of the operation of Article 141 of the CRD IV Directive as implemented in Denmark.

There can be no assurance that the leverage ratio or any of the minimum own funds Pillar 1 requirements, additional own funds requirements or buffer capital requirements applicable to the Group will not be amended in the future to include new and more onerous capital requirements, which in turn may affect the Issuer’s capacity to make payments of interest on the Notes.

*The Council of the European Union has adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. In certain limited circumstances, it is possible that the implementation of the directive or the taking of any action under it could affect the value of any Notes*

On 15 May 2014, the European Parliament and the Council of the European Union adopted a directive providing for the establishment of a European Union-wide framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU) (the “BRRD”). The BRRD, including the general bail-in tool and the Minimum Requirement for own funds and Eligible Liabilities (“MREL”), was implemented into Danish law and entered into force as of 1 June 2015 by Consolidated Act No. 333 of 31 March 2015 on Restructuring and Resolution of Certain Financial Undertakings, as amended from time to time (the “Danish Recovery and Resolution Act”) and by amendments to the Danish Financial Business Act.

The BRRD is designed to provide authorities designated by Member States with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the



institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system. If the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest, the relevant resolution authority may use the following resolution tools and powers alone or in combination without the consent of the institution's creditors, including the Holders: (i) sale of business - which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution - which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation - which enables resolution authorities to transfer assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in relating to eligible liabilities - which gives resolution authorities the power to write-down or convert to equity all or a part of certain claims of unsecured creditors, including the Holders as further described below and to write-down or convert to equity certain unsecured debt claims (including the Notes) (the "**general bail-in tool**"), which equity could also be subject to any future application of the general bail-in tool.

The BRRD also provides for a Member State as a last resort, after having assessed and applied the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the European Union state aid framework.

An institution or, under certain conditions, a group will be considered as failing or likely to fail when: (i) it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; (ii) its assets are, or are likely in the near future to be, less than its liabilities; (iii) it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (iv) it requires extraordinary public financial support (except in limited circumstances).

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further statutory power to permanently write-down (or convert into equity) capital instruments such as Subordinated Notes and Additional Tier 1 Capital Notes at the point of non-viability and before any other resolution action is taken (non-viability loss absorption). Any shares issued to holders of Subordinated Notes or Additional Tier 1 Capital Notes upon any such statutory conversion into equity may also be subject to subsequent application of resolution tools, which may result in cancellation or dilution of the shareholding.

Any application of the general bail-in tool and non-viability loss absorption under the BRRD shall be in accordance with the hierarchy of claims in normal insolvency proceedings. Accordingly, the impact of such application on Holders will depend on their ranking in accordance with such hierarchy, including any priority given to other creditors such as depositors.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which the relevant authority determines that the institution or, under certain conditions, the group meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or, under certain conditions, the group will no longer be viable unless the relevant capital instruments (such as Subordinated Notes and Additional Tier 1 Capital Notes) are written-down or converted or extraordinary public support is to be provided and without such support the appropriate authority determines that the institution or, under certain conditions, the group would no longer be viable.

The BRRD also provides resolution authorities with broader powers to implement other resolution measures with respect to distressed institutions, or under certain conditions, groups, which may include (without limitation) the replacement or substitution of the institution or group as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments.

With the implementation of BRRD, European banks are required to have bail in-able resources in order to fulfil MREL. There is no minimum European Union-wide level of MREL – each resolution authority is required to make a separate determination of the appropriate MREL requirement for each banking group within its jurisdiction, depending on the resolvability, risk profile, systemic importance and other characteristics of each institution. During 2018, the DFSA is expected to finalise the resolution plans of the Danish SIFI banks, including the Issuer, which includes setting the MREL requirement effective from 1 July 2019. The MREL requirement may require Danish SIFIs and other banks to issue own funds instruments or debt eligible for MREL in accordance with BRRD, the latter includes unsecured senior debt with residual maturity of at least one year. Furthermore, when setting the MREL requirement, the DFSA is expected to publish to what extent an MREL eligible liability also needs to be ranked below other senior debt and other senior liabilities in the credit hierarchy. Irrespective of this additional requirement, the existing debt eligible for MREL in accordance with BRRD is expected to be eligible subject to a grandfathering scheme. Based on earlier communication from the DFSA, the level of MREL for Danish SIFI banks is expected to be set at a level approximately equal to twice their total capital requirement including the combined capital buffer requirement. If an institution does not fulfil the MREL requirement after 1 July 2019, the relevant authority may withdraw its banking licence. Also, a comparable concept for loss absorption, Total Loss Absorbing Capacity (“**TLAC**”) has been set for global systemically important institutions (“**G-SII**”). The TLAC requirement also takes effect from 2019. The Issuer is currently not identified as a G-SII.

The European Commission’s European Union Banking Reform also includes proposals to implement TLAC into European Union legislation. The incorporation of the TLAC standard into the existing MREL framework is expected to provide clarity in the regulatory framework surrounding MREL and TLAC, both in terms of the framework for setting banks’ requirements as well as the instruments that can be used to fulfil such requirements. The implementation of a TLAC requirement for G-SII in the European Union could influence the implementation of MREL and therefore could impact the required MREL for the Issuer. Furthermore, the reform of the existing MREL framework in BRRD may impact the interaction between the MREL requirement and the combined capital buffer requirement to the extent that a breach of MREL may lead to restrictions on the MDA.

The powers set out in the already adopted BRRD impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. The BRRD outlines the priority ranking of certain deposits in an insolvency hierarchy, which required changes to the insolvency hierarchy in Denmark. The BRRD establishes a preference in the ordinary insolvency hierarchy, firstly for insured depositors and, secondly, for all other deposits of individuals and micro, small and medium-sized enterprises held in EEA or non-EEA branches of an EEA bank. These preferred deposits rank ahead of all other unsecured senior creditors of the Issuer in the insolvency hierarchy. Furthermore, the insolvency hierarchy could be changed in the future.

On 12 December 2017, the European Parliament and the Council of the European Union adopted Directive 2017/2399/EU amending BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy. The directive enables banks to issue debt in a new statutory category of unsecured debt which would rank below the most senior debt and other senior liabilities for the purposes of resolution (a so-called ‘non-preferred senior debt’). The directive is currently being transposed into national laws in the EU Member States, including into Danish law. On 14 March 2018, a bill proposing implementation of the directive was presented in the Danish Parliament. According to the bill as published, the rules will not affect the existing stock of bank debt and will apply to issuances of bank debt made from 1 January 2018 or later in the concerned category following the date of application of the amendment. However, as the bill has not been adopted, the exact content of the final rules are presently not known.

The exercise of any power under the BRRD or any suggestion of such exercise could have a material adverse effect on the rights of Holders, the price or value of their investment in any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes. Although the BRRD, as implemented, contains certain limited safeguards for creditors in specific circumstances, including in the case of senior creditors a safeguard that aims to ensure that they do not incur greater losses than they would have incurred had the relevant financial institution been wound up under normal insolvency proceedings, there can be no assurance that these safeguards will be effective if such powers are exercised. The determination that all or a part of the principal amount of the Notes

will be subject to bail-in is likely to be inherently unpredictable and may depend on a number of factors which may be outside of the Group's control. The application of the general bail-in tool with respect to the Notes may result in the write-down or cancellation of all, or a portion of, the principal amount of, or outstanding amount payable in respect of, and/or interest on, the Notes and/or the conversion of all, or a portion, of the principal amount of, or outstanding amount payable in respect of, or interest on, the Notes into shares or other securities or other obligations of the Bank or another person, including by means of a variation to the terms of the Notes to give effect to such application of the general bail-in tool. Accordingly, potential investors in the Notes should consider the risk that the general bail-in tool may be applied in such a manner as to result in Holders losing all or a part of the value of their investment in the Notes or receiving a different security than the Notes, which may be worth significantly less than the Notes and which may have significantly fewer protections than those typically afforded to debt securities. Moreover, the relevant resolution authority may exercise its authority to apply the general bail-in tool without providing any advance notice to the Holders.

Holders of the Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool as described above and, in the case of Subordinated Notes and Additional Tier 1 Capital Notes, any non-viability loss absorption, which may result in Holders losing some or all of their investment. The exercise of any power under the BRRD or any suggestion of such exercise could, therefore, materially adversely affect the rights of Holders, the price or value of their investment in any relevant Notes and/or the ability of the Issuer to satisfy its obligations under any relevant Notes.

*The Group will have to pay additional amounts under resolution funds or deposit guarantee schemes*

In Denmark and other jurisdictions, deposit guarantee schemes and similar funds ("**Deposit Guarantee Schemes**") have been implemented from which compensation for deposits may become payable to customers of financial services firms in the event a financial services firm is unable to pay, or unlikely to pay, claims against it. In most jurisdictions in which the Group operates, these Deposit Guarantee Schemes and resolution funds are funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. The future target level of funds to be accumulated in Deposit Guarantee Schemes and resolution funds across different European Union countries may exceed the minimum target levels provided for in the BRRD, Directive 2014/49/EC (the "**revised Deposit Guarantee Schemes Directive**") and in Regulation 2014/806/EC of the European Parliament and of the Council establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation 1093/2010/EC (the "**SRM**") (the latter of which will be relevant for Danish credit institutions should Denmark choose to participate in the Banking Union, which includes the SRM).

Through participation in the Deposit Guarantee Fund for Depositors and Investors (the "**Danish Guarantee Fund**"), Danish deposit guarantee fund, Danish credit institutions undertake to cover losses incurred on covered deposits held with distressed credit institutions. The Danish Guarantee Fund's capital must amount to at least 0.8 per cent. of the covered deposits of all Danish credit institutions by 31 December 2024. 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 per cent. of the individual institution's covered deposits may be required. Extraordinary contributions above this percentage require the consent of the DFSA. If the Danish Guarantee Fund's capital falls below two-thirds of the minimum amount (0.8 per cent. of covered deposits), the Danish Guarantee Fund must reach the target level again within six years.

The Issuer, Realkredit Danmark A/S ("**Realkredit Danmark**") and other Danish financial institutions must make contributions to the Danish resolution fund on the basis of the amount of their respective liabilities (excluding own funds) less covered deposits and risks relative to other financial institutions in Denmark. The assets of the Danish resolution fund must equal at least 1 per cent. of the covered deposits of all Danish financial institutions by 31 December 2024. The first contributions to the Danish resolution fund were paid in the fourth quarter of 2015. The intention is for losses to be covered by the annual contributions made by the participating financial institutions. Consequently, if the Danish resolution fund does not have sufficient means, extraordinary contributions of up to three times the latest annual contributions may be required.

In addition, the Issuer's international subsidiaries contribute to national deposit guarantee schemes and resolution funds to the extent required.

*The Group may be affected by general economic and geopolitical conditions*

The financial services industry generally prospers in conditions of economic growth, stable geopolitical conditions, capital markets that are transparent, liquid and buoyant, and positive investor sentiment. Each of the Group's operating segments is affected by general economic and geopolitical conditions, which can cause the Group's results of operations and financial position to fluctuate from year to year as well as on a long-term basis. The Group's performance is in particular significantly influenced by the general economic conditions of the countries in which it operates, in particular the Nordic markets (Denmark, Sweden, Norway and Finland) and Northern Ireland.

Since 2014, Denmark has experienced annual GDP growth close to 1.8 per cent, and a sustained increase in employment. Growth has continued on a strong note in 2017, although export levels have been disappointing in 2017 considering the solid global growth and healthy competitiveness of Danish businesses. Growth in Sweden accelerated to 4.5 per cent. in 2015 supported by private consumption and housing investment, but has since moderated to close to 3 per cent. Norway was negatively affected by the decline in oil prices in 2014, but did not experience an actual recession and is now recovering from a period of low growth, as oil-related investment is no longer declining. Finland suffered 3 years of declining GDP due to, among other things, declining exports to Russia, and a need to tighten fiscal policy. Since 2015, growth has accelerated and was close to 3 per cent. annually in the fourth quarter of 2017, driven by exports, investment and an increase in private consumption despite a decline in real wages in 2017.

Across the Nordic countries, growth has been sustained by increasing private consumption. In Denmark and Sweden, real wages have grown due to low inflation, and employment has increased. Norway has experienced higher inflation following the depreciation of the Norwegian Kroner, but real wage increases have remained positive. In Finland, real wages have been decreasing due to, among other things, an internal devaluation in the shape of a one-year wage freeze. However, low inflation and interest rates, combined with an income tax cut, has kept private consumption going strong. Years of rapid house price increases in Sweden and Norway have been replaced by a sharp reversal, especially in Sweden where prices have decreased significantly in recent months. In Sweden, where residential investments is an important growth driver, the Issuer expects overall growth will be negatively affected as household finances and the finances of construction-related businesses will weaken. Norwegian house prices have on average declined since spring 2017 led by lower prices in Oslo as supply of new housing has increased and access to mortgage financing has been limited by regulatory measures. In recent months, price declines have been slowing, though, and the Issuer does not expect overall economic activity to be affected much. As Nordic countries are small, open economies, they are sensitive to disruptions in the global economy or the free flow of goods and services. Very accommodating central bank monetary policy and low interest rates have had, and continue to have, an impact on the Group's net interest income. Adverse economic developments have affected and will continue to affect the Group's business in a number of ways, including, among others, the income, wealth, liquidity, business and/or financial condition of the Group's customers, particularly its small- and medium-sized enterprise ("SME") customers, which, in turn, could further reduce the Group's credit quality (resulting in increased impairment charges) and demand for the Group's financial products and services. As a result, any or all of the conditions described above could continue to have a material adverse effect on the Group's business, results of operations and financial position, and measures implemented by the Group might not be satisfactory to reduce any credit, market and liquidity risks.

## **Risks related to the market generally**

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

*The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”*

Interest rates and indices which are deemed to be “benchmarks” (such as, in the case of Floating Rate Notes, a Reference Rate or, in the case of Reset Notes, a Mid-Swap Floating Leg Benchmark Rate), are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a “benchmark”. The Benchmarks Regulation was published in the Official Journal of the European Union on 29 June 2016 and has applied since 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-European Union based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by European Union supervised entities (such as the Issuer) of “benchmarks” of administrators that are not authorised or registered (or, if non-European Union based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of national or international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

*Future discontinuance of certain benchmark rates (for example, LIBOR or EURIBOR) may adversely affect the value of Floating Rate Notes and/or Reset Notes which are linked to or which reference any such benchmark rate*

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences that cannot be predicted.

Investors should be aware that, if a benchmark rate were discontinued or otherwise unavailable, the rate of interest on Reset Notes and Floating Rate Notes which are linked to or which reference such benchmark rate will be determined for the relevant period by the fall-back provisions applicable to such Notes. The Terms and

Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, such as LIBOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable.

If the circumstances described in the preceding paragraph occur and (i) in the case of Floating Notes, Reference Rate Replacement is specified in the relevant Final Terms or Pricing Supplement as being applicable and Screen Rate Determination is specified in the relevant Final Terms or Pricing Supplement as the manner in which the rate of interest is to be determined or (ii) in the case of Reset Notes, Mid-Swap Floating Leg Benchmark Rate Replacement is specified in the relevant Final Terms or Pricing Supplement as being applicable (any such Notes “**Relevant Notes**”), such fallback arrangements will include the possibility that:

- (A) the relevant rate of interest (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a successor rate or an alternative rate (as applicable) determined by an Independent Adviser or, if the Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed by the Issuer fails to make such determination, the Issuer; and
- (B) such successor rate or alternative rate (as applicable) may be adjusted (if required) by the relevant Independent Adviser or the Issuer (as applicable) (in the case of Relevant Notes which are Floating Rate Notes) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark or (in the case of Relevant Notes which are Reset Notes) in order to take account of any adjustment factor to make such rates comparable to rates quoted on the basis of the relevant Mid-Swap Floating Leg Benchmark Rate,

in any such case, acting in good faith and in a commercially reasonable manner as described more fully in the Terms and Conditions of the Relevant Notes.

In addition, in the case of Relevant Notes which are Floating Rate Notes, the relevant Independent Adviser or the Issuer (as applicable) may also determine (acting in good faith and in a commercially reasonable manner) that other amendments to the Terms and Conditions of the Notes are necessary in order to follow market practice in relation to the relevant successor rate or alternative rate (as applicable) and to ensure the proper operation of the relevant successor rate or alternative rate (as applicable).

No consent of the Holders shall be required in connection with effecting any relevant successor rate or alternative rate (as applicable) or any other related adjustments and/or amendments described above.

In certain circumstances, the ultimate fallback of interest for a particular Interest Period or Reset Period (as applicable) may result in the rate of interest for the last preceding Interest Period or Reset Period (as applicable) being used. This may result in the effective application of a fixed rate for Floating Rate Notes or Reset Notes (as applicable) based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Reset Notes. Investors should note that, in the case of Relevant Notes, the relevant Independent Adviser or the Issuer (as applicable) will have discretion to adjust the relevant successor rate or alternative rate (as applicable) in the circumstances described above. Any such adjustment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Holder, any such adjustment will be favourable to each Holder.

Investors should consider all of these matters when making their investment decision with respect to the relevant Floating Rate Notes or Reset Notes.

*An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. See also “*The Group may be affected by general economic and geopolitical conditions*” above.

*If an investor holds Notes which are not denominated in the investor’s home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes*

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency or Specified Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (i) the Investor’s Currency-equivalent yield on the Notes, (ii) the Investor’s Currency-equivalent value of the principal payable on the Notes and (iii) the Investor’s Currency-equivalent market value of the Notes.

Governmental and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal as measured in the Investor’s Currency.

*The value of Fixed Rate Notes may be adversely affected by movements in market interest rates*

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

In addition, a holder of securities with a fixed interest rate that will be periodically reset during the term of the relevant securities, such as Notes to which the reset provisions apply, is also exposed to the risk of fluctuating interest rate levels and uncertain interest income.

*Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes and may be lowered, withdrawn or not maintained*

One or more independent credit rating agencies may assign credit ratings to the Notes and/or the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes or the standing of the Issuer.

The expected rating(s), if any, of the Notes will be set out in the relevant Final Terms or Pricing Supplement for each Series of Notes. Any rating agency may lower its rating or withdraw its rating if, in the sole judgement of the rating agency, the credit quality of the Notes has declined or is in question. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

There is no guarantee that any rating of the Notes and/or the Issuer will be maintained by the Issuer following the date of this Base Prospectus. If any rating assigned to the Notes and/or the Issuer is revised lower, suspended, withdrawn or not maintained by the Issuer, the market value of the Notes may be reduced.

*The Issuer is exposed to changing methodology by rating agencies*

The Issuer is exposed to changes in the rating methodologies applied by rating agencies. Any adverse changes of such methodologies may materially and adversely affect the Issuer's operations or financial condition, the Issuer's willingness or ability to leave individual transactions outstanding and adversely affect the Issuer's capital market standing.

**Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

*Following the occurrence of a Permitted Status Legislation Change, the Non-Preferred Senior Notes rank junior to the Issuer's other unsubordinated creditors*

The Issuer may issue Non-Preferred Senior Notes. Unless a Permitted Status Legislation Change has occurred, the Non-Preferred Senior Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank at least *pari passu* with all other ordinary, unsubordinated and unsecured obligations of the Issuer, present and future, save for certain mandatory exceptions provided by law.

The Non-Preferred Senior Notes are intended to constitute Non-Preferred Senior Liabilities of the Issuer. Non-Preferred Senior Liabilities are obligations under certain unsubordinated and unsecured liabilities of a Regulated Entity which, pursuant to the Non-Preferred Senior Amendment Legislation, may rank below other unsubordinated and unsecured liabilities with higher priority ranking upon the insolvency of such Regulated Entity.

Following the occurrence of a Permitted Status Legislation Change, the Non-Preferred Senior Notes will rank (to the extent permitted by the Non-Preferred Senior Amendment Legislation) junior to present or future claims of (a) depositors of the Issuer and (b) other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Liabilities, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer. By virtue of its subscription and/or purchase and holding of the relevant Series of Non-Preferred Senior Notes, each Holder of Non-Preferred Senior Notes will be deemed to have irrevocably accepted the status of the Non-Preferred Senior Notes arising from a Permitted Status Legislation Change.

The Issuer may issue other obligations or instruments that rank or are expressed to rank senior to the Non-Preferred Senior Notes (including Preferred Senior Notes) or *pari passu* with the Non-Preferred Senior Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer. In the event of a liquidation or bankruptcy of the Issuer, the Issuer will be required to pay its depositors and other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Liabilities in full before it can make any payments on the Non-Preferred Senior Notes. If this occurs, the Issuer may not have enough assets remaining after these payments are made to pay amounts due under the Non-Preferred Senior Notes. In addition, in the event of a liquidation or bankruptcy of the Issuer, to the extent the Issuer has assets remaining after paying its creditors who rank senior to the Non-Preferred Senior Notes, payments relating to other obligations or instruments of the Issuer that rank or are expressed to rank *pari passu* with the Non-Preferred Senior Notes may, if there are insufficient assets to satisfy the claims of all of the Issuer's *pari passu* creditors, further reduce the assets available to pay amounts due under the Non-Preferred Senior Notes on a liquidation or bankruptcy of the Issuer.



*The claims of Holders in respect of Subordinated Notes are subordinated*

The Issuer may issue Subordinated Notes which will constitute direct, unsecured and subordinated debt obligations of the Issuer as described in Condition 5.3 (*Status – Subordinated Notes*).

The Issuer may issue other obligations or capital instruments that rank or are expressed to rank senior to the Subordinated Notes or *pari passu* with the Subordinated Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer. In the event of a liquidation or bankruptcy of the Issuer, the Issuer will be required to pay (i) its depositors and other unsubordinated creditors and (ii) its other subordinated creditors (other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes) in full before it can make any payments on the Subordinated Notes. If this occurs, the Issuer may not have enough assets remaining after these payments are made to pay amounts due under the Subordinated Notes. In addition, in the event of a liquidation or bankruptcy of the Issuer, to the extent the Issuer has assets remaining after paying its creditors who rank senior to the Subordinated Notes, payments relating to other obligations or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Subordinated Notes may, if there are insufficient assets to satisfy the claims of all of the Issuer's *pari passu* creditors, further reduce the assets available to pay amounts due under the Subordinated Notes on a liquidation or bankruptcy of the Issuer.

*The claims of Holders in respect of Additional Tier 1 Capital Notes are deeply subordinated*

The Issuer may issue Additional Tier 1 Capital Notes, which, subject to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*), will constitute direct, unsecured and subordinated debt obligations of the Issuer as described in Condition 5.4 (*Status – Additional Tier 1 Capital Notes*).

The Issuer may issue other obligations or capital instruments that rank or are expressed to rank senior to the Additional Tier 1 Capital Notes or *pari passu* with the Additional Tier 1 Capital Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer. In the event of a liquidation or bankruptcy of the Issuer, the Issuer will be required to pay (i) its depositors and other unsubordinated creditors and (ii) its other subordinated creditors (other than the present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Additional Tier 1 Capital Notes) in full before it can make any payments on the Additional Tier 1 Capital Notes. If this occurs, the Issuer may not have enough assets remaining after these payments are made to pay amounts due under the Additional Tier 1 Capital Notes. In addition, in the event of a liquidation or bankruptcy of the Issuer, to the extent the Issuer has assets remaining after paying its creditors who rank senior to the Additional Tier 1 Capital Notes, payments relating to other obligations or capital instruments of the Issuer that rank or are expressed to rank *pari passu* with the Additional Tier 1 Capital Notes may, if there are insufficient assets to satisfy the claims of all of the Issuer's *pari passu* creditors, further reduce the assets available to pay amounts due under the Additional Tier 1 Capital Notes on a liquidation or bankruptcy of the Issuer.

*The principal of, and accrued but unpaid interest in respect of, the Subordinated Notes may be reduced and cancelled in certain circumstances*

In relation to Subordinated Notes, until the date on which none of the Existing Tier 2 Capital Notes is outstanding, the shareholders of the Issuer may, upon the occurrence of a Reduction Event and pursuant to Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*), resolve to reduce and cancel (*inter alia*):

- (i) on a *pro-rata* basis all or part of any of its arrears of interest (howsoever defined) (together with any additional interest amounts (howsoever defined)) under its other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith and all or part of any accrued but unpaid interest under the Subordinated Notes and its other Tier 2 Capital and any of its other instruments expressed to be ranking *pari passu* therewith and issued on or after 4 October 2013; and

- (ii) all or part of the Outstanding Principal Amounts of the Subordinated Notes on a *pro-rata* basis with the outstanding nominal amount of all of its other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith,

provided that the requirements set out in Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) are met. Investors should note that, while such reduction and cancellation is not common, it is an appreciable risk and is not limited to the liquidation or bankruptcy of the Issuer. In addition, investors should note that, following any such reduction and cancellation, the relevant amount of accrued but unpaid interest so reduced and cancelled and the relevant amount of the Outstanding Principal Amounts of the Subordinated Notes so reduced and cancelled will not be reinstated in any circumstances.

Any actual or anticipated reduction and cancellation of (A) any accrued but unpaid interest on the Subordinated Notes and (B) the Outstanding Principal Amounts of the Subordinated Notes, in either case pursuant to the reduction and cancellation provision described above, will likely have an adverse effect on the market price of the Subordinated Notes. In addition, as a result of such reduction and cancellation provision, the market price of the Subordinated Notes prior to the date on which none of the Existing Tier 2 Capital Notes is outstanding may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such reduction and cancellation and may be more sensitive generally to adverse changes in the financial condition of the Issuer and/or the Group.

*Interest on the Additional Tier 1 Capital Notes may be cancelled in certain circumstances*

Subject as provided in Condition 8 (*Interest Cancellation*), any payment of interest in respect of the Additional Tier 1 Capital Notes shall be payable only out of the Issuer's Distributable Items and:

- (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion; or
- (ii) will be mandatorily cancelled, in whole or in part, to the extent:
  - (A) that, if the relevant payment were so made, the amount of such payment, when aggregated together with other distributions of the kind referred to in Article 141 (2) of the CRD IV Directive (or, as the case may be, any provision of Danish law transposing or implementing Article 141 (2) of the CRD IV Directive), or any successor thereto, would cause any Maximum Distributable Amount to be exceeded; or
  - (B) otherwise so required by CRD IV, including the applicable criteria for Additional Tier 1 Capital instruments.

The CRD IV requirements currently provide that discretionary payments in respect of certain capital instruments (including payments of interest on the Additional Tier 1 Capital Notes, which would include, for the avoidance of doubt, any additional amounts in respect of interest which may be payable under Condition 16 (*Taxation*)) will be required to be cancelled, in whole or in part, to the extent that:

- (i) the Issuer's Distributable Items are insufficient to make the relevant payment(s); or
- (ii) the combined buffer requirement is not met and, if the relevant payment(s) were made, the amount of such payment(s) would exceed the Maximum Distributable Amount. See further the risk factor entitled "*Additional Capital Buffer Requirements*" above.

The Issuer also expects to cancel any such discretionary payment to the extent that CRD IV prescribes and/or, as the case may be, the Relevant Regulator requires that the relevant payment(s) shall be cancelled.

The Issuer's Distributable Items will depend to a large extent on the net income earned by the Issuer. The Maximum Distributable Amount is a relatively novel concept, and its determination is subject to some uncertainty. As discussed above, the Issuer is entitled to cancel payments of interest in its sole discretion and it is

permitted to do so even if it could make such payments without exceeding the limits described in the paragraph immediately above. Notwithstanding the above expectations, payments of interest on the Additional Tier 1 Capital Notes may be cancelled even if holders of the Issuer's shares continue to receive dividends.

Following any cancellation of interest as described above, the right of Holders of the Additional Tier 1 Capital Notes to receive accrued interest in respect of the relevant Interest Period will terminate and the Issuer will have no further obligation to pay such interest or to pay interest thereon, whether or not payments of interest in respect of subsequent Interest Periods are made, and such unpaid interest will not be deemed to have "accrued" or been earned for any purpose nor will the non-payment of such interest constitute an Enforcement Event.

Any actual or anticipated cancellation of interest will likely have an adverse effect on the market price of the Additional Tier 1 Capital Notes. In addition, as a result of the interest cancellation provision of the Additional Tier 1 Capital Notes, the market price of the Additional Tier 1 Capital Notes may be more volatile than the market prices of other debt securities on which interest accrues and that are not subject to such cancellation and may be more sensitive generally to adverse changes in the financial condition of the Issuer and/or the Group. Holders should be aware that any announcement relating to the future cancellation of interest payments or any actual cancellation of interest payments may have an adverse effect on the market price of the Additional Tier 1 Capital Notes. Holders may find it difficult to sell their Additional Tier 1 Capital Notes in such circumstances, or may only be able to sell their Additional Tier 1 Capital Notes at a price which may be significantly lower than the price at which they purchased their Additional Tier 1 Capital Notes. In such event, Holders may lose some or substantially all of their investment in the Additional Tier 1 Capital Notes.

*Additional Tier 1 Capital Notes will be subject to loss absorption following a Trigger Event*

In the case of a Series of Additional Tier 1 Capital Notes, such Notes will be issued for regulatory capital adequacy purposes with the intention and purpose of being eligible as Additional Tier 1 Capital of the Issuer and the Group. Such eligibility depends upon a number of conditions being satisfied, which are reflected in the Terms and Conditions of the Notes and which, in particular, require the Additional Tier 1 Capital Notes and the proceeds of their issue to be available to absorb any losses of the Issuer and/or the Group.

Accordingly, if, in respect of a Series of Additional Tier 1 Capital Notes, at any time the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group has fallen below the Trigger Event Threshold in respect of such Notes, the Outstanding Principal Amounts of such Notes shall be reduced as described below and in Condition 11.2 (*Loss Absorption Following a Trigger Event*).

Holders of a Series of Additional Tier 1 Capital Notes may lose all or some of their investment as a result of such a reduction to the Outstanding Principal Amounts of such Notes. Subject, in the case of any such reduction to the Outstanding Principal Amounts of a Series of Additional Tier 1 Capital Notes, to (i) compliance with CRD IV and BRRD requirements and (ii) the Loss Absorption Minimum Amount in respect of such Notes, the amount of the relevant reduction to the Outstanding Principal Amounts of such Notes on the relevant Write Down Date will be equal to the amount of a reduction to the Outstanding Principal Amounts of such Notes on the relevant Write Down Date that would restore the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group, as applicable, to at least the Trigger Event Threshold in respect of such Notes at the point of such reduction, taking into account the amount of Common Equity Tier 1 Capital (if any) of the Issuer and/or the Group, as the case may be, generated on or prior to the relevant Write Down Date by the *pro-rata* reduction to, or, as the case may be, conversion into Common Equity Tier 1 Capital instruments of, the principal amount of all Parity Trigger Loss Absorbing Instruments (if any) outstanding at such time and all Other Loss Absorbing Instruments (if any) outstanding at such time.

It is possible that, following a material decrease in the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group, a Trigger Event in relation to a Series of Additional Tier 1 Capital Notes could occur simultaneously with a trigger event in relation to one or more Other Loss Absorbing Instruments having a higher or, as the case may be, lower trigger level than the Trigger Event Threshold in respect of such Notes. In such circumstances, investors should note that, with respect to each such Other Loss Absorbing Instrument (if any), Condition 11.2 (*Loss Absorption Following a Trigger Event*) provides that the *pro-rata* reduction or, as the case

may be, conversion shall only be taken into account as described above to the extent required to restore the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group, as applicable, to the lower of (1) such Other Loss Absorbing Instrument's trigger level and (2) the Trigger Event Threshold in respect of such Notes. Once the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group, as applicable, has been restored to at least the Trigger Event Threshold in respect of the relevant Series of Additional Tier 1 Capital Notes at the point of the relevant reduction, the Issuer expects that any additional amounts of Common Equity Tier 1 Capital which are required to cure a trigger event in relation to any Other Loss Absorbing Instruments with a higher trigger level ("**Higher Trigger Other Loss Absorbing Instruments**") than such Trigger Event Threshold will only be generated by the further reduction to, or, as the case may be, further conversion into Common Equity Tier 1 Capital instruments of, the principal amount of such Higher Trigger Other Loss Absorbing Instruments, in each case in accordance with the terms of such Higher Trigger Other Loss Absorbing Instruments and the CRD requirements.

Investors should also note that, if the Issuer issues a Parity Trigger Loss Absorbing Instrument or an Other Loss Absorbing Instrument that may be reduced, or, as the case may be, converted into Common Equity Tier 1 Capital instruments, in full (save for any floor equivalent to the Loss Absorption Minimum Amount) but not in part only, the Issuer expects that such instruments shall be treated for the purposes of determining the relevant *pro-rata* amounts to be taken into account as described above and in Condition 11.2 (*Loss Absorption Following a Trigger Event*) as if their terms permitted partial reduction or, as the case may be, partial conversion into Common Equity Tier 1 Capital instruments.

In addition, investors should note that Condition 11.2 (*Loss Absorption Following a Trigger Event*) provides that, to the extent the reduction to, or, as the case may be, conversion into Common Equity Tier 1 Capital instruments of, the principal amount of any Parity Trigger Loss Absorbing Instrument or Other Loss Absorbing Instrument is not, or by the relevant Write Down Date will not be, effective for any reason:

- (A) the ineffectiveness of any such reduction or, as the case may be, conversion into Common Equity Tier 1 Capital instruments shall not prejudice the requirement to effect a reduction to the Outstanding Principal Amounts of the relevant Series of Additional Tier 1 Capital Notes pursuant to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*); and
- (B) the reduction to, or, as the case may be, conversion into Common Equity Tier 1 Capital instruments of, the principal amount of any Parity Trigger Loss Absorbing Instrument or Other Loss Absorbing Instrument which is not, or by the Write Down Date will not be, effective shall not be taken into account in determining the relevant reduction of the Outstanding Principal Amounts of the relevant Series of Additional Tier 1 Capital Notes pursuant to Condition 11.2 (*Loss Absorption Following a Trigger Event*).

Therefore (i) the reduction to, or, as the case may be, conversion into Common Equity Tier 1 Capital instruments of, the principal amount of any Parity Trigger Loss Absorbing Instruments or any Other Loss Absorbing Instruments is not a condition to a reduction of the Outstanding Principal Amounts of a Series of Additional Tier 1 Capital Notes and (ii) as a result of any failure to reduce or, as the case may be, convert into Common Equity Tier 1 Capital instruments the principal amount of any Parity Trigger Loss Absorbing Instrument or any Other Loss Absorbing Instruments, the amount of the reduction to the Outstanding Principal Amounts of a Series of Additional Tier 1 Capital Notes may therefore be higher than expected.

As any such reduction to the Outstanding Principal Amounts of a Series of Additional Tier 1 Capital Notes is subject to compliance with CRD IV and BRRD requirements, the reduction provisions described above and in Condition 11.2 (*Loss Absorption Following a Trigger Event*) are subject to, and will be interpreted in light of, any applicable changes to any such requirements. Notwithstanding any of the provisions relating to a reduction of the Additional Tier 1 Capital Notes as described above, no assurance can be given that the Issuer will not determine that the CRD IV requirements require a reduction to the Outstanding Principal Amounts of a Series of Additional Tier 1 Capital Notes to be calculated and determined in a different manner than as described above and in Condition 11.2 (*Loss Absorption Following a Trigger Event*). Investors should note that, in the case of any such reduction to the Outstanding Principal Amounts of such Notes pursuant to Condition 11.2 (*Loss Absorption*

*Following a Trigger Event*), the Issuer's determination of the relevant amount of such reduction shall be binding on all parties.

Any such reduction of the Outstanding Principal Amounts of the relevant Additional Tier 1 Capital Notes shall not constitute an Enforcement Event and, following such reduction, claims of the Holders of the relevant Additional Tier 1 Capital Notes in respect of principal will, in all cases, be based on the reduced Outstanding Principal Amounts of the relevant Additional Tier 1 Capital Notes to the extent the Outstanding Principal Amounts of such Notes have not subsequently been reinstated as described in Condition 11.3 (*Reinstatement of the Notes*).

In addition, following a reduction of the Outstanding Principal Amounts of a Series of Additional Tier 1 Capital Notes as described above, interest can only continue to accrue on the Outstanding Principal Amounts of such Notes following such reduction, which will be lower than the Original Principal Amount of such Notes.

Following any such reduction, the Issuer will not in any circumstances be obliged to reinstate the Outstanding Principal Amounts of the relevant Additional Tier 1 Capital Notes, but any reinstatement must be undertaken, subject to compliance with CRD IV requirements and the Reinstatement Limit described in Condition 11.3 (*Reinstatement of the Notes*), on a *pro-rata* basis with all other Parity Trigger Loss Absorbing Instruments (if any) which would, following such reinstatement, constitute Additional Tier 1 Capital and feature similar reinstatement provisions. Investors should note that, while the Terms and Conditions provide for a *pro-rata* reinstatement as described in the preceding sentence, there is no guarantee (including as regards the timing of the relevant reinstatement) how a reinstatement of the Outstanding Principal Amounts of the relevant Additional Tier 1 Capital Notes would be conducted when compared to any proposed reinstatement of any obligations or capital instruments of the Issuer (i) with a similar principal loss absorption mechanism but with a higher or lower trigger level compared to the Trigger Event Threshold of the relevant Additional Tier 1 Capital Notes and (ii) which include similar reinstatement provisions.

The market price of the Additional Tier 1 Capital Notes is expected to be affected by fluctuations in the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group. Any indication that the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group is trending towards the Trigger Event Threshold in respect of a Series of Additional Tier 1 Capital Notes may have an adverse effect on the market price of such Notes. The level of the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group may significantly affect the trading price of the Additional Tier 1 Capital Notes.

Investors should note that, while such a reduction is not common, it is an appreciable risk and is not limited to the liquidation or bankruptcy of the Issuer.

*The calculation of the Common Equity Tier 1 Capital Ratio will be affected by a number of factors, many of which may be outside the Issuer's control*

The occurrence of a Trigger Event and, therefore a write-down of the Original Principal Amounts of the Additional Tier 1 Capital Notes, is inherently unpredictable and depends on a number of factors, many of which may be outside the Issuer's control. As the Relevant Regulator may require the Common Equity Tier 1 Capital Ratio to be calculated as of any date, a Trigger Event could occur at any time. The calculation of the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group could be affected by a wide range of factors, including, among other things, factors affecting the level of the Issuer's and/or the Group's earnings or dividend payments, the mix of businesses, the ability to effectively manage the risk-weighted assets in both the on-going businesses and those the Issuer and/or the Group may seek to exit, losses in commercial banking, investment banking or other businesses, changes in the Group's structure or organisation, or any of the factors described in "Description of the Danske Bank Group". The calculation of the ratios also may be affected by changes in applicable accounting rules and the manner in which accounting policies are applied, including the manner in which permitted discretion is exercised under the applicable accounting rules.

Due to the uncertainty regarding whether a Trigger Event will occur, it will be difficult to predict when, if at all, the Original Principal Amounts of the Additional Tier 1 Capital Notes may be written down. Accordingly,

the trading behaviour of the Additional Tier 1 Capital Notes may not necessarily follow the trading behaviour of other types of subordinated securities. Any indication that the Common Equity Tier 1 Capital Ratio of either the Issuer or of the Group is approaching the level that would trigger a Trigger Event may have an adverse effect on the market price and liquidity of the Additional Tier 1 Capital Notes. Under such circumstances, investors may not be able to sell their Additional Tier 1 Capital Notes easily or at prices that will provide them with a yield comparable to more conventional investments.

*Substitution and variation of the Additional Tier 1 Capital Notes without Holder consent*

Subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*), if a Special Event has occurred and is continuing, the Issuer may substitute all (but not some only) of the Additional Tier 1 Capital Notes or vary the terms of all (but not some only) of the Additional Tier 1 Capital Notes, without the requirement for the consent or approval of the Holders of the Additional Tier 1 Capital Notes, so that they become or remain Qualifying Capital Notes.

Qualifying Capital Notes are securities issued or guaranteed by the Issuer that have, *inter alia*, terms which (i) adhere to the specific conditions outlined in the definition of “Qualifying Capital Notes” and (ii) are not otherwise materially less favourable to the Holders of the Additional Tier 1 Capital Notes than the terms of the Additional Tier 1 Capital Notes (provided that the Issuer shall have delivered a certificate to that effect signed by two of its directors to the Fiscal Agent). There can be no assurance that, due to the particular circumstances of each Holder, any Qualifying Capital Notes will be as favourable to each Holder in all respects or that, if it were entitled to do so, a particular Holder would make the same determination as the Issuer as to whether the terms of the relevant Qualifying Capital Notes are not materially less favourable to Holders than the terms of the Notes.

See Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*).

*Substitution and variation of Non-Preferred Senior Notes without Holder consent*

Subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*), if the MREL/TLAC Disqualification Event Substitution/Variation Option is specified as being applicable in the relevant Final Terms or Pricing Supplement, and a MREL/TLAC Disqualification Event has occurred and is continuing, the Issuer may substitute all (but not some only) of the Non-Preferred Senior Notes or vary the terms of all (but not some only) of the Non-Preferred Senior Notes, without the requirement for the consent or approval of the Holders of the Non-Preferred Senior Notes, so that they become or remain Qualifying Non-Preferred Senior Notes.

Qualifying Non-Preferred Senior Notes are securities issued or guaranteed by the Issuer that have, *inter alia*, terms which (i) adhere to the specific conditions outlined in the definition of “Qualifying Non-Preferred Senior Notes” and (ii) are not otherwise materially less favourable to the Holders of the Non-Preferred Senior Notes than the terms of the Non-Preferred Senior Notes (provided that the Issuer shall have delivered a certificate to that effect signed by two of its directors to the Fiscal Agent). There can be no assurance that, due to the particular circumstances of each Holder, any Qualifying Non-Preferred Senior Notes will be as favourable to each Holder in all respects or that, if it were entitled to do so, a particular Holder would make the same determination as the Issuer as to whether the terms of the relevant Qualifying Non-Preferred Senior Notes are not materially less favourable to Holders than the terms of the Notes.

See Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*).

*There are no events of default and limited enforcement events in relation to Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes*

The terms of the Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes do not provide for any events of default. Holders of the relevant Series of such Notes may not at any time demand repayment or redemption of such Notes, and enforcement rights for any payments are limited to the claim of Holders in a liquidation or bankruptcy of the Issuer. In a liquidation or bankruptcy of the Issuer, a Holder may

prove or claim in such proceedings in respect of the relevant Series of such Notes, such claim being for payment of the Outstanding Principal Amount of such Notes at the time of commencement of such liquidation or bankruptcy together with any interest accrued and unpaid on such Notes (in the case of Additional Tier 1 Capital Notes, to the extent that the same is not cancelled in accordance with the terms of such Notes) from (and including) the Interest Payment Date immediately preceding commencement of such liquidation or bankruptcy and any other amounts payable on such Notes under the Terms and Conditions.

According to Section 17(2) of Consolidated Act No.11 of 6 January 2014, as amended or replaced from time to time (the “**Danish Bankruptcy Act**”) (in Danish: “*konkursloven*”), a debtor is insolvent if it cannot meet its obligations as and when they fall due, unless the inability to meet such obligations may be considered to be temporary. However, according to Section 234(2) of the Danish Financial Business Act, notwithstanding Section 17(2) of the Danish Bankruptcy Act, if the Issuer cannot meet its obligations regarding capital raised as hybrid core capital or subordinated loan capital, the Issuer will not be considered insolvent. Accordingly, a Holder of (i) Subordinated Notes or Additional Tier 1 Capital Notes, pursuant to the Danish Financial Business Act, or (ii) Non-Preferred Senior Notes, pursuant to Condition 18.1 (*No Events of Default*), may not itself file for the liquidation or bankruptcy of the Issuer.

If proceedings with respect to the liquidation or bankruptcy of the Issuer should occur, the Holders of the relevant Series of Non-Preferred Senior Notes, Subordinated Notes or Additional Tier 1 Capital Notes would be required to pursue their claims on such Notes in proceedings with respect to the Issuer in Denmark. In addition, to the extent that the Holders are entitled to any recovery with respect to such Notes in any such Danish bankruptcy proceedings, such Holders would be entitled to a recovery in Danish Kroner or, as the case may be, other currencies, which would be based on the relevant conversion rate in effect on the date the Issuer entered into such liquidation or bankruptcy proceedings.

*Uncertainties remain regarding the manner in which CRD IV will be interpreted*

The defined terms in the Terms and Conditions of the Notes will depend in some cases on the final interpretation of CRD IV. CRD IV is a recently-adopted set of rules and regulations that imposes a series of new requirements, many of which will be phased in over a number of years. Certain portions of the CRD IV Directive required transposition into Danish law and, although the CRR is directly applicable in each Member State, it leaves a number of important interpretational issues to be resolved through binding technical standards that have been, and will be in the future, adopted and leaves certain other matters to the discretion of the Relevant Regulator. The manner in which the framework and requirements under CRD IV will be applied to the Issuer and the Group therefore remains uncertain.

The determination of the Maximum Distributable Amount is particularly complex. The Maximum Distributable Amount imposes a cap on the Issuer’s ability to pay interest on the Additional Tier 1 Capital Notes, and on the Issuer’s ability to reinstate the Original Principal Amounts of the Additional Tier 1 Capital Notes following a reduction upon the occurrence of a Trigger Event.

*The qualification of the Non-Preferred Senior Notes as “eligible liabilities” is subject to uncertainty*

The Non-Preferred Senior Notes are intended to be “eligible liabilities” (or any equivalent or successor term) (“**MREL/TLAC Eligible Liabilities**”) which are available to meet any MREL/TLAC Requirement (however called or defined by then Applicable MREL/TLAC Regulations) of the Issuer and/or the Group. However, there is uncertainty regarding the final substance of the Applicable MREL/TLAC Regulations and how those regulations, once enacted, are to be interpreted and applied and the Issuer cannot provide any assurance that such Notes will be (or thereafter remain) MREL/TLAC Eligible Liabilities.

If, for any reason, the Non-Preferred Senior Notes are or will be excluded from the MREL/TLAC Eligible Liabilities as a result of:

- (i) the implementation of any Applicable MREL/TLAC Regulations on or after the date of issue of the last Tranche of such Notes; or

- (ii) a change in any Applicable MREL/TLAC Regulations becoming effective on or after the date of issue of the last Tranche of such Notes,

then, if the MREL/TLAC Disqualification Event Substitution/Variation Option and/or the MREL/TLAC Disqualification Event Redemption Option is/are specified as being applicable in the relevant Final Terms or Pricing Supplement, a MREL/TLAC Disqualification Event may occur. See “*Substitution and variation of Non-Preferred Senior Notes without Holder consent*” and “*If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*” for the consequences of a MREL/TLAC Disqualification Event (in each case, if applicable).

*The Danish implementation of Directive 2017/2399/EU has not yet been passed by the Danish Parliament*

This risk factor is only applicable to Non-Preferred Senior Notes issued prior to the final passage of the bill proposing implementation in Denmark of the changes to the creditor hierarchy as stipulated in Directive 2017/2399/EU (see also “*The Council of the European Union has adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. In certain limited circumstances, it is possible that the implementation of the directive or the taking of any action under it could affect the value of any Notes*” above). This bill was presented to the Danish Parliament on 14 March 2018. The legislative and political process required before the final passage of the bill into law will last at least 30 days from publication of the bill. Changes to the bill are possible during this process; thus there can be no assurances that the passed law will not be materially different from that presented to the Danish Parliament on 14 March 2018. Therefore, for any Non-Preferred Senior Notes issued prior to the final passage of the bill, there will be no guarantee that the law as passed will constitute a Permitted Status Legislation Change. In such instance, the Non-Preferred Senior Notes will rank *pari passu* with any Preferred Senior Notes. For the avoidance of doubt, the Issuer would not consider such an event to constitute a MREL/TLAC Disqualification Event.

*If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*

A Series of Notes may include certain optional redemption features. For example: (i) if the Call Option is specified in the relevant Final Terms or Pricing Supplement as being applicable, the Issuer may, at its option, redeem all or, if so specified in the relevant Final Terms or Pricing Supplement, some only, of a Series of Notes on any Optional Redemption Date (Call), at the relevant Optional Redemption Amount (Call) together with accrued interest (if any and, in the case of Additional Tier 1 Capital Notes, insofar as it has not been cancelled) thereon (subject as provided herein, in particular, in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)); (ii) in the case of Subordinated Notes and Additional Tier 1 Capital Notes, subject as provided herein, including Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*), the Issuer may, at its option, redeem all (but not some only) of a Series of Subordinated Notes or Additional Tier 1 Capital Notes at their Outstanding Principal Amounts, together with accrued interest thereon, upon the occurrence of a Tax Event or a Capital Event and (iii) in the case of Non-Preferred Senior Notes for which the relevant Final Terms or Pricing Supplement specify the MREL/TLAC Disqualification Event Redemption Option as being applicable, subject as provided herein, including Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*), the Issuer may, at its option, redeem all (but not some only) of a Series of Non-Preferred Senior Notes at their Outstanding Principal Amounts, together with accrued interest thereon, upon the occurrence of a MREL/TLAC Disqualification Event.

Any such optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes or is perceived to be able to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.



The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

*Additional Tier 1 Capital Notes have no fixed date for redemption*

The Additional Tier 1 Capital Notes are perpetual securities and have no fixed date for redemption. The Issuer is under no obligation to redeem the Additional Tier 1 Capital Notes at any time (except as provided in Condition 12 (*Redemption and Purchase*) and, in any such case, subject always to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)). There will be no redemption at the option of the Holders of Additional Tier 1 Capital Notes in any circumstances. Therefore, prospective investors in Additional Tier 1 Capital Notes should be aware that they will be required to bear the financial risks associated with an investment in long term securities.

*No right of set-off or counterclaim*

Subject as provided in the Terms and Conditions of the Notes, in respect of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, no Holder, who shall in the event of the liquidation or bankruptcy of the Issuer be indebted to the Issuer, shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of the relevant Notes held by such Holder.

*The Issuer has issued covered bonds. If any relevant claims in respect of these covered bonds are not met out of the pool of assets or the proceeds arising from it, any remaining claims will subsequently rank pari passu with the Issuer's obligations under Preferred Senior Notes and ahead of the obligations under Non-Preferred Senior Notes as well as the Issuer's obligations under Subordinated Notes and Additional Tier 1 Capital Notes*

The Issuer has issued covered bonds in accordance with the Danish Financial Business Act.

In accordance with the UCITS Directive and the Capital Requirement Directive, the covered bonds have the benefit of priority over a matched pool of assets upon bankruptcy of the Issuer. To the extent that claims in relation to the covered bonds and related derivative contracts, any refinancing bonds issued by the administrator, any short-term loans taken out by the administrator and any senior debt (if any) issued with the benefit of the assets in the cover pool are not met out of the pool of assets or the proceeds arising from it, the residual claims will rank *pari passu* with the unsecured and unsubordinated obligations of the Issuer, including obligations under Preferred Senior Notes and ahead of the obligations under Non-Preferred Senior Notes as well as of the subordinated obligations of the Issuer, including obligations under Subordinated Notes and Additional Tier 1 Capital Notes.

*In respect of any Notes issued with a specific use of proceeds, such as a 'Green Bond', there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor*

The relevant Final Terms or Pricing Supplement relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the proceeds from an offer of those Notes specifically for projects and activities that promote climate-friendly and other environmental purposes ("**Green Projects**" and Notes issued thereunder to be "**Green Bonds**"). Prospective investors should have regard to the information in the relevant Final Terms or Pricing Supplement regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Green Bonds together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer or the Dealers that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, the

relevant Green Projects). Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green” or “sustainable” or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as “green” or “sustainable” or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such “green”, “sustainable” or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects. As at the date of this Base Prospectus, the Issuer has not published a framework relating to an investment in Green Projects although the Issuer intends to publish such framework prior to the issuance of any Green Bonds.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may or may not be made available in connection with the issue of any Green Bonds and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any such Green Bonds. Any such opinion or certification is only current as of the date that opinion was issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Green Bonds. Currently, the providers of such opinions and certifications are not subject to any specific oversight or regulatory or other regime.

In the event that any such Green Bonds are listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Green Bonds or, if obtained, that any such listing or admission to trading will be maintained during the life of the Green Bonds.

While it is the intention of the Issuer to apply the proceeds of any Green Bonds in, or substantially in, the manner described in the relevant Final Terms or Pricing Supplement, there can be no assurance that the relevant project(s) or use(s) which are the subject of, or related to, any Green Projects will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally disbursed for the specified Green Projects. Nor can there be any assurance that such Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer.

Any such event or failure to apply the proceeds of any issue of Green Bonds for any Green Projects, as aforesaid will not constitute an event of default or, as the case may be, enforcement event under the relevant Green Bonds. The withdrawal of any opinion or certification as described above, or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on, and/or any such Green Bonds no longer being listed or admitted to trading on any stock exchange or securities market, as aforesaid, may have a material adverse effect on the value of such Green Bonds, and also potentially the value of any other Green Bonds which are intended to finance

Green Projects, and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

### **Risks related to Notes generally**

*The Notes may not be a suitable investment for all investors*

Each potential investor of Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement to this Base Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which such potential investor's financial activities are principally denominated;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the investor's overall portfolio. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the assistance of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

*Because the Global Notes are held by or on behalf of Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer*

Bearer Notes and Registered Notes issued under the Programme may be represented by one or more Global Notes. In relation to Bearer Notes, Global Notes will be deposited with a common depositary or common safe-keeper, as the case may be, for Euroclear and Clearstream, Luxembourg. In relation to Registered Notes, Regulation S Global Notes will be deposited with a common depositary or common safe-keeper, as the case may be, on behalf of Euroclear and Clearstream, Luxembourg, and Rule 144A Global Notes will be deposited with the Custodian for, and registered in the name of Cede & Co. as nominee for, DTC. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. Euroclear, Clearstream, Luxembourg and DTC will maintain records of the beneficial interests in the Global Notes. While the Notes are in global form, investors will be able to trade their beneficial interests only through Euroclear, Clearstream, Luxembourg or DTC, as the case may be.

While the Notes are in global form, the Issuer will discharge its payment obligations under the Notes by making payments (i) to a common depositary (for Bearer Notes which are Classic Global Notes and Regulation S Notes which are not held under the New Safe-keeping Structure ("NSS")) or (ii) to a common safe-keeper (for Bearer Notes which are New Global Notes or Regulation S Notes which are held under the NSS) or (iii) to the

Custodian for, and registered in the name of Cede & Co. as nominee for, DTC (for Rule 144A Notes). A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in such a Global Note.

*Because the VP Systems Notes are dematerialised securities, investors will have to rely on the clearing system procedures for transfer, payment and communication with the Issuer*

VP Systems Notes issued under the Programme will not be evidenced by any physical note or document of title other than statements of account made by VP, VP Lux, VPS or Euroclear Sweden, as the case may be. Ownership of VP Systems Notes will be recorded and transfer effected only through the book entry system and register maintained by VP, VP Lux, VPS or Euroclear Sweden, as the case may be.

*The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors*

The Terms and Conditions of the Notes contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit a defined proportion of Holders, as the case may be, to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority. In the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, any modification to the Terms and Conditions of the Notes pursuant to the operation of such provisions is subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*).

In addition, the Issuer may, subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*) in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, make any modification to the Notes of any Series, the Terms and Conditions of the Notes of any Series, the Agency Agreement, the VP Systems Agency Agreement and/or the Deed of Covenant which is not prejudicial to the interests of the Holders of such Series without the consent of the Holders of such Series. Any such modification shall be binding on the Holders of such Series.

*Changes to any relevant laws or administrative practices could materially adversely impact the value of the Notes*

The Terms and Conditions of the Notes will be governed by the laws of England, except for (i) Condition 5 (*Status of the Notes*), Condition 8 (*Interest Cancellation*), Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*), Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*), Condition 12.2 (*Early redemption for tax reasons*), Condition 12.3 (*Early redemption upon the occurrence of a Capital Event*), Condition 12.4 (*Early redemption upon the occurrence of a MREL/TLAC Disqualification Event*) and Condition 18 (*Enforcement Events*) and the registration of Notes in VP, which shall be governed by, and construed in accordance with, Danish law and (ii) the registration of Notes in the VP Lux, VPS or Euroclear Sweden, which shall be governed by, and construed in accordance with, Luxembourg law, Norwegian law and Swedish law, respectively. No assurance can be given as to the impact of any possible judicial decision or change to the laws of England, Denmark, Luxembourg, Norway or Sweden or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

*Investors who purchase Bearer Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if Definitive Notes are subsequently required to be issued*

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination plus an integral multiple of another smaller amount in excess thereof, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a Holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If Definitive Notes are issued, Holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

*Certain Dealers may transact with or perform services for the Issuer in the ordinary course of business*

Certain of the Dealers and their affiliates have engaged, and may in the future, engage in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.

*The recognition as eligible collateral for the Eurosystem and intra-day credit operations by the Eurosystem of New Global Notes and Registered Notes held under the NSS is dependent upon satisfaction of the Eurosystem eligibility criteria at the relevant time*

Although, in the case of relevant Bearer Notes, the New Global Note form and, in the case of relevant Registered Notes, the NSS have been introduced to allow for the possibility of relevant Bearer Notes and relevant Registered Notes, respectively, being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the Eurosystem and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life, in any particular case such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time.

#### **Notes denominated in Renminbi and in other emerging market currencies are subject to additional risks**

Set out below is a description of the principal risks which may be relevant to an investor in Notes denominated in Renminbi and other emerging markets currencies:

*The Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC*

The Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between the Renminbi and foreign currencies, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Currently, participating banks in Singapore, Hong Kong, Taiwan, London, Frankfurt, Seoul, Toronto, Sydney, Doha, Paris, Luxembourg, Kuala Lumpur and Bangkok have been permitted to engage in the settlement of Renminbi trade transactions. This represents a current account activity. However, remittance of Renminbi by foreign investors into the PRC for purposes such as capital contributions, known as capital account items, is generally only permitted upon obtaining specific approvals from the relevant authorities on a case-by-case basis and subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Since 1 October 2016, the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund. However, there is no assurance that the PRC government will continue to liberalise gradually the control over cross-border Renminbi remittances in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

*There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the CNY Notes and the Issuer's ability to source Renminbi outside the PRC to service such CNY Notes*

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that access to Renminbi for the purposes of making payments under the Notes by the Issuer (or generally) will remain, that no new PRC regulations will be promulgated or that the settlement agreements will

not be terminated or amended in the future (which will have the effect of restricting availability of Renminbi offshore). The limited availability of Renminbi outside the PRC may affect the liquidity of the Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service the CNY Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all. If Currency Events are specified as applying in the relevant Final Terms or Pricing Supplement, the occurrence of a Currency Event may, at the option of the Issuer, lead to postponement of payments under the Notes or payment in an alternative currency.

*Payments for CNY Notes will only be made to investors in the manner specified for such Notes in the conditions of the Notes*

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong. Except in the limited circumstances stipulated in Condition 13.11 (*Payments – Bearer Notes – Currency Events*), all payments to investors in respect of CNY Notes will be made solely (i) for so long as such Notes are represented by a Temporary Global Note or a Permanent Global Note, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing Euroclear and Clearstream, Luxembourg rules and procedures, or (ii) in the case of Definitive Notes, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. Other than as described in the Terms and Conditions of the Notes, the Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

*Emerging Market Currencies may not be freely convertible and the availability of such currency outside the relevant country may be limited*

Where the Notes are denominated in certain other emerging market currencies (each an “**Emerging Market Currency**”) including, without limitation, the Russian Ruble, Mexican Peso or Turkish Lira, prospective investors in the Notes should be aware that Emerging Market Currencies may not be freely convertible and, in each case, the availability of the relevant Emerging Market Currency outside the relevant country may be limited.

In the case of Notes denominated in an Emerging Market Currency, there can be no assurance that access to funds in the relevant Emerging Market Currency for the purposes of making payments under the Notes or generally will remain available or will not become restricted. The value of an Emerging Market Currency against foreign currencies fluctuates and may be affected by changes in the relevant country’s and international political and economic conditions and by many other factors. As a result, foreign exchange fluctuations between the Investor’s Currency and an Emerging Market Currency may affect an investor who intends to convert gains or losses from the sale or redemption of the Notes into the Investor’s Currency.

If Currency Events are specified as applying in the relevant Final Terms or Pricing Supplement, the occurrence of a Currency Event may, at the option of the Issuer, lead to postponement of payments under the Notes or payment in an alternative currency.

## DOCUMENTS INCORPORATED BY REFERENCE

The Annual Reports of the Group for the financial years ended 31 December 2017 and 31 December 2016 (respectively, the “**Annual Report 2017**” and the “**Annual Report 2016**”, and together, the “**Annual Reports**”) shall be deemed to be incorporated in, and to form part of, this Base Prospectus, excluding the following sections:

- (i) in respect of the Annual Report 2017:
  - the section “Outlook for 2018 and financial target” on page 7 thereof;
- (ii) in respect of the Annual Report 2016:
  - the section “Outlook for 2017” on page 7 thereof; and
  - the seventh and eighth paragraphs in the section “New regulation” on page 19 thereof.

The **section** “Terms and Conditions of the Notes” from the following base prospectuses relating to the Programme shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (i) Base Prospectus dated 16 April 2008 (pages 32-63 inclusive);
  - (ii) Base Prospectus dated 3 April 2009 (pages 35-68 inclusive);
  - (iii) Base Prospectus dated 25 March 2010 (pages 36-69 inclusive);
  - (iv) Base Prospectus dated 25 March 2011 (pages 34-59 inclusive);
  - (v) Base Prospectus dated 29 March 2012 (pages 32-58 inclusive);
  - (vi) Base Prospectus dated 27 March 2013 (pages 39-69 inclusive);
  - (vii) Base Prospectus dated 15 November 2013 (pages 50-92 inclusive);
  - (viii) Base Prospectus dated 3 October 2014 (pages 53-102 inclusive);
  - (ix) Base Prospectus dated 9 February 2015 (pages 56-105 inclusive);
  - (x) Base Prospectus dated 4 December 2015 (pages 58-107 inclusive);
  - (xi) Base Prospectus dated 2 December 2016 (pages 46-95 inclusive); and
  - (xii) Base Prospectus dated 6 December 2017 (pages 50-101 inclusive),
- (together, the “**Previous Terms and Conditions**”).

In relation to each of the documents deemed to be incorporated in this Base Prospectus, the non-incorporated parts are either not relevant for the investor or are covered elsewhere in this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus.

The sources of the financial statements (including the auditors' reports thereon and notes thereto) in the Annual Reports incorporated by reference herein are as follows:

<i>Information</i>	<i>Source</i>
Income Statement for the Group for the year ended 31 December 2017	Annual Report 2017 pg. 48
Statement of Comprehensive Income for the Group for the year ended 31 December 2017	Annual Report 2017 pg. 49
Balance Sheet for the Group for the year ended 31 December 2017	Annual Report 2017 pg. 50
Statement of Capital for the Group for the year ended 31 December 2017	Annual Report 2017 pgs. 51-54
Cash Flow Statement for the Group for the year ended 31 December 2017	Annual Report 2017 pg. 55
Notes to the Financial Statements for the Group for the year ended 31 December 2017	Annual Report 2017 pgs. 56-165
Statement by the Management as at and for the year ended 31 December 2017	Annual Report 2017 pg. 188
Independent Auditor's Report for the Group for the year ended 31 December 2017	Annual Report 2017 pgs. 189-193
Income Statement for the Group for the year ended 31 December 2016	Annual Report 2016 pg. 46
Statement of Comprehensive Income for the Group for the year ended 31 December 2016	Annual Report 2016 pg. 47
Balance Sheet for the Group for the year ended 31 December 2016	Annual Report 2016 pg. 48
Statement of Capital for the Group for the year ended 31 December 2016	Annual Report 2016 pgs. 49-52
Cash Flow Statement for the Group for the year ended 31 December 2016	Annual Report 2016 pg. 53
Notes to the Financial Statements for the Group for the year ended 31 December 2016	Annual Report 2016 pgs. 54-157
Statement by the Management as at and for the year ended 31 December 2016	Annual Report 2016 pg. 180
Independent Auditor's Report for the Group for the year ended 31 December 2016	Annual Report 2016 pg. 181-185

The Annual Report 2017 incorporated by reference herein can be viewed online at <http://danskebank.com/investor-relations/-/media/danske-bank-com/file-cloud/2018/2/annual-report-2017.pdf>

The Annual Report 2016 incorporated by reference herein can be viewed online at <http://danskebank.com/-/media/danske-bank-com/file-cloud/2017/2/annual-report-2016-.la=en.pdf>



This Base Prospectus is, and any supplements hereto will be, available for viewing at [www.centralbank.ie/regulation/securities-markets/prospectus/Pages/approvedprospectus.aspx](http://www.centralbank.ie/regulation/securities-markets/prospectus/Pages/approvedprospectus.aspx).

The Previous Terms and Conditions incorporated by reference herein can be viewed online at <https://danskebank.com/investor-relations/debt/funding-programmes>.

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following description of key features of the Programme does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus. Words and expressions defined in “Overview of Form of the Notes” or “Terms and Conditions of the Notes” below shall have the same meanings in this description of key features of the Programme.*

Issuer:	Danske Bank A/S.
Arrangers:	BNP Paribas, Danske Bank A/S and HSBC Bank plc.
Dealers:	Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Danske Bank A/S, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, Société Générale, UBS Limited and any other dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Fiscal Agent:	Citibank, N.A., London Branch.
Principal Registrar:	Citigroup Global Markets Deutschland AG.
Irish Listing Agent:	Matheson.
VP Systems Agent:	Danske Bank A/S.
Listing and Admission to Trading:	Each Series of Notes may be listed on the Irish Stock Exchange and/or admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system as may be agreed between the Issuer and the relevant Dealer(s) and specified in the relevant Final Terms or Pricing Supplement or may be issued on the basis that a Series of Notes will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.
Programme Amount:	EUR 35,000,000,000 (and, for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes using the spot rate of exchange for the purchase of such currency against payment of euro being quoted by the Fiscal Agent on the date on which the Relevant Agreement (as defined in the Dealership Agreement which is defined under “Subscription and Sale”) in respect of the relevant Tranche was made or such other rate as the Issuer and the relevant Dealer(s) may agree) in aggregate principal amount of Notes outstanding at any one time. The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealership Agreement.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date, the amount of the first payment of interest (if any) and/or the issue price thereof may be different in respect of different Tranches.
Final Terms or Pricing Supplement:	Each Tranche of Notes other than Exempt Notes will be the subject of the Final Terms which, for the purposes of that Tranche only, completes the Terms and Conditions of the Notes. Each Tranche of Exempt Notes will be the subject of the Pricing Supplement which, for the purposes of that

Tranche only, completes and/or amends and/or replaces the Terms and Conditions of the Notes. Each Final Terms or Pricing Supplement must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes are the Terms and Conditions of the Notes as completed by the relevant Final Terms or (in the case of Exempt Notes) as completed and/or amended and/or replaced by the relevant Pricing Supplement. See also “Exempt Notes” below.

#### Forms of Notes:

Notes may be issued in bearer form (“**Bearer Notes**”), in registered form (“**Registered Notes**”) or in uncertificated and dematerialised book entry form cleared through the Danish, Luxembourg, Norwegian and/or Swedish, as the case may be, central securities depository (together the “**VP Systems Notes**” and individually “**VP**”, “**VP Lux**”, “**VPS**” and “**Euroclear Sweden**”, respectively), as described in “Overview of Form of the Notes” below.

In respect of each Tranche of Bearer Notes, the Issuer will deliver a Temporary Global Note or (if so specified in the relevant Final Terms or Pricing Supplement in respect of Notes to which the TEFRA C Rules apply (as so specified in such Final Terms or Pricing Supplement)) a Permanent Global Note. Such Global Note which is not intended to be issued in new global note form (a “**Classic Global Note**” or “**CGN**”), as specified in the relevant Final Terms or Pricing Supplement, will be deposited on or around the relevant issue date with Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in new global note form (a “**New Global Note**” or “**NGN**”), as specified in the relevant Final Terms or Pricing Supplement, will be deposited on or around the relevant issue date with a common safe-keeper for Euroclear and/or Clearstream, Luxembourg. Interests in each Temporary Global Note will, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership, be exchangeable for interests in a Permanent Global Note or, if so specified in the relevant Final Terms or Pricing Supplement, for Definitive Notes in bearer form in accordance with its terms. Interests in each Permanent Global Note will be exchangeable for Definitive Notes in bearer form in accordance with its terms. Definitive Notes in bearer form will, if interest-bearing, have Coupons attached and, if appropriate, Talons.

In respect of each Tranche of Registered Notes, the Issuer will deliver to each Holder Registered Notes which will be recorded in the register which the Issuer shall procure to be kept by the Registrar. A Global Registered Note may be registered in the name of a nominee for one or more clearing systems or, in the case of Registered Notes held under the NSS, in the name of a nominee of the common safe-keeper. Registered Notes sold in an “offshore transaction” within the meaning of Regulation S will initially be represented by a Regulation S Global Note. Regulation S Notes will initially be represented by a Regulation S Global Note, which will be deposited on the relevant issue date either (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, Luxembourg, with a common depository or common safe-keeper, as the case may be, on behalf of Euroclear and Clearstream, Luxembourg or (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg, or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer(s). Rule 144A Notes will initially be represented by a

Rule 144A Global Note, which will be deposited on the relevant issue date with the Custodian for, and registered in the name of Cede & Co. as nominee for, DTC.

Registered Notes sold in the United States to QIBs within the meaning of Rule 144A will initially be represented by a Rule 144A Global Note. Registered Notes will not be represented upon issue by a Temporary Global Note and may not be exchanged for Bearer Notes.

VP Systems Notes will not be evidenced by any physical note or document of title. Entitlements to VP Systems Notes will be evidenced by the crediting of VP Systems Notes to accounts with VP, VP Lux, VPS or Euroclear Sweden, as the case may be.

Clearing Systems: Euroclear, Clearstream, Luxembourg, DTC, VP, VP Lux, VPS and/or Euroclear Sweden and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in Part B of the relevant Final Terms or Pricing Supplement.

Currencies: Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Status of the Notes: The Issuer may issue Preferred Senior Notes, Non-Preferred Senior Notes, Subordinated Notes or Additional Tier 1 Capital Notes, as specified in the relevant Final Terms or Pricing Supplement.

Preferred Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) at least *pari passu* with all other ordinary, unsubordinated and unsecured obligations of the Issuer, present and future, save for certain mandatory exceptions provided by law (including obligations benefitting from a preferred ranking to the Preferred Senior Notes); and
- (iii) senior to any Non-Preferred Senior Liabilities as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

Following the occurrence of a Permitted Status Legislation Change, Non-Preferred Senior Notes are intended to constitute MREL/TLAC Eligible Liabilities and Non-Preferred Senior Liabilities.

Unless a Permitted Status Legislation Change has occurred, Non-Preferred Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank:

- (a) *pari passu* without any preference among themselves; and

- (b) at least *pari passu* with all other ordinary, unsubordinated and unsecured obligations of the Issuer, present and future, save for certain mandatory exceptions provided by law (including obligations benefitting from a preferred ranking to the Non-Preferred Senior Notes).

Following the occurrence of a Permitted Status Legislation Change, the Non-Preferred Senior Notes will at all times rank (to the extent permitted by the Non-Preferred Senior Amendment Legislation):

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with all other Non-Preferred Senior Liabilities, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any subordinated obligations or instruments that rank or are expressed to rank junior to the Non-Preferred Senior Liabilities, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to present or future claims of (a) depositors of the Issuer and (b) other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Liabilities, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

Subordinated Notes (in Danish: “*kapitalbeviser*”) on issue will constitute Tier 2 Capital.

Subordinated Notes will constitute direct, unsecured and subordinated debt obligations of the Issuer, and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) the Existing Tier 2 Capital Notes, (b) any obligations or capital instruments of the Issuer which constitute Tier 2 Capital and (c) any other obligations or capital instruments that rank or are expressed to rank equally with the Subordinated Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Subordinated Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and

- (iv) junior to present or future claims of (a) depositors of the Issuer and other unsubordinated creditors of the Issuer and (b) other subordinated creditors of the Issuer (other than present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes).

Additional Tier 1 Capital Notes (in Danish: “*kapitalbeviser*”) on issue will constitute Additional Tier 1 Capital.

Subject to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*), the Additional Tier 1 Capital Notes will constitute direct, unsecured and subordinated debt obligations of the Issuer, and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any obligations or capital instruments of the Issuer which constitute Additional Tier 1 Capital and (b) any other obligations or capital instruments that rank or are expressed to rank equally with the Additional Tier 1 Capital Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive payment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Additional Tier 1 Capital Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to present or future claims of (a) depositors of the Issuer and other unsubordinated creditors of the Issuer and (b) other subordinated creditors of the Issuer (other than present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Additional Tier 1 Capital Notes).

Issue Price:	Notes may be issued at any price on a fully paid basis only.
Maturities:	Any maturity date or, in the case of Additional Tier 1 Capital Notes, no fixed maturity date, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Redemption:	Subject to any purchase and cancellation or early redemption or unless the relevant Final Terms or Pricing Supplement provides that the Notes are perpetual securities that have no fixed date for redemption, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date.
Optional Redemption:	Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Holders to the extent (if at all) specified in the relevant Final Terms or Pricing Supplement but subject, in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, to the provisions of Condition 12.13 ( <i>Conditions to redemption etc. prior to Maturity Date (if any)</i> ).

Tax Redemption:	Early redemption will be permitted at the option of the Issuer for tax reasons as described in Condition 12.2 ( <i>Early redemption for tax reasons</i> ) and subject, in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, to the provisions of Condition 12.13 ( <i>Conditions to redemption etc. prior to Maturity Date (if any)</i> ).
Redemption upon the occurrence of a Capital Event:	In the case of Subordinated Notes and Additional Tier 1 Capital Notes and subject to the provisions of Condition 12.13 ( <i>Conditions to redemption etc. prior to Maturity Date (if any)</i> ), early redemption will be permitted at the option of the Issuer upon the occurrence of a Capital Event as described in Condition 12.3 ( <i>Early redemption upon the occurrence of a Capital Event</i> ).
Redemption upon the occurrence of a MREL/TLAC Disqualification Event:	In the case of Non-Preferred Senior Notes and subject to the provisions of Condition 12.13 ( <i>Conditions to redemption etc. prior to Maturity Date (if any)</i> ), if the MREL/TLAC Disqualification Event Redemption Option is specified in the relevant Final Terms or Pricing Supplement as being applicable, early redemption will be permitted at the option of the Issuer upon the occurrence of a MREL/TLAC Disqualification Event as described in Condition 12.4 ( <i>Early redemption upon the occurrence of a MREL/TLAC Disqualification Event</i> ).
Substitution and variation of Additional Tier 1 Capital Notes:	In the case of Additional Tier 1 Capital Notes, subject to Condition 12.13 ( <i>Conditions to redemption etc. prior to Maturity Date (if any)</i> ), if a Special Event has occurred and is continuing, the Issuer may substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Holders, so that they become or remain Qualifying Capital Notes. See Condition 12.11 ( <i>Substitution and variation of Additional Tier 1 Capital Notes</i> ).
Substitution and variation of Non-Preferred Senior Notes:	In the case of Non-Preferred Senior Notes and if the MREL/TLAC Disqualification Event Substitution/Variation Option is specified in the relevant Final Terms or Pricing Supplement as being applicable, if a MREL/TLAC Disqualification Event has occurred and is continuing, the Issuer may substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Holders, so that they become or remain Qualifying Non-Preferred Senior Notes. See Condition 12.12 ( <i>Substitution and variation of Non-Preferred Senior Notes</i> ).
Subordinated Notes and Reduction of Amounts of Principal and Unpaid Interest:	<p>Condition 10 (<i>Reduction of Amounts of Principal and Unpaid Interest</i>) shall only apply to Subordinated Notes and only until the date on which none of the Existing Tier 2 Capital Notes is outstanding. Accordingly, on the date on which none of the Existing Tier 2 Capital Notes is outstanding, Condition 10 (<i>Reduction of Amounts of Principal and Unpaid Interest</i>) shall automatically cease to apply and have no effect.</p> <p>Condition 10 (<i>Reduction of Amounts of Principal and Unpaid Interest</i>) provides that the Issuer, by a resolution passed at a general meeting of its shareholders duly convened in accordance with Danish law, may resolve to reduce and cancel (<i>inter alia</i>):</p> <p>(i) on a <i>pro-rata</i> basis all or part of any of the Issuer's arrears of interest (howsoever defined) (together with any additional interest amounts (howsoever defined)) under its other Tier 2</p>

Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith and all or part of any accrued but unpaid interest under the Subordinated Notes and its other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith and issued on or after 4 October 2013; and

- (ii) all or part of the Outstanding Principal Amounts of the Subordinated Notes on a *pro-rata* basis with the outstanding nominal amount of all of the Issuer's other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith,

in either case, upon the occurrence of a Reduction Event, all as described in more detail in Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*).

Loss absorption following a Trigger Event and reinstatement of the Additional Tier 1 Capital Notes:

If at any time a Trigger Event occurs, the Outstanding Principal Amounts of the Additional Tier 1 Capital Notes shall be reduced (in whole or in part).

Following any such reduction of the Outstanding Principal Amounts, the Issuer may, at its discretion, reinstate some or all of the principal amount of the Additional Tier 1 Capital Notes, if certain conditions are met.

See Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*).

Interest:

Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date (if any) of the relevant Series.

Notes may also have reset provisions pursuant to which the relevant Notes will, in respect of an initial period, bear interest at an initial fixed rate of interest specified in the relevant Final Terms or Pricing Supplement. Thereafter, the fixed rate of interest will be reset on one or more date(s) by reference to a mid-market swap rate for the relevant Specified Currency, and for a period equal to the Reset Period, as adjusted for any applicable margin, in each case as may be specified in the relevant Final Terms or Pricing Supplement.

Interest cancellation in the case of Additional Tier 1 Capital Notes:

Any payment of interest (including, for the avoidance of doubt, any additional interest amounts payable pursuant to Condition 16 (*Taxation*)) in respect of the Additional Tier 1 Capital Notes shall be payable only out of the Issuer's Distributable Items and (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion; or (ii) will be mandatorily cancelled, in whole or in part, to the extent: (A) that, if the relevant payment were so made, the amount of such payment, when aggregated together with other distributions of the kind referred to in Article 141 (2) of the CRD IV Directive (or, as the case may be, any provision of Danish law transposing or implementing Article 141 (2) of the CRD IV Directive), or any successor thereto, would cause any Maximum Distributable Amount to be exceeded; or (B) otherwise so required by CRD IV, including the applicable criteria for Additional Tier 1 Capital instruments. See Condition 8 (*Interest Cancellation*).

Denominations:

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) save that the minimum



denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note admitted to trading on a regulated market for the purposes of MiFID II or offered to the public in a Member State in circumstances which would otherwise require the publication of a prospectus under the Prospectus Directive will be EUR 100,000 (or, if the relevant Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Negative Pledge:	None.
Cross Default:	None.
Enforcement Events in relation to Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes:	In relation to Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, there will be enforcement events relating only to the liquidation or bankruptcy of the Issuer, provided that a Holder may not itself file for the liquidation or bankruptcy of the Issuer.
Meetings of Holders and Modifications:	<p>Notes contain provisions for calling meetings of Holders of a Series to consider matters affecting their interests generally. These provisions permit a defined proportion of Holders, as the case may be, to bind all Holders of such Series including Holders of such Series who did not attend and vote at the relevant meeting and Holders of such Series who voted in a manner contrary to the majority.</p> <p>In the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, any modification to the Notes pursuant to the operation of such provisions is subject to Condition 12.13 (<i>Conditions to redemption etc. prior to Maturity Date (if any)</i>).</p> <p>The Issuer may also, subject to Condition 12.13 (<i>Conditions to redemption etc. prior to Maturity Date (if any)</i>) in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, as the case may be, make any modification to the relevant Series of Notes which is not prejudicial to the interests of the Holders of such Series without the consent of the Holders of such Series. Any such modification shall be binding on the Holders of such Series.</p>
Taxation:	All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Denmark or any political subdivision therein or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, (in relation to Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, in the case of a payment of interest only), the Issuer shall, save in limited circumstances provided in Condition 16 ( <i>Taxation</i> ), be required to pay such additional amounts as will result in receipt by the Holders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required.
Governing Law:	The Notes shall be governed by, and shall be construed in accordance with, English law except for Condition 5 ( <i>Status of the Notes</i> ), Condition 8 ( <i>Interest Cancellation</i> ) Condition 10 ( <i>Reduction of Amounts of</i>

*Principal and Unpaid Interest*), Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*), Condition 12.2 (*Early redemption for tax reasons*), Condition 12.3 (*Early redemption upon the occurrence of a Capital Event*), Condition 12.4 (*Early redemption upon the occurrence of a MREL/TLAC Disqualification Event*) and Condition 18 (*Enforcement Events*) and the registration of Notes in VP, which shall be governed by, and shall be construed in accordance with, Danish law. In the case of the registration of Notes in VP Lux, VPS or Euroclear Sweden, such registration shall be governed by, and shall be construed in accordance with, Luxembourg law, Norwegian law and Swedish law, respectively.

VP Systems Notes must comply with the relevant regulations of VP, VP Lux, VPS or Euroclear Sweden, as the case may be, and the holders of VP Systems Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Danish, Luxembourg, Norwegian or Swedish regulations and legislation.

Enforcement of Notes in Global Form:

In the case of Global Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 20 March 2018, a copy of which will be available for inspection at the specified office of the Fiscal Agent.

Ratings:

The Programme and the Issuer have been rated by the following rating agencies: Standard & Poor's Credit Market Services Europe Limited ("**S&P**"), Fitch Ratings Ltd ("**Fitch**") and Moody's Investors Service Limited ("**Moody's**").

The Programme and Issuer ratings are as follows:

	S&P	Fitch	Moody's
senior unsubordinated long-term debt/long-term Issuer default rating	A	A	A1
senior unsubordinated short-term debt/short-term Issuer default rating	A-1	F1	P-1

Each of S&P, Fitch and Moody's is established in the European Union and is registered under the CRA Regulation and is included in the list of credit rating agencies registered in accordance with the CRA Regulation as of the date of this Base Prospectus. This list is available on the ESMA website at [www.esma.europa.eu/page/List-registered-and-certified-CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) (list last updated on 15 March 2018). Whether or not each credit rating applied for in relation to a Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms or Pricing Supplement.

However, there is no guarantee that any rating of the Programme and/or the Issuer assigned by any such rating agency will be maintained following the date of this Base Prospectus, and the Issuer may seek to obtain ratings of the Programme and/or the Issuer from other rating agencies.

Series of Notes issued under the Programme may be rated or unrated and, if rated, rated by fewer than the three mentioned (or other) rating agencies. Where a Series of Notes is rated, such rating (which may be an expected rating) will not necessarily be the same as the rating(s) assigned to the Programme and/or the same as the rating(s) assigned to previous

Series of Notes already issued, and will be specified in the relevant Final Terms or Pricing Supplement. There is no guarantee that any of the rating(s) of any Series of Notes will be maintained following the date of the relevant Final Terms or Pricing Supplement.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Up-to-date information should always be sought by direct reference to the relevant rating agency.

Selling Restrictions:

There are restrictions on the transfer of Regulation S Notes prior to the expiration of the relevant distribution compliance period, see “Subscription and Sale” below. For a description of additional restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, Japan, Denmark and the PRC, see “Subscription and Sale” below.

Exempt Notes:

The Issuer may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes and this General Description of the Programme, in which event the relevant provisions will be included in the relevant Pricing Supplement.

## OVERVIEW OF FORM OF THE NOTES

*Words and expressions defined in “Terms and Conditions of the Notes” herein shall have the same meanings in this “Overview of Form of the Notes”.*

The Notes of each Series will be in bearer form, registered form or, in the case of VP Systems Notes, uncertificated and dematerialised book entry form.

### Form of Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a temporary global note (the “**Temporary Global Note**”), without interest Coupons, or a permanent global note (the “**Permanent Global Note**” and together with the Permanent Global Note and the Global Registered Notes (as defined above), the “**Global Notes**” and each a “**Global Note**”), without interest Coupons, in each case as specified in the relevant Final Terms or Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note which is not intended to be issued in NGN form, as specified in the relevant Final Terms or Pricing Supplement, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear and Clearstream, Luxembourg and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms or Pricing Supplement, will be deposited on or around the relevant issue date with a common safe-keeper for Euroclear and/or Clearstream, Luxembourg.

If the Notes have a maturity of more than 1 year, unless the relevant Final Terms or Pricing Supplement specifies that United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “**TEFRA C Rules**”) are applicable in relation to the Notes, United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “**TEFRA D Rules**”) will apply in relation to the Notes. If the Notes do not have a maturity of more than 1 year, neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms or Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than forty days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange of a part of the Temporary Global Note) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) in either case, receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership, within seven days of the bearer requesting such exchange.

In the case of Preferred Senior Notes and Non-Preferred Senior Notes, the principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; provided, however, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

In case of Subordinated Notes and Additional Tier 1 Capital Notes, the Outstanding Principal Amounts of the Subordinated Notes or the Additional Tier 1 Capital Notes, as the case may be, represented by the Permanent Global Note shall be equal to the aggregate of the original principal amounts specified in the certificates of non-U.S. beneficial ownership as adjusted to reflect any reduction of Subordinated Notes pursuant to Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*), or any reduction and/or reinstatement of Additional Tier 1 Capital Notes pursuant to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) and/or, in either case, any reduction as otherwise required by then current legislation and/or regulations applicable to the Issuer; provided, however, that in no circumstances shall the Outstanding Principal Amounts of the Subordinated Notes or the Additional Tier 1 Capital Notes represented by the Permanent Global Note exceed the initial principal amount of such Notes represented by the Temporary Global Note.

### **Temporary Global Note exchangeable for Definitive Notes**

If the relevant Final Terms or Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Bearer Notes in definitive form (“**Definitive Notes**”) not earlier than forty days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms or Pricing Supplement), in:

- (i) in the case of Preferred Senior Notes or Non-Preferred Senior Notes, an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; or
- (ii) in the case of Subordinated Notes, in Outstanding Principal Amounts equal to the aggregate of the original principal amounts specified in the certificates of non-U.S. beneficial interest as adjusted to reflect any reduction pursuant to Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) and/or any reduction as otherwise required by then current legislation and/or regulations applicable to the Issuer, or
- (iii) in the case of Additional Tier 1 Capital Notes, in Outstanding Principal Amounts equal to the aggregate of the original principal amounts specified in the certificates of non-U.S. beneficial interest as adjusted to reflect any reduction and/or reinstatement pursuant to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) and/or any reduction as otherwise required by then current legislation and/or regulations applicable to the Issuer,

in each case, to the bearer of the Temporary Global Note against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent within thirty days of the bearer requesting such exchange.

### **Permanent Global Note exchangeable for Definitive Notes**

If the relevant Final Terms or Pricing Supplement specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note. If the relevant Final Terms or Pricing Supplement specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes”, then the

Notes will be initially in the form of a Temporary Global Note which will be exchangeable for a Permanent Global Note as set out above. In each case, the Permanent Global Note will be exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms or Pricing Supplement; or
- (ii) at any time, if so specified in the relevant Final Terms or Pricing Supplement, save that this paragraph (ii) shall not apply if the relevant Final Terms or Pricing Supplement specifies denominations consisting of a minimum Specified Denomination plus one or more integral multiples of another smaller amount; or
- (iii) if the relevant Final Terms or Pricing Supplement specifies “in the limited circumstances described in the Permanent Global Note”, then if:
  - Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of legal holidays) or announces an intention permanently to cease business or in fact does so; or
  - in the case of Preferred Senior Notes, any of the circumstances described in Condition 17 (*Events of Default*) occurs or, in the case of Non-Preferred Senior Notes, Subordinated Notes or Additional Tier 1 Capital Notes, any of the circumstances described in Condition 18 (*Enforcement Events*) occurs.

The Permanent Global Note will also become exchangeable, in whole but not in part only and at the request of the Issuer, for Definitive Notes if, by reason of any change in the laws of Denmark, the Issuer will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes are in definitive form.

Interest-bearing Definitive Notes will have attached thereto at the time of their initial delivery Coupons. Interest-bearing Definitive Notes, if so specified in the relevant Final Terms or Pricing Supplement, will have attached thereto at the time of their initial delivery, Talons for further coupons and the expression Coupons shall, where the context so requires, include Talons.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms or Pricing Supplement), in an aggregate principal amount equal to, in the case of Preferred Senior Notes or Non-Preferred Senior Notes, the principal amount of the Permanent Global Note or, in the case of Subordinated Notes or Additional Tier 1 Capital Notes, the Outstanding Principal Amounts of such Notes represented by the Permanent Global Note, in each case, to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within thirty days of (i) the bearer or, as the case may be, the Issuer requesting such exchange or (ii) the expiry of the relevant period of notice.

In the case of Subordinated Notes, each Definitive Note shall state that accrued but unpaid interest and/or its Outstanding Principal Amount may be reduced and cancelled from time to time pursuant to Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) and/or reduced as otherwise required by then current legislation and/or regulations applicable to the Issuer and that details of its Outstanding Principal Amount may be obtained during normal business hours at the Specified Office of the Fiscal Agent.

In the case of Additional Tier 1 Capital Notes, each Definitive Note shall state that interest may be cancelled from time to time pursuant to Condition 8 (*Interest Cancellation*) and/or its Outstanding Principal Amount may be reduced and/or reinstated from time to time pursuant to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) and/or reduced as otherwise required by then current legislation and/or regulations applicable to the Issuer and that details of its Outstanding Principal Amount may be obtained during normal business hours at the Specified Office of the Fiscal Agent.

The Permanent Global Note also provides, *inter alia*, that:

- (i) if Definitive Notes have not been delivered in accordance with the terms of the Permanent Global Note by 6.00 p.m. (London time) on the thirtieth day after the day on which such Permanent Global Note becomes due to be exchanged; or
- (ii) if the Permanent Global Note (or any part thereof) becomes due and payable in accordance with the Terms and Conditions or the date for final redemption of the Permanent Global Note has occurred, and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made on the due date for payment by 6.00 p.m. (London time) on such due date,

then such Permanent Global Note will become void in accordance with its terms but without prejudice to the rights conferred by the Deed of Covenant.

### **Form of Registered Notes**

Each Tranche of Registered Notes will initially be represented by a Global Registered Note which will either be a Regulation S Global Note (representing Regulation S Notes) or a Rule 144A Global Note (representing Rule 144A Notes). Registered Notes will be in substantially the forms (subject to amendment and completion) scheduled to the Agency Agreement. Notes issued in registered form will not be represented upon issue by a Temporary Global Note and Registered Notes will not be exchangeable for Bearer Notes.

Upon the initial deposit of a Regulation S Global Note in respect of Registered Notes, registration of such Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg or, in the case of Registered Notes held under NSS, in the name of a nominee of the common safe-keeper, and delivery of the relevant Global Note to the common depositary or common safe-keeper, as the case may be, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Upon the initial deposit of a Rule 144A Global Note in respect of Registered Notes, registration of such Registered Notes in the name of Cede & Co. as nominee for DTC and delivery of the relevant Global Note to the Custodian for DTC, DTC will credit each participant with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

A Regulation S Global Note will be deposited on the relevant issue date either (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, Luxembourg, with a common depositary or common safe-keeper, as the case may be, on behalf of Euroclear and Clearstream, Luxembourg or (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg, or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer(s).

A Rule 144A Global Note will be deposited on the relevant issue date with the Custodian for, and registered in the name of Cede & Co. as nominee for, DTC. Definitive Notes issued in exchange for a beneficial interest in a Rule 144A Global Note shall bear the legend applicable to such Notes as set out in "Transfer Restrictions" herein.

A Global Registered Note will become exchangeable, in whole but not in part only and at the request of the registered Holder of the Global Registered Note, for Registered Notes in definitive form ("**Definitive Registered Notes**"):

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms or Pricing Supplement; or
- (ii) at any time, if so specified in the relevant Final Terms or Pricing Supplement; or

(iii) if the relevant Final Terms or Pricing Supplement specifies “in the limited circumstances described in the Global Registered Note”, then if:

- Euroclear, Clearstream, Luxembourg, DTC or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of public holidays) or announces an intention permanently to cease business or in fact does so; or
- in the case of Preferred Senior Notes, any of the circumstances described in Condition 17 (*Events of Default*) occurs or, in the case of Non-Preferred Senior Notes, Subordinated Notes or Additional Tier 1 Capital Notes, any of the circumstances described in Condition 18 (*Enforcement Events*) occurs.

The Global Registered Note will also become exchangeable, in whole but not in part only and at the request of the Issuer, for Definitive Registered Notes if, by reason of any change in the laws of Denmark, the Issuer will be required to make any withholding or deduction from any payment in respect of the Notes which would not be required if the Notes are represented by Definitive Registered Notes.

Whenever the Global Registered Note is to be exchanged for Definitive Registered Notes, such Registered Notes will be issued in an aggregate principal amount equal to, in the case of Preferred Senior Notes or Non-Preferred Senior Notes, the principal amount of the Global Registered Note or, in the case of Subordinated Notes or Additional Tier 1 Capital Notes, the Outstanding Principal Amounts of the Notes represented by the Global Registered Note, in each case, within five business days of the delivery, by or on behalf of the registered Holder of the Global Registered Note, Euroclear and/or Clearstream, Luxembourg and/or DTC, to the Registrar of such information as is required to complete and deliver such Definitive Registered Notes (including, without limitation, the names and addresses of the persons in whose names the Definitive Registered Notes are to be registered and the principal amount of each such person’s holding) against the surrender of the Global Registered Note at the Specified Office of the Registrar. Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any Holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

In the case of Subordinated Notes, each Definitive Registered Note shall state that accrued but unpaid interest and/or its Outstanding Principal Amount may be reduced and cancelled from time to time pursuant to Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) and/or reduced as otherwise required by then current legislation and/or regulations applicable to the Issuer and that details of its Outstanding Principal Amount may be obtained during normal business hours at the Specified Office of the Fiscal Agent.

In the case of Additional Tier 1 Capital Notes, each Definitive Registered Note shall state that interest may be cancelled from time to time pursuant to Condition 8 (*Interest Cancellation*) and/or its Outstanding Principal Amounts may be reduced and/or reinstated from time to time pursuant to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) and/or reduced as otherwise required by then current legislation and/or regulations applicable to the Issuer and that details of its Outstanding Principal Amount may be obtained during normal business hours at the Specified Office of the Fiscal Agent.

The Global Registered Note also provides, *inter alia*, that:

- (i) if Definitive Registered Notes have not been issued and delivered by 6.00 p.m. (London time) on the thirtieth day after the date on which the same are due to be issued and delivered in accordance with the terms of the Global Registered Note; or
- (ii) any of the Notes evidenced by the Global Registered Note has become due and payable in accordance with the Terms and Conditions or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been



made to the Holder of the Global Registered Note on the due date for payment in accordance with the terms of the Global Registered Note,

then the Global Registered Note (including the obligation to deliver Definitive Registered Notes) will become void at 6.00 p.m. (London time) on such thirtieth day (in the case of (i) above) or at 6.00 p.m. (London time) on such date (in the case of (ii) above) and the Holder will have no further rights thereunder (but without prejudice to the rights which the Holder or others may have under the Deed of Covenant).

#### **Terms and Conditions applicable to the Notes (other than VP Systems Notes)**

The Terms and Conditions applicable to any Definitive Note or Definitive Registered Note will be endorsed on that Note and will consist of the Terms and Conditions set out under “Terms and Conditions of the Notes” below and the provisions of the relevant Final Terms or Pricing Supplement which complete and/or (in the case of Exempt Notes only) amend and/or replace those Terms and Conditions.

The Terms and Conditions applicable to any Notes represented by one or more Global Notes will differ from those Terms and Conditions which would apply to the Notes were they in definitive form to the extent described in this “Overview of Form of the Notes”.

Each Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the relevant Global Note. The following is a summary of certain of those provisions:

*Title to Notes:* For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Fiscal Agent, the Registrar and any other Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Note in global form or the registered holder of the relevant Global Registered Note shall be treated by the Issuer, the Fiscal Agent, the Registrar and any other Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expression “Holder” and related expressions shall be construed accordingly.

*Payments:* The Holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the Holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his/her share of each payment so made by the Issuer to, or to the order of, the Holder of such Global Note. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of “**Payment Business Day**” set out in Condition 2.1 (*Definitions*) and in the definition of “**business day**” set out in Condition 14 (*Payments – Registered Notes*).

*Record Date for Global Registered Notes:* In the case of a Global Registered Note, with respect to the definition of “Record Date” in Condition 14.1 (*Method of payment*), the words “on the fifteenth day (whether or not such fifteenth day is a Relevant Banking Day)” shall be deemed to be deleted and replaced by “at the close of business on the Clearing System Business Day immediately prior to the date for payment”. “**Clearing System Business Day**” means any day other than (i) Saturdays and Sundays and (ii) 1 January and 25 December.

*Exercise of put option:* In order to exercise the option contained in Condition 12.7 (*Redemption at the option of Holder*) the Holder of the relevant Global Note must, within the period specified in the Terms and Conditions give written notice of such exercise to the Fiscal Agent or the Registrar, as the case may be, specifying

the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 12.5 (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the relevant Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Terms and Conditions and the Notes to be redeemed will not be selected as provided in the Terms and Conditions, but in accordance with the rules and procedures of Euroclear, Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion) and/or DTC.

*Notices:* Notwithstanding Condition 24 (*Notices*), while all the Notes are represented by one or more Global Notes and such Global Note(s) are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC, notices to Holders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or any other relevant clearing system for communication by them to the persons shown in their respective records as having interests therein and, in any case, such notices shall be deemed to have been given to the Holders in accordance with Condition 24 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or DTC.

### **Legend concerning United States persons**

In the case of any Tranche of Bearer Notes having a maturity of more than 1 year, Global Notes, Definitive Notes and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to in such legend provide that a United States person who holds a Bearer Note, Coupon or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

### **Form of VP Systems Notes**

Each Tranche of VP Systems Notes will be issued in uncertificated and dematerialised book entry form. Legal title to the VP Systems Notes will be evidenced by book entries in the records of VP, VP Lux, VPS or Euroclear Sweden, as the case may be. Issues of VP Systems Notes are the subject of the VP Systems Agency Agreement. On the issue of such VP Systems Notes, the Issuer will send a copy of the relevant Final Terms or Pricing Supplement to the Fiscal Agent, with a copy sent to the VP Systems Agent. On delivery of the relevant Final Terms by the VP Systems Agent to VP, VP Lux, VPS or Euroclear Sweden, as the case may be, and notification to VP, VP Lux, VPS or Euroclear Sweden, as the case may be, of the subscribers and their VP, VP Lux, VPS or Euroclear Sweden, as the case may be, account details by the relevant Dealer(s), the VP Systems Agent, acting on behalf of the Issuer, will give instructions to VP, VP Lux, VPS or Euroclear Sweden, as the case may be, to credit each subscribing account holder with VP, VP Lux, VPS or Euroclear Sweden, as the case may be, with a nominal amount of VP Systems Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VP Systems Notes in VP, VP Lux, VPS or Euroclear Sweden, as the case may be, will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant VP Systems Notes will take place in accordance with the rules and procedures for the time being of VP, VP Lux, VPS or Euroclear Sweden, as the case may be.

The Terms and Conditions applicable to any VP Systems Notes will consist of the Terms and Conditions set out under “Terms and Conditions of the Notes” below and the provisions of the relevant Final Terms which

completes those Terms and Condition or (in the case of Exempt Notes only) the relevant Pricing Supplement which complete and/or amends and/or replaces those Terms and Conditions.

### **Clearing Systems**

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or VP, VP Lux, VPS or Euroclear Sweden, as the case may be, shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Fiscal Agent, the Registrar (in the case of Registered Notes), the other Paying Agents and the relevant Holders.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the Terms and Conditions of the Notes which, as completed by the relevant Final Terms or (in the case of Exempt Notes only) as completed and/or amended and/or replaced by the relevant Pricing Supplement, will be endorsed on each Definitive Note issued under the Programme. The Terms and Conditions applicable to any Global Note will differ from those Terms and Conditions which would apply to a Definitive Note to the extent described under “Overview of Form of the Notes” above. The following is also the text of the Terms and Conditions of the Notes which, as completed by the relevant Final Terms or (in the case of Exempt Notes only) as completed and/or amended and/or replaced by the relevant Pricing Supplement, will be applicable to each VP Systems Note. VP Systems Notes will not be evidenced by any physical note or document of title other than statements of account made by VP, VP Lux, VPS or Euroclear Sweden, as the case may be. Ownership of VP Systems Notes will be recorded and transfer effected only through the book entry system and register maintained by VP, VP Lux, VPS or Euroclear Sweden, as the case may be.*

### 1. Introduction

- 1.1 *Programme:* Danske Bank A/S (the “**Issuer**”) has established an Euro Medium Term Note Programme (the “**Programme**”) for the issuance of up to EUR 35,000,000,000 in aggregate principal amount of notes (the “**Notes**”) and where a particular Condition is applicable only to certain classes of Notes, “Notes” shall be construed in accordance with the relevant Condition. References herein to “**Exempt Notes**” are to Notes for which no prospectus is required to be published under the Prospectus Directive.
- 1.2 *Final Terms or Pricing Supplement:* Notes issued under the Programme are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche of Notes other than Exempt Notes is the subject of a final terms document (the “**Final Terms**”) which completes these Terms and Conditions (the “**Conditions**”). Each Tranche of Exempt Notes is the subject of a pricing supplement (the “**Pricing Supplement**”) which completes and/or amends and/or replaces these Conditions. The Terms and Conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms or (in the case of Exempt Notes only) as completed and/or amended and/or replaced by the relevant Pricing Supplement. In the event of any inconsistency between these Conditions and the relevant Final Terms or Pricing Supplement, the relevant Final Terms or Pricing Supplement shall prevail. The relevant Final Terms or Pricing Supplement will specify whether the Notes are Preferred Senior Notes, Non-Preferred Senior Notes, Subordinated Notes or Additional Tier 1 Capital Notes.
- 1.3 *Issue and Paying Agency Agreement and VP Systems Agency Agreement:* The Notes are the subject of:
- (i) in the case of Notes other than VP Systems Notes, an amended and restated issue and paying agency agreement dated 20 March 2018 (the “**Agency Agreement**”) between, *inter alios*, the Issuer, Citibank, N.A., London Branch as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and Citigroup Global Markets Deutschland AG as principal registrar (the “**Principal Registrar**”, which expression shall include any successor principal registrar appointed from time to time in connection with the Notes); or
  - (ii) in the case of VP Systems Notes, (A) an amended and restated agency agreement dated 20 March 2018 (the “**VP Systems Agency Agreement**”) between the Issuer, Citibank, N.A., London Branch as Fiscal Agent in connection with the Agency Agreement and Danske Bank A/S as agent (the “**VP Systems Agent**”, which expression includes any successor agent appointed from time to time in connection with the VP Systems Notes) of the Issuer in respect of all VP Systems Notes and (B) the Agency Agreement to the extent specified therein.
- 1.4 *Deed of Covenant:* The Notes (other than VP Systems Notes) have the benefit of a deed of covenant dated 20 March 2018 (as may be amended or supplemented from time to time, the “**Deed of Covenant**”).

- 1.5 *The Notes*: All subsequent references in these Conditions to “Notes” are to the Notes which are the subject of the relevant Final Terms or Pricing Supplement. Copies of the relevant Final Terms or Pricing Supplement are available for inspection by Holders during normal business hours at the Specified Office of each of the Paying Agents or, if applicable, the Registrar. In the case of a Tranche of Notes which is not admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system or which is not offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive (including Exempt Notes), copies of the Pricing Supplement will only be available for inspection by Holders (as defined in Condition 1.6 (*Summaries*) below) or, as the case may be, Relevant Account Holders (as defined in the Deed of Covenant) in respect of, such Notes.
- 1.6 *Summaries*: Certain provisions of these Conditions are summaries of the Agency Agreement, the Deed of Covenant and the VP Systems Agency Agreement and are subject to their detailed provisions. The holders of the Notes (the “**Holders**” or “**Noteholders**”, which expressions shall, where appropriate, be deemed to include holders of Bearer Notes (as defined herein), Registered Holders (as defined herein), holders of VP Systems Notes (as defined herein) and Couponholders (as defined below)) and the holders of the related interest coupons, if any, (the “**Couponholders**” and the “**Coupons**”, respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Holders during normal business hours at the Specified Office of each of the Paying Agents or if applicable, the Principal Registrar. Copies of the VP Systems Agency Agreement are available for inspection by Holders during normal business hours at the Specified Office of the VP Systems Agent.

## 2. Interpretation

- 2.1 *Definitions*: In these Conditions the following expressions have the following meanings:

“**2014 RTS**” means Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014, supplementing the CRR with regard to regulatory technical standards for own funds requirements for institutions, as amended or replaced from time to time;

“**Accrual Yield**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Additional Tier 1 Capital**” means capital which is treated as Additional Tier 1 capital (or any equivalent or successor term) under CRD IV requirements by the Relevant Regulator for the purposes of the Issuer and the Group;

“**Additional Tier 1 Capital Notes**” means the Notes (i) specified as such in the relevant Final Terms or Pricing Supplement and (ii) having the status set out in Condition 5.4 (*Status – Additional Tier 1 Capital Notes*);

“**Adjusted Fixed Rate Notes**” means Preferred Senior Notes or Non-Preferred Senior Notes for which:

- (i) the Fixed Rate Note Provisions are specified in the relevant Final Terms or Pricing Supplement as being applicable; and
- (ii) the Interest Payment Date(s) is/are subject to adjustment in accordance with a Business Day Convention;

“**Adjustment Spread**” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the relevant Independent Adviser or the Issuer (as applicable) determines is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Holders as a result of the replacement of the Reference Rate with

such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

“**Affiliates**” has the meaning given to such term in paragraph (a)(1) of Rule 144 under the United States Securities Act of 1933, as amended;

“**Alternative Reference Rate**” means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines has replaced the Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest in respect of notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Periods, or, if such Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as such Independent Adviser or the Issuer (as applicable) determines in its discretion is most comparable to the Reference Rate;

“**Alternate Settlement Rate**” means the spot rate between the Specified Currency and the Relevant Currency determined by the Currency Calculation Agent, taking into consideration all available information which the Currency Calculation Agent deems relevant (including, but not limited to, in the case of CNY Notes, the pricing information obtained from the CNY non-deliverable market outside the PRC and/or the CNY exchange market inside the PRC);

“**Applicable Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms or Pricing Supplement;

“**Applicable Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms or Pricing Supplement;

“**Applicable MREL/TLAC Regulations**” means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in Denmark giving effect to any MREL/TLAC Requirement or any successor regulations then applicable to the Issuer and/or the Group, including, without limitation to the generality of the foregoing, CRD IV, the BRRD and those regulations, requirements, guidelines and policies giving effect to any MREL/TLAC Requirement or any successor regulations then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group);

“**Articles of Association**” means the articles of association of the Issuer;

“**BBSW**” means the Bank Bill Swap Reference Rate;

“**Bearer Notes**” means Notes issued in bearer form;

“**BRRD**” means the Directive (2014/59/EU) of the European Parliament and of the Council on resolution and recovery of credit institutions and investment firms dated 15 May 2014 and published in the Official

Journal of the European Union on 12 June 2014 (or, as the case may be, any provision of Danish law transposing or implementing such Directive), as amended or replaced from time to time;

“**Business Day**” means:

- (i) in the case of Interest Determination Dates only, where the relevant Final Terms or Pricing Supplement specifies a “Business Day” preceded by a city for the purposes of the Interest Determination Date(s), a day on which commercial banks and foreign exchange markets are open for general business (including dealing in foreign exchange and foreign currency deposits) in that city; and
- (ii) in all other cases:
  - (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Applicable Business Centre, and if TARGET is an Applicable Business Centre, a TARGET Settlement Day; and
  - (b) in the case of CNY Notes and any sum payable in CNY, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement for CNY payments in Hong Kong;

“**Business Day Convention**”, in relation to any particular date, shall be as specified in the relevant Final Terms or Pricing Supplement and, if so specified in the relevant Final Terms or Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms or Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
  - (a) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (b) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (c) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business

Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

- (v) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Calculation Agent**” means the Fiscal Agent or such other Person specified in the relevant Final Terms or Pricing Supplement as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms or Pricing Supplement;

“**Calculation Amount**” has the meaning given to such term in the relevant Final Terms or Pricing Supplement (for the purpose of Subordinated Notes and Additional Tier 1 Capital Notes, the “**Original Calculation Amount**”), provided that:

- (i) in respect of Subordinated Notes, if the Outstanding Principal Amount of each Subordinated Note is reduced in accordance with Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) or as otherwise required by the current legislation and/or regulations applicable to the Issuer, the Calculation Agent shall (a) adjust the Calculation Amount on a *pro-rata* basis to account for such reduction and (b) notify the Holders in accordance with Condition 24 (*Notices*), the Fiscal Agent (if the Fiscal Agent is not the Calculation Agent) and the Registrar (in the case of Registered Notes) or the VP Systems Agent (in the case of VP Systems Notes) of the details of such adjustment; and
- (ii) in respect of Additional Tier 1 Capital Notes, if the Outstanding Principal Amount of each Additional Tier 1 Capital Note is amended (either by reduction or reinstatement) in accordance with Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) or as otherwise required by then current legislation and/or regulations applicable to the Issuer, the Calculation Agent shall (a) adjust the Calculation Amount on a *pro-rata* basis to account for such reduction or reinstatement, as the case may be, and (b) notify the Holders in accordance with Condition 24 (*Notices*), the Fiscal Agent (if the Fiscal Agent is not the Calculation Agent) and the Registrar (in the case of Registered Notes) or the VP Systems Agent (in the case of VP Systems Notes) of the details of such adjustment;

“**Call Option**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Capital Event**” means, if the Notes are Subordinated Notes or Additional Tier 1 Capital Notes, at any time, on or after the Issue Date of the last Tranche of a Series of such Notes, there is a change in the regulatory classification of such Notes that results or will result in:

- (i) their exclusion, in whole or in part, from the regulatory capital of the Issuer and/or Group; or
- (ii) reclassification, in whole or in part, as a lower quality form of regulatory capital of the Issuer and/or Group,

in each case provided that the Issuer satisfies the Relevant Regulator that the regulatory reclassification of such Notes, was not reasonably foreseeable at the time of their issuance and the Relevant Regulator considers the change to be sufficiently certain;

“**CIBOR**” means the Copenhagen interbank offered rate;

“**CNY**” means the lawful currency of the PRC which, for the purposes of these Conditions, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan;



“**CNY Notes**” means Notes denominated in CNY;

“**Code**” means the U.S. Internal Revenue Code of 1986;

“**Common Equity Tier 1 Capital**” means common equity tier 1 capital (or any equivalent or successor term) of, as the case may be, the Issuer or the Group, in each case as calculated by the Issuer in accordance with CRD IV requirements and any applicable transitional arrangements under the CRD IV;

“**Common Equity Tier 1 Capital Ratio**” means:

- (i) in relation to the Issuer, the ratio (expressed as a percentage) of the aggregate amount of the Common Equity Tier 1 Capital of the Issuer divided by the Risk Exposure Amounts of the Issuer; and
- (ii) in relation to the Group, the ratio (expressed as a percentage) of the aggregate amount of the Common Equity Tier 1 Capital of the Group divided by the Risk Exposure Amounts of the Group,

in each case, all as calculated by the Issuer at any time in accordance with CRD IV requirements and any applicable transitional arrangements under CRD IV and reported to the Relevant Regulator;

“**Contractual Currency**” has the meaning given to such term in Condition 25 (*Currency Indemnity*);

“**Coupon Sheet**” means, in relation to a Bearer Note, the coupon sheet relating to the Note;

“**CRD IV**” means, as the context requires, any or any combination of the CRD IV Directive, the CRR and any CRD IV Implementing Measures;

“**CRD IV Directive**” means the Directive (2013/36/EU) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013 (or, as the case may be, any provision of Danish law transposing or implementing such Directive), as amended or replaced from time to time;

“**CRD IV Implementing Measures**” means any regulatory capital rules or regulations or other requirements, which are applicable to the Issuer and which prescribe (alone or in conjunction with any other rules, regulations or other requirements) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer (on a non-consolidated or consolidated basis) to the extent required by the CRD IV Directive or the CRR, including for the avoidance of doubt and without limitation any regulatory technical standards released from time to time by the European Banking Authority (or any successor or replacement thereof);

“**CRR**” means the Regulation (2013/575) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013, as amended or replaced from time to time;

“**Currency Calculation Agent**” means the Person specified in the relevant Final Terms or Pricing Supplement as the party responsible for making certain determinations in relation to Currency Events;

“**Currency Events**” means any one of Illiquidity, Non-Transferability and Inconvertibility;

“**Danish Bankruptcy Act**” means the Danish Bankruptcy Act (Consolidated Act No. 11 of 6 January 2014, as amended);

“**Danish Financial Business Act**” means the Danish Financial Business Act (Consolidated Act No. 1140 of 26 September 2017, as amended);

“**Danish Statutory Loss Absorption Powers**” means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Denmark, relating to (i) the transposition of the BRRD (or, as the case may be, any provision of Danish law transposing or implementing such Directive) as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified or converted into Ordinary Shares, other Securities or other obligations of the Issuer or any other Person (or suspended for a temporary period);

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the relevant Final Terms or Pricing Supplement and:

- (i) if “**Actual/Actual (ICMA)**” is so specified, means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and
  - (b) where the Calculation Period is longer than one Regular Period, the sum of:
    - (i) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year; and
    - (ii) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (A) the actual number of days in such Regular Period and (B) the number of Regular Periods in any year;
- (ii) if “**Actual/365**”, “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30; and

- (vi) if “**30E/360**” or “**Eurobond Basis**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

- (vii) if “**30E/360 (ISDA)**” is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

“**Designated Maturity**” means, in respect of a Series of Notes for which (i) the Floating Rate Note Provisions are specified in the relevant Final Terms or Pricing Supplement as being applicable and (ii) Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms or Pricing Supplement, the period of time designated in the relevant Reference Rate;

“**DFSA**” means the Danish Financial Supervisory Authority;

“**Distributable Items**” means, as prescribed by CRD IV, the amount of the profits at the end of the last financial year plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments less any losses brought forward, profits which are non-distributable pursuant to provisions in legislation or the institution’s by-laws and sums placed to non-distributable reserves in accordance with applicable national law or the statutes of the institution, those losses and reserves being determined on the basis of the individual accounts of the institution and not on the basis of the consolidated accounts, or any successor provision thereto;

“**Early Redemption Amount (Tax)**” means, in respect of any Preferred Senior Note or Non-Preferred Senior Note, its Outstanding Principal Amount or such other amount as may be specified in, or calculated or determined in accordance with, these Conditions or the relevant Final Terms or Pricing Supplement;

“**Early Termination Amount**” means, in respect of any Preferred Senior Note or Non-Preferred Senior Note, its Outstanding Principal Amount or such other amount as may be specified in, or calculated or determined in accordance with, these Conditions or the relevant Final Terms or Pricing Supplement;

“**Effective Date**” has the meaning given to such term in Condition 10.3 (*Effect*);

“**Enforcement Events**” has the meaning given to such term in Condition 18 (*Enforcement Events*);

“**EURIBOR**” means the Eurozone interbank offered rate;

“**Euroclear Sweden**” means Euroclear Sweden AB, the Swedish central securities depository;

“**Event Currency Jurisdiction**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Events of Default**” has the meaning given to such term in Condition 17 (*Events of Default*);

“**Exempt Notes**” shall have the meaning given to it in Condition 1.1 (*Programme*);

“**Existing Tier 2 Capital Notes**” means obligations or capital instruments issued by the Issuer prior to 4 October 2013 constituting subordinated loan capital (in Danish: “*ansvarlig lånekapital*”), including GBP 350,000,000 Callable Subordinated Fixed to Floating Rate Instruments due 2021 (ISIN: XS0176929684);

“**Extraordinary Resolution**” has the meaning given in the Agency Agreement;

“**Final Redemption Amount**” means, in respect of any Note, its Outstanding Principal Amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms or Pricing Supplement;

“**First Reset Date**” means the date specified in the relevant Final Terms or Pricing Supplement;

“**First Reset Margin**” means the margin specified as such in the relevant Final Terms or Pricing Supplement;

“**First Reset Period**” means the period from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Final Terms or Pricing Supplement, the Maturity Date;

“**First Reset Rate of Interest**” means, in respect of the First Reset Period and subject to Condition 6.7 (*Fallbacks*) and Condition 6.9 (*Mid-Swap Rate Conversion*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Reset Margin;

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of:

- (i) in the case of CNY Notes, Hong Kong; or
- (ii) in the case of Notes other than CNY Notes, the Event Currency Jurisdiction;

“**Group**” means the Issuer together with its Subsidiaries and other entities that are consolidated in the Issuer’s calculation of the Common Equity Tier 1 Capital Ratio on a consolidated level in accordance with CRD IV requirements;

“**HIBOR**” means the Hong Kong interbank offered rate;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Hybrid Core Capital**” has the meaning given to such term in the definition of Tier 1 Capital;

“**Illiquidity**” means:

- (i) in the case of CNY Notes, the general CNY exchange market in Hong Kong becomes illiquid as a result of which the Issuer and/or any of its affiliates cannot obtain sufficient CNY in order to make a payment (in whole or in part) or perform any other of its obligations under the Notes; or
- (ii) in the case of Notes other than CNY Notes, the general exchange market in relation to the Specified Currency in the Event Currency Jurisdiction becomes illiquid as a result of which the Issuer and/or any of its affiliates cannot obtain sufficient Specified Currency in order to make a payment (in whole or in part) or perform any other of its obligations under the Notes,

as determined by the Currency Calculation Agent in good faith and in a commercially reasonable manner;

“**Inconvertibility**” means the occurrence of any event that makes it impossible, impracticable or illegal for the Issuer and/or any of its affiliates to convert any amount into or from:

- (i) in the case of CNY Notes, CNY as may be required to be paid by the Issuer under the Notes on any payment date or such other amount as may be determined by the Currency Calculation Agent in its sole and absolute discretion at the general CNY exchange market in Hong Kong; or
- (ii) in the case of Notes other than CNY Notes, the Specified Currency as may be required to be paid by the Issuer under the Notes on any payment date or such other amount as may be determined by the Currency Calculation Agent in its sole and absolute discretion at the general exchange market in relation to the Specified Currency in the Event Currency Jurisdiction,

other than where such impossibility, impracticability or illegality is due solely to the failure of that party to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the date of issue of the first Tranche of the Notes and it is impossible for the Issuer and/or any of its affiliates, due to an event beyond the control of the Issuer or the relevant affiliate, to comply with such law, rule or regulation);

“**Independent Adviser**” means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense;

“**Initial Mid-Swap Rate**” has the meaning specified in the relevant Final Terms or Pricing Supplement;

“**Initial Rate of Interest**” has the meaning specified in the relevant Final Terms or Pricing Supplement;

“**Interest Amount**” means, in relation to the Calculation Amount and an Interest Period, the amount of interest payable in respect of the Calculation Amount for that Interest Period;

“**Interest Commencement Date**” means the Issue Date of the Note or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms or Pricing Supplement;

“**Interest Determination Date**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Interest Payment Date**” means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or Pricing Supplement and, if a Business Day Convention is specified in the relevant Final Terms or Pricing Supplement:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms or Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means, unless otherwise provided in the relevant Final Terms or Pricing Supplement, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**ISDA Definitions**” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms or Pricing Supplement) as published by the International Swaps and Derivatives Association, Inc.);

“**Issue Date**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**LIBOR**” means the London interbank offered rate;

“**Loss Absorption Minimum Amount**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Margin**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Maturity Date**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Maximum Distributable Amount**” means any maximum distributable amount relating to the Issuer and/or the Group (if any) which is determined pursuant to Article 141 of the CRD IV Directive (or, as the case may be, any provision of Danish law transposing or implementing Article 141 of the CRD IV Directive), or any successor provision thereto;

“**Maximum Redemption Amount**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Member States**” means the member states of the European Economic Area;

“**Mid-Market Swap Rate**” means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Original Mid-Swap Rate Basis (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Floating Leg Maturity (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

“**Mid-Market Swap Rate Quotation**” means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

“**Mid-Swap Floating Leg Benchmark Rate**” means, subject as provided in Condition 6.8 (*Alternative Mid-Swap Floating Leg Benchmark Rate*), EURIBOR (if the Specified Currency is euro), LIBOR for the Specified Currency (if the Specified Currency is U.S. dollars, Pounds Sterling or Swiss Francs), CIBOR (if the Specified Currency is Danish Kroner), NIBOR (if the Specified Currency is Norwegian Kroner), STIBOR (if the Specified Currency is Swedish Kronor) or (in the case of any other Specified Currency) the benchmark rate most closely connected with such Specified Currency and selected by the Calculation Agent in its discretion after consultation with the Issuer;

“**Mid-Swap Floating Leg Maturity**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Mid-Swap Rate**” means, in relation to a Reset Determination Date and subject to Condition 6.7 (*Fallbacks*), either:

- (i) if Single Mid-Swap Rate is specified in the relevant Final Terms or Pricing Supplement, the rate for swaps in the Specified Currency:
  - (a) with a term equal to the relevant Reset Period; and
  - (b) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

- (ii) if Mean Mid-Swap Rate is specified in the relevant Final Terms or Pricing Supplement, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:
  - (a) with a term equal to the relevant Reset Period; and
  - (b) commencing on the relevant Reset Date,which appear on the Relevant Screen Page,

in either case, as at approximately the Relevant Time on such Reset Determination Date, all as determined by the Calculation Agent;

“**Minimum Redemption Amount**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**MREL/TLAC Disqualification Event**” means, in respect of a Series of Non-Preferred Senior Notes, the determination by the Issuer that, as a result of:

- (i) the implementation of any Applicable MREL/TLAC Regulations on or after the date of issue of the last Tranche of such Notes; or
- (ii) a change in any Applicable MREL/TLAC Regulations becoming effective on or after the date of issue of the last Tranche of such Notes,

it is likely that all or part of the Outstanding Principal Amounts of such Series of Notes will be excluded from the “eligible liabilities” (or any equivalent or successor term) available to meet any MREL/TLAC Requirement (however called or defined by then Applicable MREL/TLAC Regulations) if the Issuer and/or the Group is/are then or, as the case may be, will be subject to such MREL/TLAC Requirement, provided that a MREL/TLAC Disqualification Event shall not occur where such exclusion is or will be caused by (1) the remaining maturity of such Notes being less than any period prescribed by any applicable eligibility criteria under the Applicable MREL/TLAC Regulations, or (2) any applicable limits on the amount of “eligible liabilities” (or any equivalent or successor term) permitted or allowed to meet any MREL/TLAC Requirement(s) being exceeded;

“**MREL/TLAC Eligible Liabilities**” means “eligible liabilities” (or any equivalent or successor term) which are available to meet any MREL/TLAC Requirement (however called or defined by then Applicable MREL/TLAC Regulations) of the Issuer and/or the Group under Applicable MREL/TLAC Regulations;

“**MREL/TLAC Requirement**” means the total loss-absorbing capacity requirement and/or the minimum requirement for own funds and eligible liabilities, in each case which is or, as the case may be, will be, applicable to the Issuer and/or the Group;

“**NIBOR**” means the Norwegian interbank offered rate;

“**Non-Preferred Senior Amendment Legislation**” means legislation that expressly provides for the possibility that, upon the insolvency of a Regulated Entity which is an issuer of debt securities, the obligations under certain unsubordinated and unsecured liabilities (the “**Non-Preferred Senior Liabilities**”) may rank below other unsubordinated and unsecured liabilities with higher priority ranking;

“**Non-Preferred Senior Notes**” means the Notes (i) specified as such in the relevant Final Terms or Pricing Supplement and (ii) having the status set out in Condition 5.2 (*Status – Non-Preferred Senior Notes*);



“**Non-Transferability**” means the occurrence of any event that makes it impossible, impracticable or illegal for the Issuer and/or any of its affiliates to deliver:

- (i) in the case of CNY Notes, CNY between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong; or
- (ii) in the case of Notes other than CNY Notes, the Specified Currency between accounts inside the Event Currency Jurisdiction or from an account inside the Event Currency Jurisdiction to an account outside the Event Currency Jurisdiction,

other than where such impossibility, impracticability or illegality is due solely to the failure of the Issuer and/or the relevant affiliate to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the date of issue of the first Tranche of the Notes and it is impossible for the Issuer and/or any of its affiliates, due to an event beyond the control of the Issuer and/or the relevant affiliate, to comply with such law, rule or regulation);

“**Optional Redemption Amount (Call)**” means, in respect of any Note, its Outstanding Principal Amount, or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms or Pricing Supplement;

“**Optional Redemption Amount (Put)**” means, in respect of any Note, its Outstanding Principal Amount, or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms or Pricing Supplement;

“**Optional Redemption Date (Call)**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Optional Redemption Date (Put)**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Ordinary Shares**” means fully paid-up ordinary shares in the capital of the Issuer;

“**Original Calculation Amount**” has the meaning given to such term in the definition of Calculation Amount;

“**Original Mid-Swap Rate Basis**” has the meaning given in the relevant Final Terms or Pricing Supplement. In the case of Notes other than Exempt Notes, the Original Mid-Swap Rate Basis shall be annual, semi-annual, quarterly or monthly;

“**Original Principal Amount**” means, with respect to an issue of Additional Tier 1 Capital instruments (including the Additional Tier 1 Capital Notes), the original principal amount of such Additional Tier 1 Capital instruments;

“**Other Loss Absorbing Instruments**” means, in respect of a Series of Additional Tier 1 Capital Notes, (i) obligations or capital instruments (other than the Additional Tier 1 Capital Notes of such Series) which are eligible to constitute Additional Tier 1 Capital of the Issuer and/or the Group and (ii) any other obligations or capital instruments which are expressed to absorb losses on a *pro-rata* basis with the Additional Tier 1 Capital Notes of such Series, in each case which include a principal loss absorption mechanism that:

- (a) is capable of generating Common Equity Tier 1 Capital of the Issuer and/or the Group;
- (b) is activated by an event equivalent to the Trigger Event in all material respects, subject as provided in (c) below; and

- (c) has a threshold for such activation which is higher or lower than the Trigger Event Threshold in respect of the Additional Tier 1 Capital Notes of such Series;

**“Outstanding Principal Amount”** means:

- (i) in respect of a Note, its principal amount; or
- (ii) if the Notes are Subordinated Notes, the outstanding principal amount as adjusted from time to time for any reduction of the principal amount of the Subordinated Notes in accordance with Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) or as otherwise required by then current legislation and/or regulations applicable to the Issuer; or
- (iii) if the Notes are Additional Tier 1 Capital Notes, the outstanding principal amount of such Note, as adjusted from time to time for any reduction or reinstatement of the principal amount, in accordance with Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) or as otherwise required by then current legislation and/or regulations applicable to the Issuer,

and **“Outstanding Principal Amounts”** means the sum of the Outstanding Principal Amount of each Note;

**“Parity Trigger Loss Absorbing Instruments”** means, in respect of a Series of Additional Tier 1 Capital Notes, (i) obligations or capital instruments (other than the Additional Tier 1 Capital Notes of such Series) which are eligible to constitute Additional Tier 1 Capital of the Issuer and/or the Group and (ii) any other obligations or capital instruments which are expressed to absorb losses on a *pro-rata* basis with the Additional Tier 1 Capital Notes of such Series, in each case which include a principal loss absorption mechanism that is capable of generating Common Equity Tier 1 Capital of the Issuer and/or the Group and that is activated by an event equivalent to the Trigger Event in all material respects and that has a threshold for such activation which is identical to the Trigger Event Threshold in respect of the Additional Tier 1 Capital Notes of such Series;

**“Participating Member State”** means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

**“Paying Agents”** means the Fiscal Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement;

**“Payment Business Day”** means:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in (a) the relevant place of presentation and (b) each Applicable Financial Centre specified in the relevant Final Terms or Pricing Supplement and, if TARGET is an Applicable Financial Centre, a TARGET Settlement Day; and
- (ii) in the case of CNY Notes and any sum payable in CNY, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement for CNY payments in Hong Kong;

**“Permitted Status Legislation Change”** means the Non-Preferred Senior Amendment Legislation has become effective in Denmark;

**“Person”** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**PRC**” means the People’s Republic of China which, for the purposes of this definition only, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan;

“**Preferred Senior Notes**” means the Notes (i) specified as such in the relevant Final Terms or Pricing Supplement and (ii) having the status set out in Condition 5.1 (*Status – Preferred Senior Notes*);

“**Private Placement Legend**” means the legend set forth in the form of Registered Notes scheduled to the Agency Agreement;

“**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU);

“**Put Option Notice**” means a notice, in the form available from the Specified Office of any Paying Agent, or in the case of Registered Notes, the Registrar which must be delivered to the Specified Office of a Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) by any Holder wanting to exercise its right to require the Issuer to redeem a Note;

“**Put Option Receipt**” means a receipt issued by a Paying Agent or the Registrar, as the case may be, to a depositing Holder upon deposit of a Note with such Paying Agent or the Registrar, as the case may be, by any Holder wanting to exercise its right to require the Issuer to redeem a Note;

“**Qualifying Capital Notes**” means, in respect of a Series of Additional Tier 1 Capital Notes, at any time, any securities (other than such Notes) issued or guaranteed by the Issuer that:

- (i) (A) contain terms which at such time comply with CRD IV requirements in relation to Additional Tier 1 Capital (which, for the avoidance of doubt, may result in such securities not including, or restricting for a period of time the application of, one or both of the Special Event redemption events which are included in the relevant Notes) and (B) provide the same amount of regulatory capital recognition as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*); and
- (ii) carry the same rate of interest, including, if applicable, for the avoidance of doubt any reset provisions, from time to time applying to the relevant Notes prior to the relevant substitution or variation pursuant to Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*); and
- (iii) have the same Original Principal Amount and Outstanding Principal Amounts as the relevant Notes prior to substitution or variation pursuant to Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*); and
- (iv) rank *pari passu* with the relevant Notes prior to the substitution or variation pursuant to Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*); and
- (v) shall not at such time be subject to a Special Event; and
- (vi) have terms not otherwise materially less favourable to the Holders than the terms of the relevant Notes, as reasonably determined by the Issuer, and provided that the Issuer shall have delivered a certificate to that effect signed by two of its directors to the Fiscal Agent (and copies thereof will be available at the Fiscal Agent’s Specified Office during its normal business hours) not less than 5 Business Days prior to (x) in the case of a substitution of the relevant Notes pursuant to Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*), the issue date of the relevant securities or (y) in the case of a variation of the relevant Notes pursuant to Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*), the date such variation becomes effective; and

- (vii) if (A) the relevant Notes were listed or admitted to trading on a Regulated Market immediately prior to the relevant substitution or variation, are listed or admitted to trading on a Regulated Market or (B) the relevant Notes were listed or admitted to trading on a recognised stock exchange other than a Regulated Market immediately prior to the relevant substitution or variation, are listed or admitted to trading on any recognised stock exchange (including, without limitation, a Regulated Market), in either case as selected by the Issuer;

“**Qualifying Non-Preferred Senior Notes**” means, in respect of a Series of Non-Preferred Senior Notes, at any time, any securities (other than such Notes) issued or guaranteed by the Issuer that:

- (i) contain terms which comply with the then current requirements for “eligible liabilities” (or any equivalent or successor term) provided for in the Applicable MREL/TLAC Regulations in relation to the relevant MREL/TLAC Requirement(s) (which, for the avoidance of doubt, may result in the relevant securities not including, or restricting for a period of time the application of, one or more of the early redemption rights which are included in the relevant Notes); and
- (ii) carry the same rate of interest as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*); and
- (iii) have the same Specified Denomination(s) and Outstanding Principal Amounts as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*); and
- (iv) have the same Maturity Date and the same Interest Payment Dates as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*); and
- (v) have at least the same ranking as the relevant Notes prior to the relevant substitution or variation pursuant to Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*); and
- (vi) shall not, immediately following the relevant substitution or variation pursuant to Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*) be subject to a MREL/TLAC Disqualification Event and/or a tax event referred to in Condition 12.2 (*Early redemption for tax reasons*); and
- (vii) have terms not otherwise materially less favourable to the Holders than the terms of the relevant Notes, as determined by the Issuer in its sole and absolute discretion, and provided that the Issuer shall have delivered a certificate to that effect signed by two of its directors to the Fiscal Agent (and copies thereof will be available at the Fiscal Agent’s Specified Office during its normal business hours) not less than 5 Business Days prior to (a) in the case of a substitution of the relevant Notes pursuant to Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*), the issue date of the relevant securities or (b) in the case of a variation of the relevant Notes pursuant to Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*), the date such variation becomes effective; and
- (viii) if (A) the relevant Notes were listed or admitted to trading on a Regulated Market immediately prior to the relevant substitution or variation, are listed or admitted to trading on a Regulated Market or (B) the relevant Notes were listed or admitted to trading on a recognised stock exchange other than a Regulated Market immediately prior to the relevant substitution or variation, are listed or admitted to trading on any recognised stock exchange (including, without limitation, a Regulated Market), in either case as selected by the Issuer;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms or Pricing Supplement and shall include, *inter alia*, the Initial Rate of Interest, the First Reset Rate of Interest and the Subsequent Reset Rate of Interest, as applicable and subject, at all times, if any such rate is below zero, that such rate will be deemed to be zero, unless otherwise stated in the relevant Final Terms or Pricing Supplement;

“**Record Date**” has the meaning given to such term in Condition 14 (*Payments – Registered Notes*);

“**Redemption Amount**” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Outstanding Principal Amounts, the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, these Conditions or the relevant Final Terms or Pricing Supplement;

“**Reduction Event**” means, in relation to Notes that are Subordinated Notes, that a resolution has been passed at a general meeting of the Issuer’s shareholders in accordance with Danish law to reduce, *inter alia* and in the order described in Condition 10.3 (*Effect*), the Outstanding Principal Amounts and any accrued but unpaid interest and following the occurrence of all of the following circumstances:

- (i) the equity capital of the Issuer has been lost;
- (ii) a general meeting of the shareholders of the Issuer has effectively resolved in accordance with Danish law to reduce to zero the share capital of the Issuer; and
- (iii) following the resolution referred to in (ii) above, either:
  - (a) sufficient new share and/or other capital of the Issuer is subscribed or contributed so as to enable the Issuer, following any reduction of the Outstanding Principal Amounts and any accrued but unpaid interest pursuant to Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*), to comply with the capital requirement of the Danish Financial Business Act; or
  - (b) the Issuer discontinues its business without a loss to its non-subordinated creditors;

“**Reference Banks**” has the meaning given in the relevant Final Terms or Pricing Supplement or, if none, four major banks selected by the Calculation Agent in consultation with the Issuer;

“**Reference Price**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Reference Rate**” has the meaning given in the relevant Final Terms or Pricing Supplement, subject as provided in Condition 7.10 (*Reference Rate Replacement*). In the case of Notes other than Exempt Notes, the Reference Rate shall be LIBOR, EURIBOR, NIBOR, STIBOR, CIBOR, SHIBOR, BBSW or HIBOR, subject as provided in Condition 7.10 (*Reference Rate Replacement*);

“**Registered Notes**” means Notes issued in registered form;

“**Registered Holder**” means the persons in whose name a Registered Note is for the time being registered by the Registrar;

“**Registrar**” means the Principal Registrar or, if so specified, any alternative Registrar specified in the relevant Final Terms or Pricing Supplement;

“**Regular Period**” means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any

year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and

- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Regulated Entity**” means any entity to which the BRRD (or any other Danish legislation relating to the Danish Statutory Loss Absorption Powers) applies, which include certain credit institutions, investment firms, and certain of their parent or holding companies;

“**Regulated Market**” means a regulated market for the purposes of Directive 2014/65/EU;

“**Relevant Amounts**” means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and additional amounts (as described in Condition 16 (*Taxation*)) due on the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Danish Statutory Loss Absorption Powers by the Relevant Resolution Authority;

“**Relevant Banking Day**” means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments generally in the place of presentation of the relevant Note or, as the case may be, Coupon or, in connection with the transfer of Registered Notes only, the place of the Specified Office of the Registrar;

“**Relevant Currency**” means euro or such other currency as may be specified in the relevant Final Terms or Pricing Supplement;

“**Relevant Date**” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Applicable Financial Centre of the currency of payment by, in the case of Bearer Notes, the Fiscal Agent or, in the case of Registered Notes, the Registrar on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Holders in accordance with Condition 24 (*Notices*);

“**Relevant Financial Centre**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Relevant Nominating Body**” means, in respect of a reference rate:

- (i) the central bank for the currency to which such reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which such reference rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of such reference rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof;

“**Relevant Regulator**” means the DFSA and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer and/or (in the case of Non-Preferred Senior Notes) the Relevant Resolution Authority (if applicable), in any case as determined by the Issuer;

“**Relevant Reset Margin**” means, in respect of a Reset Period, whichever of the First Reset Margin or the Subsequent Reset Margin is applicable for the purpose of determining the Rate of Interest in respect of such Reset Period;

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Danish Statutory Loss Absorption Powers in relation to the Issuer;

“**Relevant Screen Page**” means the page, section or other part of a particular information service (including, without limitation, the Reuter Money 3000 Service) specified as the Relevant Screen Page in the relevant Final Terms or Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Reset Date**” means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

“**Reset Determination Date**” means, in respect of a Reset Period, the date specified as such in the relevant Final Terms or Pricing Supplement;

“**Reset Period**” means the First Reset Period or a Subsequent Reset Period, as the case may be;

“**Reset Period Maturity Initial Mid-Swap Rate**” has the meaning specified in the relevant Final Terms or Pricing Supplement;

“**Reset Reference Banks**” means the principal office in the principal financial centre of the Specified Currency of five major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Calculation Agent in its discretion after consultation with the Issuer;

“**Restricted Securities**” has the meaning given to such term in Rule 144(a)(3) under the United States Securities Act 1933;

“**Risk Exposure Amounts**” means the aggregate amount of the risk exposure amounts (or any equivalent or successor term) of, as the case may be, the Issuer or the Group, in each case as calculated by the Issuer in accordance with CRD IV requirements and any applicable transitional arrangements under CRD IV;

“**Second Reset Date**” means the date specified in the relevant Final Terms or Pricing Supplement;

“**SHIBOR**” means the Shanghai interbank offered rate;

“**Special Event**” means either a Tax Event or a Capital Event;

“**Specified Currency**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Specified Denomination(s)**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**Specified Office**” has the meaning given in the Agency Agreement;

“**Specified Period**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**STIBOR**” means the Stockholm interbank offered rate;

“**Subordinated Notes**” means the Notes (i) specified as such in the relevant Final Terms or Pricing Supplement and (ii) having the status set out in Condition 5.3 (*Status-Subordinated Notes*);

“**Subsequent Reset Date**” means the date or dates specified in the relevant Final Terms or Pricing Supplement;

“**Subsequent Reset Margin**” means the margin specified as such in the relevant Final Terms or Pricing Supplement;

“**Subsequent Reset Period**” means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or the Maturity Date, as the case may be;

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and subject to Condition 6.7 (*Fallbacks*) and Condition 6.9 (*Mid-Swap Rate Conversion*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Reset Margin;

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

“**Successor Reference Rate**” means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body;

“**Talon**” means a talon for further Coupons;

“**TARGET Settlement Day**” means any day on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET2) System (“**TARGET**”), which was launched on 19 November 2007, or any successor thereto is open for the settlement of payments in euro;

“**Tax Event**” has the meaning given to such term in Condition 12.2(B) (*Early redemption for tax reasons: Subordinated Notes and Additional Tier 1 Capital Notes*);

“**Tier 1 Capital**” means capital which is treated as a constituent of Tier 1 under CRD IV requirements by the Relevant Regulator for the purposes of the Issuer and/or the Group and this shall include all hybrid core capital (“**Hybrid Core Capital**”) (in Danish: “*hybrid kernekapital*”) issued by the Issuer within the meaning of the Danish Financial Business Act;

“**Tier 2 Capital**” means capital which is treated as a constituent of Tier 2 under CRD IV requirements by the Relevant Regulator for the purposes of the Issuer and this shall include all subordinated loan capital (in Danish: “*ansvarlig lånekapital*”) issued by the Issuer within the meaning of the Danish Financial Business Act;

“**Treaty**” means the Treaty on the Functioning of the European Union, as amended;



“**Trigger Event**” means, in respect of a Series of Additional Tier 1 Capital Notes, that the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group has fallen below the Trigger Event Threshold in respect of such Notes, as determined at any time by the Issuer, the Relevant Regulator or any agent appointed for such purpose by the Relevant Regulator, as the case may be, and such determination shall be binding on the Noteholders;

“**Trigger Event Early Redemption Restrictions**” has the meaning given to such term in Condition 11.2 (*Loss Absorption Following a Trigger Event*);

“**Trigger Event Threshold**” has the meaning given in the relevant Final Terms or Pricing Supplement;

“**VP**” means VP Securities A/S, the Danish central securities depository;

“**VP Lux**” means VP LUX S.à.r.l.;

“**VP Systems Notes**” means Notes issued in uncertificated and dematerialised book entry form cleared through VP, VP Lux, VPS or Euroclear Sweden, as the case may be;

“**VPS**” means the Norwegian Central Securities Depository (*Verdipapirsentralen*), the Norwegian central securities depository; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms or Pricing Supplement.

## 2.2 *Interpretation:* In these Conditions:

- (i) References to “Notes” shall be deemed to include references to “Coupons”, if relevant, and references to “Noteholders” or “Holders” shall be deemed to include references to “Couponholders”, if relevant;
- (ii) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (iii) in the case of Notes which have more than 27 interest payments remaining, references to Coupons shall be deemed to include references to Talons;
- (iv) in the case of Notes which have fewer than 27 interest payments remaining, references to Talons are not applicable;
- (v) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 16 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (vi) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 16 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vii) references to Notes being “outstanding” shall be construed in accordance with the Agency Agreement;
- (viii) if an expression is stated in Condition 2.1 (*Definitions*) to have the meaning given in the relevant Final Terms or Pricing Supplement, but the relevant Final Terms or Pricing Supplement gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes;

- (ix) any reference to the Agency Agreement, the Deed of Covenant or the VP Systems Agency Agreement shall be construed as a reference to the Agency Agreement, the Deed of Covenant or the VP Systems Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the first Tranche of such Notes;
- (x) if the relevant Final Terms or Pricing Supplement specifies any Redemption Amount on a per Calculation Amount basis, the relevant Redemption Amount in respect of a Note shall be deemed to be the product of the relevant Redemption Amount per Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination;
- (xi) VP Systems Notes are in dematerialised form, and any references in these Conditions to Coupons and Talons shall not apply to VP Systems Notes;
- (xii) any reference to a numbered “Condition” shall be to the relevant Condition in these Conditions; and
- (xiii) any reference to any legislation, any provision thereof or to any instrument, order or regulation made thereunder shall be construed as a reference to such legislation, provision, instrument, order or regulation as the same may have been, or may from time to time be, amended, replaced or re-enacted.

### **3. Form, Denomination and Title**

- 3.1 *Form of Notes:* The Notes are Bearer Notes, Registered Notes or VP Systems Notes, as specified in the relevant Final Terms or Pricing Supplement. In the case of interest bearing Notes, the relevant Final Terms or Pricing Supplement will specify whether the Fixed Rate Note Provisions or the Reset Note Provisions are applicable, in which case the relevant part of Condition 6 (*Fixed Rate Note and Reset Note Provisions*) will apply, whether the Floating Rate Note Provisions are applicable, in which case Condition 7 (*Floating Rate Note Provisions*) will apply or whether a combination of the foregoing will apply, as the case may be.
- 3.2 *Notes in Bearer Form:* Bearer Notes are issued in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms or Pricing Supplement, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination. Title to Bearer Notes and Coupons will pass by delivery. The Holder of any Bearer Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. Bearer Notes will not be exchangeable for Registered Notes or VP Systems Notes.
- 3.3 *Notes in Registered Form:* Registered Notes are issued in the Specified Denomination and may be held in holdings equal to the Specified Denomination and integral multiples in excess thereof. The Holder of a Registered Note shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Registered Note relating thereto (other than the endorsed form of transfer) or any previous loss or theft of such Registered Note) and no Person shall be liable for so treating such Holder. Title to Registered Notes will pass by transfer and registration in the register which the Issuer shall procure to be kept by the Registrar. Registered Notes will not be exchangeable for Bearer Notes or VP Systems Notes.
- 3.4 *VP Systems Notes:* VP Systems Notes are issued in the Specified Denomination(s). Title to the VP Systems Notes will pass by registration in the registers between the direct or indirect accountholders at VP, VP Lux, VPS or Euroclear Sweden, as the case may be, in accordance with the rules and procedures of VP, VP Lux, VPS or Euroclear Sweden, as the case may be. Where a nominee is so evidenced, it shall

be treated by the Issuer as the Holder of the relevant VP Systems Note. The Holder of a VP Systems Note will be the person evidenced as such by a book entry in the records of VP, VP Lux, VPS or Euroclear Sweden, as the case may be. VP Systems Notes will not be exchangeable for Bearer Notes or Registered Notes.

- 3.5 *Adjustments to Outstanding Principal Amounts and Denominations:* In the case of Subordinated Notes or Additional Tier 1 Capital Notes, the Outstanding Principal Amounts may be adjusted as provided for (in the case of Subordinated Notes) in Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) or (in the case of Additional Tier 1 Capital Notes) in Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) or, in either case, as otherwise required by then current legislation and/or regulations applicable to the Issuer. Any such adjustment to the Outstanding Principal Amounts will not have any effect on the Specified Denominations of such Notes.

#### **4. Transfer of Registered Notes**

- 4.1 *Transfer of Registered Notes:* A Registered Note may, upon the terms and subject to the conditions set forth in the Agency Agreement, be transferred in nominal amounts in whole or in part only (provided that such nominal part is, or is an integral multiple of, the Specified Denomination) upon the surrender of the Registered Note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the Specified Office of the Registrar. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.

- 4.2 *Issue of new Registered Notes:* Each new Registered Note to be issued upon the transfer of a Registered Note will, within four Relevant Banking Days of the day on which such Note was presented for transfer be available for collection by each relevant Holder at the Specified Office of the Registrar or, at the option of the Holder requesting such transfer, be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder. For these purposes, a form of transfer received by the Registrar after the Record Date in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar until the day following the due date for such payment.

- 4.3 *Charges for transfer:* The issue of new Registered Notes on transfer will be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Issuer or the Registrar may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.

- 4.4 *Private Placement Legend:* Upon the transfer or replacement of Registered Notes bearing the Private Placement Legend, the Registrar shall deliver only Registered Notes that also bear such Private Placement Legend unless either:

- (i) such transfer or replacement occurs one year or more after the later of:
  - (a) the original issue date of such Notes; or
  - (b) the last date on which the Issuer or any Affiliates of the Issuer as notified to the Registrar by the Issuer was the beneficial owner of such Note (or any predecessor of such Note); or
- (ii) there is delivered to the Registrar an opinion reasonably satisfactory to the Issuer of counsel experienced in giving opinions with respect to questions arising under the securities laws of the United States to the effect that neither such legend nor the restrictions on transfer set forth therein are required in order to maintain compliance with the provisions of such laws. The Issuer covenants and agrees that it will not acquire any beneficial interest, and will cause its Affiliates not to acquire any beneficial interest, in any Registered Note bearing the Private Placement

Legend unless it notifies the Registrar of such acquisition. The Registrar and all Holders shall be entitled to rely without further investigation on any such notification (or lack thereof).

For so long as any of the Registered Notes bearing the Private Placement Legend remain outstanding and are Restricted Securities, the Issuer covenants and agrees that it shall, during any period in which it is not subject to Section 13 or 15(d) under the United States Securities Exchange Act of 1934 nor exempt from reporting pursuant to Rule 12g3-2(b) under such Act, make available to any Holder of such Notes in connection with any sale thereof and any prospective purchaser of such Notes from such Holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the United States Securities Act 1933.

## 5. Status of the Notes

5.1 *Status – Preferred Senior Notes:* The Preferred Senior Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) at least *pari passu* with all other ordinary, unsubordinated and unsecured obligations of the Issuer, present and future, save for certain mandatory exceptions provided by law (including obligations benefitting from a preferred ranking to the Preferred Senior Notes); and
- (iii) senior to any Non-Preferred Senior Liabilities as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

5.2 *Status – Non-Preferred Senior Notes:* Following the occurrence of a Permitted Status Legislation Change, Non-Preferred Senior Notes are intended to constitute MREL/TLAC Eligible Liabilities and Non-Preferred Senior Liabilities.

Unless a Permitted Status Legislation Change has occurred, the Non-Preferred Senior Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will at all times rank:

- (a) *pari passu* without any preference among themselves; and
- (b) at least *pari passu* with all other ordinary, unsubordinated and unsecured obligations of the Issuer, present and future, save for certain mandatory exceptions provided by law (including obligations benefitting from a preferred ranking to the Non-Preferred Senior Notes).

Following the occurrence of a Permitted Status Legislation Change, the Non-Preferred Senior Notes will at all times rank (to the extent permitted by the Non-Preferred Senior Amendment Legislation):

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with all other Non-Preferred Senior Liabilities, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any subordinated obligations or instruments that rank or are expressed to rank junior to the Non-Preferred Senior Liabilities, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and

- (iv) junior to present or future claims of (a) depositors of the Issuer and (b) other unsubordinated creditors of the Issuer that are not creditors in respect of Non-Preferred Senior Liabilities, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer.

By virtue of its subscription and/or purchase and holding of the relevant Series of Non-Preferred Senior Notes, each Holder of Non-Preferred Senior Notes will be deemed to have irrevocably accepted the status of the Non-Preferred Senior Notes arising from a Permitted Status Legislation Change as described in this Condition 5.2.

The Issuer shall give notice to the Holders in accordance with Condition 24 (*Notices*) if the status of the Non-Preferred Senior Notes has changed, or is to change, in accordance with this Condition 5.2, following the occurrence of a Permitted Status Legislation Change, which notice might be given after the date when the Permitted Status Legislation Change occurs.

5.3 *Status – Subordinated Notes*: The Subordinated Notes (in Danish: “*kapitalbeviser*”) on issue constitute Tier 2 Capital.

The Subordinated Notes constitute direct, unsecured and subordinated debt obligations of the Issuer, and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) the Existing Tier 2 Capital Notes, (b) any obligations or capital instruments of the Issuer which constitute Tier 2 Capital and (c) any other obligations or capital instruments that rank or are expressed to rank equally with the Subordinated Notes, in each case as regards the right to receive periodic payments on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to holders of the Ordinary Shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Subordinated Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to present or future claims of (a) depositors of the Issuer and other unsubordinated creditors of the Issuer and (b) other subordinated creditors of the Issuer (other than present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Subordinated Notes).

5.4 *Status – Additional Tier 1 Capital Notes*: The Additional Tier 1 Capital Notes (in Danish: “*kapitalbeviser*”) on issue constitute Additional Tier 1 Capital.

Subject to Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*), the Additional Tier 1 Capital Notes constitute direct, unsecured and subordinated debt obligations of the Issuer, and will at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any obligations or capital instruments of the Issuer which constitute Additional Tier 1 Capital and (b) any other obligations or capital instruments that rank or are expressed to rank equally with the Additional Tier 1 Capital Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;

- (iii) senior to holders of the Issuer's ordinary shares and any other obligations or capital instruments that rank or are expressed to rank junior to the Additional Tier 1 Capital Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to present or future claims of (a) depositors of the Issuer and other unsubordinated creditors of the Issuer and (b) other subordinated creditors of the Issuer (other than present or future claims of creditors that rank or are expressed to rank *pari passu* with or junior to the Additional Tier 1 Capital Notes).

*In respect of this Condition 5, reference is also made to statutory loss absorption as more fully described in the risk factor in this Base Prospectus entitled "The Council of the European Union has adopted a bank recovery and resolution directive which is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. In certain limited circumstances, it is possible that the implementation of the directive or the taking of any action under it could affect the value of any Notes".*

#### 5.5 *Waiver of Set-off (all Notes other than Preferred Senior Notes)*

This Condition 5.5 is only applicable in relation to Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes.

Subject to applicable law, no Holder, who shall in the event of the liquidation or bankruptcy of the Issuer be indebted to the Issuer, shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of the Notes held by such Holder.

## **6. Fixed Rate Note and Reset Note Provisions**

### *Fixed Rate Note Provisions*

- 6.1 *Application:* Conditions 6.1-6.4 (inclusive) are only applicable to the Notes if the Fixed Rate Note Provisions are specified in the relevant Final Terms or Pricing Supplement as being applicable to one or more Interest Period(s).
- 6.2 *Accrual of interest:* The Notes bear interest on their Outstanding Principal Amounts from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each relevant Interest Payment Date, subject as provided in Condition 13 (*Payments – Bearer Notes*), Condition 14 (*Payments – Registered Notes*) or Condition 15 (*Payments – VP Systems Notes*), as applicable.

Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6.2 (as well after as before judgment) until whichever is the earlier of:

- (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Holder; and
- (ii) the day which is seven days after the Fiscal Agent, the Registrar or the VP Systems Agent, as applicable, has notified the Holders in accordance with Condition 24 (*Notices*) that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent non-payment).

- 6.3 *Fixed Coupon Amount and Broken Amount*: Except as provided in the relevant Final Terms or Pricing Supplement, the amount of interest payable in respect of the Calculation Amount for any Interest Period shall be the relevant Fixed Coupon Amount or the relevant Broken Amount, as the case may be.

Where the Specified Denomination of a Note is the Calculation Amount and, if the Notes are Subordinated Notes or Additional Tier 1 Capital Notes, as the case may be, except where the Calculation Amount has been adjusted as described in the definition thereof, the amount of interest payable in respect of such Note shall be the relevant Fixed Coupon Amount or the relevant Broken Amount, as the case may be. Where the Specified Denomination of a Note is a multiple of the Calculation Amount and, if the Notes are Subordinated Notes or Additional Tier 1 Capital Notes, as the case may be, except where the Calculation Amount has been adjusted as described in the definition thereof, the amount of interest payable in respect of such Note shall be the product of the relevant Fixed Coupon Amount or the relevant Broken Amount, as the case may be, for each Calculation Amount and the amount by which the Calculation Amount is required to be multiplied to reach the Specified Denomination.

If the Notes are Subordinated Notes or Additional Tier 1 Capital Notes and the Calculation Amount has been adjusted as described in the definition thereof, Condition 6.4 (*Calculation of interest amount*) will apply.

- 6.4 *Calculation of interest amount*: Except where a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms or Pricing Supplement and/or, if the Notes are Subordinated Notes or Additional Tier 1 Capital Notes, the Calculation Amount has been adjusted as described in the definition thereof, the amount of interest payable in respect of the Notes for any period shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a “**sub-unit**” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

In the case of (i) Preferred Senior Notes and Non-Preferred Senior Notes, or (ii) Subordinated Notes and Additional Tier 1 Capital Notes where the Calculation Amount has not been adjusted as described in the definition thereof, where the Specified Denomination of a Note is the Calculation Amount, the amount of interest payable in respect of such Note shall be the amount (determined in the manner provided above) for the Calculation Amount. In the case of such Notes, where the Specified Denomination of a Note is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for each Calculation Amount and the amount by which the Calculation Amount is required to be multiplied to reach the Specified Denomination, without any further rounding.

In the case of Subordinated Notes or Additional Tier 1 Capital Notes where the Calculation Amount has been adjusted as described in the definition thereof, where the Specified Denomination of a Note is the Original Calculation Amount, the amount of interest payable in respect of such Note shall be the amount (determined in the manner provided above) for the Calculation Amount. In the case of such Notes, where the Specified Denomination of a Note is a multiple of the Original Calculation Amount, the amount of interest payable in respect of such Note shall be the product of:

- (i) the amount of interest per Calculation Amount; and
- (ii) the number by which the Original Calculation Amount is required to be multiplied to equal the Specified Denomination of such Subordinated Note or such Additional Tier 1 Capital Note,

without any further rounding.

In the case of Subordinated Notes and Additional Tier 1 Capital Notes, if pursuant to (in the case of Subordinated Notes) Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) or (in the

case of Additional Tier 1 Capital Notes) Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) or, in either case, as otherwise required by then current legislation and/or regulations applicable to the Issuer, the Outstanding Principal Amounts are reduced and/or reinstated, as applicable, during an Interest Period, the Calculation Amount will be adjusted by the Calculation Agent to reflect such Outstanding Principal Amounts from time to time so that the relevant amount of interest is determined by reference to such Calculation Amount as adjusted from time to time, all as determined by the Calculation Agent.

### ***Reset Note Provisions***

6.5 *Application:* Conditions 6.5-6.11 (inclusive) are applicable to the Notes if the Reset Note Provisions are specified in the relevant Final Terms or Pricing Supplement as being applicable to one or more Interest Period(s).

6.6 *Accrual of Interest:* The Notes bear interest on their Outstanding Principal Amounts:

- (i) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the Initial Rate of Interest;
- (ii) for the First Reset Period at the First Reset Rate of Interest; and
- (iii) for each Subsequent Reset Period thereafter (if any) to (but excluding) the Maturity Date at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each relevant Interest Payment Date (subject as provided in Condition 13 (*Payments – Bearer Notes*), Condition 14 (*Payments – Registered Notes*) or Condition 15 (*Payments – VP Systems Notes*), as applicable).

Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6.6 (as well after as before judgment) until whichever is the earlier of:

- (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Holder; and
- (ii) the day on which is seven days after the Fiscal Agent, the Registrar or the VP Systems Agent, as applicable, has notified the Holders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent non-payment).

The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (A) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, and (B) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Conditions 6.3 and 6.4.

6.7 *Fallbacks*

If on any Reset Determination Date, the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page as of the Relevant Time on such Reset Determination Date, the Rate of Interest applicable to the Notes in respect of each Interest Period falling in the relevant Reset Period will be determined by the Calculation Agent on the following basis:

- (i) the Calculation Agent shall request each of the Reset Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately the Relevant Time on the Reset Determination Date in question;



- (ii) if at least three of the Reset Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (A) the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest (or, in the event of equality, one of the lowest) and (B) the Relevant Reset Margin, all as determined by the Calculation Agent;
- (iii) if only two relevant quotations are provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (A) the arithmetic mean (rounded as aforesaid) of the relevant quotations provided and (B) the Relevant Reset Margin, all as determined by the Calculation Agent;
- (iv) if only one relevant quotation is provided, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period will be equal to the sum of (A) the relevant quotation provided and (B) the Relevant Reset Margin, all as determined by the Calculation Agent; and
- (v) if none of the Reset Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 6.7, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) will be equal to the sum of (A) the Mid-Swap Rate determined on the last preceding Reset Determination Date and (B) the Relevant Reset Margin or, in the case of the first Reset Determination Date, the First Reset Rate of Interest will be equal to the sum of:
  - (a) if Initial Mid-Swap Rate Final Fallback is specified in the relevant Final Terms or Pricing Supplement as being applicable, (A) the Initial Mid-Swap Rate and (B) the Relevant Reset Margin;
  - (b) if Reset Maturity Initial Mid-Swap Rate Final Fallback is specified in the relevant Final Terms or Pricing Supplement as being applicable, (A) the Reset Period Maturity Initial Mid-Swap Rate and (B) the Relevant Reset Margin; or
  - (c) if Last Observable Mid-Swap Rate Final Fallback is specified in the relevant Final Terms or Pricing Supplement as being applicable, (A) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (B) the Relevant Reset Margin,

all as determined by the Calculation Agent.

#### 6.8 *Alternative Mid-Swap Floating Leg Benchmark Rate:*

If:

- (A) Mid-Swap Floating Leg Benchmark Rate Replacement is specified in the relevant Final Terms or Pricing Supplement as being applicable; and
- (B) the Calculation Agent (in consultation with the Issuer) determines that the Mid-Swap Floating Leg Benchmark Rate has ceased to be calculated or administered,

the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine an Alternative Mid-Swap Floating Leg Benchmark Rate (as defined below) and such other adjustments (if any) as referred to in this Condition 6.8.

If:

- (i) the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner) determines no later than five Business Days prior to the Reset Determination Date relating to the next Reset Period (the “**IA Mid-Swap Determination Cut-off Date**”) that another rate (the “**Alternative Mid-Swap Floating Leg Benchmark Rate**”) has replaced the Mid-Swap Floating Leg Benchmark Rate in customary market usage for setting rates comparable to the Mid-Market Swap Rate; or
- (ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to make such determination prior to the relevant IA Mid-Swap Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) determines no later than three Business Days prior to the Reset Determination Date relating to the next Reset Period (the “**Issuer Mid-Swap Determination Cut-off Date**”) that an Alternative Mid-Swap Floating Leg Benchmark Rate has replaced the Mid-Swap Floating Leg Benchmark Rate in customary market usage for setting rates comparable to the Mid-Market Swap Rate (and, for the purposes of making any such determination, the Issuer will take into account relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets),

then the Mid-Market Swap Rate for all future Reset Periods (subject to the subsequent operation of this Condition 6.8) shall be the mean of bid and offered rates determined as provided above but as if references therein to the Mid-Swap Floating Leg Benchmark Rate were references to the Alternative Mid-Swap Floating Leg Benchmark Rate and with such adjustments (if any) as may (in the determination of such Independent Adviser or the Issuer (as applicable) acting in good faith and in a commercially reasonable manner) be necessary to take account of any adjustment factor to make such rates comparable to rates quoted on the basis of the Mid-Swap Floating Leg Benchmark Rate.

Promptly following the determination of any Alternative Mid-Swap Floating Leg Benchmark Rate as described in this Condition 6.8, the Issuer shall give notice thereof and of any adjustments (and the effective date thereof) pursuant to this Condition 6.8 to the Fiscal Agent, (in the case of VP Systems Notes) the VP Systems Agent, the Calculation Agent and the Holders in accordance with Condition 24 (*Notices*).

No consent of the Holders shall be required in connection with effecting the relevant Alternative Mid-Swap Floating Leg Benchmark Rate as described in this Condition 6.8 or such other relevant adjustments pursuant to this Condition 6.8, including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement and/or (if applicable) the VP Systems Agreement (if required).

For the avoidance of doubt, if an Alternative Mid-Swap Floating Leg Benchmark Rate is not determined pursuant to the operation of this Condition 6.8 prior to the relevant Issuer Mid-Swap Determination Cut-off Date, then the Rate of Interest for such next Reset Period shall be determined by reference to the fallback provisions of Condition 6.7 (*Fallbacks*).

Notwithstanding any other provision of this Condition 6.8:

- (i) no Alternative Mid-Swap Floating Leg Benchmark Rate will be adopted and no other amendment to the terms of the Notes will be made pursuant to this Condition 6.8, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as:
  - (A) in the case of Non-Preferred Senior Notes, MREL/TLAC Eligible Liabilities;

- (B) in the case of Subordinated Notes, Tier 2 Capital of the Issuer and/or the Group; and
  - (C) in the case of Additional Tier 1 Capital Notes, Additional Tier 1 Capital of the Issuer and/or the Group; and/or
- (ii) in the case of Non-Preferred Senior Notes only, no Alternative Mid-Swap Floating Leg Benchmark Rate will be adopted and no other amendment to the terms of the Notes will be made pursuant to this Condition 6.8, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the Relevant Regulator treating the next Reset Date as the effective maturity of the Notes, rather than the relevant Maturity Date.
- 6.9 *Mid-Swap Rate Conversion*: This Condition 6.9 is only applicable if Mid-Swap Rate Conversion is specified in the relevant Final Terms or Pricing Supplement as being applicable. If Mid-Swap Rate Conversion is so specified as being applicable, the First Reset Rate of Interest and, if applicable, each Subsequent Reset Rate of Interest will be converted from the Original Mid-Swap Rate Basis specified in the relevant Final Terms or Pricing Supplement to a basis which matches the per annum frequency of Interest Payment Dates in respect of the relevant Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it).
- 6.10 *Publication*: The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date falling in such Reset Period to be notified to the Paying Agents (and if applicable, the Registrar), each listing authority, stock exchange and/or quotation system (if any) on which the Notes have then been admitted to listing, trading and/or quotation and, in the case of VP Systems Notes, VP, VP Lux, VPS or Euroclear Sweden, as the case may be, and the VP Systems Agent as soon as practicable after such determination. Notice thereof shall also promptly be given to the Holders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) in the event of any reduction of the Outstanding Principal Amount of a Note in accordance with Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) during an Interest Period.
- 6.11 *Notifications etc*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Conditions 6.5-6.11 (inclusive) by the Calculation Agent or, in the circumstances described in Condition 6.8 (*Alternative Mid-Swap Floating Leg Benchmark Rate*) and the definition of “Mid-Market Swap Rate”, an Independent Adviser will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Registrar (if applicable), the VP Systems Agent (if applicable), the Calculation Agent (if applicable), the Holders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent or, if applicable, such Independent Adviser in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## **7. Floating Rate Note Provisions**

- 7.1 *Application*: This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms or Pricing Supplement as being applicable to one or more Interest Period(s).
- 7.2 *Accrual of interest*: The Notes bear interest on their Outstanding Principal Amounts from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each relevant Interest Payment Date, subject as provided in Condition 13 (*Payments – Bearer Notes*), Condition 14 (*Payments – Registered Notes*) or Condition 15 (*Payments – VP Systems Notes*), as applicable. Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of:

- (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Holder; and
- (ii) the day which is seven days after the Fiscal Agent, the Registrar or the VP Systems Agent, as applicable, has notified the Holders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent non-payment).

7.3 *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Final Terms or Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of Condition 7.3(i) above, such rate does not appear on that page or, in the case of Condition 7.3(ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
  - (a) request the principal Relevant Financial Centre office of each the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (b) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading banks in the Relevant Financial Centre interbank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or, as the case may be, the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or, as the case may be, an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the last preceding Interest Period.

7.4 *ISDA Determination:* If ISDA Determination is specified in the relevant Final Terms or Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms or Pricing Supplement;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms or Pricing Supplement; and
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is the day specified in the relevant Final Terms or Pricing Supplement.

7.5 *Linear Interpolation:* Where Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms or Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the relevant Final Terms or Pricing Supplement), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

7.6 *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms or Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

7.7 *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of the Calculation Amount for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit (as defined in Condition 6.4 (*Calculation of interest amount*)) of the Specified Currency (half a sub-unit being rounded upwards).

In the case of (i) Preferred Senior Notes and Non-Preferred Senior Notes or (ii) Subordinated Notes and Additional Tier 1 Capital Notes where the Calculation Amount has not been adjusted as described in the definition thereof, where the Specified Denomination of a Note is the Calculation Amount, the amount of interest payable in respect of such Note shall be the Interest Amount.

In the case of such Notes, where the Specified Denomination of a Note is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the product of the Interest Amount (determined in the manner provide above) for each Calculation Amount and the amount by which the Calculation Amount is required to be multiplied to reach the Specified Denomination, without any further rounding.

In the case of Subordinated Notes or Additional Tier 1 Capital Notes, where the Calculation Amount has been adjusted as described in the definition thereof, where the Specified Denomination of a Note is the Original Calculation Amount, the amount of interest payable in respect of such Note shall be the Interest Amount (determined in the manner provided above). In the case of such Notes, where the Specified Denomination of a Note is a multiple of the Original Calculation Amount, the amount of interest payable in respect of such Note shall be the product of:

- (i) the Interest Amount; and
- (ii) the number by which the Original Calculation Amount is required to be multiplied to equal the Specified Denomination of such Note,

without any further rounding.

7.8 *Calculation of other amounts:* If the relevant Final Terms or Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms or Pricing Supplement.

7.9 *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents (and if applicable, the Registrar), each listing authority, stock exchange and/or quotation system (if any) on which the Notes have then been admitted to listing, trading and/or quotation and, in the case of VP Systems Notes, VP, VP Lux, VPS or Euroclear Sweden, as the case may be, and the VP Systems Agent as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Holders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period or in the event of any reduction of the Outstanding Principal Amount of a Subordinated Note and an adjustment to the Calculation Amount in accordance with Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) during an Interest Period or in the event of any reduction or reinstatement of the Outstanding Principal Amount of an Additional Tier 1 Capital Note and an adjustment to the Calculation Amount of an Additional Tier 1 Capital Note in accordance with Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*).

7.10 *Reference Rate Replacement:*

If:

- (i) Reference Rate Replacement is specified in the relevant Final Terms or Pricing Supplement as being applicable and Screen Rate Determination is specified in the relevant Final Terms or Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined; and
- (ii) notwithstanding the provisions of Condition 7.3 (*Screen Rate Determination*), the Calculation Agent (in consultation with the Issuer) determines that the Reference Rate has ceased to be published on the Relevant Screen Page as a result of the Reference Rate ceasing to be calculated or administered when any Rate of Interest (or component thereof) remains to be determined by reference to the Reference Rate,

then the following provisions shall apply to the relevant Series of Notes:

- (a) the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine:
  - (A) a Successor Reference Rate; or
  - (B) if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) no later than five Business Days prior to the Interest Determination Date relating to the next Interest Period (the “**IA Determination Cut-off Date**”), for the purposes of determining the Rate of Interest applicable to the Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 7.10 during any other future Interest Period(s));

(b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer fails to determine a Successor Reference Rate or an Alternative Reference Rate (as applicable) prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine:

(A) a Successor Reference Rate; or

(B) if the Issuer fails so to determine a Successor Reference Rate, an Alternative Reference Rate,

and, in each case, an Adjustment Spread (if any) no later than three Business Days prior to the Interest Determination Date relating to the next Interest Period (the “**Issuer Determination Cut-off Date**”), for the purposes of determining the Rate of Interest applicable to the Notes for such next Interest Period and for all other future Interest Periods (subject to the subsequent operation of this Condition 7.10 during any other future Interest Period(s)). Without prejudice to the definitions thereof, for the purposes of determining any Alternative Reference Rate and/or any Adjustment Spread, the Issuer will take into account any relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets;

(c) if a Successor Reference Rate or, failing which, an Alternative Reference Rate (as applicable) is determined by the relevant Independent Adviser or the Issuer (as applicable) in accordance with this Condition 7.10:

(A) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 7.10);

(B) if the relevant Independent Adviser or the Issuer (as applicable):

(x) determines that an Adjustment Spread is required to be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 7.10); or

(y) is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, then such Successor Reference Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread for all future Interest Periods (subject to the subsequent operation of, and adjustment as provided in, this Condition 7.10); and

(C) the relevant Independent Adviser or the Issuer (as applicable) (acting in good faith and in a commercially reasonable manner) may in its discretion specify:

(x) changes to these Conditions in order to follow market practice in relation to such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) the Applicable Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Relevant Financial Centre, Relevant Screen Page and/or Relevant Time applicable to the Notes and (2) the method for determining the fallback to the Rate of Interest in relation to the Notes if such Successor

Reference Rate or Alternative Reference Rate (as applicable) is not available;  
and

- (y) any other changes which the relevant Independent Adviser or the Issuer (as applicable) determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable),

which changes shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 7.10); and

- (d) promptly following the determination of (i) any Successor Reference Rate or Alternative Reference Rate (as applicable) and (ii) if applicable, any Adjustment Spread, the Issuer shall give notice thereof and of any changes (and the effective date thereof) pursuant to Condition 7.10 (c)(C) to the Fiscal Agent, (in the case of VP Systems Notes) the VP Systems Agent, the Calculation Agent and the Holders in accordance with Condition 24 (*Notices*).

No consent of the Holders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate (as applicable) as described in this Condition 7.10 or such other relevant changes pursuant to Condition 7.10 (c)(C), including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement and/or (if applicable) the VP Systems Agreement (if required).

For the avoidance of doubt, if a Successor Reference Rate or an Alternative Reference Rate is not determined pursuant to the operation of this Condition 7.10 prior to the relevant Issuer Determination Cut-off Date, then the Rate of Interest for the next Interest Period shall be determined by reference to the fallback provisions of Condition 7.3 (*Screen Rate Determination*).

Notwithstanding any other provision of this Condition 7.10:

- (i) no Successor Reference Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 7.10, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as:
  - (A) in the case of Non-Preferred Senior Notes, MREL/TLAC Eligible Liabilities;
  - (B) in the case of Subordinated Notes, Tier 2 Capital of the Issuer and/or the Group; or
  - (C) in the case of Additional Tier 1 Capital Notes, Additional Tier 1 Capital of the Issuer and/or the Group; and/or
- (ii) in the case of Non-Preferred Senior Notes only, no Successor Rate or Alternative Reference Rate (as applicable) will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 7.10, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

7.11 *Notifications etc.*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 by the Calculation Agent or, in the circumstances described in Condition 7.10 (*Reference Rate Replacement*), an Independent Adviser will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Registrar (if applicable), the VP Systems Agent (if applicable), the Calculation Agent (if applicable), the Holders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach



to the Calculation Agent or, if applicable, such Independent Adviser in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## **8. Interest Cancellation**

8.1 *Application:* This Condition 8 (*Interest Cancellation*) is only applicable to Additional Tier 1 Capital Notes.

8.2 *Interest Cancellation:* Any payment of interest (including, for the avoidance of doubt, any additional interest amounts payable pursuant to Condition 16 (*Taxation*)) in respect of the relevant Notes shall be payable only out of the Issuer's Distributable Items and:

- (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion; or
- (ii) will be mandatorily cancelled, in whole or in part, to the extent:
  - (A) that, if the relevant payment were so made, the amount of such payment, when aggregated together with other distributions of the kind referred to in Article 141 (2) of the CRD IV Directive (or, as the case may be, any provision of Danish law transposing or implementing Article 141 (2) of the CRD IV Directive), or any successor thereto, would cause any Maximum Distributable Amount to be exceeded; or
  - (B) otherwise so required by CRD IV, including the applicable criteria for Additional Tier 1 Capital instruments.

8.3 *Notice of Interest Cancellation:* The Issuer shall give notice to the Holders in accordance with Condition 24 (*Notices*) of any such cancellation of a payment of interest, which notice might be given after the date on which the relevant payment of interest is scheduled to be made. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer not to pay interest as described above.

8.4 *Effect of Interest Cancellation:* Following any cancellation of interest as described above, the right of Holders to receive accrued interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such interest or to pay interest thereon, whether or not payments of interest in respect of subsequent Interest Periods are made, and such unpaid interest will not be deemed to have "accrued" or been earned for any purpose nor will the non-payment of such interest constitute an Enforcement Event.

## **9. Zero Coupon Note Provisions**

9.1 *Application:* This Condition 9 is only applicable to Preferred Senior Notes and Non-Preferred Senior Notes and shall only apply if the Zero Coupon Note Provisions are specified in the relevant Final Terms or Pricing Supplement as being applicable.

9.2 *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of:

- (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Holder; and
- (b) the day which is seven days after the Fiscal Agent, the Registrar or the VP Systems Agent, as applicable, has notified the Holders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent non-payment).

## 10. Reduction of Amounts of Principal and Unpaid Interest

This Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*) is only applicable to Subordinated Notes and shall only apply until the date on which none of the Existing Tier 2 Capital Notes is outstanding. Accordingly, on the date on which none of the Existing Tier 2 Capital Notes is outstanding, this Condition 10 shall automatically cease to apply and have no effect.

10.1 *Reduction and Cancellation*: The Issuer, by a resolution passed at a general meeting of its shareholders duly convened in accordance with Danish law, may resolve to reduce and cancel (*inter alia*):

- (i) on a *pro-rata* basis all or part of the Issuer's arrears of interest (howsoever defined) (together with any additional interest amounts (howsoever defined)) under its other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith and all or part of any accrued but unpaid interest under the Notes and its other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith and, in each case, issued on or after 4 October 2013; and
- (ii) all or part of the Outstanding Principal Amounts on a *pro-rata* basis with the outstanding nominal amount of all of the Issuer's other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith,

in either case, upon the occurrence of a Reduction Event.

10.2 *Prior Approvals and Notice*: The amount of any such reduction shall be subject to the prior approval of the Issuer's elected external auditor and the Relevant Regulator. The Issuer will give notice to the Holders of any such reduction and cancellation immediately following the passing of such resolution in accordance with Condition 24 (*Notices*).

10.3 *Effect*: The reduction and cancellation will take effect on the date (the "**Effective Date**") specified in the relevant resolution approving any such reduction and cancellation in the following order:

- (i) first, all or part of any arrears of interest (howsoever defined) (together with any additional interest amounts (howsoever defined)) on any Hybrid Core Capital will be available to be reduced and cancelled on a *pro-rata* basis with all of the Issuer's other arrears of interest (howsoever defined) (together with any additional interest amounts (howsoever defined)) under its other Tier 1 Capital and any of its other capital instruments (if any) expressed to be ranking *pari passu* therewith;
- (ii) second, provided all (and not part only) of the arrears of interest and additional interest amounts (if any) described in subparagraph (i) above is reduced and cancelled on the Effective Date prior to, or simultaneously with, any reduction and cancellation described in this subparagraph (ii), all or part of the outstanding nominal amount of any Hybrid Core Capital will be available to be reduced and cancelled on a *pro-rata* basis with the outstanding nominal amount of all of the Issuer's other Tier 1 Capital and any of its other capital instruments (if any) expressed to be ranking *pari passu* therewith;

- (iii) third, provided all (and not part only) of the outstanding nominal amount of the securities described in subparagraph (ii) above is reduced and cancelled on the Effective Date prior to, or simultaneously with, any reduction and cancellation described in this subparagraph (iii), all or part of the Issuer's arrears of interest (howsoever defined) (together with any additional interest amounts (howsoever defined)) under the Issuer's other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith and all or part of any accrued but unpaid interest under the Subordinated Notes and its other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith and, in each case, issued on or after 4 October 2013 will be available to be reduced and cancelled on a *pro-rata* basis; and
- (iv) fourth, provided all (and not part only) of the arrears of interest, additional interest amounts (if any) and accrued but unpaid interest described in subparagraph (iii) above is reduced and cancelled on the Effective Date prior to, or simultaneously with, any reduction and cancellation described in this subparagraph (iv), all or part of the Outstanding Principal Amounts will be available to be reduced and cancelled on a *pro-rata* basis with the outstanding nominal amount of all of the Issuer's other Tier 2 Capital and any of its other instruments (if any) expressed to be ranking *pari passu* therewith.

Holders will thereafter cease to have any claim in respect of any amounts so reduced and cancelled. To the extent that only part of the Outstanding Principal Amounts has been so reduced, interest will continue to accrue in accordance with the terms hereof on the Outstanding Principal Amounts.

Any reduction of accrued but unpaid interest and/or the Outstanding Principal Amounts pursuant to the above provisions shall not constitute an Enforcement Event.

## **11. Loss Absorption Following a Trigger Event and Reinstatement of the Notes**

- 11.1 *Application:* This Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) is only applicable to Additional Tier 1 Capital Notes.
- 11.2 *Loss Absorption Following a Trigger Event:* If at any time a Trigger Event occurs, the Issuer shall immediately notify the Relevant Regulator and, in accordance with Condition 24 (*Notices*), the Holders and the Outstanding Principal Amounts shall be reduced as described below. Notwithstanding the foregoing, failure to give such notice shall not prejudice the reduction of the Outstanding Principal Amounts as described below.

If a Trigger Event occurs after a notice of redemption has been given pursuant to Condition 12.2(B) (*Early redemption for tax reasons*), Condition 12.3 (*Early redemption upon the occurrence of a Capital Event*) or Condition 12.5 (*Redemption at the option of the Issuer*) but before the relevant redemption date, such notice of redemption shall automatically be revoked and the relevant redemption shall not be made until a new redemption notice is given and all conditions for redemption as described in Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*) have been fulfilled. If a notice of a Trigger Event has been given pursuant to this Condition 11.2, no notice of redemption may be given pursuant to Condition 12.2(B) (*Early redemption for tax reasons*), Condition 12.3 (*Early redemption upon the occurrence of a Capital Event*) or Condition 12.5 (*Redemption at the option of the Issuer*) until such Trigger Event has been cured. The redemption restrictions described in this paragraph are together referred to as the "**Trigger Event Early Redemption Restrictions**".

Such reduction shall take place without delay and in any event not later than one month following the occurrence of the relevant Trigger Event (such date being a "**Write-Down Date**").

Subject to compliance with CRD IV and BRRD requirements, the amount of the reduction of the Outstanding Principal Amounts on the Write Down Date will be equal to the lower of:

- (i) the amount of a reduction to the Outstanding Principal Amounts that would restore the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group, as applicable, to at least the Trigger Event Threshold at the point of such reduction, taking into account the amount of Common Equity Tier 1 Capital (if any) of the Issuer and/or the Group, as the case may be, generated on or prior to the Write Down Date by the *pro-rata* reduction to, or, as the case may be, conversion into Common Equity Tier 1 Capital instruments of, the principal amount of:
    - (A) all Parity Trigger Loss Absorbing Instruments (if any) outstanding at such time; and
    - (B) all Other Loss Absorbing Instruments (if any) outstanding at such time,provided that:
    - (a) with respect to each such Other Loss Absorbing Instrument (if any), such *pro-rata* reduction or, as the case may be, conversion shall only be taken into account as described above to the extent required to restore the Common Equity Tier 1 Capital Ratio of the Issuer and/or the Group, as applicable, to the lower of (1) such Other Loss Absorbing Instrument's trigger level and (2) the Trigger Event Threshold; and
    - (b) to the extent the reduction to, or, as the case may be, conversion into Common Equity Tier 1 Capital instruments of, the principal amount of any Parity Trigger Loss Absorbing Instrument or Other Loss Absorbing Instrument is not, or by the relevant Write Down Date will not be, effective for any reason:
      - (x) the ineffectiveness of any such reduction or, as the case may be, conversion into Common Equity Tier 1 Capital instruments shall not prejudice the requirement to effect a reduction to the Outstanding Principal Amounts pursuant to this Condition 11; and
      - (y) the reduction to, or, as the case may be, conversion into Common Equity Tier 1 Capital instruments of, the principal amount of any Parity Trigger Loss Absorbing Instrument or Other Loss Absorbing Instrument which is not, or by the Write Down Date will not be, effective shall not be taken into account in determining such reduction of the Outstanding Principal Amounts,
- and
- (ii) the amount of a reduction of the Outstanding Principal Amounts that would reduce the Outstanding Principal Amounts to the Loss Absorption Minimum Amount.

The Issuer's determination of the relevant amount of a reduction to the Outstanding Principal Amounts pursuant to this Condition 11.2 shall be binding on all parties.

Following a reduction of the Outstanding Principal Amounts as described above, interest will continue to accrue on the Outstanding Principal Amounts following such reduction, and will be subject to Condition 8 (*Interest Cancellation*) and Condition 11.3 (*Reinstatement of the Notes*) as described herein.

For the avoidance of doubt, the Outstanding Principal Amount of each Additional Tier 1 Capital Note shall, upon the reduction of the Outstanding Principal Amounts described above, be reduced on a likewise *pro-rata* basis.

Any reduction of the Outstanding Principal Amounts pursuant to this Condition 11.2 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*) shall not constitute an Enforcement Event.

- 11.3 *Reinstatement of the Notes:* Following a reduction of the Outstanding Principal Amounts in accordance with Condition 11.2 (*Loss Absorption Following a Trigger Event*), the Issuer may, at its discretion, reinstate some or all of the principal amount of the Additional Tier 1 Capital Notes, subject to compliance with CRD IV requirements and the Reinstatement Limit as defined below, on a *pro-rata* basis with all other Parity Trigger Loss Absorbing Instruments (if any) which would, following such reinstatement, constitute Additional Tier 1 Capital and feature similar write down and reinstatement provisions.
- (i) *Reinstatement limit:* Any reinstatement of some or all of the principal amount of all relevant outstanding Additional Tier 1 Capital instruments, where the principal amount of such Additional Tier 1 Capital instruments has been reduced, may not at any time exceed the reinstatement limit applicable to the Issuer and the Group at such time (the “**Reinstatement Limit**”). Subject to Condition 11.4 (*Maximum Distributable Amount restriction*), the Reinstatement Limit will be the lower of the Available Reinstatement Amounts calculated for each of the Issuer and the Group in accordance with Condition 11.3(ii) (*Available Reinstatement Amounts*).
  - (ii) *Available Reinstatement Amounts:* The “**Available Reinstatement Amount**” for each of the Issuer and the Group will be calculated as the amount equal to the profits of (in the case of the calculation of the Issuer’s Available Reinstatement Amount) the Issuer or (in the case of the Group’s Available Reinstatement Amount) the Group, in each case after the Issuer or the Group, as the case may be, has taken a formal decision confirming its final profits, multiplied by the ratio of the Original Principal Amount of all relevant outstanding Additional Tier 1 Capital instruments, where the principal amount of such Additional Tier 1 Capital instruments has been reduced, divided by the total Tier 1 Capital of the Issuer or the Group, as the case may be, in each case at the date of the relevant reinstatement, less:
    - (A) with respect to any relevant Additional Tier 1 Capital instruments, where the principal amount has been reduced, the sum of any principal amounts that have already been reinstated during the period to which such profits relate; and
    - (B) the sum of any amounts of interest or, as the case may be, other periodic distributions in respect of any relevant Additional Tier 1 Capital instruments, where the principal amount has been reduced, and which were paid or have been calculated (but disregarding any such interest which has been cancelled) during the period to which such profits relate on the basis of an outstanding principal amount which is lower than the Original Principal Amount of such Additional Tier 1 Capital instruments.
- 11.4 *Maximum Distributable Amount restriction:* A reinstatement as described above shall not be effected in circumstances which (when aggregated together with distributions of the kind referred to in Article 141 (2) of CRD IV Directive or, as the case may be, any provision of Danish law transposing or implementing Article 141 (2) of the CRD IV Directive, or any successor thereto) would cause any Maximum Distributable Amount to be exceeded.
- 11.5 *Miscellaneous provisions applicable to reinstatement:*
- (i) For the avoidance of doubt, at no time may the Outstanding Principal Amounts exceed the Original Principal Amount of the Additional Tier 1 Capital Notes.
  - (ii) To the extent that the principal amount of the Additional Tier 1 Capital Notes has been reinstated as described above, interest shall begin to accrue on the reinstated principal amount of the Additional Tier 1 Capital Notes, and become payable in accordance with these Conditions, as from the date of the relevant reinstatement.

## 12. Redemption and Purchase

12.1 *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled or unless the relevant Final Terms or Pricing Supplement provides that the Notes are perpetual securities and have no fixed date for redemption, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 13 (*Payments – Bearer Notes*), Condition 14 (*Payments – Registered Notes*) or Condition 15 (*Payments – VP Systems Notes*), as applicable.

12.2 *Early redemption for tax reasons*:

(A) This Condition 12.2(A) is only applicable to Preferred Senior Notes and Non-Preferred Senior Notes.

If, in relation to any Series of Preferred Senior Notes or Non-Preferred Senior Notes:

- (i) as a result of any official change in the laws, regulations or rulings of Denmark or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws, regulations or rulings which becomes effective on or after the date of issue of the first Tranche of such Notes or any other date specified in the relevant Final Terms or Pricing Supplement, the Issuer would be required to pay additional amounts as provided in Condition 16 (*Taxation*); and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may, at its option (but subject, in the case of Non-Preferred Senior Notes, to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)) at any time and having given no less than thirty nor more than sixty days' notice (ending, in the case of such Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders of such Notes in accordance with Condition 24 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes comprising the relevant Series at their Early Redemption Amount (Tax), together with accrued interest (if any) thereon, provided, however, that no such notice of redemption may be given earlier than ninety days (or, in the case of such Notes which bear interest at a floating rate, a number of days which is equal to the aggregate of the number of days falling within the then current interest period applicable to such Notes plus sixty days) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the relevant Notes then due.

The Issuer may not exercise any such option in respect of any Preferred Senior Note or Non-Preferred Senior Note which is the subject of the prior exercise by the Holder of its Put Option (if applicable) pursuant to Condition 12.7 (*Redemption at the option of Holder*).

(B) This Condition 12.2(B) is only applicable to Subordinated Notes and Additional Tier 1 Capital Notes.

If, in relation to any Series of Subordinated Notes or Additional Tier 1 Capital Notes, as a result of any official change in the laws, regulations or rulings of Denmark or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws, regulations or rulings which become effective on or after the date of issue of the last Tranche of such Notes, the Issuer receives an opinion of external counsel in Denmark that:

- (i) it would be required to pay additional amounts as provided in Condition 16 (*Taxation*); or

- (ii) it will no longer be able to obtain a full tax deduction for the purposes of Danish tax for any payment of interest under such Notes,

in each case provided that the Issuer satisfies the Relevant Regulator that such change in tax treatment of the relevant Notes is material and was not reasonably foreseeable at the time of their issuance,

any such event, a “**Tax Event**”,

the Issuer may, at its option (but subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)) at any time and having given no less than thirty nor more than sixty days’ notice (ending in the case of such Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders of such Notes in accordance with Condition 24 (*Notices*) (which notice shall be irrevocable, subject to the Trigger Event Early Redemption Restrictions in the case of Additional Tier 1 Capital Notes), redeem all (but not some only) of the outstanding Notes comprising the relevant Series, as the case may be, at their Outstanding Principal Amounts, together with accrued interest (if any) thereon (in the case of Additional Tier 1 Capital Notes, in so far as such accrued interest has not been cancelled), provided, however, that no such notice of redemption may be given earlier than ninety days (or, in the case of such Notes which bear interest at a floating rate, a number of days which is equal to the aggregate of the number of days falling within the then current interest period applicable to such Notes plus sixty days) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the relevant Notes then due.

- 12.3 *Early redemption upon the occurrence of a Capital Event:* This Condition 12.3 is only applicable to Subordinated Notes and Additional Tier 1 Capital Notes.

In relation to a Series of Subordinated Notes or Additional Tier 1 Capital Notes, upon the occurrence of a Capital Event, the Issuer may, at its option (but subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)) at any time and having given no less than thirty nor more than sixty days’ notice (ending in the case of such Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders of such Notes in accordance with Condition 24 (*Notices*) (which notice shall be irrevocable, subject to the Trigger Event Early Redemption Restrictions in the case of Additional Tier 1 Capital Notes), redeem all (but not some only) of the outstanding Notes comprising the relevant Series at their Outstanding Principal Amounts, together with accrued interest (if any) thereon (in the case of Additional Tier 1 Capital Notes, in so far as such accrued interest has not been cancelled).

- 12.4 *Early redemption upon the occurrence of a MREL/TLAC Disqualification Event:* This Condition 12.4 is only applicable to Non-Preferred Senior Notes.

In relation to a Series of Non-Preferred Senior Notes, if the MREL/TLAC Disqualification Event Redemption Option is specified in the relevant Final Terms or Pricing Supplement as being applicable, upon the occurrence of a MREL/TLAC Disqualification Event, the Issuer may, at its option (but subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)) at any time and having given no less than thirty nor more than sixty days’ notice (ending in the case of such Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders of such Notes in accordance with Condition 24 (*Notices*) (which notice shall be irrevocable), redeem all (but not some only) of such outstanding Notes comprising the relevant Series at their Outstanding Principal Amounts, together with accrued interest (if any) thereon.

- 12.5 *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms or Pricing Supplement as being applicable, the Notes may be redeemed at the option of the Issuer but in the case of Non-Preferred Senior Notes, Subordinated Notes or Additional Tier 1 Capital Notes, as the case may be, subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*) in whole or, if so specified in the relevant Final Terms or Pricing Supplement, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call), together with accrued

interest (if any) thereon (in the case of Additional Tier 1 Capital Notes, in so far as such accrued interest has not been cancelled) upon the Issuer's giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms or Pricing Supplement to the Holders in accordance with Condition 24 (*Notices*) (which notice shall be irrevocable, subject to the Trigger Event Early Redemption Restrictions in the case of Additional Tier 1 Capital Notes, and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call)).

If the Notes are Bearer Notes or Registered Notes, the notice to Holders referred to in this Condition 12.5 shall specify the serial numbers of the Notes so to be redeemed.

If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms or Pricing Supplement, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder of its Put Option pursuant to Condition 12.7 (*Redemption at the option of Holder*).

12.6 *Partial redemption*: If the Notes are to be redeemed in part only on any date in accordance with Condition 12.5 (*Redemption at the option of the Issuer*):

- (i) in the case of Bearer Notes, the Notes to be redeemed shall be drawn by lot in such European city as the Fiscal Agent may specify, or identified in such other manner or in such other place as the Fiscal Agent may approve and deem appropriate and fair;
- (ii) in the case of Registered Notes, the Notes shall be redeemed (so far as may be practicable) *pro-rata* to their principal amounts, provided always that the amount redeemed in respect of each Note shall be equal to the Specified Denomination thereof or an integral multiple thereof, subject always to compliance with all applicable laws and the requirements of any listing authority, stock exchange or quotation system on which the relevant Notes may be listed, traded or quoted; or
- (iii) in the case of VP Systems Notes, the VP Systems Notes to be redeemed shall be selected in accordance with the standard procedures of VP, VP Lux, VPS or Euroclear Sweden, as the case may be, from time to time.

In the case of the redemption of part only of a Registered Note, a new Registered Note in respect of the unredeemed balance shall be issued in accordance with Condition 4 (*Transfer of Registered Notes*) which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note were in respect of the untransferred balance.

12.7 *Redemption at the option of Holder*: This Condition 12.7 is only applicable to Preferred Senior Notes. If the Put Option is specified in the relevant Final Terms or Pricing Supplement as being applicable, upon a Holder of any Preferred Senior Note giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms or Pricing Supplement to the Issuer, the Issuer will redeem such Note on the Optional Redemption Date (Put) at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date.

If the Preferred Senior Note is a Bearer Note or a Registered Note, in order to exercise the option contained in this Condition 12.7, the Holder of such Note must, within the notice period described above, deposit at the Specified Office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) such Note together with, in the case of Bearer Notes, all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent or Registrar specifying the aggregate Outstanding Principal Amount in respect of which such option is exercised. The Paying Agent (in the case of Bearer Notes) or Registrar (in the case of Registered Notes)



with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Holder. No Preferred Senior Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 12.7, may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent or Registrar, as the case may be, shall mail notification thereof to the depositing Holder at such address as may have been given by such Holder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Holder against surrender of the relevant Put Option Receipt. For so long as any outstanding Preferred Senior Note is held by a Paying Agent or Registrar, as the case may be, in accordance with this Condition 12.7, the depositor of such Note and not such Paying Agent or Registrar shall be deemed to be the holder of such Note for all purposes.

If the Preferred Senior Note is a VP Systems Note, in order to exercise the option contained in this Condition 12.7, the Holder of such Note, must, within the notice period set out above, give notice to the VP Systems Agent of such exercise in accordance with the standard procedures of VP, VP Lux, VPS or Euroclear Sweden, as the case may be, from time to time.

The Holder of a Preferred Senior Note may not exercise such Put Option in respect of any such Note which is the subject of an exercise by the Issuer of its Call Option.

In the case of the redemption of part only of a Registered Note, a new Registered Note in respect of the unredeemed balance shall be issued in accordance with Condition 4 (*Transfer of Registered Notes*) which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note were in respect of the untransferred balance.

12.8 *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Final Terms or Pricing Supplement, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or, as the case may be, the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Final Terms or Pricing Supplement for the purposes of this Condition 12.8 or, if none is so specified, a Day Count Fraction of 30E/360.

12.9 *Purchase:* The Issuer or any of its Subsidiaries may (but, in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)) purchase Notes whether in the open market, in the context of market making, or otherwise, at any price, provided that, in the case of Bearer Notes, all unmatured Coupons are purchased therewith. Such Notes may be held, reissued, resold or, in the case of Bearer Notes or Registered Notes, surrendered to any Paying Agent or the Registrar for cancellation.

12.10 *Cancellation:* All Notes which are redeemed will forthwith (but, in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*)) be cancelled (together with all unmatured Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 12.9 (*Purchase*) above (together, in the case of Bearer Notes, with all unmatured Coupons cancelled therewith) shall be forwarded to the Fiscal Agent or, in the

case of VP Systems Notes, shall be deleted from the records of VP, VP Lux, VPS or Euroclear Sweden, as the case may be, and, in either case, cannot be reissued or resold.

- 12.11 *Substitution and variation of Additional Tier 1 Capital Notes*: This Condition 12.11 is only applicable to Additional Tier 1 Capital Notes.

Subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*) and having given no less than thirty nor more than sixty days' notice to the Holders (in accordance with Condition 24 (*Notices*)), (in the case of Bearer Notes) the Fiscal Agent, (in the case of Registered Notes) the Fiscal Agent and the Registrar and (in the case of VP Systems Notes) the VP Systems Agent, if a Special Event has occurred and is continuing, the Issuer may substitute all (but not some only) of the Additional Tier 1 Capital Notes or vary the terms of all (but not some only) of the Additional Tier 1 Capital Notes, without any requirement for the consent or approval of the Holders, so that they become or remain Qualifying Capital Notes.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Holders can inspect or obtain copies of the new terms and conditions of the Qualifying Capital Notes. Such substitution or variation will be effected without any cost or charge to the Holders.

- 12.12 *Substitution and variation of Non-Preferred Senior Notes*: This Condition 12.12 is only applicable to Non-Preferred Senior Notes.

Subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*), and having given no less than thirty nor more than sixty days' notice to the Holders (in accordance with Condition 24 (*Notices*)), if the MREL/TLAC Disqualification Event Substitution/Variation Option is specified in the relevant Final Terms or Pricing Supplement as being applicable and a MREL/TLAC Disqualification Event has occurred and is continuing, the Issuer may substitute all (but not some only) of the Non-Preferred Senior Notes or vary the terms of all (but not some only) of the Non-Preferred Senior Notes, without any requirement for the consent or approval of the Holders, so that they become or remain Qualifying Non-Preferred Senior Notes.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Holders can inspect or obtain copies of the new terms and conditions of the Qualifying Non-Preferred Senior Notes. Such substitution or variation will be effected without any cost or charge to the Holders.

- 12.13 *Conditions to redemption etc. prior to Maturity Date (if any)*:

This Condition 12.13 is only applicable to Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes.

Such Notes may only be redeemed, purchased, cancelled, substituted, varied or modified (as applicable) pursuant to Condition 12.2 (*Early redemption for tax reasons*), Condition 12.3 (*Early redemption upon the occurrence of a Capital Event*), Condition 12.4 (*Early redemption upon the occurrence of a MREL/TLAC Disqualification Event*), Condition 12.5 (*Redemption at the option of the Issuer*), Condition 12.9 (*Purchase*), Condition 12.10 (*Cancellation*), Condition 12.11 (*Substitution and variation of Additional Tier 1 Capital Notes*), Condition 12.12 (*Substitution and variation of Non-Preferred Senior Notes*) or paragraph (ii) of Condition 22.2 (*Modification of Notes other than VP Systems Notes*), as the case may be, if:

- (i) in the case of any such substitution, variation or modification, the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has not objected to, such substitution, variation or modification (as applicable) in accordance with the CRD IV requirements;

- (ii) in the case of any such redemption, purchase or cancellation of Subordinated Notes or Additional Tier 1 Capital Notes, the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has given permission to, such redemption, purchase or cancellation (as applicable) in accordance with the CRD IV requirements (which, in the case of Subordinated Notes and Additional Tier 1 Capital Notes, as at 20 March 2018, are set out in Articles 77 and 78 of the CRR and Article 29 of the 2014 RTS);
- (iii) in the case of any such redemption, purchase or cancellation of Non-Preferred Senior Notes, the Issuer has notified the Relevant Regulator of, and, if then required by CRD IV, the Relevant Regulator has given permission to, such redemption, purchase or cancellation (as applicable);
- (iv) in the case of any such redemption of Additional Tier 1 Capital Notes, the Trigger Event Early Redemption Restrictions do not apply to such redemption or to the redemption notice relating to such redemption (as applicable); and
- (v) in the case of a redemption of such Notes as a result of (in the case of a Series of Subordinated Notes or Additional Tier 1 Capital Notes) a Special Event or (in the case of a Series of Non-Preferred Senior Notes) a MREL/TLAC Disqualification Event or a redemption event occurring under Condition 12.2(A) (*Early redemption for tax reasons*), the Issuer has delivered a certificate signed by two of its directors to the Fiscal Agent (and copies thereof will be available at the Fiscal Agent's Specified Office during its normal business hours) not less than 5 Business Days prior to the date set for redemption that such event has occurred or will occur no more than ninety days following the date fixed for redemption, as the case may be.

Any refusal by the Relevant Regulator to grant its permission to any such redemption, purchase or cancellation (as applicable) pursuant to Condition 12.13(ii) (*Conditions to redemption etc. prior to Maturity Date (if any)*) will not constitute an event of default under the relevant Notes.

### 13. Payments – Bearer Notes

13.1 *Principal*: Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of the relevant Bearer Note at the Specified Office of any Paying Agent outside the United States. Subject as provided in these Conditions:

- (i) payments in a Specified Currency other than euro or CNY will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency;
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in CNY will be made by transfer to a CNY account maintained by or on behalf of the payee with a bank in Hong Kong in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of CNY in Hong Kong).

13.2 *Interest*: Payments of interest shall, subject to Condition 13.8 (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 13.1 (*Principal*) above.

13.3 *Payments in New York City*: Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if:

- (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due;
- (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions; and
- (iii) payment is permitted by applicable United States law.

13.4 *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 16 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 16 (*Taxation*)) any law implementing an intergovernmental approach thereto.

No commissions or expenses shall be charged to the Holders in respect of such payments.

13.5 *Deductions for unmatured Coupons:* Except in the case of Adjusted Fixed Rate Notes, Reset Notes, Subordinated Notes and Additional Tier 1 Capital Notes, if the relevant Final Terms or Pricing Supplement specify that the Fixed Rate Note Provisions are applicable (and, in the absence of specification, except in the case of Adjusted Fixed Rate Notes, Reset Notes, Subordinated Notes and Additional Tier 1 Capital Notes, this Condition 13.5 shall apply to Notes which bear interest at a fixed rate or rates or in fixed amounts) and a Note is presented for final redemption (or partial redemption in accordance with Condition 12.5 (*Redemption at the option of the Issuer*) or Condition 12.6 (*Partial redemption*)) without all unmatured Coupons relating thereto:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; provided, however, that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
  - (a) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; provided, however, that where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
  - (b) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; provided, however, that, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 13.1 (*Principal*) against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons subject to Condition 19 (*Prescription*).

- 13.6 *Unmatured Coupons void*: If the Notes are Adjusted Fixed Rate Notes, Reset Notes, Subordinated Notes or Additional Tier 1 Capital Notes or the relevant Final Terms or Pricing Supplement specify that this Condition 13.6 is applicable or that the Floating Rate Note Provisions are applicable (and, in the absence of specification, this Condition 13.6 shall apply to Notes which bear interest at a floating rate or rates or in variable amounts or which are Adjusted Fixed Rate Notes, Reset Notes, Subordinated Notes or Additional Tier 1 Capital Notes), on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 12.2 (*Early redemption for tax reasons*), Condition 12.3 (*Early redemption upon the occurrence of a Capital Event*), Condition 12.4 (*Early redemption upon the occurrence of a MREL/TLAC Disqualification Event*), Condition 12.5 (*Redemption at the Option of the Issuer*), Condition 12.7 (*Redemption at the option of Holder*), Condition 17 (*Events of Default*) or Condition 18 (*Enforcement Events*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- 13.7 *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day, the Holder shall not be entitled to payment of the amount due until the next succeeding Payment Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.
- 13.8 *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 13.3 (*Payments in New York City*) above).
- 13.9 *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- 13.10 *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 19 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.
- 13.11 *Currency Events*: This Condition 13.11 is applicable to:
- (i) unless the Final Terms or Pricing Supplement specifies otherwise, CNY Notes; and
  - (ii) Notes other than CNY Notes for which Currency Events are specified as applying in the relevant Final Terms or Pricing Supplement.

If a Currency Event, as determined by the Currency Calculation Agent in its sole and absolute discretion, exists on a date for payment of any amount in respect of any Note or Coupon, the Issuer may, in its sole and absolute discretion, take the action described in (i) and/or (ii) below:

- (i) the relevant payment of the Issuer may be postponed to a day falling no later than 10 Payment Business Days after the date on which the relevant Currency Event ceases to exist or, if that would not be possible (as determined by the Issuer acting in good faith) as soon as reasonably practicable thereafter; and/or

- (ii) the Issuer's obligation to make a payment in the Specified Currency under the terms of the Notes may be replaced by an obligation to pay such amount in the Relevant Currency (converted at the Alternate Settlement Rate determined by the Currency Calculation Agent as of a time selected in good faith by the Currency Calculation Agent).

Upon the occurrence of a Currency Event, the Issuer shall give notice, as soon as practicable, to the Holders in accordance with Condition 24 (*Notices*) stating the occurrence of the Currency Event, giving brief details thereof and the action proposed to be taken in relation thereto.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 13.11 by the Currency Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agents, the Registrar (if applicable), the Holders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Currency Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

#### **14. Payments – Registered Notes**

- 14.1 *Method of payment:* Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of the relevant Registered Note at the Specified Office of the Registrar by transfer to the Designated Account (as defined below) of the Holder (or the first named of joint Holders) appearing in the register of Holders maintained by the Registrar (the “**Register**”) at the close of business on the third Relevant Banking Day before the relevant due date. Notwithstanding the previous sentence, if a Holder does not have a Designated Account, payment will instead be made by cheque drawn in the currency in which the payment is due on a Designated Bank (as defined below). For these purposes, “**Designated Account**” means the account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with a Designated Bank and identified as such in the Register and “**Designated Bank**” means a bank in the principal financial centre of the country of that currency.

Payments of interest shall be made only by cheque drawn in the currency in which the payment is due on a Designated Bank and mailed by uninsured mail on the Relevant Banking Day immediately preceding the relevant due date to the Holder (or the first named of joint Holders) appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a Relevant Banking Day) before the relevant due date (the “**Record Date**”) at its address shown in the Register on the Record Date and at its risk. Upon application of the Holder to the Specified Office of the Registrar not less than three Relevant Banking Days before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the Holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such Holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such Holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

- 14.2 *Payments on business days:* If the due date for payment of any amount in respect of any Registered Note is not a business day, the Holder shall not be entitled to payment of the amount due until the next succeeding business day and shall not be entitled to any further interest or other payment in respect of any such delay.

- 14.3 *Payments subject to fiscal laws:* All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 16 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 16 (*Taxation*)) any law implementing an intergovernmental approach thereto.

No commissions or expenses shall be charged to the Registered Holders in respect of such payments.

- 14.4 *Definition of business day:* In this Condition, “**business day**” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in (i) the relevant place of presentation and (ii) each Applicable Financial Centre specified in the relevant Final Terms or Pricing Supplement and, if TARGET is an Applicable Financial Centre, a TARGET Settlement Day.

## 15. Payments – VP Systems Notes

- 15.1 *Principal and interest:* Payments of principal and interest in respect of VP Systems Notes shall be made to the Holders shown in the relevant records of VP, VP Lux, VPS or Euroclear Sweden, as the case may be, in accordance with and subject to the rules and regulations from time to time governing VP, VP Lux, VPS or Euroclear Sweden. Subject as provided in these Conditions:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency; and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

- 15.2 *Payments subject to fiscal laws:* All payments in respect of the VP Systems Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 16 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 16 (*Taxation*)) any law implementing an intergovernmental approach thereto.

No commissions or expenses shall be charged to the Holders in respect of such payments.

- 15.3 *Payments on VP Systems Notes payment days:* If the due date for payment of any amount in respect of any VP System Note is not a VP Systems Notes payment day, the Holder shall not be entitled to payment of the amount due until the next succeeding VP Systems Notes payment day and shall not be entitled to any further interest or other payment in respect of any such delay.

- 15.4 In this Condition, “**VP Systems Notes payment day**” means day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Applicable Financial Centre specified in the relevant Final Terms or Pricing Supplement and, if TARGET is an Applicable Financial Centre, a TARGET Settlement Day.

## 16. Taxation

16.1 *Gross up*: All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Denmark or any political subdivision therein or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Holders after such withholding or deduction of such amounts as would have been receivable by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (i) to, or to a third party on behalf of, a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it having some connection with Denmark other than:
  - (a) the mere holding of the Note or Coupon; or
  - (b) the receipt of principal, interest or other amount in respect of such Note or Coupon; or
- (ii) presented for payment more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on or before the expiry of such period of thirty days.

16.2 *Taxing jurisdiction*: If the Issuer becomes subject at any time to any taxing jurisdiction other than Denmark, references in these Conditions to Denmark shall be construed as references to Denmark and/or such other jurisdiction.

16.3 *Non-Preferred Senior Notes, Additional Tier 1 Capital Notes and Subordinated Notes*: This Condition 16.3 is only applicable in relation to Non-Preferred Senior Notes, Additional Tier 1 Capital Notes and Subordinated Notes. Notwithstanding the foregoing, Condition 16.1 (*Gross up*) will be limited to payments of interest in respect of such Notes.

## 17. Events of Default

This Condition 17 is only applicable in relation to Preferred Senior Notes.

17.1 *Events of Default*: The following events or circumstances as modified by, and/or such other events as may be specified in, the relevant Final Terms or Pricing Supplement (each an “**Event of Default**”) shall be acceleration events in relation to the Notes of any Series of Preferred Senior Notes, namely:

- (i) the Issuer fails to pay any amount of principal or interest in respect of the Preferred Senior Notes of the relevant Series or any of them on the due date for payment thereof and such default continues for a period of five days on which banks are open for business in Copenhagen after written notice has been given by the Fiscal Agent or the Holder of any such Preferred Senior Note to the Issuer; or
- (ii) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes of the relevant Series of Preferred Senior Notes and (except in any case where such default is incapable of remedy when no such continuation or notice, as is hereinafter mentioned, will be required) such default remains unremedied for thirty days after written notice requiring such default to be remedied has been received by the Issuer from the Fiscal Agent or the Holder of any such Preferred Senior Note; or



- (iii) a distress, execution, seizure before judgment or other legal process is levied or enforced or sued out upon or against any part of the property, assets or revenues of the Issuer which is material in its effect upon the operation of the Issuer and is not discharged or stayed within sixty days of having been so levied, enforced or sued out; or
- (iv) (A) an application for the commencement of bankruptcy against the assets of the Issuer is filed and the application has been filed by or on behalf of the Issuer, or (B) a third party has filed an application for the commencement of bankruptcy against the assets of the Issuer and (the earlier of) either (1) the DFSA advises the competent court to open up bankruptcy proceedings, or (2) the competent court opens bankruptcy proceedings against the assets of the Issuer, or (C) under Section 233 of the Danish Financial Business Act, the DFSA permits liquidators of the Issuer appointed pursuant to Sections 227 or 228 of the Danish Financial Business Act to file a petition for bankruptcy under and pursuant to Section 17 of the Bankruptcy Act in relation to the Issuer, or (D) under Sections 233 or 234 of the Danish Financial Business Act, the DFSA files a petition for bankruptcy under and pursuant to Section 17 of the Danish Bankruptcy Act in relation to the Issuer; or
- (v) under Section 238 of the Danish Financial Business Act, the DFSA files a petition for the commencement of restructuring proceedings against the Issuer.

17.2 *Acceleration*: If any Event of Default shall occur in relation to any Series of Preferred Senior Notes, any Holder of a Note of the relevant Series may, by written notice to the Issuer (effective upon receipt), at the Specified Office of the Fiscal Agent, declare that such Preferred Senior Note and (if the Preferred Senior Note is interest-bearing) together with all interest (if any) accrued thereon shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its Early Termination Amount, together with all interest (if any) accrued thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Preferred Senior Notes to the contrary notwithstanding, unless, prior thereto, all Events of Default in respect of the Preferred Senior Notes of the relevant Series shall have been cured.

## 18. Enforcement Events

This Condition 18 is only applicable in relation to Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes.

- 18.1 *No events of default*: There are no events of default in respect of the Non-Preferred Senior Notes, Subordinated Notes and the Additional Tier 1 Capital Notes. Holders of such Notes shall not be entitled at any time to file for bankruptcy or liquidation of the Issuer.
- 18.2 *Enforcement Events*: If an order is made or an effective resolution is passed for the bankruptcy or liquidation of the Issuer (an “**Enforcement Event**”), any Holder may prove or claim in such proceedings in respect of such Note, such claim being for payment of the Outstanding Principal Amount of such Note at the time of commencement of such bankruptcy or liquidation of the Issuer together with any interest accrued and unpaid on such Note (in the case of Additional Tier 1 Capital Notes, to the extent that the same is not cancelled in accordance with the terms of the Notes) from (and including) the Interest Payment Date immediately preceding the occurrence of such Enforcement Event and any other amounts payable on such Note (including any damages payable in respect thereof). Such claim shall rank as provided in Condition 5 (*Status of the Notes*).
- 18.3 *Enforcement of obligations*: Subject to Condition 18.1 (*No events of default*) and without prejudice to Condition 18.2 (*Enforcement Events*), any Holder may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Notes, provided that the Issuer shall not by virtue of the institution of any proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

## **19. Prescription**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

## **20. Replacement of Notes and Coupons**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent or the Registrar (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Registrar in any particular place, the Paying Agent or Registrar having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

## **21. Agents**

21.1 *Obligations of Agents:* In acting under the Agency Agreement or the VP Systems Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents, the Calculation Agent, the Currency Calculation Agent, the Registrar and the VP Systems Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Holders or Couponholders, and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Agency Agreement, the VP Systems Agency Agreement or other agreement entered into with respect of its appointment or incidental thereto.

21.2 *Termination of Appointments:* The initial Fiscal Agent, Principal Registrar and VP Systems Agent and their initial Specified Offices are listed in the Agency Agreement or the VP Systems Agency Agreement, as applicable. Unless the Calculation Agent is the Fiscal Agent, the Calculation Agent in respect of any Notes shall be specified in the relevant Final Terms or Pricing Supplement. The Currency Calculation Agent in respect of any Notes shall be specified in the relevant Final Terms or Pricing Supplement. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or the Registrar or the VP Systems Agent, the Calculation Agent or the Currency Calculation Agent and to appoint an additional or successor fiscal agent, paying agent, calculation agent, registrar, currency calculation agent or agent in connection with the VP Systems Notes; provided, however, that:

- (i) the Issuer shall at all times maintain a Fiscal Agent;
- (ii) the Issuer shall at all times maintain, in the case of Registered Notes, a Registrar;
- (iii) the Issuer shall at all times maintain a Paying Agent (which may be the Fiscal Agent) in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated;
- (iv) if a Calculation Agent is specified in the relevant Final Terms or Pricing Supplement, the Issuer shall at all times maintain a Calculation Agent with a Specified Office located in such place as may be required by the Conditions;
- (v) if a Currency Calculation Agent is specified in the relevant Final Terms or Pricing Supplement, the Issuer shall at all times maintain a Currency Calculation Agent;

- (vi) if and for so long as the Notes are admitted to listing and/or to trading and/or quotation on any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent (which may be the Fiscal Agent) and a Registrar (for Registered Notes) each with a Specified Office in the place required by such listing authority, stock exchange and/or quotation system;
- (vii) in the case of VP Systems Notes, the Issuer shall at all times maintain a VP Systems Agent authorised to act as an account holding institution with VP, VP Lux, VPS or Euroclear Sweden, as the case may be, and one or more Calculation Agent(s) where the Terms and Conditions of the relevant VP Systems Notes so require; and
- (viii) in the circumstances described in Condition 13.3 (*Payments in New York City*), the Issuer shall maintain a Paying Agent with a Specified Office in New York City.

21.3 *Change of Specified Offices*: The Paying Agents, the Registrar, the VP Systems Agent, the Calculation Agent and the Currency Calculation Agent reserve the right at any time to change their respective Specified Offices to some other Specified Office in the same city. Notice of any change in the identities or Specified Offices of any Paying Agent, Registrar, the VP Systems Agent, the Calculation Agent or the Currency Calculation Agent shall promptly be given to the Holders in accordance with Condition 24 (*Notices*).

## **22. Meetings of Holders; Modification and Waiver**

22.1 *Meetings of Holders of Notes other than VP Systems Notes*: This Condition 22.1 is only applicable in relation to Notes other than VP Systems Notes. The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of Holders of Notes of any Series (other than VP Systems Notes) to consider matters relating to such Series of Notes, including (without limitation) the modification by Extraordinary Resolution (as defined in the Agency Agreement) of any provision of these Conditions and the Deed of Covenant insofar as the same may apply to such Notes. Any Extraordinary Resolution duly passed at any such meeting of Holders of Notes of any Series will be binding on all Holders of Notes of such Series, whether present or not at the meeting and on all Holders of Coupons relating to Notes of such Series.

In addition, a resolution in writing signed by or on behalf of all Holders who for the time being are entitled to receive notice of a meeting of Holders of Notes will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders of Notes.

In the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, any modification to these Conditions and/or the Deed of Covenant pursuant to the operation of the provisions described in this Condition 22.1 is subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*).

22.2 *Modification of Notes other than VP Systems Notes*: This Condition 22.2 is only applicable in relation to Notes other than VP Systems Notes. The Issuer may make, without the consent of the Holders or Couponholders of the relevant Series:

- (i) any modification to the Notes of any Series, these Conditions, the Agency Agreement and/or the Deed of Covenant to correct a manifest error; or
- (ii) subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*) in the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, any modification to the Notes of any Series, these Conditions, the Agency Agreement and/or the Deed of Covenant which is not prejudicial to the interests of the Holders and the Couponholders of the relevant Series.

Any such modification to the Agency Agreement shall be subject to the consent of the Fiscal Agent. Subject as provided in these Conditions, no other modification may be made to the Notes of any Series, these Conditions, the Agency Agreement or the Deed of Covenant except with the sanction of an Extraordinary Resolution and, in the case of a modification to the Agency Agreement, the consent of the Fiscal Agent.

Any such modification shall be binding on the Holders and the Couponholders and any such modification shall be notified to the Holders in accordance with Condition 24 (*Notices*) as soon as practicable thereafter.

22.3 *Meeting of VP Systems Noteholders:* This Condition 22.3 is only applicable in relation to VP Systems Notes. The Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of Holders of VP Systems Notes of any Series to consider matters relating to such Series of Notes, including (without limitation) the modification by Extraordinary Resolution of any provision of these Conditions insofar as the same may apply to such Notes. Any Extraordinary Resolution duly passed at any such meeting of Holders of VP Systems Notes of any Series will be binding on all Holders of Notes of such Series, whether present or not at the meeting. Meetings of Holders shall be held in accordance with the Agency Agreement and in compliance with the relevant regulations of VP, VP Lux, VPS or Euroclear Sweden, as the case may be. Any person requesting the convening of any such meeting or attending or voting at any such meeting shall be required to provide proof of their appointment as proxy, attorney or representative and/or ownership of Notes satisfactory to the Issuer in the form specified by Issuer in the notice in respect of the relevant meeting given to Holders in accordance with Condition 24 (*Notices*).

In addition, a resolution in writing signed by or on behalf of all Holders who for the time being are entitled to receive notice of a meeting of Holders of Notes will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders of Notes.

In the case of Non-Preferred Senior Notes, Subordinated Notes and Additional Tier 1 Capital Notes, any modification to these Conditions pursuant to the operation of the provisions described in this Condition 22.3 is subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*).

22.4 *Modification of VP Systems Notes:* This Condition 22.4 is only applicable in relation to VP Systems Notes. The Issuer may make, without the consent of the Holders of the relevant Series:

- (i) any modification to the Notes of any Series, these Conditions, the Agency Agreement and/or the VP Systems Agency Agreement to correct a manifest error; or
- (ii) subject to Condition 12.13 (*Conditions to redemption etc. prior to Maturity Date (if any)*) in the case of Non-Preferred Senior Notes, Subordinated Notes or Additional Tier 1 Capital Notes, any modification to the Notes of any Series, these Conditions, the Agency Agreement and/or the VP Systems Agency Agreement which is not prejudicial to the interests of the Holders of the relevant Series.

In addition, the Notes and these Conditions may be modified by a resolution in writing signed by or on behalf of all Holders or pursuant to a meeting of VP Systems Noteholders in accordance with Condition 22.3 (*Meeting of VP Systems Noteholders*) above. Any modification to the Agency Agreement shall be subject to the consent of the Fiscal Agent. Subject as provided in these Conditions, no other modification may be made to the Notes of any Series, these Conditions, the Agency Agreement or the VP Systems Agency Agreement except with the sanction of an Extraordinary Resolution and, in the case of a modification to the Agency Agreement, the consent of the Fiscal Agent.

Any such modification shall be binding on the Holders and any such modification shall be notified to the Holders in accordance with Condition 24 (*Notices*) as soon as practicable thereafter.

## 23. Further Issues

The Issuer may from time to time, without the consent of the Holders or the Couponholders, create and issue further Notes having the same Terms and Conditions as the Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the issue price thereof) so as to form a single series with the Notes.

## 24. Notices

- 24.1 *Bearer Notes:* Notices to Holders of Bearer Notes will, save where another means of effective communication has been specified herein or in the relevant Final Terms or Pricing Supplement, be deemed to be validly given if published in a leading English language daily newspaper having general circulation in Europe or, if such Notes are listed on the Official List of the Irish Stock Exchange and admitted to trading on the regulated market of the Irish Stock Exchange (so long as such Notes are listed on the Official List of the Irish Stock Exchange and the rules of that exchange so permit), if published on the website of the Irish Stock Exchange ([www.ise.ie](http://www.ise.ie)).

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading.

Any notice so given will be deemed to have been validly given, in the case of any Bearer Notes, on the date of first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Notes in accordance with this Condition.

While all the Bearer Notes are represented by one or more global Notes and such global Note(s) are held in their entirety on behalf of one or more relevant clearing system(s), the terms of such global Note(s) will specify how notices to Holders of Bearer Notes are to be given, as described in “Overview of Form of the Notes” of the Base Prospectus relating to the Programme dated 20 March 2018.

- 24.2 *Registered Notes:* Notices to Holders of Registered Notes will, save where another means of effective communication has been specified herein or in the relevant Final Terms or Pricing Supplement, be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by the Registrar, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day and, if such Notes are listed on the Official List of the Irish Stock Exchange and admitted to trading on the regulated market of the Irish Stock Exchange (so long as such Notes are listed on the Official List of the Irish Stock Exchange and the rules of that exchange so permit), if published on the website of the Irish Stock Exchange ([www.ise.ie](http://www.ise.ie)).

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Registered Notes are for the time being listed or by which they have been admitted to trading.

While all the Registered Notes are represented by one or more global Notes and such global Note(s) are held in their entirety on behalf of one or more relevant clearing system(s), the terms of such global Note(s) will specify how notices to Holders of Registered Notes are to be given, as described in “Overview of Form of the Notes” of the Base Prospectus relating to the Programme dated 20 March 2018.

- 24.3 *VP Systems Notes:* All notices regarding the VP Systems Notes will be deemed validly given (a) if published in accordance with the procedures of VP, VP Lux, VPS or Euroclear Sweden, as the case may

be, and (b) if and for so long as the Notes are admitted to trading and/or listed on any stock exchange or any other relevant authority, if published in any manner which complies with the rules of such stock exchange or other relevant authority.

Any such notice will be deemed to have been given on the date it is published in accordance with the procedures of VP, VP Lux, VPS or Euroclear Sweden, as the case may be.

## 25. **Currency Indemnity**

The currency in which the Notes are denominated or, if different, payable, as specified in the relevant Final Terms or Pricing Supplement (the “**Contractual Currency**”), is the sole currency of account and payment for all sums payable by the Issuer in respect of the Notes, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Holder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount of the Contractual Currency which such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount is less than the amount of the Contractual Currency expressed to be due to any Holder in respect of such Note or Coupon the Issuer shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Notes or any judgment or order. Any such loss as aforesaid shall be deemed to constitute a loss suffered by the relevant Holder and no proof or evidence of any actual loss will be required by the Issuer.

## 26. **Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Note, any right in these Conditions shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

## 27. **Governing Law and Jurisdiction**

27.1 *Governing Law*: The Notes, the Agency Agreement and the Deed of Covenant, and any non-contractual obligations arising therefrom or in connection therewith, shall be governed by, and construed in accordance with, English law, except for Condition 5 (*Status of the Notes*), Condition 8 (*Interest Cancellation*), Condition 10 (*Reduction of Amounts of Principal and Unpaid Interest*), Condition 11 (*Loss Absorption Following a Trigger Event and Reinstatement of the Notes*), Condition 12.2 (*Early redemption for tax reasons*), Condition 12.3 (*Early redemption upon the occurrence of a Capital Event*), Condition 12.4 (*Early redemption upon the occurrence of a MREL/TLAC Disqualification Event*) and Condition 18 (*Enforcement Events*) and for the registration of Notes in VP, which shall be governed by, and shall be construed in accordance with, Danish law. In the case of the registration of Notes in VP Lux, VPS or Euroclear Sweden, such registration shall be governed by, and shall be construed in accordance with, Luxembourg law, Norwegian law and Swedish law, respectively.

27.2 *English courts*: The courts of England have jurisdiction to settle any dispute (a “**Dispute**”) arising from or connected with the Notes (including any Dispute relating to any non-contractual obligations arising from or connected with the Notes).

- 27.3 *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- 27.4 *Rights of the Holders to take proceedings outside England:* Condition 27.2 (*English courts*) is for the benefit of the Holders only. As a result, nothing in this Condition 27 prevents any Holder from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, any Holder may take concurrent Proceedings in any number of jurisdictions.
- 27.5 *Service of process:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Issuer at 75 King William Street, London EC4N 7DT or at any address of the Issuer in Great Britain at which service of process may be served on it in accordance with the Companies Act 2006. Nothing in this paragraph shall affect the right of any Holder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.
- 27.6 *Acknowledgement of Danish Statutory Loss Absorption Powers:* Notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Holder (which, for the purposes of this Condition 27.6, includes each holder of a beneficial interest in the Notes), by its acquisition of the Notes, each Holder acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Danish Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:
- (i) the effect of the exercise of any Danish Statutory Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:
    - (a) the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes;
    - (b) the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes into ordinary shares, other securities or other obligations of the Issuer or another Person, and the issue to or conferral on the Holder of such ordinary shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes;
    - (c) the cancellation of the Notes or the Relevant Amounts in respect of the Notes; and
    - (d) the amendment of the Maturity Date or (in the case of Additional Tier 1 Capital Notes) the perpetual nature of the Notes, as the case may be, the amendment of the amount of interest payable on the Notes (if any), or the date on which interest becomes payable, including by suspending payment for a temporary period; and
  - (ii) the variation of the terms of the Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Danish Statutory Loss Absorption Powers by the Relevant Resolution Authority.

## 28. **Rights of Third Parties**

No person shall have any right to enforce any term or Condition in respect of a Note under the Contracts (Rights of Third Parties) Act 1999.

## PRO FORMA FINAL TERMS

**Pro Forma Final Terms** for an issue by Danske Bank A/S of Notes (other than Exempt Notes) under the EUR 35,000,000,000 Euro Medium Term Note Programme.

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.]

**[MiFID II product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [MiFID II/Directive 2014/65/EU (as amended, “**MiFID II**”)]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Details of any negative target market to be included if applicable]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[MiFID II product governance / Retail investors, professional investors and eligible counterparties target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [MiFID II/Directive 2014/65/EU (as amended, “**MiFID II**”)]; EITHER [(ii) all channels for distribution of the Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]] OR [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate – investment advice[,/and] portfolio management[,/and][non-advised sales][and pure execution services][, subject to the distributor’s (as defined below) suitability and appropriateness obligations under MiFID II, as applicable]]. [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable].]

[Amounts payable under the Notes will be calculated by reference to [specify benchmark (as this term is defined in the Benchmarks Regulation)] which is provided by [legal name of the benchmark administrator]. As at the date of these Final Terms, [legal name of the benchmark administrator] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”).

[As far as the Issuer is aware, [specify benchmark (as this term is defined in the Benchmarks Regulation)] [does not fall within the scope of the Benchmarks Regulation/the transitional provisions in Article 51 of the Benchmarks Regulation apply] such that [legal name of the benchmark administrator] is not currently required to obtain authorisation or registration (or, if located outside the EU, recognition, endorsement or equivalence).]



**FINAL TERMS DATED [●]**

Series No. [●]

Tranche No. [●]

**DANSKE BANK A/S****EUR 35,000,000,000****Euro Medium Term Note Programme**

Issue of

*[Aggregate Nominal Amount of Tranche] [Title of Notes]***PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Base Prospectus dated 20 March 2018 [and the Prospectus Supplement No. [●] dated [●]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at, and copies may be obtained from, the Central Bank of Ireland’s website at [www.centralbank.ie](http://www.centralbank.ie) for a period of 12 months following the date of the Base Prospectus. The Final Terms are available for viewing at the website of the Irish Stock Exchange at [www.ise.ie](http://www.ise.ie).

*[The following alternative language applies if the first Tranche of an issue of Notes which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Base Prospectus dated [original date][together with any supplements which amend the Conditions], which are incorporated in the Base Prospectus dated [current date] [and the Prospectus Supplement No. [●] dated [●]], which [together] constitute[s] a base prospectus (the “**Current Base Prospectus**”) for the purposes of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes the Prospectus Directive and must be read in conjunction with the Current Base Prospectus, including the Conditions which are incorporated by reference in the Current Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Current Base Prospectus. The Current Base Prospectus is available for viewing at, and copies may be obtained from, the Central Bank of Ireland’s website at [www.centralbank.ie](http://www.centralbank.ie) for a period of 12 months following the date of the Base Prospectus. The Final Terms are available for viewing at the website of the Irish Stock Exchange at [www.ise.ie](http://www.ise.ie).

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms.]*

*[When completing any Final Terms, consideration should be given as to whether any information required to complete the Final Terms constitutes “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

1. Issuer: Danske Bank A/S
2. (i) Series Number: [●]

- (ii) Tranche Number: [●]
- (iii) Date on which the Notes will be consolidated and form a single Series: [Not Applicable]/[The Notes will be consolidated and form a single Series with [identify earlier Tranche(s)] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [date].]
3. Specified Currency or Currencies: [●]\*
4. Aggregate Nominal Amount: [[●]]
- (i) Series: [●]
- (ii) Tranche: [●]
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [(plus [amount] accrued interest from [insert date]) (if applicable)]
6. (i) Specified Denomination(s): [●]
- (N.B. Where multiple denominations above EUR 100,000 or equivalent are being used the following sample wording should be followed:*
- “[EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No Notes in definitive form will be issued with a denomination above [EUR 199,000].”)*
- (N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the EUR 100,000 minimum denomination is not required.)*
- (N.B. In the case of Additional Tier 1 Capital Notes, consider the minimum denomination in light of the PI Rules.)*
- (ii) Calculation Amount: [●]
- (If only one Specified Denomination, insert the Specified Denomination.*
- If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (i) Issue Date: [●]

---

\* Use the abbreviation “CNY” for CNY Notes

- (ii) Interest Commencement Date: [●]
8. Maturity Date: [specify date] [subject to adjustment in accordance with the Business Day Convention specified in paragraph [14 (vi)/16 (iii)] below] (*N.B. include adjustment wording for Floating Rate Notes and Adjusted Fixed Rate Notes*)
- [The Notes are perpetual securities and have no fixed date for redemption. The Issuer may only redeem the Notes at its discretion in the circumstances described in the Conditions.] (*N.B. only applicable to Additional Tier 1 Capital Notes*)
9. Interest Basis: [[●] per cent. Fixed Rate]
- [Reset Notes]
- [[●] month [[currency] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / SHIBOR / BBSW / HIBOR]] plus/minus [●] per cent. Floating Rate]
- [Zero Coupon]
- (further particulars specified below at paragraph [[14] [and] [15]/[16]/[17]])
10. Redemption Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100.00 per cent. of their Aggregate Nominal Amount/their Outstanding Principal Amounts] (*N.B. latter option only applicable to Subordinated Notes*)].
- [(See paragraph [8] above)] (*N.B. only applicable to Additional Tier 1 Capital Notes*)
11. Change of Interest Basis: [Not Applicable/cross refer to paragraphs [[14], [15] and/or [16 below]] if details are included there]
12. Call/Put Options: [Call Option/Put Option/Not Applicable]
- [(see paragraph[s] [[18] and] [19 below])]
13. [(i)] Status of the Notes: [Preferred Senior/Non-Preferred Senior/Subordinated/Additional Tier 1 Capital][Notes]
- [(ii)] [Date [Board] approval for issuance of Notes obtained: [●]
- (*N.B. Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes*)

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (*If not applicable, delete the remaining sub-paragraphs of*

*this paragraph)*

- (i) Rate[(s)] of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly] in arrear
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount[(s)]: [[●] per Calculation Amount/Not Applicable]

*(N.B. Specify “Not Applicable” for Adjusted Fixed Rate Notes only)*

*(N.B. The Fixed Coupon Amount for an issue of Subordinated Notes or Additional Tier 1 Capital Notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*

- (iv) Broken Amount(s): [Not Applicable/[●] per Calculation Amount payable on [●]]

*(Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])*

*(N.B. The Broken Amount for an issue of Subordinated Notes or Additional Tier 1 Capital Notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*

- (v) Day Count Fraction: [30/360 / Actual/Actual ([ICMA]/[ISDA]) / Actual/365 (Fixed)]

*(N.B. CNY Notes should specify Actual/365 (Fixed))*

- (vi) Business Day Convention: [Not Applicable/Modified Following Business Day Convention]

*(N.B. Adjusted Fixed Rate Notes only)*

- (vii) Applicable Business Centre(s): [Not Applicable/insert Applicable Business Centre(s)]

*(N.B. Adjusted Fixed Rate Notes only)*

15. **Reset Note Provisions** [Applicable/Not Applicable]

- (i) Initial Rate of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly] in arrear
- (ii) First Reset Margin: [Plus/Minus][●] per cent. per annum
- (iii) Subsequent Reset Margin: [[Plus/Minus][●] per cent. per annum/Not Applicable]

- (iv) Interest Payment Date(s): [●] in each year
- (v) Fixed Coupon Amount up to (but excluding) the First Reset Date: [[●] per Calculation Amount/Not Applicable]
- (N.B. The Fixed Coupon Amount for an issue of Subordinated Notes or Additional Tier 1 Capital Notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*
- (vi) Broken Amount(s) up to (but excluding) the First Reset Date: [Not Applicable/[●] per Calculation Amount payable on [●]]
- (Insert particulars of any initial broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])*
- (N.B. The Broken Amount for an issue of Subordinated Notes or Additional Tier 1 Capital Notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*
- (vii) First Reset Date: [●]
- (viii) Second Reset Date: [[●]/Not Applicable]
- (ix) Subsequent Reset Date(s): [[●] [and [●]]/Not Applicable]
- (x) Relevant Screen Page: [●]
- (xi) Mid-Swap Rate: [Single Mid-Swap Rate/Mean Mid-Swap Rate]
- (xii) Mid-Swap Rate Conversion: [Applicable/Not Applicable]
- (xiii) Original Mid-Swap Rate Basis: [Annual/Semi-annual/Quarterly/Monthly]
- (xiv) Mid-Swap Floating Leg Maturity: [●]
- (xv) Mid-Swap Floating Leg Benchmark Rate Replacement: [Applicable/Not Applicable]
- (xvi) Initial Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- Initial Mid-Swap Rate: [●] per cent.

- (xvii) Reset Period Maturity Initial Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraph of this paragraph)*
- Reset Period Maturity Initial Mid-Swap Rate: [●] per cent.
- (xviii) Last Observable Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]
- (xix) Reset Determination Date(s): [●]  
*(specify in relation to each Reset Date)*
- (xx) Relevant Time: [●]
- (xxi) Day Count Fraction: [30/360]/[Actual/Actual (ICMA)]/[Actual/365 (Fixed)]
- (xxii) Calculation Agent: [●]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period: [Not Applicable/[●]]  
*(Specified Period and Interest Payment Dates are alternatives. A Specified Period, rather than Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable")*
- (ii) Interest Payment Dates: [[●]/Not Applicable]  
*(Specified Period and Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")*
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Applicable Business Centre(s): [Not Applicable/insert Applicable Business Centres]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s): [●]

- (vii) Screen Rate Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [●]-month [[*currency*] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / SHIBOR / BBSW / HIBOR]
  - Interest Determination Date(s): [●]
  - Relevant Screen Page: [●]
  - Relevant Time: [●] in the Relevant Financial Centre
  - Relevant Financial Centre: [●]
  - Reference Banks: [●]
  - Reference Rate Replacement: [Applicable/Not Applicable]
- (viii) ISDA Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (ix) Linear Interpolation: [Applicable/Not Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using linear interpolation in accordance with Condition 7.5 (*specify for each short or long interest period*)]
- (x) Margin(s): [Plus/Minus] [●] per cent. per annum
- (xi) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xii) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiii) Day Count Fraction: [●]
17. **Zero Coupon Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Accrual Yield: [●] per cent. per annum
  - (ii) Reference Price: [●]

(iii) Day Count Fraction: [●]

## PROVISIONS RELATING TO REDEMPTION

18. **Call Option** [Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s) (Call): [●]

(ii) Optional Redemption Amount (Call): [●] per Calculation Amount

(iii) If redeemable in part: [Applicable/Not Applicable]

*(If not applicable, delete the remainder of this subparagraph)*

(a) Minimum Redemption Amount: [●]

(b) Maximum Redemption Amount: [●]

(iv) Notice period: Minimum period: [●] days

Maximum period: [●] days

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*

19. **Put Option** [Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s) (Put): [●]

(ii) Optional Redemption Amount (Put): [●] per Calculation Amount

(iii) Notice period: Minimum period: [●] days

Maximum period: [●] days

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information*



*through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*

20. MREL/TLAC Disqualification Event Redemption Option: [Applicable/Not Applicable]  
(*N.B. Only relevant for Non-Preferred Senior Notes*)
21. Final Redemption Amount: [[●] per Calculation Amount/Not Applicable]
22. Early Redemption Amount (Tax) or Early Termination Amount on event of default or other early redemption: [As set out in the Conditions/[●] per Calculation Amount]

### GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes: [Bearer Notes: [Initially represented by a [Temporary/Permanent] Global Note.] [*Specify. If nothing is specified and these Final Terms do not specify that TEFRA C Rules apply, the Notes will be represented initially by a Temporary Global Note. If these Final Terms specify that TEFRA C Rules apply, the Notes will be represented by a Permanent Global Note.*]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note.]]
- [Temporary Global Note exchangeable for Definitive Notes.]
- [Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note.]]
- (N.B. In the case of Bearer Notes, the exchange upon notice/at any time options as specified above and in the Conditions should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[EUR 100,000 and integral multiples of EUR 1,000 in excess thereof and up to and including EUR 199,000].")*
- [Registered Notes:
- [Regulation S Global Note ([currency][●] aggregate nominal amount) [registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg/a common safe-keeper for Euroclear and Clearstream, Luxembourg] exchangeable for Registered Notes on [●] days' notice/at any time/in the limited circumstances described in the Global Registered Note.]

[Rule 144a Global Note ([currency]][●] aggregate nominal amount) [registered in the name of Cede & Co. as nominee for DTC] exchangeable for Registered Notes on [●] days' notice/at any time/in the limited circumstances described in the Global Registered Note.]]

[VP Systems Notes issued in uncertificated and dematerialised book entry form. See further paragraph [5] of Part B below.]

*(N.B. CNY Notes can only be issued as Bearer Notes)*

24. New Global Note form: [Applicable/Not Applicable]
25. Applicable Financial Centre(s): [Not Applicable/Give details. See definition of Payment Business Day, business day or VP Systems Notes payment day, as applicable, in the Conditions. Note that this paragraph relates to the date and place of payment, and not to Interest Payment Dates]
26. Currency Events: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [(i) Relevant Currency: [euro/specify other]
- [(ii) Event Currency Jurisdiction: [specify]]
- (N.B. delete in the case of CNY Notes)*
- [(ii/iii) [Currency Calculation Agent: [●]]]
27. Trigger Event Threshold: [Not Applicable/[●] per cent.]
- (N.B. Only relevant for Additional Tier 1 Capital Notes)*
28. Loss Absorption Minimum Amount: [Not Applicable/[●]]
- (N.B. Only relevant for Additional Tier 1 Capital Notes)*
29. MREL/TLAC Disqualification Event Substitution/Variation Option: [Applicable/Not Applicable]
- (N.B. Only relevant for Non-Preferred Senior Notes)*
30. Talons for future Coupons to be attached to Definitive Notes: [Yes. As the Notes have more than 27 coupons payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

[Relevant third party information] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

By: .....  
Duly authorised

[CC: Citibank, N.A., London Branch as Fiscal Agent [and Citigroup Global Markets Deutschland AG as Principal Registrar]] (*Not applicable for VP Systems Notes*)

## PART B – OTHER INFORMATION

### 1. Listing and Admission to Trading

- (i) Listing: [The Official List of the Irish Stock Exchange/The Nasdaq Copenhagen A/S/*specify other*]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on the [Irish Stock Exchange’s/Nasdaq Copenhagen A/S’s/*specify other*] regulated market with effect on or about [●].]
- (Where documenting a fungible issue, need to indicate that original securities are already admitted to trading.)*
- (iii) Estimate of total expenses relating to admission to trading: [[●]/Not Applicable]

### 2. Ratings

- Ratings: [Not Applicable/The Notes to be issued [[have been]/[are expected to be]] rated [●] by [*insert the legal name of the relevant credit rating agency entity(ies)*].]
- [There is no guarantee that [any of] the above rating[s] will be maintained following the date of these Final Terms. Up-to-date information should always be sought by direct reference to the relevant rating agency.]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- Each of [*relevant rating agency*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).

### 3. Interests of Natural and Legal Persons involved in the [Issue/Offer]

*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*

Save as discussed in the “Subscription and Sale” section of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### [4.] Fixed Rate Notes and Reset Notes only – Yield

- Indication of yield: [●]

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]<sup>†</sup>

[5.] **Operational Information**

ISIN Code/[CUSIP]: [●]

Common Code: [●]

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation “Yes” simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking SA [(together, the “**ICSDs**”)] as common safe-keeper [(and registered in the name of a nominee of one of the ICSDs acting as common safe-keeper,)]*[include this text for Registered Notes]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[Yes. Note that the designation “Yes” does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.](*Include for issues of relevant VP Systems Notes only*)

[No. Whilst the designation is specified as “No” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking SA [(together, the “**ICSDs**”)] as common safe-keeper [(and registered in the name of a nominee of one of the ICSDs acting as common safe-keeper,)]*[include this text for Registered Notes]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking SA (including The Depository

[Not Applicable/ The Depository Trust Company/ *give name(s) and number(s)*/ VP, VP identification number: [●]/ VP Lux, VP Lux identification number: [●]/ VPS,

<sup>†</sup> Complete section only if applicable. Otherwise delete and re-number sections accordingly.

Trust Company) and the relevant VPS identification number: [●]/Euroclear Sweden, identification number(s): Euroclear Sweden identification number: [●].] The Issuer shall be entitled to obtain certain information from the register maintained by [VP]/[VP Lux]/[VPS]/[Euroclear Sweden] for the purpose of performing its obligations under the issue of VP Systems Notes] (*delete as applicable*)

Settlement Procedures: [Specify whether customary medium term note/ other settlement and payment procedures apply]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) or, in the case of Registered Notes only, alternative Registrar (if any): [Not Applicable/[●]]

#### [6.] **Distribution**

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated, names of Managers: [Not Applicable/*give names*]

(iii) Date of Subscription Agreement: [Not Applicable/[●]]

(iv) Stabilising Manager(s) (if any): [Not Applicable/*give name*]

(v) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]

(vi) TEFRA Rules: [As set out in the Base Prospectus/TEFRA C Rules apply/Not Applicable]

*(Specify whether the automatic position in the Base Prospectus applies (i.e. TEFRA D Rules apply) or TEFRA C Rules apply or whether TEFRA Rules are not applicable.)*

(vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

*(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products, “Applicable” should be specified.)*

#### [7.] **Reasons for the offer**

Reasons for the offer: [Not Applicable/[●]]

*(See “Use of Proceeds” wording in the Base Prospectus – if reasons for the offer are different from general business purposes, will need to include those reasons here.)*

## PRO FORMA PRICING SUPPLEMENT

**Pro Forma Pricing Supplement** for an issue of Exempt Notes by Danske Bank A/S under the EUR 35,000,000,000 Euro Medium Term Note Programme.

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.]

**[MiFID II product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [MiFID II/Directive 2014/65/EU (as amended, “**MiFID II**”)]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Details of any negative target market to be included if applicable]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[MiFID II product governance / Retail investors, professional investors and eligible counterparties target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [MiFID II/Directive 2014/65/EU (as amended, “**MiFID II**”)]; *EITHER* [(ii) all channels for distribution of the are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]] *OR* [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate – investment advice[,/and] portfolio management[,/and][non-advised sales][and pure execution services][, subject to the distributor’s (as defined below) suitability and appropriateness obligations under MiFID II, as applicable]]. [Consider any negative target market]. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable].]

[Amounts payable under the Notes will be calculated by reference to [*specify benchmark (as this term is defined in the Benchmarks Regulation)*] which is provided by [*legal name of the benchmark administrator*]. As at the date of this Pricing Supplement, [*legal name of the benchmark administrator*] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”).

[As far as the Issuer is aware, [*specify benchmark (as this term is defined in the Benchmarks Regulation)*] [does not fall within the scope of the Benchmarks Regulation/the transitional provisions in Article 51 of the Benchmarks Regulation apply] such that [*legal name of the benchmark administrator*] is not currently required to obtain authorisation or registration (or, if located outside the EU, recognition, endorsement or equivalence).]

**PRICING SUPPLEMENT DATED [●]**

**NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC (AS AMENDED INCLUDING BY DIRECTIVE 2010/73/EU) (THE “PROSPECTUS DIRECTIVE”) FOR THIS ISSUE OF NOTES.**

Series No. [●]

Tranche No. [●]

**DANSKE BANK A/S****EUR 35,000,000,000****Euro Medium Term Note Programme**

Issue of

*[Aggregate Nominal Amount of Tranche] [Title of Notes]***PART A – CONTRACTUAL TERMS**

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Base Prospectus dated 20 March 2018 [and the Prospectus Supplement No. [●] dated [●]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus is available for viewing at, and copies may be obtained from, the Central Bank of Ireland’s website at [www.centralbank.ie](http://www.centralbank.ie) for a period of 12 months following the date of the Base Prospectus.

*[The following alternative language applies if the first Tranche of an issue of Notes which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Base Prospectus dated [original date][together with any supplements which amend the Conditions], which are incorporated in the Base Prospectus dated [current date] [and the Prospectus Supplement No. [●] dated [●]] which [together] constitute[s] a base prospectus (the “**Current Base Prospectus**”). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Current Base Prospectus is available for viewing at, and copies may be obtained from, the Central Bank of Ireland’s website at [www.centralbank.ie](http://www.centralbank.ie) for a period of 12 months following the date of the Base Prospectus.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Pricing Supplement.]*

1. Issuer: Danske Bank A/S
2. (i) Series Number: [●]



- (ii) Tranche Number: [●]
- (iii) Date on which the Notes will be consolidated and form a single Series: [Not Applicable]/[The Notes will be consolidated and form a single Series with [identify earlier Tranche(s)] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [date].]
3. Specified Currency or Currencies: [●]<sup>1</sup>
4. Aggregate Nominal Amount: [[●]]
- (i) Series: [●]
- (ii) Tranche: [●]
5. Issue Price: [●] per cent. of the Aggregate Nominal Amount [(plus [amount] accrued interest from [insert date]) (if applicable)].
6. (i) Specified Denomination(s): [●]

*(N.B. Where multiple denominations above EUR 100,000 or equivalent are being used the following sample wording should be followed:*

*“[EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No Notes in definitive form will be issued with a denomination above [EUR 199,000].”*)

*(N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the EUR 100,000 minimum denomination is not required.)*

*(N.B. In the case of Additional Tier 1 Capital Notes, consider the minimum denomination in light of the PI Rules.)*

- (ii) Calculation Amount: [●]

*(If only one Specified Denomination, insert the Specified Denomination.*

*If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*

<sup>1</sup> Use the abbreviation “CNY” for CNY Notes

7. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [●]
8. Maturity Date: [specify date] [subject to adjustment in accordance with the Business Day Convention specified in paragraph [14 (vi)/16 (iii)] below.] (N.B. include adjustment wording for Floating Rate Notes and Adjusted Fixed Rate Notes)
- [The Notes are perpetual securities and have no fixed date for redemption. The Issuer may only redeem the Notes at its discretion in the circumstances described in the Conditions.] (N.B. only applicable to Additional Tier 1 Capital Notes)
9. Interest Basis: [[●] per cent. Fixed Rate]
- [Reset Notes]
- [[●] month [[currency] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / SHIBOR / BBSW / HIBOR / specify other]] plus/minus [●] per cent. Floating Rate]
- [Zero Coupon]
- (further particulars specified below at paragraph [[14] [and] [15]/[16]/[17]])
10. Redemption Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100.00/[●] per cent. of their Aggregate Nominal Amount/their Outstanding Principal Amounts]. (N.B. latter option only applicable to Subordinated Notes)]
- [(See paragraph [8] above)] (N.B. only applicable to Additional Tier 1 Capital Notes)
11. Change of Interest Basis: [Not Applicable/or specify details of any provision for convertibility of Notes into another interest basis or cross refer to paragraphs [[14], [15] and/or [16 below]] if details are included there]
12. Call/Put Options: [Call Option/Put Option/Not Applicable]
- [(see paragraph[s] [[18] and] [19] below)]
13. [(i)] Status of the Notes: [Preferred Senior/Non-Preferred Senior/Subordinated/Additional Tier 1 Capital][Notes]
- [(ii)] [Date [Board] approval for [●] issuance of Notes obtained:
- (N.B. Only relevant where Board (or similar) authorisation is required for the particular Tranche of Notes)

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly] in arrear
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount[(s)]: [[●] per Calculation Amount/Not Applicable]
- (N.B. Specify “Not Applicable” for Adjusted Fixed Rate Notes only)*
- (N.B. The Fixed Coupon Amount for an issue of Subordinated Notes or Additional Tier 1 Capital Notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*
- (iv) Broken Amount(s): [Not Applicable/[●] per Calculation Amount payable on [●]]
- (Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])*
- (N.B. The Broken Amount for an issue of Subordinated Notes or Additional Tier 1 Capital Notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*
- (v) Day Count Fraction: [30/360 / Actual/Actual ([ICMA]/[ISDA]) / Actual/365 (Fixed)]
- (N.B. CNY Notes should specify Actual/365 (Fixed))*
- (vi) Business Day Convention: [Not Applicable/Modified Following Business Day Convention]
- (N.B. Adjusted Fixed Rate Notes only)*
- (vii) Applicable Business Centre(s): [Not Applicable/insert Applicable Business Centre(s)]
- (N.B. Adjusted Fixed Rate Notes only)*
15. **Reset Note Provisions** [Applicable/Not Applicable]
- (i) Initial Rate of Interest: [●] per cent. per annum payable [annually/

- semi-annually/quarterly/monthly] in arrear
- (ii) First Reset Margin: [Plus/Minus][●] per cent. per annum
- (iii) Subsequent Reset Margin: [[Plus/Minus][●] per cent. per annum/Not Applicable]
- (iv) Interest Payment Date(s): [●] in each year
- (v) Fixed Coupon Amount up to (but excluding) the First Reset Date: [[●] per Calculation Amount/Not Applicable]
- (N.B. The Fixed Coupon Amount for an issue of Subordinated Notes or Additional Tier 1 Capital notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*
- (vi) Broken Amount(s) up to (but excluding) the First Reset Date: [Not Applicable/[●] per Calculation Amount payable on [●]]
- (Insert particulars of any initial broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)])*
- (N.B. The Broken Amount for an issue of Subordinated Notes or Additional Tier 1 Capital Notes will not apply if the Calculation Amount has been adjusted or if any accrued but unpaid amount of interest has been reduced and/or cancelled, as applicable, as described in the Conditions)*
- (vii) First Reset Date: [●]
- (viii) Second Reset Date: [[●]/Not Applicable]
- (ix) Subsequent Reset Date(s): [[●] [and [●]]/Not Applicable]
- (x) Relevant Screen Page: [●]
- (xi) Mid-Swap Rate: [Single Mid-Swap Rate/Mean Mid-Swap Rate]
- (xii) Mid-Swap Rate Conversion: [Applicable/Not Applicable]
- (xiii) Original Mid-Swap Rate Basis: [Annual/Semi-annual/Quarterly/Monthly]
- (xiv) Mid-Swap Floating Leg Maturity: [●]
- (xv) Mid-Swap Floating Leg Benchmark Rate Replacement: [Applicable/Not Applicable]
- (xvi) Initial Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraph of this paragraph)*
- Initial Mid-Swap Rate: [●] per cent.

- (xvii) Reset Period Maturity Initial Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraph of this paragraph)*
- Reset Period Maturity Initial Mid-Swap Rate: [●] per cent.
- (xviii) Last Observable Mid-Swap Rate Final Fallback: [Applicable/Not Applicable]
- (xix) Reset Determination Date(s): [●]  
*(specify in relation to each Reset Date)*
- (xx) Relevant Time: [●]
- (xxi) Day Count Fraction: [30/360]/[Actual/Actual (ICMA)]/[Actual/365 (Fixed)]
- (xxii) Calculation Agent: [●]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period: [Not Applicable/[●]]  
*(Specified Period and Interest Payment Dates are alternatives. A Specified Period, rather than Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert “Not Applicable”)*
- (ii) Interest Payment Dates: [[●]/Not Applicable]  
*(Specified Period and Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert “Not Applicable”)*
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iv) Applicable Business Centre(s): [Not Applicable/insert Applicable Business Centres]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s): [●]

- (vii) Screen Rate Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Reference Rate: [●] month [[*currency*] LIBOR / EURIBOR / NIBOR / STIBOR / CIBOR / SHIBOR / BBSW / HIBOR / *specify other*]
  - Interest Determination Date(s): [●]
  - Relevant Screen Page: [●]
  - Relevant Time: [●] in the Relevant Financial Centre
  - Relevant Financial Centre: [●]
  - Reference Banks: [●]
  - Reference Rate Replacement: [Applicable/Not Applicable]
- (viii) ISDA Determination: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (ix) Linear Interpolation: [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using linear interpolation in accordance with Condition 7.5 (*specify for each short or long interest period*)]
- (x) Margin(s): [Plus/Minus] [●] per cent. per annum
- (xi) Minimum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xii) Maximum Rate of Interest: [Not Applicable/[●] per cent. per annum]
- (xiii) Day Count Fraction: [●]
17. **Zero Coupon Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Accrual Yield: [●] per cent. per annum

(ii) Reference Price: [●]

(iii) Day Count Fraction: [●]

## PROVISIONS RELATING TO REDEMPTION

18. **Call Option** [Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s) (Call): [●]

(ii) Optional Redemption Amount (Call): [[●] per Calculation Amount/[●]]

(iii) If redeemable in part: [Applicable/Not Applicable]

*(If not applicable, delete the remainder of this subparagraph)*

(a) Minimum Redemption Amount: [●]

(b) Maximum Redemption Amount: [●]

(iv) Notice period: Minimum period: [●] days

Maximum period: [●] days

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*

19. **Put Option** [Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i) Optional Redemption Date(s) (Put): [●]

(ii) Optional Redemption Amount (Put): [[●] per Calculation Amount/[●]]

(iii) Notice period: Minimum period: [●] days

Maximum period: [●] days

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent)*

20. MREL/TLAC Disqualification Event Redemption Option: [Applicable/Not Applicable]  
*(N.B. Only relevant for Non-Preferred Senior Notes)*
21. Final Redemption Amount: [[●] per Calculation Amount/Not Applicable]
22. Early Redemption Amount (Tax) or Early Termination Amount on event of default or other early redemption: [As set out in the Conditions/[●] per Calculation Amount]

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

23. Form of Notes: [Bearer Notes: [Initially represented by a [Temporary/Permanent] Global Note.] [*Specify. If nothing is specified and this Pricing Supplement does not specify that TEFRA C Rules apply, the Notes will be represented initially by a Temporary Global Note. If this Pricing Supplement specifies that TEFRA C Rules apply, the Notes will be represented by a Permanent Global Note.*]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note.]
- [Temporary Global Note exchangeable for Definitive Notes.]
- [Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances described in the Permanent Global Note.]]
- (N.B. In the case of Bearer Notes, the exchange upon notice/at any time options as specified above and in the Conditions should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[EUR 100,000 and integral multiples of EUR 1,000 in excess thereof and up to and including EUR 199,000].")*
- [Registered Notes:
- [Regulation S Global Note ([currency][●] aggregate nominal amount) [registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg/a common safe-keeper for Euroclear and



Clearstream, Luxembourg] exchangeable for Registered Notes on [●] days' notice/at any time/in the limited circumstances described in the Global Registered Note.]

[Rule 144a Global Note ([currency])[●] aggregate nominal amount) [registered in the name of Cede & Co. as nominee for DTC] exchangeable for Registered Notes on [●] days' notice/at any time/in the limited circumstances described in the Global Registered Note.]]

[VP Systems Notes issued in uncertificated and dematerialised book entry form. See further paragraph [5] of Part B below.]

*(N.B. CNY Notes can only be issued as Bearer Notes)*

24. New Global Note form: [Applicable/Not Applicable]
25. Applicable Financial Centre(s): [Not Applicable/Give details. See definition of Payment Business Day, business day or VP Systems Notes payment day, as applicable, in the Conditions. Note that this paragraph relates to the date and place of payment, and not to Interest Payment Dates]
26. Currency Events: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- [(i) Relevant Currency: [euro/specify other]
- [(ii) Event Currency Jurisdiction: [specify]]
- (N.B. delete in the case of CNY Notes)*
- (ii/iii) [Currency Calculation Agent: [●]]
27. Trigger Event Threshold: [[●] per cent./Not Applicable]
- (N.B. Only relevant for Additional Tier 1 Capital Notes)*
28. Loss Absorption Minimum Amount: [[●]/Not Applicable]
- (N.B. Only relevant for Additional Tier 1 Capital Notes)*
29. MREL/TLAC Disqualification Event Substitution/Variation Option: [Applicable/Not Applicable]
- (N.B. Only relevant for Non-Preferred Senior Notes)*
30. Talons for future Coupons to be attached to Definitive Notes: [Yes. As the Notes have more than 27 coupons payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
31. Other terms and conditions: [[●]/Not Applicable]

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

By: .....  
Duly authorised

[CC: Citibank, N.A., London Branch as Fiscal Agent [and Citigroup Global Markets Deutschland AG as Principal Registrar]] (*Not applicable for VP Systems Notes*)

**PART B – OTHER INFORMATION****1. Listing and Admission to Trading**

- (i) Listing: [Specify/Not Applicable]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [specify] with effect on or about [●]/Not Applicable.]
- (Where documenting a fungible issue, need to indicate that original securities are already admitted to trading.)*
- (iii) Estimate of total expenses relating to admission to trading: [[●]/Not Applicable]

**2. Ratings**

- Ratings: [Not Applicable/The Notes to be issued [[have been]/[are expected to be]] rated [●] by [insert the legal name of the relevant credit rating agency entity(ies)].]
- [There is no guarantee that [any of] the above rating[s] will be maintained following the date of this Pricing Supplement. Up-to-date information should always be sought by direct reference to the relevant rating agency.]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- Each of [relevant rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).

**3. Interests of Natural and Legal Persons involved in the [Issue/Offer]**

*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*

Save as discussed in the “Subscription and Sale” section of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

**[4.] Fixed Rate Notes and Reset Notes only – Yield**

- Indication of yield: [●]

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]<sup>2</sup>

[5.] **Operational Information**

ISIN Code/[CUSIP]: [●]

Common Code: [●]

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “Yes” simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking SA [(together, the “ICSDs”)] as common safe-keeper [(and registered in the name of a nominee of one of the ICSDs acting as common safe-keeper,][*include this text for Registered Notes*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

[Yes. Note that the designation “Yes” does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.](*Include for issues of relevant VP Systems Notes only*)

[No. Whilst the designation is specified as “No” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking SA [(together, the “ICSDs”)] as common safe-keeper [(and registered in the name of a nominee of one of the ICSDs acting as common safe-keeper,][*include this text for Registered Notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking SA (including The Depository [Not Applicable/ The Depository Trust Company/ *give name(s) and number(s)*/ VP, VP identification number: [●]/ VP Lux, VP Lux identification number: [●]/ VPS, VPS

<sup>2</sup> Complete section only if applicable. Otherwise delete and re-number sections accordingly.

Trust Company) and the relevant identification number(s): [●]/Euroclear Sweden, Euroclear Sweden identification number: [●].] The Issuer shall be entitled to obtain certain information from the register maintained by [VP]/[VP Lux]/[VPS]/[Euroclear Sweden] for the purpose of performing its obligations under the issue of VP Systems Notes] (*delete as applicable*)

Settlement Procedures: [Specify whether customary medium term note/ other settlement and payment procedures apply]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) or, in the case of Registered Notes only, alternative Registrar (if any): [Not Applicable/[●]]

**[6.] Distribution**

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated, names of Managers: [Not Applicable/*give names*]

(iii) Date of Subscription Agreement: [Not Applicable/[●]]

(iv) Stabilising Manager(s) (if any): [Not Applicable/*give name*]

(v) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]

(vi) TEFRA Rules: [As set out in the Base Prospectus/TEFRA C Rules apply/Not Applicable]

*(Specify whether the automatic position in the Base Prospectus applies (i.e. TEFRA D Rules apply) or TEFRA C Rules apply or whether TEFRA Rules are not applicable.)*

(vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

*(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products, “Applicable” should be specified.)*

**[7.] Reasons for the offer**

Reasons for the offer: [Not Applicable/[●]]

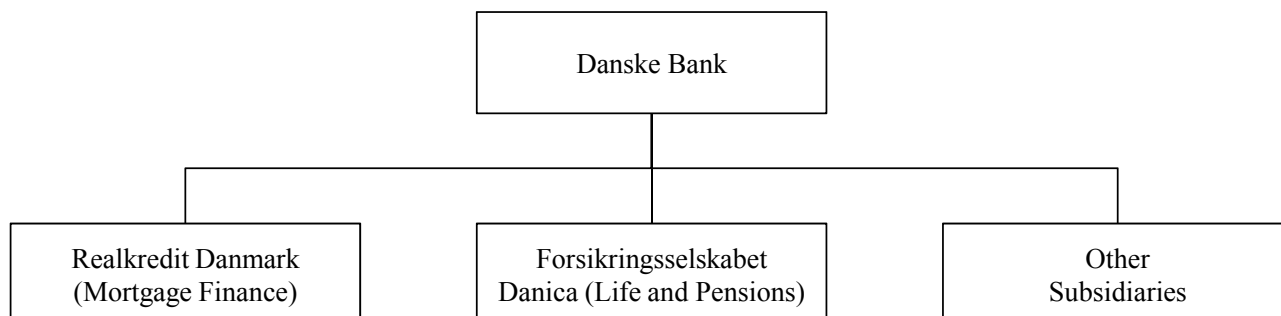
*(See “Use of Proceeds” wording in the Base Prospectus – if reasons for the offer are different from general business purposes, will need to include those reasons here.)*

## **USE OF PROCEEDS**

The net proceeds of the issue of each Tranche of Notes will be applied by the Issuer to meet part of its general financing requirements, unless otherwise specified in the relevant Final Terms or, (in the case of Exempt Notes only), the relevant Pricing Supplement. The net proceeds of the issue of each Tranche of Subordinated Notes or Additional Tier 1 Capital Notes, as the case may be, will form part of the Issuer's capital base.

## DESCRIPTION OF THE DANSKE BANK GROUP

The general corporate structure of the Danske Bank Group (the “**Danske Bank Group**” or the “**Group**”) is as shown below:



### Overview

The Group is the leading financial service provider in Denmark (source: the DFSA) measured by total working capital (defined as deposits, issued bonds, subordinated debt and shareholders’ equity) as at 30 September 2017, and one of the largest in the Nordic region measured by total assets as at 31 December 2017. The Group offers customers a wide range of services in the fields of banking, mortgage finance, insurance, pension, real-estate brokerage, asset management and trading in fixed income products, foreign exchange and equities. The Issuer is the largest bank in Denmark (source: the DFSA), is one of the larger banks in Finland and Northern Ireland, and has challenger positions in Sweden and Norway. As at 31 December 2017, the Group’s total assets amounted to DKK 3,540 billion (EUR 475.4 billion)<sup>1</sup> and the Group employed 19,768 full-time equivalent employees. As at the same date, the Group had approximately 3.4 million customers and approximately 2.2 million customers used the Group’s online services. The Group had 250 branches as at 31 December 2017.

Danske Bank A/S (“**Danske Bank**” or the “**Issuer**”) is the parent company of the Group. Danske Bank is a Nordic universal bank with bridges to the rest of the world, and its core markets are Denmark, Sweden, Norway and Finland. In these countries, it serves all types of customers from personal customers and businesses to large institutional clients. It also operates in Northern Ireland, where it serves both personal and business customers, and the Baltic countries, where it focuses on business banking. The Group has additional offices in several other European countries including a subsidiary in Luxembourg and branch offices in Poland, Germany and the U.K., where its main offerings are solutions for Nordic and local businesses as well as private banking clients. The Group also conducts broker-dealer activities in the United States and has a subsidiary in Russia serving Nordic corporate banking customers.

The registered office of the Issuer is at 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark, with telephone number +45 33 44 00 00 and Danish corporate registration number 61126228.

### The Issuer’s History and Development

The Issuer was founded in Denmark and registered on 5 October 1871 and has, through the years, merged with a number of financial institutions. The Issuer is a commercial bank with limited liability and carries on business under the Danish Financial Business Act. The Issuer is registered with the Danish Commerce and Companies Agency.

In the period from 1997-2007, the Issuer strengthened its position in the Nordic region through acquisitions. In 1997, it acquired Östgöta Enskilda Bank in Sweden, in 1999, Fokus Bank A/S in Norway and, in

---

<sup>1</sup> Unless specified, DKK amounts are converted into EUR FX rate = 7.4451 DKK per EUR.

2000, RealDanmark and its subsidiaries BG Bank A/S and Realkredit Danmark A/S. Furthermore, on 1 March 2005, the Issuer acquired Northern Bank Limited in Northern Ireland and National Irish Bank in the Republic of Ireland, and, on 1 February 2007, it acquired Sampo Bank plc in Finland (now Danske Bank A/S Finland Branch), including Sampo Bank plc's activities in the three Baltic countries and a subsidiary in St. Petersburg, Russia.

Effective 1 June 1998, all branches of Östgöta Enskilda Bank were converted into branches of the Issuer and, effective 1 April 2007, Fokus Bank A/S and National Irish Bank were converted into branches of the Issuer and, in June 2008, the three Baltic banks, AS Sampo Bank in Estonia, AS Sampo Banka in Latvia and AB Sampo bankas in Lithuania, were converted into branches of the Issuer. In November 2012, the Group rebranded its banking units and since then it has marketed all of its banking operations under the Danske Bank brand name. With effect from 1 January 2014, the Group refocused its activities in the Republic of Ireland to serve exclusively Corporates & Institutions' clients. All other activities in the Republic of Ireland were transferred to the Non-core business unit. With effect from 1 January 2015, the Group refocused its activities in the Baltic countries to serve Business Banking customers. All Personal Banking customers in the Baltic countries were transferred to the Non-core business unit.

In October 2017, the Danish MobilePay activities were transferred from Danske Bank A/S to the 100 per cent. owned subsidiaries, MobilePay A/S and MobilePay Denmark A/S, which hold the intellectual rights to MobilePay and the Danish MobilePay customers, respectively.

On 26 June 2017, Danske Hypotek AB (publ) ("**Danske Hypotek**") was granted a licence by the Swedish Financial Supervisory Authority to conduct financing business as a credit market company in Sweden as well as a licence to issue covered bonds under the Swedish Covered Bonds Act. Danske Hypotek is a wholly-owned subsidiary of the Issuer and has been established for the purpose of managing the Group's issuance of covered bonds under the Swedish Covered Bonds Act. The Issuer will originate mortgage loans to be contained in the cover pool of Danske Hypotek under the terms of a mortgage loan sale agreement. In addition to acquiring mortgage loans originated by the Swedish Branch of the Issuer, Danske Hypotek may, in the future, originate its own Swedish mortgage loans as an original lender. All properties that constitute security for the mortgage loans in the Danske Hypotek cover pool will be located in Sweden.

On 31 October 2017 the mortgage credit banking business of Danske Bank Plc, including the outstanding covered bonds issued by Danske Bank Plc and the relevant mortgage loans contained in the respective cover pool, was transferred to a new company, Danske Mortgage Bank Plc. Danske Mortgage Bank Plc is a wholly-owned subsidiary of the Issuer and holds a licence as a mortgage credit bank under the Finnish Act on Mortgage Credit Bank Operations. Following the completion of this demerger, and as part of efforts to simplify the organisation and improve efficiency, the Group merged its remaining activities in Finland, consisting of Danske Bank Plc and Danske Bank A/S, Helsinki Branch, into a single branch, Danske Bank A/S Finland Branch. On completion of this cross-border merger, which was completed in December 2017, the Issuer will originate mortgage loans to be contained in the cover pool of Danske Mortgage Bank Plc under the terms of a servicing agreement. All properties that constitute security for the mortgage loans in the Danske Mortgage Bank Plc cover pool will be located in Finland.

In December 2017, Danica Pension announced that it will acquire SEB Pension in Denmark. The acquisition is subject to approval by relevant authorities, which is expected in the first half of 2018.

## Financial highlights

Danske Bank Group	(DKKm)			(EURm)		
	2017	2016	2015	2017	2016	2015
Total income	48,149	47,959	45,611	6,467	6,451	6,112
Operating expenses	22,722	22,642	23,237	3,052	3,046	3,114
Goodwill impairment charges	-	-	4,601	-	-	617
Loan impairment charges	(873)	(3)	57	(117)	-	8



<b>Danske Bank Group</b>	2017	2016	2015	2017	2016	2015
Profit before tax, core	26,300	25,320	17,716	3,533	3,406	2,374
Profit before tax, Non-core	(12)	37	46	(2)	5	6
Profit before tax	26,288	25,357	17,762	3,531	3,411	2,380
Tax	5,388	5,500	4,639	724	740	622
<b>Net profit for the Year</b>	<b>20,900</b>	<b>19,858</b>	<b>13,123</b>	<b>2,807</b>	<b>2,671</b>	<b>1,759</b>
<b>Balance Sheet:</b>						
Loans	1,723,025	1,689,155	1,609,384	231,431	227,211	215,663
Trading portfolio assets	449,292	509,678	547,019	60,347	68,558	73,302
Assets in Non-core	4,886	19,039	27,645	656	2,561	3,705
Other assets	1,362,325	1,265,798	1,108,830	182,983	170,265	148,587
<b>Total assets</b>	<b>3,539,528</b>	<b>3,483,670</b>	<b>3,292,878</b>	<b>475,417</b>	<b>468,594</b>	<b>441,257</b>
Deposits	911,852	859,435	816,762	122,477	115,604	109,449
Bonds issued by Realkredit Danmark	758,375	726,732	694,519	101,862	97,754	93,068
Trading portfolio liabilities	400,596	478,301	471,131	53,807	64,337	63,133
Liabilities in Non-core	3,094	2,816	5,520	416	379	740
Other liabilities	1,297,355	1,249,771	1,144,116	174,256	168,109	153,315
<b>Total liabilities</b>	<b>3,371,272</b>	<b>3,317,055</b>	<b>3,132,048</b>	<b>452,818</b>	<b>446,183</b>	<b>419,705</b>
<b>Additional tier 1 etc.</b>	<b>14,339</b>	<b>14,343</b>	<b>11,317</b>	<b>1,926</b>	<b>1,929</b>	<b>1,517</b>
<b>Shareholders' equity</b>	<b>153,917</b>	<b>152,272</b>	<b>149,513</b>	<b>20,674</b>	<b>20,482</b>	<b>20,035</b>
Earnings per share	22.2	20.2	12.8	3.0	2.7	1.7
Total capital ratio (%)	22.6	21.8	21.0	-	-	-
Common equity tier 1 capital ratio (%)	17.6	16.3	16.1	-	-	-
Exchange rate (DKK/EUR) (End of period)				7.4451	7.4343	7.4625

Source: Annual Report 2017 pg. 6 and Annual Report 2016, pg. 6.

Other assets include Due from credit institutions and central banks, Repo loans, Investment securities and Assets under insurance contracts. Other liabilities include Due to credit institutions and central banks, Repo deposits, Other issued bonds, Liabilities under insurance contracts and Subordinated debt.

In Danske Bank Group's Annual Report as at and for the year ending 31 December 2016, the comparative figures for the year ended 31 December 2015 were restated. Note 2 in the Annual Report 2016 reflects the restatements for the year 2015.

## Business Units

The Group has five business units, a Non-core unit and Other Activities: Personal Banking, Business Banking, Corporates & Institutions, Wealth Management, Northern Ireland. The Wealth Management business unit includes Danica Pension, Danske Capital and parts of the private banking operations.

The following table sets forth certain information regarding the business units of the Group:

<b>(DKK million)</b>							
<b>Business Segments</b>	<b>Personal Banking</b>	<b>Business Banking</b>	<b>C&amp;I</b>	<b>Wealth Management</b>	<b>Northern Ireland</b>	<b>Other Activities<sup>(1)</sup></b>	<b>Non-core</b>
<b>2017</b>							
Total income	12,681	11,733	11,528	8,567	1,961	2,514	-
Operating expenses	7,533	4,601	4,799	4,082	957	917	-
Profit before loan impairment charges	5,148	7,133	6,729	4,485	1,004	1,598	-

<b>(DKK million)</b>							
<b>Business Segments</b>	<b>Personal Banking</b>	<b>Business Banking</b>	<b>C&amp;I</b>	<b>Wealth Management</b>	<b>Northern Ireland</b>	<b>Other Activities<sup>(1)</sup></b>	<b>Non-core</b>
<b>2017</b>							
Loan impairment charges	(62)	(824)	354	(93)	(247)	1	-
Profit before tax, core	5,211	7,957	6,375	4,579	1,251	1,597	-
Profit before tax, Non-core	-	-	-	-	-	-	(12)
Cost/income ratio before goodwill impairment charges (%)	59.4	39.2	41.6	47.6	48.8	36.5	-
Full-time-equivalent staff (end of period)	4,517	2,625	1,808	1,851	1,260	7,586	122
Loans, excluding reverse transactions (end of period)	753,060	676,986	182,504	74,595	45,514	15,509	-
Deposits, excluding repo deposits (end of period)	273,478	242,278	273,811	65,849	58,971	12,173	-

Source: Annual Report 2017.

(1) "Other Activities" includes Group Treasury and Group support functions. In the reporting of the business unit "Other Activities," the income statement includes the effects of the eliminations.

## **Organisational structure**

### ***Personal Banking***

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

### ***Business Banking***

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

### ***Corporates & Institutions***

Corporates & Institutions ("C&I") serves large Nordic corporate and institutional customers in the Nordic countries and beyond. This wholesale business unit of the Issuer provides strategic advice, financial solutions and products within Capital Markets, Fixed Income, Currencies and Commodities, and Transaction Banking.

### ***Wealth Management***

Wealth Management serves the Group's entire customer base and encompasses expertise from Danica Pension, Danske Capital and Private Banking. Danica Pension is the Group's insurance activities and comprises conventional life insurance, unit-linked insurance and personal accident insurance. Danske Capital develops and sells asset management solutions and wealth management products and services.

### ***Northern Ireland***

Northern Ireland serves personal and business customers through a network of branches in Northern Ireland and leading digital channels.

### ***Non-core***

Non-core includes certain customer segments that are no longer considered part of the core business. The Non-core business unit is responsible for the controlled winding-up and the divestment of this part of the loan portfolio. The portfolio consists of loans to customers in the Republic of Ireland, personal banking customers in the Baltics and liquidity facilities for special purpose vehicles and conduit structures.

### ***Other Activities***

Other Activities consists of the following Group resource and service functions: Group Risk Management; the CFO area (including Group Treasury); Group HR; Group Marketing and Communications; COO Office and the CEO Office. These service areas support the main business units, performing tasks that span various customer groups and markets.

### ***Funding structure***

The Group continues to ensure that it has a prudent ratio between lending and long-term funding. In addition, the Group has comprehensive and well-established funding programmes, including covered bonds. The existing commercial paper, certificate of deposit and euro medium term note programmes are used for short- and medium-term funding, while covered bond issues are used mainly for longer-term funding. Covered bonds thus help diversify the Group's funding across investors and maturities.

Group funding sources (by type) (Year-end)

(%)	2017	2016
Central banks, Credit institutions and repo transactions	19	18
Short-term bonds	5	4
Long-term bonds	7	8
Total covered bonds	11	11
Deposits	49	48
Subordinated debt	1	2
Shareholders' equity	8	9
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Annual Report 2017, pg. 158.

The Group has two channels through which it grants mortgage loans: (i) Realkredit Danmark A/S; and (ii) the Issuer itself including bank subsidiaries.

The mortgage loans on the Realkredit Danmark A/S platform are funded through the issuance of mortgage bonds according to the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds, etc. Act and executive orders issued by the DFSA.

Realkredit Danmark A/S currently issues mortgage covered bonds only through the Capital Centres of Realkredit Danmark A/S.

## Shareholders' equity

The Issuer's shareholders' equity was DKK 153.9 billion (EUR 20.7 billion) as at the end of 2017 against total equity at 1 January 2017 DKK 152.3 billion (EUR 20.5 billion)<sup>2</sup>.

At year-end 2017, the Issuer's authorised and issued share capital totalled DKK 9,368,277,220 (EUR 1.3 billion) based on 936,827,720 shares of DKK 10 (EUR 1.343) each. The Issuer's shares are listed on the Nasdaq Copenhagen A/S.

In February 2017, the Issuer announced a share buy-back programme for a total of DKK 10.0 billion (EUR 1.34 billion)<sup>3</sup> to be executed under the European Commission's Regulation No. 596/2014 of 16 April 2014 and the Commission's delegated regulation (EU) 2016/1052 of 8 March 2016. The share buy-back programme ended on 31 January 2018, with a total buy-back of 40.874 million shares for a total purchase amount of DKK 10.0 billion (EUR 1.34 billion)<sup>4</sup>. On 15 March 2018, the Annual General Meeting of the Issuer adopted the proposal to reduce the Issuer's share capital by DKK 408,741,010 (EUR 54.9 million) nominally by cancelling 40,874,101 shares of DKK 10 (EUR 1.343) each from the Issuer's holding of own shares. As at today's date, the Issuer's share capital amounts to DKK 9,368,277,220 nominally corresponding to 936,827,722 shares of DKK 10 each.

In February 2018, the Issuer announced that the Board of Directors had approved a new share buy-back programme for DKK 10 billion (EUR 1.34 billion)<sup>5</sup>, with a maximum of 85 million shares. The programme will be conducted from 5 February 2018 until 1 February 2019 at the latest. The Issuer announced that the Board of Directors intends to propose to the Annual General Meeting in 2019 that the shares purchased under the current share buy-back programme be cancelled.

At year-end 2017, the Issuer had approximately 257,000 shareholders. According to the Danish Companies Act, shareholders must notify a company if their shareholding exceeds 5 per cent. of the company's share capital or higher percentages divisible by 5.

Two shareholder groups have notified the Issuer of holding 5 per cent. or more of the Issuer's share capital and voting rights:

- A.P. Møller-Holding Group on 2 November 2016 announced that it held a total of (directly and indirectly) 20.0 per cent. of the shares and the voting rights of the Issuer; and
- BlackRock Inc. on 27 April 2017 announced that it indirectly via shares and other financial instruments with similar economic effect holds 5.10 per cent. of the shares and the voting rights of the Issuer.

Danske Bank A/S on 6 February 2018 announced that it held a total of (directly and indirectly) 5.03 per cent. of shares and the voting rights of the Issuer. At the Annual General Meeting on 15 March 2018 the proposal to reduce the share capital by cancelling part of Danske Bank's holding of own shares was adopted. After the registration of the capital reduction has taken place, Danske Bank's share capital will have been reduced by 408,741,010 from nominally DKK 9,368,277,220 to nominally DKK 8,959,536,210 by cancelling part of Danske Bank's holding of own shares.

The Issuer estimates that almost 58 per cent. of its share capital is held by investors outside of Denmark. Most foreign investors are based in the United States and the United Kingdom.

---

<sup>2</sup> FX rate at 1 January 2017 = 7.4343 DKK per EUR.

<sup>3</sup> FX rate at 3 February 2017 = 7.4376 DKK per EUR.

<sup>4</sup> FX rate at 31 January 2018 = 7.4419 DKK per EUR.

<sup>5</sup> FX rate at 5 February 2018 = 7.4433 DKK per EUR.

## Capital and Solvency

The Group's capital base consists of tier 1 capital (common equity tier 1 capital and additional tier 1 capital instruments) and tier 2 capital. At 31 December 2017, the capital base of the Group amounted to DKK 170 billion (EUR 22.9 billion), the total capital ratio for the Group was 22.6 per cent., with a common equity tier 1 capital ratio of 17.6 per cent. and a tier 1 capital ratio of 20.1 per cent. At 31 December 2016, the total capital ratio for the Issuer was 25.9 per cent. with a common equity tier 1 ("CET1") ratio of 20.2 per cent. and a tier 1 capital ratio of 23.0 per cent.

At the end of 2017, the Group's REA amounted to DKK 753 billion (EUR 101.2 billion), against DKK 815 billion (EUR 109.7 billion)<sup>6</sup> at the end of 2016. The Group's REA decreased DKK 62 billion (EUR 8.3 billion) from the level at the end of December 2016. The REA for credit risk decreased DKK 18 billion (EUR 2.4 billion). The main causes of the decrease in 2017 were lower market risk and counterparty credit risk and the implementation of approved IRB models.

The following table below shows the total capital ratio, tier 1 capital ratio and common equity tier 1 capital ratio. The second table shows the risk exposure amounts, tier 2 capital instruments and additional tier 1 capital instruments.

Danske Bank Group		
(%)	31 Dec. 2017	31 Dec. 2016
Total capital ratio .....	22.6	21.8
Tier 1 capital ratio .....	20.1	19.1
Common equity tier 1 capital ratio, excluding hybrid core capital .....	17.6	16.3

Note: The ratios are calculated in accordance with the Danish Financial Business Act.

Source: Annual Report 2017, pg. 54.

Danske Bank Group		(DKKm)		(EURm)
	31 Dec. 2017	31 Dec. 2016	31 Dec. 2017	31 Dec. 2016
Risk exposure amount .....	753,409	815,249	101,195	109,660
Additional tier 1 capital instruments	18,574	23,623	2,495	3,178
Tier 2 capital instruments .....	19,343	22,141	2,598	2,978
Exchange Rate (DKK/EUR) .....			7.4451	7.4343

Source: (DKK amounts) Annual Report 2017, pg. 54.

## Subordinated debt and additional tier 1 capital

During 2017, the Group redeemed DKK 12,556 million<sup>7</sup> (EUR 1,686 million) and issued DKK 4,655 million in terms of a CRR-compliant convertible additional tier 1 capital of USD 750 million (EUR 625 million)<sup>8</sup>

<sup>6</sup> FX rate at 31 December 2016 = 7.4343 DKK per EUR.

with discretionary interest payments. As the bonds mandatorily convert into a variable number of ordinary shares if a trigger event occurs, they are accounted for as liabilities.

## Capital regulation

The Issuer is following the phase-in of the CRR and the CRD IV Directive in accordance with Danish rules. At the end of 2017, the Issuer estimates that the remaining effect of the CRR and the CRD IV Directive on its fully-loaded CET1 capital ratio in 2018 will be an additional reduction of about 0.1 percentage points. The DFSA has approved the Issuer's continuing use of the financial conglomerate deduction method for holdings in Danica Pension. The deduction is based on Danica Pension's solvency need rather than on its minimum capital requirement. The non-deductible part of the holdings will be risk-weighted at 100 per cent.

## Distributions of Dividends

At the board meeting on 31 January 2018, the Issuer's dividend policy was revised, and going forward the payout ratio will be 40-60 per cent. of net profits rather than 40-50 per cent. Widening the dividend policy range will allow flexibility in capital distributions, while still offering the Issuer the possibility of handling profitable growth as well as the effects of pending regulation.

For 2017, a dividend of DKK 10.0 (EUR 1.34)<sup>9</sup> per share was agreed upon at the Annual General Meeting on 15 March 2018, or 45 per cent. of net profit for the year. The dividend will be paid out shortly after the Annual General Meeting. The Group launched a share buy-back programme in February 2018. The Group received the DFSA's approval to acquire own shares for a total value of DKK 10.0 billion (EUR 1.34 billion)<sup>10</sup>. According to the rules of CRR, the Group has to deduct the approved amount in the CET1 capital with the receipt of the DFSA's approval. The share buy-back programme has resulted in a decrease on the Group's CET1 ratio and total capital ratio in 2018, which was not included in the Issuer's fourth quarter 2017 figures.

## Risk Management

### Introduction

The Issuer's Rules of Procedure for the Board of Directors of the Bank and the Executive Board (the "**Rules of Procedure**") specify the responsibilities of the two boards and the division of responsibilities between them. The Rules of Procedure and the two-tier management structure, which were developed in accordance with Danish law, regulations and relevant corporate governance recommendations are central to the organisation of risk management and the delegation of authorities throughout the Group.

The Board of Directors lays down overall policies and risk appetites, while the Executive Board is in charge of the Group's day-to-day management. The risk and capital management functions are separate from the credit assessment and credit-granting functions.

Responsibility for the day-to-day management of risks in the Group is divided between CFO area, Group Risk Management, the business units and the operations and service organisations.

The Group has established a segregation of duties between units that enter into business transactions with customers or otherwise expose the Group to risk on the one hand, and units in charge of overall risk management on the other.

---

<sup>7</sup> Source: Annual Report 2017, pg. 100.

<sup>8</sup> FX rate at 31 December 2017 = 1.1995 USD per EUR.

<sup>9</sup> FX rate at 16 March 2018 = 7.4486 DKK per EUR.

<sup>10</sup> FX rate at 5 February 2018 = 7.4433 DKK per EUR.

The Group's risk management practices are organised according to the principles of three lines of defence. The three lines of defence segregate duties between (i) units that enter into business transactions with customers or otherwise expose the Group to risk, (ii) units in charge of risk oversight and control, and (iii) Internal Audit.

The first line of defence is represented by the business units and the operations and service functions. Each unit operates in accordance with the risk policies and delegated mandates. The units are responsible for having skills, operating procedures, systems and controls in place to ensure their compliance with risk policies and the execution of sound risk management.

The second line of defence is represented by Group-wide functions that monitor whether the business units and the operations and service functions adhere to the general policies and mandates. Group Risk Management, units in the CFO area, regional chief risk officers and the chief information security officer share the responsibility for these Group-wide functions.

The third line of defence is represented by Group Internal Audit. The primary role of Group Internal Audit is to help the Board of Directors and the Executive Board protect the assets, reputation and sustainability of the Group. Group Internal Audit assists the Group in achieving its objectives by applying a systematic and disciplined approach so as to provide independent assurance of the effectiveness of the Group's risk management, control and governance processes. The scope of Group Internal Audit is unrestricted and includes the activities of the first and second lines of defence.

### ***Group Risk Management***

Group Risk Management is headed by the Group's Chief Risk Officer (the "CRO") who is a member of the Executive Board.

Group Risk Management serves as the Group's second line of defence. It has responsibility for recommending and monitoring the Group's risk appetite and policies and for following up and reporting on risk issues across all risk types, organisational units and geographic regions.

Group Risk Management oversees the risk management framework and practices across the organisation and serves as the secretariat of the Group Credit Committee, the All Risk Committee and the following four sub-committees: the Model & Parameter Committee, the Operational Risk Committee, the Portfolio Committee and the Group Liquidity Committee. Senior risk managers are also members of the Asset & Liability Committee and the Valuation Committee.

At Group Risk Management, various sub-departments are responsible for monitoring and managing the Group's main risk types.

The heads of Retail Credit Risk Management and Corporate Credit Risk Management report directly to the CRO and are responsible for managing retail and corporate credit risks, respectively. They delegate credit risk mandates and oversee the day-to-day credit risk management in the first line of defence in their respective areas. This also includes reviewing the approval and follow-up processes for the lending books of the business units.

Risk Analytics develops and maintains credit rating methodologies and models. The team ensures that the methodologies and models are fit for day-to-day credit processing at the business units and that statutory requirements are met. Because of the Group's extensive use of models, model risks are closely monitored and managed. An independent and separate unit is responsible for validating credit and market risk parameters.

COO Risk Functions is responsible for the development of the Group's risk appetite framework, stress testing engine and portfolio management. The department facilitates the quarterly processes of calculating and consolidating impairment charges against credit exposures and monitors and reports on the Group's consolidated credit portfolio, with sector- and country-specific views and risk appetites. The department's credit quality

assurance team ensures that policies and procedures are properly implemented by the first line of defence. Finally, the department maintains the Group's recovery plan and is responsible for risk governance.

Operational Risk is responsible for the independent oversight and reporting of operational risk management and the establishment of the group-wide operational risk management framework. The department reviews and challenges operational risk in respect of the group-wide approach to operational risk management.

Market Risk monitors and reports on the Group's market risk.

Liquidity Risk Management is responsible for independently reviewing and challenging the methodologies and metrics applies in day-to-day liquidity management.

In cooperation with country managers, the country chief risk officers are responsible for ensuring compliance with local rules and regulations. Local risk committees are established where relevant.

### ***CFO area***

The CFO area is headed by the Group's Chief Financial Officer (the "**CFO**"), who is a member of the Executive Board. The CFO area oversees the Group's financial reporting, budgeting and strategic business analysis, including the tools used by the business units for performance follow-up.

The CFO area is also in charge of the Group's investor relations; relations with international rating agencies; legal, regulatory and corporate matters; capital management, compliance and treasury.

Group Capital is responsible for the overall management of the Group's capital position, and tasks include calculating the total risk exposure amount (REA), performing the Group's internal capital adequacy assessment process (ICAAP) and allocating capital to the business units. In addition, Group Capital is responsible for the Group's forward-looking views in terms of capital, including the implementation of new regulation, planned issues of capital instruments, the Group's payout policy and stress testing for ICAAP and regulatory purposes.

Group Compliance is an independent function that is responsible for identifying, assessing, monitoring and reporting on whether the Group complies with applicable laws, regulations and internal requirements. The head of Group Compliance reports to the CFO.

Group Treasury is responsible for executing the capital and funding plan, managing the Group's liquidity plan and monitoring its liquidity needs. Group Treasury also ensures that the Group's structural liquidity profile is within the defined limits and that the targets set by the Board of Directors and the All Risk Committee as well as regulatory and prudential requirements are met. Furthermore, Group Treasury is responsible for asset and liability management, private equity activities and long-term funding activities.

### ***COO area***

The COO area is headed by the Group's Chief Operating Officer (the "**COO**"), who is a member of the Executive Board. The COO area is responsible for the Group's operations and Group IT. Group IT is headed by the Group's Chief Technology Officer (the "**CTO**").

The Group's Chief Information Security Officer (the "**CISO**") reports functionally to the CTO, with a secondary reporting line to the CRO. The CISO heads Group IT Security & Risk within Group IT. Group IT Security & Risk performs control monitoring and ensures compliance with the Security Policy as a second line of defence function.



## ***Business Units***

Each of the four business units – Personal Banking, Wealth Management, Business Banking, and Corporate & Institutions – is headed by a member of the Executive Board. Northern Ireland is the fifth business unit serving personal and business customers, and it is a separate legal entity with its own executive board and separate board of directors.

The mandate of the business units to originate credit applications, take deposits and undertake investments for the Group is regulated by risk policies, instructions and limits. The Group strives to cultivate a corporate culture that supports and enforces the organisation's objective of assuming selected risks in accordance with the defined guidelines.

The heads of the business units and the heads of the operations and service functions are responsible for all business-related risks, and their responsibilities extend across national borders. Lending authorities are cascaded down from the Board of Directors, through the Executive Board to Group Risk Management, to lending officers at the business units. Credit applications exceeding the delegated lending authorities are submitted to the Group Credit Committee and to the Board of Directors. While the business units are responsible for risk assessments, the credit oversight functions led by the heads of credit at Group Risk Management oversee that credit applications are within the defined credit policy and credit risk appetite.

Procedures for new product approvals are based on a directive provided by the Executive Board to the heads of the business units. Materiality criteria determine whether the approval of new products is presented to the Group's chief risk officer. In cases of a reputational or material financial nature, both the Executive Board and the Board of Directors are involved in the approval process.

The business units perform the fundamental tasks required for sound risk management and controls. These tasks include updating customer information used in risk management systems and models as well as maintaining and following up on customer relationships. Each business unit is responsible for preparing documentation recording business transactions properly.

The business units ensure that all risk exposures do not exceed the specific risk limits and comply with the Group's relevant guidelines.

## ***Crisis Management***

The Group is a significant player in the Nordic financial markets and provides a number of critical functions upon which the financial systems in its core markets rely. The Group recognizes the importance of having plans and procedures in place to ensure that it is viable in the long term and that the critical services are available.

The Group's operational crisis management is supported by business continuity plans, which describe measures that can restore the Group's operational capabilities and that allow it to recover from material operational risk events.

In a situation of severe financial stress, the Group's contingency plans for capital and liquidity will ensure that the Group takes measures to restore the Group's liquidity and funding position.

The Group has prepared a recovery plan in the event that conditions deteriorate and threaten its liquidity or capital position and thus its long-term viability. The plan documents a framework that ensures that proper monitoring is in place to identify and understand any potential threats to the Group. It describes the governance processes and the selection of actions to be implemented to restore the Group's long-term viability.

The Group discusses the recovery plan with the DFSA and foreign supervisory authorities on an annual basis.

## ***Legal Proceedings***

Owing to its business volume, the Group is continually a party to various lawsuits and disputes and has an on-going dialogue with public authorities such as the DFSA. Although the outcome of claims, lawsuits or other legal proceedings against the Issuer or the Group cannot be predicted with certainty, neither the Issuer nor any of its subsidiaries is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) which may have, or have had during the 12 months preceding the date of this Offering Memorandum, a significant effect on the financial position or profitability of the Issuer or the Group.

In March 2016, after an on-site anti-money laundering inspection, the DFSA issued eight orders to the Issuer, and in September 2016, the Issuer submitted a statement to the effect that, in its assessment, the Issuer was in compliance with the orders. The final statement from the DFSA included a notification to the Danish Public Prosecutor for Serious Economic and International Crime, and the Issuer was reported to the police for non-compliance with anti-money laundering legislation on correspondent banks. The Issuer has on 21 December 2017 accepted a fine in the amount of DKK 12.5 million for violation of the Danish AML Act. The fine was given for not having monitored transactions executed as part of business relations in the period from November 2012 to the issuing of an order on 15 March 2016 (which was to be implemented by 1 August 2016) to ensure that the transactions matched the undertaking's or the person's knowledge of the customer and the customer's business and risk profile, including, where necessary, the origin of the funds since Danske Bank in relation to transactions executed in connection with its correspondent bank relationships did not monitor transactions where the transactions did not involve a customer of Danske Bank. Any additional AML issues in relation to correspondent banks mentioned in the Danish FSA's inspection statement dated 16 March 2016 (and which is available on Danske Bank's website [danskebank.com](http://danskebank.com)) have not and will not lead to further fines.

As announced in Company Announcement No. 53/2017 of 11 October 2017, the Issuer has been placed under investigation by the French Tribunal de Grande Instance de Paris court in relation to suspicions of money laundering concerning transactions carried out by customers of Danske Bank Estonia from 2008 to 2011. The investigation relates to transactions in the amount of approximately EUR 15 million which was transferred to France during 2008-2011 by former customers at Danske Bank Estonia. The customers were part of the portfolio of foreign customers at Danske Bank Estonia (non-resident customers). The Issuer has since then terminated all accounts in that portfolio. The transactions are included in the Issuer's ongoing investigation of the situation at its Estonian operation, as described in the press release dated 21 September 2017, covering customers and transactions in the period from 2007 to 2015. On 25 January 2018, the French court Tribunal de Grande Instance de Paris changed the status of the Issuer in the investigation to that of an assisted witness. This means that the Issuer is no longer placed under formal investigation, but still forms part of the case as an assisted witness. These investigations and the events that took place in the Estonian branch are being discussed with public authorities such as the Danish FSA and the Estonian FSA.

The Issuer has continuous dialogues with the supervisory authorities in the markets where the Issuer is active. As part of the ongoing dialogue with the authorities in various markets, the Issuer has also discussed these matters, and several financial supervisory authorities have asked questions pertaining to the Issuer's alleged involvement in the so-called "Russian Laundromat" and "Azerbaijan Laundromat". The Issuer does not comment on individual interactions and communications with supervisory authorities. In Denmark, supervisory orders and reprimands are publicly available.

## ***New Capital and Liquidity Regulations***

New regulations for the financial sector have been implemented in the European Union and beyond. The Group has implemented the new regulations from 1 January 2014, subject to transitional provisions.

## ***European implementation of the Basel III Framework***

The final versions of the CRR and the CRD IV Directive (in each case as defined above) were adopted in June 2013. The framework implemented among other things Basel III in the European Union.

Under the CRR, institutions are required to hold a minimum amount of regulatory capital equal to 8 per cent. of REA (of which at least 4.5 per cent. must be Common Equity Tier 1 capital, and at least 6 per cent. must be Tier 1 capital). In addition to these so-called the minimum own funds Pillar 1 requirements, the CRD IV Directive (including, but not limited to, Article 104(i)(a)128) contemplates that competent authorities may require additional Pillar 2 capital to be maintained by an institution relating to elements of risks which are not fully captured by the minimum own funds Pillar 1 requirements or to address macro-prudential requirements.

CRD IV introduced a combined buffer that applies in addition to the Pillar 1 and Pillar 2 capital requirement and will be phased in from 2015 to 2019. The combined buffer consists of a countercyclical buffer, a capital conservation buffer and a SIFI buffer.

The capital conservation buffer and the countercyclical capital buffer are designed to ensure that credit institutions accumulate a sufficient capital base during periods of economic growth to absorb losses during periods of stress. The capital conservation buffer is being gradually phased in to a final level of 2.5 per cent. in 2019. The countercyclical buffer requirement is calculated as a weighted average of the national buffers in effect in the jurisdictions in which a bank has credit exposures.

The Issuer was designated as a SIFI in Denmark in 2014. Consequently, the Issuer is subject to stricter capital requirements than non-SIFI banks. The fully phased-in SIFI buffer requirement in 2019 will be 3 per cent. The intention is for the capital requirements imposed on Danish SIFIs to be on a par with the requirements set in other comparable European countries, and thus the final level of the Danish SIFI capital requirements will be assessed no later than 2017 after evaluating these other countries' final requirements.

Under Article 141 of the CRD IV Directive, Member States must require that institutions that fail to meet the combined buffer requirement will be subject to restrictions on "discretionary payments" (which are defined broadly by the CRD IV Directive as distributions in connection with Common Equity Tier 1 capital, payments on Additional Tier 1 instruments and payments of variable remuneration). The restrictions will be scaled according to the extent of the breach of the combined buffer requirement.

According to the current implementation of the CRD IV Directive in Denmark, the combined buffer requirement is stacked on top of the Pillar 2 capital requirements. If the combined buffer requirement is breached, the institution has to submit a capital conservation plan for approval by the DFSA. However, for the purpose of determining automatic restrictions on discretionary payments (i.e. the Maximum Distributable Amount or the "MDA"), Pillar 2 capital requirements should not be taken into account. Nonetheless, the DFSA may choose to impose restrictions on discretionary payments on the basis of the submitted capital conservation plan. There can be no assurance as to the relationship between any of the aforementioned or future incremental own funds requirements, any combined buffer requirement and the associated restrictions on discretionary payments. According to the European Commission's proposal to amend the CRD IV Directive in the EU Banking reform package, the Pillar 2 capital requirements should be taken into account when the combined buffer requirement is breached and the MDA is determined. Furthermore, according to the European Commission's proposal for an EU Banking Reform, the combined buffer is also stacked on top of the MREL requirement. Consequently, MREL also needs to be taken into account in the calculation of the MDA, subject to a six-month grace period in case of inability to issue eligible debt, during which restrictions relating to MDA would not be triggered, but authorities would be able to take other appropriate measures.

In addition, the CRD IV Directive includes a requirement for credit institutions to calculate, report, monitor and publish their leverage ratios, defined as their tier 1 capital as a percentage of their total exposure measure. According to the current rules defined in the CRR, the Issuer had a leverage ratio of 4.6 per cent. at the end of December 2016. A minimum leverage ratio requirement is expected to be implemented at European Union level with the implementation of the EU Banking reform package, and until such time regulators may apply such measures as they consider appropriate. In Denmark the risk of excessive leverage is addressed as part of the Pillar 2 capital requirements.

The phase-in of the capital requirements follows the path in the CRR until 2018-2021 unless required earlier in applicable Danish legislation. The Group estimates that the remaining impact of CRR on the CET1

capital ratio will be a further reduction of 0.1 percentage points as of 31 December 2016 when the rules are fully implemented in 2018. According to the CRR, instruments that no longer qualify as additional tier 1 and tier 2 capital shall be subject to grandfathering, which means that such instruments will be phased out gradually until 2021.

As regards liquidity, the European Commission imposed two liquidity ratios: the Liquidity Coverage Ratio (“**LCR**”) and the NSFR. The LCR stipulates that banks must have a liquidity buffer that ensures a survival horizon of at least 30 calendar days in the case of a seriously stressed liquidity situation. The NSFR is intended to ensure a sound funding structure by promoting an increase in long-dated funding. The NSFR stipulates that at all times banks must have stable funding equal to the amount of their illiquid assets for one year ahead.

Danish SIFIs must have an LCR of 100 per cent. This requirement was enforced by October 2015. The NSFR awaits final specifications from the European Commission. The enforcement of the NSFR requirement is laid out in CRR to be in 2018.

With an LCR of 128 per cent. at the end of 2016, the Group complied with the LCR requirement as defined by the European Commission. The Group also complied with all other liquidity requirements. Stress tests show that the Group has sufficient liquidity buffer for more than the coming twelve months.

The European Commission’s proposal for an EU Banking reform package includes a proposal to review the CRR and the CRD IV Directive. The proposed amendments include, *inter alia*, changes to the market risk by implementing FRTB and the counterparty credit risk framework, introduction of a leverage ratio requirement and an NSFR requirement, revisions to the Pillar 2 framework, transition of IFRS 9 and its impact on capital ratios and revisions to the framework concerning IRRBB. The Group does not expect that the proposed changes will have any significant effect on its overall capital requirements.

In December 2017, the Basel Committee of Banking Supervision published the final version of their review of the standardised approach for credit and operational risk, constraints on the use of internal model approaches and the possible implementation of a broad REA floor based on the standardized approaches for measuring credit, market and operational risk. It is still too early to assess final effects of these potential changes since the political dialogue on how and when to implement the revised standards in the EU has not yet been initiated. The stipulations of EU legislation are not expected to be fully known until 2021 at the earliest. On the basis of the strong earnings capacity and capitalisation, the Group is confident that it will be able to adapt smoothly to the future changes in EU regulatory requirements in relation to the revised Basel standards.

### ***Solvency II (insurance)***

The new international insurance rules, Solvency II, took effect on 1 January 2016. The rules are intended to protect customer funds, and they will generally increase capital requirements. Danica Pension was well prepared. While the previous Solvency I capital requirements were volume based, the Solvency II requirements are risk based. As a forerunner of the Solvency II rules, the DFSA introduced individual solvency need requirements in 2007. Under these requirements, which are also risk based, Danish insurance companies were required to meet the higher of Solvency I and individual solvency need requirements. The individual solvency need requirements have been changed gradually in the period up to 2014 to bring Danish requirements closer to the Solvency II requirements.

## Management of Danske Bank

The Issuer's administrative bodies are the Board of Directors and the Executive Board. The Board of Directors, which consists of non-executive directors, is elected by the shareholders of the Issuer at the annual general meeting, with the exception of those directors who are elected pursuant to prevailing law concerning employee representation on the Board of Directors (currently four). The non-employee directors, who are elected by the shareholders, are elected for terms of one year and the number of such directors may range from six to ten. Directors are eligible for re-election. The Issuer's Executive Board may consist of two to ten members who are responsible for the day-to-day business and affairs of the Issuer. The business address of the Board of Directors and the Executive Board is 2-12 Holmens Kanal, DK-1092 Copenhagen K, Denmark.

The present members of the Board of Directors and their external positions are as follows:

### *Members of the Board of Directors elected by the general meeting*

Ole Andersen, Chairman

Directorships and other offices:

Bang & Olufsen A/S (Chairman)

Chr. Hansen Holding A/S (Chairman)

Nasdaq Nordic Ltd. (Member of the Nomination Committee)

The Danish Committee on Corporate Governance (Member)

CBS (Copenhagen Business School) (Adjunct professor)

DenmarkBridge (Member of the Board of Directors)

Fonden Human Practice Foundation (Member of the Board of Directors).

Ingrid Bonde

Directorships and other offices:

Holst Finance (Chairman)

Loomis AB (Member of the Board of Directors)

Securitas AB (Member of the Board of Directors).

Lars-Erik Brenøe

Directorships and other offices:

Executive Vice President, Head of Chairman's Office, A.P. Møller-Maersk A/S

A.P. Møller and Hustru Chastine Mc-Kinney Møller Foundation (A.P. Møller og Hustru Chastine Mc-Kinney Møller Fond til almene Formaal) (Member of the Board of Directors) and the subsidiaries

- A.P. Møller Holding A/S
- APMH Invest A/S

- A.P. Møller Holding Invest II A/S
- Firmaet A.P. Møller (Member of the Executive Board)
- Maersk Property A/S (Chairman)
- Maersk Training A/S (Chairman)
- Odense Staalskibsværft A/S (Chairman)
- Fonden Lindoe Offshore Renewables Center (Member of the Board of Directors)
- Lindø port of Odense A/S (Member of the Board of Directors)

Maersk Broker K/S (Vice Chairman) and the affiliated undertakings

- Maersk Broker A/S (Vice Chairman)
- Maersk Broker Holding A/S (Chairman)
- Navigare Capital Partners A/S (Chairman)
- Maersk Broker Advisory Services A/S (Chairman)

The A.P. Møller Family Foundation (A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond) (Member of the Board of Directors)

The Confederation of Danish Industry (Member of the Council)

The Danish Committee on Foundation Governance (Vice Chairman).

Jørn P. Jensen

Directorships and other offices:

Chief Financial Officer of Dyson James Group Limited

Dyson James Group Limited (Member of the board of Directors of several affiliated undertakings)

VEON Ltd. (Member of the Board of Directors and Chairman of the Audit Committee)

GreenMobility A/S (Member of the Board of Directors).

Jens Due Olsen

Directorships and other offices

KMD A/S (Chairman)

Bladt Industries A/S (Chairman)\*

NKT A/S (Chairman)

Nilfisk A/S (Chairman)

Auris III Luxembourg SA (Sivantos GmbH)  
(Chairman)

Gyldendal A/S (Member of the Board of Directors)\*

Royal Unibrew A/S (Member of the Board of  
Directors)\*

Cryptomathic A/S (Member of the Board of  
Directors)\*

BørneBasketFonden (not-for-profit) (Chairman)

The Danish Committee on Corporate Governance  
(Vice Chairman)

Thylandergruppen (Member of the Advisory Board).\*

Rolv Erik Ryssdal

Directorships and other offices:

Chief Executive Officer of Schibsted ASA

Schibsted Media Group (Chairman or member of the  
Board of Directors of the subsidiaries)

- Schibsted Classified Media AS
- Schibsted Norge AS
- Schibsted Multimedia AS
- Schibsted Print Media AS
- Schibsted Eiendom AS
- Finn.no AS.

Carol Sergeant

Directorships and other offices:

TP ICAP plc (Member of the Board of Directors,  
Chairman of the Risk Committee and member of the  
Nomination and Audit Committee)

BNY Mellon SA/NV (Member of the Board of  
Directors, Chairman of the Risk Committee and  
member of the Audit Committee)

Threadneedle Solutions Ltd (Company Director)

British Standards Institute Policy and Strategy  
Committee (Chairman)

---

\* Jens Due Olsen will step down during 2018.

The Lloyds Register Foundation (Trustee and member of the Audit and Investment Committee)

The Governing Council of the Centre for the Study of Financial Innovation (CSFI) (Member).

Hilde Tonne

Directorships and other offices: Hafslund AS (Chairman).

*Members of the Board of Directors elected by the Group's employees in Denmark*

Bente Bang Member of the Board of Directors of Danske Kreds

Directorships and other offices: None.

Kirsten Ebbe Brich Chairman of Danske Kreds

Directorships and other offices: Danske Kreds' Jubilæumsfond (Chairman)

Danske Unions (transnational association of local Danske Bank Group staff unions) (Chairman)

Danske Bank Pensionskasse for Førtidspensionister (Member of the Board of Directors)

Danske Banks Velfædsfond (Member of the Board of Directors)

The Financial Services Union in Denmark (Finansforbundet) (Member of the Executive Committee).

Thorbjørn Lundholm Dahl Team lead, Regulation & CX, Business Banking, Danske Bank

Directorships and other offices: None.

Charlotte Hoffmann Senior Personal Adviser

Directorships and other offices: None.

The present members of the Executive Board and their external positions are as follows:

Thomas F. Borgen Chief Executive Officer

Directorships and other offices: FR I af 16. september 2015 A/S (Deputy for the members of the Board of Directors)

Kong Olav VS Fond (Member of the Board of Directors).



Jacob Aarup-Andersen

Chief Financial Officer

Directorships and other offices:

Kreditforeningen Danmarks Pensionsafviklingskasse  
(Chairman)

Circus Road Capital ApS (Member of the Executive  
Board)

Monterey River Capital ApS (Member of the  
Executive Board)

Forsikringselskabet Danica,  
Skadeforsikringsaktieselskab af 1999 (Vice Chairman)  
and the subsidiary

- Danica Pension, Livsforsikringsaktieselskab

Danske Hypotek AB (Chairman)

Danske Mortgage Bank Plc (Chairman)

Realkredit Danmark A/S (Member of the Board of  
Directors)

Danske Banks Fond (Member of the Board of  
Directors).

Tonny Thierry Andersen

Head of Wealth Management

Directorships and other offices:

Finans Danmark (Vice Chairman)

FR I af 16. september 2015 A/S (Member of the Board  
of Directors)

Forsikringselskabet Danica,  
Skadeforsikringsaktieselskab af 1999 (Chairman) and  
the subsidiary

- Danica Pension, Livsforsikringsaktieselskab

Danske Bank International S.A. (Chairman)

Danske Bank Oyj (Chairman)

Danske Invest Management A/S (Chairman)

MobilePay A/S (Member of the Board of Directors)

MobilePay Denmark A/S (Member of the Board of  
Directors)

The Private Contingency Association for the Winding  
up of Distressed Banks, Savings Banks and  
Cooperative Banks (Chairman)

	Kreditforeningen Danmarks Pensionsafviklingskasse (Member of the Board of Directors)
	Danske Banks Fond (Member of the Board of Directors)
	Værdiansættelsesrådet (a Danish Council)
	ICC Danmark
	Danish Economic Council.
Jim Ditmore	Head of Group Services and Group IT (COO)
Directorships and other offices:	ITPeopleNetwork (Member of the customary advisory board)
	Northern Bank Limited (Member of the Board of Directors)
	MobilePay A/S (Member of the Board of Directors)
	MobilePay Denmark A/S (Member of the Board of Directors).
Carsten Egeriis	Head of Group Risk Management and Chief Risk Officer.
Lars Mørch	Head of Business Banking
Directorships and other offices:	Northern Bank Limited (Chairman)
	Realkredit Danmark A/S (Chairman)
	Danske Leasing A/S (Chairman)
	Dagmar Marshalls Foundation (Member of the Board of Directors)
	Grænsefonden (Member of the Board of Directors).
Jesper Nielsen	Head of Personal Banking.
Directorships and other offices:	e-nettet A/S (Chairman)
	Realkredit Danmark A/S (Vice Chairman)
	MobilePay A/S (Chairman)
	MobilePay Denmark A/S (Chairman).
Glenn Söderholm	Head of Corporates & Institutions
Directorships and other offices:	Nasdaq Nordic Ltd. (Member of the Board of Directors).

The external positions for the members of the Board of Directors and the Executive Board may change. Updates of this information can be found on the Danske Bank homepage, <https://danskebank.com/about-us/management>.

After application of the relevant laws and conflict of interest policies of the Issuer, no potential conflicts of interest exist between the duties to the Issuer of the persons on the Board of Directors and the Executive Board and their private interests and/or other duties listed above.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Danske Bank A/S (in its capacity as a Dealer), Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, Société Générale and UBS Limited (the “**Dealers**”). Notes may also be sold by the Issuer directly to institutions who are not Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealership agreement dated 20 March 2018 (the “**Dealership Agreement**” which expression shall include any amendments or supplements thereto or any amendment and restatement thereof) and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealership Agreement makes provision for the resignation or termination of the appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

**United States of America:** Regulation S Category 2; TEFRA D, unless TEFRA C is specified as applicable in the relevant Final Terms or Pricing Supplement; Rule 144A eligible if so specified in the relevant Final Terms or Pricing Supplement.

Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except that Notes in registered form may be offered or sold to qualified institutional buyers (as defined in Rule 144A under the Securities Act) in reliance on the exemption from registration requirements of the Securities Act provided by Rule 144A. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealership Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) (the “**distribution compliance period**”) within the United States or to, or for the account or benefit of, U.S. persons (other than Notes sold pursuant to Rule 144A), and it will have sent to each distributor, dealer or person to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the respective meanings given to them by Regulation S under the Securities Act.

In addition, until forty days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act (if available).

### **Prohibition of Sales to EEA Retail Investors**

Unless the relevant Final Terms or Pricing Supplement specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under

the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms or Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - (ii) a customer within the meaning of the Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Directive; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the relevant Final Terms or Pricing Supplement specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer(s) nominated by the Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

## **United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- **Financial promotion:** it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act

2000) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 would not, if the Issuer was not an authorised person, apply to the Issuer; and

- **General compliance:** it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “FIEA”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Law (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **Denmark**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in Denmark by way of a public offering, unless in compliance with the Danish Consolidated Act No. 12 of 8 January 2018 on Trading in Securities, as amended, supplemented or replaced from time to time, and any Executive Orders issued thereunder and in compliance with Executive Order No. 330 of 7 April 2016, as amended, supplemented or replaced from time to time, to the Danish Financial Business Act.

## **General**

With the exception of the application to the Central Bank for the approval of this document as a Base Prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in Ireland, no action has been or will be taken in any country or jurisdiction by the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Base Prospectus or any Final Term comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealership Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed “General” above.

## TAXATION

The following is a general description of relevant tax considerations and is not to be regarded as a complete tax analysis of all tax issues related to the Notes. Prospective holders of Notes should consult their professional tax advisers if they are in doubt about their own tax position.

### Denmark Taxation

According to the Danish tax laws in effect as of the date of this Base Prospectus, (i) payments of interest or principal amounts to any holder of a Note are not subject to taxation in Denmark, (ii) no withholding tax will be required on such payments and (iii) any gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark. This tax treatment applies solely to holders of Notes who are not subject to full tax liability in Denmark or included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

### Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as “**FATCA**”, a “**foreign financial institution**” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Denmark) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019 and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal income tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under “Terms and Conditions - Further Issues”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

### The Proposed Financial Transaction Tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia, (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of

circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.



## GENERAL INFORMATION

1. Application has been made to the Irish Stock Exchange for Notes issued under the Programme to be admitted to the Official List of the Irish Stock Exchange and trading on its regulated market.

However, Notes may be issued pursuant to the Programme (i) which will not be admitted to listing on the Official List of the Irish Stock Exchange and will not be admitted to trading and/or quotation by the regulated market of the Irish Stock Exchange or any other listing authority, stock exchange and/or quotation system or (ii) which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.

2. The establishment of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 26 October 1995. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.
3. The Notes (other than VP Systems Notes) have been accepted for clearance through Euroclear and Clearstream, Luxembourg. In addition, the Issuer may make an application for any Rule 144A Notes to be accepted for trading in book-entry form by DTC. Acceptance by DTC of such Notes will be confirmed in the relevant Final Terms or Pricing Supplement. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041. The appropriate common code, the International Securities Identification Number and the Committee on the Uniform Security Identification Procedure (CUSIP) in relation to the Notes of each Series (other than VP Systems Notes) will be specified in the relevant Final Terms or Pricing Supplement relating thereto. If the Notes are to clear through an additional or alternative clearing system (including VP, VP Lux, VPS or Euroclear Sweden), the appropriate information will be specified in the relevant Final Terms or Pricing Supplement. Euroclear, Clearstream, Luxembourg, DTC or VP, VP Lux, VPS and/or Euroclear Sweden, as the case may be, are the entities in charge of keeping the records.
4. Bearer Notes which have a maturity of more than 1 year and any Coupon appertaining thereto will bear a legend substantially to the following effect: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to in such legend provide that a United States person who holds a Note or Coupon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note or Coupon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

5. Settlement arrangements will be agreed between the Issuer, the relevant Dealer(s) and the Fiscal Agent, the Registrar or the VP Systems Agent, as the case may be, in relation to each Tranche of Notes.
6.
  - (i) There has been no significant change in the financial position of the Issuer or of the Issuer and its Subsidiaries taken as a whole since 31 December 2017, the last day of the financial period in respect of which the most recent financial statements of the Issuer have been prepared; and
  - (ii) there has been no material adverse change in the prospects of the Issuer since 31 December 2017, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.
7. There are no governmental, legal or arbitration proceedings against or affecting the Issuer or any of its Subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous twelve months which have or may have in the recent past,

individually or in the aggregate, significant effects on the profitability or the financial position of the Issuer or of the Issuer and its Subsidiaries taken as a whole.

8. The annual financial statements of the Group for each of the financial years ended 31 December 2017 and 31 December 2016 have been audited by Deloitte Statsautoriseret Revisionspartnerselskab (“**Deloitte**”), being the relevant independent public auditors of the Issuer for such period. Deloitte is a member of “FSR – Danske Revisorer” (Association of State Authorised Public Accountants).
9. The Irish Listing Agent is Matheson and the address of its registered office is 70 Sir John Rogerson’s Quay, Dublin 2, Ireland. Matheson is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to trading on the regulated market of the Irish Stock Exchange.
10. For as long as the Programme remains valid with the Central Bank, hard copies of the following documents will be available, upon request, free of charge, from the registered office of the Issuer and from the Specified Office of the Paying Agent for the time being in London (where applicable, with an English translation thereof):
  - (a) the Articles of Association of the Issuer;
  - (b) the Agency Agreement;
  - (c) the Deed of Covenant; and
  - (d) the Dealership Agreement.

For as long as the Programme remains valid with the Central Bank, copies of the following documents will be available on the website of the Central Bank at [www.centralbank.ie](http://www.centralbank.ie):

- (a) a copy of this Base Prospectus; and
- (b) any supplements to this Base Prospectus, any future base prospectuses relating to the Programme and any supplements to any future base prospectuses relating to the Programme.

For as long as the Programme remains valid with the Central Bank, copies of any Final Terms relating to Notes which are admitted to trading on the Irish Stock Exchange’s regulated market will be available on the website of the Irish Stock Exchange at [www.ise.ie](http://www.ise.ie).

For as long as the Programme remains valid with the Central Bank, copies of the following documents will be available on the website of the Issuer at [www.danskebank.com](http://www.danskebank.com) (see “Documents Incorporated by Reference” for more details):

- (a) the Annual Reports (as defined in “Documents Incorporated by Reference”);
- (b) the Previous Terms and Conditions (as defined in “Documents Incorporated by Reference”); and
- (c) any other documents incorporated herein by reference from time to time.

11. In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the relevant Final Terms or Pricing Supplement. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

12. The issue price and amount of the Notes of any Tranche to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of the issue of such Tranche in accordance with prevailing market conditions.
13. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and their affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.
14. The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.
15. In this Base Prospectus, references to websites or uniform resource locators (each, a "URL") are inactive textual references and are included for information purposes only. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Base Prospectus.

**REGISTERED OFFICE OF THE ISSUER**

**Danske Bank A/S**  
2-12 Holmens Kanal  
DK-1092 Copenhagen K  
Denmark

**DEALERS**

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Citigroup Global Markets Limited**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Credit Suisse Securities (Europe) Limited**  
One Cabot Square  
London E14 4QJ  
United Kingdom

**Danske Bank A/S**  
2-12 Holmens Kanal  
DK-1092 Copenhagen K  
Denmark

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Goldman Sachs International**  
Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
United Kingdom

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ  
United Kingdom

**J.P. Morgan Securities plc**  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**Merrill Lynch International**  
2 King Edward Street  
London EC1A 1HQ  
United Kingdom

**Morgan Stanley & Co. International plc**  
25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom

**Société Générale**  
29, boulevard Haussmann  
75009 Paris  
France

**UBS Limited**  
5 Broadgate  
London EC2M 2QS  
United Kingdom

**AUDITORS OF THE ISSUER**

**Deloitte Statsautoriseret Revisionspartnerselskab**

Weidekampsgade 6  
DK-2300 Copenhagen S  
Denmark

**FISCAL AGENT**

**Citibank, N.A., London Branch**

Citigroup Centre  
Canary Wharf  
London E14 5LB  
United Kingdom

**PRINCIPAL REGISTRAR**

**Citigroup Global Markets Deutschland AG**

Reuterweg 16  
D-60323 Frankfurt am Main  
Federal Republic of Germany

**VP SYSTEMS AGENT**

**Danske Bank A/S**

Corporate Actions  
2-12 Holmens Kanal  
DK-1092 Copenhagen K  
Denmark

**LEGAL ADVISERS**

*To the Dealers as to English Law*

**Allen & Overy LLP**

One Bishops Square  
London E1 6AD  
United Kingdom

*To the Issuer as to Danish Law*

**Flemming S. Pristed**

General Counsel  
Danske Bank A/S  
2-12 Holmens Kanal  
DK-1092 Copenhagen K  
Denmark

**IRISH LISTING AGENT**

**Matheson**

70 Sir John Rogerson's Quay  
Dublin 2  
Ireland