

Principal Adverse Impact Statement

We consider the principal adverse impacts on sustainability factors that our investment decisions have. The present statement is the consolidated principal adverse sustainability impacts statement of Danske Bank Group.

We address principal adverse impacts on sustainability factors according to their materiality and type, as well as the nature of our investment products and investment related products. These are currently measured across our holdings through the following indicators:

- Greenhouse Gas Emissions
- Carbon Footprint
- Greenhouse Gas Intensity
- Exposure to companies active in the fossil fuel sector
- Share of non-renewable energy
- Violations of UN Global Compact (UNGC) principles and OECD Guidelines for Multinational Enterprises (OECD MNE)

This list will be expanded on a continuous basis and we are working on adding more granularity on the indicators to complement our existing investment processes.

We use external market research providers and other publicly available information, internal dashboards, tools and frameworks and the expertise of our Responsible

Investment team to identify the principal adverse impacts on sustainability factors. While the considerations relevant to principal adverse impacts on sustainability factors are different from those relating to sustainability risks, we identify principal adverse impacts in the investment decision-making process via utilization of the same framework as the one applied for sustainability risk integration. How sustainability risks are identified is outlined in the Responsible Investment Policy. The consideration and prioritization of identified principal adverse impacts are further defined in the underlying instructions to the Policy.

We address principal adverse impacts through our active ownership and investment restriction activities as described in our Responsible Investment Policy. Active ownership is conducted through voting, dialogue and collaborative activities. In addition, we have incorporated the principal adverse impact indicators into our voting guidelines.

Our screenings can result in exclusions related to principal adverse impacts. We exclude companies based on violations in relation to international standards such as the Global Compact and OECD Guidelines for Multinational Enterprises. For example, certain companies that contribute significantly to climate change, damage biodiversity, water pollution, violate human rights, have insufficient labour rights or are involved in corruption are excluded.