Key Information Document

Danske Bank

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.
This document sets out the generic risks of the PRIIP that you may be considering as a financial investment, in order that you can compare to other products. The specific terms of the product that you enter into will set out in the confirmation in relation to that product.

Product

PRIIP name:	OTC - Extendable Swap.
Name of PRIIP manufacturer:	Danske Bank A/S - www.danskebank.dk
Contact number for PRIIP manufacturer:	Call +45 45 14 72 31 for more information
Competent Authority:	The Danish Financial Supervisory is responsible for supervising Danske Bank in relation to this Key Information Document.
Member state	This PRIIP is authorised in Denmark.
Date of production:	The date of this Key Information Document is 12 January 2024

Alert: You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type
OTC - Extendable Swap

Term
The term of the Extendable swap depends on the period for which you wish to exchange your interest payments with Danske Bank. The term is agreed on before you enter into the Extendable swap. The Extendable swap is a bilateral agreement that cannot be ordinarily terminated unilaterally neither by you nor by Danske Bank.

Objectives
The objective of this product is to hedge an underlying interest rate exposure by periodically exchanging floating for fixed interest rate payments from the start date until the initial end date. The product offers a reduced fixed rate. This comes at the expense of a potential extension of the product from the initial end date until the potential end date.

The product achieves its objective by (1) Danske Bank agreeing the terms of the Extendable Swap with you; (2) you agreeing to pay the fixed rate to Danske Bank and receive the floating rate. Payments are determined on the basis of the notional amount agreed on for each interest rate period and paid on pre-agreed dates.

The following typically applies:
If the floating interest rate amount is larger than the fixed interest rate amount, the party paying the fixed amount receives the difference between the two from the other party.
If the floating interest rate amount is smaller than the fixed interest rate amount, the party paying the fixed amount pays the difference between the two to the other party.

Note that if an interest rate is negative, the party receiving/paying the corresponding interest rate amount instead pays/receives that amount. In other words, the cash flow is reversed.
The fixed rate initially agreed on applies until the initial end date. If the swap rate on the initial end date is lower than the fixed rate initially agreed on, the product is extended until the potential end date. If that is not the case, the product matures on the initial end date.

Note that regarding the latter, the fixed rate on the Extendable Swap is lower than the rate of a conventional Interest Rate Swap.
The terms set out below are illustrative of the terms of an Extendable swap, but are not the exact terms you agree with Danske Bank. The exact terms are set out in each individual trade confirmation letter.

The illustrative terms are used for subsequent performance scenarios and calculation of costs.

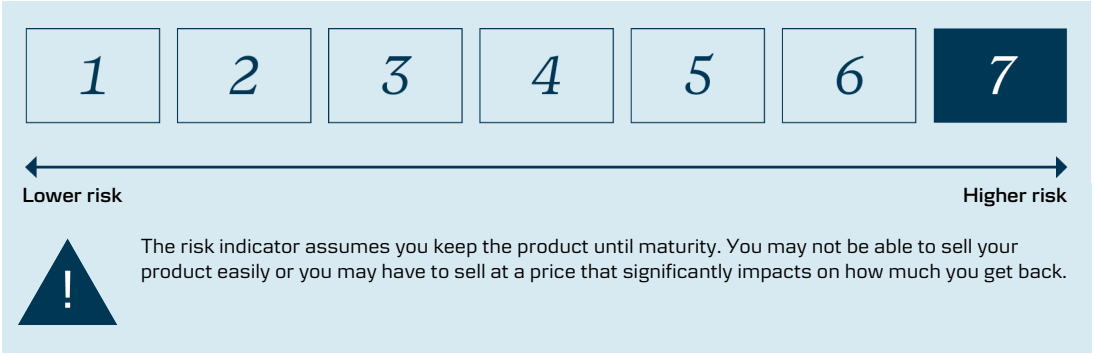
The product terms provide that if certain exceptional events occur (1) Danske Bank may adjust the product; and/or (2) Danske Bank or you may terminate the product early. The exceptional events in question are specified in the product terms and relate principally to the underlying, the product and conditions pertaining to you or Danske Bank. The return (if any) you receive on such early termination is likely to be different from that received in the scenarios described above.

Start date:	Today
Initial end date:	Today + 5 years
Potential end date:	Today + 10 years
You pay:	Fixed rate 0.0212%, 30/360 annually
You receive:	Euribor 6 months

Currency:	EUR
Notional:	10,000.00
Schedule:	Bullet

Intended retail investor
This product is intended for retail investors who wish to hedge an interest rate risk at a lower rate than the rate of a conventional interest rate swap. Investors should understand that the hedge could potentially be extended after the initial end date. If the product is extended, the fixed rate for the remaining term will be higher than the prevailing market rate at that time.

What are the risks and what could I get in return?



Risk Indicator
The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.
We have classified this product as 7 out of 7, which is the highest risk class. This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios
The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.
What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.
The scenarios shown are illustrations based on results from the past and on certain assumptions. Markets could develop very differently in the future.
The stress scenario shows what you might get back in extreme market circumstances.
The favorable, moderate and unfavorable scenarios have been calculated using a model to generate possible future outcomes based on the underlying assets' past performance and represent the 90th, 50th and 10th best outcomes, respectively. The stress scenario represents an outcome based on stressed market conditions.

Recommened Holding Period:		5 years	
Example Investment:		EUR 10,000.00	
		If you exit after 1 year	**If you exit after 5 years**
Scenarios			
Minimum	**There is no minimum guaranteed return. You could lose some or all of your investment.**		
Stressed	**What you might get back after costs**	EUR -2,429.76	EUR -3,155.86
	Average return each year	-24.30%	-6.31%
Unfavorable	**What you might get back after costs**	EUR -373.97	EUR -1,042.66
	Average return each year	-3.74%	-2.08%
Moderate	**What you might get back after costs**	EUR 432.84	EUR 511.25
	Average return each year	4.33%	1.02%
Favorable	**What you might get back after costs**	EUR 1,173.11	EUR 1,956.26
	Average return each year	11.73%	3.91%

What happens if Danske Bank is unable to pay out?

The product is not protected by the Financial Services Compensation Scheme or any other investor compensation or guarantee scheme. This means that if Danske Bank is unable to pay out, you may lose all of your expected payments.

What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

Cost over time
The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- You would get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.
- EUR 10,000.00 is invested.

	If you exit after 1 year	*If you exit after recommended holding period*
Total costs	EUR 41.17	EUR 41.17
Annual cost impact (*) (**)	0.41%	0.08%

(*) This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return per year is projected to be 4.00% before costs and 3.91% after costs.
(**) This illustrates costs in relation to the notional value of the PRIIP.

We may share part of the costs with the person selling you the product to cover the services they provide to you. They will inform you of the amount.

Composition of costs

One-off costs upon entry or exit		**If you exit after 1 year**
Entry cost	0.41% of the amount you pay when entering this investment.	EUR 41.17
Exit cost	0.00% of your investment before it is paid out to you.	EUR 0.00
Ongoing costs		
Management fees and other administrative or operating costs	There is no such costs for this product.	EUR 0,00
Transactions costs	There is no transaction costs for this product.	EUR 0,00
Incidental cost taken under specific conditions		
Performance fees	There is no performance fee for this product.	EUR 0,00

The cost for this product is based upon the actual sensitivity to interest rates and their volatility. Actual costs will depend upon credit, funding and capital charges.

These costs are client specific and cannot be specified before the product is priced towards the client.

How long should I hold it and can I take money out early?

This product is designed to be held until its maturity date and it is not a product which can be easily sold or transferred. Early termination may occur in the event of a default or disruption situation or if you or Danske Bank agree for it to be terminated early, in which case, early exit penalties may apply.

How can I complain?

Complaints about the product, the conduct of Danske Bank and/or the person advising on, or selling the product, should be addressed to Danske Bank, Juridisk Afdeling, Holmens Kanal 2-12, 1092 København K (klageservice@danskebank.dk).

Other relevant information

The risks set out in this document highlight some, but not all, of the risks of investing in this product. Prior to making any investment decision, you should satisfy yourself that you fully understand the risks relating to this product and seek professional advice as necessary.