

Danske Bank – Brexit from a bank's perspective

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| <i>03. Brexit impact - Customers, banks and markets</i> | <i>7</i> |
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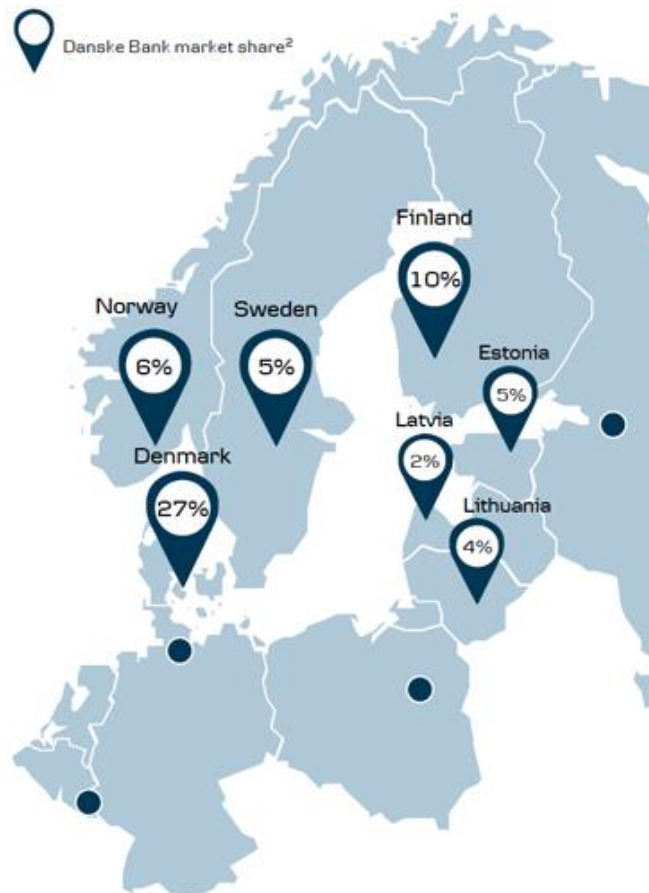
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Danske Bank and our role in society

We play an important role in maintaining financial stability and contributing to economic growth



More than 3.4 million customers



DKK 1,723 billion

Loans issued to banking customers at end-2017



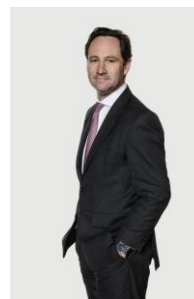
DKK 18.9 billion

Distributed in 2017 to our 257,000 shareholders, including share buy-backs totalling DKK 10 billion



DKK 5.4 billion

Tax on profit for 2017



Chris has over 20 years of experience working in the financial services industry, including positions at Bank of America, Merrill Lynch, HSBC Investment Bank and Deutsche Bank. He has - among other things - been working with Regulatory and IT initiatives.

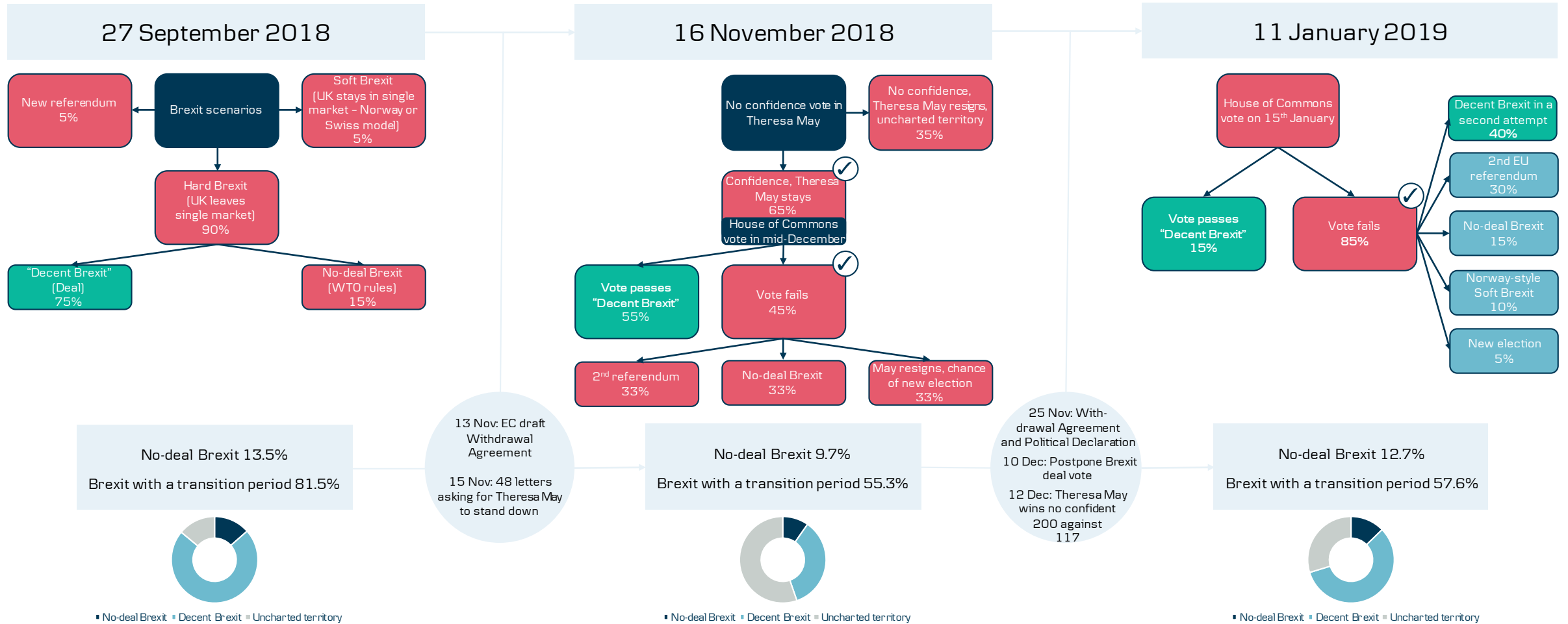
Chris Vallis-Wilson was heading the MiFID II Programme at Danske Bank before heading Danske Banks' Brexit Programme.

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Brexit scenarios - Moving target



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No-deal Brexit impact on EEA customers, banks and financial markets

EEA customer impact

Customers serviced by UK entities might discontinued

if the service is regulated and the entity does not move or receive an equivalence status

Increased cost on payments and settlements with UK accounts as UK loses its SEPA membership as part of the EU and more fee-heavy channels are used

Current products have to be evaluated and may be changed on terms of agreement (BRRD and model clauses), new advisors (only EEA based) and other service lines going from UK to EEA based

Bank impact

Banks will lose their clearing partners as they will lose CCP status forcing the banks to move to new and more fractured partnerships

New Financial Market Infrastructure (FMI) providers as UK based FMIs such as trading platforms and brokers lose their right to passport services

Repapering of UK contracts with FMIs, vendors and counterparties embedding legal language to protect personal data and ensure jurisdictional power in the UK

Market impact

Loss of market access to the global financial hub of Europe due to lack of equivalence for EU regulatory frameworks such as MiFID II, EMIR and GDPR

Loss of data for both market participants and regulators as UK venues and regulator will no longer be obligated to disclose data under EU regulation affecting reference data and trade data

Loss of a main driver behind EU financial market regulation as UK has been the a key architect, driver and enforcer behind the EU regulating bodies