Annual Report 2025

Danica Pension, Livsforsikringsaktieselskab

Danica

Contents

This Annual Report 2025 is a translation of the original report in the Danish language (Årsrapport 2025). In case of discrepancy, the Danish version prevails.

In accordance with the requirements of the ESEF Regulation, the Annual Report for 2025 of Danica Pension, Livsforsikringsaktieselskab consists of a zip file, danicapension-2025-12-31-0-da.zip, which includes an XHTML file. The XHTML file is the official version of the Annual Report. This PDF version of the Annual Report is a copy of the XHTML file. In case of discrepancies, the XHTML file prevails.

SELECTED FINANCIAL HIGHLIGHTS FOR THE DANICA GROUP[1)]

DKK millions	2025	2024	2023	2022	2021
PREMIUMS INCLUDING INVESTMENT CONTRACTS[2)]	53,263	43,643	38,647	35,138	36,823
INCOME STATEMENT					
Insurance service result	-175	261	130	1,572	-
Investment result	1,482	1,033	615	-1,740	-
Other income and expenses	50	40	28	30	-
Profit/loss before tax, goodwill impairment and discontinued operations	1,357	1,334	773	-138	2,078
Tax	-245	-108	-56	-18	-424
Goodwill impairment	-	-	-	-1,627	-
Profit after tax from discontinued operations	-	54	50	412	76
Profit/loss for the year	1,112	1,280	767	-1,371	1,730
BALANCE SHEET					
Total assets	607,075	595,334	541,667	539,554	678,900
Total provisions for insurance and investment contracts	511,394	484,537	439,176	403,255	469,472
Total shareholders' equity	19,447	19,386	19,884	19,117	24,122
DANICA (PARENT)					
KEY FIGURES AND RATIOS (%)					
Return related to average rate products	1.6	3.3	4.6	-14.6	0.0
Return related to unit-linked products	6.3	13.6	10.5	-14.9	13.3
Risk on return related to unit linked products	4.25	5.25	4.75	5.25	4.50
Net return before tax on pension returns on average-rate products[3)]	4.6	2.8	3.6	-4.7	5.2
Expenses as per cent of provisions	0.33	0.31	0.32	0.29	0.27
Expenses per policyholder (DKK)	2,148	1,884	1,742	1,656	1,596
Return on equity after tax	5.5	5.4	3.3	-5.2	7.4
Return on equity after tax (Group)	5.7	6.6	3.9	-6.5	
Solvency coverage ratio[4)]	197	193	166	188	212
RATIOS FOR HEALTH AND ACCIDENT INSURANCE					
Gross claims ratio	123	150	254	96	142
Gross expense ratio	4	6	14	6	10

1) This statement and reported figures for the period 2022-2025 have been prepared and are presented in accordance with IFRS 17, whereas the financial year 2021 was prepared in accordance with IFRS 4. Where comparative figures and disclosures for the financial year 2021 are not comparable under IFRS 17, they have been omitted. Comparative figures for 2024 and 2023 have been adjusted in 2025 as a result of an adjustment of technical provisions for health and accident insurance contracts.
2) Excluding premiums from discontinued operations in Norway (sold in 2022)
3) The ratios include change in accumulated value adjustment
4) At 31 December 2025, Danica's solvency capital requirement (SCR) was DKK 14,905 million and its total capital was DKK 29,377 million.

On 25 June 2021, Danica Pension, Livsforsikringsaktieselskab and Forsikringsselskabet Danica Skadesforsikringsaktieselskab merged, with Danica Pension, Livsforsikringsaktieselskab as the continuing company.

For the full list of financial ratios pursuant to the Danish FSA's Executive Order on Financial Reports for Insurance Companies and Multi-employer Occupational Pension Funds, see page 50.

Comments on selected financial highlights for the Group
Premiums including investment contracts comprise all regular and single premiums in the life business and health and accident insurance premiums.

Ratios:
The ratios net return before tax on pension returns on average-rate products and return related to unit-linked products cover all products and are calculated in accordance with the Danish FSA's definitions of return ratios. See significant accounting policies.

STRATEGY AND HIGHLIGHTS

In 2025, Danica introduced a new strategy focusing on enhancing customer satisfaction with the aim of becoming the preferred pension company in Denmark by 2028. Highlighting the great potential of the collaboration with Danske Bank, the strategy aims to optimise the customer experience by offering improved digital solutions, convenient healthcare solutions and quality pension advice.

Danica's market position
In 2025, we recorded 22% premium growth. This high premium growth is a clear indication that our customers are choosing Danica's overall value proposition in a year when a record number of our customer agreements were up for renegotiation.

We take this as a sign that companies in all segments, existing and new customers alike, are attracted to Danica's overall value proposition with top-of-the-market long-term returns, competent advisory services and effective healthcare solutions with digital access.

Our inflow of new customers contributed to total customer funds exceeding DKK 500 billion, which clearly reflects the confidence customers have in Danica.

Status of new commercial strategy
The new commercial strategy, Forward '28, came into force in January 2025. Its purpose is to make Danica the preferred pension company in Denmark by 2028 with customer satisfaction as the primary growth catalyst.

The 22% premium growth fulfils one of our key strategic goals – growth. From a Danske Bank Group perspective, the strengthened collaboration within the Group resulted in a near doubling of sales through Danske Bank compared with 2024.

From a customer perspective, the new strategy meant the launch of a number of new digital healthcare and advisory solutions that make interaction with Danica easier and more convenient. As an example, 99% of customers are now informed about the eligibility of their claims for coverage within one day, versus 70% in 2024.

Close collaboration with Danske Bank benefitting customers
The aim of Danica's new strategy is to become the preferred pension company in Denmark. This includes offering the best possible advice to our customers, also about their personal finances. Being part of Danske Bank benefits Danica's customers in many ways, including access to IT solutions that make it easy to be a customer and comprehensive financial advice on everything from car loans to the division of pension savings in the event of divorce.

There is a large potential to increase the number of customers of both Danske Bank and Danica, especially among small and medium-sized enterprises. Sales generated via Danske Bank were already in 2025 higher than in previous years, and we expect to see further growth in the coming years.

Improved customer satisfaction
One of the new strategy's most important targets relates to business customer satisfaction, measured annually by Danish market research company Aalund. Danica made progress in 2025 and now ranks second in this area. The main factors driving the improvement were increased focus on advisory services and strong digital healthcare solutions.

New agreement with Pension for Selvstændige (PfS)
For more than 35 years, the self-employed segment has been a strong focus area for Danica. It is important to us to make a difference for the self-employed. This includes advising them and ensuring that they have the right pension schemes and adequate insurance covers if they suffer long-term illness as well as providing the best healthcare solutions to reduce their sickness absence.

Therefore, we were pleased to announce a new five-year agreement with our partner Pension for Selvstændige in 2025, ensuring that Danica will continue to provide advisory services and pension and healthcare solutions to this group of 42,000 self-employed customers.

Positive financial market trends
2025 was a turbulent year marked by major financial market fluctuations. The US announcement of global tariffs in April led to steep equity market losses and a weakening of the US dollar. The markets nevertheless recovered, supported by lower short-term interest rates, continued global growth and advances in artificial intelligence. While the largest US companies delivered solid returns, Danish equities and small enterprises had a challenging year, mainly due to uncertain trade conditions.

Investment return
A typical customer profile with 20 years to retirement and a medium risk profile received a return of 6.3% in 2025. Following an exceptionally strong investment return in 2024, both in absolute and relative terms, 2025 was marked by the major financial market fluctuations and significant negative returns for a period in spring as a result of a significant weakening of the US dollar, among other things. At the same time, the global tariff war meant that Danish companies dependent on exports were affected by lower earnings prospects. On the plus side, real estate investments yielded positive returns, ensuring ongoing balance in the portfolio. And a more stable end to the year and improving financial market trends produced a positive overall return for the year.

Modernisation of Danica Balance
In 2025, Danica announced that customers with a Danica Balance scheme will have their risk profiles updated in 2026. This means that the gradual reduction of investment risk over the lifecycle of the pension scheme will be changed. For the investment of a typical Danica Balance customer's savings, this will mean a higher level of investment risk with a greater allocation to equities in particular, as Danica expects this to yield a higher return over time. The change will be phased in gradually during 2026, starting in April.

At the same time, it was announced that Danica will cease to offer products with guarantees, as this is not expected be beneficial in terms of returns in the future.

Popular healthcare solutions
The use of the Health Package increased by over 20% in 2025, which means that more Danica customers are getting help through early action. For example, more customers are using the online access to doctors, psychologists and family counselling as well as our latest addition, coaching. The total number of consultations via the Health Package in the past year exceeded 50,000, which contributed to Danica's efforts to prevent serious injuries.

The Health Package is so popular that we have decided to make it a permanent part of Danica's overall portfolio of healthcare solutions.

Health and accident business
We have noted an improvement in the treatment and prevention of long-term illness and injury driven by an intensified focus on healthcare solutions and improved digital solutions. Moreover, the claims trend has been reversed so that fewer claims are reported, and prices have been adjusted. The health and accident business nevertheless reported another loss for 2025, primarily due to an adjustment of models and parameters. It is not satisfactory that Danica has failed to achieve break-even in the health and accident business despite regular price adjustments and high-quality healthcare solutions, but we expect that initiatives we have already launched to address the loss will have further positive effects going forward.

Fewer cases before the Insurance Complaints Board
Through systematic and targeted efforts, we have succeeded in reducing the number of cases brought before the Insurance Complaints Board. We have taken over the processing of most of the cases from external partners in order to be more involved in the cases and improve our communication and alignment of expectations with customers.

Technical provisions strengthened
The Danish Financial Supervisory Authority (the Danish FSA) has for some time focused on Danish pension companies' health and accident businesses and in that connection carried out a functional inspection at Danica, among others. Following the inspection, Danica was ordered in September 2025 to prepare a report and a plan for the health and accident business, to validate the actuarial and statistical methods applied, and to validate whether the model assumptions, including the use of expert assessments in the calculation of technical provisions, were realistic.

A thorough analysis of the underlying data used subsequently revealed material data misinterpretations in the calculation of technical provisions. As a result, Danica has adjusted the technical provisions in the opening balance sheet by DKK 1,510 million.

The result of the health and accident business for 2025 was a loss of DKK 866 million net of the investment result. Over 50% of the loss was attributable to the update of actuarial model assumptions, including the decision not to use expert assessments.

We assess that the adjustments made as a result of the Danish FSA's inspection ensure a sustainable plan for the health and accident business and the use of realistic model assumptions in the calculation of technical provisions.

The Danish FSA issued three orders in connection with its functional inspection at Danica, and we expect all orders to be closed during 2026.

Orders regarding alternative investments
In February 2025, the Danish FSA conducted a functional inspection at Danica regarding the ongoing valuation of alternative investments. The inspection resulted in four orders, all of which concerned administrative issues that have no bearing on the financial statements. All four orders were closed during 2025.

Repayment of subordinated loan
In September 2025, we repaid a subordinated loan of EUR 500 million, which, seen in isolation, reduced the solvency coverage ratio by 24 percentage points. Danica's solvency coverage ratio at 31 December 2025 was 197%, and we thus still maintain robust excess solvency. Following the repayment of the subordinated loan, Danica is no longer an issuer of securities admitted to trading on a regulated market (listed).

SUSTAINABILITY AT DANICA

Danica's 2019 sustainability strategy ended in 2025. Some initiatives and targets were concluded, whereas others are continuing under Danica's new Sustainability Strategy 2026-2030 alongside new targets.

For the financial year 2024, Danica was subject to the reporting obligation set by the Corporate Sustainability Reporting Directive (CSRD). From 2025 onwards, however, Danica is exempted from this obligation in accordance with section 144a(8) of the

Danish Executive Order on Financial Reporting for Insurance Companies and Multi-Employer Occupational Pension Funds and is instead included in the Danske Bank Group's consolidated CSRD reporting, which comprises both Danica's statutory CSR reporting pursuant to section 144 a(2-7), cf. section 144a(8), of the Executive Order, as well as Danica's reporting under the EU Taxonomy Regulation. The Danske Bank Group's consolidated CSRD reporting, including reporting under the EU Taxonomy Regulation, forms part of Danske Bank's Annual Report 2025 and is available at the Danske Bank website. Danica's statutory reporting under the Sustainable Finance Disclosure Regulation (SFDR) is available at the Danica website.

As a supplement to the above reporting, we produce the publication Danica Sustainability Statement, which further details the information set out below. The Statement will be published on Danica's website in mid-February 2025.

Investment in the green transition
It is our ambition to invest DKK 100 billion in the green transition by 2030. This ambition covers investments in equities, credit bonds, green bonds, alternative investments and real estate. At 31 December 2025, our investments in the green transition stood at DKK 66 billion, which represents an increase of DKK 9 billion since the end of 2024.

Sector decarbonisation targets
We previously set decarbonisation targets for equity and corporate bond investments in seven sectors of between 15% and 35% by 2025. Progress on reaching these targets was calculated at 31 March 2025. With achieved reductions of 57%, 19%, 34%, 20% and 37%, respectively, relative to 2019, our decarbonisation targets for the utilities, aviation, cement, shipping and steel sectors have been met. For the automotive sector and the energy sector, carbon emissions have been reduced by 16% and 6%, respectively. These positive results combined with our general focus on climate contributed towards a carbon reduction for Danica's equity and credit bond portfolio of just over 55% since 2020.

Climate targets for real estate investments
We have set reduction targets for the carbon intensity of Danica's Danish real estate portfolio of 37% by 2025 and 69% by 2030 relative to the 2019 level. With an achieved reduction of 40%, we have met our 2025 target.

Responsible investments
Through our active ownership activities, we seek to gain greater insight into the climate plans of the companies we invest in, and climate-related issues were the topics most often discussed in 2025. We had a target of engaging with 30 of the companies with the largest carbon emissions in our investment portfolio by 2025, and this target has been met.

See our active ownership reports here.

Restrictions
In 2025, we introduced stricter requirements for fossil fuel companies. Consequently, some 1,700 companies have been excluded from our investment portfolio, and we will in future only invest in companies with credible net-zero transition plans in place or underway.

In 2025, we adjusted Danica's defence investment limits in response to the geopolitical situation. Some 30 investee companies were removed from the exclusion list, although restrictions remain in place with respect to cluster munitions, mines, biological and chemical weapons and nuclear weapons.

See excluded investments here.

Pension solution focusing on sustainable investments
Our Danica Balance Responsible Choice solution gives customers the option to invest their pension savings with a special focus on the UN Sustainable Development Goals. In this investment solution, a minimum of 75% of investment are sustainable. At 31 December 2025, our customers had invested DKK 7.5 billion in Danica Balance Responsible Choice, representing a 17% increase relative to 31 December 2024. The adjusted limits regarding defence industry investments do not apply to Danica Balance Responsible Choice.

Reducing our own carbon emissions
At Danica, we have set a target of reducing scope 1 and 2 (market-based) and scope 3 CO_2e emissions from our own operations by at least 50% by 2030 relative to 2019 levels. At 31 December 2025, we had surpassed this target, having reduced our emissions by 53%.

The reductions were in part achieved through Danica's relocation to more energy efficient headquarters. Emissions from business travel by air decreased 50% from 163 tCO2e in 2024 to 81 tCO2e in 2025. We also continued to replace fossil-fuelled company cars with electric vehicles. Moreover, we compensate for 100% of our scope 1 and 2 CO2e emissions.

Nature and biodiversity
Our target of engaging with 30 investee companies on biodiversity-related topics between 2022 and 2025 has been met. We also maintained biodiversity exclusions against companies that use materials from endangered species in products or are involved in the deforestation of the Amazon rain forest, for example.

See excluded investments here.

Danica Ejendomme is engaged in creating well-being and health benefits for the residents of the properties in its investment portfolio through nature-enhancing projects. The target is to launch three to five projects annually, and in 2025 we completed three projects.

Financial security – 2025 target reached
At Danica, we previously set the ambition of enhancing the financial security of at least 500,000 personal and business customers in the period from 2019 to 2025, and we have met the target, having advised 607,900 individuals and companies at 31 December 2025.

We adhere to the data security guidelines of Insurance and Pension Denmark (F&P), which are based on the three guiding principles of Transparency, Personalisation and Prevention. We also take a proactive approach to data ethics and collaborate with F&P in its efforts to systematise data ethics across the F&P organisation. We collaborate and share knowledge about data security with industry peers through our participation in F&P's cyber and information security working group. Danica is compliant in relation to customers. All relevant information is displayed in the relevant customer flows and is easily accessible. For our statutory reporting, we refer to Danske Bank's Annual Report for 2025, cf. section 146(4) of the Danish Executive Order on Financial Reporting, which is available at Investor Relations | Danske Bank.

A healthier lifestyle – 2025 target met
The target we set was to help at least 400,000 personal and business customers improve their health from 2019 to 2025 by offering health insurance, cover for loss of earning capacity, cover for critical illness and health packages. As of 31 December 2025, we have helped 537,528 individuals and companies in this respect.

Additionally, Danica is the founder of Forebyggelsesalliancen For Fremtidens Sundhedsvæsen ('the prevention alliance for the public health service of the future'), which works to promote health initiatives in Denmark by means of setting binding targets. In 2025, the alliance focused on municipal prevention plans and presented proposals on how local councils can improve public health.

Volunteering
Danica employees have the opportunity to undertake volunteer work during working hours three days a year. In 2025, 447 employees took part in this corporate volunteering programme, volunteering for organisations such as the Danish Red Cross, the Child Accident Prevention Foundation and Animal Protection Denmark.

Sustainability strategy for the period to 2030
We have embarked on a new sustainability strategy for the period 2026-2030 that focuses on delivering responsible, attractive returns to our customers and providing access to relevant healthcare solutions and pension advice. At the same time, we will continue to pursue our ambition of making a positive societal impact.

The new strategy comprises themes and related targets within the areas of financial security, health, human rights, growth and security, and climate and nature. Further information is provided in our Danica Sustainability Statement, which is available on our website.

FINANCIAL REVIEW – DANICA GROUP

Profit for the year, etc.

Profit for the year

For 2025, the Danica Group realised a profit before tax and special items of DKK 1,357 million, against a profit of DKK 1,334 million for 2024. After tax and special items, the profit for 2025 amounted to DKK 1,112 million, against a profit of DKK 1,280 million in 2024.

DANICA GROUP, INCOME STATEMENT		
(DKK millions)	2025	2024
Insurance service result	-175	261
Investment result	1,482	1,033
Other income and expenses	50	40
Profit before tax and special items	1,357	1,334
Tax	-245	-108
Discontinued operations	-	54
Profit for the year	1,112	1,280

The overall profit for 2025 is satisfactory, but at the lower end of the profit guidance in the annual report for 2024. The insurance service result for 2025 was affected by a DKK 220 million increase in technical provisions relating to insurance products in run-off. Furthermore, the health and accident result did not improve as much as anticipated, in part due to an adjustment of the data and parameters applied in the calculation of technical provisions, including the effects of the Danish FSA's functional inspection, in total reducing profit for the year by approx. DKK 200 million.

The positive financial market performance in 2025 meant that the investment result was better than expected.

INSURANCE SERVICE RESULT PER PRODUCT		
(DKK millions)	2025	2024
Average rate products	700	880
Unit-linked products	288	581
Health and accident insurance	-866	-1,194
Other[1)]	-297	-6
Total insurance service result	-175	261

[1)] Primarily portfolio of life insurance products in run-off where Danica holds the risk

The insurance service result for average rate products (conventional policies) was reduced due to the ongoing run-off of conventional policies. The full risk allowance was recognised in all interest rate groups.

The insurance service result for unit-linked products was affected by increased customer discounts to partially offset the impact on customers of rising health and accident insurance premiums.

As mentioned above, the insurance service result of the health and accident business improved relative to the year earlier, although not as much as anticipated. The positive performance was due to underlying operational improvements, including higher premium income.

As previously mentioned, the insurance service result for the category Other was affected by the DKK 220 million strengthening of technical provisions relating to insurance products in run-off where Danica holds the risk.

The investment result amounted to DKK 1,482 million in 2025, against DKK 1,033 million in 2024.

INVESTMENT RESULT, SPECIFICATION[2)]		
(DKK millions)	2025	2024
Income from asset management	791	777
Expenses for capital management	-178	-180
Investment result, life insurance[1)]	321	132
Investment result, health and accident insurance	159	-223
Investment result attributed to shareholders' equity	389	527
Total investment result	1,482	1,033

[1)] Primarily portfolio of life insurance products where Danica holds the risk

[2)] The table presentation and data have changed compared with the annual report for 2023

The investment result primarily consists of income and expenses from the management of investment assets relating to life insurance products and shareholders' equity and the investment result of health and accident insurance and life insurance products where Danica holds the risk.

The investment result of life insurance products and shareholders' equity was affected by the positive financial market trends in 2025, despite major volatility during the year. We generated positive returns on the portfolios where Danica holds the risk, mainly driven by interest income and positive returns on high-risk assets.

The investment result of the health and accident business was affected by the positive financial market trends in 2025, but also by pension returns tax on negative risk and cost results in the health and accident business.

The income tax expense amounted to DKK 245 million in 2025, against an expense of DKK 108 million in 2024. Income tax for 2025 was positively affected by an adjustment of prior-year tax charges.

The calculation of special allotments for 2025 will be finalised in Q1 2026

Comments on the balance sheet

The Group's total assets grew from DKK 595.7 billion at 31 December 2024 to DKK 607.1 billion at 31 December 2025.

DANICA GROUP, BALANCE SHEET (DKK millions)	31 December 2025	31 December 2024
ASSETS:		
Cash and cash equivalents	1,391	1,379
Investment assets	559,657	547,240
Receivables[1)]	825	1,039
Investments in associates	11,776	11,967
Investment property	27,079	25,365
Intangible assets	420	492
Other assets[2)]	5,927	8,245
TOTAL ASSETS	607,075	595,727
LIABILITIES AND EQUITY:		
Due to credit institutions	1,847	12,852
Derivatives with negative fair values	63,845	62,479
Provisions for investment contracts	28,573	26,800
Provisions for insurance contracts	482,821	457,737
Other debtors[2)]	10,542	12,785
Subordinated debt	-	3,688
Shareholders' equity	19,447	19,386
TOTAL LIABILITIES AND EQUITY	607,075	595,727

1. Including current tax assets and receivables in connection with reinsurance
2. Including any deferred tax assets or liabilities and payables in connection with reinsurance

The increase in investment assets was due to the positive financial market performance in 2025.

In 2025, intangible assets comprised the value of customer relationships taken over in the amount of DKK 322 million and capitalised IT development costs amounting to DKK 98 million. No evidence of impairment of customer relationships was identified in 2025. Intangible assets relating to customer relationships are amortised over a period of ten years, corresponding to the run-off of the customer relationships.

Derivatives with negative values rose from DKK 62.5 billion at 31 December 2024 to DKK 63.8 billion at 31 December 2025. Derivatives are primarily used to hedge risks on technical provisions.

Provisions for investment contracts totalled DKK 28.6 billion at 31 December 2025, against DKK 26.8 billion at 31 December 2024. The increase was mainly driven by the positive financial market trends, which boosted the value of our customers' pension savings.

The increase in provisions for insurance contracts was mainly attributable to an increase in provisions for unit-linked products as a result of the positive financial market trends in 2025. Provisions for average-rate products were reduced during the year, primarily because of the run-off of such policies, as expected.

The contractual service margin (CSM), which is a component of provisions for insurance contracts, amounted to DKK 17.0 billion at 31 December 2025, against DKK 16.5 billion at 31 December 2024. Expected future earnings from insurance contracts entered into were thus on a par with the previous year.

Shareholders' equity stood at DKK 19.4 billion at 31 December 2025, against DKK 19.4 billion at 31 December 2024.

Based on the profit for the year, the Board of Directors recommends a capital distribution in the amount of DKK 1.2 billion for 2025.

Special matters

Prior-year adjustment

As a consequence of the above-mentioned data misinterpretations in the calculation of technical provisions for health and accident insurance contracts, we adjusted comparative figures for prior years. As a result of the adjustment, technical provisions for health and accident insurance contracts for 2024 were increased by DKK 1,510 million. Adjusted for tax effects amounting to DKK 393 million, this meant that shareholders' equity was reduced by DKK 1,117 million.

The prior-year adjustment is further described in note 1 to the financial statements.

Additional pension returns tax on health and accident business

As previously stated, the Danish tax authorities has made claims against Danica for additional pension returns tax on the health and accident business. The claims cover the period from 2012, during which period the tax authorities are of the opinion that negative risk and cost results in the health and accident business are subject to pension returns tax. In our assessment, negative health and accident results are not subject to tax on pension returns.

We have recognised a total provision of DKK 1,274 million, including interest, for potential additional pension returns tax for the years 2017-2025.

The Danish tax authorities have made a further claim against Danica for DKK 440 million, including interest, in additional pension returns tax for the years 2012-2016. This amount has not been recognised as a provision, but as a receivable, as – in addition to disputing the tax authorities' decision that negative results for the health and accident business are subject to pension returns tax – we believe the claims for 2012 to 2016 to be time-barred.

We appealed each of the tax authorities' decisions to the National Tax Tribunal, but the decisions were upheld in March 2025. In June 2025, we appealed the decisions to the courts of law. It is still our position that negative results for the health and accident business are not subject to tax on pension returns.

Other financial information

Gross premiums

PREMIUMS (INCLUDING INVESTMENT CONTRACTS)					
(DKK billions)	2025	2024	2023	2022	2021
Life Insurance	50.6	41.6	36.9	33.6	35.3
Health and accident insurance	2.7	2.0	1.7	1.5	1.5
Total premiums	53.3	43.6	38.6	35.1	36.8

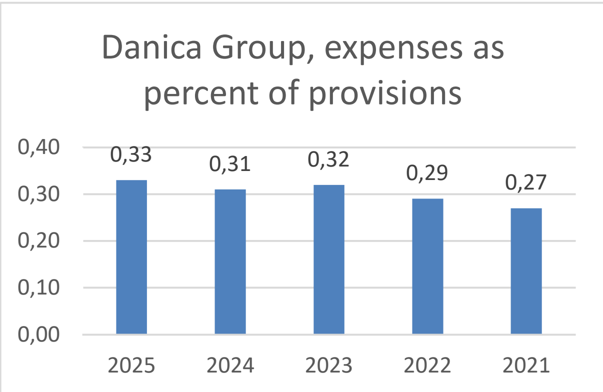
Gross premiums were up 22.0% from DKK 43.6 billion in 2024 to DKK 53.3 billion in 2025. The increase was attributable to growth in both regular and single premiums.

Claims and benefits

Claims and benefits amounted to DKK 42.4 billion in 2025 against DKK 37.2 billion in 2024. Surrenders including investment contracts amounted to DKK 28.6 billion in 2025, against DKK 23.3 billion in 2024.

Expenses

In the life insurance business, insurance operating expenses amounted to DKK 1,585 million in 2025, against DKK 1,396 million in 2024.



Expenses in per cent of provisions increased by 0.02 of a percentage point compared with 2024. The increase in insurance operating expenses was mainly due to the hiring of more employees in customer-facing functions.

The average number of full-time employees in the Group was 968 in 2025, against 917 in 2024. At 31 December 2025, there were 984 employees.

Danica paid DKK 553 million to the Danske Bank for investment management, IT operations and development and other administrative services. In addition, Danica paid DKK 246 million to the Danske Bank Group for its sale of life insurance policies (see note 22 to the financial statements).

Return on Danica Balance products

The table below shows returns on the unit-linked products Danica Balance and Danica Balance Responsible Choice broken down by risk profile and number of years to retirement:

2025 return before tax (%) Risk	30 years to retirement	20 years to retirement	5 years to retirement
Danica Balance			
High risk profile	7.6	7.6	5.6
Medium risk profile	7.2	6.3	4.5
Low risk profile	6.6	5.0	3.6
Danica Balance Responsible Choice			
High risk profile	9.3	9.3	6.7
Medium risk profile	8.8	7.6	5.5
Low risk profile	8.0	6.0	4.3

The financial market performance in 2025 generated positive returns across all risk profiles.

Return on customer funds (conventional policies)

The return on investment of customer funds amounted to 1.6% in 2025, against 3.3% in 2024. Adjusted for changes in provisions, the return was 4.6% in 2025, against 2.8% in 2024.

DISTRIBUTION BY INTEREST RATE GROUP AT 31/12/2025 (%)	Interest on policyholders' savings before pension returns tax (p.a.)	Investment return before pension returns tax
Interest rate group D1	0.0	2.3
Interest rate group D2	2.0	0.7
Interest rate group D3	4.0	1.5
Interest rate group D4	6.0	0.8
Interest rate group 1	3.0	3.6
Interest rate group 2	4.0	3.8
Interest rate group 3	5.0	3.7
Interest rate group 4	10.0	4.0

At 1 January 2026, the interest rates on policyholders' savings in interest rate groups D3 and D4 were raised to 5.0% and 8.0%, respectively. In interest rate groups 2, 3 and 4, interest rates were raised to 5.0%, 6.0% and 12.0%, respectively. In the other interest rate groups, the interest rate on policyholders' savings remained unchanged.

Solvency statement and capital requirements

At 31 December 2025, the Danica Group's solvency coverage ratio was 197%, against 193% at 31 December 2024. The Danica Group still maintains robust excess solvency.

DANICA, SOLVENCY		
(DKK millions)	2025	2024
Total capital	29,377	31,910
Solvency capital requirement (SCR)	14,905	16,512
Excess capital base	14,472	15,398

The change in the solvency coverage ratio was mainly due to reductions of both total capital and the solvency capital requirement during the year. The reduced total capital was primarily due to the repayment of subordinated debt, whereas the reduced solvency capital requirement was primarily attributable to an adjusted calculation of solvency risk related to health and accident insurance contracts as well as the increasing loss-absorbing capacity of provisions.

Danica publishes an annual solvency and financial condition report as a supplement to the annual report. The report, which is mandatory under Solvency II, gives a detailed account of Danica's solvency and financial condition. The report is available on Danica's website (Årsrapporter (danicapension.dk).

As part of the ongoing capital management and optimisation, the Danica Group regularly reassesses capital structure and funding in consultation with our parent company, Danske Bank.

Investment return
Unit-linked products generated an aggregate return of DKK 23.0 billion in 2025, equivalent to 6.3% before tax on pension returns. Returns were affected by positive returns on high-risk assets.

Assets attributed to shareholders' equity are mainly invested in relatively short-term bonds. The return on assets attributed to shareholders' equity was 2.2%.

Events after the balance sheet date
No events have occurred between 31 December 2025 and the date of the signing of the annual report that, in the opinion of the Management, will materially affect Danica's financial position.

Outlook for 2026
For the full-year 2026, Danica expects an increase in the insurance service result compared with 2025, as the insurance service result of the health and accident business is expected to improve following the initiatives and measures we have already implemented. The investment result will be affected by financial market trends but is expected to contribute favourably to the full-year profit for 2026.

FINANCIAL REVIEW – DANICA (Parent)

Accounting policy differences between the Danica Group and Danica (Parent)
The Danica Group presents its financial statements in accordance with the International Financial Reporting Standards (IFRS), while Danica (Parent) presents its financial statements in accordance with the Danish Executive Order on Financial Reporting for Insurance Companies and Multi-Employer Occupational Pension Funds.

Because of the differences between the consolidated financial statements and the parent company financial statements, a financial review for the parent company has been added to the management report. Significant accounting matters and the profit for the period and changes in balance sheet items for Danica (Parent) are described in this section. The financial review for Danica (Parent) should be read in conjunction with the financial review for the Danica Group.

Like the consolidated financial statements, Danica's parent company financial statements were affected by a prior-year adjustment, as described in the financial review for the Group. The adjustment is further described in note 1 to the parent company financial statements.

Profit for the year for Danica (Parent)
For 2025, Danica reported a profit before tax of DKK 1,515 million, against DKK 1,079 million in 2024. The profit after tax for 2025 amounted to DKK 1,229 million, against DKK 1,051 million for 2024.

DANICA (PARENT), PROFIT (DKK millions)	2025	2024
Insurance service result, life insurance	1,170	1,278
Insurance service result, health and accident insurance	-707	-1,417
Result of insurance business	463	-139
Return on investment allocated to shareholders' equity, etc.[1)]	1,052	1,218
Profit before tax	1,515	1,079
Tax	-286	-28
Profit for the period	1,229	1,051

1) Including other income

The insurance service result for life insurance amounted to DKK 1,170 million in 2025, against DKK 1,278 million in 2024. The result was affected by the financial market performance in 2025, resulting in increased income from the administration and management of life insurance products and an improved investment result on life insurance products where Danica holds the risk.

The 2025 insurance service result for life insurance was also affected by the correction of a past failure to calculate interest on balances between products, which lifted profit/loss and shareholders' equity by DKK 160 million. However, the 2024 insurance service result for life insurance was affected by a DKK 300 million strengthening of technical provisions relating to insurance products in run-off where Danica holds the risk.

The full risk allowance was recognised in all interest rate groups.

The insurance service result of the health and accident business for 2025 was a loss of DKK 707 million, against a loss of DKK 1,417 million in 2024. The risk and cost results of the health and accident business amounted to a loss of DKK 866 million for 2025, against a loss of DKK 1,194 million in 2024.

The return on investment allocated to shareholders' equity, etc. was affected by the positive financial market trends in 2025.

Comments on the balance sheet, Danica (Parent)
Danica's total assets grew from DKK 597.4 billion at 31 December 2024 to DKK 609.3 billion at 31 December 2025.

DANICA (PARENT), BALANCE SHEET (DKK millions)	2025	2024
ASSETS:		
Intangible assets	420	492
Investment assets[1]	599,131	585,823
Receivables	3,155	2,221
Other assets	2,034	2,476
Prepayments and accrued income	4,551	6,387
TOTAL ASSETS	609,291	597,399
LIABILITIES AND EQUITY:		
Technical provisions	511,917	485,296
Other liabilities[2]	77,878	92,785
Shareholders' equity	19,496	19,318
TOTAL LIABILITIES AND EQUITY	609,291	597,399

1) Including investment assets related to unit-linked products

2) Other liabilities than technical provisions

Investment assets, including investment assets related to unit-linked products, rose from DKK 585.8 billion at 31 December 2024 to DKK 599.1 billion at 31 December 2025. The value of derivatives with positive fair values increased from DKK 54.1 billion at 31 December 2024 to DKK 61.5 billion at 31 December 2025. The net fair value of derivatives was negative at DKK 2.3 billion at 31 December 2025, against a negative value of DKK 8.3 billion at 31 December 2024.

Danica repaid its subordinated loan capital at 29 September 2025.

Provisions for insurance and investment contracts totalled DKK 511.9 billion, against DKK 485.3 billion at 31 December 2024. The development covered a reduction in provisions for average-rate products and an increase in provisions for unit-linked products.

Life insurance provisions related to average-rate products decreased by DKK 9.8 billion to DKK 110.0 billion. This change was mainly driven by the run-off of average-rate policies, as expected.

Life insurance provisions related to unit-linked products rose from DKK 330.4 billion at 31 December 2024 to DKK 366.8 billion at 31 December 2025. The increase was primarily due to the positive financial market trends in 2025.

Other liabilities include derivative financial instruments with negative fair values. Derivative financial instruments with negative fair values amounted to DKK 63.8 billion at 31 December 2025, against DKK 62.5 billion at 31 December 2024.

ORGANISATION AND MANAGEMENT

Danica is a wholly-owned subsidiary of Danske Bank A/S and handles the Danske Bank Group's activities within pension savings and life insurance for companies, organisations and private individuals.

Board of Directors, Audit Committee, Risk Committee and Executive Board
At 31 December 2025, Danica's Board of Directors consisted of nine members: five elected by the general meeting, three elected by the employees and one appointed by the Danish Minister for Finance. The board members elected by the general meeting are up for election every year, and board members elected by the employees are elected for a period of four years, as prescribed by the applicable legislation. The Board of Directors is in charge of Danica's overall management and held seven ordinary meetings and one extraordinary meeting in 2025.

The Board of Directors has set up an Audit Committee to prepare the work of the Board of Directors on financial reporting and auditing matters which either the Board of Directors, the Committee itself, the external auditors or the head of Internal Audit intends to review further. The Committee works on the basis of clearly defined terms of reference. The Committee has no independent decision-making powers but reports to the Board of Directors as a whole. The Audit Committee held seven meetings in 2025 and reported regularly to the Board of Directors.

The Board of Directors has also set up a Risk Committee. The general objective of the Risk Committee is to advise the Board of Directors on Danica's risks and internal control system and to oversee the adequacy and effectiveness of Danica's risk structure. The Risk Committee held eight meetings in 2025 and reported regularly to the Board of Directors.

On 28 February 2025, Terese Dissing joined the Board of Directors and Christoffer Kanstrup was appointed as Vice Chairman. At the same date, Christoffer Møllenbach resigned from the Board and joined Danica's Executive Board as CFO, replacing Thomas Dyhrberg Nielsen.

The directorships of the members of the Board of Directors and the Executive Board are listed on page 78. For additional information on the organisation, see page 77.

Remuneration policy and incentive schemes
Danica's remuneration policy fits in with that of the Danske Bank Group and encompasses all employees of the Danica Group. The policy was adopted at the Danica Group's annual general meetings and is available at www.danica.dk.

The Danica Group's remuneration practice reflects our goals of maintaining a well-regulated governance process and creating value for Danica's shareholders and customers, both in the short term and the long term.

The Executive Board and senior managers are covered by the incentive scheme offered by the Danske Bank Group, comprising a cash bonus and conditional shares. Incentive payments reflect the employees' performance/individual targets and also depend on the financial results of Danica and the business areas and other measures of value creation in a given financial year.

Other employees may be awarded a payout from the Group's employee bonus pool based on an individual rating of their performance and conduct.

The remuneration structure is governed by a number of rules on remuneration of the Board of Directors, the Executive Board and other employees whose professional activities could have a material impact on the Group's risk profile (risk takers). Danica follows Danske Bank's processes in this respect.

The amount of performance-based remuneration is capped, and part of the performance-based remuneration is deferred, and employees may lose part or all of their deferred remuneration, depending on future performance.

Management and wellbeing
Competent leadership and strong employee commitment are key to Danica's business performance. Danica focuses purposefully on management development and requires all managers to motivate, inspire and develop their employees.

Management and employee development is an important part of Danica's strategy and an area that we will focus on as part of our strategy work in the coming three years. In 2025, Danica made change management a particular focus area, as many changes are taking place, and driving change has become an important part of a manager's job.

At Danica, we want to continue to develop our culture and maintain a high level of employee well-being and mental security while changes are implemented.

Skill building and employee satisfaction are key to Danica's value proposition and our ability to attract and retain talented, skilled employees. The two employee surveys conducted during the year showed a very high level of wellbeing and employee satisfaction among our employees. The surveys indicated that many employees enjoy having the option of working from home one to two days a week in the new flexible workplace. In 2025, Danica strengthened the focus on building the AI skills of all employees, and this focus continues in 2026 with the integration of AI tools in the daily work.

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Financial highlights - Danica Group

DKKm	2025	2024*	2023*	2022	2021**
PREMIUMS INCLUDING INVESTMENT CONTRACTS	53,263	43,643	38,647	35,138	36,823
INCOME STATEMENT					
Insurance service result	-175	261	130	1,572	
Investment result	1,482	1,033	615	-1,740	
Other income and expenses	50	40	28	30	
Profit/loss before tax	1,357	1,334	773	-138	2,078
Tax	-245	-108	-56	-18	-424
Goodwill impairment	-	-	-	-1,627	-
Profit after tax from discontinued operations	-	54	50	412	76
Net profit for the year	1,112	1,280	767	-1,371	1,730
BALANCE SHEET					
Total assets	607,075	595,334	541,667	539,554	678,900
Total provisions for insurance and investment contracts	511,394	484,537	439,176	403,255	469,472
Total shareholders' equity	19,447	19,386	19,884	19,117	24,122
RATIOS (%)					
Return on equity after tax	5.7	6.6	3.9	-6.5	7.4

*Comparative figures have been adjusted as described in note 1.
**Comparative figures for 2021 are messured in accordance with IFRS 4

Income statement & Other comprehensive income - Danica Group

Note	DKKm	2025	2024
3	Insurance revenue	6,210	5,869
4	Insurance service expenses	-6,366	-5,592
	Net result from reinsurance contracts	-19	-16
	Insurance service result	-175	261
5	Return on investment	22,488	44,001
	Net finance expenses from insurance contracts	-19,574	-39,884
	Net change in investment contracts liabilities	-1,432	-3,084
6	Investment result	1,482	1,033
7	Other income and expenses	50	40
	PROFIT BEFORE TAX	1,357	1,334
8	Tax	-245	-108
	NET PROFIT FOR THE YEAR, BEFORE DISCONTINUED OPERATIONS	1,112	1,226
9	Profit after tax from discontinued operations	-	54
	NET PROFIT FOR THE YEAR	1,112	1,280

Net profit for the year	1,112	1,280
Total other comprehensive income	-	-
NET COMPREHENSIVE INCOME FOR THE YEAR	1,112	1,280

Balance sheet - Danica Group

Assets

Note	DKKm	2025	2024
	Cash and cash equivalents	1,391	1,379
11	Investment assets	559,657	547,240
	Receivables	825	1,039
	Current tax assets	1,170	1,261
	Reinsurance contract assets	206	204
12	Holdings in associates and joint ventures	11,776	11,967
13	Investment property	27,079	25,365
14	Intangible assets	420	492
15	Other assets	4,551	6,387
	TOTAL ASSETS	607,075	595,334

Liabilities and equity

Note	DKKm	2025	2024*
	LIABILITIES		
16	Amounts owed to credit institutions	1,847	12,852
	Derivative liabilities	63,845	62,479
17	Investment contract liabilities	28,573	26,800
18	Insurance contract liabilities	482,821	457,737
	Reinsurance contract liabilities	10	2
	Deferred tax	417	133
19	Other provisions	10,115	12,257
20	Subordinated debt	-	3,688
	TOTAL CREDITORS	587,628	575,948
	SHAREHOLDERS' EQUITY		
	Share capital	1,101	1,101
	Revaluation reserve	1	1
	Contingency fund	1,882	1,882
	Retained earnings	15,263	15,351
	Proposed dividend	1,200	1,051
	TOTAL SHAREHOLDERS' EQUITY	19,447	19,386
	TOTAL LIABILITIES AND EQUITY	607,075	595,334

Statement of capital - Danica Group

DKKm

Changes in shareholders' equity	Share capital	Revalu-ation reserve	Other reserves	Retained earnings	Proposed dividend	Total
Shareholders' equity at 31 December 2024	1,101	1	1,882	15,351	1,051	19,386
Profit for the year	-	-	-	1,112	-	1,112
Total other comprehensive income	-	-	-	-	-	
Comprehensive income for the year	-	-	-	1,112	-	1,112
Dividend paid	-	-	-	-	-1,051	-1,051
Proposed dividend	-	-	-	-1,200	1,200	0
Shareholders' equity at 31 December 2025	1,101	1	1,882	15,263	1,200	19,447
Shareholders' equity at 31 December 2023	1,101	1	1,882	16,239	1,141	20,364
Adjustment regarding previous years 1 January 2024*	-	-		-1,117	-	-1,117
Adjusted shareholders' equity at 1 January 2024	1,101	1	1,882	15,122	1,141	19,247
Profit for the year	-	-	-	1,280	-	1,280
Total other comprehensive income	-	-	-	-	-	
Comprehensive income for the year	-	-	-	1,280	-	1,280
Dividend paid	-	-	-		-1,141	-1,141
Proposed dividend	-	-		-1,051	1,051	0
Shareholders' equity at 31 December 2024	1,101	1	1,882	15,351	1,051	19,386

*Comparative figures have been adjusted as described in note 1.

Danica has an obligation to allocate part of the excess equity to certain policyholders of the former Statsanstalten for Livsforsikring (now a part of Danica) if the percentage by which the equity exceeds the calculated capital requirement is higher than the percentage that had been maintained by Statsanstalten for Livsforsikring prior to the privatisation of this company in 1990. This comprises any excess either added to shareholders' equity or distributed as dividend, but it does not comprise shareholders' equity paid in after the privatisation.

The share capital is made up of 11,010,000 shares of a nominal value of DKK 100 each. All shares carry the same rights; there is thus only one class of shares.

Cash flow statement - Danica Group

DKKm	2025	2024
Cash flow from operations		
Profit before tax	1,357	1,334
Adjustment for non-cash operating items		
Non-cash items	3,793	4,686
Tax paid	130	-1,887
Cash flow from operations	5,280	4,133
Cash flow from investing activities		
Acquisition of bonds	-12,914	-11,725
Sale of bonds	13,774	15,677
Cash flow from investing activities	860	3,952
Cash flow from financing activities		
Dividend	-1,051	-1,141
Redemption of subordinated capital	-3,732	
Amount owed to credit institutions	2,665	-1,239
Cash flow from financing activities	-2,118	-2,380
Cash and cash equivalents, beginning of year	15,590	9,885
Change in cash and cash equivalents	4,022	5,705
Cash and cash equivalents, end of year	19,612	15,590
Cash and cash equivalents, end of year		
Deposits with credit institutions	18,221	14,211
Cash in hand and demand deposits	1,391	1,379
Total	19,612	15,590

Notes – Danica Group

Note

1 **MATERIAL ACCOUNTING POLICY INFORMATION**

The Danica Group presents its consolidated financial statements in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) which have been adopted by the EU and with relevant interpretations issued by the IFRS Interpretations Committee.

As of 29 September 2025, Danica has redeemed its subordinated debt and is therefore no longer an issuer of listed bonds, cf. note 20 in the financial statements of the Danica Group.

ADJUSTMENT TO PRIOR YEARS' INSURANCE LIABILITIES
Following the Danish Financial Supervisory Authority's functional inspection of health and accident insurance, Danica identified significant misinterpretations of data used in connection with the calculation of insurance liabilities for health and accident insurance for 2024 and previous years. The misinterpretations have materially affected the insurance liabilities and changes thereto which were recognised in the income statement and the balance sheet in 2024 and previous years, respectively. Apart from a single matter relating to 2023, as mentioned below, Danica has only adjusted the opening balance for 2024, as it has not been practically feasible to adjust further back in time than 1 January 2024.

The income statement for 2024 has not been adjusted, as the impact on the net profit for 2024 is insignificant.

The adjustments have been recognised by restating each of the affected items in the financial statements for the prior periods as follows:

DKK million	31 December 2024	Correction	Adjusted 31 December 2024	1 January 2024	Correction	Adjusted 1 January 2024
BALANCE SHEET						
Assets (extract):						
Deferred tax assets				0	116	116
Current tax assets						
Total Assets				**541,667**	**116**	**541,783**
Liabilities and equity (extract):						
Deferred tax liabilities	526	-393	133	277	-277	0
Insurance liabilities	456,227	1,510	457,737	415,414	1,510	416,924
Total Liabilities	**574,831**	**1,117**	**576,341**	**521,303**	**1,233**	**522,536**
Retained earnings	16,468	-1,117	15,351	16,239	-1,117	15,122
Total Equity	**20,503**	**-1,117**	**19,386**	**20,364**	**-1,117**	**19,247**
Total Liabilities and Equity	**595,334**	**-**	**595,334**	**541,667**	**116**	**541,783**

As a result of the above adjustments, return on equity after tax for 2024 has increased from 6.4% to 6.6%.

In the Financial Highlights – Danica Group, the net profit for 2023 has been adjusted by a net amount of DKK 480 million. Insurance service result for 2023 has been reduced by DKK 649 million and tax for the year has been reduced by DKK 169 million. Return on equity for 2023 has decreased from 6.3% to 3.9%. This adjustment of the net profit for 2023 and the equity as of 31 December 2023 in Financial Highlights, is reflected in the adjustment of the balance sheet as of 1 January 2024 in the table above along with the adjustments that could not be adjusted further back in time. Thus, there is a difference between the adjustment of equity as of 31 December 2023 in the Financial Highlights of DKK 480 million and the adjustment of equity as of 1 January 2024 in the table above of DKK 1,117 million.

The adjustments have had no impact on other comprehensive income or cash flows for 2024 or prior years.

CHANGES IN ACCOUNTING POLICIES
As of 1 January 2025, the Danica Group has implemented the amendments to IAS 21 (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability).

The implementation of these amendments had no impact on the Danica Group's financial statements, and apart from the above implementation, the accounting policies applied remain unchanged compared to the 2024 Annual Report.

Note

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS
Management's estimates and judgments of future events that will significantly affect the carrying amounts of assets and liabilities underlie the preparation of the consolidated financial statements. The applied estimates are based on premises that management finds reasonable, but which are inherently uncertain and unpredictable.

The areas where estimates and judgments that are deemed to be most critical to the consolidated financial statements are:

- Measurement of liabilities under insurance contracts, including the yield curve, expectations regarding future mortality, disability frequency, reactivation, administrative costs, as well as frequencies for surrender and conversion to paid-up policies.
- Fair value measurement of derivative financial instruments where the market is not active, including adjustments to the latest quoted price, e.g. based on transactions in comparable instruments and other inputs.
- Fair value measurement of unlisted investments, including expected cash flows and other inputs used in the valuation.
- Fair value measurement of real property, including expected cash flows and the rate of return used for discounting cash flows.
- Intangible assets/Goodwill/Customer relationships

The estimates and judgements for the areas above are further described in the following sections for the areas in question.

IN GENERAL
Consolidation
The consolidated financial statements are prepared by consolidating items of the same nature and eliminating intragroup transactions and balances.

Undertakings acquired are included in the financial statements at the time of acquisition. If the cost of acquisition exceeds the fair value of the net assets acquired, the excess amount is recognised as goodwill.

Divested undertakings are included in the financial statements until the transfer date.

Intra-group mergers are carried out in accordance with the aggregation method.

For an overview of the companies in the Group, see page 76. The Group is not subject to any restrictions on its ability to access or use the assets or settle the liabilities of the Group.

Materiality
For the purpose of clarity, the financial statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other financial statement items.

Jointly controlled assets and operations
The Group is involved in joint operations with other pension companies. These joint operations are administrated by Forenede Gruppeliv. Income, expenses, assets and insurance liabilities, etc. are distributed between and recognised by the venturers according to their individual quota, which is determined based on the premiums written by the individual venturer during the year. With respect to jointly controlled assets and operations, a proportionate share (corresponding to pro rata consolidation) is recognised in the income statement and balance sheet.

Intragroup transactions
Transactions between companies in the Danske Bank Group are settled on an arm's-length basis and according to contractual agreement between the entities, unless the transactions are insignificant.

Translation of transactions in foreign currency
The presentation currency of the consolidated financial statements is Danish kroner, which is the functional currency of the Company. The functional currency of each of the Group's units is the currency of the country in which the unit is domiciled, as most income and expenses are settled in the local currency.

Transactions in foreign currency are translated at the exchange rate of the unit's functional currency at the transaction date. Gains and losses on exchange rate differences arising between the transaction date and the settlement date are recognised in the income statement.

Monetary assets and liabilities in foreign currency are translated at the exchange rates at the balance sheet date. Exchange rate adjustments of monetary assets and liabilities arising as a result of differences in the exchange rates at the transaction date and at the balance sheet date are recognised in the income statement.

Hedge accounting
The Group uses derivatives to hedge the interest rate risk on fixed-rate liabilities measured at amortised cost. Hedged risks that meet the criteria for fair value hedge accounting are treated accordingly. The interest rate risk on the hedged liabilities is measured at fair value as a value adjustment of the hedged items through profit or loss.

Note

INTANGIBLE ASSETS

Customer relationships

Customer relationships acquired in connection with business combinations are recognised as a separate identifiable intangible asset. The fair value of the customer relationships at the acquisition date represents the net present value of expected future earnings related to the existing customer base in the former SEB Pension and is calculated based on the estimated future profit margin in the acquired companies at the acquisition date. Customer relationships/contracts will be amortised over 10 years, which represents management's expectations of the period over which the majority of the future earnings on existing customer relationships/contracts will be earned. On objective evidence of impairment, the customer relationship is tested for impairment and, if impaired, written down to the estimated value of the future earnings. No evidence of impairment was identified in 2025.

Software

Acquired software is recognised at cost, including costs to prepare the asset for use. Acquired software is amortised on a straight-line basis over the expected useful life, usually three years.

Software developed in-house is capitalised if the development costs can be reliably measured and analyses indicate that the future income from the asset exceeds the development costs. These include preparation costs incurred. When the development of the software is completed, the software is amortised on a straight-line basis over the expected useful life, usually three years. Development costs primarily comprise directly attributable payroll costs and other directly attributable development costs.

Software is tested for impairment if there is an indication of impairment.

FINANCIAL INSTRUMENTS

In general

At initial recognition, financial instruments are classified as financial assets or liabilities at fair value through profit or loss, as these are managed on a fair value basis, among other things due to their relation to the insurance obligations.

Purchases and sales of financial instruments are measured at fair value at the settlement date, which usually equals cost. Fair value adjustments of unsettled financial instruments are recognised from the trading date to the settlement date.

For portfolios of assets and liabilities with offsetting market risks, managed on a fair value basis, the fair value measurement is based on mid-market prices.

Financial instruments denominated in the same currency that meet the criteria for offsetting and are cleared via the same clearing broker are presented net in the balance sheet as either an asset or a liability.

Fair value of financial instruments

The fair value is measured on the basis of quoted market prices of financial instruments traded in active markets. The fair value of such instruments is therefore based on the most recently observed market price at the balance sheet date.

If a financial instrument is quoted in a market that is not active, the measurement is based on the most recent transaction price. Adjustment is made for subsequent changes in market conditions, for instance by including transactions in similar financial instruments that are assumed to be motivated by normal business considerations. If no active market exists for standard and simple financial instruments such as interest rate and currency swaps and unlisted bonds, fair value is calculated on the basis of generally accepted valuation techniques and market-based parameters.

The fair value of more complex financial instruments, such as swaptions and other OTC products, is measured on the basis of valuation models which are typically based on valuation techniques generally accepted within the industry. The results of the calculations made on the basis of valuation techniques are often estimates, because exact values cannot be determined from market observations. Consequently, additional parameters, such as liquidity and counterparty risk, are sometimes used to measure fair value.

Unlisted shareholdings are measured on the basis of the most recent reporting, financial statements and other information received from the individual companies. Unlisted funds are measured on the basis of reports from the fund using IPEV Valuation Guidelines as a basis, after which the underlying investments are measured at fair value on the balance sheet date. A valuation model is used to adjust valuations relative to the most recent reporting in the event of major fluctuations in the financial markets.

HOLDINGS IN ASSOCIATES AND JOINT VENTURES

Associates are entities, other than group undertakings, in which the Group has holdings and significant but not controlling influence. The Group generally classifies entities as associates if the Company, directly or indirectly, holds 20-50% of the voting rights and has power to control management decisions. If the company, together with one or more external investors, has joint control over a company, it is a joint operation.

Holdings in associates are recognised at cost at the date of acquisition and are subsequently measured according to the equity method. The proportionate shares of the shareholders' equity of the entity with the addition of goodwill on consolidation are recognised in the item Holdings in associates and the proportionate share of the net profit or loss of the individual entity is recognised in Income from associates. The proportionate share is calculated on the basis of data from financial statements with balance sheet

Note

dates no earlier than three months before the Group's balance sheet date and calculated in accordance with the Group's significant accounting policies.

INVESTMENT PROPERTY
Investment property is real property, including real property let under operating leases, which the Group owns for the purpose of receiving rent and/or obtaining capital gains. Investment property is real property that the Group does not use for its own administrative purposes etc., as such property is classified as domicile property. Real property with both domicile and investment property elements is allocated proportionally to the two categories if the elements are separately sellable. If that is not the case, such real property is classified as investment property, unless the Group occupies at least 10% of the total floorage.

On acquisition, investment property is measured at cost, including transaction costs, and subsequently it is measured at fair value.

Investment property under construction is measured at fair value. If indications of impairment exist, the property is tested for impairment and written down to its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

The fair value of investment property is measured based on a discounted cash-flow model on the basis of a systematic assessment based on the present value of the expected cash flows from the property. The present value is calculated based on discounting by a required rate of return determined for each property individually. The rate of return of a property is determined on the basis of its location, type, possible uses, layout and condition as well as of the terms of lease agreements, rent adjustment and the credit quality of the lessees. External assessments of market rent and return percentages, among other things, are collected for the purpose of input for the determination of return percentages, but the company's own assessment is the basis for calculating fair value.

INSURANCE CONTRACTS
In general
Insurance contracts are contracts that contains significant insurance risks.

Danica has divided all insurance products into portfolios and groups and determined the measurement methods for the individual portfolios. Danica has four portfolios of insurance contracts: three portfolios that contain life insurance products and one that contain the health and accident insurance contracts. The three life insurance portfolios are: an average-rate portfolio, a unit-linked portfolio and a portfolio of legacy life insurance product in run-off. The classification of insurance contracts into four portfolios is based on an assessment of similar risks and whether they are managed together.

Danica uses all three measurement methods under IFRS 17, with the VFA measurement method being applied to the majority of insurance contracts, since they meet the definition of insurance contracts with direct participation features, while the BAA measurement method is used on legacy life insurance products in run-off. The PAA measurement method being applied to health and accident insurance contracts which includes only one-year insurance contract, although these contracts can have a price guarantee beyond one-year.

Danica uses the annual cohort exemption from the EU on the average-rate portfolio. Danica has decided not to recognise acquisition costs because the accounting effect of any recognition is considered immaterial.

Insurance revenue consists of run-off of the contractual service margin (CSM) and the risk adjustment, as well as the expected run-off on risks and expenses, that were recognized in the insurance contract liabilities at the beginning of the year. For insurance contracts measured in accordance with the PAA measurement method the insurance revenue consists of premiums for the period.

Insurance service expenses consist of incurred claims and expenses as well as change in provisions for claims and the change in loss components.

Insurance contracts measured in accordance with the VFA or GMM measurement methods (life insurance)
The calculation of liabilities under life insurance contracts is based on several actuarial computations.
Insurance liabilities are calculated by discounting the expected future benefits to their present values. For life insurance, the expected future benefits are based on expected future mortality rates and frequency of early release of pensions and conversions into paid-up policies. Estimates of future mortality rates are based on the Danish FSA's benchmark, while other estimates are based on empirical data from the Group's own portfolio of insurance contracts. Estimates are updated regularly.

The calculation of life insurance provisions is based on an assumed increase in life expectancy over today's observed lifetime of 1.8 years (2024: 1.9 years) for a sixty five-year-old male and 1.7 years (2024: 1.8 years) for a sixty five-year-old female. A sixty five-year-old male is thus expected to live for approximately 22 more years (2024: 22 years) and a sixty five-year-old female for approximately 24 more years (2024: 24 years).

The probabilities used for surrenders and conversions into paid-up policies are dependent on duration, as a declining relationship has been observed between intensities and number of years since a policy was taken out. Separate intensities are used for the individual interest rate groups and the unit-linked portfolio. The probabilities of early releases of pensions and conversions into paid-up policies are estimated based on observations for the preceding five years.

Note

The disability probability is the same for all portfolios. The probabilities used are age- and gender-dependent. The determination of disability probabilities includes probability of reactivation.

Risk adjustment
For life insurance contracts the method used to calculate risk margin involves applying a safety margin to intensities.

For mortality, the risk adjustment consists of a margin on observed current mortality rates and longevity improvements.

For intensities of early release of pensions and conversion into paid-up policies, the risk margin applied constitutes a 10% increase in all intensities for unit-linked and interest rate group 1-3 and rate group D1 and a 10% decrease in all intensities for interest rate groups D2-D4 and rate group 4.

For disability, a 10% risk margin is also applied, which is calculated on both the disability probability and the reactivation probability.

Contractual service margin (CSM)
For life insurance contracts measured according to the VFA method, the contractual service charge (CSM) is calculated on the basis of stochastic models, whereas for life insurance contracts measured according to the GMM method, a deterministic model is used.

The contractual service margin (CSM) is recognised as income on the basis of the expected run-off for the individual groups of insurance contracts.

Insurance contracts measured in accordance with the PAA measurement method (health and accident insurance)
The calculation of liabilities under insurance contracts is based on several actuarial computations.

The liabilities are calculated as an estimate of expected benefits and benefits payable but not yet disbursed. The provisions are settled as regular payments, and the liability is calculated as the present value of the expected future payments based on expected mortality rates, reactivation, resumption of payments and claims incurred but not yet reported, including costs for the repayment of the claims obligations and future adjustments of benefits. Assumptions are based on experience from the existing portfolio of insurance policies and are updated regularly.

In connection with the updating of actuarial assumptions for health and accident insurance in 2023 the assumptions related to the level of reactivation and expected retirement age were updated, which, seen in isolation, reduced the liabilities and contributed positively to the run-off result for the year.

Loss component
The loss component represents the net present value of expected future payments based on expectations for future mortality, reactivations, resumption and surrenders in relations to insurance events occurring after the balance sheet date on existing agreements, plus expected administrative expenses and claims handling costs and less premiums due to be received during the risk coverage period. The loss component includes a risk adjustment. The risk coverage period after the balance sheet date is 6 months for personal schemes and 12 months for company schemes. For company pension agreements with price guarantees, the risk coverage period is the longer of 12 months and the period of the price guarantee.

Risk adjustment
For health and accident insurance contracts the method used to calculate risk margin involves applying a safety margin to intensities.

The risk adjustment is calculated as the effect of a 10% drop in expectations of reactivation, mortality and surrenders, and a 10% increase in expectations of resumption, costs and a 5% increase the number of new claims.

Discount rate
The discount rate is fixed on the basis of a zero-coupon yield curve. The zero-coupon yield curve is estimated on the basis of the euro swap market. The curve is adjusted by a currency and a credit risk deduction as well as a volatility adjustment. For maturities of more than 20 years, the rate is extrapolated based on the forward rate in year 20 and with a constant forward rate at the 60-year mark of 3.30% (Ultimate Forward Rate). Danica uses a yield curve calculated according to principles and based on data resulting in a curve as close as possible to the EIOPA yield curve, cf. note 18.

Confidence level for risk adjustments
The confidence level for risk adjustments is at least 85% (2024: at least 85%)

Transition to IFRS 17
Danica has applied the fair value method for measuring insurance contracts at the transition to IFRS 17 because Danica has not found it possible to apply the full retrospective method as this would require either an unnecessarily high resource consumption or because relevant data has not been available. The fair value method was applied on 1 January 2022 and is to a greater extent based on the accounting values on 31 December 2021.

Notes – Danica Group

Note

INVESTMENT CONTRACTS
Investment contracts are contracts that contains an insignificant insurance risk. Investment contracts are recognized as a liability and are measured at the fair value of the underlying investment assets. Investment assets under investment contracts are recognized and measured at fair value on the balance sheet together with other investment assets.

Premiums and benefits on investment contracts are recognised directly in the balance sheet.

TAX ON PENSION RETURNS
Tax on pension returns consists of individual tax on pension returns, calculated on the interest accrued on policyholders' savings, and non-allocated tax on pension returns, calculated on amounts allocated to the collective bonus potential, and the like. Tax on pension returns is charged at a rate of 15.3%. Deferred pension returns tax is recognised as a part of provisions for investment contracts and insurance contracts, respectively.

TAX AND DEFERRED TAX
Calculated current and deferred tax on the profit for the year before tax and adjustments of tax charges for previous years are recognised in the income statement. Income tax for the year is recognised in the income statement in accordance with the tax laws in force in the countries in which Danica operates. Tax on items recognised in other comprehensive income is also recognised in other comprehensive income. Tax on items recognised directly in equity is also recognised in equity.

Deferred tax is calculated in accordance with the balance sheet liability method on all temporary differences between the tax base of the assets and liabilities and their carrying amounts. Tax assets arising from unused tax losses and unused tax credits are recognised as deferred tax assets to the extent that it is probable that the unused tax losses and unused tax credits can be utilised.

SUBORDINATED DEBT
Subordinated debt is subordinated loan capital in the form of issued bonds which, in the event of the company's voluntary or compulsory winding-up, will not be repaid until after the claims of its ordinary creditors have been met. Subordinated debt forms part of the Group's total capital.

Subordinated debt is measured at amortised cost plus the fair value of the hedged interest rate risk, see the section Hedge accounting.

As of 29 September 2025, Danica has redeemed its subordinated debt, cf. note 20.

SHAREHOLDERS' EQUITY

Contingency fund
Danica's contingency fund amount to DKK 1,882 million. In accordance with the articles of association, the contingency fund may be used to strengthen technical provisions or to otherwise benefit policyholders.

Revaluation reserve
The revaluation reserve comprises fair value adjustments of domicile property less accumulated depreciation. The portion of the revaluation attributable to insurance and investment contracts with bonus entitlement is transferred to collective bonus potential.

Proposed dividends
The Board of Directors' proposal for dividends for the year submitted to the general meeting is included as a separate reserve in shareholders' equity. The dividends are recognised as a liability after the general meeting has adopted the proposal.

CASH FLOW STATEMENT
The Group prepares its cash flow statement according to the indirect method. The statement is based on profit for the year before tax and shows the consolidated cash flows from operating, investing and financing activities and the increase or decrease in cash and cash equivalents during the year. Cash and cash equivalents consist of the items Cash and Deposits with credit institutions.

KEY RATIOS
The key ratios of the Group are prepared in accordance with the provisions of the executive order on financial reports for insurance companies and multi-employer occupational pension funds.

STANDARDS AND INTERPRETATIONS NOT YET IN FORCE
The International Accounting Standards Board (IASB) has issued minor amendments to several standards in the Annual Improvements Volume 11 (IAS 7, IFRS 1, IFRS 7, IFRS 9, and IFRS 10) as well as amendments to IFRS 7 and 9, IFRS 18, and IFRS 19, which have not yet come into effect. Only IFRS 18 is expected to have a significant impact on the Group's financial statement presentation. IFRS 18, which has not yet been approved by the EU, has an effective date of 1 January 2027.

Notes – Danica Group

Note

EUROPEAN SINGLE ELECTRONIC FORMAT (ESEF)
Reporting on the ESEF Regulation
The Commission's Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) requires a special digital reporting format for annual report for publicly listed entities. The ESEF Regulation includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements and notes.

Danica Pension, Livsforsikringsaktieselskabs iXBRL tagging is prepared in accordance with the ESEF taxonomy, which is included in the appendices of the ESEF Regulation and is developed based on the IFRS taxonomy that is published by IFRS Foundation. For the annual report for 2025, the ESEF Taxonomy 2024-0327 has been applied.

The account balances in the consolidated financial statement is XBRL tagged to the elements in the ESEF Regulation that is assessed to correspond to the content of the account balances. For account balances that are assessed not to be covered by the account balances defined in the ESEF taxonomy, the Group has incorporated entity specific extensions to the taxonomy. These extensions are – except subtotals – embedded in the elements in the ESEF Taxonomy.

The Annual Report 2025 comprises – in accordance with the requirements of the ESEF Regulation – of a zip-file danicapension-2025-12-31-0-da.zip that includes an XHTML-file. The XHTML-file is the official version of the Annual Report 2025. This PDF version of the Annual Report 2025 is a copy of the XHTML-file. In case of discrepancies, the XHTML-file prevails.

ESEF data	
Domicile of entity	Denmark
Description of nature of entity's principal activities	Insurance
Country of incorporation	Denmark
Principal place of business	Denmark
Legal form of entity	A/S (public limited company)
Name of reporting entity	Danica Pension Livsforsikringsaktieselskab
Name of parent	Danske Bank A/S
Name of ultimate parent of the Danica group	Danske Bank A/S
Address of entity's registered office	Bernstorffsgade 40, 1577 København V

Notes - Danica Group

Note	DKKm	2025	2024
2	BUSINESS SEGMENTS		
	The Group consists of one business segment as shown below		
	Insurance revenue	6,210	5,869
	Insurance service expenses	-6,366	-5,592
	Net expenses from reinsurance contracts	-19	-16
	Insurance service result	-175	261
	Investment return	22,488	44,001
	Net finance expenses from insurance contracts	-19,574	-39,884
	Net change in investment contracts liabilities	-1,432	-3,084
	Investment result	1,482	1,033
	Other income and expenses	50	40
	Profit before tax	1,357	1,334
	Other segment information:		
	Interest income	13,996	20,488
	Interest expenses	-10,429	-15,630
	Income from associated undertakings at book value	583	719
	Impairment, depreciation and amorisation charges	-148	-148

Danica has not divided the business into separate segments due to the uniform nature of the business products.
The Danica Group has no single customers generating 10% or more of the combined revenue. All premiums from external sales originates from Denmark.

Note	DKKm	2025	2024
	GROSS PREMIUMS, incl. payments received under investment contracts		
	Life insurance (incl. Investment contracts):		
	Regular premiums	19,883	19,045
	Single premiums	30,723	22,595
	Total life insurance	50,606	41,640
	Health and accident insurance premiums	2,657	2,003
	Total gross premiums	53,263	43,643
3	INSURANCE REVENUE		
	Amount relating to changes in liabilities for remaining coverage:		
	Contractual service margin released in the year	1,601	1,542
	Change in risk adjustment for risk expired	17	28
	Expected incurred claims and expenses	1,904	2,297
	Insurance revenue - contracts not measured under premium allocation approach	3,522	3,867
	Insurance revenue from premium allocation approach	2,688	2,002
	Total insurance revenue	6,210	5,869
4	INSURANCE SERVICE EXPENSES		
	Amount relating to changes in liabilities for remaining coverage:		
	Incurred claims and other insurance service expenses	-2,801	-2,394
	Insurance service expenses - contracts not measured under premium allocation approach	-2,801	-2,394
	Insurance service expenses from premium allocation approach	-3,565	-3,198
	Total insurance service expenses	-6,366	-5,592

Notes - Danica Group

Note	DKKm	2025	2024
5	INVESTMENT RETURN		
	Income from investment property	906	848
	Interest income and dividends, etc.*	18,698	24,977
	Value adjustments	17,121	39,006
	Income from associates	583	719
	Interest expenses*	-10,429	-15,630
	Administrative expenses related to investment activities	-684	-755
	Tax on pension returns	-3,707	-5,164
	Total	22,488	44,001
	Specifications:		
	Income from investment property:		
	Rent	1,197	1,114
	Operating expenses	-291	-266
	Total	906	848
	Investment property leases are accounted for as operating leases. Some of the leases are non-terminable by the lessee for a number of years.		
	Breakdown of minimum lease payments on non-terminable leases by lease term:		
	Within 1 year	877	920
	1 - 5 years	2,085	2,156
	After 5 years	2,938	2,987
	Total	5,900	6,063
	Intrest income and dividends:		
	Interest income from assets at fair value*	13,795	19,947
	Interest income from assets at amortised cost	201	541
	Dividends	4,268	4,142
	Indexation	434	347
	Total	18,698	24,977
	Value adjustments:		
	Investment property	819	488
	Holdings	1,246	13,564
	Unit trust certificates	8,427	29,170
	Bonds	-5,419	3,993
	Other loans	-57	-1,379
	Deposits with credit institutions	-1,040	254
	Derivatives	13,146	-7,079
	Other	-1	-5
	Total value adjustments	17,121	39,006
	Interest expenses:		
	Interest expenses on assets at fair value*	-10,079	-15,355
	Interest expenses on assets at amortised cost	-350	-275
	Total	-10,429	-15,630

*Danica has offset interest income and expenses related to financial instruments in the same currency and settled through the same clearing broker, totalling DKK 47,815 million in 2025 (DKK 39,014 million in 2024).

Notes - Danica Group

Note	DKKm	Life Insurance	Health and accident insurance	Other	2025	2024
6	INVESTMENT RESULT					
	2025					
	Total investment return	20,388	-336	2,436	22,488	
	Net finance expenses from insurance contracts	-20,070	496		-19,574	
	Net change in investment contracts liabilities			-1,432	-1,432	
	Investment result	318	160	1,004	1,482	
	2024					
	Total investment return	40,833	-246	3,414		44,001
	Net finance expenses from insurance contracts	-39,906	22			-39,884
	Net change in investment contracts liabilities			-3,084		-3,084
	Investment result	927	-224	330		1,033

Note	DKKm	2025	2024
7	OTHER INCOME AND EXPENSES		
	Other income	50	40
	Total other income	50	40
8	TAX		
	Tax for the year can be broken down as follows:		
	Tax on the profit for the year	-245	-108
	Tax on changes in shareholders' equity	393	0
	Total	148	-108
	Tax on the profit for the year is calculated as follows:		
	Current tax	0	78
	Adjustment of prior-year current tax	38	63
	Adjustment of prior-year deferred tax	40	140
	Other changes in deferred tax	-323	-389
	Total	-245	-108
	Effective tax rate:		
	Danish tax rate	26.0	26.0
	Adjustment of prior-year tax charge	-5.8	-15.2
	Non-taxable income and non-deductible expenses	-2.2	-2.6
	Effective tax rate	18.0	8.2
	Deferred tax:		
	Deferred tax is recognised as follows in the balance sheet:		
	Deferred tax liabilities	417	133
	Deferred tax, net	417	133
	Deferred tax broken down on main items:		
	Intangible assets	84	118
	Tangible assets	-3	-13
	Investment property	474	344
	Provision for obligations	-103	-285
	Other	-35	-31
	Total	417	133

Other than the deferred tax provided for, the Group has no contingent tax liability relating to shares in group undertakings.

Notes - Danica Group

Note	DKKm	2025	2024
9	PROFIT AFTER TAX FROM DISCONTINUING OPERATIONS		
	Adjustment of previous gain on sale	-	54
	Net profit for the year after profit related to sale	-	54
10	STAFF COST AND AUDIT FEES		
	Fees to the audit firm appointed by the general meeting:		
	Fees to Deloitte:		
	Statutory audit of financial statements	-5.5	-7.0
	Other assurance engagements	-0.5	-2.7
	Tax advisory services	0.0	0.0
	Other services	-4.0	-5.8
	Total	-10.1	-15.6

Fees for non-audit services provided to the Group by Deloitte Statsautoriseret Revisionspartnerselskab mainly consist of advisory services related to the new strategy in Danica, as well as objective tax and accounting advice as well as submitting statements.

	2025	2024
Average number of full-time-equivalent employees during the year	968	917
Number of full-time-equivalent employees, end of year	984	940
Staff costs:		
Salaries	-888	-801
Share-based payment	-12	-7
Pensions	-145	-132
Other social security and tax	-147	-115
Other	-96	-89
Total staff costs earned	-1,288	-1,144

For a more detailed description of the Group's remuneration policy and remuneration paid, see "Aflønningsrapport 2025", available at the website: www.danicapension.dk. The remuneration report 2025 is not covered by the statutory audit.

All the Group's pension plans are defined contribution plans, under which the Group makes contributions to insurance companies, principally Danica. Such payments are expensed as incurred.

Board of Directors' remuneration (DKK'000)		
Total remuneration	-1,568	-1,225
Including fees for board committee membership	-250	-250

Danica's directors receive a fixed fee. In addition, directors receive a fixed fee for board committee membership.

Board of Directors' remuneration is paid only to directors in the Danske Bank Group elected by the employees.

Remuneration of other material risk takers
For 2025, 13 persons outside the Executive Board were designated as material risk takers and combined they received DKK 38.9 million (2024 DKK 38.2 million to 13 material risk takers), with fixed remuneration amounting to DKK 32.5 million (2024 DKK 28.0 million) and variable remuneration amounting to DKK 6.4 million (2024 DKK 10.2 million).

The Group has no pension obligations towards other material risk takers. as their pensions are funded by means of defined

Note	DKKm	2025	2024

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(cont'd)

Remuneration of the Executive Board 2025

	Contractual remuneration	Pensions	Variable cash remuneration	Variable share-based payment	2025	2024
Total	-17.0	-3.2	-1.9	-1.9	-23.9	

The service contracts comply with the statutory requirements that came into force at 1 January 2011 for agreements on variable remuneration in financial enterprises.

Remuneration of the Executive Board 2024

	Contractual remuneration	Pensions	Variable cash remuneration	Variable share-based payment	2025	2024
Total	-14.3	-2.7	-2.3	-2.3		-21.6

Executive termination terms for 2025:

Mads Nicolai Kaagaard can resign with six months' notice.
Danica can terminate Mads Nicolai Kaagaard with twelve months' notice. No separate severance payment is provided.

Christoffer Møllenbach can resign with three months' notice.
Danica can terminate Christoffer Møllenbach with eight months' notice. The severance payment upon termination would amount to nine months' salary according to his employment contract, provided the termination is not due to the employee's conduct.

Jesper Grundvad Bjerre can resign with three months' notice.
Danica can terminate Jesper Grundvad Bjerre with seven months' notice. The severance payment upon termination would amount to six months' salary according to his employment contract, provided the termination is not due to the employee's conduct.

Dorte Bilsgaard can resign with three months' notice.
Danica can terminate Dorte Bilsgaard with eight months' notice. The severance payment upon termination would amount to three months' salary according to her employment contract, provided the termination is not due to the employee's conduct.

Share based payment

Part of the variable remuneration of the Executive Board and selected senior staff and specialists was granted by way of conditional shares.

The fair value of the conditional shares is calculated as the share price less the payment made by the employee, if any.

The intrinsic value is expensed in the year in which the rights to conditional shares vest, while the time value is accrued over the remaining service period, which is the vesting period up to four years.

Danica has hedged the share price risk.

The exact number of shares granted for 2025 will be determined at the end of February 2026.

Executive Board members' holdings and fair value thereof, end of 2025

Year of grant	2021-2025	
	Number	FV
Mads Nicolai Kaagaard	7,034	2.2
Dorte Bilsgaard	2,387	0.8
Jesper Grundvad Bjerre	2,791	0.9
Christoffer Møllenbach	-	-

Average market price at the vesting date for conditional shares in 2025 was 253.3.

Executive Board members' holdings and fair value thereof, end of 2024

Year of grant	2019-2024	
	Number	FV
Mads Nicolai Kaagaard	416	0.1
Dorte Bilsgaard	2,029	0.4
Jesper Grundvad Bjerre	2,272	0.5
Thomas Dyhrberg Nielsen	3,286	0.7

Average market price at the vesting date for conditional shares in 2024 was 203.4.

Notes - Danica Group

Note	DKKm	2025	2024

10
(cont'd)

Share-based payment

Conditional shares	Number					
					Fair value (FV)	
Conditional shares	Executive Board	Other employees	Total	Own contribution price (DKK)	Issue date	End of year
Granted in 2021						
1 Jan. 2024	3,748	22,112	25,860	0.0	3.0	4.7
Vested 2024		-2,809	-2,809			
Forfeited 2024		-	0			
Other changes 2024	-3,424	2,110	-1,314			
31 Dec. 2024	324	21,413	21,737	0.0	2.6	4.4
Vested 2025	-324	-21,413	-21,737			
Forfeited 2025		-	0		-	-
31 Dec. 2025	0	0	0	0.0	0.0	0.0
Granted in 2022						
1 Jan. 2024	5,436	15,506	20,942	0.0	2.4	3.8
Vested 2024	-512	-6,953	-7,465	0.0	-	
Other changes 2024	-3,110	3,110	0			
31 Dec. 2024	1,814	11,663	13,477	0.0	1.5	2.7
Vested 2025	-204	-7,260	-7,464			
31 Dec. 2025	1,610	4,403	6,013	0.0	0.7	1.9
Granted in 2023						
1 Jan. 2024	3,848	2,556	6,404	0.0	0.7	1.2
Vested 2024	-721	-1,581	-2,302	0.0	-	-
Other changes 2024	-964	3,768	2,804			
31 Dec. 2024	2,163	4,743	6,906	0.0	0.8	1.4
Vested 2025	-299	-2,003	-2,302			
31 Dec. 2025	1,864	2,740	4,604	0.0	0.7	1.5
Granted in 2024						
Granted 2024	7,493	13,927	21,420	0.0	4.4	4.4
Vested 2024	-3,001	-1,848	-4,849	0.0		
Other changes 2024	-790		-790			
31 Dec. 2024	3,702	12,079	15,781	0.0	3.2	3.2
Vested 2025	-772	-4,199	-4,971			
Other changes 2025	932		932			
31 Dec. 2025	3,862	7,880	11,742	0.0	2.4	3.7
Granted in 2025						
Granted 2025	8,131	30,146	38,277	0.0	8.9	12.2
Vested 2025	-3,255	-10,743	-13,998	0.0		
31 Dec. 2025	4,876	19,403	24,279	0.0	5.6	7.7

Note	DKKm			2025	2024
11	INVESTMENT IN FINANCIAL ASSETS				
	2025	Investerings aktiver*	Other financial assets		
	Unlisted holdings	34,081	2,982	37,063	
	Listed holdings	216,123	15,960	232,083	
	Unlisted bonds	270	41	311	
	Listed bonds	133,493	36,098	169,591	
	Loans	1,306	146	1,452	
	Unit trust certificates	35,529	3,883	39,412	
	Deposit with credit institutions	15,704	2,517	18,221	
	Derivatives	48,472	13,052	61,524	
	Total	484,978	74,679	559,657	
	2024				
	Unlisted holdings	35,582	3,117		38,699
	Listed holdings	198,879	15,681		214,560
	Unlisted bonds	304	45		349
	Listed bonds	152,195	42,232		194,427
	Loans	1,315	154		1,469
	Unit trust certificates	25,182	4,207		29,389
	Deposit with credit institutions	12,377	1,834		14,211
	Derivatives	45,199	8,937		54,136
	Total	471,033	76,207		547,240

*This column includes investment assets related to life insurance products measured according to the VFA method.

DERIVATIVES

The Group uses derivatives, including forwards and swaps, to manage exposure to foreign exchange, interest rate and equity market risks. Derivatives are also used to hedge guaranteed benefit obligations and other interest-bearing liabilities. For a detailed description of risk management, see note 26. Derivatives are recognised and measured at fair value.

The Group's subordinated debt carries fixed rates and is recognised at amortised cost. According to the underlying accounting regulation, the fair value of the hedged interest rate risk on fixed-rate loans is not recognised in profit or loss, whereas changes in the fair value of the hedging derivatives are recognised through profit or loss. The Group uses fair value hedge accounting if the interest rate risk on fixed-rate financial liabilities is hedged by derivatives. See note 25.

For some derivatives, the Group has concluded collateral agreements and has received collateral in the form of liquid bonds corresponding to a fair value of DKK 10,266 million in 2025 and DKK 4,070 million in 2024.

Danica offset financial instruments denominated in the same currency that are cleared through the same clearing broker at a fair value corresponding to DKK 103,757 million in 2025 (DKK 88,561 million in 2024). Accrued interest on these contracts was also offset in the amount of DKK 16,783 million in 2025 (DKK 17,783 million in 2024).

2025	Notional amount	Positive fair value	Notional amount	Negative fair value
Currency contracts:				
Currency contracts	147,663	4,000	95,073	2,854
Options	223,591	2,662	156,163	1,629
Interest rate contracts:				
Interest rate contracts	600,128	18,299	2,612,342	30,616
Options	2,003,222	33,621	2,779,851	28,233
Equity contracts:				
Equity contracts	5	15	1	68
Options	7	2,927	0	445
Total derivatives	2,974,616	61,524	5,643,430	63,845
2024				
Currency contracts:				
Currency contracts	69,127	3,718	201,821	7,591
Options	190,298	2,705	151,070	1,487
Interest rate contracts:				
Interest rate contracts	1,238,953	16,623	1,990,235	24,174
Options	2,238,612	29,930	2,735,024	29,067
Equity contracts:				
Equity contracts	9	0	0	0
Options	4	1,160	0	160
Total derivatives	3,737,003	54,136	5,078,150	62,479

Notes - Danica Group

Note	DKKm	2025	2024
11 (cont'd)	OTHER FINANCIAL INVESTMENT ASSETS		
	In investmentsassets are the following investments in companies in the Danske Bank Group:		
	Holdings	998	1,212
	Bonds	26,141	29,799
	Deposits with credit institutions	2,873	3,870
	Cash in hand and demand deposits	940	822
	Other	4,768	6,915
12	HOLDINGS IN ASSOCIATES AND JOINT VENTURES		
	Cost, beginning of year	11,669	11,665
	Additions	112	335
	Disposals	-497	-331
	Currency translation	0	-
	Adjustment	58	-
	Cost, end of year	11,342	11,669
	Revaluations and impairment charges, beginning of year	298	44
	Share of profit	57	419
	Dividends	-95	-243
	Reversal of revaluations and impairment charges	232	78
	Adjustment	-58	0
	Revaluations and impairment charges, end of year	434	298
	Carrying amount, end of year	11,776	11,967

Holdings in associates and joint ventures consist of:

Name and domicile	Activity	Owner-ship percentage	holders-equity	Result
Udviklingsselskabet CØ P/S, København	Property company	50%	103	-19
Komplementarselskabet CØ ApS, København	Property company	50%	0	0
Ejendomsselskabet Bernstorffsgade 40 P/S	Property company	50%	3,713	241
Bernstorffsgade 40 Komplementar ApS	Property company	50%	0	0
Samejet Nymøllevej 59-91, København	Property company	75%	498	32
Danske Shoppingcentre P/S, Høje Taastrup	Property company	50%	14,862	791
Komplementarselskabet Danske Shoppingcentre ApS, Høje Taastrup	Property company	50%	0	0
Danske Shoppingcentre FC P/S, Høje Taastrup	Property company	50%	1,286	95
Komplementarselskabet Magnolieholm ApS, København	Property company	75%	0	0
Magnolieholm P/S, København	Property company	75%	1	0
P/S Downtown CBD, København	Property company	50%	322	-75
Komplementarselskabet Downtown CBD, København	Property company	50%	0	0
Capital Four - Strategic Lending Fund K/S,	Investment company	33%	0	0
Gro Fund I K/S, København	Investment company	100%	0	0
Gro Fund II K/S, København	Investment company	21%	0	0
Maritime Investment Fund II K/S, Hellerup	Investment company	24%	1	0
Maritime Investment Fund III K/S, Hellerup	Investment company	23%	0	0
Administrationsaktieselskabet Forenede Gruppeliv, Valby	Administration-company	25%	0	0

The information disclosed is extracted from the companies' most recent annual reports.
The Group has no associates of material importance.

Notes - Danica Group

Note	DKKm	2025	2024
13	INVESTMENT PROPERTY		
	Fair value, beginning of year	25,365	22,789
	Additions during the year, including improvements	1,542	2,118
	Disposals during the year	-663	-44
	Fair value adjustments	835	446
	Other changes	-	56
	Fair value, end of year	27,079	25,365
	The weighted average of the rates of return on which the fair value of the individual properties is based, for:		
	Shopping centres	5.56%	5.55%
	Commercial properties	4.70%	4.88%
	Residential properties	3.86%	3.96%

Valuations of investment property are based on cash flow estimates and on the required rate of return calculated for each propery that reflects the price at which the property can be exchanged between knowledgeable, willing parties under current market conditions. The required rate of return ranged between 2.5-7.0% (2024: 2.5-7.0%) and averaged 4.32% (2024: 4.42%). An increase in the required rate of return of 0.25 percentage point would reduce fair value at end-2025 by DKK 1,210 million.

All investment properties fall under level 3 in the fair value hierarchy. For a description of the levels, see note 24.

Notes - Danica Group

Note	DKKm	2025	2024

14 INTANGIBLE ASSETS

2025	Goodwill	Customer value	Software under development	Fully developed software		
Cost, beginning of year		1,332	16	99	1,447	
Additions during the year		-	40	36	76	
Cost, end of year		1,332	56	135	1,523	
Impairment and amortisation charges, beg		-877	-	-78	-955	
Amortisation during the year		-133	-	-15	-148	
Impairment and amortisation charges, end		-1,010	-	-93	-1,103	
Carrying amount, end of year		322	56	42	420	

2024	Goodwill	Customer value	Software under development	Fully developed software		
Cost, beginning of year		1,332	12	78		1,422
Additions during the year		-	4	21		25
Cost, end of year		1,332	16	99		1,447
Impairment and amortisation charges, beg		-744	-	-63		-807
Amortisation during the year		-133	-	-15		-148
Impairment and amortisation charges, end		-877	-	-78		-955
Carrying amount, end of year		455	16	21		492

Intangible assets consist of value of customers (VIF asset) reagarding acquisition of the former SEB companies on 7th June 2018,
as proprietary, software under development and fully developed software.
The customer value will be depreciated linearily over a period of 10 years starting 1st June 2018.
Fully developed software will be depreciated linearily over a period of 3 years.

For more details, see note 1.

15 OTHER ASSETS

	2025	2024
Accrued interest and rent	4,018	5,864
Other prepayments and accrued income	533	523
Total	4,551	6,387

16 AMOUNT OWED TO CREDIT INSTITUTIONS

	2025	2024
Repo transactions	2	10,312
Other amounts due	1,845	2,540
Total	1,847	12,852

17 INVESTMENT CONTRACT LIABILITIES

	2025	2024
Balance at beginning of year	26,800	23,113
Contributions received	2,098	1,755
Benefits paid	-5,313	-4,574
Investment return from underlying assets	1,435	2,290
Other	3,553	4,216
Balance at end of year	28,573	26,800

Notes - Danica Group

Note	DKKm					2025	2024
18	INSURANCE CONTRACT LIABILITIES Life insurance						
	2025	Cash flow	Risk adjustment	CSM for existing contracts at transition date*	CSM for other contracts		
	Carrying amount, beginning of year	422,615	835	13,666	2,871	439,987	
	Contractual Service Margin (CSM) recognised in period	-	-	-1,321	-280	-1,601	
	Change in risk adjustment for expired risk		-17	-	-	-17	
	Experience adjustment	510		-	-	510	
	Changes that relate to current services	510	-17	-1,321	-280	-1,108	
	Contracts initially recognised	-1,043	0	0	1,043	0	
	Changes in estimates that adjust the CSM	-967	-87	927	127	0	
	Changes that relate to future services	-2,010	-87	927	1,170	0	
	Finance income and expenses from insurance	20,126	-4	0	-	20,122	
	Premiums	46,226	-	-	-	46,226	
	Claims, benefits and expenses paid	-36,235	-	-	-	-36,235	
	Changes in amounts due from policyholders	272	-	-	-	272	
	Cash flow	10,263	-	-	-	10,263	
	Other	-3,722	-	-	-	-3,722	
	Carrying amount, end of year	447,782	727	13,272	3,761	465,542	
	Amount payable on demand					327,711	
	2024						
	Carrying amount, beginning of year	381,717	910	14,748	1,955		399,330
	Contractual Service Margin (CSM) recognised in period	-	-	-1,352	-190		-1,542
	Change in risk adjustment for expired risk		-28	-	-		-28
	Experience adjustment	45		-	-		45
	Changes that relate to current services	45	-28	-1,352	-190		-1,525
	Contracts initially recognised	-954	0	0	954		0
	Changes in estimates that adjust the CSM	-348	-52	270	152		22
	Changes that relate to future services	-1,302	-52	270	1,106		22
	Finance income and expenses from insurance	39,824	5	0	-		39,829
	Premiums	37,646	-	-	-		37,646
	Claims, benefits and expenses paid	-31,630	-	-	-		-31,630
	Changes in amounts due from policyholders	-46	-	-	-		-46
	Cash flow	5,970	-	-	-		5,970
	Other	-3,639	-	-	-		-3,639
	Carrying amount, end of year	422,615	835	13,666	2,871		439,987
	Amount payable on demand						345,675

* CSM for contracts at the transitions date

Notes - Danica Group

Note	DKKm			2025	2024

18 Analysis by remaining coverage and incurred claims
(cont'd)

2025	LFRC*	LFIC*	2025	2024
Carrying amount, beginning of year	439,987	0	439,987	
Insurance revenue	-3,483	-	-3,483	
Incurred claims and other insurance service	-	2,499	2,499	
Insurance service expenses	0	2,499	2,499	
Investment component	-33,736	33,736	0	
Net finance expenses from insurance contract	20,122	-	20,122	
Premiums	46,226	-	46,226	
Claims, benefits and expenses paid	-	-36,235	-36,235	
Changes in amounts due from policyholders	272		272	
Cash flow	46,498	-36,235	10,263	
Other	-3,846	-	-3,846	
Carrying amount, end of year	465,542	0	465,542	

2024	LFRC*	LFIC*	2025	2024
Carrying amount, beginning of year	399,330	-		399,330
Insurance revenue	-3,736	-		-3,736
Incurred claims and other insurance service	-	2,124		2,124
Changes that relate to past services	-			0
Changes that relate to future services	22			22
Insurance service expenses	22	2,124		2,146
Investment component	-29,506	29,506		0
Net finance expenses from insurance contract	39,829	-		39,829
Premiums	37,646	-		37,646
Claims, benefits and expenses paid	-	-31,630		-31,630
Changes in amounts due from policyholders	-46			-46
Cash flow	37,600	-31,630		5,970
Other	-3,552	-		-3,552
Carrying amount, end of year	439,987	0		439,987

*LFRC is Liabilities for remaining coverage
*LFIC is Liabilities for incurred claims (benefits)

Notes - Danica Group

Note	DKKm					2025	2024

18 Health and accident insurance (cont'd)

2025	LFRC* excl. Loss component	Loss component	LFIC* - cashflows	LFIC* - Risk adjustment	2025	2024
Carrying amount, beginning of year	56	2,038	14,844	812	17,750	
Insurance revenue	-2,688	-	-	-	-2,688	
Incurred claims and other insurance service expenses	-	-1,539	3,712	385	2,558	
Changes that relate to past services	-	-	409	-336	73	
Changes that relate to future services		934	-	-	934	
Insurance service expenses	-	-605	4,121	49	3,565	
Investment components	-	-181	-263	-52	-496	
Premiums	2,657	-	-	-	2,657	
Claims, benefits and expenses paid	-	-	-3,265	-	-3,265	
Changes in amounts due from policyholders	-	-	-10	-	-10	
Cash flow	2,657	-	-3,275	-	-618	
Other	0	-3	-231	0	-234	
Carrying amount, end of year	25	1,249	15,196	809	17,279	
2024						
Carrying amount, beginning of year	63	1,551	13,659	811		16,084
Effect of changes 1 January 2024**	0	634	842	34		1,510
Adjusted carrying amount 1 January 2024	63	2,185	14,501	845		17,594
Insurance revenue	-2,002	-	-	-		-2,002
Incurred claims and other insurance service expenses	-	-1,287	3,102	359		2,174
Changes that relate to past services	-	-	166	-385		-219
Changes that relate to future services		1,182	-	-		1,182
Insurance service expenses	-	-105	3,268	-26		3,137
Investment components	-	-33	78	-7		38
Premiums	2,003	-	-	-		2,003
Claims, benefits and expenses paid	-	-	-3,011	-		-3,011
Changes in amounts due from policyholders	-	-	8	-		8
Cash flow	2,003	-	-3,003	-		-1,000
Other	-8	-9	-	-		-17
Carrying amount, end of year	56	2,038	14,844	812		17,750

*LFRC is Liabilities for remaining coverage
*LFIC is Liabilities for incurred claims (benefits)
**Comparative figures have been adjusted as described in note 1.

Impact of life insurance contracts recongnised in the year

	2025	2024
Estimates of present value of cash outflow	29,305	21,628
Estimates of present value of cash inflow	-30,348	-22,582
CSM	1,043	954
Increase in insurance contract liabilities from onerous contracts recognised in the year	0	0

Expected recongnition of CSM

2025	<1 year	1-5 years	5-10 years	>10 years	2025	2024
Expected recognition of the remaning CSM on insurance contracts issued	1,511	5,931	3,748	5,843	17,033	
2024						
Expected recognition of the remaning CSM on insurance contracts issued	1,396	5,635	3,742	5,764		16,537

Notes - Danica Group

Note	DKKm	2025	2024
18 (cont'd)	Transition to IFRS 17		
	Insurance contracts measured under the fair value approach at transition		
	Insurance revenue	3,094	3,440
	CSM at beginning of year	13,664	14,748
	CSM recognised in profit or loss for the services	-1,321	-1,352
	Changes in estimates that adjust the CSM	927	270
	Finance expenses from insurance contracts issued	0	0
	CSM at end of year	13,270	13,666

Maturity analysis

2025	1 year	2 years	3 years	4 years	5 years	>5 years		
Insurance contract liabilities	45,650	39,390	36,520	33,604	30,690	296,967	482,821	
2024								
Insurance contract liabilities	43,094	37,311	34,625	32,036	29,456	281,215		457,737

Yield curves used for discounting

2025	1 year	5 years	10 years	20 years	30 years
Yield curves used for discounting	2.30	2.70	3.07	3.40	3.43
2024					
Yield curves used for discounting	2.33	2.35	2.46	2.44	2.54

Note	DKKm	2025	2024
19	OTHER LIABILITIES		
	Tax on pension returns	3,926	5,106
	Staff commitments	88	87
	Other	6,101	7,064
	Total	10,115	12,257

Notes - Danica Group

Note	DKKm	2025	2024

20 SUBORDINATED DEBT

Subordinated debt is debt which, in the event of the company's voluntary or compulsory winding-up, will not be repaid until the claims of ordinary creditors have b
Subordinated debt is included in the capital base in accordance with the Executive Order on calculation of the capital base for group 1-insurance companies etc.
As at 29 September 2025 Danica has redeemed its subordinated debt.

Currency	Borrower	Note	Nominal	Interest rate	Year of issue	Maturity	Re-demption price	2025	2024
EUR	Danica	a)	500	4.38	2015	29.9.45	100	-	3,730
Subordinated debt								-	3,730
Discount								-	-3
Hedging of interest rate risk at fair value								-	-39
Total, corresponding to amortised cost plus the fair value of the hedged interest rate risk.								-	3,688
Included in the capital base								-	3,688

a) The loan was raised on 29 September 2015 and was listed on the Irish Stock Exchange. The loan could be repaid from September 2025. The loan carried interest at a rate of 4.375% p.a. until 29 September 2025, at which point there would have been a step-up. The interest expense amounted to DKK 164 million for 2025 (DKK 273 million for 2024).

Fair value of the subordinated debt is DKK 0 million (2024: DKK 3,745 million) measured with inputs classified as level 1 inputs in the fair value hierarchy.

21 ASSETS DEPOSITED AS COLLATERAL, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	2025	2024
Assets have been deposited as collateral for policyholders' savings with a total of:	527,233	505,324
As collateral for derivative transactions, the Group has delivered bonds equal to a total fair value of	14,305	22,230
Minimum lease payments regarding cars amounts to	5	6
The Group has undertaken contractual obligations to purchase, construct, convert or extend investment properties or to repair, maintain or improve these at an amount of	271	870
The Group has undertaken to participate in alternative investments with an amount of	13,913	15,785
The Group has undertaken to participate in co-investment with an amount of	49	125
The Group is voluntarily registered for VAT on certain properties. The Group's VAT adjustment liability amounts to	887	807
As a participant in partnerships, the Group is liable for a total debt of	11	11

The Group's companies are jointly taxed with all units in the Danske Bank Group and are jointly and severally liable for their Danish income tax, withholding tax etc.

The group companies are registered jointly for financial services employer tax and for VAT for which they are jointly and severally liable.

Danica is jointly and severally liable with the other participants for the insurance obligations concerning all the policies administered by Forenede Gruppeliv A/S.

If Danica is fully or partially successful in its complaint concerning the potential payment of additional pension returns tax on health and accident insurance regarding 2017-2025, see the mention in the management's review, Danica will be able to recognise all or part of the provision for this liability as income. At 31 December 2025, the provision totals DKK 1,274million including interest.

If Danica not is fully or partially successful in its complaint concerning the potential payment of additional pension returns tax on health and accident insurance regarding 2012-2016, see the mention in the management's review, Danica will be able to recognise all or part of the provision for this liability as expense. At 31 December 2025, the provision totals DKK 440 million including interest.

Owing to its business volume, Danica Group is continuously a party to various other lawsuits and disputes. In general, the Group does not expect the outcome of any of these other pending lawsuits and disputes to have any material effect on its financial position.

Notes - Danica Group

Note	DKKm	2025	2024

22 RELATED PARTIES

Danske Bank A/S, domiciled in Copenhagen, wholly owns the share capital of Forsikringsselskabet Danica and consequently exercises control over the Danica Group.
Danske Bank A/S is the ultimate parent company of the Danica Group.

Transactions with related parties are settled on an arm's-length basis.
The Group's IT operations and development, internal audit, HR administration, logistics, marketing and the like are handled by Danske Bank. Danske Bank also handles portfolio managment and securities trading.

The Danica Group entered into the following significant transactions and balances with other companies in the Danske Bank Group. For more information, see note 11.

	2025	2024
IT operations and development	-143	-127
Other administration	-235	-247
Commission for insurance sales and portfolio management	-246	-210
Ordinary portfolio management fee	-21	-21
Total net custody fees and brokerage for trades in holdings and the like	-154	-141
Interest income	3,027	4,377
Interest expenses	-3,604	-4,813
Amounts owed to credit institutions	47	6,908
Derivatives with negative fair values	7,298	6,875

Furthermore, the Danica Group manages the labour market pension schemes of the Danske Bank Group and its related parties.

Loans to associates and joint ventures comprices subordinated debt, issued on the same terms as the other investors.

23 BALANCE SHEET ITEMS BROKEN DOWN BY EXPECTED DUE DATE

	2025		2024*	
	< 1 year	> 1 year	< 1 year	> 1 year
Assets				
Cash and cash equivalents	1,391	-	1,379	-
Investment in financial assets	15,386	544,271	28,101	519,139
Receivables	825	-	1,039	-
Current tax assets	1,170	-	1,261	-
Reinsurance contract assets	206	-	204	-
Holdings in associates and joint ventures	-	11,776	-	11,967
Investment property	-	27,079	-	25,365
Domicile property	-	-	-	-
Intangible assets and goodwill	133	287	133	359
Other assets	4,551	-	6,387	-
Total assets	23,662	583,413	38,504	556,830
Liabilities				
Amount owed to credit institutions	1,847	-	12,852	-
Derivatives liabilities	4,293	59,552	6,842	55,637
Current tax liabilities	-	-	-	-
Investment contract liabilities	4,554	24,019	5,010	21,790
Insurance contract liabilities	34,297	448,524	34,216	423,521
Reinsurance contract liabilities	10	-	2	-
Deferred tax liabilities	-	417	-	133
Other liabilities	-	10,115	-	12,257
Subordinated debt	-	-	-	3,688
Total liabilities	45,001	542,627	58,922	517,026

*Comparative figures have been adjusted as described in note 1.

Note DKKm

24 FINANCIAL INSTRUMENTS

2025	Fair value: Held for trading	Fair value: Designated	Fair value: Fair value hedge	Amortised cost: Debtors	Amortised cost: Liabilities	Total
Unlisted holdings		0				0
Listed holdings		269,146				269,146
Unlisted bonds		0				0
Listed bonds		169,902				169,902
Udlån		1,452				1,452
Investeringsforeningsandele		39,412				39,412
Deposit with credit institutions		18,221				18,221
Derivatives	61,524					61,524
Debtors				825		825
Cash and cash equivalents				1,391		1,391
Total financial assets	61,524	498,133		2,216		561,873
Investment contract liabilities		28,573				28,573
Due to credit institutions	1,847					1,847
Derivatives	63,845					63,845
Total financial liabilities	65,692	28,573				94,265

2024	Fair value: Held for trading	Fair value: Designated	Fair value: Fair value hedge	Amortised cost: Debtors	Amortised cost: Liabilities	Total
Unlisted holdings		38,699				38,699
Listed holdings		214,560				214,560
Unlisted bonds		349				349
Listed bonds		194,427				194,427
Udlån		1,469				1,469
Investeringsforeningsandele		29,389				29,389
Deposit with credit institutions		14,211				14,211
Derivatives	54,136					54,136
Debtors				1,039		1,039
Cash and cash equivalents				1,379		1,379
Total financial assets	54,136	493,104		2,418		549,658
Investment contract liabilities		26,800				26,800
Due to credit institutions	12,852					12,852
Derivatives	62,479					62,479
Subordinated debt			-39		3,727	3,688
Total financial liabilities	75,331	26,800	-39		3,727	105,819

Recognition as income:
Exchange rate adjustment of debtors and liabilities measured at amortised cost were recognised under value adjustments (note 5) at DKK 1,042 million in 2025 and at DKK 249 million in 2024.

Interest income and expenses on assets and liabilities at amortised cost are disclosed in Note 5. The remaining part of investment return included in the income statement items interest income and dividends, etc., interest expensesand value adjustments relates to financial instruments at fair value.

Notes - Danica Group

Note DKKm

24
(cont'd)

Financial instruments at fair value
The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Level 1: Quoted prices
Fair value measurement is based on quoted prices generated in transactions in active markets.
Where an active market exists for listed equity investments, bonds, derivative financial instruments, etc., the instrument is generally measured at the closing price at the balance sheet date.

Level 2: Observable input
In the absence of a listed closing price, another publicly available price presumed to be the closest thereto, in the form of indicative prices from banks/brokers, is used. Assets in this category include hedge funds, CDOs and credit bonds. In the case of listed securities for which the closing price does not represent fair value, valuation techniques or other observable data are used to determine fair value. Where no active market exists for a financial instrument, valuation techniques with input based on observable market data are used. Depending on the nature of the asset or liability, these may be calculations based on underlying parameters such as yields, exchange rates and volatility or with reference to transaction prices for similar instruments.

Level 3: Non-observable input
In some cases, the valuation cannot be based on observable market data alone. Where this is the case, valuation models are used which may include estimates of future events as well as of the nature of the current market situation. This level includes unlisted equities and investment property as presented in note 13.

Furthermore, the fair value is affected by macroeconomic and financial conditions.

Transfers from level 1 Quoted prices to levels 2 and 3 typically include bond holdings for which a price has not been quoted for a period. Conversely, transfers from levels 2 and 3 to level 1 generally occur when a quoted price becomes available again. Transfers to level 3 are due to for example delisting of instruments e

At 31 December 2025, Danica had financial assets as set out below in the amount of DKK 559,657 million, of which 96 pct. was attributable to insurance obligations to policyholders and 4 pct. was attributable to shareholders' equity. Accordingly, changes in various valuation parameters would therefore have an insignificant impact on shareholders' equity.

2025	Quoted prices	Observable input	Non-observable input	Total
Holdings	230,116	1,968	37,062	269,146
Unit trust certificates	32,527	6,668	217	39,412
Bonds	157,589	12,002	311	169,902
Other loans	0	0	1,452	1,452
Derivatives	2,967	57,953	604	61,524
Cash and cash equivalents	0	18,221	0	18,221
Total financial assets	423,199	96,812	39,646	559,657
Due to credit institutions	1,847	-	-	1,847
Derivatives	565	62,522	758	63,845
Provisions	-	28,573	-	28,573
Total financial liabilities	2,412	91,095	758	94,265
2024				
Holdings	212,338	2,222	38,699	253,259
Unit trust certificates	20,354	8,657	378	29,389
Bonds	162,379	32,048	349	194,776
Other loans	0	0	1,469	1,469
Derivatives	1,185	52,234	717	54,136
Cash and cash equivalents	0	14,211	0	14,211
Total financial assets	396,256	109,372	41,612	547,240
Due to credit institutions	12,852	-	-	12,852
Derivatives	208	61,742	529	62,479
Subordinated loan capital	-	-39	-	-39
Provisions	-	26,800	-	26,800
Total financial liabilities	13,060	88,503	529	102,092

At 31 December 2025, financial instruments measured on the basis of non-observable input comprised unlisted shares DKK 37,063 million and illiquid bonds DKK 311 million.

During 2025 DKK 4,960 millon was transferred from quoted prices to observerable input (DKK 10,139 million in 2024).
During 2025 DKK 21,993 millon was transferres from observerable input to quoted prices (DKK 4,420 million in 2024).

Notes - Danica Group

Note	DKKm	2025	2024

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(cont'd)

Valuation based on non-observable input

	Holdings	Bonds	Derivatives		
Fair value, beginning of year	38,724	2,171	187	41,082	39,152
Value adjustment recognised through profit or loss in					
Value adjustments	-1,020	-207	-213	-1,440	1,301
Purchase	4,585	88	0	4,673	4,226
Sale	-5,203	-96	-3	-5,302	-4,465
Transferred from quoted prices and observable input	0			0	868
Transferred to quoted prices and observable input			-125	-125	
Fair value, end of year	37,086	1,956	-154	38,888	41,082

In 2025, unrealised value adjustments were recognised at DKK -729 million (2024: DKK -1,334 million) on financial instruments valued based on non-observable input.

Non-observable input in the annual report

Asset type	Fair value, end of 2025	Applied valuation method	Sensitivity of the Fair value from changes in non-obeserverable input
Holdings:			
Infrastructure	11,898	Reported fair value 1)	2) DKK 952 m
Private Equity	18,807	Reported fair value 1)	2) DKK 2.242 m
Credit	4,575	Reported fair value 1)	3) DKK 357 m
Other loans	1,782	Reported fair value 1)	2) DKK 43 m
Unlisted deposits with credit institutions	217	Reported fair value 1)	2) DKK 15,5 m
Bonds:			
Bonds, not observerable input	311	Reported fair value 1)	A Widening of the credit spread of 50 bp will reduce the value by DKK 21,5 m
Other loans	1,155	Reported fair value 1)	A Widening of the credit spread of 50 bp will reduce the value by DKK 3,3 m
Other loans	297	Accounting data, credit quality used for rating	A Widening of the credit spread of 50 bp will reduce the value by DKK 0,7 m
Derivatives	-154	Discounted cash flow, options-models and nume-risk methods	A rise in yield curve of 1bp: loss of DKK 1,1 m. A rise in inflation rate of 1bp: loss of DKK 2,0 m A rise in volatility of 1bp: profit of DKK 0,7 m A rise in CDS curve of 1bp: loss of DKK 0 m

1) Based on received reportering from relevant companies, in which the underlying assets and liabilities are valued at fair value

2) A fall in the liquid, listed stock markets of 20% will reduce the value by

3) Based on a significant number of relevant credit indices of junior and senior debt of 15 and 10%, respectively

Notes – Danica Group

Note

25 RISK MANAGEMENT AND SENSITIVITY INFORMATION

RISK MANAGEMENT
Danica's Board of Directors (BoD) defines the framework for the management of Danica's overall risks. Daily, Danica's risk management function monitors risk limits set by the BoD, including limits set for its asset-liability management (ALM), solvency capital requirement, solvency coverage ratio and for the loss exposure on shareholders equity in a risk scenario defined by Danica's BoD. The risk management function also follows up on investment limits and calculates key risk figures for ALM purposes.

Danica is exposed to a number of different risks where market risk contributes the most to the solvency capital requirement.

Market risks	Insurance risks	Non-financial risks	Other risks
Interest rate risk	Longevity risk	Operational risk	Sustainability risk
Equity risk	Mortality risk	Information Technology and Security risk	Conduct risk
Property risk	Disability risk	Data risk	Strategic Risk
Currency risk	Health and accident	Financial crime	
Credit spread risk	Critical illness	Regulatory compliance risk	
Inflation risk	Healthcare risk	Model risk	
Volatility risk	Surrender risk		
Liquidity risk	Expense risk		
Counterparty risk	Concentration risk		
Concentration risk			

Market risks
Market risk is the risk of losses following from changes in the value of Danica's assets and liabilities. Market risk primarily covers changing market conditions, such as changes in interest rates, equity prices, property values, exchange rates and credit spreads. Market risk also includes:

- volatility risk, relates to the value of options such as equity options or swaptions, but also assets with build-in options like Danish callable mortgage bonds
- inflation risk, relates to indexation of benefits for the health and accident products
- liquidity risk, is the risk of losses due to forced sale of investment assets to meet liquidity needs
- counterparty risk, is the risk of losses due to counterparties default on their obligations
- concentration risk, is the risk of losses because of high exposure to single issuers

Market risk may lead to financial losses for Danica, either as losses of investment assets or as the technical provisions increases.

Danica has three sources of market risk:
- with-profits products (conventional, average-rate products)
- unit-linked products (to which customers may have attached an investment guarantee)
- investment assets allocated to the shareholders equity and other products with direct equity exposure

The amount of market risk differs for the various products in Danica's product range, but the most significant market risk is the market risk relating to its with-profit products.

Market risks related to the with-profits products
The with-profit products offer guaranteed benefits based on a technical rate of interest and is called Danica Traditionel. The portfolio of with-profit products is closed for new business, which means that this type of product is in run-off.

The products give policyholders an annuity or a lump sum consisting of a guaranteed minimum amount in nominal terms. Customers are divided into homogeneous interest rate groups on basis of the technical rates, and each group has its own investment strategy and asset allocation. In each interest rate group, customers participate in a collective investment pool that covers a range of different assets (such as equities, property and bonds).

The policyholders earn interest at a rate set at the discretion of Danica and subject to change at any time.

Note

The difference between the actual (set) interest rate and the return on the policyholders' (collective) assets is allocated to collective buffer accounts owned by the customers. The balances of these buffer accounts are gradually transferred to the individual customer accounts in subsequent years by means of a bonus allocation mechanism. This means that high investment returns may lead to higher benefits than those guaranteed.

The mark-to-market value of the guaranteed benefits depends on the level of the discount curve, which is defined under the Solvency II regulation and based on EUR swap rates. The yields on Danish mortgage, credit and government bonds are also considered which are reflected in the volatility adjustment (VA). The level of the long end of the discount curve, for which no sufficiently reliable market data is available, is determined by the European Insurance and Occupational Pensions Authority (EIOPA).

For the portfolio of with-profit products, Danica will have to cover the shortfall if the value of the assets falls below the value of the liabilities. This will be the case if, for example, investment returns become sufficiently negative (reducing the asset values) or if the level of the discount curve, other things being equal, falls (increasing the value of the liabilities). Hence, the market risk on investments is borne by the customers to the extent that the negative returns can be covered by the collective buffer accounts. Once the buffer accounts have been depleted, negative investment returns on customer savings will force Danica to step in with funds to ensure that it is possible to provide the benefits guaranteed to the policyholders.

Furthermore, Danica can book the annual risk allowance fee income for each of the individual interest rate groups only if the collective bonus potential for the interest rate group is sufficient to cover the risk allowance.

Managing the with-profits product thus involves a combination of managing risks on behalf of the policyholders and managing Danica's risk of having to cover losses.

To ensure that the return on customer funds matches the guaranteed benefits on policies with bonus entitlement, Danica monitors market risk on an ongoing basis. As a part of the risk management activities, internal stress tests are performed to determine the consequences for various ALM limits and the solvency position in case of changes in different market risks including interest rate fluctuations.

Interest rate risk is hedged by means of the bond portfolio and by using derivatives. Investments sensitive to changes in interest rates comprise of a wide range of interest rate-based assets: Danish and European government bonds, Danish mortgage bonds, Danish index-linked bonds and a well-diversified portfolio of global credit bonds. Consequently, Danica is exposed to interest rate spreads between swap and government bonds and to credit spreads.

The credit risk on bond holdings is limited in that a large proportion of the portfolio consists of government and mortgage bonds with high credit ratings (AA – AAA) from the international credit rating agencies or of unrated bonds issued by an issuer with a similar high credit quality. Only a minor proportion of the portfolio is invested in non-investment grade bonds.

Danica limits its counterparty credit risk by demanding high credit ratings for reinsurance and derivatives counterparties. When entering derivative transactions Danica uses central clearing where possible with the purpose of reducing counterparty credit risk.

Currency risk is maintained at a moderate level by means of currency hedging instruments.

Danica limits its liquidity risk by placing the majority of investments in liquid listed bonds and highly marketable equities. Moreover, Danica keeps exposure to asset classes with a lower grade of liquidity such as alternative investments and real estate at a moderate level.

Concentration risk is limited by investing with a focus to ensure a high degree of portfolio diversification and by limiting the number of investments in a single issuer. For mortgage bonds, the issuer is not considered critical to concentration risk because the individual borrower provides collateral for issued mortgage bonds.

Market risks related to unit-linked products
In unit-linked products, policyholders receive the actual return on the investments which thus depends on the development in financial markets. However, some of the unit-linked products give the policyholders the option to have their benefits guaranteed.

The market risk associated with unit-linked products is primarily borne by the policyholders, particularly in respect of contracts without a guarantee.

For unit-linked products with financial guarantees, Danica hedges the risk on the financial guarantees by means of financial derivatives and by adjusting the investment allocation during the period leading up to retirement. The investment allocation is adjusted according to the guaranteed amount, the investment horizon etc. If a guarantee is attached to the individual policy, Danica bears the risk in relation to the guarantee.

Danica's main saving product – and the product recommended to most customers – is called Danica Balance. Danica Balance is a life-cycle product, meaning that the asset allocation between different risk categories (bonds or equities, for example) for each customer is adjusted gradually as the customer gets older and approaches retirement.

Note

Market risk related to assets allocated to shareholders' equity and other products
Market risk associated with assets allocated to shareholders equity and other products concerns the following:

- Assets in which the shareholders equity of Danica is invested, i.e. investment returns have a full effect on Danica's profits
- The investment results for Danica's health and accident products
- Assets for some life insurance products with investment guarantees. This means that Danica bears the risk if the changes in the value of provisions for these products differ from the changes in the value of the corresponding assets. The provisions are the net present value of expected future pay-outs and are exposed to movements in the discount curve, which is defined under the Solvency II regulation. The corresponding assets may be exposed to changes in interest rates, changes in credit spreads and to changes in the value of equities and property

Danica has separate investment strategies for assets allocated to its equity, to health and accident products, and to life insurance products with investment guarantees.

Insurance risks
Insurance risks are linked to trends in policy surrender activity, mortality, disability, critical illness and other variables that could materialise unfavourably from Danica's current assumptions and expectations. For example, an increase in longevity lengthens the period during which benefits are payable under certain pension plans and may potentially have a negative effect on Danica's profits. Similarly, trends in mortality, sickness and recovery affect life insurance and disability benefits respectively. The principal insurance risks are longevity risk, the risk of increased surrenders (i.e. the risk of customers leaving Danica or ceasing to pay premiums) and claim risks related to the Health & Accident business. Most insurance risks materialise over long-time horizons during which the gradual changes in biometric conditions deviate from those assumed in contract pricing.

Insurance risk may also materialise through changes in the actuarial assumptions used for liability valuation. Unfavourable changes in assumptions resulting in an increase in liabilities will, to the extent possible, be covered by customer buffers in with-profit products. Once the buffer accounts have been depleted, Danica will have to step in with funds to ensure that it is possible to provide the benefits guaranteed to the policyholders.

Concentration risk relating to life insurance risk comprises the risk of losses as a result of high exposure to a few customer groups and to a few individuals. Danica limits concentration risk by means of risk diversification of the insurance portfolio and by means of reinsurance.

A smaller proportion of risks related to mortality and disability are reinsured to limit losses on individual life insurance policies, which are subject to significant risk exposure. Danica has also engaged in reinsurance, which reduce the risk of reduced earnings in the event of a mass lapse of Danica's market rate products.

To limit losses on individual life insurance policies subject to high-risk exposure, Danica reinsures a small portion of the risk related to mortality and disability.

The various risk elements are subject to ongoing actuarial assessment for the purposes of calculating insurance obligations and making relevant business adjustments.

Non-financial risks
Non-financial risks relate to the risk of losses resulting from inadequate or faulty internal processes, controls, persons and systems or external events and include legal and compliance risks. Non-financial risk events are defined as events that have occurred and may have caused a financial loss, reputational damage or have caused a near loss. This risk category also comprises of model risk, which is losses due to wrongful design, use or interpretation of models or model results in Danica. Non-financial risks also comprise of risks related to digitalisation and technological development.

Non-financial risks arise in connection with the Group's activities. The Group assumes non-financial risks whenever it accepts business from new customers, introduces new products and hires new employees.

The Group closely monitors the development on the markets where the Group operates to ensure the competitiveness of prices and customer service. The Group is committed to treating customers fairly and communicating openly and transparently. The Group subjects its business units to systematic assessments to reduce the risk of financial losses due to damage to its reputation.

The Group limits operational risks by establishing internal controls that are regularly updated and adjusted to the Group's current business volume and identified risks.

Other risks
Other risks relate to risks associated with sustainability, conduct and strategy. These risks are typically transversal risks that either arise in connection with or tie various other types of risk together. A transversal risk is an additional source of risk and must be handled as an integrated part of other risks. For example, sustainability risk such as climate risk will be a source of risk within both market risk, insurance risk and non-financial risk.

Issues relating to sustainability and ESG (environment, social and governance) have become increasingly important in recent years for Danica, Danica's customers, media, NGOs and authorities. Therefore, there has also been a greater focus on the derived risks.

Note

Danica has a sustainability strategy and has a particular focus on three themes namely
- generate attractive long-term returns, achieved on a responsible basis
- ensure that Danica continues to be a robust and resilient life insurance company
- manage Danica's impact on the world related to climate and biodiversity through the company's investments and behaviour

The work with sustainability and ESG has, among other things, influence on Danica’s reputational risk and regulatory risk. The reputational risk is caused by the fact that it may affect Danica’s ability to retain and attract both customers and employees if Danica’s efforts in relation to sustainability and ESG are not sufficient, or if Danica is not acting with the professionalism that is expected of a large life insurance company.

Furthermore, sustainability risks can affect the following risk module:
- reputational risk – if customers or other stakeholders find that Danica’s ESG efforts are not adequate or if activities related to sustainable investments are marketed as more sustainable than they really are
- regulatory risk – if Danica is unable to meet the regulatory requirements for sustainable investments
- market risk – if future climate change – or expected future climate change – affects the valuation of investment assets to cause Danica a loss. Furthermore, Danica may suffer a loss if the valuation of investments changes, for instance because the companies in which the investments are made will no longer be able to meet the criteria for sustainability
- insurance risk – if future climate change affects mortality and disease transmission patterns

Conduct risk is the risk of loss because of Danica’s way of conducting its business both internally and towards customers, e.g., in connection with products or advisory, Danica emphasizes proper treatment of customers and stakeholders as well as openness and transparency in its communication. The risk is mitigated via a general high standard when handling conduct risks. Danica has policies and business procedures which determine concrete requirements for business operations, and which are analysed and define Danica’s handling of customers, employees and other stakeholders.

Strategic risk is the risk of loss because of Danica not achieving its strategic goals, regardless of it being due to internal or external conditions. This can for example be incorrect identification of risks in connection with the strategy, inadequate execution of the strategy or lack of capital to support the strategy.

Danica’s strategic risk can, for example, be influenced by:
- the development of the Danish pension market in general, including development due to changed regulation
- Danica’s market position and competitiveness, which for instance depends on prices and value proposition
- Danica’s focus on social responsibility and sustainability, including various stakeholders' assessment of whether Danica’s efforts are sufficient, and whether the efforts – e.g., in relation to the classification of sustainable investments – meets the authorities' requirements

Sensitivity analysis – effect on equity of selected scenarios (mDKK)

	2025	2024
Volatility adjustment in the discount curve (VA) =0	-244	-253
Rates down 100 bp	126	94
Rates up 100bp	-384	-141
Listed equities down 10%	-55	-84
Property down 10%	-289	-328
Credit spreads increase 40 bp	-262	-295
DKK and EUR inflation increase 10 bp	-9	-8
10% increase in cases in Health & Accident (H&A)	-606	-578
10% decrease in frequency of re-activation in H&A	-973	-976
10% increase in longevity assumptions (DKK bn)	-297	-265

The table shows sensitivity information in accordance with IFRS 17.128. The scenarios resulting in the largest effects on shareholders equity are especially:

- Insurance risks related to an increase in longevity and an increase in claims / lower reactivations related to the H&A business
- Market risks related to large changes in interest rates, decrease in VA and increasing credit spreads on mortgage bonds

The above risks have a significant focus and are mitigated as part of Danica’s governance structure, where the BoD has set limits and tolerances for all significant risks.

Financial statements - contents

Financial highlights - Danica

(DKK millions)	2025	2024*	2023*	2022	2021
INCOME STATEMENT					
Premiums	48,508	39,885	35,754	32,365	33,994
Claims and benefits	-37,101	-32,647	-28,679	-26,620	-26,185
Return on investment	26,195	49,165	35,955	-67,236	35,237
Tax on pension returns	-3,707	-5,164	-729	-705	-5,954
Total operating expenses relating to insurance	-1,585	-1,396	-1,305	-1,244	-1,186
Depreciation of goodwill	-	-	-	-1,543	-
Profit/loss on business ceded	-29	-18	14	-32	-5
Technical result, Life	1,170	1,278	1,108	-742	2,085
Gross premium income	3,262	2,110	1,003	1,985	1,560
Gross claims	-4,037	-3,167	-2,536	-1,920	-2,202
Total operating expenses relating to insurance	-132	-135	-137	-127	-162
Profit/loss on business ceded	10	1	124	-27	-14
Return on investment less technical interest	159	-223	-23	-953	290
Technical result of health and accident insurance	-707	-1,417	-1,573	-1,032	-546
Net profit/loss for the year	1,229	1,051	660	-1,103	1,730
Total other comprehensive income	-	-	-	31	15
BALANCE SHEET					
Total assets	609,291	597,031	543,170	540,509	655,170
Insurance assets, health and accident insurance	167	157	164	12	69
Technical provisions, health and accident insurance	17,312	17,773	16,766	15,572	17,914
Total provisions for insurance and investment contracts	511,917	485,296	438,912	403,649	469,472
Total shareholders' equity	19,496	19,318	20,045	19,385	24,122
KEY FIGURES AND RATIOS (%)					
Rate of return related to average rate products	1.6	3.3	4.6	-14.6	0.0
Rate of return related to unit-linked products	6.3	13.6	10.5	-14.9	13.3
Risk on return related to unit-linked products	4.25	5.25	4.75	5.25	4.50
Expenses as per cent of provisions	0.33	0.31	0.32	0.29	0.27
Expenses per policyholder (DKK)	2,148	1,884	1,742	1,656	1,596
Return on equity after tax	5.5	5.4	3.3	-7.1	7.4
Solvency coverage ratio (Solvency I)					
RATIOS FOR HEALTH AND ACCIDENT INSURANCE					
Gross claims ratio	123	150	254	96	142
Gross expense ratio	4	6	14	6	10
Combined ratio	126	157	255	104	154
Operating ratio	126	157	255	104	154
Relative run-off	-2.5	-0.9	4.0	1.6	1.3
Run-off, net of reinsurance (DKK millions)	-350	-123	526	229	190

The ratios are defined in accordance with the Danish FSA's Executive Order on Financial Reports for Insurance Companies and Multi-Employer Occupational Pension Funds, a description can be found in Significant accounting policies.

On 25 June 2021, Danica Pension, Livsforsikringsaktieselskab and Forsikringsselskabet Danica Skadesforsikringsaktieselskab were merged with Danica Pension, Livsforsikringsaktieselskab as the continuing company. Comperative figures for prior periods have been restated.

*Comparative figures have been adjusted as described in note 1.

Income statement & Other comprehensive income - Danica

Note	(DKK millions)	2025	2024
2	Gross premiums	48,508	39,885
	Reinsurance premiums ceded	-33	-32
	Total premiums, net of reinsurance	48,475	39,853
	Income from group undertakings	2,853	2,511
	Income from associated undertakings	74	293
	Income from investment property	22	21
	Interest income and dividends, etc.	16,276	22,147
3	Value adjustments	18,528	40,949
	Interest expenses	-10,484	-15,673
	Administrative expenses related to investment activities	-1,074	-1,083
	Total return on investment	26,195	49,165
	Tax on pension returns	-3,707	-5,164
4	Claims and benefits paid	-37,101	-32,647
	Reinsurers' share received	11	16
	Total claims and benefits, net of reinsurance	-37,090	-32,631
5 ,6	Change in life insurance provisions	-29,944	-47,484
	Change in reinsurers' share	-7	-2
	Total change in life insurance provisions, net of reinsurance	-29,951	-47,486
	Change in profit margin	-501	-184
	Acquisition costs	-469	-405
	Administrative expenses	-1,116	-991
7	Total operating expenses relating to insurance, net of reinsurance	-1,585	-1,396
	Transferred investment return	-666	-879
	TECHNICAL RESULT	1,170	1,278
8	**TECHNICAL RESULT OF HEALTH AND ACCIDENT INSURANCE**	-707	-1,417
	Return on investment allocated to equity	1,002	1,124
9	Other income	50	94
	PROFIT BEFORE TAX	1,515	1,079
10	Tax	-286	-28
	NET PROFIT FOR THE YEAR	1,229	1,051

Net profit for the year	1,229	1,051
Total other comprehensive income	-	-
NET COMPREHENSIVE INCOME FOR THE YEAR	1,229	1,051

Balance sheet - Danica

Assets

Note	(DKK millions)	2025	2024
	INTANGIBLE ASSETS	420	492
11	Investment property	287	286
	Holdings in group undertakings	21,523	20,914
	Holdings in associated undertakings	282	429
	Total investments in group and associated undertakings	21,805	21,343
	Holdings	16,432	23,589
	Unit trust certificates	15,240	11,399
	Bonds	93,577	116,052
	Other loans	288	278
	Deposits with credit institutions	11,773	9,404
	Other	27,775	27,412
12	Total other financial investment assets	165,085	188,134
	TOTAL INVESTMENT ASSETS	187,177	209,763
13	**INVESTMENT ASSETS RELATED TO UNIT-LINKED PRODUCTS**	411,954	376,060
	Life insurance provisions, reinsurers' share	39	47
	Outstanding claims provision, reinsurers' share	167	157
	Total technical provisions, reinsurers' share	206	204
	Amounts due from policyholders	455	533
	Amounts due from insurance companies	177	107
	Amounts due from group undertakings	1,790	603
	Other debtors	527	774
	TOTAL DEBTORS	3,155	2,221
	Current tax assets	1,169	1,261
	Deferred tax assets		25
	Cash and cash equivalents	865	822
	TOTAL OTHER ASSETS	2,034	2,108
	Accrued interest and rent	4,018	5,864
	Other prepayments and accrued income	533	523
	TOTAL PREPAYMENTS AND ACCRUED INCOME	4,551	6,387
	TOTAL ASSETS	609,291	597,031

Balance sheet - Danica

Liabilities

Note	(DKK millions)	2025	2024*
	Share capital	1,101	1,101
	Contingency fund	1,882	1,882
	Retained earnings	15,313	15,284
	Proposed dividend	1,200	1,051
14	**TOTAL SHAREHOLDERS' EQUITY**	19,496	19,318
	SUBORDINATED DEBT	0	3,688
	Unearned premiums provision	731	1,395
5	Life insurance provisions, average rate products	109,952	119,772
6	Life insurance provisions, unit-linked products	366,775	330,374
	Total life insurance provisions	476,727	450,146
	Profit margin on life insurance and investment contracts, average rate products	3,138	3,180
	Profit margin on life insurance and investment contracts, unit-linked products	14,740	14,197
	Total profit margin on life insurance and investment contracts	17,878	17,377
	Outstanding claims provision	15,229	14,867
	Risk margin on non-life insurance contracts	1,352	1,480
	Provisions for bonus and premium discounts	0	31
	TOTAL PROVISIONS FOR INSURANCE AND INVESTMENT CONTRACTS	511,917	485,296
10	Deferred tax	299	0
	Other provisions	228	266
	TOTAL PROVISIONS FOR LIABILITIES	527	266
	Amounts owed, direct insurance	123	64
	Amounts owed to reinsurers	10	2
	Amounts owed to credit institutions	1,840	12,852
	Amounts owed to group undertakings	2,541	1,906
15	Other creditors	68,187	68,239
	TOTAL CREDITORS	72,701	83,063
	ACCRUALS AND DEFERRED INCOME	4,650	5,400
	TOTAL LIABILITIES	609,291	597,031

*Comparative figures have been adjusted as described in note 1.

Statement of capital - Danica

(DKK millions)

Changes in shareholders' equity

		Share capital	Contingency fund	Retained earnings	Proposed dividend	Total
Shareholders' equity at 31 December 2024		1,101	1,882	15,284	1,051	19,318
Profit for the year			-	1,229	-	1,229
Dividend paid	-	-	-	-	-1,051	-1,051
Proposed dividend	-	-	-	-1,200	1,200	0
Shareholders' equity at 31 December 2025	-	1,101	1,882	15,313	1,200	19,496
Shareholders' equity at 31 December 2023		1,101	1,882	16,401	1,141	20,525
Adjustment regarding previous years 1 January 2024*	-	-	-	-1,117	-	-1,117
Adjusted shareholders' equity at January 1, 2024	-	1,101	1,882	15,284	1,141	19,408
Profit for the year			-	1,051		1,051
Dividend paid	-	-	-	-	-1,141	-1,141
Proposed dividend	-	-	-	-1,051	1,051	0
Shareholders' equity at 31 December 2024	-	1,101	1,882	15,284	1,051	19,318

*Comparative figures have been adjusted as described in note 1.

Danica has an obligation to allocate part of the excess equity to certain policyholders of the former Statsanstalten for Livsforsikring (now a part of Danica) if the percentage by which the equity exceeds the calculated capital requirement is higher than the percentage that had been maintained by Statsanstalten for Livsforsikring prior to the privatisation of this company in 1990. This comprises any excess either added to shareholders' equity or distributed as dividend, but it does not comprise shareholders' equity paid in after the privatisation. Special allotments to those policyholders are recognised as an expense in the income statement item "Change in life insurance provisions".

Statement of capital - Danica

(DKK millions)	2025	2024*
Capital base		
Shareholders' equity	19,496	19,318
Valuation differences between financial statements and Solvency II		
Provisions for insurance and investment contracts	15,394	13,945
Tax effects	-3,893	-3,498
Proposed dividend	-1,200	-1,051
Intangible assets	-420	-492
Supplementary capital	0	3,688
Capital base	29,377	31,910

*Comparative figures have been adjusted as described in note 1.

Notes – Danica

Note

1 MATERIAL ACCOUNTING POLICY INFORMATION – DANICA

GENERAL

The financial statements of Danica, are presented in accordance with the Danish Financial Business Act, including the Danish FSA's Executive Order No. 503 of 23 May 2024 on financial reports for insurance companies and multi-employer occupational pension funds.

As of 29 September 2025, Danica has redeemed its subordinated debt and is therefore no longer an issuer of listed bonds, cf. note 20 in the financial statements of the Danica Group.

Adjustment to prior years' insurance liabilities

Following the Danish Financial Supervisory Authority's functional inspection of health and accident insurance, Danica identified significant misinterpretations of data used in connection with the calculation of insurance liabilities for health and accident insurance for 2024 and previous years. The misinterpretations have materially affected the insurance liabilities and changes thereto which were recognised in the income statement and the balance sheet in 2024 and previous years, respectively. Apart from a single matter relating to 2023, as mentioned below, Danica has only adjusted the opening balance for 2024, as it has not been practically feasible to adjust further back in time than 1 January 2024.

The income statement for 2024 has not been adjusted, as the impact on the net profit for 2024 is insignificant.

The adjustments have been recognised by restating each of the affected items in the financial statements for the prior periods as follows:

DKK million	31 December 2024	Correction	Adjusted 31 December 2024	1 January 2024	Correction	Adjusted 1 January 2024
BALANCE						
Assets (extract):						
Deferred tax assets	0	25	25	0	195	195
Total Assets	**597,006**	**25**	**597,031**	**542,975**	**195**	**543,170**
Liabilities and equity (extract):						
Retained earnings	16,401	-1,117	15,284	16,401	-1,117	15,284
Total Equity	**20,435**	**-1,117**	**19,318**	**20,525**	**-1,117**	**19,408**
Unearned premiums provision	823	572	1,395	978	572	1,550
Outstanding claims provision	14,025	842	14,867	13,690	842	14,532
Risk margin on non-life insurance contracts	1,384	96	1,480	1,413	96	1,509
Total Provisions for insurance and investment contracts	**483,786**	**1,510**	**485,296**	**438,912**	**1,510**	**440,422**
Deferred tax liabilities	368	-368	0	198	-198	0
Total Debt						
Total Liabilities	**597,006**	**25**	**597,031**	**542,975**	**195**	**543,170**

As a result of the above adjustments, return on equity after tax for 2024 has increased from 5.1% to 5.4%.

In the Financial Highlights – Danica Group, the net profit for 2023 has been adjusted by a net amount of DKK 480 million. Insurance service result for 2023 has been reduced by DKK 649 million and tax for the year has been reduced by DKK 169 million. Return on equity for 2023 has decreased from 5.6% to 3.3%. This adjustment of the net profit for 2023 and the equity as of 31 December 2023 in Financial Highlights, is reflected in the adjustment of the balance sheet as of 1 January 2024 in the table above along with the adjustments that could not be adjusted further back in time. Thus, there is a difference between the adjustment of equity as of 31 December 2023 in the Financial Highlights of DKK 480 million and the adjustment of equity as of 1 January 2024 in the table above of DKK 1,117 million.

The adjustments have had no impact on other comprehensive income or cash flows for 2024 or prior years.

The accounting policies applied remain unchanged from the 2024 annual report, except for the above-mentioned.

Significant accounting estimates and judgments

Management's estimates and judgments of future events that will significantly affect the carrying amounts of assets and liabilities including the preparation of the consolidated financial statements.

Note

The areas where estimates and judgments that are deemed to be most critical to the consolidated financial statements are:

- Measurement of liabilities under insurance contracts, including the yield curve, expectations regarding future mortality, disability frequency, reactivation, administrative costs, as well as frequencies for surrender and conversion to paid-up policies.
- Fair value measurement of derivative financial instruments where the market is not active, including adjustments to the latest quoted price, e.g. based on transactions in comparable instruments and other inputs.
- Fair value measurement of unlisted investments, including expected cash flows and other inputs used in the valuation.
- Fair value measurement of real property, including expected cash flows and the yield rate used for discounting cash flows.
- Intangible assets/Goodwill/Customer relationships

The estimates and judgements for the areas above are further described in the following sections for the areas in question.

Measurement of liabilities under insurance contracts
Liabilities under insurance contracts are measured in accordance with the rules of the Danish executive order on financial reports presented by insurance companies. Calculations of liabilities under insurance contracts are based on a number of actuarial computations that rely on assumptions about a number of variables, including mortality and disability rates.

Insurance liabilities are calculated by discounting the expected future benefits to their present values. For life insurance, the expected future benefits are based on expected future mortality rates and frequency of early release of pensions and conversions into paid-up policies. For health and accident insurance, the insurance obligations are calculated based on expected future recoveries and re-openings of old claims. Estimates of future mortality rates are based on the Danish FSA's benchmark, while other estimates are based on empirical data from the Group's own portfolio of insurance contracts. Estimates are updated regularly.

The calculation of life insurance provisions is based on an assumed increase in life expectancy over today's observed lifetime of 1.8 years (2024: 1.9 years) for a sixty five-year-old male and 1.7 years (2024: 1.8 years) for a sixty five-year-old female. A sixty five-year-old male is thus expected to live for approximately 22 more years (2024: 22 years) and a sixty five-year-old female for approximately 24 more years (2024: 24 years).

The probabilities used for surrenders and conversions into paid-up policies are dependent on duration, as a declining relationship has been observed between intensities and number of years since a policy was taken out. Separate intensities are used for the individual interest rate groups and the unit-linked portfolio. The probabilities of early releases of pensions and conversions into paid-up policies are estimated based on observations for the preceding five years. The disability probability is the same for all portfolios. The probabilities used are age- and gender-dependent. The determination of disability probabilities includes probability of reactivation.

In respect of the life insurance business, the method used to calculate risk margin involves applying a safety margin to intensities.

For mortality, the risk margin consists of a margin on observed current mortality rates and longevity improvements.

For intensities of early release of pensions and conversion into paid-up policies, the risk margin applied constitutes a 10% increase in all intensities for unit-linked and interest rate group 1-3 and rate group D1 and a 10% decrease in all intensities for interest rate groups D2-D4 and rate group 4. The intensities are reassessed on an ongoing basis as experience is gained.

For disability, a 10% risk margin is also applied, which is calculated on both the disability probability and the reactivation probability.

The liabilities also depend on the discount yield, which is fixed on the basis of a zero-coupon yield curve. The zero-coupon yield curve is estimated on the basis of the euro swap market. The curve is adjusted by a currency and a credit risk deduction as well as a volatility adjustment. For maturities of more than 20 years, the rate is extrapolated based on the forward rate in year 20 and with a constant forward rate at the 60-year mark of 3.30% (Ultimate Forward Rate). Danica uses a yield curve calculated according to principles and based on data resulting in a curve as close as possible to the EIOPA yield curve.

Fair value measurement of financial instruments
Critical estimates are not used for measuring the fair value of financial instruments where the value is based on prices quoted in an active market or on generally accepted models employing observable market data.

Measurements of financial instruments that are only to a limited extent based on observable market data are subject to estimates. This includes the measurement of unlisted shareholdings, certain listed shareholdings and certain bonds for which there is no active market. See financial investment assets below for a more detailed description.

Fair value measurement of real property
The fair value of investment property is determined using a systematic assessment based on the present value of the expected cash flows from the property. The present value is calculated based on discounting by a required rate of return determined for each property individually, in accordance with appendix 7 to the executive order on the presentation of financial reports for insurance companies and multi-employer occupational pension funds.

Note

Intangible assets/Customer relationships/Software
Customer relationships acquired in connection with business combinations are recognised as a separate identifiable intangible asset. The fair value of the customer relationships at the acquisition date represents the net present value of expected future earnings related to the existing customer base in the former SEB Pension and is calculated based on the estimated future profit margin in the acquired companies at the acquisition date.

Software consists of fully developed software and software under development.

Materiality
For the purpose of clarity, the financial statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other financial statement items.

Holdings in group undertakings, associates and joint ventures
Investments in group undertakings are measured according to the equity method, and profit after tax are recognized under "Income from group undertakings"

Associates are entities, other than group undertakings, in which the Group has holdings and significant but not controlling influence. The Group generally classifies entities as associates if the Company, directly or indirectly, holds 20-50% of the voting rights and has power to control management decisions. If the company, together with one or more external investors, has joint control over a company, it is a joint operation.

Holdings in associates and joint ventures are recognised at cost at the date of acquisition and are subsequently measured according to the equity method. The proportionate shares of the shareholders' equity of the entity with the addition of goodwill on consolidation are recognised in the item "Holdings in associates" and the proportionate share of the net profit or loss of the individual entity is recognised in "Income from associates". The proportionate share is calculated based on data from financial statements with balance sheet dates no earlier than three months before the Group's balance sheet date and calculated in accordance with the Group's significant accounting policies.

Jointly controlled assets and operations
Danica is involved in joint operations with other pension companies. These joint operations are administrated by Forenede Gruppeliv. Income, expenses, assets and insurance liabilities, etc. are distributed between and recognised by the venturers according to their individual quota, which is determined based on the premiums written by the individual venturer during the year.

With respect to jointly controlled assets and operations, a proportionate share (corresponding to pro rata consolidation) is recognised in the income statement and balance sheet.

Translation of transactions in foreign currency
The presentation currency of the consolidated financial statements is Danish kroner, which is the functional currency of the Company.

Transactions in foreign currency are translated at the exchange rate of the unit's functional currency at the transaction date. Gains and losses on exchange rate differences arising between the transaction date and the settlement date are recognised in the income statement.
Monetary assets and liabilities in foreign currency are translated at the exchange rates at the balance sheet date. Exchange rate adjustments of monetary assets and liabilities arising as a result of differences in the exchange rates at the transaction date and at the balance sheet date are recognised in the income statement.

Hedge accounting
Danica uses derivatives to hedge the interest rate risk on fixed-rate liabilities measured at amortised cost. Hedged risks that meet the criteria for fair value hedge accounting are treated accordingly. The interest rate risk on the hedged liabilities is measured at fair value as a value adjustment of the hedged items through profit or loss.

Insurance contracts
Life insurance policies are classified as insurance or investment contracts. Insurance contracts are contracts that entail significant insurance risks or entitle policyholders to bonuses. Investment contracts are contracts that entail insignificant insurance risk, and consist of unit-linked products under which the investment risk lies with the policyholder.

Contribution
In accordance with the Executive Order on the Contribution Principle, the Danish FSA has been notified of Danica's profit policy. The portfolio of Danica Traditionel policies is divided into fourteen interest rate groups of which ten of the interest groups are active. Danica has ten cost groups and seven risk groups.

Notes – Danica

Note

If the collective bonus potential for the individual group is sufficient to allow booking of the risk allowance, an amount may be booked.

Within each interest rate group, any losses are absorbed collectively by that group's collective bonus potential, individual bonus potentials and the profit margin, before any shareholders' equity is required to cover such losses. Any losses on risk and cost groups not absorbed by the collective bonus potential of the individual groups are to be covered by shareholders' equity.

Danica has an obligation to allocate part of the excess equity to certain policyholders of the former Statsanstalten for Livsforsikring (now part of Danica) if the percentage by which the equity exceeds the statutory solvency need is higher than the percentage that had been maintained by Statsanstalten for Livsforsikring prior to the privatisation of this company in 1990. This comprises any excess either consolidated in shareholders' equity or distributed as dividend, but it does not comprise shareholders' equity paid in after the privatisation. Special allotments to those policyholders are recognised as an expense in the income statement item "Change in life insurance provisions".

INCOME STATEMENT

Life insurance premiums
Regular and single premiums on insurance contracts are included in the income statement at the due dates. Reinsurance premiums paid are deducted from premiums received. Premiums on investment contracts are recognised directly in the balance sheet and disclosed in the notes.

Return on investment
Income from group undertakings comprises profit after tax from group undertakings.

Income from associates comprises the company's share of the associates' profit after tax and realised gains and losses on sales during the year.

Income from investment properties comprises the profit from operating investment properties after deduction of property management expenses.

Interest income and dividends etc. comprises yield on bonds and other securities and interest on amounts due. In addition, the item comprises dividends from holdings with the exception of dividends from group undertakings and associates.

Market value adjustments comprise realised and unrealised gains and losses and exchange rate adjustments on investment assets other than associates.

Interest expenses comprise interest from subordinated loans, receivables, other securities and other debt.

Administrative expenses related to investment activities comprise portfolio management fees to investment managers, direct trading costs, custody fees and own expenses related to the administration of and advisory services on investment assets.

Tax on pension returns
Tax on pension returns consists of individual tax on pension returns, calculated on the interest accrued on policyholders' savings, and non-allocated tax on pension returns, calculated on amounts allocated to the collective bonus potential, and the like. Tax on pension returns is charged at a rate of 15.3%. Deferred pension returns tax is a part of insurance provisions.

Claims and benefits
Claims and benefits, net of reinsurance comprises the claims and benefits paid on insurance contracts for the year, net of the reinsurers' share. Claims and benefits on investment contracts are recognised directly in the balance sheet.

Change in life insurance provisions
Change in life insurance provisions, net of reinsurance comprises the change for the year in gross life insurance provisions less the reinsurers' share, excluding premiums and benefits regarding investment contracts.

The change in collective bonus potential is part of the change in life insurance provisions and comprises the change for the year in collective bonus potential for insurance policies with bonus entitlement.

Change in profit margin
Change in profit margin is the change for the year in the profit margin relating to life insurance.

Operating expenses relating to insurance activities
Acquisition costs cover accrued costs related to acquiring and renewing the insurance portfolio. Administrative expenses cover other accrued expenses related to insurance operations.

The allocation of non-directly attributable expenses on acquisition costs and administrative expenses and on life insurance and health and accident insurance is made applying allocation models.

Note

Transferred return on investment
Transferred return on investment consists of the return on the assets allocated to shareholders' equity and the return on health and accident insurance.

Health and accident insurance
Premiums, net of reinsurance are included in the income statement as they fall due. Premiums, calculated net of discounts not related to claims and the like and insurance premiums ceded, are accrued.

Claims, net of reinsurance comprise claims paid for the year, adjusted for changes in outstanding claims provisions including gains and losses on prior-year provisions (run-off result) and change in risk margin. Furthermore, claims include expenses for assessment of claims, expenses for damage control and an estimate of the expected administrative and claims handling expenses on the insurance contracts written by the undertaking. Adjustment is also made for change in risk margin. Total gross claims are calculated net of reinsurance.

For the health and accident business, the profit margin is determined independently of the life insurance business and on the basis of the contract periods of the health and accident business. For the health and accident business, there is no expectation of future earnings in the contract periods, and the profit margin is therefore nil. If the contracts are deemed to become loss-making within the guaranteed contract periods, provision is made for such losses.

Other income
Other income comprises fund management commissions.

Other expenses
Comprises expenses which cannot be directly attributed to insurance or investment activities.

Taxation
Calculated current and deferred tax on the profit for the year before tax and adjustments of tax charges for previous years are recognised in the income statement. Income tax for the year is recognised in the income statement in accordance with the tax laws. Tax on items recognised directly in equity is also recognised in equity.

BALANCE SHEET
ASSETS
Intangible assets
Customer relationships
Customer relationships acquired in connection with business combinations are recognised as a separate identifiable intangible asset. The fair value of the customer relationships at the acquisition date represents the net present value of expected future earnings related to the existing customer base in the former SEB Pension and is calculated based on the estimated future profit margin in the acquired companies at the acquisition date. Customer relationships/contracts will be amortised over 10 years, which represents management's expectations of the period over which the majority of the future earnings on existing customer relationships/contracts will be earned.
On objective evidence of impairment, the customer relationship is tested for impairment and, if impaired, written down to the estimated value of the future earnings. No evidence of impairment was identified in 2025.

Software
Acquired software is recognized at cost, including costs to prepare the asset for use. Acquired software is amortised on a straight-line basis over the expected useful life, usually three years.

Software developed in-house is capitalised if the development costs can be reliably measured and analyses indicate that the future income from the asset exceeds the development costs. These include preparation costs incurred. When the development of the software is completed, the software is amortised on a straight-line basis over the expected useful life, usually three years. Development costs primarily comprise directly attributable payroll costs and other directly attributable development costs. Costs incurred during the planning stage are expensed as incurred.

Software is tested for impairment if there is an indication of impairment. No indication of impairment has been identified in 2025.

Investment property
Investment property is real property, including real property let under operating leases, which the Group owns for the purpose of receiving rent and/or obtaining capital gains. Investment property is real property that the Group does not use for its own administrative purposes etc., as such property is classified as domicile property. Real property with both domicile and investment property elements is allocated proportionally to the two categories if the elements are separately sellable. If that is not the case, such real property is classified as investment property, unless the Group occupies at least 10% of the total floorage.

On acquisition, investment property is measured at cost, including transaction costs, and subsequently it is measured at fair value.

Note

Investment property under construction is measured at fair value. If indications of impairment exist, the property is tested for impairment and written down to its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

The fair value of investment property is measured based on a discounted cash-flow model on the basis of a systematic assessment based on the present value of the expected cash flows from the property. The present value is calculated based on discounting by a required rate of return determined for each property individually. The rate of return of a property is determined on the basis of its location, type, possible uses, layout and condition as well as of the terms of lease agreements, rent adjustment and the credit quality of the lessees. External assessments of market rent and return percentages, among other things, are collected for the purpose of input for the determination of return percentages, but the company's own assessment is the basis for calculating fair value.

Financial instruments – general
Purchases and sales of financial instruments are measured at fair value at the settlement date, which usually equals cost. Fair value adjustments of unsettled financial instruments are recognised from the trading date to the settlement date.

For portfolios of assets and liabilities with offsetting market risks, managed on a fair value basis, the fair value measurement is based on mid-market prices.

Financial instruments denominated in the same currency that meet the criteria for offsetting and are cleared via the same clearing broker are presented net in the balance sheet as either an asset or a liability.

Financial investment assets
On recognition, financial investment assets are classified as financial assets at fair value through profit or loss as these assets are managed on a fair value basis, among other things due to their connection to pension obligations.

The fair value is measured on the basis of quoted market prices of financial instruments traded in active markets. The fair value of such instruments is therefore based on the most recently observed market price at the balance sheet date.

If a financial instrument is quoted in a market that is not active, the measurement is based on the most recent transaction price. Adjustment is made for subsequent changes in market conditions, for instance by including transactions in similar financial instruments that are assumed to be motivated by normal business considerations. If no active market exists for standard and simple financial instruments such as interest rate and currency swaps and unlisted bonds, fair value is calculated on the basis of generally accepted valuation techniques and market-based parameters.

The fair value of more complex financial instruments, such as swaptions and other OTC products, is measured on the basis of valuation models which are typically based on valuation techniques generally accepted within the industry. The results of the calculations made on the basis of valuation techniques are often estimates, because exact values cannot be determined from market observations. Consequently, additional parameters, such as liquidity and counterparty risk, are sometimes used to measure fair value.

Unlisted shareholdings are measured on the basis of the most recent reporting, financial statements and other information received from the individual companies. Unlisted funds are measured on the basis of reports from the fund using IPEV Valuation Guidelines as a basis, after which the underlying investments are measured at fair value on the balance sheet date. A model is used to adjust valuations in relation to the latest reporting in cases of significant fluctuations in the financial markets.

The item “Other” comprises derivatives with positive fair values, while derivatives with negative fair values are recognised in the item “Other creditors”.

Investment assets related to unit-linked products
At initial recognition, investment assets related to unit-linked products are classified as financial assets at fair value through profit or loss due to their relation to the associated liabilities.

If an active market exists, the official market price at the closing date is used. If market prices in an active market are not available, fair value is determined on the basis of generally accepted measurement techniques according to the principles described for financial investment assets.

Debtors
The reinsurers’ share of technical provisions is shown divided into unearned premiums provisions, life insurance provisions and outstanding claims provisions.

Debtors are measured at amortised cost, which normally corresponds to nominal value less a write-down to cover any losses.

Note

BALANCE SHEET
LIABILITIES AND EQUITY

Unearned premiums provisions
The unearned premiums provision represents the net present value of expected future payments in relation to insurance events occurring after the balance sheet date on existing agreements, plus expected administrative expenses, commission and claims processing costs and less premiums due to be received during the risk coverage period. The risk coverage period after the balance sheet date is 6 months for personal schemes and 12 months for company schemes. For company pension agreements with price guarantees, the risk coverage period is the longer of 12 months and the period of the price guarantee.

Life insurance provisions
Life insurance provisions are computed for each insurance policy on the basis of a zero-coupon yield curve. The computation of life insurance provisions is based on assumptions of expected future mortality, disability rates and administrative costs as well as assumptions of conversions into paid-up policies and surrenders. Estimates of future mortality rates are based on the Danish FSA's benchmark, while other estimates are based on historical data derived from the existing portfolio of insurance contracts, including a risk margin, which is determined using a margin on mortality intensity and intensity relating to conversions into paid-up policies and surrenders. The risk margin is the amount expected to be payable in the market to an acquirer of the policy in return for that party assuming the risk that the costs of meeting the payment obligations under the policy deviate from the present value of the best estimate of the cash flows made during the life of the policy.

Special allotments for the financial year are recognised in life insurance provisions as they arise.

Life insurance provisions are divided into guaranteed benefits including risk margin, individual bonus potentials and collective bonus potentials.

Guaranteed benefits comprise obligations to pay guaranteed benefits to policyholders. Guaranteed benefits are calculated as the present value of the current guaranteed benefits plus the present value of expected future administrative expenses less the present value of future premiums.

Individual bonus potentials comprise obligations to pay bonuses over time. Individual bonus potential is calculated for the portfolio of insurance policies with bonus entitlement as the difference between the value of the policyholder's savings and the present value of guaranteed benefits under the policy. The profit margin is also deducted. The bonus potential cannot be negative.

The collective bonus potential is the part of the value of the policyholders' bonus entitlement not yet allocated to the individual policyholders' savings. If the individual bonus potential is nil, any profit margin not covered by the individual bonus potential will be absorbed by the collective bonus potential.

If the technical basis for risk allowance of an interest rate group after bonuses is negative, and if this loss is not absorbed by the groups' collective bonus potential, individual bonus potentials and the profit margin relating to the group's insurance policies are used to absorb the loss. Any further losses are covered by shareholders' equity.

Provisions for collective bonus potential comprise the policyholders' share of the technical basis for risk allowance for insurance policies with bonus entitlement which has not yet been allocated to individual policyholders.

Provisions for unit-linked products are measured at fair value on the basis of the share of each contract of the unit trusts in question and the guarantees entered into. For policies with guaranteed benefits, the value of the guaranteed benefits is calculated on the basis of the methods reported to the Danish FSA.

Transfers between assets allocated to customer funds and assets attributable to shareholders' equity are made at fair value. The difference between the fair value and carrying amount of transferred assets is recognised in the collective bonus potential, with set-off directly against shareholders' equity.

Profit margin on life insurance and investment contracts
Profit margin is the present value of future profit, over and above payment for the risk exposure of shareholders' equity on the contracts, which is expected to be recognised in the income statement as insurance cover and any other benefits under the contract are provided.

For contracts subject to contribution, profit margin is calculated on the basis of the notified risk allowance for the interest rate groups. This risk allowance consists of a part reflecting earnings and a part reflecting the risk exposure of shareholders' equity. The latter is determined on the basis of the Company's own assessment of the risk exposure of shareholders' equity.

Outstanding claims provisions
Outstanding claims provisions are an estimate of expected payments of benefits and benefits due but not yet paid in respect of the Group's health and accident insurances. The provisions are settled by way of regular benefits and the liability is calculated as the present value of expected future payments, including costs to settle claims obligations.

Notes – Danica

Note

Risk margin on non-life insurance contracts
To non-life insurance contracts is added a risk margin, determined using a margin on intensities relating to reactivation and reopening of claims. The risk margin is the amount expected to be payable in the market to an acquirer of the policy in return for that party assuming the risk that the costs of meeting the payment obligations under the policy deviate from the present value of the best estimate of the cash flows made during the life of the policy.

Provisions for bonus and premium discounts
Provisions for bonus and premium discounts comprise amounts payable to the policyholders as a result of a favourable claims experience for this or previous years.

Deferred tax
Deferred tax is calculated in accordance with the balance sheet liability method on all temporary differences between the tax base of the assets and liabilities and their carrying amounts. Deferred tax is recognised in the balance sheet under deferred tax assets and deferred tax liabilities on the basis of current tax rates.

Tax assets arising from unused tax losses and unused tax credits are recognised as deferred tax assets to the extent that it is probable that the unused tax losses and unused tax credits can be utilised.

Creditors
Derivatives are measured at fair value. Derivatives with negative fair values are recognised under Other creditors. Other creditors are measured at amortised cost, which usually corresponds to the nominal value.

Subordinated debt
Subordinated debt is subordinated loan capital in the form of issued bonds which, in the event of the company's voluntary or compulsory winding-up, will not be repaid until after the claims of its ordinary creditors have been met. Subordinated debt forms part of Danica's total capital.

Subordinated debt is measured at amortised cost plus the fair value of the hedged interest rate risk, see the section Hedge accounting. As of 29 September 2025, Danica has redeemed its subordinated debt, cf. note 20 in the financial statements of the Danica Group.

Shareholders' equity

Contingency fund
Danica's contingency fund amount to DKK 1,882 million. In accordance with the articles of association, the contingency fund may be used to strengthen technical provisions or to otherwise benefit policyholders.

Proposed dividends
The Board of Directors' proposal for dividends for the year submitted to the general meeting is included as a separate reserve in shareholders' equity. The dividends are recognised as a liability after the general meeting has adopted the proposal.

Key ratios
The key ratios of the Group are prepared in accordance with the provisions of the executive order on financial reports for insurance companies and multi-employer occupational pension funds. The exact formulas for the calculation of the ratios are set out in the executive order. The return ratios are calculated using a composite weighting procedure.

The five-year summary on page 50 presents the following ratios:

1. Rate of return related to average rate products
2. Rate of return related to unit-linked products
3. Risk on return related to unit-linked products
4. Expenses as per cent of provisions
5. Expenses per policyholder
6. Return on equity after tax

Below, the basis of calculation is described for each of the ratios:

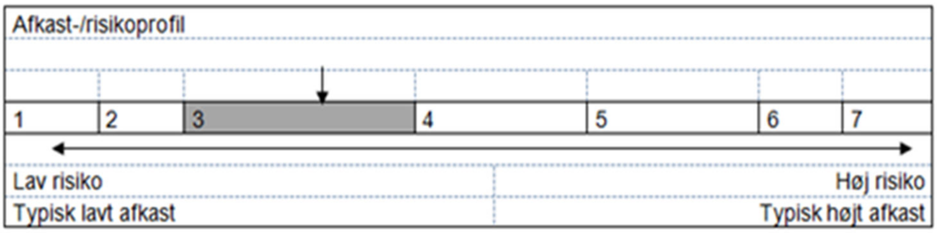
1. The investment return in relation to average rate products relative to average life insurance provisions and the profit margin on average rate products.
2. The investment return in relation to unit-linked products relative to average life insurance provisions and the profit margin on unit-linked products. Amounts in respect of unit-linked products where policyholders pick their own assets are not included.
3. The ratio is calculated as the standard deviation (SD) of the monthly return related to unit-linked products over the past 36 months using the following scale of 1 to 7:

Notes – Danica

Note

Risk category	%	
	SD ≥	SD<
1,000	0,00	0,50
2,000	0,50	2,00
3,250	2,00	3,00
3,500	3,00	4,00
3,750	4,00	5,00
4,250	5,00	6,70
4,500	6,70	8,34
4,750	8,34	10,00
5,250	10,00	11,67
5,500	11,67	13,33
5,750	13,33	15,00
6,000	15,00	25,00
7,000	25,00	

The standard deviation is converted into a risk category using the following scale:



4. Acquisition costs and administrative expenses for the life insurance business relative to average retrospective provisions (see below).
5. Acquisition costs and administrative expenses for the life insurance business relative to the average number of policyholders pursuant to the note on premiums. For group life insurance, the number of policyholders only has a weighting of 10%.
6. Profit after tax relative to average shareholders' equity.

Ratios for health and accident insurance:

1. **Gross claims ratio:** The ratio of claims to premium income in non-life insurance. In calculating premium income, bonus and premium discounts are deducted, and the changes for the period in profit margin and risk margin are added.
2. **Gross expense ratio:** The ratio of operating expenses relating to insurance to premium income in non-life insurance. In calculating premium income, bonus and premium discounts are deducted, and the changes for the period in profit margin and risk margin are added. Operating expenses relating to insurance are calculated as the sum of the income statement items Acquisition costs and Administrative expenses.
3. **Combined ratio:** The sum of the claims ratio and the expense percentage.
4. **Operating ratio:** Calculated as the combined ratio, but on the basis of claims ratio, expense percentage and net reinsurance ratio, where the allocated investment return, equalling the recognised amount of technical interest in the income statement, is added to premium income in the denominator.
5. **Relative run-off:** Run-off relative to the provisions at the beginning of the year to which it relates.

Retrospective provisions
Premiums received less benefits paid, expenses paid, risk adjustment and plus accrued interest, etc. on the individual insurance, in principle equalling the policyholders' custody account balances.

Additional provisions
The item additional provisions covers extra provisions made for the fact that the interest rate level is lower than the technical rates of interest used to determine benefits, as well as extra provisions for mortality, etc. The item corresponds to the term 'accumulated value adjustments' in the executive order on financial reports.

Notes - Danica

Note	(DKK millions)	2025	2024
2	GROSS PREMIUMS, incl. payments received under investment contracts		
	Direct insurance:		
	Regular premiums	19,883	19,045
	Single premiums	30,723	22,595
	Total direct insurance	50,606	41,640
	Total gross premiums	50,606	41,640
	In the above gross premiums, premiums paid on investment contracts which are not included in the income statement constitute:		
	Regular preimums	156	145
	Single premiums	1,942	1,610
	Total premiums	2,098	1,755
	Total gross premiums included in the income statement	48,508	39,885
	Premiums, direct insurance, broken down by insurance arrangement:		
	Insurance taken out in connection with employment	43,442	35,380
	Insurance taken out individually	4,882	4,021
	Group life insurance	2,282	2,239
	Total	50,606	41,640
	Number of insured, direct insurance (1,000):		
	Insurance taken out in connection with employment	323	314
	Insurance taken out individually	369	376
	Group life insurance	455	482
	Premiums, direct insurance, broken down by bonus arrangement:		
	With profit insurance	3,027	3,109
	Unit-linked insurance	47,579	38,531
	Total	50,606	41,640
	Premiums, direct insurance, broken down by policyholders' residence:		
	Denmark	49,943	41,080
	Other EU countries	532	433
	Other countries	131	127
	Total	50,606	41,640
3	VALUE ADJUSTMENTS		
	Investment property	1	4
	Holdings	1,240	13,555
	Unit trust certificates	10,658	31,606
	Bonds	-5,419	3,993
	Other loans	-57	-1,379
	Deposits with credit institutions	-1,040	254
	Other	13,145	-7,084
	Total value adjustments	18,528	40,949
4	CLAIMS AND BENEFITS PAID		
	Direct insurance:		
	Insurance amounts on death	-1,496	-1,360
	Insurance amounts on disablement	-253	-260
	Insurance amounts on expiry	-1,719	-2,330
	Retirement benefits and annuities	-8,002	-7,767
	Surrender values	-24,026	-19,313
	Cash payments of bonuses	-1,604	-1,616
	Total direct insurance	-37,100	-32,646
	Expenses to minimise disablement	-1	-1
	Total claims and benefits paid	-37,101	-32,647

Notes - Danica

Note	(DKK millions)	2025	2024
5	CHANGE IN LIFE INSURANCE PROVISIONS - AVERAGE RATE		
	Provisions, beginning of year	119,772	127,812
	Profit margin, beginning of year	3,180	3,780
	Total technical provisions, beginning of year	122,952	131,592
	Collective bonus potential, beginning of year	-9,053	-10,300
	Adjustment regarding Forenede Gruppeliv primo	-128	
	Accumulated value adjustment, beginning of year	-31,314	-30,638
	Retrospective provisions, beginning of year	82,457	90,654
	Changes during the year:		
	Gross premiums	2,991	3,071
	Interest added	3,794	3,950
	Claims and benefits	-12,525	-13,553
	Expense supplement after addition of expense bonus	-469	-491
	Risk gain after addition of risk bonus	419	124
	Special allotments	20	
	Total changes	-5,770	-6,899
	Other changes:		
	Transfer of provisions	-1,146	-1,179
	Change in quota share, Forenede Gruppeliv	-48	9
	Total other changes	-1,194	-1,170
	Retrospective provisions, end of year	75,493	82,585
	Accumulated value adjustment, end of year	27,412	31,314
	Collective bonus potential, end of year	10,185	9,053
	Total technical provisions, end of year	113,090	122,952
	Profit margin, end of year	-3,138	-3,180
	Life insurance provisions, end of year	109,952	119,772
	Change in gross life insurance provisions according to the income statement consists of:		
	Change in retrospective provisions	-5,770	-6,899
	Change in accumulated value adjustment	-3,902	676
	Change in gross life insurance provisions	-9,672	-6,223
	Return on customer funds after deduction of expenses before tax, %	-0.2	-0.2

Note	(DKK millions)	2025	2024

5
(cont'd)

Life insurance provisions break down as follows by sub-portfolio

2025	Guaranteed benefits	Riskmargin	Individual bonuspoten tial	Collective bonuspoten tial.	Total life insurance prov.	Rate of return	Bonus rate	Profit margin
Interest rate group D1	23,294	111	880	496	24,781	2.3	5.8	487
Interest rate group D2	8,838	39	180	369	9,426	0.7	7.1	136
Interest rate group D3	7,818	39	0	746	8,603	1.5	13.3	310
Interest rate group D4	27,260	237	0	1,760	29,257	0.8	17.0	542
Interest rate group 1	11,794	79	1,525	1,221	14,619	3.6	19.9	648
Interest rate group 2	2,329	4	152	589	3,074	3.8	28.9	179
Interest rate group 3	1,961	3	99	547	2,610	3.7	29.3	173
Interest rate group 4	6,321	27	0	2,872	9,220	4.0	53.0	663
Non allocated	6,710	67	0	1,585	8,362			0
Total life insurance provisions	96,325	606	2,836	10,185	109,952			3,138

2024	Guaranteed benefits	Riskmargin	Individual bonuspoten tial	Collective bonuspoten tial.	Total life insurance prov.	Rate of return	Bonus rate	Profit margin
Interest rate group D1	25,446	114	832	210	26,602	2.9	4.1	238
Interest rate group D2	10,137	52	162	271	10,622	3.4	5.0	59
Interest rate group D3	8,764	48	0	544	9,356	3.2	8.8	340
Interest rate group D4	31,427	294	0	968	32,689	3.2	7.5	819
Interest rate group 1	12,502	79	1,283	1,275	15,139	3.9	17.9	725
Interest rate group 2	2,574	5	199	578	3,356	3.4	27.4	177
Interest rate group 3	2,125	4	113	560	2,802	3.7	28.5	171
Interest rate group 4	7,169	34	0	2,978	10,181	3.4	49.4	651
Non allocated	7,278	78	1	1,668	9,025			0
Total life insurance provisions	107,422	708	2,590	9,052	119,772			3,180

	2025	2024
Cost groups, total		
Collective bonus potential	132	178
Expense supplement after addition of expense bonus	386	428
Operating expenses relating to insurance	-529	-498
Cost result	-143	-70
Cost result, %	-0.19	-0.08
Risk groups, total		
Collective bonus potential	1,270	1,488
Risk gain after addition of risk bonus	-133	199
Risk gain after addition of risk bonus, %	-0.04	0.06

At the end of 2025, equity outlays amounted to DKK 76 million (DKK 2024 8 million).
The outlay of equity concerns one single cost group.

Note	(DKK millions)	2025	2024
6	CHANGE IN LIFE INSURANCE PROVISIONS - UNIT-LINKED		
	Life insurance provisions, beginning of year	330,374	277,790
	Profit margin, beginning of year	14,197	13,413
	Total technical provisions, beginning of year	344,571	291,203
	Accumulated value adjustment, beginning of year	-229	-246
	Retrospective provisions, beginning of year	344,342	290,957
	Changes during the year:		
	Gross premiums	45,517	36,813
	Interest added	19,461	38,921
	Claims and benefits	-24,576	-19,094
	Expense supplement	-1,136	-1,303
	Risk gain	20	33
	Other	-169	-216
	Total changes	39,117	55,154
	Other changes:		
	Payments received under investment contracts	2,098	1,755
	Payments made under investment contracts	-5,313	-4,574
	Transfer of provisions	944	955
	Other	103	95
	Total other changes	-2,168	-1,769
	Retrospective provisions, end of year	381,291	344,342
	Accumulated value adjustment, end of year	224	229
	Total technical provisions, end of year	381,515	344,571
	Profit margin, end of year	-14,740	-14,197
	Life insurance provisions, end of year	366,775	330,374
	Change in provisions for unit-linked contracts breaks down as follows:		
	Change in retrospective provisions	39,117	55,154
	Change in accumulated value adjustment	-5	-17
	Change in provisions for unit-linked contracts	39,112	55,137
	Provisions for unit-linked contracts break downs as follows:		
	Insurance contracts	338,379	303,960
	Investment contracts	28,396	26,414
	Provisions for unit-linked contracts, end of year	366,775	330,374
	Provisions for unit-linked contracts break downs as follows:		
	Provisions for unit-linked contracts without guarantee	333,533	295,173
	Provisions for unit-linked contracts with guarantee	33,242	35,201
	Provisions for unit-linked contracts, end of year	366,775	330,374
	Return on customer funds after deduction of expenses before tax, %	0.2	0.3

Notes - Danica

Note	(DKK millions)	2025	2024
7	OPERATING EXPENSES RELATING TO INSURANCE		
	Commission on direct insurance	-261	-224
	Fees to Deloitte:		
	Statutory audit of financial statements	-4.6	-6.1
	Other assurance engagements	-0.5	-2.6
	Tax advisory services	0.0	0.0
	Other services	-3.9	-5.6
	Total	-9.1	-14.4

Fees for non-audit services provided by Deloitte Statsautoriseret Revisionspartnerselskab comprise mainly of advisory regarding Danica's new strategy as well as objective tax and accounting advice as well as submitting statements.

	2025	2024
Average number of full-time-equivalent employees during the year	905	857
Number of full-time-equivalent employees, end of year	921	877
Staff costs:		
Salaries	-805	-712
Pensions	-131	-119
Other social security and tax	-133	-102
Other	-94	-88
Total staff costs earned	-1,163	-1,021

For a more detailed description of the company's remuneration policy and remuneration paid, see "Remuneration Report 2025", available at the website: www.danicapension.dk. The remuneration report 2025 is not covered by the statutory audit.

For information on the Board of Directors' and Executive Board's remuneration, see Danica Group's financial statements.

All the company's pension plans are defined contribution plans under which the company makes contributions to insurance companies, principally Danica. Such payments are expensed as incurred.

Remuneration of other material risk takers
For 2025, 10 persons outside the Executive Board were designated as material risk takers and combined they received remuneration of DKK 21.3 million (2024 DKK 22.1 million to 10 material risk takers), with fixed remuneration amounting to DKK 19.3 million (2024 DKK 17.9 million) and variable remuneration amounting to DKK 1.8 million (2024 DKK 4.2 million).

The company has no pension obligations towards other material risk takers.

Note	(DKK millions)	2025	2024
8	TECHNICAL RESULT OF HEALTH AND ACCIDENT INSURANCE		
	Gross premiums	2,657	2,003
	Reinsurance premius ceded	-48	-48
	Change in unearned premiums provision	510	117
	Change in profit margin and risk margin	95	-10
	Premiums, net of reinsurance	3,214	2,062
	Claims paid, gross *	-3,133	-2,877
	Reinsurers' share received	48	56
	Change in outstanding claims provision	-855	-316
	Change in risk margin	-49	26
	Change in outstanding claims provision, reinsurers' share	10	-7
	Claims, net of reinsurance	-3,979	-3,118
	Bonus and premium discounts	31	-3
	Acquisition costs	-41	-55
	Administrative expenses	-91	-80
	Total operating expenses relating to insurance, net of reinsurance	-132	-135
	Return on investment	159	-223
	TECHNICAL RESULT OF HEALTH AND ACCIDENT INSURANCE	-707	-1,417
	* including damage limitation costs on existing contracts	-126	-92
	Total run-off regarding prior years:		
	Gross	-409	-166
	Net of reinsurance	-350	-123
	Return on investment allocated to health and accident insurance	-336	-245
	Provisions, discounted amount	-356	-490
	Value adjustment of outstanding claims provision	851	512
	Total return on investment, including value adjustments	159	-223

	Health and accident insurance	Health insurance	Total	2025	2024
Gross premiums	1,956	701	2,657		
Gross premium income	2,477	784	3,261		
Gross claims	-3,103	-934	-4,037		
- of which damage limitation costs	-94	-32	-126		
Gross operating expenses	-106	-26	-132		
Profit/loss on business ceded	11	0	11		
Technical result	-496	-211	-707		
Number of claims				109,072	73,588
Average amount of claims DKKt				27	37
Claims frequency				58.7%	44.5%
Gross premiums, direct insurance, broken down by policyholders' residence:					
Denmark				3,202	2,075
Other EU countries				52	29
Other countries				8	6
Total				3,262	2,110

Note	(DKK millions)	2025	2024
9	OTHER INCOME		
	Commissions from fund managers etc.	50	40
	Adjustment on previous gain on sale	0	54
	Total other income	50	94

Notes - Danica

Note	(DKK millions)	2025	2024
10	TAX		
	Tax for the year can be broken down as follows:		
	Tax on the profit for the year	-286	-28
	Tax on changes in shareholders' equity	393	0
	Total	107	-28
	Tax on the profit for the year is calculated as follows:		
	Current tax	0	78
	Adjustment of prior-year current tax	38	63
	Adjustment of prior-year deferred tax	40	140
	Other changes in deferred tax	-364	-309
	Total	-286	-28
	Effective tax rate:		
	Danish tax rate	26.0	26.0
	Adjustment of prior-year tax charge	-5.2	-18.8
	Non-taxable income and non-deductible expenses	-2.0	-4.6
	Effective tax rate	18.8	2.6
	Deferred tax broken down on main items:		
	Intangible assets	84	118
	Tangible assets	-3	-13
	Investment property	474	344
	Provisions for obligations	-221	-443
	Other	-35	-31
	Total	299	-25

Other than the deferred tax provided for, the company has no contingent tax liability relating to holdings in group undertakings.

Note		2025	2024
11	INVESTMENT PROPERTY		
	Fair value, beginning of year	515	511
	Acquisitions and improvements during the year	3	1
	Disposals during the year	0	0
	Fair value adjustments	1	3
	Fair value, end of year	519	515
	The year-end fair value is recognised as follows in the balance sheet:		
	Investment property	287	286
	Investment assets related to unit-linked products	232	229
	The weighted average of the rates of return on which the fair value of the individual properties is based for:		
	Commercial properties	4.28%	4.28%
	Residential properties	2.50%	2.50%
12	OTHER FINANCIAL INVESTMENT ASSETS		
	Comprises the following investments in undertakings in the Danske Bank Group:		
	Holdings	998	1,212
	Bonds	26,141	29,799
	Deposits with credit institutions	2,873	3,870
	Cash in hand and demand deposits	940	822
	Other	4,768	6,915

13 INVESTMENT ASSETS RELATED TO UNIT-LINKED PRODUCTS

Consists of unit trusts in which the underlying assets break down as follows:

	With guarantee	Without guarantee	2025	2024
Investment property	447	16,778	17,225	16,578
Holdings	6,006	263,234	269,240	243,613
Bonds	16,833	69,514	86,347	85,855
Deposits with credit institutions	149	5,244	5,393	3,289
Derivatives	958	32,791	33,749	26,725
Total	24,393	387,561	411,954	376,060

Notes - Danica

Note	(DKK millions)	2025	2024
14	SHAREHOLDERS' EQUITY		
	Number of shares of DKK 100	11,010,000	11,010,000
15	OTHER CREDITORS		
	Other creditors comprise:		
	Derivatives with negative fair values	63,844	62,482
	Tax on pension returns	3,926	5,364
	Staff commitments	80	82
16	ASSETS DEPOSITED AS COLLATERAL, CONTINGENT LIABILITIES AND CONTINGENT ASSETS		
	Assets have been deposited as collateral for policyholders' savings with a total of:	527,233	505,324
	As collateral for derivative transactions, the company has delivered bonds equal to a total fair value of	14,305	22,230
	The company has undertaken to participate in alternative investments with an amount of	13,913	15,785
	The company has undertaken to participate in co-investment with an amount of	49	125
	Minimum lease payments regarding cars amounts to	5	6

The company is jointly taxed with all units in the Danske Bank Group and are jointly and severally liable for their Danish income tax, withholding tax etc.

The company is registered jointly with group undertakings for financial services employer tax and VAT, for which they are jointly and severally liable.

The company is jointly and severally liable with the other participants for the insurance obligations concerning all the policies administered by Forenede Gruppeliv A/S.

If Danica is fully or partially successful in its complaint concerning the potential payment of additional pension returns tax on health and accident insurance regarding 2017-2025, see the mention in the management's review, will be able to recognise all or part of the provision for this liability as income. At 31 December 2025, the provision totals DKK 1,274 million including interest.

If Danica is not fully or partially successful in its complaint concerning the potential payment of additional pension returns tax on health and accident insurance regarding 2012-2016, see the mention in the management's review, Danica will be able to recognise all or part of the provision for this liability as expense. At 31 December 2025, the provision totals DKK 440 million including interest.

Owing to its business volume, Danica is continuously a party to various other lawsuits and disputes. In general, Danica does not expect the outcome of any of these other pending lawsuits and disputes to have any material effect on its financial position.

Notes - Danica

Note	(DKK millions)	2025	2024
17	RELATED PARTIES		
	Danske Bank, whose registered office is in Copenhagen, Denmark, holds 100% of the share capital of Danica and thus exercises control.		
	Transactions with related parties are settled on an arm's-length basis. Danica's IT operations and development, internal audit, HR administration, logistics, marketing and the like are handled by Danske Bank. Danske Bank also handles portfolio management and securities trading.		
	Danica entered into the following significant transactions and balances with other companies in the Danske Bank Group. For more information, see note 12.		
	IT operations and development	-127	-114
	Other administration	-210	-222
	Commission for insurance sales and portfolio management	-246	-210
	Ordinary portfolio management fee	-812	-798
	Total net custody fees and brokerage for trades in holdings and the like	-154	-141
	Interest income	3,027	4,377
	Interest expenses	-3,604	-4,813
	Amounts owed to credit institutions	47	6,908
	Derivatives with negative fair values	7,298	6,875
	Furthermore, the Danica Group manages the labour market pension schemes of the Danske Bank Group and its related parties.		

Notes - Danica

Note (DKK millions)

18 SPECIFICATION OF ASSETS AND RETURN 2025

TRADITIONAL PRODUCTS	Carrying amount Beg. of year	Carrying amount End of year	% return p.a. before tax
Land and buildings	18,261	18,779	6.0
Listed holdings	8,769	8,658	10.1
Unlisted holdings	14,596	12,937	-1.8
Total holdings	23,365	21,595	2.6
Government bonds and mortgage bonds	59,854	56,435	-1.4
Index-linked bonds	14,284	12,540	-3.7
Credit bonds and emerging market bonds	18,019	15,895	0.2
Total bonds and loans	92,156	84,870	-1.4
Holdings in group undertakings	0	0	0.0
Other investment assets	-364	-505	0.7
Derivative financial instruments to hedge net changes of assets and liabilities	-5,245	-4,503	-34.5

A specification of the company's holdings is available on Danica's Danish website, www.danicapension.dk.

UNIT-LINKED PRODUCTS	Carrying amount Beg. of year	Carrying amount End of year	% return p.a. before tax
Land and buildings	16,578	17,226	6.0
Listed holdings	216,358	222,910	6.5
Unlisted holdings	26,510	26,012	-2.3
Total holdings	242,868	248,922	5.6
Government bonds and mortgage bonds	55,394	59,769	-1.2
Index-linked bonds	9,179	9,948	-5.0
Credit bonds and emerging market bonds	21,857	21,783	1.2
Loans etc.	0	0	0.0
Total bonds and loans	86,429	91,500	-1.0
Holdings in group undertakings	0	0	0.0
Other investment assets	456	600	0.9
Derivative financial instruments to hedge net changes of assets and liabilities	-4,242	46	-133.7

Notes - Danica

Note (DKK millions)

19 SPECIFICATION OF RETURNS FOR UNIT-LINKED PRODUCTS 2024

Danica Balance	Years to retirement	% of average provisions	Return (%)	Risk
High Risk:				
Mix high risk profile	30 years	0.52%	7.6	4.75
Mix high risk profile	15 years	0.79%	6.9	4.50
Mix high risk profile	5 years	0.37%	5.6	4.25
Mix high risk profile	-5 years	0.02%	4.7	3.75
Danica Balance	Non-lifecycle	2.99%	6.6	N/A
Medium Risk				
Mix medium risk profile	30 years	0.66%	7.2	4.50
Mix medium risk profile	15 years	1.63%	5.7	4.25
Mix medium risk profile	5 years	1.09%	4.5	3.75
Mix medium risk profile	-5 years	0.13%	3.9	3.75
Danica Balance	Non-lifecycle	4.51%	5.3	4.25
Low Risk				
Mix low risk profile	30 years	0.03%	6.6	4.50
Mix low risk profile	15 years	0.13%	4.5	3.75
Mix low risk profile	5 years	0.18%	3.6	3.75
Mix low risk profile	-5 years	0.03%	3.2	3.50
Danica Balance	Non-lifecycle	0.79%	4.9	N/A

Danica Balance Responsible Choice	Years to retirement	% of average provisions	Return (%)	Risk
High Risk:				
Mix high risk profile	30 years	0.04%	9.3	4.50
Mix high risk profile	15 years	0.02%	8.4	4.25
Mix high risk profile	5 years	0.01%	6.7	3.75
Mix high risk profile	-5 years	0.00%	5.5	3.75
Markedspension	Non-lifecycle	0.06%	8	N/A
Medium Risk				
Mix medium risk profile	30 years	0.02%	8.8	4.75
Mix medium risk profile	15 years	0.03%	6.8	4.50
Mix medium risk profile	5 years	0.01%	5.5	4.25
Mix medium risk profile	-5 years	0.00%	4.6	3.75
Markedspension	Non-lifecycle	0.04%	6.4	4.25
Low Risk				
Mix low risk profile	30 years	0.00%	8	4.75
Mix low risk profile	15 years	0.00%	5.4	4.50
Mix low risk profile	5 years	0.00%	4.3	4.50
Mix low risk profile	-5 years	0.00%	3.7	4.25
Markedspension	Non-lifecycle	0.01%	4.4	N/A

Group overview

	Ownership	Currency	Profit/loss for the year	Share capital	Shareholders' equity	Employees	Directorships[1]			
	%		DKK millions	DKK millions	DKK millions	No.[2]	MNK	CM	JGB	DB
LIFE INSURANCE										
Danica Pension, Livsforsikringsaktie-selskab, Copenhagen		DKK	1,112	1,101	19,447	968	D	D	D	D
INVESTMENT MANAGEMENT										
Danica Kapitalforvaltning K/S, Copenhagen	100	DKK	613	10	623	63				
PROPERTY INVESTMENT										
Danica Ejendomme P/S	100	DKK	2,086	4,410	37,542	-		C		
Danica Komplementar ApS	100	DKK	0	0	0	-		C		
SD Karreen Holding P/S	100	DKK	72	18	1,067	-		C		
SD Karré 1 P/S	100	DKK	66	16	958	-		C		
SD Karré 2 P/S	100	DKK	5	2	109	-		C		
Ejendomsselskabet Project Nord P/S	100	DKK	37	2	5,690	-		C		
ERDA I P/S	100	DKK	30	1	396	-		C		
Ordrup Jagtvej Holding P/S	100	DKK	-16	1	56	-		C		
Ordrup Jagtvej 93-109 P/S	100	DKK	-16	1	56	-		C		
Bag Søndermarken Holding P/S	100	DKK	9	1	137	-		C		
Bag Søndermarken 1b-11 P/S	100	DKK	9	1	137	-		C		
Stockholmsgade Holding P/S	100	DKK	-22	1	187	-		C		
Stockholmsgade 23 P/S	100	DKK	-22	1	187	-		C		

[1] Directorships of Mads Nicolai Kaagaard (MNK), Christoffer Møllenbach (CM), Jesper Grundvad Bjerre (JGB), Dorte Bilsgaard (DB) - C stands for chairman of the board of directors, B stands for member of the board of directors and D stands for executive board member.

[2] Comprises average number of employees in group companies at 31 December 2025

Group overview

Companies	Activity
Danica	Sale of the unit-linked products Danica Balance, Danica Balance Responsible Choice, Danica Link and Danica Select, for which the return on policyholders' savings equals the market return. Life insurance and loss of earning capacity cover may be attached to the policies. The conventional life insurance and pension product (Danica Traditionel) and health and accident insurance, including loss of earning capacity cover. Sale of Health Insurance and Critical Illness
Danica Kapitalforvaltning	Provides investment services to group companies.
Property companies	Property companies investing in real property and shopping centres.

Danica's group overview is available at www.danicapension.dk

Management and directorships

Under section 80(8) of the Danish Financial Business Act, financial institutions are required to publish information at least annually about the duties and positions approved by the Board of Directors for persons employed by the Board (see section 80(1) of the Act).

The following overview lists directorships outside the Danica Group.

Board of Directors

Carsten Rasch Egeriis (Chairman)
Chief Executive Officer, Danske Bank A/S
Born: June 1976
CEO of:
Danske Bank A/S
Director of:
Finanssektorens klimapartnerskab (chairman)
Finans Danmark (second vice-chairman)
FR I af 16. september 2015 A/S (chairman)

Christoffer Kanstrup (Vice Chairman)
Executive Vice President, Danske Bank A/S
Born: March 1979
Director of:
Danske Private Equity A/S

Christoffer Kanstrup is Chairman of the Danica Group's Risk Committee

Jesper Koefoed
CEO (state-authorised public accountant with deposited certificate)
Born: June 1964
Member of the Executive Board of:
Koefoed Invest 2019 A/S
Director of:
Realkredit Danmark A/S (chairman of the Audit Committee)
LM | Pihl A/S (chairman)
Autobudgets ApS (chairman)
Nordic Investment Opportunities A/S (deputy chairman)
Danica Ejendomme P/S
Danske Shoppingcentre P/S (deputy chairman)
Komplementarseskabet Danske Shoppingcentre ApS (deputy chairman)
Danske Shoppingcentre FC P/S (deputy chairman)

Jesper Koefoed is Chairman of the Danica Group's Audit Committee

Ib Katznelson
Retired head of administration, Danish Ministry of Economic and Business Affairs
Born: October 1941 (appointed by the Minister for Finance)

Linda Olsen
Head of Technology & Services, Personal & Business Customers (T&S)
Born: October 1968

Terese Dissing
Head of Group Finance, Danske Bank A/S
Born: June 1977

Director of:
Danske Mortgage Bank Plc

Terese Dissing is a member of the Danica Group's Audit Committee and Risk Committee

Kenneth Stricker-Nielsen
Pension specialist and Vice Chairman of staff association
Born: February 1985

Charlott Due Pihl
Chairman of staff association, Danica
Member of the governing body of Forsikringsforbundet
Born: March 1968

René Karsten Jensen
Tax Adviser
Born: October 1957

Executive Board

Information on directorships, etc. in wholly-owned subsidiaries is provided in the group overview.

Mads Nicolai Kaagaard
Chief Executive Officer
Born: September 1971
Director of:
Insurance and Pension Denmark

Christoffer Møllenbach
Member of Executive Board
Born: November 1972

Jesper Grundvad Bjerre
Member of Executive Board
Born: March 1974
Director of:
Forsikringsakademiet A/S

Dorte Bilsgaard
Member of Executive Board
Born: June 1975

Statement and report

Statement by the Management

The Board of Directors and the Executive Board (the management) have today considered and approved the annual report of Danica for the financial year 2025.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and reporting requirements for listed companies in Denmark. The financial statements of the Parent Company have been prepared in accordance with statutory requirements, including the Danish Financial Business Act and the Danish Executive Order on Financial Reporting for Insurance Companies and Multi-Employer Occupational Pension Funds. The annual report has furthermore been prepared in accordance with reporting requirements for listed companies in Denmark.

In our opinion, the consolidated financial statements and the Parent Company's financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities, shareholders' equity and financial position at 31 December 2025 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year ended 31 December 2025. Moreover, in our opinion, the management report includes a fair review of developments in the Group's and the Parent Company's operations and financial position and describes the significant risks and uncertainty factors that may affect the Group and the Parent Company.

The sustainability statement is prepared in accordance with the European Sustainability Reporting Standards (ESRS) as required by the Danish Financial Business Act and the Executive Order on Financial Reporting for Insurance Companies and Multi-Employer Occupational Pension Funds as well as Article 8 of the EU Taxonomy regulation.

Furthermore, in our opinion, the annual report of Danica for the financial year ended 31 December 2025 with the file name "danicapension-2025-12-31.zip" has been prepared, in all material respects, in compliance with the ESEF Regulation.

The management will submit the annual report to the general meeting for approval.

Copenhagen, 5 February 2026

Executive Board

Mads Nicolai Kaagaard
Chief Executive Officer

Christoffer Møllenbach
Member of Executive Board

Jesper Grundvad Bjerre
Member of Executive Board

Dorte Bilsgaard
Member of Executive Board

Board of Directors

Carsten Rasch Egeriis
Chairman

Christoffer Kanstrup
Vice Chairman

Jesper Koefoed

Ib Katznelson

Linda Olsen

Terese Dissing

Kenneth Stricker-Nielsen

Charlott Due Pihl

René Karsten Jensen

Independent auditor's report

To the shareholder of Danica Pension, Livsforsikringsaktieselskab

Opinion

We have audited the consolidated financial statements and the parent financial statements of Danica Pension, Livsforsikringsaktieselskab for the financial year 1 January to 31 December 2025, pages 13 - 84, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements in the Danish Insurance Business Act, and the parent financial statements are prepared in accordance with the Danish Insurance Business Act.

In our opinion, the consolidated financial statements give a true and fair view of the Group's financial position at 31 December 2025 and of the results of its operations and cash flows for the financial year 1 January to 31 December 2025 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements in the Danish Insurance Business Act.

Also, in our opinion, the parent financial statements give a true and fair view of the Parent's financial position at 31 December 2025 and of the results of its operations for the financial year 1 January to 31 December 2025 in accordance with the Danish Insurance Business Act.

Our opinion is consistent with our audit book comments issued to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities, and the additional ethical requirements applicable in Denmark to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, we have not provided any prohibited non-audit services as referred to in Article 5(1) of Regulation (EU) No. 537/2014.

We were appointed auditors of Danica Pension, Livsforsikringsaktieselskab for the first time on 10 March 2015 for the financial year 2015. We have been reappointed annually by decision of the general meeting for a total contiguous engagement period of 11 years up to and including the financial year 2025.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements and the parent financial statements for the financial year 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements and the parent financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters.

Measurement of unlisted investments	How the matters were addressed in our audit
Unlisted investments amount to DKK 39,042 million at 31 December 2025 (DKK 40,895 million at 31 December 2024). Unlisted investments are composed of investments in private equity funds, infrastructure funds, unlisted equities and corporate bonds. Measurement of unlisted investments is affected by management estimates and, particularly for 2025, the macroeconomic uncertainties, and changes in assumptions and the methodology applied may also have a material impact on the measurement of unlisted investments. Assumptions involving the most significant judgements are: • Determination of the market value in illiquid markets, including especially any market value adjustments since the securities reports last received from external parties. Management has provided further information about unlisted investments in note 24 to the consolidated financial statements.	Based on our risk assessment, we have examined the valuation of unlisted investments and evaluated the methodology applied and the assumptions made. Our audit included the following elements: • Testing key controls over the valuation of unlisted investments, including the assumptions-setting processes, procedures for approval of valuations by Management, and the operating effectiveness of such controls. • Sample testing of data for completeness and accuracy. • Challenging the methodology applied by using our industry knowledge and experience, focusing on changes etc. compared to last year. • Testing key controls for investments recognised based on prices obtained from external parties and follow-up thereon for the purpose of validating the prices used, including model and preconditions for any price adjustments due to changes in market conditions since the prices last reported by external parties.

Measurement of investment property	How the matters were addressed in our audit
Investment property amounts to DKK 27,079 million at 31 December 2025 (DKK 25,365 million at 31 December 2024). Measurement is affected by management estimates and, particularly for 2025, the macroeconomic uncertainties. The determination of the measurement of investment property is based on the location of each property, future events, future cash flows and required rates of return. Changes in assumptions and the methodology applied may have a material impact on the measurement of investment property and profit or loss. Assumptions involving the most significant judgements are: • Definition of required rates of return • Assessment of future cash flows. Management has provided further information about investment property in note 13 to the consolidated financial statements.	Based on our risk assessment, we have examined the valuation of investment property prepared by Management and evaluated the methodology applied and the assumptions made. Our audit included the following elements: • Testing key controls over the valuation of investment property, including the assumptions-setting processes, procedure for approval of valuations and changes in estimates by Management, and the operating effectiveness of such controls. • Assessing key assumptions and the effect of macroeconomic uncertainties thereon, including input underlying the valuation of investment property, assessing and checking, on a sample basis, future cash flows and individual required rates of return used for valuation, against historical data and market practice.

Measurement of insurance contract liabilities	How the matters were addressed in our audit
Measurement of insurance contract liabilities amount to DKK 482,821 million at 31 December 2025 (DKK 457,737 million at 31 December 2024). Measurement of insurance contract liabilities is deemed a key audit matter as the determination of assumptions for the measurement of provisions for insurance contracts requires complex judgements about future events. Changes in assumptions and the methodology applied may have a material impact on the measurement of provisions for insurance contracts. Assumptions involving the most significant judgements are: • Determining disability rates, recapitalisation, mortality rates, surrender probabilities, paid-up policy probability and provisions for expected onerous health and accident insurance policies • Assumptions related to regulatory and reporting requirements, including risk and interest. Management has provided further information about insurance contract liabilities in note 18 to the consolidated financial statements. During 2025, the Group identified a material error in the prior period's financial statements. The error relates to significant misinterpretations of data used in calculating the technical provisions for health and accident insurance for 2024 and earlier years. This error resulted in a misstatement of the prior period's financial statements, which has been corrected retrospectively. Management has provided further information about the error in note 1 in the consolidated financial statements.	Based on our risk assessment, we have examined Management's valuation of insurance contract liabilities and evaluated the methodology applied and the assumptions made. Our audit included the following elements, where we also made use of our own internationally qualified actuaries: • Testing key controls over the actuarial models, data collection and analysis and the assumptions-setting processes, and the operating effectiveness of such controls. • Assessing methods, models and data used against market practice, historical developments and trends. • Evaluating the disability and mortality rates and surrender probabilities used in the calculation against historical data and market practice. • Evaluating revised principles and assumptions applied to calculate expected onerous health and accident insurance policies. • Assessing key changes in the assumptions against regulatory and reporting requirements and industry standards. • Analysing developments in risk, interest and cost results, by using our industry knowledge and experience. • Assessing the nature and cause of the error and evaluating management's rationale and methodology for correcting the error. • Testing and evaluating the accuracy and completeness of the adjustments made to the opening balances and comparative information.

Statement on the Management's report

Management is responsible for the Management's report.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the Management's report, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the Management's report and, in doing so, consider whether the Management's report is materially inconsistent with the consolidated financial statements or the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's report provides the information required under the Danish Insurance Business Act

Based on the work we have performed, we conclude that the Management's report is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Insurance Business Act. We did not identify any material misstatement of the Management's report.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements in the Danish Insurance Business Act, and for the preparation of parent financial statements that give a true and fair view in accordance with the Danish Insurance Business Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or the Parent or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and these parent financial statements.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparation of the consolidated financial statements and the parent financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on compliance with the ESEF Regulation

As part of our audit of the consolidated financial statements of Danica Pension, Livsforsikringsaktieselskab, we have performed procedures to express an opinion on whether the annual report for the financial year 1 January to 31 December 2025, with the file name danicapension-2025-12-31-0-da.zip, is prepared, in all material respects, in compliance with Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation), which includes requirements related to the preparation of an annual report in XHTML format and iXBRL tagging of the consolidated financial statements inclusive of notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL-tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as Management determines is necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained and to issue a report that includes our opinion. The nature, extent and timing of procedures selected depend on the auditor's professional judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the Company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements inclusive of notes;
- Evaluating the appropriateness of the Company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements to the taxonomy where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the anchoring of extensions to elements in the ESEF taxonomy; and
- Reconciling the iXBRL-tagged data with the audited consolidated financial statements.

In our opinion, the annual report of Danica Pension, Livsforsikringsaktieselskab for the financial year 1 January to 31 December 2025, with the file name danicapension-2025-12-31-0-da.zip, is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, 5 February 2026

Deloitte
Statsautoriseret Revisionspartnerselskab

Business Registration No. 33 96 35 56

Kasper Bruhn Udam	Michael Thorø Larsen
State-Authorised Public Accountant	State-Authorised Public Accountant
MNE no. 29421	MNE no. 35823

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