

Remediation update

3 NOVEMBER 2021

PROGRESS OVERVIEW – REMEDIATION OF LEGACY ISSUES

This update provides an overview of the latest and most significant developments on legacy issues overseen by Danske Bank's central remediation office.

For information about the status of the remediation of all legacy issues handled by the remediation office, please visit www.danskebank.com/remediationupdate.

Flawed data in debt collection systems

- For information about the status on the debt collection case, including clarification of the original causes of data errors in the bank's debt collection systems and the additional issues, reference is made to our press release of 3 November 2021.

Want to know more? [Get an overview of the issue](#).

Interest on reminder fees

- In this case, which involves our wrongful charging of interest on reminder fees, we have increased the total number of affected customers in Denmark from approximately 347,000 in the last update to approximately 550,000 because we, as communicated in our previous update ([link](#)), have identified that the issue also includes administration fees called "Ekspeditionsgebyr" in Danish and a fee related to the American Express credit card.
- In October, it was our early estimate that an additional 140,000 customers were affected by the new issues, but at present, our further investigations show that the number is approximately 200,000.
- Administration fees have not been charged since 2010, and the American Express fee has not been charged since 2013. For the time being, there is no indication that the new issues affect customers outside Denmark.
- Up to now, we have sent information to approximately 350,000 of the affected customers, of which approximately 211,000 customers have also received compensation. Of these, approximately 191,000 customers have received compensation of less than DKK 10, while the remaining approximately 20,000 customers have received DKK 20 on average. The highest amount that we have paid in Denmark so far is DKK 512, but all cases have not yet been reviewed. The total compensation to these customers is currently estimated at DKK 15 million.
- We expect that the remaining customers entitled to compensation will be notified and receive compensation by the end of the first quarter of 2022.
- We expect that approximately 184,000 customers in Norway may be affected by the issue regarding interest on reminder fees. We have correct address information for 174,000 of these customers, and they have been informed of the issue.

- Our preliminary investigations based on data from the least complex customer cases show that we have wrongfully charged interest of NOK 65 on average from these customers. Due to differences in Danish and Norwegian legislation, Danske Bank in Norway will repay the rightfully charged fees in addition to the wrongfully charged interest. In addition to the NOK 65, this will amount to NOK 378 on average, which means that the total amount will be higher in Norway, both per customer and in total. On the basis of the above-mentioned, the total compensation is expected to amount to NOK 77 million; however, we expect this figure to increase when we have reviewed all the affected customers' cases.
- We are working to start compensating our customers in Norway in 2021, but due to the complexity of some of the cases, the compensation will in some cases extend into 2022.
- As previously communicated, the issues regarding wrongful charging of interest on reminder fees also apply to Asset Finance Denmark (Nordania Leasing). We expect that approximately 11,300 customers in Denmark are affected. The total compensation for these customers is currently estimated at DKK 17.4 million, including time compensation. We expect to be able to commence repayment in November 2021 and to have compensated the vast majority of the customers before the end of the year.
- The wrongful charging of interest on reminder fees also applies to Asset Finance Norway where approximately 700 customers are affected. The total compensation is currently estimated at NOK 1.4 million. We expect to be able to commence repayment in November this year.

Want to know more? [Get an overview of the issue.](#)