

*This is an unofficial translation. In case of discrepancy, the Danish language version of the minutes of meeting shall prevail.*

Annual general meeting no. 149

On 16 March 2021, at 3.00pm, Danske Bank A/S, CVR no. 61 12 62 28, held a completely electronic general meeting with the following agenda:

- 1) The Board of Directors' report on Danske Bank's activities in 2020
- 2) Submission of Annual Report 2020 for adoption
- 3) Proposal for allocation of profits according to the adopted Annual Report 2020
- 4) Election of members to the Board of Directors
- 5) Appointment of external auditors
- 6) The Board of Directors' proposals to amend the Articles of Association  
Proposal for:
  - a) extension by one year of the existing authority in articles 6.1. and 6.2. regarding capital increases with pre-emption rights
  - b) extension by one year of the existing authority in articles 6.5. and 6.6. regarding capital increases without pre-emption rights
- 7) The Board of Directors' proposal for extension of its existing authority to acquire own shares
- 8) Presentation of Remuneration Report 2020 for an advisory vote
- 9) The Board of Directors' proposal for remuneration of the Board of Directors in 2021
- 10) The Board of Directors' proposal for adjustments to the Danske Bank Group's Remuneration Policy
- 11) Proposal regarding renewal of existing indemnification of Directors and Officers approved at the annual general meeting in 2020 with effect until the annual general meeting in 2022
- 12) Proposal from shareholder Gunnar Mikkelsen
- 13) Authorisation to the chairman of the general meeting
- 14) Any other business

A total of 46.65% of Danske Bank's total share capital less own shares were represented at the opening of the general meeting. The represented share capital corresponded to 398,421,078 votes.

Regarding the voting results, reference was made to [appendix 1](#). For resolutions made without a ballot, the appendix listed actual votes cast by correspondence and proxy form.

The Chairman of the Board of Directors, Karsten Dybvad, welcomed the shareholders. The Chairman said that the conduct of the general meeting this year was completely electronic with a view to ensuring that the general meeting was conducted in accordance with the Danish government's ban on gatherings as well as the health and safety guidelines issued by the Danish authorities. To protect everyone's safety, the annual general meeting was therefore held without the possibility of physical attendance, cf. the Danish Executive Order no. 2240 of 29 December 2020.

The Chairman introduced CEO Chris Vogelzang and CFO Stephan Engels, who were present on the podium. Danske Bank's external auditors, represented by Erik Holst Jørgensen and Jens Ringbæk, and Danske Bank's Chief Audit Executive were also present at the general meeting, whereas the other members of the Board of Directors and the Executive Leadership Team attended the livestreaming of the general meeting. As mentioned in the notice convening the general meeting, the general meeting would be webcast live via VP Securities A/S's AGM Portal. In this connection, the Chairman mentioned that shareholders wishing to submit questions in writing or otherwise wishing to comment on the agenda items, would have their personal data processed in accordance with applicable rules. The Chairman further stated that the Chairman of the Meeting would make a

sound recording of the general meeting for the purpose of preparing the minutes. The sound recording would be deleted after the publication of the minutes on Danske Bank's website.

The Chairman then informed the general meeting that, in accordance with Article 10.1. of Danske Bank's Articles of Association, the Board of Directors had appointed Klaus Søgaard, attorney-at-law, as Chairman of the Meeting.

The Chairman of the Meeting first reviewed the technical requirements on the AGM Portal. It was stated how shareholders could submit comments. Due to possible delays in the transmission, breaks would be taken in the process to ensure that all shareholders had an opportunity to raise questions or submit comments on the agenda items. Then the Chairman of the Meeting reviewed the technical requirements for voting, the possibility of finding documents related to the general meeting and the possibility of seeking technical assistance during the general meeting via a hotline established for that purpose. Shareholders who had voted in advance by proxy or by correspondence, would not be able to vote again during the general meeting.

Then the Chairman of the Meeting reviewed the rules of the Danish Companies Act and Danske Bank's Articles of Association regarding convening the annual general meeting and declared that the general meeting had been properly convened and was quorate.

The Chairman of the Meeting said that any shareholder had the right to request a full report of the resolutions made, except, however, for the election of candidates. The Chairman of the Meeting further stated that the Board of Directors had decided beforehand that a ballot would be held on agenda item 3 on dividends, item 4 on election of members to the Board of Directors, item 8 on the Remuneration Report as well as item 12 concerning a shareholder proposal. Beyond that, the Chairman of the Meeting would only hold ballots to the extent necessary or required by a shareholder. Furthermore, questions submitted in writing by shareholders had either been answered in writing prior to the general meeting – and made available on the AGM Portal – or would be presented by the Chairman of the Meeting and be answered verbally during the general meeting.

The Chairman of the Meeting stated that, as prescribed by the Danish Companies Act and Article 14 of Danske Bank's Articles of Association, adoption of agenda items 6.a and 6.b would require adoption by not less than two-thirds of the votes cast and by not less than two-thirds of the share capital represented at the general meeting and entitled to vote. Adoption of all other agenda items at the general meeting would be by simple majority of votes.

The Chairman of the Meeting proceeded to the items on the agenda and stated that items 1 – 3 would be dealt with as one by the Chairman of the Board of Directors, Karsten Dybvad. After agenda items 1 – 3, it would be possible to ask questions and submit comments concerning the proposals through the AGM Portal.

### **Re item 1) The Board of Directors' report on Danske Bank's activities in 2020**

The Chairman of the Board of Directors presented the report enclosed as appendix 2.

The Chairman of the Meeting said that a number of questions and comments had been received before the general meeting, which the Chairman of the Meeting would read out, and which the Chairman of the Board of Directors would subsequently comment on. The Chairman of the Meeting emphasised once more that shareholders could submit comments via the chat function on the portal. The Chairman of the Meeting highlighted the risk of delays and said that comments should be submitted as soon as possible and be as brief and concise as possible.

ATP represented by Claus Wiinblad found that 2020 had been a difficult year for Danske Bank as earnings had been under strong pressure, and Danske Bank had been negatively impacted by too many old cases that had not been addressed in a satisfactory manner. According to Claus Wiinblad, it became apparent in 2020 that Danske Bank still had some way to go in the cultural transformation which ATP had previously pointed out would be necessary. Thus, there was hope and expectations that management had learnt from last year's unclear communication and that it would be possible to address any future cases in a more proper manner. In addition, ATP anticipated that management would restore the calm necessary to focus on Danske Bank's day-to-day operations, that this would make it possible to realise the Better Bank initiatives and that the results would become more visible when viewed from the outside. It was important to bring calm to the development given the stories about key employees who had left Danske Bank. In this respect, it was essential that the newly appointed Commercial Leadership Team worked well and could help Danske Bank move forward.

Claus Wiinblad noted that Danske Bank still had ambitious cost reduction targets, which was key to creating an efficient and profitable bank. This was, however, a balancing act, and ATP would rather see Danske Bank make clear commercial choices for Danske Bank's strategic direction. To this end, finalisation of the money laundering case would be required. It would be difficult to restore full confidence in Danske Bank by a magic stroke, but ATP hoped to see efforts towards rebuilding a strong, profitable bank, particularly in light of Danske Bank's important role, both as a financial institution, but also for its numerous stakeholders. This was important to investors like ATP, and it was important to Denmark.

The Chairman of the Board of Directors thanked ATP for the contribution and agreed that from a communications point of view, the handling of the debt collection case could have been better, but Danske Bank had wished to notify affected customers and stakeholders first. With regard to the Better Bank transformation, Danske Bank had worked hard in 2020 to establish the basic structures and processes needed to operate the business more efficiently. Despite the difficult circumstances in 2020, Danske Bank had made a great deal of progress with this work. The efforts to simplify and streamline the work were also reflected in the efforts to create a new and leaner organisational structure, in respect of which Danske Bank had worked dedicatedly to merge the customer-facing business activities into two units, against the former four units. This also comprised the establishment of the new Commercial Leadership Team.

The Chairman agreed that cost reductions should be balanced, but repeated that Danske Bank would continue to focus on reducing costs to ensure that in future Danske Bank could operate a competitive bank business in a difficult market characterised by low interest rates and low margins. It would not be possible to achieve this target through growth and increased income alone. Danske Bank also needed to reduce costs, while at the same time maintaining focus on its strategic direction.

The Danish Shareholders' Association ("Dansk Aktionærforening") represented by Mikael Bak highly valued that shareholder democracy was maintained – in spite of COVID-19 – and that brief comments were read out and answered by management. Particularly in light of the increasing retail ownership, which necessitated strengthened dialogue. The management and employees of Danske Bank were praised for the professional handling of the COVID-19 crisis. In this regard, it was asked whether the past year's turmoil had led Danske Bank to increase its focus on finding new business models and rethinking its future strategy. Mikael Bak noted in this respect that online investment on independent platforms was characterised by strong growth, and the same applied to alternative banking solutions aimed at younger target groups.

As part of the Dansk Aktionærforening's key focus in 2021 on succession, it was asked whether the existing rules were an obstacle to growth and Danske Bank's ability to attract suitable management

candidates. To this should be added that a number of unfortunate cases against Danske Bank had occurred in 2020. Cleaning up, communication and cultural transformation belonged to the present. Mikael Bak emphasised his wish for more proactive efforts with either the CEO or the Chairman of the Board of Directors playing a more active role, also in light of the Chairman's increased fee. This included, among other things, clear communication about current cases and proactive communication about new visions for Danske Bank, including whether Danske Bank expected to finalise the cleaning up and obtain clarification of the money laundering case in 2021, as well as whether the Chairman of the Board of Directors and the CEO had a specific plan for strengthened proactive communication with the general public?

The Chairman of the Board of Directors thanked Dansk Aktionærforening for the contribution and agreed that there had been a great deal of turmoil in the past year and that such situations always gave rise to evaluate whether Danske Bank was reacting in the optimum manner from a strategic perspective. Danske Bank had been well-positioned to handle the situation arising as a result of the pandemic. The widespread digitalisation of products and services, with which Danske Bank had worked dedicatedly for many years, had passed the test. This remained a focus area for Danske Bank. Regarding the fit and proper rules, the Chairman said that Danske Bank agreed with the purpose of the regulation and the tightening that would ensure a proper and well-run financial sector. Detailed and extensive regulation, however, had some unintentional consequences, including in relation to the recruitment basis. Concern was expressed that the recent proposals for further tightening as well as the recent report by the liability assessment committee would make it more difficult for the financial sector to retain and attract qualified members of management. Lastly, the Chairman answered the question whether a specific plan for communicating with the general public existed and admitted that Danske Bank could have communicated better and sooner about the debt collection case. Danske Bank had addressed this issue by establishing a new central unit, which would ensure that Danske Bank not only learned from the mistakes made, but would also communicate as openly and as soon as possible. Moreover, a website had been made for the purpose of publishing ongoing information about significant progress in the remediation of past problematic cases.

Shareholder Michael Strabo expressed the opinion that Danske Bank's significant underperformance and the lack of focus on shareholder value creation was unacceptable. The Board of Directors had a responsibility to consider strategic alternatives, including M&A opportunities. According to Michael Strabo, significant synergies and value creation could be realised by merging Danske Bank with another bank and thereby creating a true Nordic banking champion with a strong competitive advantage and greater scale. Alternatively, a sale to a major European banking organisation would command a substantial premium to the current market valuation. Both options were in line with the European Central Bank's (ECB) visions of a greater integrated financial union of the future.

The Chairman of the Board of Directors said that the past years had resulted in multiple challenges for Danske Bank as well as the entire financial industry, and that the performance in 2020 was heavily influenced by COVID-19. So far, the Board of Directors considered the long-term benefits – if any at all – of a cross-border merger to be very limited. Therefore, the Board of Directors' strategy focused on increasing performance to remain a sustainable and stand-alone Nordic bank.

Shareholder Jytte Kjærgaard asked what Danske Bank would do in future to avoid the serious communication failure presented to shareholders with regard to Sea Limited, including why it took Danske Bank two days before communicating that a mistake had been made. Jytte Kjærgaard then had asked whether Danske Bank had any plans to modernise its trading platform to make it more attractive. Lastly, Jytte Kjærgaard asked how Danske Bank would ensure CSR when such a large number of employees had been made redundant.

The Chairman of the Board of Directors thanked Jytte Kjærgaard for the question and said that he had obtained an answer from the organisation in the specific case. In certain situations, Danske Bank was obliged to publish information even though it was not yet confirmed, which had been the case with Sea Limited's alleged bankruptcy. Customers ought to have been made aware that the information was preliminary and had not yet been confirmed. It had taken Danske Bank two days to check the matter and subsequently confirm categorically that Sea Limited had not been declared bankrupt. Danske Bank was regularly looking at how to optimise the information flow to its customers, both in terms of completeness, correctness and speediness.

The Chairman had also obtained answers from the organisation in relation to the two other questions and noted that Danske Bank continuously invested in and modernised its platforms so that Danske Bank could provide attractive and strong solutions to its customers – also within brokerage. The modernisation of the investment area was, together with the mortgage credit platform, some of the areas which Danske Bank had decided to focus on and invest in.

As mentioned earlier, Danske Bank's most important role was to ensure that Danske Bank continued to be a strong, solid and robust bank also in the future – and that also implied reducing costs, including heavy investments in digitalisation and reduction of complexity. Unfortunately, this also meant a reduction in the number of employees. However, the Chairman assured the shareholders that there was a major focus on completing the staff cuts in the most respectful way possible, including by way of job transitions and close collaboration with local unions.

Association of Critical Shareholders (“Kritiske Aktionærer”) asked whether Danske Bank – in continuation of the many scandals – acknowledged its failure to manage a bank of the current size and would therefore make efforts to create a leaner bank. Moreover, it was enquired whether Danske Bank – to prevent future fraud, e.g. with dividend payments – would make efforts to ensure that dividend payments from Danske Bank were only made to registered shareholders. This would prevent applications for dividend tax refunds in Denmark from shareholders who had not received any dividends at all.

The Chairman of the Board of Directors thanked Kritiske Aktionærer for the questions and agreed that Danske Bank had been involved in a number of cases, all of which – in the Chairman's view – did not have anything to do with the size of Danske Bank. The Chairman did not consider it to be in the interest of society, the customers, Danske Bank or the shareholders to split up Danske Bank. It was a clear benefit for society that major banks existed and had the capacity and capabilities to accommodate the financial needs of both small and large Danish businesses and asset managers. MobilePay was a good example of a solution that it would otherwise not have been possible to develop and put on the market.

The Chairman said that the Board of Directors supported the work of the Danish Ministry of Taxation and the EU on new dividend rules and took a positive view of a new model and initiatives to prevent dividend tax fraud. The Board of Directors also supported the Danish Ministry of Taxation's proposed model of identification requirements.

Shareholder Markus Munk Jensen asked about the Chairman's handling of the criticism in the media in connection with the debt collection case, including why the Chairman did not speak to the media right away instead of letting Rob de Ridder speak on behalf of Danske Bank. As the Chairman took up his position following the money laundering case, he said that Danske Bank should be more open and not hide anything, but in this case the Chairman had proven otherwise.

The Chairman of the Board of Directors thanked Markus Munk Jensen for the question and reiterated that Danske Bank could have communicated better and sooner about the debt collection case. The Chairman, however, asked the shareholders to respect the division of duties between

Danske Bank's day-to-day management and the Board of Directors. The Chairman had the duty of chairman of the Board of Directors and was not involved in the day-to-day management of Danske Bank, including the day-to-day communication. The Chairman said that the criticism had been noted, but as a general rule, the day-to-day management was responsible for communicating about cases in the business.

Shareholder Lars Henrik Nielsen stated that the elitist men at the top of Danske Bank enjoyed huge privileges and only left the crumbs from the rich man's table to the poor Danes. Poverty created desolate, isolated and lonely people. At last year's general meeting, Danske Bank granted Karsten Dybvad a raise of 47%. Lars Henrik Nielsen then asked whether Danske Bank could be persuaded to revoke extreme salaries as part of Danske Bank's gender equality policy. When powerful men scored high salaries, other people's poverty was hidden in the comparison between equal pay to men and women.

The Chairman of the Board of Directors thanked Lars Henrik Nielsen for the question and repeated that in his report, he had pointed out that Danske Bank wanted to be competitive. This applied in all areas. It was also a question of attracting the right profiles and competences, and therefore Danske Bank had to be on level with other comparable banks in this area as well. To this should be added the ability to recruit competent and qualified banking executives in competition with other banks. Particularly the increased demands on members of management called for pay at market level. Danske Bank had a good position in this respect. As part thereof, Danske Bank also felt obliged to adjust the fees and salaries in accordance with market terms. This did not mean, however, that society could not aim at creating equality, but it was crucial for Danske Bank to be able to offer pay on market terms in a competitive market.

Shareholder Rosario Flores De Kjeldsen asked further about the reasons why compensation was not offered in relation to the FlexInvest case in the cases previously mentioned by Karsten Dybvad.

The Chairman of the Board of Directors said that the comment that compensation had been granted with very few exceptions referred to cases which had not been possible to finalise. For example, it could be cases where it was impossible to identify the relevant persons. So it was only a question of not being able to finalise the cases and not lack of intention.

Shareholder Wismann Property Consult represented by Lars Wismann asked whether CEO Chris Vogelzang would admit and acknowledge that it was an obvious mistake that he, in connection with his appointment, had proclaimed in public that he sincerely wanted to learn Danish within six months. Lars Wismann also asked whether it was a mistake that Chris Vogelzang at the same People's Meeting ("Folkemøde") encouraged all Danes to contact him directly via e-mail, so that he himself could answer all questions submitted. Lars Wismann had experienced that no questions had been answered and requested an answer from the CEO, preferably in Danish, and referred to the importance of keeping one's word.

The Chairman of the Board of Directors first said that the Board of Directors had appointed Chris Vogelzang as CEO of Danske Bank, which has Danish, Norwegian, Swedish, Finnish and Lithuanian as internal languages, while the common and official corporate language was English. Danske Bank's recruitment base comprised international, qualified banking people, as well as qualified Danish banking people.

CEO Chris Vogelzang said that he had sincerely wanted to learn Danish as soon as possible when he was appointed. This had, however, proved to be much more difficult than assumed. As the corporate language of the Bank was English, he did not have much opportunity to practice on a day-to-day basis. With regard to the second question, the CEO said that he received hundreds of emails

and that Danske Bank had replied to by far most of them. However, he frequently received emails from the same few persons, which made it difficult to respond equally quickly to all of them.

Shareholder Wismann Property Consult represented by Lars Wismann asked whether Chris Vogelzang would confirm that largely the entire profit of approximately DKK 5 billion was generated by the 237 employees of Realkredit Danmark, whereas the 22,000 employees of Danske Bank had not generated any profit. Lars Wismann wanted to know how the CEO would ensure the same profitability among the 22,000 employees of Danske Bank as that of Realkredit Danmark, and whether the extraordinary profit of Realkredit Danmark was an expression that Realkredit Danmark together with Nykredit, Jyske Realkredit and Nordea Kredit actually constituted an oligopoly without real competition and without any difference in the terms between the four mortgage credit institutions.

The CEO noted that Realkredit Danmark's net profit for 2020 was DKK 3.8 billion. The vast majority of customers were so-called non-shared customers who did their banking business with Danske Bank and also had their mortgage loans with the Group. Consequently, profit levels at Realkredit Danmark were dependent on Danske Bank as a whole, which made it difficult to look at the performance of Realkredit Danmark in isolation. In relation to the matter of competition, Chris Vogelzang noted that, in his view, the Danish market was extremely competitive, as could also be seen from the constantly fluctuating market shares in connection with new product launches.

Shareholder Wismann Property Consult represented by Lars Wismann asked whether Danske Bank would hold traditional physical meetings again when it would be possible. Furthermore, Lars Wismann believed that ATP's contribution by far exceeded the maximum of 2,400 characters as stated for contributions.

The Chairman of the Meeting explained that all questions were initially sent to a moderator, who sorted them by agenda item. For instance, questions and comments concerning election to the Board of Directors would therefore be dealt with under agenda item 4. Regarding the length of the comments, it was a practical measure for shareholders who wrote comments and questions in the process. The limitation existed for practical reasons as the questions had to be read aloud, but it was possible to submit several comments back-to-back. ATP's contribution had, like other contributions, been received prior to the general meeting.

The Chairman of the Board of Directors underlined Danske Bank's wish to hold traditional physical meetings again as soon as possible, and the Chairman said that he himself was looking forward to being able to hold a physical general meeting.

Shareholder Allan Hansen noted that Danske Bank could benefit from lower IT costs by using a global core system instead of its own in-house developed system that required daily maintenance by thousands of expensive IT employees. IT and compliance costs could thereby be shared with other banks so that Danske Bank would not have to invest in its own system. It was in many ways a race which Danske Bank stood to lose. Then Allan Hansen wanted to know how often Danske Bank reassessed the financial economies of scale in terms of IT by sharing core banking systems, including compliance systems, with other financial institutions. It was a well-known fact that e.g. the Danish banks Jyske Bank and Sydbank used the same core banking and compliance systems, just like the Danish banks Arbejdernes Landsbank, Nykredit and Spar Nord. This was the case even though these banks were in fierce competition for the same banking customers. They minimised their IT and compliance costs for the benefit of the shareholders. Allan Hansen therefore wanted to know more about Danske Bank's plans for similar partnerships.

The Chairman of the Board of Directors thanked Allan Hansen for the contribution and noted that the entire question of Danske Bank's digital development was certainly on the agenda. It was a key competitive parameter which the Chairman had also addressed in his report.

The CEO thanked Allan Hansen for the question and noted that there were discussions in Europe and in the Nordic countries about sharing compliance costs. Complicated data protection rules made such cooperation difficult, though, but Danske Bank was looking into the possibilities on an ongoing basis. In relation to the second question concerning a shared core system, the CEO said that the possibility of outsourcing systems was also being considered in this area. However, due to Danske Bank's size, it was difficult to make a core banking system work. No bank of Danske Bank's size in Europe had succeeded in doing so. It worked best in "green-field operations" where subcontractors were used. Danske Bank had just reassessed this and had come to the conclusion that it was currently not an option.

Shareholder Allan Hansen noted that "embedded finance" meant that Danske Bank used its IT and banking expertise and systems to serve banking customers through other channels and brands than Danske Bank's own. Danske Bank would thereby capitalise on a number of economies of scale in addition to increased access to customers who did not have any immediate preference for Danske Bank, and with whom Danske Bank, under its own brand and logo, would probably never establish customer relationships and have income from.

The CEO noted that Danske Bank regularly examined such opportunities, but that, at this stage, it was not considered relevant. As a first step, however, it was already possible for customers to view their accounts with other banks via Danske Bank's digital solution. Regarding the use of competitors' products, this was done in relation to investments, where many banks, including Danske Bank, should not attempt to cover all investment options. In relation to the main banking products, such as lending and deposits, Danske Bank offered very good products which met the full needs of the customers and thereby had control of the entire value chain rather than being a distributor only.

Shareholder Jakob Thomsen asked about Danske Bank's strategy in relation to image management. In recent years, banks – led by Danske Bank – had been the subject of a number of cases, which had contributed to a bad reputation among the general public, including in particular in relation to the money laundering case. The general public was of the impression that money laundering in Estonia accounted for around 10% of Danske Bank's profit, although the actual figure was around 1%, which was based on the eagerness of journalists to expose Danske Bank by deliberately selecting a year in which Danske Bank had large loan impairment charges in Ireland and therefore a smaller-than-usual profit. According to Jakob Thomsen, journalists had been given the opportunity to describe the money laundering case in Estonia as a significant part of Danske Bank's business, although it was largely insignificant. As opposed to previous cases in the early 1990s when Danske Bank was directly involved in criminal acts, the criminal acts of the money laundering case had taken place without interference from Danske Bank. Despite the fact that legal proceedings and investigations against Danske Bank had reached a dead-end, Danske Bank's reputation was far worse off. Jakob Thomsen made a comparison with Novo Nordisk, which had a profit twice as large as that of Danske Bank, but on the other hand a profit that accounted for 50% of revenue. This was possible because medicinal products could be sold at prices that resembled robbery from taxpayers. In spite of this, Novo Nordisk maintained a good image. The pharmaceutical industry was hardly more important to society than banks. Lastly, Jakob Thomsen said that the bank packages during the financial crisis had been repaid with the addition of interest, which was a good deal for the Danish government.

According to Jakob Thomsen, Danske Bank's defence in relation to the money laundering case was characterised by inactivity, which was reflected in Karsten Dybvad's apologetic and defensive



statements on several occasions. Jakob Thomsen therefore wanted to know whether Danske Bank did not find it of value to defend itself in relation to these cases.

The Chairman of the Board of Directors thanked Jakob Thomsen for the question and said that Danske Bank, in the Chairman's view, made great efforts to defend itself, but Danske Bank had to admit that mistakes had been made. Danske Bank had always made efforts to keep a good and constructive dialogue with journalists as well as politicians and authorities. This had also been the case in recent years when primarily the case about alleged money laundering in Estonia as well as other unfortunate cases against Danske Bank had attracted public debate and criticism. In relation to these cases, Danske Bank generally considered it to be crucial for Danske Bank to take corrective action and rectify the situation. The cases had been criticisable, and therefore Danske Bank had acknowledged the criticism that arose from the cases among the general public. Danske Bank wanted to defend itself and reply to any unjustified criticism of Danske Bank, but in the case about alleged money laundering and other unfortunate cases, Danske Bank took an offensive approach by showing, through its actions, that Danske Bank addressed these problems and promoted a culture where problems were identified and handled consistently. The Chairman found that this approach was right and that this was the way to restore confidence in Danske Bank and thereby improve its reputation. In addition, Danske Bank had learnt that it should be better at communicating as early as possible.

The Chairman of the Meeting noted that a longer written contribution had been received from shareholder Gunnar Mikkelsen prior to the general meeting. The material was available in its full length on the AGM Portal and would be summarised by the Chairman of the Meeting in the form approved by the shareholder.

According to shareholder Gunnar Mikkelsen, Danske Bank had admitted to being aware of the existence of the debt collection case already when the financial statements for 2019 were presented and thus also at the time of last year's annual general meeting. This was clear from Danske Bank's report to the Danish Financial Supervisory Authority (the Danish FSA) dated 10 September 2020. The Chairman of the Board of Directors ought therefore to be ashamed of having kept the case secret last year. Moreover, the economic implications were greater than the compensation the affected customers could expect to be entitled to. Danske Bank applied the reverse Robin Hood principle, lining its pockets although the bank had been aware of systematic errors for several decades.

The many cases in 2020, in addition to the money laundering cases and the FlexInvest case, had only come to light due to investigative journalism. Danske Bank's response and communication had been catastrophically poor, misleading and slanted – amounting almost to an attempted cover-up, especially given the reference to “operational risks” in the financial statements and the statement of an amount of DKK 400 million. Moreover, it has been described as something of which Danske Bank had just become aware. This method was used in the money laundering case, where Danske Bank claimed that it had been abused, and again in the debt collection case, where management claimed to be unaware of the situation until 2019. The media subsequently provided documentation that Danske Bank's report to the Danish FSA and other announcements and statements were both incorrect and misleading.

Gunnar Mikkelsen emphasised the importance of Danske Bank's management commanding confidence. According to a letter from the Danish FSA regarding Danske Bank's unlawful debt collection, the Danish FSA was of the opinion that Danske Bank had acted when it became aware of the errors and that it was essential to the FSA's assessment of the case that all the affected customers could be identified and compensated as quickly as possible. Danske Bank's mentioning of this was limited to four discreet lines referring to “operational risks”. The Danish FSA subsequently issued Danske Bank with four orders and also ordered an impartial investigation of

Danske Bank's debt collection systems. This was the most serious declaration of no confidence any Danish bank had ever received, and Gunnar Mikkelsen found it disgraceful that this was necessary at Denmark's biggest bank.

Gunnar Mikkelsen was deeply disappointed with Danske Bank's handling and concealment of the debt collection case, particularly in light of the assistance provided to Danske Bank during the financial crisis. According to Danske Bank's internal policies, not even the shareholders were allowed to know about its problematic cases, which were moreover assumed to affect the price of the bank's shares. Only affected customers were to be informed. Former employees had pointed out the unacceptable conditions from time to time, but management had failed to react, which confirmed an altogether sick culture. Gunnar Mikkelsen was also deeply disappointed with the Chairman's efforts since his appointment. Danske Bank's image had already suffered irreparable damage. The Chairman had learnt nothing from the money laundering cases and had failed to ensure openness and create a culture where honesty and integrity were core values.

An excerpt from Danske Bank's internal audit report and a report from the Estonian FSA provided a completely different picture than the one expressed in the Bruun & Hjejle report concerning the situation at the Estonian branch. This information should have been made available to shareholders. Danske Bank's external auditors also remained silent about the contents of the inspection reports. In his material, Gunnar Mikkelsen referred to the lack of customer documentation, including other fundamental errors and unacceptable quality control as well as a number of controls performed by the Danish and Norwegian FSAs, which had concluded that Danske Bank still had difficulties to overcome after five years. The same was the case at the German branch, where several serious weaknesses in Danske Bank's anti-money laundering measures had been identified. This caused the Danish FSA to issue a new order on 19 February 2021. The Norwegian FSA had carried out its threat to impose penalties, which amounted to a rough NOK 3 million. However, what was far more important was that, again, the media were the ones to reveal Danske Bank's actions. Accordingly, combating money laundering and terrorist financing was still not embedded in Danske Bank's DNA, and the technology required to meet Danske Bank's obligations was obviously not available, which was bound to entail persistent, grave concern among shareholders.

Danske Bank had still not struck the right balance between customers' appetite for criminal financial activities and the regulative measures that needed to be implemented. Neither Danske Bank's management nor its external auditors could be in doubt that when Danske Bank was caught in illegal conduct, or failed to act when action was required, the capital market and the shareholders should be the first to be informed. Gunnar Mikkelsen pointed out that he had asked how all Danske Bank's three lines of defence could collapse, both at previous general meetings and by written questions. All the same, Danske Bank had still not replied.

Danske Bank could, as a minimum, have followed the guidelines set out in the multi-page questionnaire concerning "know-your-customer" registrations (known as the "Wolfsberg questionnaire"). When expressing their opinion on the financial statements for 2020, Danske Bank's external auditors should have carefully considered the term "materiality" in relation to section 7(2) of the Danish Executive Order on Statements Made by State-Authorised and Registered Public Accountants, especially as regards the Norwegian penalties. Gunnar Mikkelsen urged the authorities to investigate whether the contents of the auditors' report on Danske Bank's financial statements for 2020 were correct in that context.

A healthy investment culture relied on confidence in both authorities and the management of the company. Therefore, Gunnar Mikkelsen hoped that in the event of any future problematic cases the Chairman would stand tall and speak the truth to Danske Bank's shareholders. The Danish State Prosecutor for Serious Economic and Financial Crime (SØIK) should consider looking into whether

the provisions of the Danish Capital Markets Act had been complied with and whether Danske Bank's reporting to the Danish Customs and Tax Administration of time-barred interest to which it had no claim provided grounds for an actual investigation. Having reported interest expenses and compound interest which the bank was not entitled to collect and which could therefore not legally be deducted seemed to pose a problem for Danske Bank. And Gunnar Mikkelsen hoped that, as a marker to steer by during its money laundering investigation, SØIK would have its sights on corruption cases in light of the transfer of millions of DKK from suspicious accounts with Danske Bank's Estonian branch existing at the time.

Against this background, Gunnar Mikkelsen asked four questions, i.e. (a) what was Danske Bank's explanation of why all three lines of defence, according to the bank's report on the Estonia case, had failed, and what was the explanation of why Danske Bank, still in 2021, had to tolerate massive criticism and orders being issued in several countries in which Danske Bank was carrying on business activities through branches and had to pay fines for lacking internal controls and lacking customer due diligence data, considering that Danske Bank had publicly announced that it was using the Wolfsberg questionnaires, – "for conducting client due diligence"?, (b) during the past five years, what had stopped Danske Bank from initiating additional measures and improving the procedures to prevent money laundering, apart from the Wolfsberg questionnaires, in areas where they were considered to be insufficient?, (c) Danske Bank was requested to disclose which control measures were lacking, as far as the bank was aware, and when remediation might be expected to have taken place as well as the size of the financial costs expected to be incurred on development and implementation?, (d) who at Danske Bank/the Group was responsible for the inadequate remediation of orders issued previously, from 2015 onwards, by the FSAs in Denmark, Norway and Germany?

The Chairman of the Board of Directors thanked Gunnar Mikkelsen for his contribution and conceded that mistakes had been made in connection with the debt collection case in the past. That was what Danske Bank had communicated – and the Chairman had apologised on behalf of the bank to the employees who had tried to get management's attention and to the customers who had paid too much. The current management had initiated the cleaning up and contacted the authorities and customers. There was no doubt that this case had contributed to harming Danske Bank's reputation. However, Danske Bank had to deal with the mistakes rather than evade the issues. It was against this background that previous mistakes and negative cases were brought to light, discussed and identified – and subsequently remedied and closed. It was a step towards restoring confidence in Danske Bank. And it was therefore a pity if Gunnar Mikkelsen did not see it the same way.

Danske Bank had welcomed an independent expert and had not tried to cover up the matter, but had acknowledged that it could have communicated sooner and better. However, communication about the matter required an overview of the scope of the case. The fact was that Danske Bank had initiated the cleaning up itself and had itself disclosed the case to the authorities and affected customers – even before the media started to take an interest in the case. The debt collection case was an indication that Danske Bank's controls had been strengthened and that its management culture was one where problems were brought to light. The current management reacted promptly, acknowledging that even if it was hard in the short term, it was necessary in the long run. This was also the reason for the separate unit set up to consider other old cases.

Turning to Gunnar Mikkelsen's specific questions, the Chairman noted that the activities of the Estonian branch were described in detail in the Bruun & Hjejle report. The Chairman also noted that Danske Bank had made considerable progress in terms of upgrading its Group Compliance unit, whose resources for combating financial crime and money laundering had been significantly increased. Danske Bank continued its dialogue with the Danish FSA and other authorities in order to strengthen the framework for combating financial crime. This was translating into an extensive plan. However, as it involved, among other things, updating Danske Bank's know-your-customer

information and significantly strengthening the bank's remediation efforts in the anti-money laundering area, the transformation process was very complicated. Remediation costs and costs for the Estonia case totalled DKK 4.1 billion in 2020, and it was expected that costs would run into DKK 3-3.2 billion in 2021 and DKK 1.5-1.7 billion in 2023. Combating financial crime remained a top priority for Danske Bank's management, and progress had been made in terms of complying with the orders referred to. Danske Bank maintained a close and ongoing dialogue with the Danish FSA, which acknowledged the significant progress made by the bank in terms of upscaling its compliance efforts.

The Chairman of the Meeting then read out questions concerning the agenda item regarding dividend for the financial year 2020.

Shareholder Jørgen Kjær Jensen noted that it appeared from page 6 of the annual report that a dividend of DKK 8.50 per share had been distributed for 2019. Such dividend was not paid in 2020. Was this to be understood as shareholders would receive a total dividend for the two years 2019 and 2020 of DKK 10.50 per share? If not, there was a printer's error in the annual report for 2020. The question was followed by a similar one from shareholder Jakob Thomsen, who wanted to know whether there were plans to distribute the missing dividend for 2019 at a later point in time, or whether shareholders should expect both a large capital loss and a meagre dividend for years to come. Shareholder Thorkild Binett Jørgensen wanted to know whether Danske Bank intended to make an additional distribution or otherwise compensate the shareholders in light of the government's urgent request for the Danish banks regarding shareholder dividends for 2019, as competing banks had said they would consider paying compensation.

Shareholder Kritiske Aktionærer represented by Frank Aaen suggested that Danske Bank should not pay any dividend for 2020 with a view to accumulating the greatest possible amount of resources in order to cope with the financial crisis brought about by COVID-19 and have the best chance possible to help customers affected by it. Frank Aaen pointed out that this proposal was consistent with the Danish central bank's recommendation to show restraint with dividend payments.

The Chairman of the Board of Directors initially noted that the proposal from Kritiske Aktionærer had been submitted prior to the publication of the annual report and thus prior to the Board of Directors' recommended dividend distribution for 2020. Besides, the many questions and contributions illustrated the complexity relating to the distribution of dividend. Due to the macroeconomic situation caused by the COVID-19 pandemic, the Board of Directors decided in 2020 to recommend to the general meeting that no dividend be paid for 2019. With this decision, the Board of Directors supported the initiatives taken to mitigate the economic consequences of the pandemic. As one of the largest banks in the Nordic region – and the largest bank in Denmark – Danske Bank played an important role in contributing to limiting the negative financial consequences for the bank's customers and society at large. Danske Bank was well prepared to contribute to this joint project.

Based on the 2020 profit, the Board of Directors had proposed a dividend of DKK 2 per share, which was marginally below Danske Bank's long-term dividend policy of distributing 40-60% of the profit for the year. In other words, Danske Bank had now resumed its dividend distributions, while at the same time complying with the Danish FSA's recommendations.

Shareholders Birgit Zester and David Bentsen suggested that, going forward, Danske Bank should pay dividend each quarter following the presentation of the interim report, provided that the profit and management's expectations for the profit for the year warranted a dividend. This would help stabilise the share price, increase the number of private shareholders and mitigate the consequences of sudden political impulses.

Shareholder Mikael Plauborg Sørensen requested an explanation for the lack of dividends in 2019 and an answer as to who would decide whether to pay dividends going forward. Similarly, shareholder Lars Büchele wanted to know whether there were any plans regarding the dividend of DKK 8.5 per share that was cancelled in the financial year 2019, while shareholder Erik Johannes Larsen asked how the retained 2019 profit was represented in the proposed profit for 2020. Shareholder Klaus Hede would like to know when the specific dividend would be paid and the amount of the dividend.

The Chairman of the Board of Directors thanked the shareholders for their contributions and stated that dividends would only be distributed if appropriate in light of Danske Bank's financial position. Danske Bank traditionally distributed an annual ordinary dividend. The Board of Directors was already authorised to distribute extraordinary dividend, for instance quarterly dividend, cf. article 13(3) of the Articles of Association, but there were no plans at the moment to exercise this authorisation.

CFO Stephan Engels stated that it was technically possible to pay dividends on a quarterly basis, but that this would in many respects be a cost-intensive and time-consuming exercise. For this reason, annual ordinary dividends were preferable. The originally proposed dividend for 2019 was proposed and it was decided to transfer the amount to "Retained earnings" for the year. In relation to the dividends for 2020, Danske Bank had considered relevant statements from the Danish FSA, among others, and Stephan Engels found that Danske Bank had struck a reasonable balance. As regards the amount and the payment, reference was made to earlier comments.

Shareholder Ulf Dener-Madsen opined that Chris Vogelzang's answer regarding Realkredit Danmark was inconsistent with the facts insofar as customers previously paid administration margins at a maximum rate of 0.1 %, but that margins rose significantly after the mortgage credit institutions were acquired by the banks. The risks had not increased, which meant that there was a manifest oligopoly among the four big institutions. This had generated total earnings of up to DKK 15 billion, and hearing how Danske Bank mistreated its customers and robbed them of their money was therefore mortifying. It was unheard of that 237 Realkredit Danmark employees generated almost all of Danske Bank's profit. Especially the cooperative housing associations were shocked at this unacceptable robbery-like treatment of customers. Therefore, Ulf Dener-Madsen wanted to know when Danske Bank was planning to lower administration margins and earnings to a customer-friendly level so as to align risks and earnings.

The CEO repeated that the profitability of Realkredit Danmark was not generated solely by the employees at Realkredit Danmark. As to the question about the development in Realkredit Danmark's administration margins, the trend was affected by two factors in particular: stricter regulatory requirements and much higher capital requirements than previously. The costs of providing loans were therefore similarly higher for Danske Bank.

The Chairman of the Meeting established that there were no further questions and no requests for a vote. As there were no further comments, the Chairman of the Meeting closed the debate and stated that the report had been adopted.

## **Re item 2) Submission of Annual Report 2020 for adoption**

The Chairman of the Meeting stated that the Board of Directors had proposed a resolution that the general meeting adopted Danske Bank's Annual Report 2020.

The Chairman of the Meeting asked whether there were any further comments on the annual report. That was not the case, and the Chairman of the Meeting ascertained that Annual Report 2020 was adopted.

## **Re item 3) Proposal for allocation of profits according to the adopted Annual Report 2020**

The Chairman of the Meeting stated that the net profit of Danske Bank A/S for 2020 was DKK 4,511 million.

A proposal had been made for (i) payment of a dividend of DKK 2 per share of DKK 10, corresponding to DKK 1,724 million or approximately 38% of the profit for the year for the Danske Bank Group, (ii) transfer of DKK 760 million from the "Equity method reserve", (iii) transfer of DKK 551 million to "Additional tier 1 capital holders", as well as (iv) transfer of DKK 1,476 million to "Retained earnings".

The proposal also referred to page 217 of Annual Report 2020.

No further questions had been received than those stated in connection with the Board of Directors' report on Danske Bank's activities. Then a ballot was held on the allocation of profits.

The result of the ballot was that the proposal was adopted with 99.95% votes in favour of the proposal, while there were 0.01% against the proposal and 0.04% blank votes. The proposal was therefore adopted.

## **Re item 4) Election of members to the Board of Directors**

The Chairman of the Meeting stated that the Board of Directors had proposed re-election of Martin Blessing, Lars-Erik Brenøe, Karsten Dybvad, Raija-Leena Hankonen, Bente Avnung Landsnes, Jan Thorsgaard Nielsen, Carol Sergeant and Gerrit Zalm.

Moreover, it was disclosed that Christian Sagild did not stand for re-election.

As described in detail in company announcement No. 2 of 15 March 2021, Topi Manner had withdrawn his candidacy. As a consequence hereof, the Board of Directors proposed an amendment to elect eight members to the Board of Directors instead of the nine members indicated in the notice convening the general meeting.

The Chairman of the Meeting stated further that a shareholder had nominated Lars Wismann to be elected as a new member of the Board of Directors, while another shareholder had nominated Michael Strabo as a new member of the Board of Directors after the publication of the notice convening the general meeting.

More information about the candidates' competencies, independence, educational background, directorships and other offices appeared from appendix 1 to the notice convening the general meeting, although with respect to Michael Strabo's candidacy, reference was made to the shown presentation, cf. below.

The Chairman of the Meeting then gave the floor to the Chairman of the Board of Directors who motivated the proposals by the Board of Directors and commented on the composition and competencies of the Board of Directors.

The Chairman of the Board of Directors said that the Board of Directors applied a competency profile for the Board of Directors as a whole, which was updated regularly. In the opinion of the Board of Directors, the Board of Directors being proposed had a broad composition in terms of competencies, international experience and nationalities, and constituted a good match when comparing the competency profile with the composition of the Board of Directors. Reference was made to Danske Bank's website for a description of the competency profile.

The Chairman of the Meeting then read out Lars Wismann's motivation, stating that the full CV was available in the notice convening the general meeting and on Danske Bank's website. The Chairman of the Meeting then reviewed Michael Strabo's CV, which was also shown in the presentation and available on the AGM Portal.

The Board of Directors did not support Lars Wismann's or Michael Strabo's candidacies.

Shareholder Wismann Property Consult represented by Lars Wismann asked the member of the Board of Directors Bente Avnung Landsnes to confirm that she had not completed any formal competence-enhancing training programmes since 1974. Lars Wismann had brought the matter to the attention of the Danish FSA in relation to their Fit & Proper requirements for board members of SIFI banks. Moreover, Bente Avnung Landsnes was to confirm when she had become familiar with his question regarding her formal educational background, which was to be compared to that of an unskilled worker.

Shareholder Flemming Delhauge expressed his dissatisfaction with having voted by correspondence and therefore not being able to consider the proposed amendment.

The Chairman of the Board of Directors emphasised, on behalf of the Board of Directors, that Bente Avnung Landsnes had been given a Fit & Proper approval by the Danish FSA. Her competencies were also described in her CV, which was reproduced in appendix 1 to the notice convening the general meeting, and the Chairman referred to Bente Avnung Landsnes' background as the first female CEO and President of Oslo Børs and many years of broad experience from banking operations, particularly in operations and IT. All these board competencies were in demand by Danske Bank. Bente Avnung Landsnes – in line with the other board members – made an active contribution with her experience and competencies. In the opinion of the Chairman, it was not possible to equate formal education with competencies.

The Chairman of the Meeting emphasised that Topi Manner withdrew his candidacy.

As a consequence hereof, the Board of Directors proposed electing eight members to the Board of Directors. According to Danske Bank's Articles of Association, the Board of Directors could consist of up to ten members elected by the general meeting. In other words, the recommendation by the Board of Directors was an amendment to the original proposal as set out in the notice convening the general meeting. The Chairman of the Meeting emphasised that proposals – indisputably – were subject to proposed amendments until and during the actual general meeting, including by the proposing shareholder and by the Board of Directors.

One shareholder argued that shareholders who had voted in advance by correspondence or by proxy were unaware of what they were considering. The Chairman of the Meeting pointed out that there was always a risk of this happening, as a result of which the Chairman of the Meeting always had to consider whether votes by correspondence or proxies could be included in the count or would lapse

regarding the specific item. In the present situation, the Chairman of the Meeting had of course taken the matter under consideration and by the way was able to disclose that they had no effect on the outcome of the vote. To accommodate any uncertainty with the two candidates who were not supported by the Board of Directors, the Chairman of the Meeting had applied the most conservative interpretation – in fact more conservative than he would normally do.

About 399 million votes were represented at the general meeting. Of these, 255 million votes – or more than half and thus the majority – had granted proxy to the Board of Directors. Of the remaining approximately 174 million votes, very few had taken a position on the size of the Board of Directors. Only around 22,000 votes were against the Board of Directors' proposal on nine board members. Subsequently, the Chairman of the Meeting considered these votes as if they had also been against the amended proposal submitted by the Board of Directors. Their votes were therefore counted as being against the proposed amendment. Around 13 million votes cast in advance were in favour of the Board of Directors' original proposal about nine members. As it was impossible to say whether this meant that these shareholders would also vote in favour of the Board of Directors' amended proposal, the Chairman of the Meeting would not count them as being in favour of the proposal. The most natural thing would be to exclude the votes altogether, but with a view to applying the most conservative and stringent interpretation, the Chairman of the Meeting would consider them as being against the proposed amendment.

Shareholder Wismann Property Consult represented by Lars Wismann believed that Michael Strabo had obviously been nominated at the request of the Board of Directors two hours prior to the general meeting, as the Chairman of the Meeting had announced at that time that the Board of Directors would reduce its proposal to elect nine board members to eight. Michael Strabo's candidacy was therefore, in Lars Wismann's opinion, an obvious violation of the Articles of Association. The shareholders who had already voted before 2.00pm had been prevented from voting for him, while others, who had voted for Topi Manner, would have voted differently.

The Chairman of the Meeting noted that Michael Strabo's candidacy had been announced well before the general meeting, but not in due time to be included in the submitted notice convening the general meeting and that the Board of Directors' proposed amendment was stated in the company announcement issued on the day before the general meeting. Lars Wismann's claim that Michael Strabo's candidacy was planned by the Board of Directors was contradicted by the fact that the Board of Directors did not support the candidacy.

Shareholder Wismann Property Consult represented by Lars Wismann then made an additional question regarding Michael Strabo's candidacy, emphasising that the candidate was residing in Malta, which Lars Wismann believed was a well-known financial offshore destination known not least for Middle-East transactions and other similar creative transactions with which Danske Bank had extensive experience. In Lars Wismann's opinion, Michael Strabo could only be intended to act as a straw man, and he therefore encouraged the Board of Directors to solemnly declare that they had not been involved in encouraging the new board candidate to seek election to the Board of Directors.

Lars Wismann argued that it was unlawful – after sending the notice convening the general meeting with proposals for the agenda – to amend proposals only a few hours before the annual general meeting was to be held. The objection was made with reference to Article 9 of Danske Bank's Articles of Association.

Lars Wismann emphasised that the Board of Directors had announced on the agenda submitted on 19 February 2021 that nine members were to be elected to the Board of Directors at the general meeting. It did not appear from the notice convening the general meeting that the Board of Directors reserved the right to change the number of members before the general meeting. The



Chairman of the Meeting had also declined to state which part of the Articles of Association allowed for a change of wording of the proposals set out in the notice convening the general meeting.

The fact that the candidate proposed by the Board of Directors, Topi Manner, had withdrawn his candidacy meant that there were now nine candidates for the nine seats which the Board of Directors, according to the notice convening the general meeting, proposed to elect. Therefore, Danske Bank had to, ought to and should adhere to the agenda at the general meeting as submitted and complete the election to the Board of Directors as an uncontested election. Votes cast for Topi Manner could just as well have been cast for Lars Wismann. Lars Wismann also found that the Chairman of the Meeting had a conflict of interest with respect to deciding on the legality of the proposed amendment, as the Chairman of the Meeting was paid by the Board of Directors. The members of the Board of Directors should be held accountable for their illegal and potentially criminal acts. There was a reason why a listed public limited company, a SIFI bank, had articles of association to protect its shareholders.

The Chairman of the Meeting had omitted to state which article of the Articles of Association the Board of Directors relied upon to change its proposal. As a consequence hereof, Lars Wismann demanded that the Board of Directors adhered to the proposal in the notice convening the general meeting about electing nine members to the Board of Directors. His candidacy would contribute diversity to the Board of Directors, and Lars Wismann added that he had been proposed by non-controlling shareholders and that he was Fit & Proper. Lastly, Lars Wismann encouraged Michael Strabo to withdraw his candidacy.

The Chairman of the Meeting emphasised that the matter of the legality of the notice convening the general meeting and the proposed amendments lay within the powers of the Chairman of the Meeting and he confirmed the legality of the proposed amendment. There was nothing to prevent the proposal of candidates after the notice had been sent to the shareholders. And there was nothing to prevent a proposed amendment to a proposal already included on the agenda from being put to a vote.

Lars Wismann again reserved his position on the legality of the notice convening the general meeting.

The Chairman of the Meeting asked whether there were any additional comments or contributions. That was not the case. Then a ballot was held on the number of board members.

The result of the ballot was that the Board of Directors' proposal for the election of eight members was adopted with 56.47% votes in favour of the proposal, while there were 3.36% votes against the proposal and 40.17% blank votes. The proposal was therefore adopted.

Then a ballot was held on the individual candidates.

The result of the ballot was as follows:

Bente Avnung Landsnes 396,893,684 votes in favour,  
Martin Blessing 396,910,155 votes in favour,  
Gerrit Zalm 396,892,668 votes in favour,  
Carol Sergeant 394,869,334 votes in favour,  
Raija-Leena Hankonen 388,390,500 votes in favour,  
Karsten Dybvad 386,291,914 votes in favour,  
Jan Thorsgaard Nielsen 363,241,757 votes in favour,  
Lars-Erik Brenøe 368,631,221 votes in favour,  
Lars Wismann 348,272 votes in favour,  
Michael Strabo 155,659 votes in favour.

The Chairman of the Meeting ascertained that Martin Blessing, Lars-Erik Brenøe, Karsten Dybvad, Raija-Leena Hankonen, Bente Avnung Landsnes, Jan Thorsgaard Nielsen, Carol Sergeant and Gerrit Zalm had been re-elected to the Board of Directors.

#### **Re item 5) Appointment of external auditors**

The Chairman of the Meeting stated that the Board of Directors had proposed the re-appointment of Deloitte Statsautoriseret Revisionspartnerselskab as external auditors in line with the recommendation from the Audit Committee. According to the proposal, the Audit Committee's recommendation was free from influence from third parties, and no clauses restricting the choice by the general meeting to certain categories or lists of statutory auditors or audit firms had been imposed upon the Audit Committee.

The Chairman of the Meeting stated that there were no other candidates, and with the consent of the general meeting, he ascertained that the proposal for appointment of external auditors was adopted.

#### **Re item 6) The Board of Directors' proposals to amend the Articles of Association**

The Chairman of the Meeting stated that the Board of Directors had submitted two proposals to amend the Articles of Association under agenda items 6.a and 6.b.

##### **Re item 6.a) Proposal for extension by one year of the existing authority in articles 6.1. and 6.2. regarding capital increases with pre-emption rights**

The Chairman of the Meeting stated that the Board of Directors had proposed that the Board of Directors' existing authority, with pre-emption rights for Danske Bank's shareholders, to increase Danske Bank's share capital and to raise loans against bonds or other debt instruments with access to conversion to shares (convertible loans) be extended from 1 March 2025 to 1 March 2026. The authority corresponded to around 20% of Danske Bank's nominal share capital. The purpose of the proposal was to ensure Danske Bank's flexibility to raise capital, if necessary.

Consequently, the Board of Directors proposed that articles 6.1. and 6.2. of the Articles of Association be amended as follows:

*“6.1. The Board of Directors is authorised, until 1 March 2026, to raise Danske Bank's share capital by up to DKK 1,720,000,000. The share capital increase may take place on one or more occasions against cash. According to article 5.1., Danske Bank's existing shareholders have pre-emption rights to subscribe for the new shares in proportion to their existing holdings.*

*6.2. The Board of Directors is also authorised, until 1 March 2026, on one or more occasions to raise loans against bonds or other instruments of debt with access to convert them into shares (convertible loans), and the Board of Directors is authorised to make the related capital increase. Convertible loans may not exceed an amount resulting in a maximum capital increase, which may be effected under the authority to increase Danske Bank's share capital, see article 6.1. above, according to the conversion price fixed at the raising of such loans as laid down by the terms and conditions of the bonds or other instruments of debt. The exercise of this authority reduces, by a corresponding amount, the authority in article 6.1. to increase Danske Bank's share capital. When the Board of Directors decides to raise convertible loans, the authority to*

*increase the share capital, see article 6.1. above, is considered utilised by an amount corresponding to the maximum conversion rights. The conversion period may run for longer than five years after the raising of the convertible loan. Danske Bank's shareholders are entitled to subscribe for convertible loans in proportion to their shareholdings. The decision of the Board of Directors to raise convertible loans must be recorded in the Articles of Association and the Board of Directors is authorised to amend the articles accordingly."*

The proposal did not result in any changes to articles 6.3. and 6.4. of the Articles of Association.

The Chairman of the Meeting asked whether there were any questions or comments on the proposal. This was not the case, and there were no demands for a ballot on the agenda item.

Consequently, the Chairman of the Meeting stated, with the consent of the general meeting, that the proposal was adopted with the majority required.

**Re item 6.b) Proposal for extension by one year of the existing authority in articles 6.5. and 6.6. regarding capital increases without pre-emption rights**

The Chairman of the Meeting stated that the Board of Directors had proposed that the Board of Directors' existing authority, without pre-emption rights for Danske Bank's shareholders, to increase Danske Bank's share capital and to raise loans against bonds or other debt instruments with access to conversion to shares (convertible loans) be extended from 1 March 2025 to 1 March 2026.

The existing authorisation was approved at the general meeting in 2020 to reinstate an unutilised authorisation corresponding to a maximum of 10% of the share capital, as DKK 625,782,240 of the existing authorisation had already been utilised by the previous two issuances of Additional Tier 1 Capital, as recorded in articles 6.9. and 6.10. of the Articles of Association. The purpose of the authorisation was to ensure Danske Bank's flexibility to issue shares or raise loans against bonds in relation to issuance of Additional Tier 1 Capital, if necessary.

Consequently, the Board of Directors proposed that articles 6.5. and 6.6. of the Articles of Association be amended as follows:

*"6.5. The Board of Directors is authorised, until 1 March 2026, to increase Danske Bank's share capital by up to DKK 1,485,000,000. The share capital increase may take place on one or more occasions. Danske Bank's shareholders are not entitled to subscribe for shares in proportion to their shareholdings. Consequently, the new shares must be offered at market price. The share capital increase may be against payment in cash, conversion of debt or as consideration in connection with Danske Bank's acquisition of an existing business. For share issues not related to conversion of convertible bonds issued under article 6.6., including articles 6.9. and 6.10., the authorisation is, however, limited to DKK 860,000,000.*

*6.6. The Board of Directors is also authorised, until 1 March 2026, on one or more occasions to raise loans against bonds or other instruments of debt with access to convert them into shares (convertible loans) for a total of DKK 1,485,000,000, subject to previous issues under articles 6.9. and 6.10. below. The Board of Directors is authorised to make the related capital increase. Convertible loans may not exceed an amount resulting in a maximum capital increase, which may be effected under the authority to increase Danske Bank's share capital, see article 6.5. above, according to the conversion price fixed at the raising of such loans as laid down by the terms and*

*conditions of the bonds or instruments of debt. The exercise of this authority reduces, by a corresponding amount, the authority in article 6.5. to increase Danske Bank's share capital. When the Board of Directors decides to raise convertible loans, the authority to increase the share capital, see article 6.5. above, is considered utilised by an amount corresponding to the maximum conversion rights. The conversion period may run for longer than five years after the raising of the convertible loan. Danske Bank's shareholders are not entitled to subscribe for convertible loans in proportion to their shareholdings. The decision of the Board of Directors to raise convertible loans must be recorded in the Articles of Association and the Board of Directors is authorised to amend the articles accordingly."*

The proposal did not result in any changes to articles 6.7.-6.10. of the Articles of Association.

The Chairman of the Meeting asked whether there were any questions or comments on the Board of Directors' proposal.

That was not the case. As there were no demands for a ballot, the Chairman of the Meeting ascertained, with the consent of the general meeting, that the proposal was adopted with the majority required.

#### **Re item 7) The Board of Directors' proposal for extension of its existing authority to acquire own shares**

The Chairman of the Meeting stated that this was a recurring item on the agenda. The Board of Directors had proposed the general meeting to extend the existing authority to the effect that Danske Bank could continue to trade in Danske Bank shares.

The Board of Directors proposed the following authorisation for adoption:

*"The Board of Directors proposes to extend its existing authority so that the Board of Directors be authorised in the period until 1 March 2026 to allow Danske Bank and the Group to acquire own shares by way of ownership or pledge up to an aggregate value of 10% of Danske Bank's share capital at the time of granting the authority provided that Danske Bank's holding of own shares does not exceed 10% of Danske Bank's share capital. If shares are acquired for ownership, the purchase price must not deviate from the price quoted on Nasdaq Copenhagen at the time of acquisition by more than 10%."*

The Chairman of the Meeting asked whether there were any questions or comments on the Board of Directors' proposal.

As there were no comments on the proposal, nor any demands for a ballot, the Chairman of the Meeting ascertained, with the consent of the general meeting, that the proposal was adopted.

#### **Re item 8) Presentation of Remuneration Report 2020 for an advisory vote**

The Chairman of the Meeting said that Danske Bank had prepared a Remuneration Report for the financial year 2020, which according to applicable legislation was presented for the first time to the general meeting for an advisory vote. The Remuneration Report was set out in appendix 2 of the notice convening the general meeting.

The advisory vote meant that if the general meeting did not approve the Remuneration Report, Danske Bank would have to explain in the remuneration report for 2021 which measures had subsequently been taken to take such result into account.

The Remuneration Report had been prepared in compliance with applicable rules and corporate governance recommendations and with a view to further enhancing the transparency of the remuneration reporting. The report covered remuneration awarded or due during the financial year 2020 to Danske Bank's Board of Directors and Executive Leadership Team.

The Chairman of the Meeting asked whether there were any comments on the Remuneration Report. This was not the case, and subsequently an advisory vote on the Remuneration Report was held.

The result of the vote was that the Remuneration Report was adopted with 96.89% votes in favour of the proposal, while there were 2.77% against the proposal and 0.34% blank votes. The proposal was therefore adopted.

### **Re item 9) The Board of Directors' proposal for the remuneration of the Board of Directors in 2021**

The Chairman of the Meeting stated that at the annual general meeting in 2020, the general meeting had approved new fees for the Board of Directors to take effect from 1 January 2021. The Board of Directors proposed that the base fee, the chairman's fee, the vice chairman's/vice chairmen's fees and the additional fees for committee work remained unchanged.

	<b>The fee structure for 2021</b>
<b>Base fee</b>	<b>DKK 660,000</b>
The chairman's fee	4 x base fee
The vice chairman/vice chairmen fees	2 x base fee
<b>Board committee fees</b>	
Remuneration Committee and Nomination Committee	DKK 165,000 (1/4 x base fee)
Audit Committee, Risk Committee, and Conduct & Compliance Committee	DKK 220,000 (1/3 x base fee)
<b>Committee chairmen fees</b>	
Remuneration Committee and Nomination Committee	DKK 330,000 (1/2 x base fee)
Audit Committee, Risk Committee, and Conduct & Compliance Committee	DKK 440,000 (2/3 x base fee)

The above table listing the proposed fees also appeared from the notice convening the general meeting and was shown in the presentation.

In addition to the proposed fees to the members of the Board of Directors and its committees, the general meeting was informed that Danske Bank could also pay social duties and similar taxes levied by foreign authorities in relation to the directors' fees. Danske Bank could also pay any outlays and travel expenses, and, subject to the approval of the proposed adjustments of the

Remuneration Policy, additional costs incurred in connection with a director's discharge of his or her duties as a member of the Board of Directors.

The Chairman of the Meeting asked whether there were any comments on the proposal, which was not the case. Moreover, there were no demands for a ballot, and the Chairman of the Meeting ascertained that the proposal had been approved.

### **Re item 10) The Board of Directors' proposal for adjustments to the Danske Bank Group's Remuneration Policy**

The Chairman of the Meeting stated that the Board of Directors had proposed adjustments and editorial amendments to Danske Bank's Remuneration Policy, most recently adopted in 2020.

The adjustments proposed by the Board of Directors included the following:

- Insertion of reference to sustainability risk according to Sustainable Finance Disclosure Regulation and new AIFM Regulation as well as
- Replacement of references to core values with the Group's new Purpose & Cultural Commitments to be implemented as part of the Better Bank initiative on Purpose, Brand, Culture & Engagement.

The Board of Directors' proposal for an updated Remuneration Policy was set out in appendix 3 of the notice convening the general meeting and was available on Danske Bank's website.

As a consequence of section 139(6) of the Danish Companies Act, the overall guidelines for incentive pay by Danske Bank to the Board of Directors and the Executive Leadership Team ceased to apply following approval of the Danske Bank Group's Remuneration Policy at the annual general meeting in 2020. Accordingly, article 18.2. of the Articles of Association would be deleted.

The Chairman of the Meeting asked whether there were any comments on the proposal, which was not the case. Moreover, there were no demands for a ballot, and the Chairman of the Meeting ascertained that the proposal had been approved.

### **Re item 11) Proposal regarding renewal of existing indemnification of Directors and Officers approved at the annual general meeting in 2020 with effect until the annual general meeting in 2022**

The Chairman of the Meeting stated that in 2020 a provision had been incorporated in the Articles of Association that a proposal regarding indemnification could be adopted annually, and it was specifically resolved to grant such indemnification. The proposal concerned a completely unchanged extension of the existing indemnification of Directors and Officers as of the 2021 annual general meeting until the 2022 annual general meeting.

Gunnar Mikkelsen had submitted an extensive comment on the proposal, of which the Chairman of the Meeting would read out a summary with reference to the fact that the complete comment was available under the "Documents" tab on the AGM Portal.

Gunnar Mikkelsen referred to a new report on a stricter basis of liability for management members of financial businesses, in which it was pointed out that poor management in a number of banks was a contributory factor to the financial crisis having developed so severely. There had been a risk that the criminal and liability cases against former management members had only to a limited extent resulted in a penalty or liability for damages, and therefore the rules had to be tightened up.

Gunnar Mikkelsen said that he was deeply against the proposal regarding indemnification of members of management for gross failure of their management liability, which meant that the costs were passed on to the shareholders. Like everyone else, management ought to pay with their liquid assets, and subsequently, Danske Bank's Directors' and Officers' liability insurance could provide cover. Gunnar Mikkelsen found that the sense of justice of Danske Bank's shareholders had been deeply offended, particularly in light of the fact that the significant liability was already reflected in the remuneration. Management had not been up to the task, but rather failed to fulfil their responsibilities and should not be indemnified. Gunnar Mikkelsen regretted the fact that the group of major shareholders voted in favour of the proposal last year and were now likely to vote in favour of the extension. It had an even more hollow ring to Mikkelsen when the business association Finance Denmark, on behalf of the banks, counterattacked the stricter requirements for banks' management teams.

The Chairman of the Board of Directors said that it was normal practice for large businesses – in Denmark and abroad – to make sure that directors and officers were covered by liability insurance with a liability coverage reasonably reflecting the risk associated with the operations. Danske Bank had obtained advice on the recommended liability coverage level of its Directors' and Officers' liability insurance and had attempted to take out suitable liability insurance with a coverage amount. In line with the decision made at the general meeting last year, Danske Bank had considered it necessary to take out coverage in addition to the EUR 85 million, which was the coverage amount in 2020, to the effect that the total coverage amount was EUR 250 million. As mentioned in the notice convening the general meeting, this was necessary in order to attract and retain talented and experienced individuals to Danske Bank. Against this background, the Board of Directors had proposed that the indemnification adopted last year should continue. The indemnification was also an indication that in such scenario there would be considerable amounts for legal costs, even though the director or officer in question carried out duties on behalf of Danske Bank.

The Chairman of the Meeting asked whether there were any additional comments on the proposal. That was not the case. Moreover, there were no demands for a ballot, and the Chairman of the Meeting ascertained that the proposal had been approved.

#### **Re item 12) Proposal from shareholder Gunnar Mikkelsen**

The Chairman of the Meeting stated that shareholder Gunnar Mikkelsen had tabled a proposal that Danske Bank A/S should file a criminal complaint and commence proceedings against Danske Bank's Board of Directors and Executive Leadership Team as well as a named executive vice president and other former members of Danske Bank's management team who were or had been responsible for Danske Bank's debt collection department and the company's external auditors as well as signing auditors.

Gunnar Mikkelsen had submitted an extensive motivation containing 16 specific questions. The Chairman of the Meeting summarised the letter and the questions and pointed out that Gunnar Mikkelsen's complete contribution was available under the "Documents" tab on the AGM Portal.

Gunnar Mikkelsen's proposal was tabled with special focus on the debt collection issues which had been heavily debated in the media. Gunnar Mikkelsen started by referring to the erroneous reporting to the tax authorities as a result of the debt collection case and concluded that Danske Bank had applied an interest rate of approx. 15% p.a. for the non-performing loans. On that basis, Gunnar Mikkelsen therefore stated that Danske Bank had submitted incorrect reporting of non-deductible interest to the Danish Customs and Tax Administration, which was also confirmed in a report by the Danish law firm Plesner. The report listed possible sanctions and consequences and estimated that the costs of solving the problems could be quite extensive, including as a result of the

number of affected customers, breaches of data protection law issues and sanctions from the Danish FSA and SØIK. To this should be added the costs of reopening customers' annual income tax returns.

Although Danske Bank had found a solution to the taxation of compensation amounts, including interest and reimbursement, Danske Bank had not provided information on how it would compensate the Danish Customs and Tax Administration and the Danish government for the loss incurred as a result of the reporting of time-barred interest amounts and compound interest. In its report to the Danish FSA, Danske Bank and its advisers, Plesner and EY, had mainly focused on the cases in which compensation would be paid, i.e. a target group that had now been increased to 108,000 customers. In Danske Bank's report to the Danish Consumer Ombudsman, which had to be characterised as being misleading and in certain areas downright wrong, it appeared that a number of customers had benefitted from the errors generated in Danske Bank's systems. The reported interest amounts that were time-barred and which the citizens were not entitled to deduct for tax purposes had reduced their taxable income and ultimately given them higher disposable amounts. Furthermore, the report from Plesner emphasised possible criminal penalties. In addition, Danske Bank had failed to make interest rate corrections for more than 300,000 customers, and the error had been further scaled up in that some customers had received income-based public benefits, which had resulted in an even greater loss of proceeds for the Danish State and municipalities.

Danske Bank's internal audit department had commented on the audit of the debt collection case, but it did not appear from the report whether the area had been subject to an audit in 2017 and 2018. A planned audit of the area in 2019 was not conducted due to an internal investigation of the area. Thus, there was reason to believe that neither the internal nor the external auditors had made any risk-related audit procedures in the area for the years 2017, 2018 and 2019 – or in previous years when none of the management members bothered to listen to the auditors. The fundamental rule for the auditors was that if there was no documentation for the audit procedures carried out, the work had not been made. Consequently, it was a task for the Danish Business Authority and SØIK to investigate this matter as soon as possible.

Gunnar Mikkelsen referred to the auditors' obligation to provide supplementary information, including for matters in respect of which there was reason to believe that members of management could be held liable for actions or omissions. Despite the fact that both Danske Bank's attorneys and auditors had pointed out violations of the provisions of the Danish tax legislation, SØIK had stopped the investigation of Danske Bank. Moreover, Gunnar Mikkelsen disagreed with the statement of the Danish Minister for Taxation that the errors in Danske Bank's debt collection systems ought to be a matter between the citizens and Danske Bank's shareholders. The Danish Customs and Tax Administration and the social authorities had incurred massive losses as a result of Danske Bank's errors. It appeared to be required and obvious that both SØIK and the Danish Business Authority started to focus on Danske Bank's external auditors and signing auditors regarding the audits performed or lack of audits in the debt collection case.

In that connection, Gunnar Mikkelsen asked 16 specific questions, which were also available in their entirety on the AGM Portal, including (a) Danske Bank's comments on the size of the calculated time-barred interest, (b) at Danske Bank's own discretion, what was the total amount of reported time-barred interest for the overall group of affected customers, (c) what would the total amount of time-barred interest have been if the course of events in Danske Bank's example had had a starting date on 28/04/2009 and an end date on 17/12/2016, (d) Danske Bank's own estimate of the amount of time-barred interest reported/other flaws in the statement of principal amounts from 2004 to 2020 for the entire portfolio of debt collection customers, (e) the number of cases Danske Bank had brought before the Danish courts for the period from 2004 to 2020 from the portfolio of debt collection customers, (f) how many of the cases brought before the court had proven to be



flawed, and what was the amount of compensation decided by Danske Bank due to the unlawful amounts paid to the bank, (g) what was the total amount of unlawful interest rates reported to the Danish Customs and Tax Administration originating from the court cases, (h) what were the reflections of Danske Bank concerning any adverse effects for customers whose debts had been fully written off and who may to some extent have been stopped from raising loans as they had been reported to the RKI (the Danish credit information agency), (i) the reason why Danske Bank had not previously arranged for deletion in RKI of the affected customers, considering that the debt to Danske Bank no longer existed, (j) which measures had Danske Bank used with a view to rectifying time-barred interest amounts, (k) whether the systemic errors of Danske Bank's debt collection systems should give rise to reclassification, including whether Danske Bank had made the required corrections of the financial assets in the financial statements for 2020 to ensure that the contents were in accordance with the provisions of the Danish Limitation Act, (l) what Danske Bank intended to do vis-a-vis the Danish Customs and Tax Administration concerning erroneously reported interest, (m) how many of the potentially 402,000 affected customers were active at 1 January 2020, (n) how many customers from the potentially affected customer group had been transferred in 2020 to the group "Closed customers with no payments", (o) what was the total amount written down/discharged by Danske Bank through profit and loss in 2019, after management had been informed about the issues, as Danske Bank's loans to customers contained time-barred interest amounts – and as the related claims were overestimated – by virtue of the flaws in Danske Bank's debt collection systems, and (p) Danske Bank had recognised loan impairment charges of approx. DKK 8.5 billion from Q4 to the end of the financial year 2020. An amount which was significantly higher than that of any other Nordic bank. Gunnar Mikkelsen asked whether the text "Changes due to recognised modifications that did not result in derecognition includes partial forgiveness of debt assessed to be uncollectible" included time-barred interest, and if so, which amount had been recognised in the income statement.

The Chairman of the Board of Directors thanked Gunnar Mikkelsen for the contribution and said that he had received input from the organisation to answer the questions. Gunnar Mikkelsen asked questions about a number of very detailed matters, including matters related to individual customer cases that it would be inappropriate for Danske Bank to comment on. Also, competitive considerations prevented Danske Bank from answering questions about, for example, the number of debt collection customers and the number of customers who had had their case closed and never repaid their debt to Danske Bank. Danske Bank was still in the process of reviewing all customer cases potentially affected by the flaws in the debt collection system, and therefore Danske Bank could not yet reliably answer some of the more detailed questions, such as the questions about the amounts involved.

However, Danske Bank could say with certainty that focus was on identifying and compensating all customers who had incurred a loss as a result of the errors as quickly as possible. So far, Danske Bank had reviewed about 83,000 customer cases and identified about 1,500 customers who had been subject to overcollection and were entitled to compensation. So far, the compensation paid to customers had averaged DKK 1,100. Regarding Gunnar Mikkelsen's questions about, for example, taxation and registration in the RKI, the Chairman could say that Danske Bank had a close dialogue with the Danish Tax Agency about the tax consequences. Moreover, Danske Bank was in the process of reviewing all cases and investigating how information to the RKI should be adjusted and whether some customers should be deleted from the RKI.

The Chairman noted that the total amount written down through profit and loss in 2019 as a result of the flaws in the debt collection systems had been DKK 0.4 billion and covered operational risk-related losses, which also covered the debt collection case. Regarding Gunnar Mikkelsen's last question, the Chairman wanted to correct the view forming the basis of the question, including "haircuts" on the collateral assets provided for loans subject to debt collection. The haircuts merely described the extent to which Danske Bank could realise assets at full value. Accordingly, this was in

no way related to the mentioned errors in Danske Bank's debt collection process. The Chairman also said that the analysis of the errors and the causes that led to the errors in the debt collection process had not given rise to reclassification or changes to accounting policies. Lastly, the Chairman confirmed that the text mentioned from the Annual Report 2020 did not include time-barred interest.

Furthermore, it appeared from the notice convening the general meeting that the Board of Directors did not support Gunnar Mikkelsen's proposal. Danske Bank had publicly apologised for the systemic data errors in its debt collection system that unfortunately caused Danske Bank to overcollect debt in some cases. Danske Bank had performed a detailed analysis of the root causes for the errors and worked on remediating the debt collection issue, including by providing information to the authorities and initiating communication to customers in June 2020. The communication to the general public could have been better and taken place earlier. Moreover, Danske Bank had been in dialogue with the Danish FSA, the Danish Tax Agency and the Danish Data Protection Agency and had most recently also notified the Norwegian FSA. Danske Bank had also submitted a report to the Danish Consumer Ombudsman. There had been no charges raised against Danske Bank or members of its Board of Directors, Executive Leadership Team, senior employees or Danske Bank's auditors emanating from the debt collection issue.

Also, after considering a complaint, SØIK had decided not to open a criminal investigation of Danske Bank in relation to the debt collection case. Therefore, it was the opinion of the Board of Directors, that there was no basis for reporting Danske Bank's current or former management, other employees or Danske Bank's external auditors to the police or for taking legal action against any of these parties.

The Chairman of the Meeting asked whether there were any additional comments on the proposals. This was not the case, and the Chairman of the Meeting carried out a ballot on item 12 of the agenda.

The result of the ballot was that the proposal was rejected with 0.07% votes in favour of the proposal, while there were 99.84% against the proposal and 0.09% blank votes.

### **Re item 13) Authorisation to the chairman of the general meeting**

The Chairman of the Meeting stated that the Board of Directors had proposed that the general meeting authorise the chairman of the general meeting, (with a right of substitution), to file the resolutions adopted with the Danish Business Authority and to make any such amendments as the Danish Business Authority may require in order to register or approve the resolutions adopted.

As there were no comments on the proposal, the Chairman of the Meeting ascertained, with the consent of the general meeting, that the proposal was adopted.

### **Re item 14) Any other business**

The Chairman of the Meeting then asked whether anyone wanted to make any comments under any other business.

Ulf Dener-Madsen requested clarity on his previous question answered by Chris Vogelzang, including whether it should be taken to mean that amended regulatory requirements had meant that Danske Bank could now collect DKK 3.6 billion after tax at no risk at all. This was quite convenient in contrast to what free competition would mean. Ulf Dener-Madsen then asked Chris Vogelzang when Danske Bank would reduce administration margins to a realistic earnings level and thus become a leading player within mortgage finance.

The CEO repeated his earlier reply and stressed that especially increased capital requirements and increased compliance costs were reflected in Danske Bank's fees and charges and the administration margins in the mortgage area. It was not possible to comment on potential future prices, nor was it legally permissible to talk about future prices due to competitive considerations. No further comments could therefore be made.

The Chairman of the Meeting noted that there were no further items on the agenda, thanked the participants for their orderly conduct and gave the floor to the Chairman of the Board of Directors.

The Chairman of the Board of Directors thanked the Chairman of the Meeting and the shareholders attending the general meeting via the AGM Portal and hoped that it would be possible to hold a physical annual general meeting in 2022.

The general meeting was then declared concluded.

The general meeting was adjourned at 7.09pm.

Klaus Søgaaard, Chairman of the Meeting

### Votes cast at Danske Bank's annual general meeting on 16 March 2021

A vote was held on the items 3, 4, 8 and 12 and the candidate election 4.1. The remaining items were adopted without a vote, and the votes represented in attendance are counted as votes FOR the proposals. At the candidate election in item 5.a, there were no more candidates at the time of the election than had to be elected, and the votes represented in attendance are counted as votes FOR the candidate.

No.	Items on the agenda	article 101 section 5 (1)	article 101 section 5 (2)	article 101 section 5 (3)	*****article 101 section 5 (4) *****				article 101 section 5 (5)	
		No. of shares supporting valid votes	Votes cast - % of capital	Total No. of valid votes	No. of votes FOR	%	No. of votes AGAINST	%	No. of votes ABSTAIN	%
2)	Adoption of Annual Report 2020	398,470,302	46.65	398,470,302	398,241,745	99.94	19,040	0.00	209,517	0.05
3)	Allocation of profits according to the adopted Annual Report	398,470,302	46.65	398,470,302	398,259,736	99.95	57,180	0.01	153,386	0.04
4)	Election of eight members to the Board of Directors	398,513,800	46.66	398,513,800	225,021,484	56.47	13,401,633	3.36	160,090,683	40.17
4.1	Members to the Board of Directors:									
4.a	Re-election of Martin Blessing	396,910,155	46.47	396,910,155	396,910,155					
4.b	Re-election of Lars-Erik Brenøe	368,631,221	43.16	368,631,221	368,631,221					
4.c	Re-election of Karsten Dybvad	386,291,914	45.23	386,291,914	386,291,914					
4.d	Re-election of Raija-Leena Hankonen	388,390,500	45.47	388,390,500	388,390,500					
4.e	Re-election of Bente Avnung Landsnes	396,893,684	46.47	396,893,684	396,893,684					
4.f	Re-election of Jan Thorsgaard Nielsen	363,241,757	42.53	363,241,757	363,241,757					
4.g	Re-election of Carol Sergeant	394,869,334	46.23	394,869,334	394,869,334					
4.h	Re-election of Gerrit Zalm	396,892,668	46.47	396,892,668	396,892,668					
4.j	Election of Lars Wismann	348,272	0.04	348,272	348,272					
4.k	Election of Michael Strabo	155,659	0.02	155,659	155,659					
5)	Appointment of external auditors:		-							
5.a	Re-election of Deloitte Statsautoriseret Revisionspartnerselskab as external auditors	398,287,368	46.63	398,287,368	398,287,368					
6.a	Extension by one year of the existing authority in articles 6.1. and 6.2. regarding capital increases with pre-emption rights	398,513,800	46.66	398,513,800	390,634,811	98.02	7,722,387	1.94	156,602	0.04
6.b	Extension by one year of the existing authority in articles 6.5. and 6.6. regarding capital increases without pre-emption rights	398,513,800	46.66	398,513,800	396,937,809	99.60	1,556,169	0.39	19,822	0.00
7)	Extension of the Board of Directors' existing authority to acquire own shares	398,513,800	46.66	398,513,800	391,581,758	98.26	6,924,955	1.74	7,087	0.00
8)	Presentation of Danske Bank's Remuneration Report 2020 for an advisory vote	398,384,965	46.64	398,384,965	385,982,002	96.89	11,048,260	2.77	1,354,703	0.34
9)	Adoption of the remuneration of the Board of Directors	398,384,965	46.64	398,384,965	398,040,133	99.91	86,812	0.02	258,020	0.06
10)	Adjustments to the Remuneration Policy	398,384,965	46.64	398,384,965	388,262,362	97.46	9,317,428	2.34	805,175	0.20
11)	Renewal of existing indemnification of Directors and Officers approved at the annual general meeting in 2020 and with effect until the annual general meeting 2022	398,384,965	46.64	398,384,965	396,792,361	99.60	825,253	0.21	767,351	0.19
12.1	Criminal complaint and legal proceedings against Danske Bank's Board of Directors, Executive Leadership Team, other former and current members of management, external auditors as well as signing auditors	398,300,641	46.63	398,300,641	272,885	0.07	397,669,509	99.84	358,247	0.09
13)	Authorisation to the chairman of the general meeting	398,300,641	46.63	398,300,641	398,252,087	99.99	6,396	0.00	42,158	0.01

Danske Bank's annual general meeting 2021

The Board of Directors' report on the company's activities in 2020

CHECK AGAINST DELIVERY/THE SPOKEN WORD PREVAILS

## **Slide 1: Welcome to the Annual General Meeting 2021**

### **WELCOME**

Dear shareholders

Once again, welcome to Danske Bank's annual general meeting 2021. I hope you are all comfortable behind your screens.

I have been looking forward to outlining our expectations for 2021 and the results that Danske Bank has achieved in a historic and exceptional year. A year that turned life upside down for our customers and for the bank in ways and to an extent we have rarely experienced in Danske Bank's 150-year history.

The year 2020 will be forever marked by the corona crisis. But for Danske Bank, 2020 was equally a year, during which it became very clear that we play an important role for our customers and for the financial infrastructure of the Nordic countries – not least for the Danish economy and business community. And it was a year, during which – despite the challenging conditions, we succeeded in making significant progress with the transformation of Danske Bank that the Board of Directors and the Executive Leadership Team have initiated.

The corona crisis has required a huge extra effort from Danske Bank and from the entire financial sector.

Like other banks, we have gone a long way in terms of providing loans and liquidity to personal customers and businesses. We fulfilled 98 per cent of all requests for assistance from business customers, including requests from a large number of small and medium-sized businesses.

Danske Bank offered more than DKK 100 billion in liquidity to business customers – small and medium-sized businesses as well as large companies. As a well-capitalised bank, we have been in a

good position to deal with the uncertainty caused by the situation. We have helped to keep the wheels turning and have been a bridge-builder by offering liquidity to companies waiting to receive funds from government support packages or to personal customers awaiting disbursement of their holiday funds. This has been possible thanks to an impressive and unyielding contribution from all of Danske Bank's employees, who have made a huge and significant effort for our customers through a challenging year.

In March last year, at the same time as we sent around 19,000 employees home from their offices to makeshift domestic workplaces, there was a significant increase in the need for advisory services, credit facilities and solutions. Last year, we were in even closer contact with our customers than usual and helped them to navigate and find solutions during a critical time.

I would therefore like to start by extending my thanks and gratitude to all Danske Bank employees for the quite exceptional work they have delivered over the past year. Because, even though the past year was tough and challenging, it was also a year in which we, as a bank, succeeded in making a crucial difference and in which we made progress with our transformation to become a stronger bank in relation to current as well as future challenges.

We played a crucial role during a time of widespread uncertainty, and we have shown what we can achieve when we all work together to solve a substantial challenge. Our handling of the crisis has also made it clear that we are able to change and to adapt.

This bodes well for the transformation that is well under way and that will ensure that we are able to deliver long-term value to you – our shareholders – and to all of Danske Bank's other stakeholders.

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## **FINANCIAL RESULTS**

We saw good underlying business activity throughout 2020 with income stable relative to 2019 despite difficult circumstances.

The considerable uncertainty brought about by the corona crisis meant that we made loan impairment charges in 2020 totalling DKK 7 billion. This of course had a negative effect on the results, but from an overall perspective, credit quality remained strong in 2020, and total net non-performing loans actually fell relative to 2019.

The Group ended the year with a net profit after loan impairment charges of DKK 4.6 billion, which corresponds to a return on equity after tax of 2.6 per cent, against 9.6 per cent in 2019.

In addition to the very large impairment charges, the year-on-year decline was due also to the fact that profit in 2019 benefited from a number of positive non-recurring items.

As I previously mentioned, total income was stable. Despite the challenging market conditions – including negative interest rates, which have persisted – net interest income in 2020 was stable from the level in 2019, and net fee income and net trading income also maintained the momentum of the preceding year, despite significantly lower remortgaging activity and difficult financial market conditions at the beginning of the year.

The cost level was in line with our expectations in 2020. However, for the year as a whole, costs were higher than for the year before due to increased compliance costs, costs related to the Estonia case as well as costs associated with the transformation we are undertaking in order to achieve our goals and our ambition to become a better bank for all our stakeholders. Having said that, we also see that the effect of our various measures to reduce costs is beginning to pay off, and underlying costs were lower in the second half of 2020.

Overall, the year's results were in line with our adjusted outlook for 2020. We are not at the level we want to be at, but we maintain our target of a return on equity of 9 to 10 per cent in 2023.

## **STATUS OF OUR BETTER BANK TRANSFORMATION**

Danske Bank must continue to be a competitive bank in the future, which is why we are well under way with a transformation to adapt to the structural changes and new reality that affect the financial sector as a whole. We need to run our business more efficiently, with lower costs and faster decision-making processes in a more dynamic and less complex organisation.

In 2019, we set specific targets for our transformation towards 2023, and despite the difficult circumstances we have made significant progress over the past year.

We have come a long way in our work to ensure that our compliance setup meets all requirements, and as I already touched upon, the process of reducing costs is well under way.

We have simplified the organisational structure by reducing the number of units with customer-facing business activities from four to two: Large Corporates & Institutions, headed by Berit Behring, and Personal & Business Customers, headed by Glenn Söderholm. We have also simplified our product portfolio by reducing the total number of products.

We have introduced profound changes to the way we work, already directly involving 4,500 employees, who now have more personal flexibility and a wider mandate to make decisions

themselves. In combination with increased digitalisation, this will enable us to respond faster and better to changing customer needs and conditions.

To strengthen our commercial momentum, we have set up a new Commercial Leadership Team, which, besides the members of the Executive Leadership Team, consists of 12 senior managers from across the organisation, each of whom possesses in-depth and detailed knowledge of the various areas of our business and our Nordic core markets. The cooperation between the Executive Leadership Team and the Commercial Leadership Team will serve to strengthen our commercial success by enabling us to rapidly identify new business opportunities.

We have worked to introduce all these changes during a year in which physical meetings were largely replaced by virtual ones, and we had to show that we can work together in completely new and much more flexible ways.

We have a clear ambition to become a more competitive bank, which means that we need to reduce costs to levels that match those of other, comparable banks. We aim for a cost/income ratio in the low 50s, and although we can get some way towards achieving that target through growth and increased income, we also have to reduce costs. Through voluntary redundancy agreements, natural attrition and layoffs, we have had to part with good employees and we have now discontinued 700 of the 1,600 positions that we announced in October 2020 would be discontinued. We will continue to focus on reducing costs to ensure that we can in future continue to operate a competitive bank business in a difficult market characterised by low interest rates and low margins. We have a clear plan for how to become a simpler and more efficient bank in the future, and we are well under way with putting this plan into action. We expect to see lower operating expenses already for the year 2021.

As part of our work to become a better bank, we made further progress in the area of compliance. We have strengthened anti-money-laundering measures and investor protection procedures, and we have invested heavily in building the competencies and processes needed to ensure that we continue to have the adequate compliance behaviour in Danske Bank. We have updated our Group Code of Conduct Policy and are implementing this Policy across the Group along with other initiatives designed to define and promote a culture that will help drive even better customer outcomes.

Danske Bank's Board of Directors and the Executive Leadership Team have a clear ambition, and an equally clear responsibility, to lead by example to promote a culture, in which problems are addressed, discussed and handled, and over the past year, we have updated our Escalation Policy to make it clearer for employees how to report problems so that we can respond to them faster and more efficiently, and we have also taken measures to make it easier to share concerns through our whistleblower set-up. We are already beginning to see the results of this work. Over the past year, the number of whistleblower reports has increased by more than 50 per cent.



## **FLEXINVEST FRI, THE DEBT COLLECTION CASE AND ESTONIA**

Ever since I was elected chairman of Danske Bank two years ago, I have worked with Danske Bank's Board of Directors and the Executive Leadership Team to bring errors and problems out into the open. As part of this focus, new issues have emerged. One such issue is the debt collection case. This case attracted much attention last year, and we spent a great deal of time in 2020 working to resolve and remediate the matter. In short, the debt collection case concerns the incorrect and unjustified overcollection of debt for a number of years by our debt collection department as a result of data errors in IT systems – errors that Danske Bank employees had repeatedly reported in the past without the necessary action being taken to address the root cause of the problem.

Danske Bank's current management was informed of the problem in the spring of 2019 thanks to an internal whistleblower, following which we promptly informed the Danish FSA and began to investigate the matter.

From the outset, we wanted our customers to hear about the matter directly from us, but we recognise that we could have communicated it better and at an earlier stage.

However, this does not alter the fact that this case – like the Flexinvest Fri case and other negative cases that we have had to deal with – is proof of the pivotal turning point that I talked about when I spoke to you two years ago at my first annual general meeting.

When we identify errors and negative cases at Danske Bank, we work to solve them, remediate and bring them to a close. In the Flexinvest Fri case, which I talked about last year, there have been clear consequences: we have now paid compensation to all affected customers, with a few exceptions. And in the debt collection case, we have now reviewed approximately 83,000 customers out of 108,000 customers potentially subject to overcollection, and we have provisionally identified 1,500 cases in which we customers have been subject to overcollection and should be compensated. So far, the average compensation amount has been DKK 1,100.

In order to strengthen our efforts to correct errors made in the past, we have also set up a new central unit to ensure that we learn from the errors that have occurred and that we use this knowledge when new cases emerge. The unit is also tasked with ensuring that we communicate as openly and as early as possible.

The internal investigation regarding the terminated non-resident portfolio at Danske Bank's former branch in Estonia that we planned to complete during 2020 has been finalised. We have reported the findings to the relevant authorities and we continue to fully cooperate with the authorities in all inquiries they may have.

We do not know when the authorities will have concluded their investigations, and it is not within our control. In December 2020, Danske Bank was informed by the office of the U.S. Department of Treasury responsible for investigating sanctions violations that it had decided to close its investigation of Danske Bank with no action as far as breach of sanctions is concerned.

As I also mentioned last year, Danske Bank is also subject to ongoing litigation in relation to the Estonia case, and the bank intends to defend itself against these claims.

## **SUSTAINABILITY**

As one of the largest financial institutions in the Nordics, we have a special obligation to contribute to sustainable growth and development.

At Danske Bank, it is our ambition to further develop our leading position in the area of responsible financing in the Nordic region. In 2020, we facilitated the sale of green bonds for a total of DKK 42 billion, which is more than any other bank in the Nordic region, and also when it comes to the issuance of green bonds, Danske Bank now holds first place in the Nordic region – which is already a world leader in terms of responsible financing.

We have already reached several of the 2023 targets that we set in 2019 for the volume of responsible financing and investments.

Our target for responsible financing was DKK 100 billion by 2023, and we met that target already in 2020. We are also very close to achieving our 2023 target for Danica Pension of DKK 30 billion in investments in the green transition. Consequently, later this year, we will adjust our 2023 targets to take our contribution to the green and sustainable transformation of the societies we are part of to an even higher level.

At Danske Bank, we regard the green transition as one of the biggest challenges ahead, but we also see it as one of the biggest opportunities. Both for us and for our customers.

A business that does not include sustainability as an integral part of its operations will feel itself coming under increasing commercial pressure. Because of this, sustainability is a key parameter that we must take into account in order to safeguard our loans as well our own and our customers' investments – in the same way that we also take into account social responsibility and corporate governance.

But sustainability is also a great commercial and strategic opportunity if you, as a business, are able to contribute to the solutions needed to make the green transition possible. As Denmark's largest bank, we regard helping our customers and the Nordic societies with this transition not only as our

responsibility but also as a commercial opportunity and necessity, and we will integrate sustainability considerations at all levels of the organisation and in our business operations.

## **CAPITAL POSITION**

Danske Bank maintains a strong capital position, and we were well prepared to handle the uncertainty of the past year and to offer loans and credit facilities to our customers. This remains the case.

Because of the corona crisis, Danske Bank, like other European banks, did not pay dividends for 2019 but instead used the funds to strengthen our already-strong capital position. The decision was taken to ensure stability while simultaneously supporting the initiatives and recommendations of the Danish FSA to alleviate the economic consequences of the pandemic.

For 2020, Danske Bank had a total capital ratio of 23.0 per cent and a common equity tier 1 capital ratio of 18.3 per cent. Both are an increase on the previous year.

For 2020, we propose a dividend of DKK 2 per share, which is slightly below our target for the payout ratio. We see this as a responsible and balanced dividend, which rewards our shareholders – including pension funds and private investors who have provided capital in the expectation of earning an interest – and it is also in accordance with the Danish FSA’s capital preservation recommendations on the basis of the uncertainty associated with the corona crisis.

As stated in our capital distribution policy, we maintain our ambition to pay out 40-60% of net profit for the year.

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## **OUTLOOK FOR 2021**

Despite considerable uncertainty about the macroeconomic outlook, we expect an economic recovery in 2021 once vaccination programmes and a declining spread of infection allow the lifting of restrictions in Denmark and internationally.

For Danske Bank, we expect a profit of between DKK 9 and 11 billion this year. We expect total income to be slightly higher than the level in 2020, and we expect expenses to be no more than DKK 24.5 billion as a result of ongoing cost initiatives and lower costs associated with our Better Bank transformation and our streamlining of the bank.

Loan impairment charges are expected to be no more than DKK 3.5 billion, provided that the COVID-19 vaccination programmes have a positive effect on macroeconomic conditions.

We maintain our ambition for a return on shareholders’ equity of 9-10 per cent in 2023.

## **ABOUT THE BOARD'S WORK AND FOCUS AREAS**

The exceptional nature of the year also impacted the work of the Board of Directors, and it was a busy year.

Last year, the Board held 25 meetings, including a two-day seminar, and the five committees of the Board held 36 meetings in total. Physical meetings were held whenever possible, but like everyone else, the Board also had to rely on digital communications technology. In between meetings, the Board had to prepare and deal with a large number of urgent matters and approve credit applications on an ongoing basis.

As usual, the Board conducted its annual self-evaluation. It is anonymous and conducted by an external consultancy. We conduct it to ensure that the board composition and the special competencies of each Board member meet the requirements to enable the Board to perform its tasks and ensure that Danske Bank develops to the benefit of customers, employees, shareholders and the societies we are part of.

All members of the Board of Directors and the Executive Leadership Team answered comprehensive questionnaires. Overall, the results of the 2020 evaluation were positive and showed a high level of cooperation within the Board of Directors itself and also between the Board of Directors and the Executive Leadership Team. The Board will look at the agreed focus areas in 2021.

As most of you have probably noticed, Topi Manner withdrew his candidacy for the Board of Directors yesterday, which is quite unfortunate, not least because Mr. Manner would have added even more banking competencies to the Board.

Consequently, the Board proposes re-election of eight of the current nine Board members as Christian Sagild has decided not to seek re-election. I will come back to that under agenda item 4. The employee-elected members were elected in 2018 and have four-year terms that run until the general meeting in 2022, so all of these members will remain on the Board.

Consequently, the three members elected by the shareholders at the general meeting and the three employee-elected members are women, which means that half of the Board members are women. Diversity is a focus area – not just in relation to the composition of the Board but also across the entire bank. This includes geographical representation, however, we still need a Board member with a Swedish background in order to have Board members from all our Nordic core markets.

A couple of changes have also been made to the Executive Leadership Team since the general meeting in June. Jakob Groot resigned from the Executive Leadership Team in August at the same time as Karsten Breum joined the Executive Leadership Team as Head of Group HR. Also, Frans

Woelders joined the Executive Leadership Team as COO in March 2020 and Stephan Engels joined the Executive Leadership Team as CFO in April 2020, which I covered already at last year's general meeting in June.

The Board is very pleased that a team has now been put together to steer Danske Bank through the transformation we have initiated and which, together with the new Commercial Leadership Team, will focus on Danske Bank's commercial development.

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Danske Bank's Remuneration Policy was most recently approved by the general meeting in June 2020. It lays down the general framework for remuneration and contains specific rules on incentive pay. The Remuneration Policy covers all employees of the Danske Bank Group, and it also sets out specific rules for remuneration of the Executive Leadership Team. As something new, the updated Remuneration Policy also contains a description of the relationship between sustainability risks and remuneration.

Each year, Internal Audit conducts an audit aimed at determining whether Danske Bank has the processes and the controls required to ensure compliance with the Remuneration Policy. The findings of the audit are reported to the Remuneration Committee.

The Board generally believes that the level of remuneration is well balanced.

In relation to bonus payments for 2020, the Board has conducted its usual assessment of the performance of the individual Executive Leadership Team members and has determined bonuses for 2020 on that basis. This applies to current and former members in accordance with the terms and conditions of their service agreements.

The remuneration of the Board of Directors and the Executive Leadership Team is described in more detail in Danske Bank's remuneration report, which will be submitted for a consultative ballot for the first time at this general meeting.

## **CONCLUDING REMARKS**

As I mentioned in my report, Danske Bank is undertaking a major transformation in terms of becoming a better bank for our customers, our employees, our shareholders and the societies we are part of – both by remediating past mistakes and deficiencies and by adapting ourselves to meet new needs and demands of our stakeholders.

This year, Danske Bank celebrates its 150-year anniversary. Our long history shows that we have been able to innovate and deliver solutions to meet the changing needs of our customers throughout the past fifteen decades.

Danske Bank was founded during a time of societal and economic transformation – in 1871 – when Denmark was transforming itself from an agricultural country into an industrialised country, when the merchant fleet went from sails to steam engines, and railways began to take over from horse-drawn carriages and stagecoaches. And from 1871 until today, we have contributed to the transformation, growth and development of the societies we are part of, by providing loans and financing and by enabling our customers to save up and invest in new opportunities. And we will continue to do so.

Today is yet again a time of change and transformation, as the world moves towards new energy sources and a carbon neutral economy, and we see it as our role, and as a commercial necessity, to contribute to this transition by providing advice, loans and finance.

Throughout our history, we have evolved as a mirror of the societies that we are part of. We have changed and contributed to the change and transformation taking place around us. But alongside our ability and willingness to change, we have always insisted on running our business according to solid principles and a sound credit policy driven by banking expertise and a cautious approach to risk.

This is what has characterised us during Danske Bank's best periods. There have been other periods, however, when we deviated from these same principles and from our cautious approach and faced serious problems.

When we celebrate Danske Bank's 150-year anniversary this year and look back on our history, it is crucial that we also acknowledge the more painful events that have occurred over the course of the bank's history.

We are currently in the process of comprehensively transforming Danske Bank to ensure that we continue to deliver value to all stakeholders for many years to come. This process requires learning from the mistakes of the past while continuing to build upon all the other things that over the years have made Danske Bank a solid and important bank that you, as shareholders and therefore owners of Danske Bank, and our employees and customers can be proud to be a part of.

A bank that converts short-term deposits into long-term loans.

A bank based on expertise and sound credit policies.

A bank that plays a central role in securing growth and prosperity in Denmark and across the Nordic countries.