

Annual General Meeting of Danske Bank 2025

The Board of Directors' report on the company's activities in 2024

CHECK AGAINST DELIVERY/THE SPOKEN WORD PREVAILS

WELCOME

Dear shareholders

Once again, welcome to our general meeting.

Our annual general meeting is an annual highlight for us at Danske Bank.

It is an occasion for us to present our results and achievements of the past year and to share our visions for the future.

It is an opportunity to both look back and to look forward.

But most of all, it is an opportunity to engage with you, our shareholders.

Our annual general meeting is dedicated to you.

This is *your* meeting, and it is your opportunity to ask questions, give us your feedback and share your views on not only the past year but also on the future direction of Danske Bank.

Our shareholders include large professional investors as well as more than 175,000 private individuals in Denmark, who have chosen to invest part of their savings in Danske Bank shares.

And our annual general meeting is convened so that you, our shareholders, can elect the members of Danske Bank's Board of Directors and to discuss and vote on a number of proposals that are important to Danske Bank.

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The trust and support of shareholders is a prerequisite for running a bank.

And therefore, creating value for our shareholders is crucial in the same way that it is crucial that we create value for our customers, our employees and the societies we are part of.

It is all part of the same equation.

We cannot have satisfied shareholders if we do not create value for our customers. And we cannot run the bank without the support of you and the capital you entrust us with.

As a bank, we earn your trust by creating value for you. By ensuring that you earn a return on your investment in us. And by doing this in a way that is aligned with our projections and what we have communicated.

In other words, by communicating clearly what we intend to do, and then doing everything in our power to fulfil that promise. To 'walk the talk', as they say.

When we look back on 2024, it was a year in which we succeeded in creating value for our shareholders. In which we enabled you to earn a return on your investments in Danske Bank. And in which, as a bank, we either met or exceeded the expectations we had communicated.

So, I think it would be fair to say that we did indeed 'walk the talk' in 2024.

As in previous years, I will share my report on the past year with our CEO, Carsten Egeriis, who will take us through how we are progressing towards the goals of our strategy.

But before I turn to our financial results in 2024, I would like to mention just a few highlights of how we are progressing towards our ambition to establish ourselves as a leading bank in the Nordic region. In terms of customer satisfaction. In terms of our reputation as a bank. And in terms of employee motivation and engagement.

- First of all, customer satisfaction is high – and improving. In January, Danske Bank was ranked top in a Prospera survey as the bank with the highest level of customer satisfaction among large business customers and institution across the Nordic countries. And personal customers have rated us best in class for our online meetings and our advisory services.
- Regarding our overall reputation, we have also seen strong improvements in our general reputation. In a survey of business leaders, Danske Bank's reputation improved more than that of any other Danish company during 2024.
- And in relation to employee engagement, we have also seen further progress, from already-high levels. In fact, employee engagement levels at Danske Bank are now above the industry benchmark. And equally as important, we are also able to attract and recruit the most motivated and engaged employees

because Danske Bank now ranks higher than any other Danish bank in terms of where young graduates want to work.

A central part of our Forward '28 strategy has been our decision to exit the market for personal customers in Norway to focus our business in Norway on business customers and large corporate and institutional customers.

With our personal customer business in Norway now fully divested, we have successfully executed on this key element of our strategy.

And as we had previously communicated, we subsequently paid a special dividend, corresponding to 6.5 kroner per share.

Coming on top of high dividend payments and share buy-backs, this means that we have delivered a strong performance on capital distribution over the past year.

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KEY FINANCIAL RESULTS

We live in a time of change and uncertainty, and this is affecting our customers in different ways.

But over the past several years, we have consistently demonstrated that we can create value for our customers by helping them to navigate turbulence and to reduce uncertainty so that they can better focus on the new opportunities that also emerge in a changing world.

In times of uncertainty, our well-capitalised balance sheet enables us to be a strong financial partner for our customers and to support them with risk management expertise and expert advice.

And on this background, 2024 was a year in which we delivered positive results from quarter to quarter, driven by increased customer activity, strong credit quality and a sustained, dedicated effort from the entire organisation.

Supported by better-than-expected macroeconomic conditions – and on the back of higher net interest income and net fee income as well as a net loan impairment reversal – we generated a net profit of 23.6 billion kroner for 2024. This is the highest net profit in the history of Danske Bank.

Looking at 2024 compared with the preceding year ...

- total income was up 8 per cent
- operating expenses were up 1 per cent
- there was a net impairment reversal of 543 million kroner against charges of 262 million kroner in 2023
- net profit rose by 11 per cent
- the return on shareholders' equity rose to 13.4 per cent - from 12.7 per cent in 2023

OUTLOOK 2025

For 2025, we expect net profit to be in the range of 21 - 23 billion kroner - slightly lower than last year.

We expect net interest income to be lower due to expected, lower market rates.

Core banking income will continue to benefit from strong fee income and our continued efforts to drive the commercial momentum. Operating expenses are expected to be up to 26 billion kroner, reflecting the continued focus on cost management, and in line with the ambitions of our financial targets for 2026.

As all of us have witnessed over the past months, the world is moving fast, and there is a lot of uncertainty and volatility. All of this means that there will be uncertainty in any economic outlook. But with this uncertainty in mind, these are our expectations for 2025.

CAPITAL/SOLVENCY/DIVIDEND

At the end of 2024, the Group's total capital ratio was 22.4 per cent, against 23.1 per cent the year before. The CET1 capital ratio was 17.8 per cent, against 18.8 per cent at the end of 2023.

This is in line with our target of a CET1 capital ratio above 16 per cent, which is considered prudent and is comfortably above our requirements.

Given our strong balance sheet, and as planned in the Forward '28 strategy, the financial year 2024 yields a significant payout to our shareholders.

In addition to the dividend of 7.50 kroner per share that we paid in connection with the interim report for the first half of 2024, and in addition to the special dividend of 6.50

kroner per share following the successful transfer of the personal customer business in Norway, the Board of Directors proposes a dividend of 9.35 kroner per share for the second half of 2024 as well as an extraordinary dividend of 5.35 kroner per share, also for the second half of 2024.

In total, this will amount to a dividend distribution for 2024 of 28.70 kroner per share.

And it means that we have now paid out 36.6 billion kroner in dividends since we launched our Forward '28 strategy.

We said at the time that there was a potential to distribute more than 50 billion kroner in dividends through 2026. Due to our strong results, this is no longer only a potential, but also our ambition, and we are ahead of the curve.

So, I think it is appropriate to say that we are executing well on our commitment.

Additionally, our ambition for further capital distribution is also well under way, with the completion of our 5.5 billion kroner share buy-back programme launched last year and with the new programme of 5 billion kroner, which was launched on 10 February this year after approval by the Danish Financial Supervisory Authority.

This will take the total payout ratio to 100 per cent of net profit in 2024 – this is including both the dividend for 2024 that we have already paid out as well as the dividend that we propose to pay, but it does not include the special dividend related to the transfer of the personal customer business in Norway.

ABOUT THE BOARD'S WORK

For the Board, the past year was another year with a high level of activity – with 18 board meetings, including two seminars fully dedicated to strategy discussions, as well as 34 committee meetings.

Between meetings, the Board has considered credit applications on an ongoing basis and has addressed urgent matters as needed.

The Board also carried out its annual evaluation of the Board of Directors' work facilitated by an external adviser to ensure that collectively we have the competencies that enable the Board to perform its tasks and ensure the development of Danske Bank to the benefit of all our stakeholders. In 2024, the evaluation focused on the execution of the Forward '28 strategy and the key strategic enablers, including customers, technology and people. The Board finds that real progress was made in 2024 – notably in terms of talent development, technology and partnerships.

The 2024 evaluation concludes that, overall, the Board is functioning well, and the Board of Directors has agreed to work on a number of concrete actions for 2025, for instance, to further enhance customer centricity, the use of technology and the Board's effectiveness as a strategic sparring partner for the Executive Leadership Team.

As announced in the notice convening this meeting, the Board of Directors proposes the re-election of seven of the eight current members of the Board of Directors as Raija-Leena Hankonen-Nybom will not seek re-election.

Raija-Leena has served on the Board since 2020, and I would like to say a heartfelt *thank you* to Raija-Leena for her valued contributions to Danske Bank for the past five years during which, for instance, the Audit Committee has benefitted from her competencies both as chairperson of the committee and most recently as a member. Thank you for your dedication and important work.

The Board has nominated two candidates as new members of the Board of Directors: Rafael Salinas and Marianne Sørensen. I will introduce them properly later at the meeting under item 7 when you will also get to "meet" them.

We have recently welcomed our new Chief Financial Officer, Cecile Hillary, who joined the Executive Leadership Team on 1 March following Stephan Engels' decision to resign from the Executive Leadership Team after five years with Danske Bank. I would like to sincerely thank Stephan Engels for his dedication and strong leadership at Danske Bank. Cecile has only been with the bank for 20 days, but the Board is already confident that she will be invaluable as we continue to drive forward our strategic ambitions. Now, I would like to properly introduce Cecile to you: *[Play video]*.

In 2024, we maintained the gender balance on the Board at 38 to 62 per cent, which is in line with our goal, and we continue our efforts to achieve our 2028 aspiration of a 40 per cent representation of the underrepresented gender in the Board of Directors, the Executive Leadership Team as well as among level 2 and 3 leaders and senior leaders.

If the general meeting elects the candidates nominated by the Board of Directors, three of the nine members elected by the general meeting will be women. Temporarily, that is until the end of 2025, the gender split will be 33 to 66. As Lars-Erik Brenøe is expected to step down during the election period, the Board will restore its 38 to 62 split between the genders during the period. For the entire election period for

employee representatives, the representation is split between a 75 per cent representation of women and a 25 per cent presentation of men.

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REMUNERATION

Danske Bank's Remuneration Policy was approved by the general meeting in 2024 and covers employees of the Danske Bank Group. It sets out specific rules and guardrails for the remuneration of the Board of Directors and the Executive Leadership Team. Following the annual review of the Remuneration Policy for 2025, four main changes and clarifications are proposed to be adopted under item 5 at this general meeting, and they relate to the following:

- Amendment of the section related to variable remuneration and conflict of interest for all employees
- Amendment of the cap on exceptional remuneration components of 100 per cent of fixed remuneration for all employees
- Amendment of benefits for the Executive Leadership Team due to a proposed phase-out of the company car scheme; and
- Introduction of a section outlining the possibility to deviate from the Remuneration Policy

On an annual basis, Group Internal Audit conducts an audit to assess 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.

2024 was the first year with the new remuneration model for the Executive Leadership Team. In relation to the short-term incentive programme for 2024, the Board has conducted its usual assessment of the performance of the individual Executive Leadership Team members and has determined short-term incentive results for 2024 on that basis.

Overall, and based on the bank's performance, the Board believes that the level of remuneration of the Executive Leadership Team was reasonable in 2024. As outlined in the Remuneration Report, the main drivers of the increase in total remuneration were the strong financial and non-financial performance in 2024 across the Group. Equally, the shares granted under the long-term incentive programme for 2022 to

2024 will vest at 100 per cent of the maximum, which is welcomed by the Board and reflects the strong share price performance of Danske Bank.

As part of the annual salary review of the Executive Leadership Team for 2024, the Board decided to adjust the base salary of the members of the Executive Leadership Team by 6.9 per cent for the CEO and an average of 3.2 per cent for the other members. Furthermore, the Board of Directors decided to make an additional, mid-year adjustment of the CEO's annual base salary and increase it by 6.5 per cent to further reflect the strategic importance of the CEO and the development of the bank under his leadership and to further align his remuneration level with the remuneration levels of CEOs of Danske Bank's most relevant peers.

For 2025, as part of the ordinary annual salary review, the Board of Directors has decided to adjust the base salary of the Executive Leadership Team members by an average of 4.6 per cent to keep the Executive Leadership Team members' remuneration level on a par with that of the bank's peers. Further details on ELT members' remuneration in 2025 will be disclosed in the Remuneration Report for 2025.

For 2026, the Board of Directors does not at present anticipate any extraordinary developments regarding the remuneration of the Executive Leadership Team. The Executive Leadership Team members are expected to continue focusing on delivering on our Forward '28 strategy.

For the Board of Directors, the total remuneration came to 16.9 million kroner in 2024 or 1.7 million kroner higher than in 2023. The greater amount was due to the increase of the base fee for ordinary members of the Board and committee base fees as adopted by the Annual General Meeting in 2024. For 2025, the Board is proposing to maintain the current fee levels. For 2026, the Board of Directors does not at present anticipate any extraordinary developments regarding remuneration.

As Danske Bank's annual general meeting is held in March, the remuneration for 2026 will be subject to another proposal being made at next year's annual general meeting.

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CONDUCT

In 2024, we continued to strengthen and mature our Code of Conduct framework to further improve and promote a sound business culture across the Group. Over the

year, those efforts were reflected in numerous initiatives, which include enhancements to our compensation and consequence management framework. In addition to continuing our Tone from the Top campaign and further enhance our “speak up” culture, we have continued to observe positive developments in our compliance and risk culture, improvements to the frameworks that uphold strong employee ethics, strong risk management and governance as well as increased trust among our customers.

It remains an equal responsibility and ambition for both the Board of Directors and the Executive Leadership Team to promote a sound business culture under which issues are raised, discussed and addressed.

Thank you.

[passes word to CEO, Carsten Egeriis]

Forward '28

Thank you, Martin.

As Martin has just told you, 2024 was a good year for Danske Bank.

We are living in turbulent times with a high level of uncertainty. This was true for 2024 and remains so as we look ahead.

However, over the past five years, we have consistently demonstrated that as a bank we have a robustness and commercial strength, and this enables us to deliver value for our customers – also in difficult times.

And that we act as a stabilising force in the economy during periods of turbulence and changing economic conditions. Also when the changes are very sudden and drastic.

This also means that we have been able to create value for you, our shareholders, and that you should be confident that we will also be able to do so in the future.

Our ability to deliver value to our customers and to you is primarily due to our dedicated and talented employees, and because we as a bank are united in delivering on our new strategy and translating it into concrete results.

Last year, I shared the strategy with you, and this year my focus is on updating you on how we are progressing in our execution.

In brief, our strategy, Forward '28, is essentially a plan for creating value for our shareholders, customers, employees and the societies we are part of.

Our plan is based on an ambition to be a leading Nordic bank in a digital age. We aim to

- be the leading Nordic bank for business and corporate customers
- cement our position as the leading bank in Denmark for personal customers and the private banking segment and
- further build on our position as a strong bank for personal customers in Finland and as a challenger bank in Sweden in the mass-affluent and private banking segments.

As part of this ambition, we have identified four key strategic areas of particular importance. These are

- Advisory services
- Digitalisation
- Sustainability
- And creating a bank that is simpler, more secure and more efficient

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The year 2024 marked the first year of execution in our new strategy period, and we made significant progress.

As Martin noted, we have once again achieved the highest customer satisfaction rating among the largest corporate and institutional customers in the Nordic countries.

Customer satisfaction scores among Private Banking customers in Denmark, Sweden and Finland are higher than ever.

And in the personal customer segment in Denmark, we have seen significant progress in recent years among both customers and non-customers in terms of our *reputation, confidence in us and how many customers would choose us as their new bank if they were to change banks today.*

We now see the highest level in five years on all three parameters – and in terms of confidence and reputation, we are now at the same level as or, in some cases, above the level of our peers.

So, the status of Forward '28 is that it is a strategy

1. that our employees have embraced and taken co-ownership of
2. that has been well received by our investors
3. and that generates results and contributes to higher customer satisfaction

Our efforts in implementing the strategy yielded tangible results in 2024, not least when we look at our investments in new digital solutions for our customers and employees.

The results we achieved in 2024 are already paying dividends and helping us create the bank we aspire to be.

I would like to show you a short video of some of the new digital initiatives we developed in 2024.

[video playback]

Investing in new digital solutions brings numerous advantages.

Fundamentally, it is about improving the customer journey and the value propositions for our customers, and our investments in digitalisation make it easier, faster and more convenient – and more secure – for our customers to manage their day-to-day finances.

For Danske Bank, investments in digitalisation help reduce costs and operational risks.

Moreover, increased digitalisation enables us to offer our customers more products and solutions, helping us increase business volume with existing customers and making it easier and much faster for new customers to open an account with us.

For our employees, new digital solutions free up valuable time, which they can instead use to advise our customers on more complex financial matters.

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Sustainability is another important element of our strategy, and it is also an example of an area where our focus on providing advice on complex financial matters creates significant value for our customers.

This is also an area that our customers remain very much interested in, and we only expect to see further growth in the future.

Because even though the past years of higher interest rates and challenging financing terms have created difficulties for many businesses, there is still a great need for more and cheaper energy in Europe. And solar, wind and other green energy sources will play an increasingly important role.

The green transition is a structural challenge for both our customers and the societies we are part of, and as a bank, we must support our customers in their transition.

For these reasons, sustainability is an integral part of our business, the advisory services we provide to our customers and the risk assessment we perform when granting loans and making investments.

At Danske Bank, we believe in serving the entire economy,

not just the companies that are already green, but just as much the companies that have the will to make the transition.

As a bank, we can make the most significant difference to the green transition by helping our customers in their transition and by providing the advisory services and financial solutions that support their development in the best possible way.

Helping our customers adapt to new times and new opportunities is precisely what we as a bank have been doing since we were founded in 1871, and it is therefore an ambition that is reflected in our purpose as a bank.

To release the potential in people and businesses by using the power of finance to create sustainable progress today and for generations to come.