Presentation for Q4 conference call

Financial results 2023

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A year of significant improvement in financial performance and commercial momentum underpinning sustainable profitability

2023 highlights

Net profit of DKK 21.3bn

Supported by strong NII trend (+39% Y/Y)

Core banking income up +20%

Underpinned by margin expansion and resilient fee income

Improved efficiency Cost/Income 49%

despite inflation and elevated remediation costs

Volumes stable

Lending stabilised despite economic slowdown and DCM shift
Deposits remain elevated supported by recognised savings products

Strong capital and liquidity position

+450bps CET1 buffer and LCR of 170%

Strong credit quality

Impairments down 83% Y/Y amounting to 1 bps in 2023

Capital distribution

H2: DKK 7.5/share; FY 14.5/share
59% dividend payout

Share buy-back DKK 5.5bn

Total payout 85%

Significant milestones for legacy cases

GFCP completed and submitted to the FSA, and solution in place for legacy debt collection

Forward '28 strategy

launched with ambitious 2026 financial targets

2024 outlook

Net profit guidance of

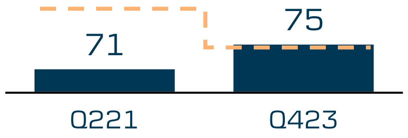
DKK 20-22bn

Better Bank strategy exceeding targets while enhancing the resilience of Danske Bank and laying a strong foundation for Forward ’28 execution

Our 2023 targets	FY2023
8.5-9% RoE	13% ✓
C/I mid 50s	48% ✓
>16% CET1	19% ✓

Top 2 customer satisfaction rank in each market*	PC	BC	LC&I
	~4	~3	~2

Employee engagement rank



Nordic average - - -

Achievements in focus areas

Society
- DKK 365bn in sustainable financing and Paris Agreement aligned targets for our lending portfolio
- Compliance under control
- Finalised GFCP plan

Other
- Agile transformation: Delivering on efficiency gains and higher engagement
- Group-wide cost programme: 10% FTE reduction since Q419

Our 2026 targets to measure the success of Forward ’28

Personal Customers	Number of meetings per adviser (Index: 2023 = 100)	163
	Net new customer households in growth segments**	31k
	Customer satisfaction with Mobile Banking	8.5
Business Customers	Income growth mid corporate customers**	800m
	Credit cases with automatic decisioning	50%
	Increase in customers highly satisfied with advisory***	+15%
LC&I	Number of new customers outside Denmark**	40
	Annual growth in Daily Banking fees in BC and LC&I	5%
	Ranking in Capital Markets advisory fees	Top 2

13%
Return on Equity
>16% CET1
~45% Cost/Income

Capital distribution
- Dividend potential from 2023-2026 of above DKK 50 bn
- Accelerated dividend by H123 results targeting the higher end of the 40-60% policy range
- Ambition for further distribution – subject to capital position and market conditions

Increased investments
- Increase yearly digital and tech investments by DKK 1 bn

*PC and BC: Weighted average based on income per country, LC&I: Weighted average of Prospera metrics. ** Increase vs 2023 baseline. *** Increase vs 2022 baseline.

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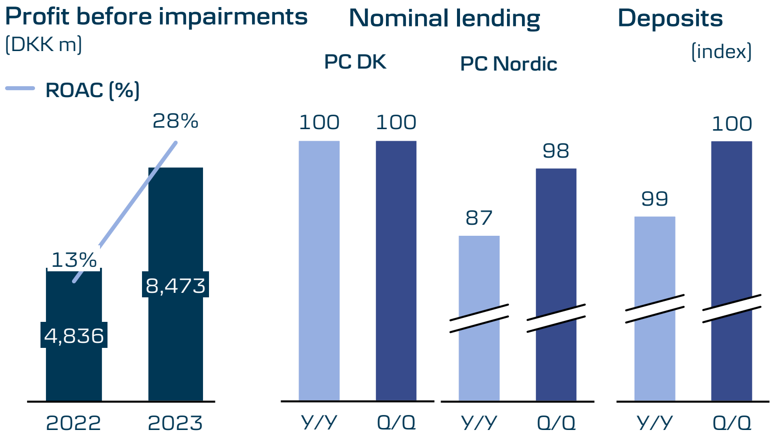
Business units: Growing momentum and enhanced profitability; continued lending uplift for business customers

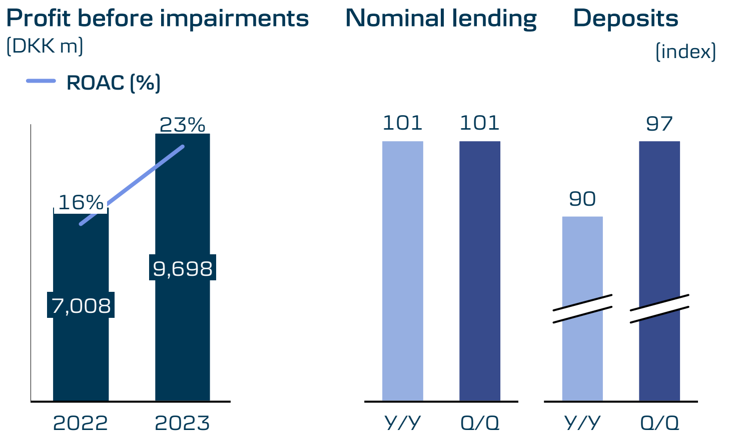
Personal Customers

- Strong year with significant profit uplift, driven by increased margins, strategic pricing initiatives and low impairment charges
- Lending in PC DK supported by increase in bank lending market share
- Significant upgrade of self-service solutions on our digital platforms and enhancement of our advisory capabilities
- Optimised home finance processes and simplification of product offerings to ensure efficient operations
- Improving customer satisfaction through the year (scoring 9/10); testament to our committed ambition to stabilise our position as the leading Danish retail bank
- Global Private Banking momentum underpins market share gains in Danske Invest and uplift in AuM



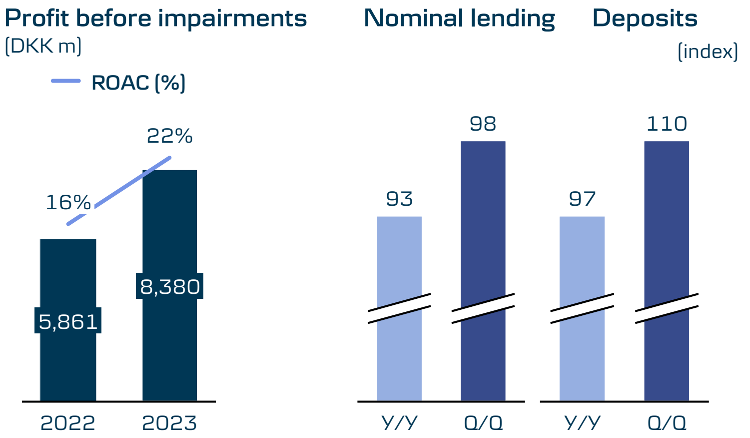
Business Customers

- Good momentum throughout the year: pre-tax profit up 44% Y/Y and strong uplift across main income lines Q/Q
- Positive trend in lending continues both Q/Q and Y/Y, with uplifts across the Nordic markets
- Deposits declined Y/Y due to change in strategy in Norway
- Launch of several new IT solutions throughout the year to enhance digitalisation and security efforts, and District Marketplace now available in DK and FI
- Continued commitment to ESG initiatives with 750 advisers completing ESG upskilling training through 2023
- CSAT remains high among our business customers with harmonised customer support setup across all countries



LC&I

- Strong profit uplift Y/Y driven by solid NII and recovery in trading income
- Solid market activity throughout the year: we remain the leading Nordic bank in European DCM and the leading ECM adviser in Denmark in 2023
- Leader of largest primary bookbuild offering for a Nordic company in 15 years
- Delivery on green commitment with more than 150 sustainable bonds issued in 2023
- Significant AuM uplift; 16% Y/Y and 10% Q/Q; positive inflow trend continues, reflected in performance fee uplift
- Launch of new, growth-focused Asset Management strategy to create a strong foundation for Forward '28 execution



Strong income uplift supported by NII; recovery in trading and insurance despite impact from one-offs; strong credit quality underpins low impairments

Key points 2023 vs 2022

Strong uplift in profitability (+96%) driven by higher income and lower costs and impairments

- NII up 39% benefiting from higher rate environment
- Fee income resilient despite normalisation of corporate credit demand and low housing market activity
- Trading and Insurance income benefited from better financial markets
- Costs under control as efficiencies mitigate inflationary pressure
- Strong credit portfolio underpinning low loan impairments
- Tax rate lower than anticipated due to one-offs during the year

Key points Q423 vs Q323

Net profit uplift (+8%) supported by fee income recovery, higher trading and insurance income, and reversals of impairments

- NII trending up when adjusted for one-offs. Q/Q trend impacted by deposit pass-through and migration effects
- Fee income recovered further due to DCM activity and investment fees, also benefiting from booking of performance fees in AM
- Costs increased due to expected seasonality (holiday allowance and bonus)
- Loan impairments led to reversals based on workout cases while credit quality remained strong

Income statement and key figures (DKK m)

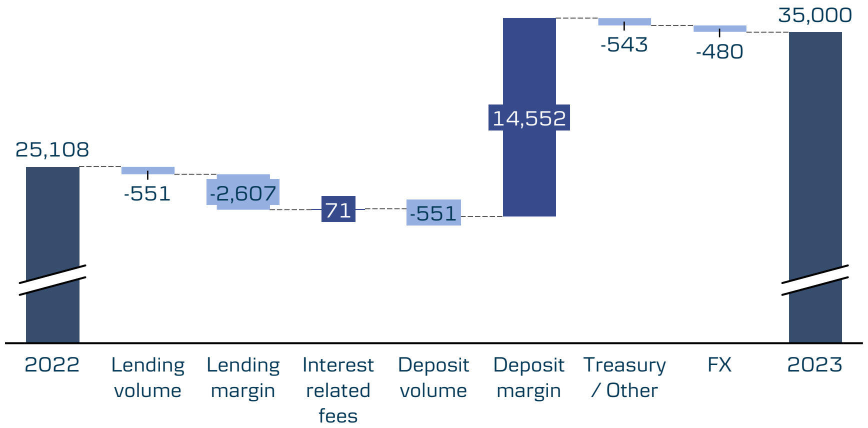
	2023	2022	Index	Q423	Q323	Index
Net interest income	35,000	25,108	139	9,134	9,326	98
Net fee income	11,707	12,590	93	3,148	2,867	110
Net trading income	3,704	1,875	198	757	174	435
Net income from insurance business	1,472	280	526	550	233	236
Other income	562	1,936	29	238	431	55
Total income	**52,445**	**41,789**	**125**	**13,827**	**13,031**	**106**
Operating expenses	25,414	26,478	96	6,592	6,204	106
Profit before loan impairments	**27,031**	**15,311**	**177**	**7,235**	**6,827**	**106**
Loan impairment charges	262	1,568	17	-32	322	-
Profit before tax, core	26,769	13,743	195	7,267	6,505	112
Profit before tax, Non-core	-87	-13	669	-32	-30	-
Profit before tax	**26,682**	**13,730**	**194**	**7,235**	**6,475**	**112**
Tax	5,420	2,883	188	1,470	1,156	127
Estonia matter & goodwill impairment	-	15,427		-	-	-
Net profit (excl. Estonia matter & GW)	**21,262**	**10,848**	**196**	**5,765**	**5,319**	**108**

NII: Healthy deposit margin expansion Y/Y while recent pass-through impacts Q/Q development; deposit and lending volumes have stabilised

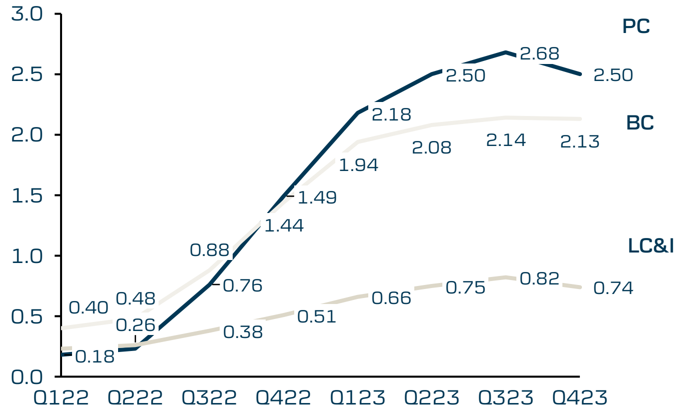
Highlights

- Net interest income continued the positive trend despite Q4 impacted by migration to savings products and significant deposit pass-through in light of previous hikes
- Y/Y benefited from deposit margin expansion. Lending margins affected by higher funding costs and lagging effects of repricing. BU margins further impacted Q/Q by allocation of Treasury costs (no Group impact)
- Q/Q impacted by the significant deposit rate pass-through post the September rate hike. NII affected by tax one-offs in both Q3 (positive) and Q4 (negative)
- NII sensitivity in year 1: DKK (+/-) 500m (per 25bps move) with assumed migration to savings products. Additional impact in year 2 and 3 of DKK (+/-)300m and DKK (+/-)200m, respectively, all else equal

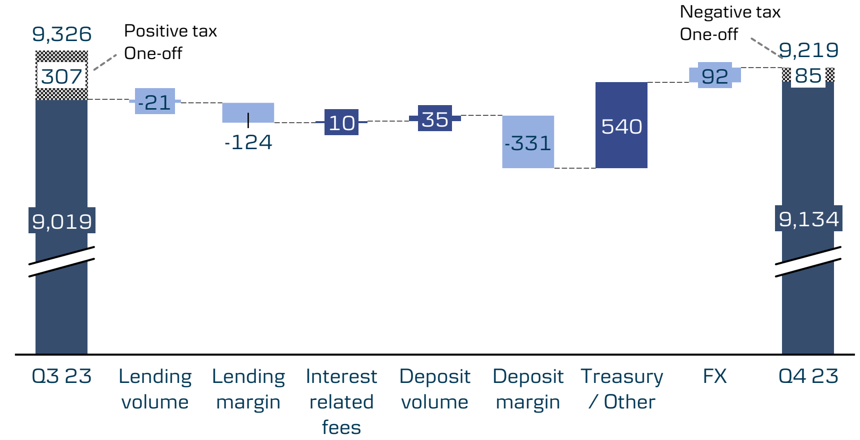
Net interest income 2023 vs 2022 (DKKm)



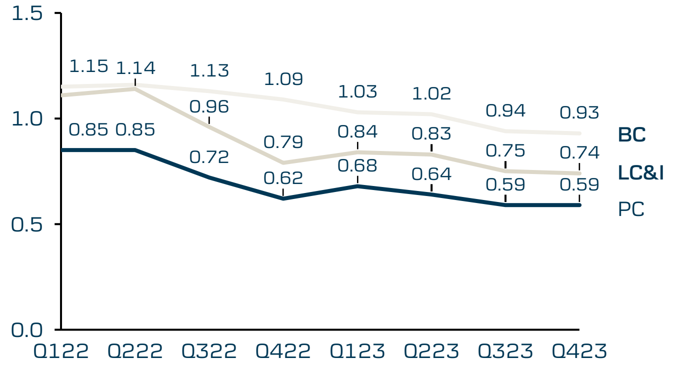
Deposit margin development (%)



Net interest income Q423 vs Q323 (DKKm)



Lending margin development (%)



Fees: Improving trend Q/Q as activity remained solid with recovery in lending and investment fees; Y/Y affected by lower lending activity and reduced AuM

Highlights

Activity-driven fees (transfers, accounts etc.)

- Resilient income due to good customer activity, incl. retail spending, transaction banking and cash mgmt.

Lending and guarantee fees

- Y/Y: Lower income from subdued housing market activity and run-off of energy-related liquidity facilities
- Q/Q: Improvement in housing market activity and healthy underlying corporate credit demand despite normalisation of liquidity facilities and shift towards capital markets

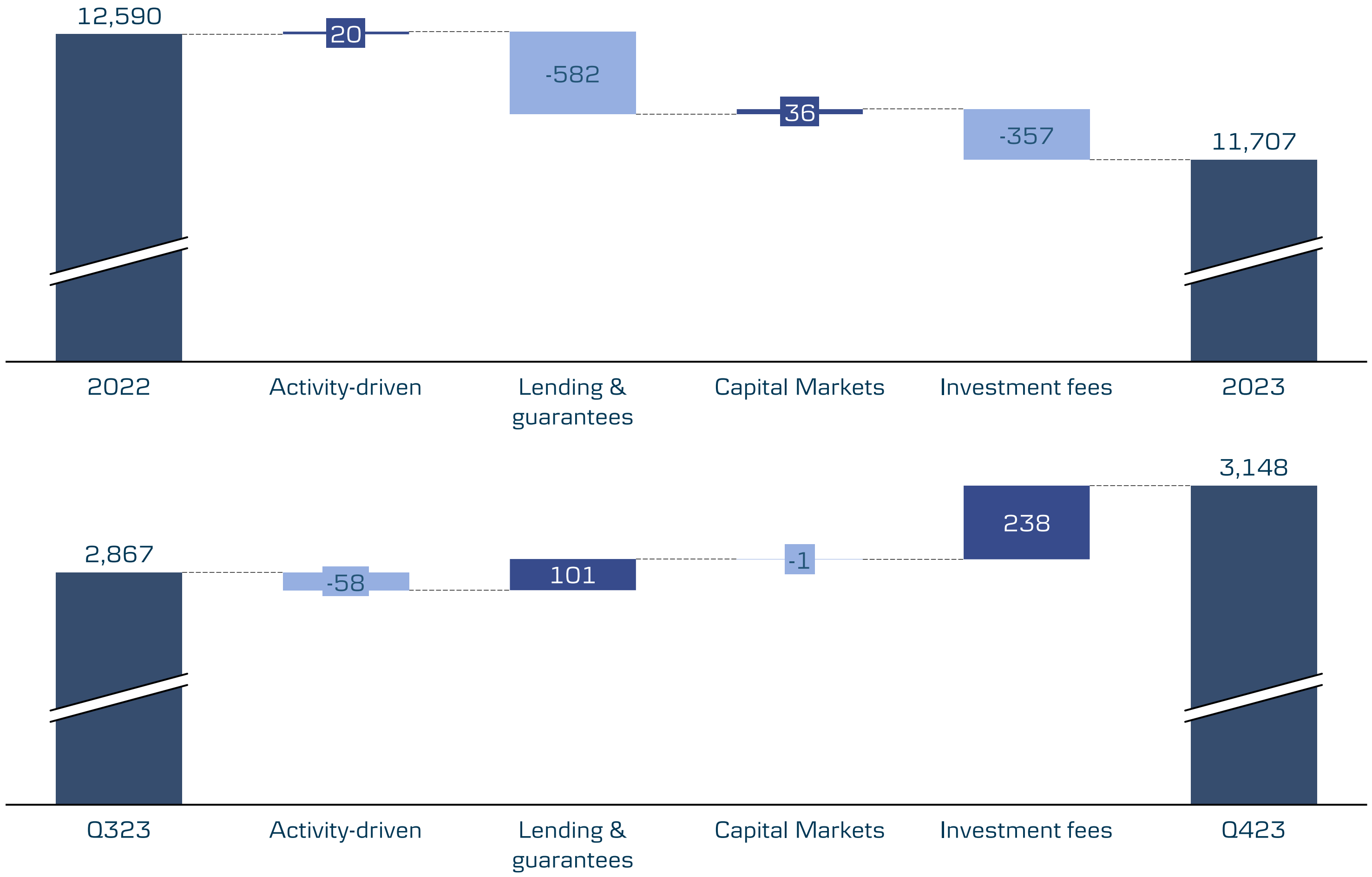
Capital markets fees

- Capital markets fees solid as DCM traction was supported by slight recovery in M&A and ECM activity in H2

Investment fees

- Y/Y: Investment fees impacted by reduced customer activity and lower AuM
- Q/Q: Solid rebound supported by uplift in income due to an increase in assets under management and year-end performance fees

Net fee income (DKK m)



Trading income: Continued recovery and less volatility; calibrated risk in fixed income market-making strategy and seasonality in Q4 limit effect from lower rates

Highlights

LC&I

- Y/Y: New fixed income strategy implemented in 2022 at LC&I has led to recovery and more stable income based on customer flows
- Q/Q: Seasonal effects caused lower customer activity

PC and BC

- Y/Y: Decrease driven by more normalised level of FX trading activity

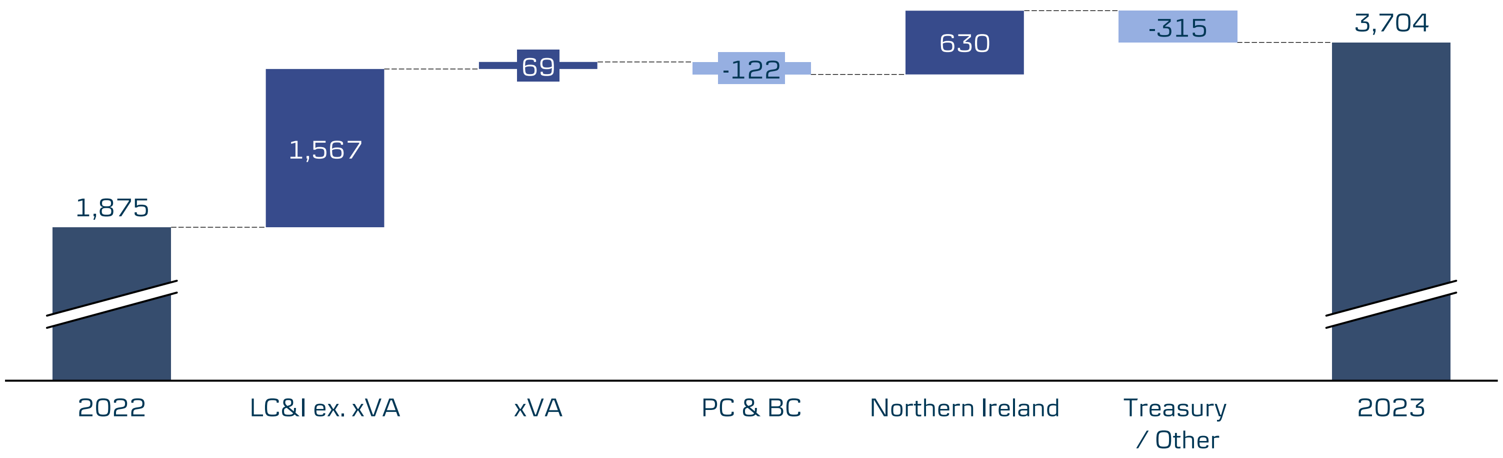
Northern Ireland

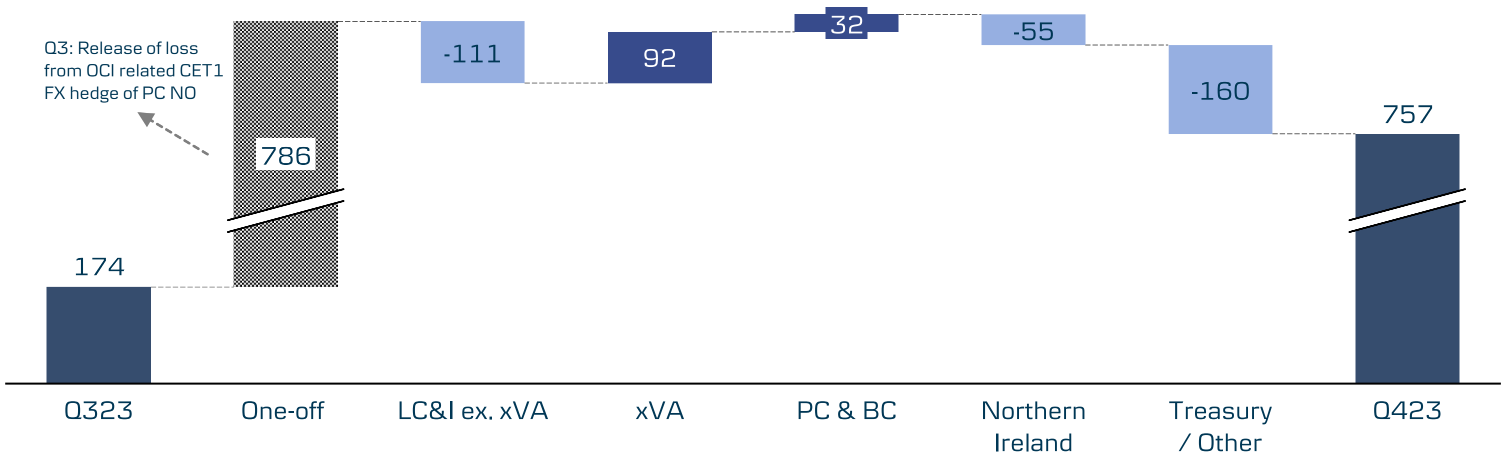
- Affected by valuation effects on the bank's interest rate hedge

Group Functions

- Y/Y: A one-off loss in Q3 trading income from the recycling of DKK 0.8bn from OCI, related to a CET1 FX hedge in Norway, more than offset a one-off gain of DKK 0.3 bn in Q2 from a debt-to-equity transaction
- Q/Q: Trading income affected by valuation effects of own holdings

Net trading income (DKK m)





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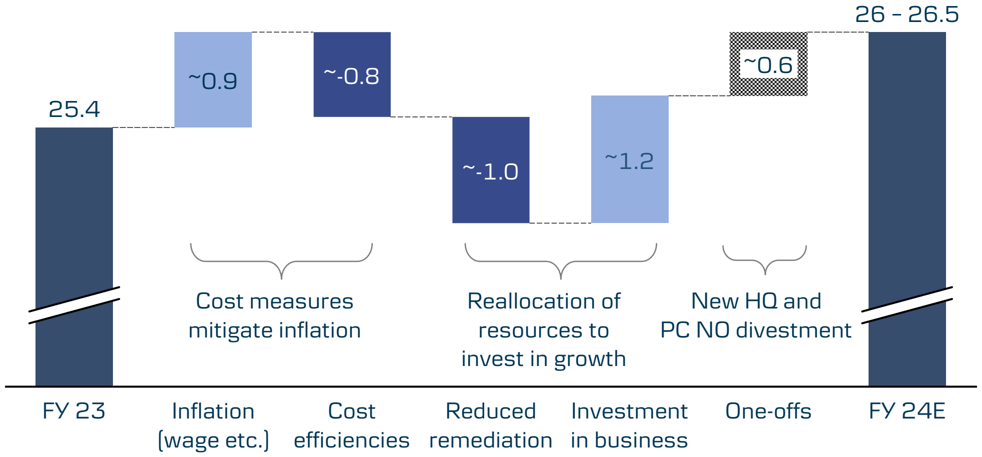
Expenses: Dedicated cost management resulting in 4% decline in cost base Y/Y; well on track to deliver on 2026 C/I target

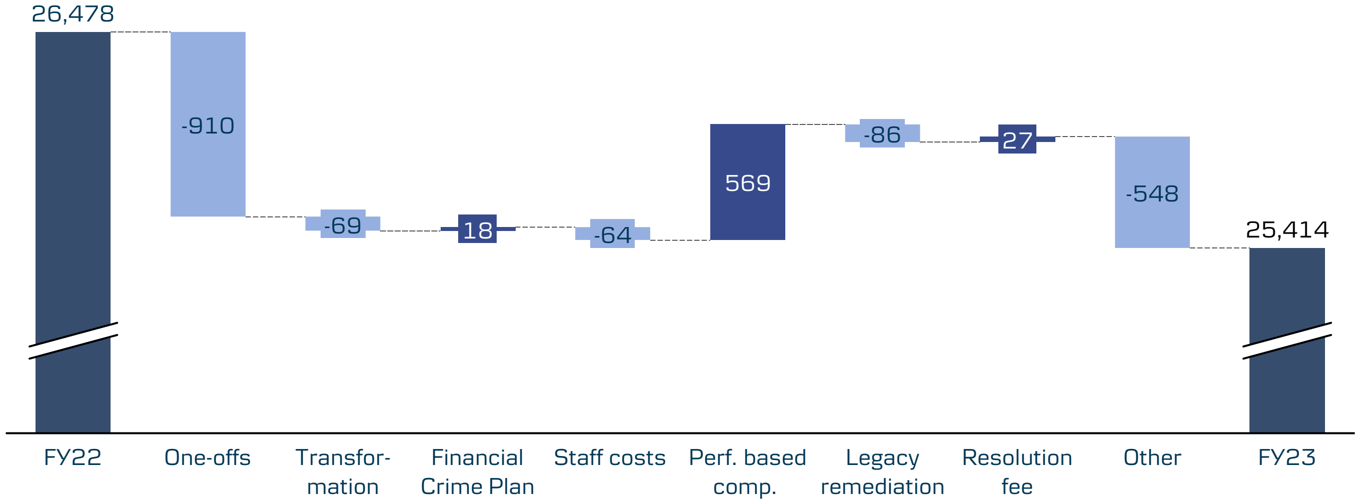
Highlights

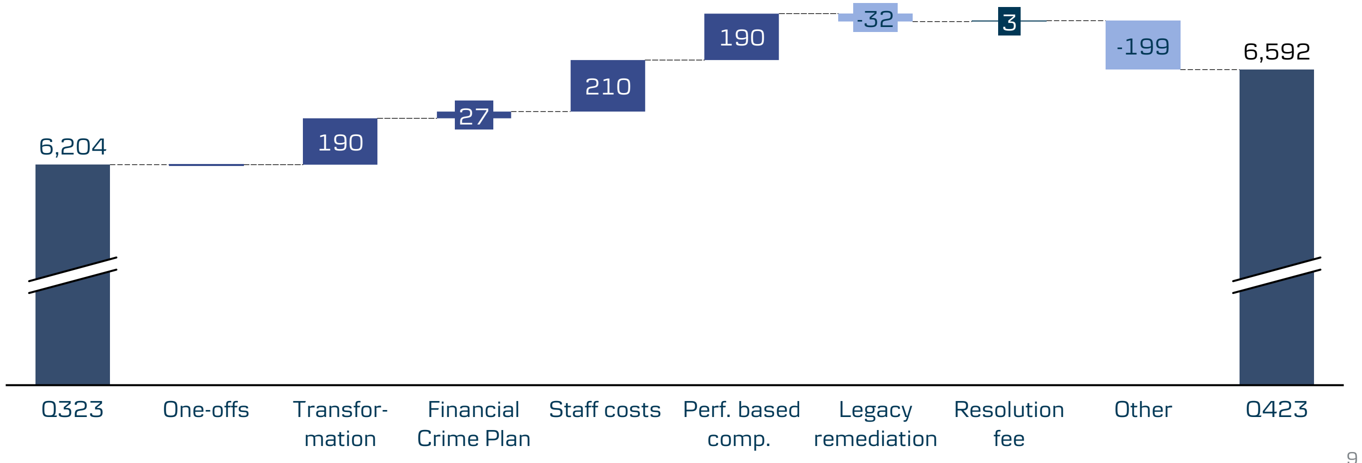
- Total costs down 4% Y/Y. Continued progress on efficiency as underlying costs (adj. for one-offs in 22) were kept flat despite inflationary pressure
- Legacy remediation and financial crime costs remained elevated, as planned, through the year
- Cost base Q/Q impacted by seasonality effect in staff costs, performance-based compensation and transformation costs
- Other costs lower due to reduced premises, amortisation and consultancy spend
- 2024 cost outlook characterised by ramp up in investments

2024 cost outlook (DKK bn)



Expenses (DKK m)



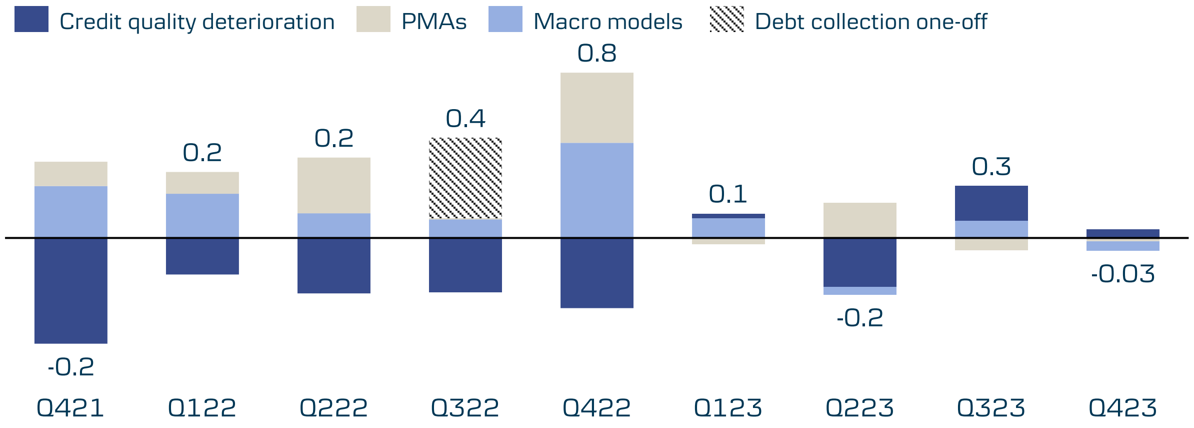


Impairments: Continually strong credit quality resulted in reversals in Q4 and full-year impairments well below normalised level

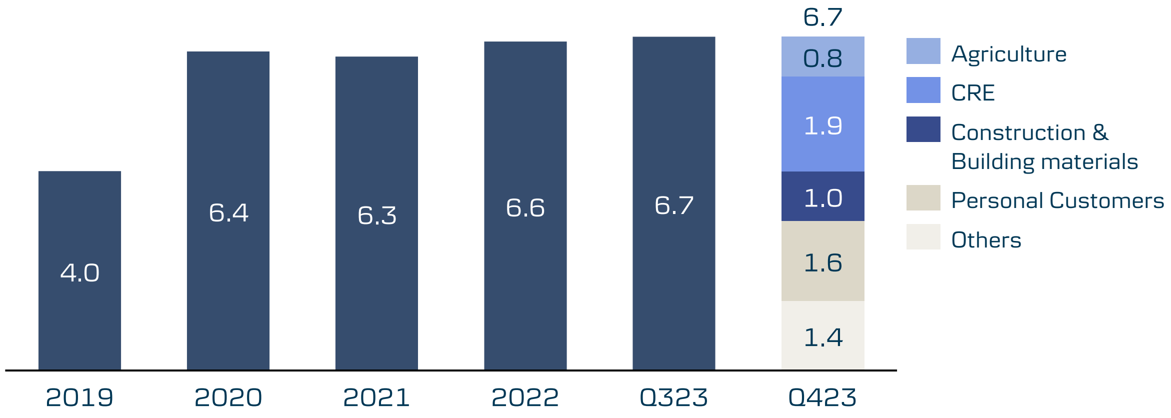
Highlights

- Credit quality remained strong with full-year impairment charges of DKK 0.3 bn, closing the year well below normalised through-the-cycle level
- The macro environment has developed more favourably recently, and reversals in Q4 were driven by improved macro models. However, uncertainty persists, and we remain watchful of any possible credit deterioration
- Significant PMA buffers remain in place to mitigate any tail risks not evident in the portfolio or captured by our macro models

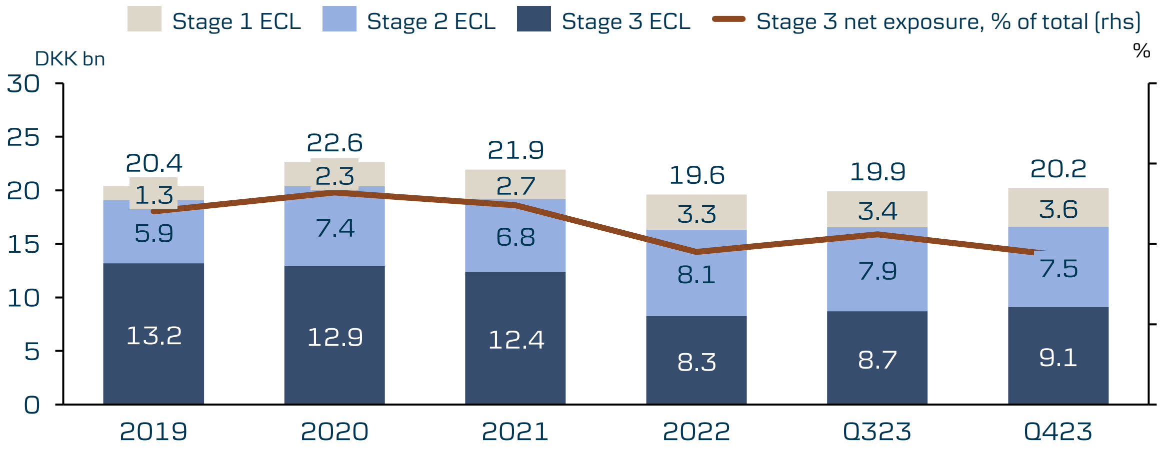
Impairment charges by category (DKK bn)



Post Model Adjustments (DKK bn)



Allowance account by stages (DKK bn)

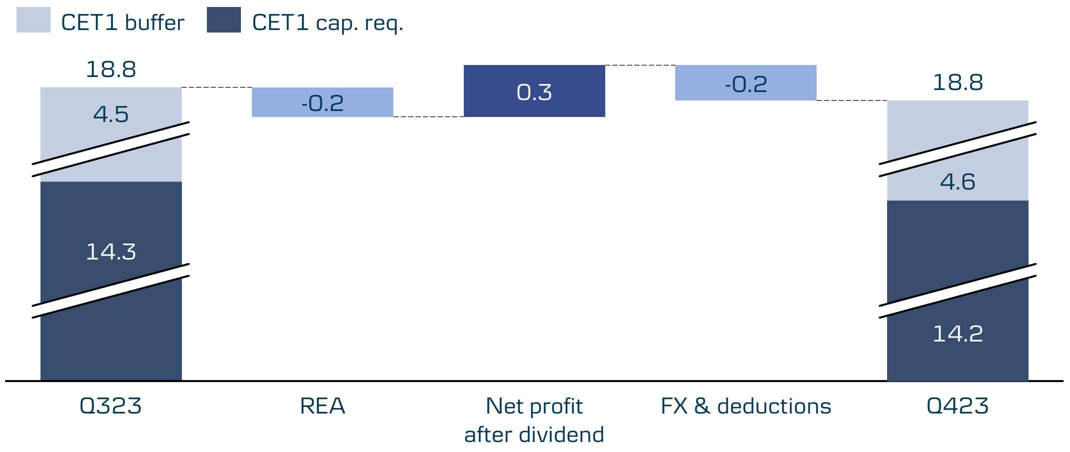


Capital: Strong capital base with CET1 capital ratio of 18.8%

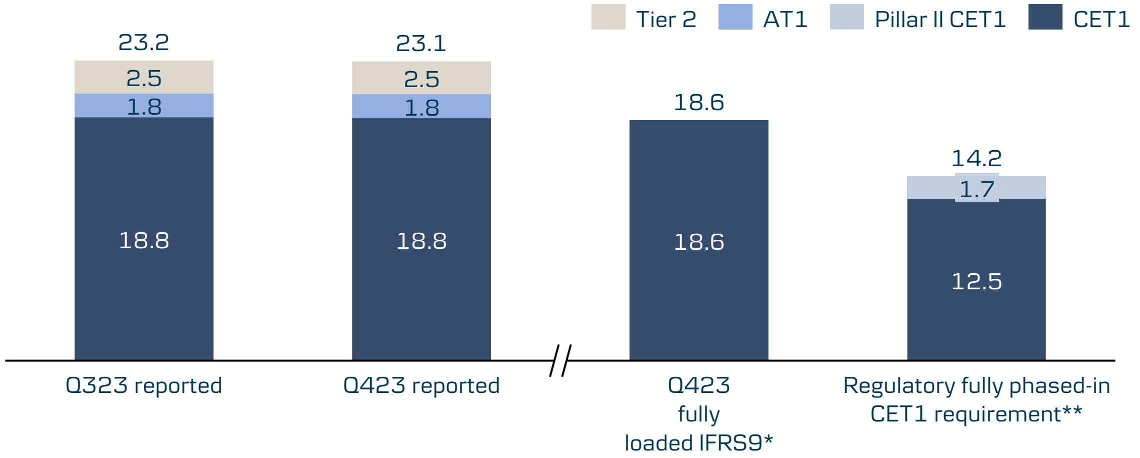
Highlights

- CET1 capital ratio stood at 18.8%, as contribution from retained earnings was offset by higher REA and deduction from Danica
- The Group's total REA increased around DKK 7 bn, driven primarily by higher operational risks that have been recalibrated to the higher 2023 income level. Credit risk REA increased slightly, which was countered by lower market risk
- The leverage ratio stood at 5.1% under transitional rules and 5.0% under fully phased-in rules
- Announced share buy-back programme will upon execution lead to a reduction of the CET1 capital ratio of ~66bps, all else equal

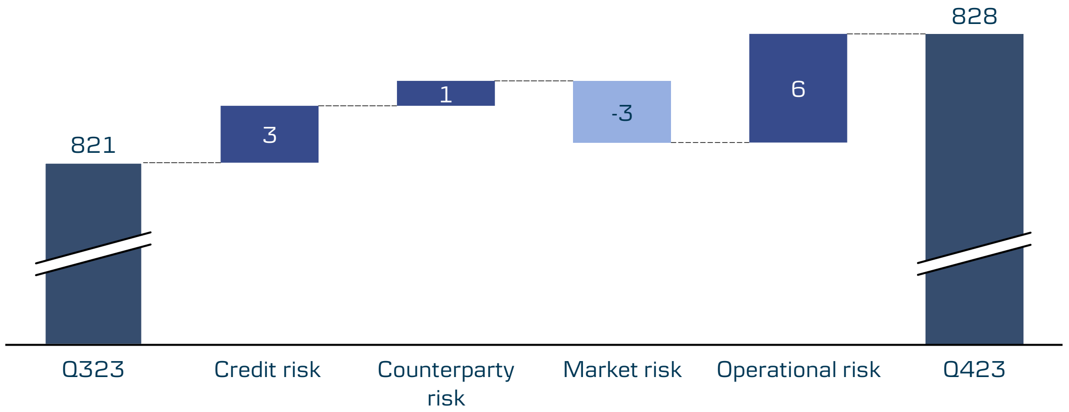
CET1 development (%)



Total capital ratios (%)



Total REA (DKK bn)



* Based on fully phased-in rules including fully phased-in impact of IFRS 9. ** Pro forma fully phased-in minimum CET1 requirement in September 2024 of 4.5%, capital conservation buffer of 2.5%, SIFI buffer requirement of 3%, countercyclical buffer of 2.0%, systemic risk buffer of 0.5% (on Norwegian exposures), and CET1 component of Pillar II requirement.

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Financial outlook:
Net profit for 2024 will reflect progress on financial ambitions for 2026

Income	**Total income** is expected to grow in 2024, driven by higher core income, our continued efforts to drive commercial momentum and in line with our financial targets for 2026. Income from trading and insurance activities will be subject to financial market conditions
Expenses	We expect **operating expenses** in 2024 to be in the range of 26-26.5bn reflecting increased investments in line with our financial targets for 2026 and continued focus on cost management. The outlook includes non-recurring items of approximately DKK 0.6 billion related to the relocation to the new domicile and minor costs for the divestment of PC Norway
Impairments	**Loan impairment charges** are subject to an elevated level of geopolitical and macroeconomic uncertainty and are expected to reflect our assumptions in our financial targets for 2026 of approximately 8 basis points p.a.
Net profit *	We expect **net profit** to be in the range of DKK 20-22bn

* Note – The outlook is subject to uncertainty and depends on volume growth and financial markets/macroeconomic conditions.

Q&A Session

Press ***11** to ask a question