

Remuneration Report 2023

Danske Bank

Danske Bank Group



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Introduction

from the Chairman of the Board of Directors and the Remuneration Committee

2023 saw low growth or stagnation in most of Europe, including the Nordic countries, although the Danish GDP was boosted by the pharmaceutical industry. Inflation declined sharply during the year. Together with still-low unemployment, the overall picture was a “soft landing” scenario following the very high inflation seen during 2022, rather than the feared deep recession. However, uncertainty remains high, given both the economic shocks of recent years and the highly uncertain geopolitical situation.

At Danske Bank, our focus has been on helping our customers navigate these challenges and the uncertainty, and we have engaged closely with them to help them prepare financially for more uncertainty ahead.

In recent years, we have made fundamental changes to the bank to create a more focused business with a lower risk level, a stronger organisation and a strengthened commercial momentum. In doing so, we have exceeded the financial targets we set out to meet by the end of 2023 as part of the Better Bank Strategy launched in 2019.

Today, Danske Bank is a focused Nordic bank with a strong market presence in Denmark, Sweden, Finland and Norway. With our new strategy, Forward '28, which we presented in June 2023, we have set clear ambitions for continuing the efforts to strengthen our position as a leading bank in the Nordic region and make significant investments in customer offerings, including investments in our digital platforms, advisory services and sustainability, which we see as key areas where we have the greatest potential to make a real difference for our customers.

From a remuneration perspective, the 2023 remuneration reflects the bank's strong performance across the Group. In line with the Remuneration Policy, the short-term incentives for the CEO and the rest of the Executive Leadership Team have been set with reference to a balanced scorecard of financial and non-financial KPIs supporting the Group's strategy.

Based on end-2023 results, the Remuneration Committee has evaluated the performance at the Group, business unit and individual levels, resulting in bonuses above target. These results were driven by a number of different improvements. Not only did the Executive Leadership Team deliver solid financial results and cost management across the Group, but the Board of Directors also wants to highlight the positive development within a number of different key areas for the Group:

- Risk and compliance management
- Financial crime prevention with the execution of the new Financial Crime Plan
- ESG and sustainability with the delivery on the climate action plan as a key differentiator
- Improved gender balance
- Succession planning with special focus on female talent
- Leadership, Purpose and Cultural Commitments
- Strong individual contributions to the Group's other priorities

Throughout 2023, the share price continued on a positive trend. Compared to our Nordic peers, the shareholder return delivered to our investors is increasingly competitive. The Executive Leadership Team is rewarded for this trend through the Long-term Incentive Programme where the bank ranked number three for Total Shareholder Return relative to our Nordic peers in the period 2021-2023.

During 2023, the composition of both the Board of Directors and the Executive Leadership Team has changed. In 2023, the members of the Board of Directors were re-elected at the annual general meeting on 16 March, except for Bente Avnung Landsnes, who did not seek re-election. The composition of the Executive Leadership Team also changed during 2023. After 16 years at Danske Bank, Berit Behring retired from the bank. In the role as Head of Large Corporates & Institutions on 1 August 2023, we welcomed Joachim Alpen. Former Chief Audit Executive, Dorthe Tolborg, was announced as new Chief Compliance Officer and member of the Executive Leadership Team with effect from 1 June 2023. As a result of these changes, the compliance organisation was separated from the risk organisation with direct reporting to the CEO. Another internal successor, Stina Kjällstrom, replaced Dorthe Tolborg in the key position as Chief Audit Executive.

Copenhagen, 2 February 2024



Martin Blessing,
Chairman of the Board of Directors

Summary of key disclosures

Danske Bank's Remuneration Report provides a full disclosure of the bank's remuneration decisions relating to the Board of Directors and the Executive Leadership Team, as well as the related business context and governance process.

This section presents a summary of the remuneration changes and outcomes for the year, and these are also detailed in the section Remuneration of the Board of Directors and the section Remuneration of the Executive Leadership Team.

Remuneration of the Chairman and the members of the Board of Directors

Total remuneration of the Chairman is unchanged from 2022 to 2023 when looking at annualised figures. The table below summarises actual figures for the Chairman of the Board of Directors and the Board of Directors. The Chairman of the Board of Directors, Martin Blessing, was elected Chairman in March 2022, which explains why the 2022 figures are lower compared to 2023.

(DKK thousands)	2023 Remuneration	2022 Remuneration
Martin Blessing Chairman	3,355	2,873 ¹

¹ Accrued remuneration as member of the Board of Directors, 1 January 2022 to 16 March 2022 and as Chairman of the Board of Directors, 17 March 2022 to 31 December 2022

(DKK thousands)	2023 Remuneration	2022 Remuneration
Board of Directors	15,217	15,506

Remuneration of the CEO 2023

The CEO's salary was considered and agreed by the Remuneration Committee based on the scope and nature of the position, the CEO's qualifications, his performance and external benchmarking analysis.

The remuneration of the CEO consists of fixed remuneration (base salary and benefits) and variable remuneration (short-term incentive (STI) and long-term incentive (LTI)).

(DKK thousands)	Fixed remuneration	Short-term incentive	Long-term incentive	Total remuneration
Carsten Egeriis Chief Executive Officer	15,407	3,445	1,134	19,986

Remuneration of the Executive Leadership Team (including the CEO)

The remuneration of members of the ELT consists of fixed remuneration (base salary, pension and benefits) and variable remuneration (STI and LTI).

(DKK thousands)	Fixed remuneration	Short-term incentive	Long-term incentive	Extraordinary payments	Total remuneration
Current Executive Leadership Team	83,837	16,516	5,409	18,000 ¹	123,762

¹ When taking up his position, Joachim Alpen received a sign-on fee in cash. Please refer to page 6 for further information.

Summary of STI 2023

Short-term incentives for members of the ELT reflect the bank's improved results for 2023 as well as strong individual performance against KPIs.

ELT members	STI assessment	STI % of base salary (max. 30%)	STI outcome (DKK millions)		
			Cash 40%	Deferred shares 60%	Total STI
Carsten Rasch Egeriis, CEO	Above target	24%	1.38	2.07	3.45
Magnus Agustsson, CRO	Above target	24%	0.81	1.20	2.01
Joachim Alpen, Head of LC&I	Above target	25%	0.37	0.56	0.93
Christian Bornfeld, Head of PC	Above target	23%	0.78	1.16	1.94
Karsten Breum, CPO	Above target	23%	0.65	0.97	1.62
Stephan Engels, CFO	Above target	25%	0.91	1.36	2.27
Johanna Nordberg, Head of BC	Above target	26%	0.66	1.00	1.66
Dorthe Tolborg, CCO	Above target	24%	0.28	0.43	0.71
Frans Woelders, COO	Above target	23%	0.77	1.16	1.93
Average		24%	0.73	1.10	1.84

Development in total remuneration

Primarily driven by higher variable remuneration in 2023, total remuneration for members of the ELT has increased from the level of 2022. The table below shows the composition of the ELT's remuneration packages (annualised figures).



Remuneration Policy and Corporate Governance

Remuneration Policy

The remuneration of the Board of Directors and the Executive Leadership Team for the financial year 2023 was determined in accordance with the Group's Remuneration Policy, which ensures an appropriate and competitive total remuneration package that has a clear link to the business strategy and aligns with stakeholder interests. In this context, the Remuneration Policy contributes towards promoting the Group's objectives for good corporate governance as well as sustained and long-term value creation for shareholders.

Once a year, the Remuneration Policy is reviewed and adjusted, as required, to reflect changes in regulatory requirements, expectations of stakeholders and the Group's strategic priorities. A profound objective of the Remuneration Policy and remuneration practice at Danske Bank is to promote sound and effective risk management relating to remuneration matters.

The Remuneration Policy was approved at the annual general meeting on 16 March 2023 and is available on our website at www.danskebank.com/about-us/corporate-governance. An updated Remuneration Policy is submitted for vote at the Annual General Meeting on 21 March 2024.

Pursuant to the Remuneration Policy, a sign-on fee may not exceed one year's gross salary, including pension, benefits and fixed supplements. However, to attract the most qualified and experienced candidate in the Nordic region, the Board of Directors approved deviation from the Remuneration Policy as the new Head of LC&I, Joachim Alpen, was granted a sign-on fee in excess of this amount. The sign-on fee reflects the high value and importance of the role, and it was offered after a diligent search was conducted within a very limited pool of candidates. The sign-on fee is subject to repayment terms in case of resignation.

Corporate Governance

Key remuneration decisions are made by the Board of Directors. The Group's Remuneration Committee operates as a preparatory committee for the Board of Directors with respect to matters concerning remuneration. In particular, the Remuneration Committee focuses on remuneration of members of the Board of Directors, the Executive Leadership Team, material risk takers, key employees and executives in charge of control and internal audit functions and on incentive programmes. The Remuneration Committee monitors trends in the Group's salary and bonus policies and practices. It monitors the incentive programmes to ensure that they promote ongoing, long-term shareholder value creation as well as compliance with the Remuneration Policy.

The Remuneration Committee consists of four members, of whom one is the Chairman of the Board of Directors. The Chairman of the Board of Directors is also the Chairman of the Remuneration Committee. Another member of the Remuneration Committee is an employee-elected member of the Board of Directors.

Other members of the Board of Directors, the Executive Leadership Team, and relevant employees of Danske Bank, such as the Head of Total Rewards, participate in meetings of the Remuneration Committee at the request of the committee. Further, the Company Secretariat acts as secretariat to the Remuneration Committee.

The Remuneration Committee's charter lays down the responsibilities of the Remuneration Committee and is published on our website at www.danskebank.com/about-us/corporate-governance.

The composition of the Remuneration Committee as well as the committee members' record of attendance for 2023 is available on our website at www.danskebank.com/about-us/management.

The Remuneration Committee meets three times a year as a minimum. During 2023, the Remuneration Committee held five meetings with full member attendance.

In 2023, the Remuneration Committee monitored, considered, evaluated and submitted recommendations to the Board of Directors in regard to the following:

- the Charter and annual work schedule for the Remuneration Committee
- the remuneration of the Board of Directors
- the annual review of criteria used for designating material risk takers and control functions
- the remuneration of certain heads of control functions (not part of the ELT)
- the remuneration of high earners (not part of the ELT)
- salary drift across the Group
- risk assessment of the Group's incentive programmes
- backtesting of deferred compensation for the ELT and other material risk takers
- variable remuneration spent across the Group
- performance evaluation and remuneration of the individual members of the ELT
- individual performance agreement for members of the ELT
- incentive structure for the Group, including the accrual mechanisms for bonus pools
- adjustment of retired executives' pension fund

Remuneration of the Board of Directors

Members of the Board of Directors receive an annual fixed base fee. In addition, the members serving as members or chairman of a committee of the Board of Directors receive an additional annual fixed fee for each committee role they serve.

None of the members of the Board of Directors are entitled to receive any variable remuneration or pension contributions except the members elected by the employees, or where this is required under local regulations.

Employee-elected members of the Board of Directors, in their roles as employees of Danske Bank, are entitled to variable remuneration and staff benefits like their peers at the Group.

Fees for the Board of Directors and committees are approved by the shareholders at the annual general meeting. The annual fees of the members of the Board of Directors take into account the required competencies, efforts and scope of work.

All members of the Board of Directors are non-executive directors at Danske Bank.

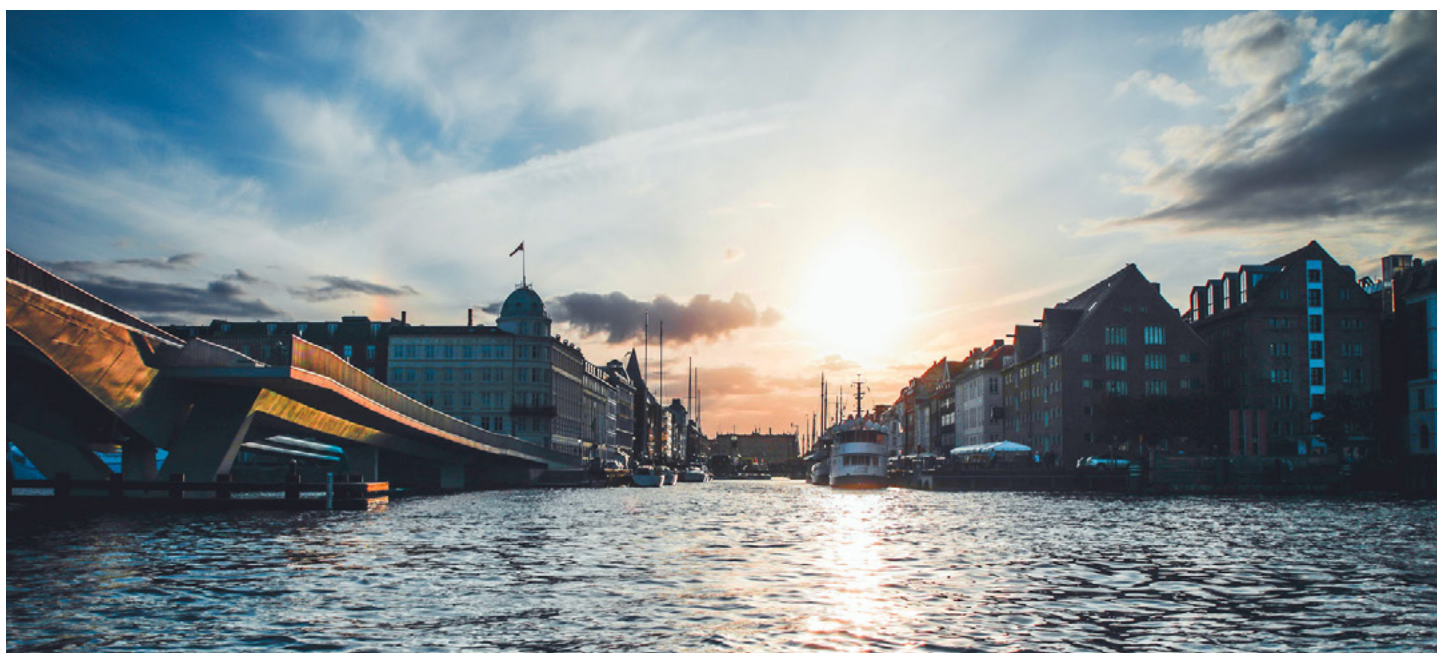
At the annual general meeting on 16 March 2023, the fees for the Board of Directors and committees for the financial year 2023 were approved and are listed in the tables below. The fees are unchanged since 2021.

Board fee structure for 2023

Board fees (DKK thousands)	Board	Audit Committee	Conduct & Compliance Committee	Nomination Committee	Remuneration Committee	Risk Committee
Member	660	220	220	165	165	220
Member, employee-elected	660	220	220	165	165	220
Chairman	2,640 ¹	440	440	330	330	440
Vice Chairman	1,320 ²	n.a.	n.a.	n.a.	n.a.	n.a.

¹ 4 x base fee

² 2 x base fee



The remuneration paid in 2023 to each member of the Board of Directors is outlined in the table below.

Remuneration to members of the Board of Directors for 2023

Name and position (DKK thousands)	Annual base fee	Audit Committee	Conduct & Compliance Committee	Nomination Committee	Remuneration Committee	Risk Committee	Total remuneration
Martin Blessing Chairman	2,640		220	165	330		3,355
Jan Thorsgaard Nielsen Vice Chairman	1,320	220		330			1,870
Lars-Erik Brenøe Board member	660		440		165		1,265
Jacob Dahl Board member	660				130	220	1,010
Raija-Leena Hankonen-Nybom Board member	660	440					1,100
Allan Polack Board member	660	174			34	220	1,088
Carol Sergeant Board member	660		220			440	1,320
Helle Valentin Board member	660			165			825
Employee representatives							
Bente Bang Board member	660				165		825
Kirsten Ebbe Brich Board member	660		220				880
Aleksandras Cicasovas Board member	660						660
Louise Aggerstrøm Hansen Board member	660					174	834
Former members of the Board of Directors							
Bente Avnung Landsnes Board member (former representative until 16 March 2023)	139	46					185
Total remuneration							
2023	10,699	880	1,100	660	824	1,054	15,217

Remuneration of the Executive Leadership Team

The remuneration of the members of the Executive Leadership Team is reviewed by the Remuneration Committee on an annual basis. Any adjustments of the remuneration components for the Executive Leadership Team are subject to approval by the Board of Directors.

Members of the Executive Leadership Team do not receive remuneration for responsibilities related to other entities of the Group. Hence, no separate remuneration is payable for positions/memberships on the boards of directors of Group subsidiaries.

Members of the Executive Leadership Team receive remuneration packages in alignment with the Group's Remuneration Policy with a clear link to the business strategy and shareholder

interest. Remuneration of the Executive Leadership Team consists of fixed and variable remuneration and is described below.

Executive Leadership Team's remuneration components



Fixed remuneration	Base salary	<ul style="list-style-type: none"> Recognises market value, the nature of the role in terms of scale, complexity and responsibility and the Executive Leadership Team members' experience, sustained performance and contribution Base salary is subject to an annual review by the Remuneration Committee and may be adjusted in the context of the individual member's long-term performance, relative positioning externally against peers and in consideration of internal colleagues
	Pension	<ul style="list-style-type: none"> 20% of base salary paid as defined contribution. If covered by section 48e and f of the Danish Tax Assessment Act, the pension contribution is paid as a 20% cash allowance No separate pension contribution for the CEO
	Benefits	<ul style="list-style-type: none"> Insurance (full time accident, group life insurance, critical illness) Company car, can be paid as a cash allowance upon request Paid mobile phone and broadband connection Paid newspaper subscriptions Home security Family health benefits
Variable remuneration	Short-term incentive	<ul style="list-style-type: none"> Rewards the achievement of annual company goals guided by the long-term business strategy A maximum of 30% of annual base salary may be earned Awarded once a year, based on KPI performance Upon settlement, 40% is paid in cash, with 60% shares being deferred over a five-year period and subject to backtesting Upon backtesting, deferred shares will start vesting and is subject to a one-year retention period before being free to trade Incentives are subject to clawback and good leaver/bad leaver conditions
	Long-term incentive	<ul style="list-style-type: none"> Rewards the achievement of performance relative to selected Nordic peers on total shareholder return 100% share-based 20% of annual base salary is granted in shares The shares vest over a period of three years. After three years, an award of 0-100% of the maximum is settled based on relative TSR (Total Shareholder Return) performance against Nordic peers Upon settlement, 40% is paid out, while 60% is deferred for five years from the grant date, subject to backtesting Upon backtesting, deferred shares will start vesting and is subject to a one-year retention period before being free to trade Incentives are subject to clawback and good leaver/bad leaver conditions
	Extraordinary payments	<ul style="list-style-type: none"> Sign-on fee, retention award etc. awarded in cash and/or shares
Notice periods		<ul style="list-style-type: none"> A minimum of nine months' notice from the ELT member, including the CEO (six months' notice from ELT members appointed after 1 January 2022) 18 months' notice from Danske Bank (12 months' notice from Danske Bank for ELT members appointed after 1 January 2022) No severance payment

Total remuneration for members of the Executive Leadership Team 2023

The table below shows a summary of the remuneration of the current and former members of the Executive Leadership Team for 2023 broken down by fixed and variable remuneration components.

Earned (DKK millions)	Fixed remuneration				Variable remuneration				Total	Ratio
	Base salary	Pension ¹	Benefits	Total fixed remuneration	Extra-ordinary payments	Cash	Shares	Total variable remuneration	Total remuneration	Fixed vs. variable
Executive Leadership Team (ELT)										
Carsten Rasch Egeriis Chief Executive Officer	14.50	0.00	0.90	15.41	0	1.38	3.20	4.58	19.99	77%/23%
Magnus Agustsson Chief Risk Officer	8.50	1.70	0.37	10.58	0	0.81	1.87	2.68	13.26	80%/20%
Joachim Alpen Head of Large Corporates & Institutions (joined the ELT on 1 August 2023)	3.75	0.75	0.09	4.59	18.00 ²	0.37	0.85	19.22	23.81	19%/81%
Christian Bornfeld Head of Personal Customers and FC Risk & Prevention	8.50	1.70	0.60	10.80	0	0.77	1.83	2.60	13.40	81%/19%
Karsten Breum Chief People Officer	7.00	1.40	0.41	8.82	0	0.65	1.51	2.16	10.98	80%/20%
Stephan Engels Chief Financial Officer	9.00	1.80	0.39	11.19	0	0.91	2.06	2.97	14.16	79%/21%
Johanna Norberg Head of Business Customers	6.50	1.30	0.53	8.33	0	0.66	1.51	2.17	10.50	79%/21%
Dorthe Tolborg Chief Compliance Officer (joined the ELT on 1 June 2023)	2.92	0.58	0.09	3.59	0	0.28	0.66	0.94	4.53	79%/21%
Frans Woelders Chief Operating Officer	8.50	1.70	0.33	10.53	0	0.77	1.83	2.60	13.13	80%/20%
Total earned	69.17	10.95	3.72	83.84	18.00	6.59	15.32	39.92	123.76	
Former ELT members while in service										
Berit Behring Head of Large Corporates & Institutions (resigned from the ELT on 31 July 2023)	4.96	0.99	0.11	6.06	0	0.52	1.02	1.54	7.60	80%/20%
Total earned	4.96	0.99	0.11	6.06	0	0.52	1.02	1.54	7.60	
Former ELT members in notice period ³										
Berit Behring Head of Large Corporates & Institutions (resigned from the ELT on 31 July 2023)	3.54	0.71	0.17	4.42	0	0.36	0.74	1.10	5.52	80%/20%
Total earned	3.54	0.71	0.17	4.42	0	0.36	0.74	1.10	5.52	

¹ Including pension amounts paid into pension scheme as well as paid out in cash for employees covered by section 48e and f of the Danish Tax Assessment Act.

² When taking up his position, Joachim Alpen received a sign-on fee in cash. Please refer to page 6 for further information.

³ Glenn Söderholm, former Head of Personal & Business Customers, who resigned in 2022 and was under notice in 2023, received DKK 10.66 million in fixed and variable remuneration in accordance with the contractual severance terms.

Please note that the categorisation of the remuneration components may differ from the Annual Report. The value of the LTI grant in the table above is the grant value of the award for the 2023-2025 performance period. This value is lower than the maximum possible award as it takes into account the range of potential outcomes, including 0% and 100%. It is based on

the expected value of the outcome of the TSR performance of Danske Bank against its Nordic peers. The basis of presentation used is different from the approach applied in the Annual Report where one third of the award granted is considered earned in each of the three performance years of the programme.



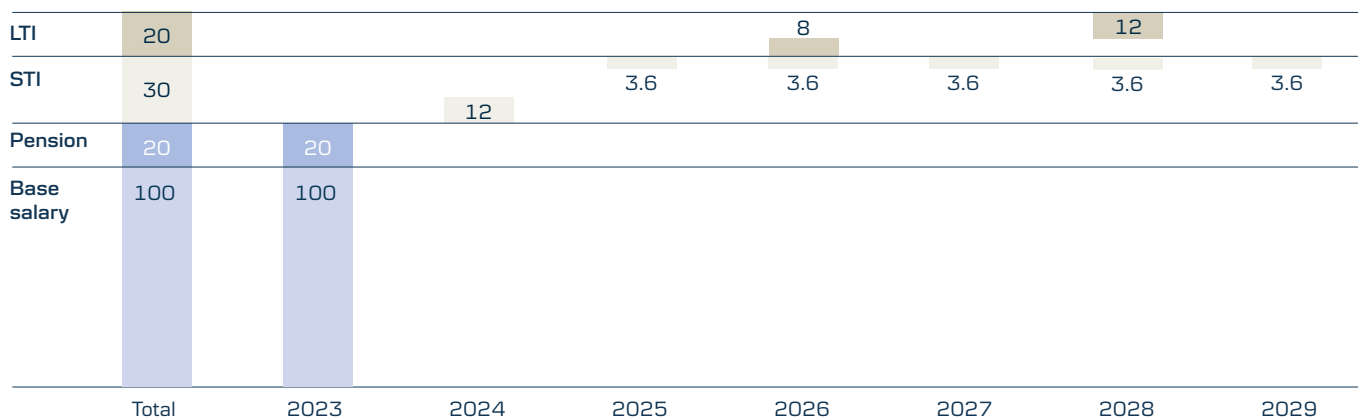
Variable remuneration

Variable remuneration consists of a balance of short-term and long-term incentives and is awarded in cash and/or as Danske Bank shares. The short-term incentive is structured to encourage members of the Executive Leadership Team to deliver on the bank's annual performance targets, whereas the long-term incentive links remuneration to the achievement of long-term shareholder value creation and supports the retention of the executives.

A significant portion of the short-term incentives (60%) is subject to deferral and will be subject to backtesting prior to possible vesting to ensure that the basis on which the award was granted remains proven.

The chart below provides a visual representation of the timing of award vesting to the Executive Leadership Team in respect of the 2023 performance year. For the variable pay awards, the maximum opportunity is shown.

Timing of payout for the remuneration components



Short-term incentives

The STI awards for members of the Executive Leadership Team are based on a balanced scorecard of performance measures, with targets set at the beginning of the performance year.

40% of the scorecard relates to Group performance, with targets common to all Executive Leadership Team members, with 40% reflecting business unit or functional responsibilities, and the remaining 20% is allocated to individual objectives. The CEO has an 80%/20% split between Group and individual performance metrics.

On an annual basis, the Remuneration Committee undertakes the exercise of ensuring that the annual STI measures are

aligned with the long-term ambitions and that annual targets are sufficiently challenging to achieve in the context of Danske Bank's strategy. As was the case in 2022, the Remuneration Committee ensures that the STI measures are closely aligned with our 2023 stakeholder ambitions and the Better Bank transformation plan.

Compared to 2022, the 2023 performance criteria include a slight increase in financial (40%) KPIs to underline the needed focus on profit generation and costs. As a consequence, non-financial (60%) measures have decreased. The Group CEO has a split of 40% financial KPIs and 60% non-financial KPIs.

Linking strategy to performance KPIs

Stakeholder segment	2023 ambitions	Selected KPIs	Weight	Targets
Customers	We want to be among the top two performers, on average, in customer satisfaction in everything we do.	Group and/or unit Customer Satisfaction	5%	The targets for 2023 are set according to our Better Bank 2023 ambitions. All targets are stretched and no incentive is earned until performance is close to target. Above target performance is achievable but challenging.
Employees	Our 2023 target is a Satisfaction & Motivation index score of 77 - taking us well on our way towards the aspiration to be a workplace where engagement is an integrated part of our culture, a natural part of our daily focus and how we work together.	Unit/Function Employee Engagement	5%	
		Group D&I	5%	
		Leadership, Purpose and Cultural Commitments	Included in individual KPIs	
Society	We will operate sustainably, ethically and transparently - and have a positive impact on society.	Group and Unit/Function Risk, Compliance & Audit	20%	
		Group Sustainability	5%	
Shareholders	8.5-9%* return on shareholders' equity, cost/income ratio in the mid-50s* and an unchanged dividend policy of 40-60%.	Group ROE	10%/20%	
		Unit ROAC	10%/0%	
		Group and unit total costs	20%	
	*Adjusted in connection with Q3 results 2021.			

At the end of the year, the KPIs are evaluated against the targets. Financial targets are measured against results audited by Danske Bank's external auditor. Non-financial targets, such as customer satisfaction in main markets, are, where necessary, validated by relevant parties. The measures relating to risk and compliance apply at the group and also at the business unit level. The targets are set and performance is evaluated by the Group's independent control functions. Sustainability is applied at the group level. The evaluation of this KPI is based on contributions and progress from across the business in relation to commercial and strategic sustainability objectives.

Assessment of the individual performance of each member of the Executive Leadership Team is considered and endorsed by the Remuneration Committee. The Remuneration Committee also considers and endorses the bonus amounts before the assessments and amounts are submitted for approval by the Board of Directors.

Performance measures and results for 2023 are presented on the next page.

CEO - STI KPI structure and assessment 2023

	KPIs	Weight	Year end assessment	Payout % of max bonus
Group 80%	ROE	20%	Above target	79.21%
	Total costs	20%	Above target	
	Risk & Compliance	20%	Above target	
	Sustainability	5%	Above target	
	D&I	5%	Above target	
	CSAT	5%	Below target	
	Employee engagement	5%	Below target	
Individual 20%	What/how	20%	Above target	

Heads of business units - STI KPI structure 2023

	KPIs	Weight	Year end assessment	Payout % of max bonus
Group 40%	ROE	10%	Above target	81.29%
	Total costs	10%	Above target	
	Risk & Compliance	10%	Above target	
	Sustainability	5%	Above target	
	D&I	5%	Above target	
Unit 40%	Total costs	10%	Above target	
	Roac after impairments	10%	Above target	
	Risk & Compliance	10%	Above target	
	Employee engagement	5%	Below target	
	CSAT	5%	Below target	
Individual 20%	What/how	20%	Above target	

Heads of staff functions - STI KPI structure 2023

	KPIs	Weight	Year end assessment	Payout % of max bonus
Group 55%	ROE	20%	Above target	79.37%
	Total costs	10%	Above target	
	Risk & Compliance	10%	Above target	
	Sustainability	5%	Above target	
	D&I	5%	Above target	
	CSAT	5%	Below target	
Unit 25%	Total costs	10%	Above target	
	Risk & Compliance	10%	Above target	
	Employee engagement	5%	Below target	
Individual 20%	What/how	20%	Above target	

Long-term incentives

The LTI is a share-based programme, the objective being to work alongside the annual STI to balance the incentives of the members of the Executive Leadership Team between the short- and long-term incentives and to align their interests with those of shareholders and other stakeholders.

The awards are granted subject to performance over a three-year period, with 40% of the award vesting after three years and the remainder after five years. As with all deferrals, the performance and conduct are backtested prior to vesting.

The performance criteria for the long-term incentive is the three-year Total Shareholder Return (TSR) performance relative to the following group of Nordic peers:

- DNB
- Handelsbanken
- Nordea
- SEB
- Swedbank
- Jyske Bank
- Sydbank

Relative TSR rank	1-2	3	4	5-8
% of LTI grant	100%	75%	37.5%	0%

The assessment of the 2021-2023 LTI showed that, relative to Nordic peers, the bank ranked number three when comparing the TSR from 2021-2023, resulting in 75% vesting of the original grant from 2021. The shares will start vesting in the first quarter of 2024 and will hence be disclosed in the Remuneration Report 2024.

In 2023, members of the ELT received grants as part of the 2023-2025 LTI programme. Grants will be settled and vest on the basis of the performance assessment at the end of the three-year performance period.

Summary of STI and LTI grants 2023

The following table shows the STI and LTI grants made for 2023. In accordance with regulatory requirements, the annual STI bonus is split between 40% cash and 60% deferred shares. The LTI consists of shares only. The maximum LTI award is 20% of the annual base salary. All share-based remuneration is subject to deferral and backtesting.

Grants awarded to the Executive Leadership Team

(DKK millions)	STI 2023				LTI 2023-2025		Total grant
	Cash	Shares	Total	Deferral (%)	Shares	Deferral (%)	
Executive Leadership Team (ELT)							
Carsten Rasch Egeriis Chief Executive Officer	1.38	2.07	3.45	60%	2.90	100%	6.35
Magnus Agustsson Chief Risk Officer	0.81	1.20	2.01	60%	1.70	100%	3.70
Joachim Alpen Head of Large Corporates & Institutions (joined the ELT on 1 August 2023)	0.37	0.56	0.93	60%	0.75	100%	1.68
Christian Bornfeld Head of Personal Customers and Financial Crime Risk & Prevention	0.78	1.16	1.94	60%	1.70	100%	3.64
Karsten Breum Chief People Officer	0.65	0.97	1.62	60%	1.40	100%	3.02
Stephan Engels Chief Financial Officer	0.91	1.36	2.27	60%	1.80	100%	4.07
Johanna Norberg Head of Business Customers	0.66	1.00	1.66	60%	1.30	100%	2.96
Dorthe Tolborg Chief Compliance Officer (joined the ELT on 1 June 2023)	0.28	0.43	0.71	60%	0.58	100%	1.29
Frans Woelders Chief Operating Officer	0.77	1.16	1.93	60%	1.70	100%	3.63
Former ELT members ¹							
Berit Behring Head of Large Corporates & Institutions	0.87	1.30	2.17	60%	1.70	100%	3.87

¹ Grants awarded to former executives who resigned in previous years: Glenn Söderholm, former Head of Personal & Business Customers: DKK 1.70 million.



Share-based remuneration and shareholding

As stated in Danske Bank's Remuneration Policy and in the light of the level of deferral applied and the shareholder alignment created through the LTI, it is not considered necessary for a minimum shareholder requirement for the Executive Leadership Team to be applied, except for the CEO. In order to ensure alignment of the CEO's and the Danske Bank Group's strategic goals and long-term objectives, the Group requires that

the CEO must own shares in the Group corresponding to a value of approximately DKK 2 million, subject to compliance with relevant legislation and the Group's policies. This requirement was met as of 31 December 2023. An overview of Danske Bank shares held by the Board of Directors and the Executive Leadership Team is provided in the annual report. The following table shows the outstanding share awards held by all members of the Executive Leadership Team.

Conditional shares held by the Executive Leadership Team

	Opening balance 01/01 2023	Granted 2023	Vested 2023	Forfeited or reduced 2023	Closing balance 31/12 2023	Date		Market value (DKK millions)		
						Issue	Vesting	At issue	End of year	At vesting/ release
Executive Leadership Team (ELT)										
Carsten Rasch Egeriis - Chief Executive Officer										
STI 2017	1,062	0	1,062	0	0	Apr/18	Mar/23	0.25	0.00	0.16
STI 2019	6,405	0	0	0	6,405	May/20	Mar/25	0.49	1.16	
STI 2020	7,817	0	0	0	7,817	Mar/21	Mar/26	0.94	1.41	
STI 2021 ⁵	2,483	0	2,483	0	0	Mar/22	Mar/23	0.28	0.00	0.35
	2,483	0	0	0	2,483	Mar/22	Mar/24	0.28	0.45	
	2,483	0	0	0	2,483	Mar/22	Mar/25	0.28	0.45	
	2,483	0	0	0	2,483	Mar/22	Mar/26	0.28	0.45	
	2,483	0	0	0	2,483	Mar/22	Mar/27	0.28	0.45	
STI 2022 ¹	0	1,523	0	0	1,523	Mar/23	Mar/24	0.22	0.27	
	0	1,523	0	0	1,523	Mar/23	Mar/25	0.22	0.27	
	0	1,523	0	0	1,523	Mar/23	Mar/26	0.22	0.27	
	0	1,523	0	0	1,523	Mar/23	Mar/27	0.22	0.27	
	0	1,523	0	0	1,523	Mar/23	Mar/28	0.22	0.27	
LTI 2020-2022	5,916	0	0	5,916	0	Jan/20	Mar/23	0.63	0.00	
	8,874	0	0	8,874	0	Jan/20	Mar/25	0.95	0.00	
	272	0	0	272	0	Jul/20	Mar/23	0.02	0.00	
	407	0	0	407	0	Jul/20	Jul/25	0.04	0.00	
LTI 2021-2023	6,754	0	0	0	6,754	Jan/21	Mar/24	0.68	1.22	
	10,132	0	0	0	10,132	Jan/21	Mar/26	1.02	1.83	
	2,536	0	0	0	2,536	Jul/21	Mar/24	0.31	0.46	
	3,805	0	0	0	3,805	Jul/21	Jul/26	0.46	0.69	
LTI 2022-2024	9,990	0	0	0	9,990	Jan/22	Mar/25	1.12	1.80	
	14,985	0	0	0	14,985	Jan/22	Mar/27	1.68	2.70	
LTI 2023-2025	0	8,458	0	0	8,458	Jan/23	Mar/26	1.16	1.53	
	0	12,688	0	0	12,688	Jan/23	Mar/28	1.74	2.29	
Total	91,370	28,761	3,545	15,469	101,117			14.00	18.24	
Magnus Agustsson - Chief Risk Officer										
STI 2021 ⁵	124	0	124	0	0	Mar.22	Mar.23	0.01	0.00	
	124	0	0	0	124	Mar.22	Mar.24	0.01	0.02	
	124	0	0	0	124	Mar.22	Mar.25	0.01	0.02	
	124	0	0	0	124	Mar.22	Mar.26	0.01	0.02	
	124	0	0	0	124	Mar.22	Mar.27	0.01	0.02	
STI 2022 ¹	0	817	0	0	817	Mar.23	Mar.24	0.12	0.15	
	0	817	0	0	817	Mar.23	Mar.25	0.12	0.15	
	0	817	0	0	817	Mar.23	Mar.26	0.12	0.15	
	0	817	0	0	817	Mar.23	Mar.27	0.12	0.15	
	0	817	0	0	817	Mar.23	Mar.28	0.12	0.15	
LTI 2021-2023	576	0	0	0	576	Nov.21	Mar.24	0.07	0.10	
	863	0	0	0	863	Nov.21	Nov.26	0.10	0.16	
LTI 2022-2024	5,351	0	0	0	5,351	Jan.22	Mar.25	0.60	0.97	
	8,027	0	0	0	8,027	Jan.22	Mar.27	0.90	1.45	
LTI 2023-2025	0	4,958	0	0	4,958	Jan.23	Mar.26	0.68	0.89	
	0	7,438	0	0	7,438	Jan.23	Mar.28	1.02	1.34	
Total	15,437	16,481	124	0	31,794			4.01	5.74	



Conditional shares held by the Executive Leadership Team

	Opening balance 01/01 2023	Granted 2023	Vested 2023	Forfeited or reduced 2023	Closing balance 31/12 2023	Date		Market value (DKK millions)		
						Issue	Vesting	At issue	End of year	At vesting/ release
Executive Leadership Team (ELT)										
Joachim Alpen – Head of Large Corporates & Institutions (joined the ELT on 1 August 2023)										
LTI 2023-2025	0	1,866	0	0	1,866	Aug.23	Mar.26	0.30	0.34	
	0	2,800	0	0	2,800	Aug.23	Aug.28	0.45	0.50	
Total	0	4,666	0	0	4,666			0.75	0.84	
Christian Bornfeld – Head of Personal Customers and FC Risk & Prevention										
STI 2022 ¹	0	375	0	0	375	Mar.23	Mar.24	0.05	0.07	
	0	375	0	0	375	Mar.23	Mar.25	0.05	0.07	
	0	375	0	0	375	Mar.23	Mar.26	0.05	0.07	
	0	375	0	0	375	Mar.23	Mar.27	0.05	0.07	
	0	375	0	0	375	Mar.23	Mar.28	0.05	0.07	
LTI 2022-2024	3,474	0	0	0	3,474	Jan.22	Mar.25	0.40	0.63	
	5,212	0	0	0	5,212	Jan.22	May.27	0.60	0.94	
LTI 2023-2025	0	4,958	0	0	4,958	Jan.23	Mar.26	0.68	0.89	
	0	7,438	0	0	7,438	Jan.23	Mar.28	1.02	1.34	
Total	8,686	14,271	0	0	22,957			2.97	4.14	
Karsten Breum – Chief People Officer										
MRT 2020 ²	2,077	0	0	0	2,077	Apr.21	Apr.25	0.25	0.37	
STI 2020	2,193	0	0	0	2,193	Apr.21	Mar.26	0.26	0.40	
STI 2021 ⁵	1,081	0	1,081	0	0	Mar.22	Mar.23	0.12	0.00	0.15
	1,081	0	0	0	1,081	Mar.22	Mar.24	0.12	0.20	
	1,081	0	0	0	1,081	Mar.22	Mar.25	0.12	0.20	
	1,081	0	0	0	1,081	Mar.22	Mar.26	0.12	0.20	
	1,081	0	0	0	1,081	Mar.22	Mar.27	0.12	0.20	
STI 2022 ¹	0	578	0	0	578	Mar.23	Mar.24	0.08	0.10	
	0	578	0	0	578	Mar.23	Mar.25	0.08	0.10	
	0	578	0	0	578	Mar.23	Mar.26	0.08	0.10	
	0	578	0	0	578	Mar.23	Mar.27	0.08	0.10	
	0	578	0	0	578	Mar.23	Mar.28	0.08	0.10	
LTI 2020-2022	1,384	0	0	1,384	0	Aug.20	Mar.23	0.18	0.00	
	2,752	0	0	2,752	0	Aug.20	Aug.25	0.27	0.00	
LTI 2021-2023	5,165	0	0	0	5,165	Jan.21	Mar.24	0.52	0.93	
	7,748	0	0	0	7,748	Jan.21	Mar.26	0.78	1.40	
LTI 2022-2024	4,995	0	0	0	4,995	Jan.22	Mar.25	0.56	0.90	
	7,492	0	0	0	7,492	Jan.22	Mar.27	0.84	1.35	
LTI 2023-2025	0	4,083	0	0	4,083	Jan.23	Mar.26	0.56	0.74	
	0	6,125	0	0	6,125	Jan.23	Mar.28	0.84	1.10	
Total	39,211	13,098	1,081	4,136	47,092			6.09	8.50	
Stephan Engels – Chief Finance Officer										
STI 2020	5,508	0	0	0	5,508	Mar.21	Mar.26	0.66	0.99	
STI 2021 ⁵	1,417	0	1,417	0	0	Mar.22	Mar.23	0.16	0.00	0.20
	1,417	0	0	0	1,417	Mar.22	Mar.24	0.16	0.26	
	1,417	0	0	0	1,417	Mar.22	Mar.25	0.16	0.26	
	1,417	0	0	0	1,417	Mar.22	Mar.26	0.16	0.26	
	1,417	0	0	0	1,417	Mar.22	Mar.27	0.16	0.26	
STI 2022 ¹	0	1,032	0	0	1,032	Mar.23	Mar.24	0.15	0.19	
	0	1,032	0	0	1,032	Mar.23	Mar.25	0.15	0.19	
	0	1,032	0	0	1,032	Mar.23	Mar.26	0.15	0.19	
	0	1,032	0	0	1,032	Mar.23	Mar.27	0.15	0.19	
	0	1,032	0	0	1,032	Mar.23	Mar.28	0.15	0.19	
LTI 2020-2022	6,834	0	0	6,834	0	Jan.20	Mar.23	0.51	0.00	
	10,253	0	0	10,253	0	Jan.20	Mar.25	0.76	0.00	
LTI 2021-2023	6,754	0	0	0	6,754	Jan.21	Mar.24	0.68	1.22	
	10,132	0	0	0	10,132	Jan.21	Mar.26	1.02	1.83	
LTI 2022-2024	6,065	0	0	0	6,065	Jan.22	Mar.25	0.68	1.09	
	9,098	0	0	0	9,098	Jan.22	Mar.27	1.02	1.64	
LTI 2023-2025	0	5,250	0	0	5,250	Jan.23	Mar.26	0.72	0.95	
	0	7,875	0	0	7,875	Jan.23	Mar.28	1.08	1.42	
Total	61,729	18,285	1,417	17,087	61,510			8.68	11.10	

Conditional shares held by the Executive Leadership Team

	Opening balance 01/01 2023	Granted 2023	Vested 2023	Forfeited or reduced 2023	Closing balance 31/12 2023	Date		Market value (DKK millions)		
						Issue	Vesting	At issue	End of year	At vesting/ release
Executive Leadership Team (ELT)										
Johanna Norberg - Head of Business Customers										
MRT 2019 ²	2,922	0	2,922	0	0	May.20	May.23	0.22	0.00	0.47
MRT 2020 ²	2,741	0	0	0	2,741	Mar.21	Apr.25	0.33	0.49	
MRT 2021 ²	914	0	914	0	0	Mar.22	Apr.23	0.10	0.00	0.15
	914	0	0	0	914	Mar.22	Apr.24	0.10	0.16	
	914	0	0	0	914	Mar.22	Apr.25	0.10	0.16	
	914	0	0	0	914	Mar.22	Apr.26	0.10	0.16	
CLT 2022 ³	7,136	0	0	0	7,136	Jan.22	Mar.24	0.80	1.29	
	10,703	0	0	0	10,703	Jan.22	Mar.26	1.20	1.93	
STI 2022 ¹	0	418	0	0	418	Mar.23	Mar.24	0.06	0.08	
	0	418	0	0	418	Mar.23	Mar.25	0.06	0.08	
	0	418	0	0	418	Mar.23	Mar.26	0.06	0.08	
	0	418	0	0	418	Mar.23	Mar.27	0.06	0.08	
	0	418	0	0	418	Mar.23	Mar.28	0.06	0.08	
MRT 2022 ¹	0	0	549	0	0	Mar.23	Mar.23	0.08	0.00	0.09
	0	206	0	0	206	Mar.23	Mar.24	0.03	0.04	
	0	206	0	0	206	Mar.23	Mar.25	0.03	0.04	
	0	206	0	0	206	Mar.23	Mar.26	0.03	0.04	
	0	206	0	0	206	Mar.23	Mar.27	0.03	0.04	
LTI 2022-2024	3,011	0	0	0	3,011	Jan.22	Mar.25	0.35	0.54	
	4,517	0	0	0	4,517	Jan.22	May.27	0.52	0.81	
LTI 2023-2025	0	3,792	0	0	3,792	Jan.23	Mar.26	0.52	0.68	
	0	5,687	0	0	5,687	Jan.23	Mar.28	0.78	1.03	
Total	34,686	12,393	4,385	0	43,243			5.63	7.80	
Dorthe Tolborg - Chief Compliance Officer (joined the ELT on 1 June 2023)										
LTI 2023-2025	0	1,629	0	0	1,629	Jun.23	Mar.26	0.23	0.29	
	0	2,444	0	0	2,444	Jun.23	Jun.28	0.35	0.44	
Total	0	4,073	0	0	4,073			0.58	0.73	
Frans Woelders - Chief Operating Officer										
STI 2020	5,312	0	0	0	5,312	Apr.21	Mar.26	0.64	0.96	
STI 2021 ⁵	1,370	0	1,370	0	0	Mar.22	Mar.23	0.16	0.00	0.20
	1,370	0	0	0	1,370	Mar.22	Mar.24	0.16	0.25	
	1,370	0	0	0	1,370	Mar.22	Mar.25	0.16	0.25	
	1,370	0	0	0	1,370	Mar.22	Mar.26	0.16	0.25	
	1,370	0	0	0	1,370	Mar.22	Mar.27	0.16	0.25	
STI 2022 ¹	0	631	0	0	631	Mar.23	Mar.24	0.09	0.11	
	0	631	0	0	631	Mar.23	Mar.25	0.09	0.11	
	0	631	0	0	631	Mar.23	Mar.26	0.09	0.11	
	0	631	0	0	631	Mar.23	Mar.27	0.09	0.11	
	0	631	0	0	631	Mar.23	Mar.28	0.09	0.11	
LTI 2020-2022	6,015	0	0	6,015	0	Mar.20	Mar.23	0.47	0.00	
	9,024	0	0	9,024	0	Mar.20	Mar.25	0.71	0.00	
LTI 2021-2023	5,960	0	0	0	5,960	Jan.21	Mar.24	0.60	1.08	
	8,940	0	0	0	8,940	Jan.21	Mar.26	0.90	1.61	
LTI 2022-2024	6,065	0	0	0	6,065	Jan.22	Mar.25	0.68	1.09	
	9,098	0	0	0	9,098	Jan.22	Mar.27	1.02	1.64	
LTI 2023-2025	0	4,958	0	0	4,958	Jan.23	Mar.26	0.68	0.89	
	0	7,438	0	0	7,438	Jan.23	Mar.28	1.02	1.34	
Total	57,264	15,551	1,370	15,039	56,406			7.95	10.18	

Conditional shares held by the Executive Leadership Team

	Opening balance 01/01 2023	Granted 2023	Vested 2023	Forfeited or reduced 2023	Closing balance 31/12 2023	Date		Market value (DKK millions)		
						Issue	Vesting	At issue	End of year	At vesting/ release
Former ELT members ⁴										
Berit Behring - Head of Large Corporates & Institutions (resigned from the ELT on 31 July)										
MRT 2019 ²	2,018	0	2,018	0	0	May.20	May.23	0.15	0.00	0.33
STI 2019	1,784	0	0	0	1,784	May.20	Mar.25	0.14	0.32	
STI 2020	6,449	0	0	0	6,449	Apr.21	Mar.26	0.78	1.16	
STI 2021 ⁵	1,243	0	1,243	0	0	Mar.22	Mar.23	0.14	0.00	0.18
	1,243	0	0	0	1,243	Mar.22	Mar.24	0.14	0.22	
	1,243	0	0	0	1,243	Mar.22	Mar.25	0.14	0.22	
	1,243	0	0	0	1,243	Mar.22	Mar.26	0.14	0.22	
	1,243	0	0	0	1,243	Mar.22	Mar.27	0.14	0.22	
STI 2022	0	670	0	0	670	Mar.23	Mar.24	0.09	0.12	
	0	670	0	0	670	Mar.23	Mar.25	0.09	0.12	
	0	670	0	0	670	Mar.23	Mar.26	0.09	0.12	
	0	670	0	0	670	Mar.23	Mar.27	0.09	0.12	
	0	670	0	0	670	Mar.23	Mar.28	0.09	0.12	
LTI 2020-2022	4,868	0	0	4,868	0	Jan.20	Mar.23	0.52	0.00	
	7,301	0	0	7,301	0	Jan.20	Mar.25	0.78	0.00	
LTI 2021-2023	5,960	0	0	0	5,960	Jan.21	Mar.24	0.60	1.08	
	8,940	0	0	0	8,940	Jan.21	Mar.26	0.90	1.61	
LTI 2022-2024	6,065	0	0	0	6,065	Jan.22	Mar.25	0.68	1.09	
	9,098	0	0	0	9,098	Jan.22	Mar.27	1.02	1.64	
LTI 2023-2025	0	4,958	0	0	4,958	Jan.23	Mar.26	0.68	0.89	
	0	7,437	0	0	7,437	Jan.23	Mar.28	1.02	1.34	
Total	58,698	15,745	3,261	12,169	59,013			8.46	10.65	

¹ The deferred shares from STI 2022 were granted in the spring of 2023. Hence the opening balance for 2023 is 0.

The STI 2022 actual bonus amount earned in the performance year 2022 and awarded in January 2023 is not included in the other remuneration tables as it relates to 2022.

² Shares granted for performance years as material risk taker not a member of the ELT.

³ Shares granted for performance years as the member of the Commercial Leadership Team is not a member of the ELT.

⁴ Conditional shareholdings as of end of the year for executives who resigned in previous years and were still under notice in 2023: Glenn Söderholm, former Head of Personal & Business Customers: 64,059 shares (fair market value end of year DKK 9.67 million)

⁵ Vesting date is updated from 2024-2028 to 2023-2027 based on contractual terms.

Backtesting and clawback

In accordance with Danske Bank's Remuneration Policy, in respect of a member of the Executive Leadership Team, Danske Bank may decide to reduce deferred variable remuneration after backtesting and/or clawback already paid variable remuneration.

Deferred variable remuneration may be reduced after backtesting based on an assessment of the sustainability of the results on the basis of which the variable remuneration was paid, the financial situation of Danske Bank and the conduct of the member of the Executive Leadership Team. The process includes a review of financial performance at the group and business unit levels as well as an assessment of individual KPIs and takes place once a year.

The outcome of the 2023 backtesting process resulted in no reductions of variable remuneration.

Already paid variable remuneration is subject to clawback if it was granted on the basis of incorrect data and the member of the Executive Leadership Team knew or should have known about it. The process is a case-by-case consideration of the member of the Executive Leadership Team's accountability for, or involvement in, activities leading to a revised and reduced performance score.

The total clawback for 2023 was zero.



Development in remuneration

The development in the remuneration of the Board of Directors and the Executive Leadership Team over the past four and five financial years is summarised in the table below. For the purposes of easy comparison, the figures have been

annualised. The remuneration of the Board of Directors was unchanged between 2019 and 2020 and is therefore not included.

Development in remuneration of the Executive Leadership – annualised

Earned remuneration ² (DKK millions)	2023			Change 2022/2023			Change 2021/2022			Change 2020/2021			Change 2019/2020		
	Fixed	Variable ¹	Total	Fixed	Variable ¹	Total	Fixed	Variable ¹	Total	Fixed	Variable ¹	Total	Fixed	Variable ¹	Total
Executive Leadership Team (ELT)															
Carsten Rasch Egeriis Chief Executive Officer	15.41	4.58	19.99	4%	58%	13%	0%	-30%	-6%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Magnus Agustsson Chief Risk Officer	10.58	2.68	13.26	13%	73%	22%	1%	-11%	-1%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Joachim Alpen Head of Large Corporates & Institutions (joined the ELT on 1 August 2023)	11.01	2.92	13.93	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Christian Bornfeld Head of Personal Customers and Financial Crime Risk & Prevention	10.80	2.60	13.40	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Karsten Breum Chief People Officer	8.82	2.16	10.98	2%	75%	11%	8%	-24%	2%	1%	-15%	-2%	n.a.	n.a.	n.a.
Stephan Engels Chief Financial Officer	11.19	2.97	14.16	7%	58%	15%	0%	-11%	-2%	0%	-5%	-1%	n.a.	n.a.	n.a.
Johanna Norberg Head of Business Customers	8.33	2.17	10.50	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dorthe Tolborg Chief Compliance Officer (joined the ELT on 1 June 2023)	6.16	1.60	7.76	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Frans Woelders Chief Operating Officer	10.53	2.60	13.13	1%	85%	11%	13%	-29%	6%	0%	-2%	-1%	n.a.	n.a.	n.a.
Former ELT members															
Berit Behring Head of Large Corporates & Institutions (resigned from the ELT on 31 July 2023)	10.49	2.62	13.11	1%	80%	11%	10%	-22%	5%	8%	-1%	6%	5%	38%	10%
Performance indicator ³															
Group return on equity (%)			12.70			n.a.			n.a.			192%			-73%
Net profit (DKK millions)			21,262			n.a.			n.a.			182%			-70%
Average remuneration of FTEs															
Employees at Danske Bank A/S			0.73			6%			0%			1%			5%

¹ Extraordinary variable remuneration has been excluded to enable comparison (sign-on fees, relocation).

² For executives who have not been a member of the ELT for full year, compensation has been annualised to enable comparison. Rounding discrepancies may occur because totals have been rounded off and the underlying decimals are not presented.

³ Change in net profit and ROE from 2022 to 2023 and 2021 to 2022 is not calculated due to transfer between positive and negative values.



Development in remuneration of the Board of Directors - annualised

Earned remuneration (DKK thousands)	2023		Change 2022/2023		Change 2021/2022		Change 2020/2021	
	Fixed	Total	Fixed	Total	Fixed	Total	Fixed	Total
Board of Directors (BoD)								
Martin Blessing Chairman	3,355	3,355	0%	0%	n.a.	n.a.	n.a.	n.a.
Jan Thorsgaard Nielsen Vice Chairman	1,870	1,870	1%	1%	2%	2%	45%	45%
Lars Erik Brenøe Board member	1,265	1,265	2%	2%	7%	7%	38%	38%
Jacob Dahl Board member	1,010	1,010	15%	15%	n.a.	n.a.	n.a.	n.a.
Raija-Leena Hankonen Board member	1,100	1,100	-3%	-3%	-7%	-7%	44%	44%
Allan Polack Board member	1,088	1,088	4%	4%	n.a.	n.a.	n.a.	n.a.
Carol Sergeant Board member	1,320	1,320	0%	0%	n.a.	n.a.	n.a.	n.a.
Helle Valentin Board member	825	825	0%	0%	n.a.	n.a.	n.a.	n.a.
Bente Bang Board member	825	825	4%	4%	20%	20%	23%	23%
Kirsten Ebbe Brich Board member	880	880	0%	0%	0%	0%	22%	22%
Aleksandras Cicasovas Board member	660	660	0%	0%	n.a.	n.a.	n.a.	n.a.
Louise Aggerstrøm Hansen Board member	834	834	26%	26%	n.a.	n.a.	n.a.	n.a.
Former BoD members								
Bente Avnung Landsnes Board member (until 16 March 2023)	880	880	-4%	-4%	-12%	-12%	24%	24%

Risk impact of remuneration

The primary risk related to Danske Bank's remuneration is linked to variable remuneration. Danske Bank has implemented different mechanisms to ensure that variable remuneration does not incentivise excessive risk taking.

Firstly, for the Executive Leadership Team, Danske Bank has initiated a balanced distribution between fixed and variable remuneration, with a maximum combined cap of STI and LTI equaling 50% of base salary. The variable portion therefore represents less than one third of total remuneration, including base salary, pension, STI and LTI.

Certain employee segments of Danske Bank's capital market and asset management units have a higher cap on short-term incentives. Hence, employees in these segments are monitored closely in regard to business activities and restricted by other risk-limiting vehicles, that is using performance on risk-related KPIs for bonus accrual.

Secondly, Danske Bank has initiated a split disbursement of variable pay if the annual payout exceeds a certain threshold, as specified in the Remuneration Policy. Amounts in excess of the threshold are split equally between cash and conditional shares, with the shares being subject to a deferral and retention period of a minimum of three years.

Disbursement practice for material risk takers, including members of the Executive Leadership Team, includes a relatively higher proportion of conditional shares due to regulatory requirements. Thus, the split into cash and conditional shares is applied to the full bonus disbursement. For members of the Executive Leadership Team, 60% of disbursed short-term incentives is paid in the form of conditional shares.

Thirdly, Danske Bank has implemented deferral of variable remuneration for material risk takers, including members of the Executive Leadership Team, to encourage sustainable and long-term value creation. STI awards (cash and conditional shares) granted in one year is divided into a part paid initially and a part deferred for a period of four years (five years for members of the Executive Leadership Team).

The deferred remuneration is subject to backtesting before disbursement, that is the deferred remuneration is disbursed only to the extent to which the criteria for the original granting are still met, and at the same time provided the financial situation of Danske Bank has not deteriorated materially. Hence, the disbursement may lapse in part or in full. Deferred conditional shares are restricted from transactions for a period of six months after disbursement (12 months for members of the Executive Leadership Team).

Already paid variable remuneration is subject to clawback if it was granted on the basis of incorrect data and the member of the Executive Leadership Team knew or should have known about it. The process is a case-by-case consideration of the member of the Executive Leadership Team's accountability for or involvement in activities leading to a revised and reduced performance score.

Once a year, incentive programmes are assessed internally to ensure the appropriateness of the programmes and to continually monitor whether any programmes can lead to excessive risk taking.

Basis of preparation

The Remuneration Report has been prepared in accordance with section 139b of the Danish Companies Act implementing the requirements of Directive (EU) 2017/828 (SRD II).

Further, this Remuneration Report will be submitted for an advisory vote at the annual general meeting to be held on 21 March 2024.

Advisory vote on Remuneration Report 2022

On 16 March 2023, at the annual general meeting, Remuneration Report 2022 was submitted to the shareholders for an advisory vote.

The result of the advisory vote was that Remuneration Report 2022 was adopted with 97.43% of the votes in favour of the proposal, while 2.57% of the votes were against the proposal. The proposal was therefore adopted. At the annual general meeting, there were no comments or questions in regard to Remuneration Report 2022.

Statement by the Board of Directors

The Board of Directors has today considered and approved the Remuneration Report of Danske Bank A/S for the financial year 1 January 2023 to 31 December 2023.

Remuneration Report 2023 has been prepared in accordance with section 139b of the Danish Companies Act.

In our opinion, Remuneration Report 2023 is in accordance with the Remuneration Policy adopted at the annual general meeting and is free from material misstatement and omissions, whether due to fraud or error.

Remuneration Report 2023 will be submitted for an advisory vote at the annual general meeting.

Copenhagen, 2 February 2024

Board of Directors

Martin Blessing
Chairman

Jan Thorsgaard Nielsen
Vice Chairman

Carol Sergeant

Lars-Erik Brenøe

Jacob Dahl

Raija-Leena Hankonen-Nybom

Allan Polack

Helle Valentin

Bente Bang

Kirsten Ebbe Brich

Aleksandras Cicasovas

Louise Aggerstrøm Hansen

Independent auditor's report

To the shareholders of Danske Bank A/S

We have examined whether the Remuneration Report for Danske Bank A/S for the financial year 1 January 2023 to 31 December 2023 contains the information required by section 139b(3) of the Danish Companies Act and whether the information provided on remuneration, the number of shares granted, the number of conditional shares held and company performance in the Remuneration Report's tables is accurate and complete.

We express an opinion providing reasonable assurance.

The Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the Remuneration Report in accordance with section 139b(3) of the Danish Companies Act and the Remuneration Policy adopted at the annual general meeting.

Further, the Board of Directors is responsible for the internal control that the Board of Directors considers necessary to prepare the Remuneration Report without material misstatement and omissions, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the Remuneration Report based on our examinations.

We performed our work in accordance with ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and additional requirements under Danish audit regulation to obtain reasonable assurance about our conclusion.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the requirements of independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct and ethical requirements applicable in Denmark.

As part of our examinations, we performed the following procedures:

- We checked whether, to the extent relevant, the Remuneration Report contains the information required pursuant to section 139b(3), paragraphs 1-6, of the Danish Companies Act regarding the remuneration of each member of the Executive Leadership Team and the Board of Directors.
- We verified that the information on remuneration provided in the Remuneration Report's tables is in accordance with the Remuneration Policy, reporting practice for the Remuneration Report, agreements entered into, actual grants awarded, pay-outs, vested amounts and other underlying documentation, including determination of the fair value of granted and vested share-based remuneration of the Executive Leadership Team, which we have reconciled with the undertaking's calculations and registrations hereof.
- We reconciled the key figures and ratios disclosed in the Remuneration Report with financial highlights disclosed in the annual report for the financial year and other relevant financial information provided in the annual report for the financial year, and we recalculated, on a sample basis, the average remuneration based on full-time equivalents of employees other than members of the Executive Leadership Team.
- We examined Management's process for collecting, summarising and presenting information on the remuneration of the Executive Leadership Team and the Board of Directors and reconciled, on a sample basis, the information provided with agreements signed and actual payments made.
- We examined Management's process for collecting, summarising and presenting information on conditional shares held by the Executive Leadership Team and checked, on a sample basis, the information provided with the undertaking's registrations hereof.
- We examined the completeness of information provided on remuneration in the Remuneration Report of each member of the Executive Leadership Team and the Board of Directors by comparing information on salary and employment conditions in the service agreements signed with the Remuneration Policy and the information provided in the Remuneration Report.

We believe that the procedures performed provide a sufficient basis for our opinion.

Opinion

In our opinion the Remuneration Report contains, in all material respects, the information required by section 139b(3) of the Danish Companies Act and the information provided on remuneration, number of shares granted, conditional shares held, and company performance in the Remuneration Report's tables is accurate and complete.

Copenhagen, 2 February 2024

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56

Kasper Bruhn Udam

State-Authorised Public Accountant
MNE No. 29421

Jakob Lindberg

State-Authorised Public Accountant
MNE No. 40824

