

Rules of Procedure of the Executive Leadership Team

Danske Bank A/S

CVR no. 61 12 62 28

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These rules of procedure (Rules of Procedure) for the executive leadership team of Danske Bank (Executive Leadership Team) have been drafted with reference to the Danish Companies Act, the Danish Financial Business Act, Article 19.1 of the Articles of Association of Danske Bank and the European Banking Authority's Guidelines on internal governance.

1. Appointment of the Executive Leadership Team

- 1.1 The Board of Directors shall appoint members of the Executive Leadership Team. The Executive Leadership Team shall consist of two to twelve members.
- 1.2 Members of the Executive Leadership Team shall be registered as such with the Danish Business Authority (*in Danish*: "Erhvervsstyrelsen").
- 1.3 The Executive Leadership Team is chaired by the Chief Executive Officer who is appointed by the Board of Directors.

2 Members of the Executive Leadership Team

- 2.1 The members of the Executive Leadership Team must be individually and collectively assessed as being suitable for their position and being able to fulfil their duties. The members of the Executive Leadership Team shall at all times comply with the fit and proper requirements. Any member of the Executive Leadership Team shall be found to meet the fit and proper requirements by the competent authority and shall promptly notify the Chairman of the Board of Directors of any event or circumstance which may have as a consequence that the member in question is no longer deemed to be fit and proper.
- 2.2 Each member of the Executive Leadership Team must undergo an in-depth assessment prior to their appointment, which will assess (i) their professional standing and repute, (ii) their professional knowledge, skills and experience, (iii) their personal qualities such as honesty, integrity and independence, and (iv) whether they are able to commit sufficient time to perform their duties. The suitability assessment will be carried out in accordance the Suitability Policy.
- 2.3 The Chief Executive Officer shall ensure that a comprehensive introduction and learning programme is available for new members of the Executive Leadership Team.
- 2.4 The terms of employment of each member of the Executive Leadership Team are detailed in their individual service agreements.

3. Meetings of the Executive Leadership Team

- 3.1 The Executive Leadership Team shall meet frequently and normally at least twice a month, and otherwise as requested by the Chief Executive Officer or another member of the Executive Leadership Team. The language spoken at the meetings of the Executive Leadership Team and used in documents and correspondence in relation to the meetings of the Executive Leadership Team shall be English.
- 3.2. The Company Secretariat shall assist the Chief Executive Officer and the Executive Leadership Team in carrying out their tasks and duties.
- 3.3 Agenda and material
 - 3.3.1 The agenda of the Executive Leadership Team shall include the items agreed in the work schedule, which is reviewed on a quarterly basis to ensure an adequate balance of strategic, operational and people items as well as due attention to and compliance with applicable legislation in the discussions and decision making processes.
 - 3.3.2 Material shall be forwarded to the members of the Executive Leadership Team and the Chief Audit Executive no later than 3 calendar days before the meeting, unless the material relates to matters requiring expedient decisions in which case the relevant material may be forwarded with a shorter notice.
 - 3.3.3 It is the responsibility of each Executive Leadership Team member to ensure the quality of the material in accordance with the requirements set out in the guidelines for Board Committee and Board of Directors' meetings and the Executive Leadership Team's guidelines for pre-read material and presentations and, where relevant, the accompanying template cover letter.

- 3.4 Minutes
- 3.4.1 The Company Secretariat shall prepare minutes on businesses transacted at the meetings, which accurately reflect the discussions and decisions at said meetings.
- 3.4.2 Minutes of the meetings of the Executive Leadership Team shall (as a minimum) state:
- (i) Names of the participants and absentees, date and place and information on whether any member of the Executive Leadership Team excused itself from any agenda item due to a conflict of interest, see Clause 8 of these Rules of Procedure and relevant, applicable law, and
 - (ii) the agenda, a summary of the pre-read material and exhibits, a reasonably detailed summary of the discussions regarding and the resolutions passed for each item on the agenda, including a description of any material risk assessments, any potential compliance issues, the need to or expedience of escalating a decision to the Board of Directors or notifying the Board of Directors of any particular matter, and/or key assumptions on which the resolutions were passed.
- 3.4.3 The Company Secretariat shall record actions agreed at meetings in the minutes and shall draw up a list to ensure diligent follow-up.
- 3.5 Meetings
- 3.5.1 The Chief Executive Officer chairs the meetings of the Executive Leadership Team and makes decisions in relation to any management issues at such meetings. In the event of doubt or disagreement which cannot be resolved among the members of the Executive Leadership Team relating to any issue which a member of the Executive Leadership Team finds significant, such issue shall be submitted to the Chairman of the Board of Directors, who shall decide on the matter. Any member of the Executive Leadership Team who has concerns in relation to or does not agree with a resolution passed by the Executive Leadership Team shall be entitled to have his/her view and objections entered into the minute book.
- 3.5.2 Meetings of the Executive Leadership Team may be held in writing and/or by electronic means, if deemed appropriate or necessary considering the duties of the Executive Leadership Team and the matters that are subject to discussion. However, any member of the Executive Leadership Team shall always be entitled to request that an oral discussion takes place.
- 3.5.3 Resolutions by the Executive Leadership Team may be adopted through a special, safe forum on the internet or another electronic media or device which has been pre-approved by the Executive Leadership Team for such purpose. The use of the internet or other electronic media or device shall generally require the resolutions or agenda items to be (i) straightforward and routine matters which do not require a new decision of principle by the Executive Leadership Team or impose material risks on Danske Bank, (ii) matters extensively discussed by the Executive Leadership Team in a physical meeting in the recent past without significant developments, or (iii) urgent matters which cannot be postponed without detrimental effects for Danske Bank.
- 3.5.4 Resolutions made pursuant to Clause 3.5.3. shall be recorded in the minute book.
- 3.5.5 Unless other requirements are stipulated in applicable law, Danske Bank's Articles of Association or these Rules of Procedure, resolutions pursuant to Clause 3.5.3. are passed if, by the reasonable set deadline for voting or when all members have cast their vote, at least half of the members of the Executive Leadership Team votes in favour, subject to the Chief Executive Officer voting in favour and no member of the Executive Leadership Team voting no. The Chief Executive Officer may decide that the vote(s) in favour from one or more members of the Executive Leadership Team is/are required. Any member of the Executive Leadership Team shall always be entitled to request that an oral discussion takes place.
- 4. Tasks and responsibilities of the Executive Leadership Team**
- 4.1. Role
- 4.1.1 Each member of the Executive Leadership Team shall be fully aware of the structure and responsibilities of the Executive Leadership Team and the division of tasks between different functions of the Executive Leadership Team and its Committees.
- 4.1.2 The Chief Executive Officer shall, together with the Chairman of the Board of Directors, clearly describe the area of responsibility of each Executive Leadership Team Member and the duties and obligations that come with it. The description shall be approved by the Board of Directors and the Chief Executive Officer and acknowledged by the Executive Leadership Team member.

- 4.1.3 Each member of the Executive Leadership Team shall be responsible for the area of responsibility assigned to said member. Any decision of material importance to the operations of Danske Bank shall, however, be made in consultation with the Chief Executive Officer and, if relevant, the other members of the Executive Leadership Team.
- 4.1.4 The Executive Leadership Team shall to the greatest extent possible ensure a transparent, diligent decision process for decision-making in Danske Bank and the Executive Leadership Team giving sufficient attention to compliance with applicable legislation and the best possible coordination of all of Danske Bank's interests. The decision process of the Executive Leadership Team shall be efficient.
- 4.1.5 Under the supervision of the Chief Executive Officer, members of the Executive Leadership Team shall each within their area of responsibility be responsible for the necessary measures to be implemented by the Executive Leadership Team in accordance with Danske Bank's Articles of Association, the Rules of Procedure of the Board of Directors, these Rules of Procedure or any specific decision by the Board of Directors and applicable legislation.
- 4.2 The day-to-day management
- 4.2.1 The Executive Leadership Team is responsible for the day-to-day management of Danske Bank and the overall operation of Danske Bank in accordance with the business model, strategy plan, policies and guidelines established by the Board of Directors from time to time and applicable legislation. The Executive Leadership Team defines, oversees, and is accountable for the implementation of effective and prudent management of Danske Bank and has ultimate and overall responsibility for the day-to-day management of Danske Bank. However a special responsibility is conferred upon each member of the Executive Leadership Team in relation to the area of responsibility which is assigned to the specific member as per instruction from the Board of Directors. Moreover, tasks shall be assigned between the members of the Executive Leadership Team by the Chief Executive Officer.
- 4.2.2 The Executive Leadership Team is authorised to make decisions in all matters pertaining to the day-to-day management of Danske Bank, however with the exception of any matter which in accordance with these Rules of Procedure and applicable legislation is subject to the authority of the Board of Directors or if the Executive Leadership Team has decided to refer a matter to the Board of Directors.
- 4.2.3 Any matter or business decision which, considering the size and affairs of Danske Bank, are of an extraordinary nature or of great significance to Danske Bank shall always be submitted to the Board of Directors. The Executive Leadership Team shall submit such matters or decisions to the Chairman, who resolves whether the matter or decision in question shall be submitted to the Board of Directors.
- 4.2.4 In the event of any urgent matter which cannot await the decision of the Board of Directors without such delay having detrimental effects for Danske Bank, a member of the Executive Leadership Team together with either the Chairman or a Vice-Chairman of the Board of Directors shall be allowed to make decisions in matters which would normally be subject to the authority of the Board of Directors. Any such decisions or approvals shall be submitted in writing to all members of the Board of Directors for information without undue delay.
- 4.2.5 The Executive Leadership Team shall be responsible for executing and implementing the decisions of the Board of Directors.
- 4.2.6 The Executive Leadership Team shall be responsible for the implementation of the strategies set out by the Board of Directors and shall regularly discuss the implementation and appropriateness of the strategies with the Board of Directors.
- 4.2.7 The Executive Leadership Team shall be responsible for the monitoring of trends in the market situation and position of Danske Bank and shall on the basis thereof propose amendments to the Board of Directors to the overall business model, risk profile and the strategy plan including financial targets for Danske Bank's activities, cf. Clause 4.4.1, when deemed advisable or necessary.
- 4.3 Legal, organisational and operational structure
- 4.3.1 The Executive Leadership Team shall ensure effective, prudent, and transparent organisational and operational structure of Danske Bank and shall have a written description of it. This is inter alia ensuring effective lines of communication and reporting as well as a separation and clear roles and responsibilities between the three lines of defence.
- 4.3.2 The Executive Leadership Team shall fully know and understand the legal, organisational and operational structure of Danske Bank and ensuring that it is line with the approved business and risk

- strategy and risk appetite and that the internal control functions are appropriately involved when changing the structure. Such structures shall be approved and maintained only when their purpose has been clearly defined and understood, and when the Executive Leadership Team is satisfied that all material risks, including reputational risks, have been identified, that all risks can be managed effectively and appropriately reported, and that effective oversight has been ensured.
- 4.3.3 The Executive Leadership Team shall establish a governance structure of Danske Bank that contributes to the effective supervision of Danske Bank and each entity of the Group and ensure that the nature, scale and complexity of the risks such Group entities are subject to are recognised and reported.
- 4.3.4 The Executive Leadership Team shall prepare and, at all times, maintain an organisation chart for Danske Bank, which shall show all relevant business areas and staff functions of Danske Bank. The Executive Leadership Team shall submit the organisation chart shall to the Board of Directors for approval. Any significant changes to the organisational structure or business areas of Danske Bank are subject to the prior approval of the Board of Directors. Employment of all staff members reporting directly to the Chief Executive Officer shall require prior consultation with the Chairman of the Board of Directors. Employment of all staff members reporting directly to members of the Executive Leadership Team other than the Chief Executive Officer shall require prior consultation with the Chief Executive Officer.
- 4.4 Business plan
- 4.4.1 The Executive Leadership Team shall prepare and submit an overall business model, risk profile and a strategy plan including financial targets for Danske Bank's activities to the Board of Directors for approval. The business plan shall contain:
- (i) The overall business model for Danske Bank,
 - (ii) The overall risk profile and risk appetite of Danske Bank,
 - (iii) Strategic and financial targets, including capital targets,
 - (iv) Strategy implementation plan, and
 - (v) Financial forecast for a relevant period.
- 4.4.2 The Executive Leadership Team shall at least once a year review and present the overall business plan of Danske Bank to the Board of Directors with the purpose of assessing whether any changes are required or desirable.
- 4.4.3 The Executive Leadership Team shall submit any material change pertaining to corporate, business and functional strategies to the Board of Directors for approval.
- 4.4.4 The Executive Leadership Team shall continuously report to the Board of Directors on how and to what extent the objectives and goals of Danske Bank, cf. Clause 4.4.1 (iii)-(v), have been achieved in the past year.
- 4.5 Compliance
- 4.5.1 The Executive Leadership Team shall ensure that the Chief Compliance Officer shall work independently and identify and diligently manage the compliance risks of Danske Bank has, the resources, expertise and skills required to perform his/her duties. Each member of the Executive Leadership Team is obliged to disclose information to the Chief Compliance Officer assessed by the member of Executive Leadership Team to be of significance to their work.
- 4.5.2 The Chief Compliance Officer shall submit quarterly compliance reports to the Board of Directors and the Executive Leadership Team, which shall describe the implementation and effectiveness of the control environment including a summary of the risks that have been identified as well as remedies undertaken or to be undertaken.
- 4.5.3 The Chief Compliance Officer shall ensure that compliance monitoring is carried out through a structured and well-defined compliance monitoring programme and that the compliance policy is observed.

- 4.6. Risk management
- 4.6.1. The Executive Leadership Team shall ensure the establishment of effective processes to identify, measure, assess, monitor, mitigate and report on risks which shall include credit risk, market risk, liquidity, funding and capital risk, insurance and pension risk, model risk, operational risk, technology risk, financial crime risk, regulatory compliance risk and financial control and strategic risk of Danske Bank. In the risk assessment, the Executive Leadership Team shall include consideration for Danske Bank's role and contribution to maintaining a stable financial sector.
- 4.6.2. The Executive Leadership Team shall establish a special risk control function responsible for providing comprehensive, understandable and well-interpreted information on risks that enables the Executive Leadership Team and the Board of Directors to understand Danske Bank's overall risk profile.
- 4.6.3. The Chief Risk Officer shall have sufficient expertise, operating experience, independence and seniority to challenge (and potentially veto) decisions that affect Danske Bank's exposure to risk. Each member of the Executive Leadership Team is obliged to disclose information to the Chief Risk Officer assessed by the member of Executive Leadership Team to be of significance to their work.
- 4.6.4. The Executive Leadership Team shall ensure that the risk organisation, is at all times structured in a way which ensures that the execution of tasks shall be separated from the control of the same tasks in accordance with the three lines of defence model. Any significant changes to the organisation of the credit and risk management and/or the approval procedures of Danske Bank shall be approved by the Board of Directors.
- 4.6.5. The Executive Leadership Team shall be responsible for identifying and quantifying the total risks relating to the activities of each business area and any other activities of Danske Bank. The Executive Leadership Team shall at least once a year submit to the Board of Directors a thorough analysis of Danske Bank's risk profile together with an identification and description of Danske Bank's major risks and an update on the use of risk management models and parameters.
- 4.6.6. The Executive Leadership Team shall prepare and present to the Board of Directors the framework, appetites and instructions of the main risk types as well as risk policies applicable to Danske Bank that establish the general principles for risk-taking, contingency plans, risk instructions and other relevant guidelines for approval. The risk policies shall as a minimum comprise credit risk, market risk, liquidity, funding and capital risk, insurance and pension risk, model risk, operational risk, technology risk, financial crime risk, regulatory compliance risk and financial control and strategic risk.
- 4.6.7. The Executive Leadership Team shall on a continuous basis consider the risk policies, contingency plans, risk instructions and guidelines of Danske Bank under the actual business activities of Danske Bank. Any material or significant changes shall be submitted to the Board of Directors for approval before implementation. At least once a year, the Executive Leadership Team shall submit to the Board of Directors the risk policies and contingency plans, together with any proposals or recommendations for changes.
- 4.6.8. The Executive Leadership Team shall, at least once a year, prepare and submit to the Board of Directors for approval and/or update a recovery plan prepared in accordance with applicable regulations.
- 4.7. Capital resources and liquidity
- 4.7.1. The Executive Leadership Team shall together with the Board of Directors ensure that the capital resources and liquidity including the liquidity coverage ratio(s) of Danske Bank are adequate at all times. Hence, the Executive Leadership Team is required to continuously assess Danske Bank's financial and risk position and assist the Board of Directors with ensuring that Danske Bank has internal risk measurement and management procedures to monitor and maintain a regulatory capital base and liquidity sufficient in size, type and composition to match the risk profile of Danske Bank. On the basis of these assessments and measures, the Executive Leadership Team shall, together with the Board of Directors and on a continuous basis, assess Danske Bank's solvency needs and liquidity needs.
- 4.7.2. The Executive Leadership Team shall conduct an evaluation of the preferred risk profile and an internal capital adequacy assessment process (ICAAP) along with stress tests of the effects on expected losses and capital requirements of various scenarios with the purpose of setting the solvency need. The ICAAP report for Danske Bank shall be submitted quarterly to the Board of Directors for approval. Once each financial year, an extended ICAAP report shall be submitted to the Board of Directors for approval.

- 4.7.3. The Executive Leadership Team shall conduct an assessment of the liquidity position and liquidity risks of Danske Bank as part of the internal liquidity adequacy assessment process (ILAAP). Once a financial year, an ILAAP report shall be submitted to the Board of Directors for approval.
- 4.7.4. The Executive Leadership Team shall each year prepare the funding plan and capital plan of Danske Bank for the following year to be submitted for approval by the Board of Directors. Any changes to the funding plan shall also be submitted to the Board of Directors for approval. Included in the funding plan shall be all debt programmes of Danske Bank the size of which shall also be approved by the Board of Directors together with any increases in such programmes.
- 4.7.5. At least once each year, the Executive Leadership Team shall prepare and/or update a policy including guidelines for identifying, monitoring and managing risks of excessive leverage of Danske Bank, which shall be submitted to the Board of Directors for approval.
- 4.8. Operations and targets
- 4.8.1. Before the beginning of a financial year the Executive Leadership Team shall prepare a target for that financial year which shall include inter alia profit and loss statement, balance sheet, funding structure, capital structure, liquidity, solvency and rating targets. Such targets shall be submitted to the Board of Directors for approval.
- 4.8.2. The Executive Leadership Team shall on a continuous basis monitor the operations of Danske Bank and shall compare the results with the targets, including targets for operations, liquidity, capital resources, investments etc., and report to the Board of Directors accordingly.
- 4.9 Financial Reports, Balance Sheets and Book-keeping
- 4.9.1 The Executive Leadership Team shall ensure that the book-keeping, safeguard of assets, preparation and issuance of the annual reports and interim reports and the business procedures are satisfactory and controlled in an appropriate way given the affairs and size of Danske Bank, including ensuring that the Board of Directors continuously receives relevant reporting on Danske Bank's financial performance including liquidity and capital position.
- 4.9.2 The Executive Leadership Team shall be responsible for preparing the draft annual report and for presenting it to the Board of Directors for approval. The Company Secretariat shall ensure that the approved annual report is signed by the Board of Directors, the Executive Leadership Team and the external auditor.
- 4.9.3 The Executive Leadership Team shall be responsible for the preparation of draft quarterly interim reports for Danske Bank. The draft quarterly interim reports shall be submitted to the Board of Directors for approval. The Executive Leadership Team shall as part of the submission of the draft quarterly interim reports prepare estimates for the full year as well as comparisons with the budget and the most recent estimates.
- 4.10 Notifications to supervisory and regulatory authorities
- 4.10.1 The Executive Leadership Team shall be responsible for ensuring that Danske Bank is at all times in compliance with any reporting requirements to the Danish Financial Supervisory Authority or to any other relevant supervisory and regulatory authorities.
- 4.10.2 The members of the Executive Leadership Team are obliged to immediately notify the Danish Financial Supervisory Authority of matters which are of material significance to the continued operation of Danske Bank or if they have cause to believe that Danske Bank or any Group member fails to meet the applicable solvency requirements, including the solvency need determined by the Board of Directors, or the own funds requirements. All such matters notified to the Danish Financial Supervisory Authority shall be notified to the Chairman of the Board of Directors.
- 4.11 Conduct of business
- 4.11.1 The Executive Leadership Team must develop and promote high ethical and professional standards within all business areas of Danske Bank. The Executive Leadership Team shall implement a Code of Conduct and a policy on sound business culture and ensure that employees are aware of and conduct themselves in accordance with the corporate values of Danske Bank. The Executive Leadership Team shall ensure the implementation of the Code of Conduct Policy through clear and documented internal governing documents explaining how these standards should be met and procedures to monitor compliance with such standards.

- 4.12 Governance
- 4.12.1 The Executive Leadership Team shall ensure that Danske Bank complies with all applicable governance requirements and that Danske Bank satisfies all local governance standards, including relevant reporting requirements.
- 4.12.2 The Board of Directors and the Executive Leadership Team shall establish a procedure according to which their cooperation shall be evaluated annually through a formalised dialogue between the Chairman of the Board of Directors and the Chief Executive Officer and the outcome of the evaluation shall be presented to the Board of Directors.
- 4.12.3 Any appointment of members of the board of directors of any material Danske Bank Group company, which carries out financial business, shall be approved by the Board of Directors upon the recommendation of the Executive Leadership Team. Any appointment of a Chief Executive Director of a material Danske Bank Group company shall be approved by the Chief Executive Officer of Danske Bank A/S.
- 4.13 Outsourcing
- 4.13.1 The Executive Leadership Team shall, on the basis of the Outsourcing Policy adopted by the Board of Directors, prepare written instructions for outsourcing. The instructions should clearly state that Danske Bank's regulatory obligations and its responsibilities to its customers are present even when the area or part of the area has been outsourced.
- 4.13.2 The Executive Leadership Team can approve critical outsourcing, except for i) critical or important outsourcing arrangements with an annual spend above DKK 100 million, ii) critical or important outsourcing arrangements that are necessary in order for Danske Bank to perform activities of critical functions (cf. the recovery plan), iii) critical or important outsourcing of internal control functions, which has to be approved by the Board of Directors.
- 4.13.3 The Executive Leadership Team shall report continuously and at least once each year to the Board of Directors on all intra-group and external critical or important outsourcing arrangements entered into by the Danske Bank Group. The yearly report shall contain a list of approved outsourcing arrangements, an assessment of the risks associated with the outsourcing arrangements and an assessment of the performance of the arrangements.
- 4.14 Whistleblowing Policy and Escalation Policy
- 4.14.1 The Executive Leadership Team shall establish and maintain appropriate procedures and systems for employees to be able to report internally, through a special, independent and autonomous channel and in an anonymous, expedient and confidential manner, violations or potential violations of laws and regulations committed by Danske Bank, its employees, members of the Executive Leadership Team or members of its Board of Directors.
- 4.14.2 The Executive Leadership Team shall ensure that a procedure is established through which cases deemed problematic within the Group are escalated to the Board of Directors when necessary in accordance with the Escalation Policy.
- 4.15 Procedures
- 4.15.1 The Executive Leadership Team shall be responsible for ensuring that all material activities of Danske Bank are covered and documented by adequate business procedures.
- 4.15.2 The Executive Leadership Team or to whom they may delegate the responsibility in 4.13.1 shall, however, approve any new business procedure prior to the implementation thereof.
- 4.16 New products and significant changes
- 4.16.1 The Executive Leadership Team shall establish a well-documented new Product Approval Policy and implement guidelines for the approval of new products and services, development of new markets and significant changes to existing products, services and markets.
- 4.16.2 The guidelines for approval of new products and services shall set out the main issues to be addressed before an approval decision is made, including information on regulatory compliance, impact on the risk profile of Danske Bank, capital adequacy, profitability, resources and any expertise required to understand and monitor the risks associated with such new products, services and/or markets. The guidelines shall contain provisions which shall safeguard that new products and services are in accordance with Danske Bank's business model and risk profile, and that the income from such products and services reflects the risk involved.

- 4.16.3 Any new product or service involving significant new risks for Danske Bank shall be submitted to the Board of Directors in order for the Board of Directors to assess whether utilisation of the new product or service implies changes to the risk policies, contingency plans, risk instructions and/or guidelines adopted by the Board of Directors.
- 4.16.4 The Chief Risk Officer and the Chief Compliance Officer of Danske Bank shall be involved in the approval of any new products or significant changes to existing products, processes or systems.
- 4.17 Key employees and key function holders
 - 4.17.1 The Executive Leadership Team shall, as part of the risk assessment of Danske Bank, identify the key employees. The Executive Leadership Team shall be responsible for preparing a policy for the measures to be implemented to ensure the continuance of the activities of Danske Bank in the event of the dismissal or resignation of any key employee. The Executive Leadership Team shall be responsible for preparing a policy for succession planning of executive officers and key employees.
 - 4.17.2 The Executive Leadership Team shall identify the relevant key function holders of Danske Bank and inform the Danish Financial Services Authority of the employees identified as key function holders and the positions they hold, in accordance with the provisions in the Danish Financial Business Act.
- 4.18 Intra-Group transactions
 - 4.18.1 The Executive Leadership Team shall prepare guidelines for intra-Group transactions, which shall be approved by the Board of Directors.
 - 4.18.2 The Executive Leadership Team shall prepare procedures for intra-Group transactions on the basis of the guidelines approved by the Board of Directors.
- 4.19 Measures against money laundering and financing of terrorism
 - 4.19.1 The Executive Leadership Team shall be responsible for ensuring that Danske Bank has adequate procedures ensuring compliance with applicable anti-money laundering rules and rules for countering the financing of terrorism.
 - 4.19.2 The Executive Leadership Team shall appoint a member of the Executive Leadership Team, who shall be responsible for ensuring compliance with applicable anti-money laundering and similar requirements. The Executive Leadership Team shall ensure that such person has the necessary resources available to achieve such compliance.
- 4.20 IT organisation and IT security
 - 4.20.1 The Executive Leadership Team shall be responsible for ensuring that Danske Bank has an IT organisation that in all respects supports the activities of Danske Bank. The Executive Leadership Team shall in their assessment of the IT security area, consider Danske Bank's role and contribution to the maintenance of a stable financial infrastructure.
 - 4.20.2 The Executive Leadership Team shall prepare an IT security policy, which shall be approved by the Board of Directors. The Executive Leadership Team shall at least once every year prepare a report to the Board of Directors with an assessment of the risks incurred by Danske Bank through the use of IT and any recommended changes to the IT security policy of Danske Bank.
- 4.21 Insurance
 - 4.21.1 The Executive Leadership Team shall be responsible for preparing a policy for insurance for Danske Bank, which shall be approved by the Board of Directors. The Executive Leadership Team shall at least once a year prepare an overview to the Board of Directors of the overall insurance position of Danske Bank.
- 4.22 Other issues
 - 4.22.1 The Executive Leadership Team shall submit to the Board of Directors for its prior approval, the establishment or dissolution of any entity in Danske Bank (including subsidiary, branch, representative office or other) contemplated as the case may be (i) in a new jurisdiction where Danske Bank has no activity at the time of the establishment, or (ii) in a jurisdiction where Danske Bank already has some activity if the establishment (a) constitutes a new activity for Danske Bank, (b) represents a significant expansion of existing activities for Danske Bank, or (c) entails additional material risks for Danske Bank, or (iii) or any of the mentioned cases (i-ii) that results in the opposite by dissolution of an entity. Parent undertakings and their subsidiaries should ensure that the institutions and entities within the Group comply with all specific requirements in any relevant jurisdiction.

- 4.22.2 The purchase or sale of significant real property, IT and other assets, and M&A activities, carried out for the operation of Danske Bank, cannot be undertaken by the Executive Leadership Team without the prior approval of the Board of Directors if the individual purchase or sales price exceeds DKK 300 million and, in relation to M&A activities, if the purchase or sales price exceeds DKK 400 million.

5 Reporting

- 5.1 The Executive Leadership Team is obliged to report all important events and material changes to the financial position, status and situation of Danske Bank to the Board of Directors at their own initiative or upon request from the Board of Directors.
- 5.2 The Executive Leadership Team shall report to the Board of Directors at least once a year on Danske Bank's relations with major stakeholder groups, including customers, staff and the public, and its efforts to develop and maintain good and long-lasting stakeholder relations in accordance with Danske Bank's policies and core values.
- 5.3 The reports, documents and information listed in Appendix 1 shall be submitted to the Board of Directors at least once a year
- 5.4 The reports, documents and information listed in Appendix 2 shall be submitted to the Board of Directors at least every calendar quarter.
- 5.5 The reports, documents and information listed in Appendix 3 shall be submitted to the Board of Directors at least every month.
- 5.6 The members of the Executive Leadership Team shall, within their area of responsibility, determine whether and which cases, that may give rise to significant indirect or direct losses, actual or potential material regulatory or reputational concerns, to report to the Board of Directors in accordance with the Escalation policy.

6 Issuance of covered bonds

- 6.1 The Board of Directors shall decide on the scope of the issuances of covered bonds by Danske Bank A/S and/or subsidiaries of Danske Bank A/S, having obtained permission to issue covered bonds, on the basis of a recommendation submitted by the Executive Leadership Team to the Board of Directors.
- 6.2 The Executive Leadership Team shall be authorised to issue covered bonds in accordance with the regulation thereon set out in the Danish Financial Business Act, executive orders and other rules and regulations issued by the Danish Financial Supervisory Authority, the authorisation granted by the Danish Financial Supervisory Authority to issue covered bonds and these rules of procedure.
- 6.3. Covered bonds may be issued on the basis of (i) loans secured on private residential property, including secondary homes, in Denmark, Sweden and Norway and in other countries approved by the Danish Financial Supervisory Authority, and (ii) loans secured on commercial property in Norway and Sweden and in other countries approved by the Danish Financial Supervisory Authority.

7 Delegation

- 7.1 The Executive Leadership Team may delegate its authority. Any material delegation shall be made in writing, e.g. as part of a job description, and shall comply with the requirements of the Danish Financial Business Act and Executive Orders issued pursuant thereto.

8 Conflict of interests

- 8.1 Each member of the Executive Leadership Team shall at all times ensure that his/her (and his/her related parties') private or professional interests - directly or indirectly - are not in conflict with the interests of Danske Bank. The Board of Directors shall record any resolution in respect of such matters in the minute book.
- 8.2 A member of the Executive Leadership Team shall not participate in the preparation, discussions or decision making process concerning an agreement, an account or a facility between Danske Bank and the member in question or concerning legal proceedings between the member in question and

Danske Bank or an agreement, an account or a facility between Danske Bank and any third party or legal proceedings brought against any third party if the member in question has a significant interest therein that may conflict with the interests of Danske Bank.

- 8.3 No member of the Executive Leadership Team shall be entitled to commence or be engaged in any activities (as owner, director, officer, employee, agent, consultant or the like) which might give rise to a potential conflict of interest, unless approved by the Board of Directors in writing prior to commencing such activity.
- 8.4 A member of the Executive Leadership Team shall obtain the prior written approval of the Board of Directors to own or operate an independent business undertaking or participate as director, officer, employee, agent, consultant or the like of another business undertaking.
- 8.5 A member of the Executive Leadership shall, in accordance with the requirements in the Danish Companies Act, obtain approval by the Board of Directors for material transactions between the Danske Bank Group and related parties prior to signing of any definitive agreements, unless such transaction is exempt. Material transactions must be disclosed if the fair value of the transaction represents (i) 10% or more of the total assets or (ii) 25% or more of the operating profit/loss according to the most recent published consolidated financial statements, unless such transaction is exempt. All transactions with the related party within the relevant financial year must be considered in aggregate when determining materiality. Disclosure must take place on the Danske Bank website as soon as possible following signing of a definitive agreement and shall be available for a period of no less than five years. Transactions may be subject to separate disclosure obligations under the Market Abuse Regulation.
- 8.6 The Executive Leadership Team shall prepare recommendation for the Board of Directors regarding which other employees have a significant risk of conflicts between the interest of the employee and those of Danske Bank. The Board of Directors shall ensure that the employees in question are made aware of the decision. Such employees, must receive prior written approval from the Executive Leadership Team to own or operate an independent business undertaking or participate as director, employee, agent, consultant or the like of another business undertaking. The Executive Leadership Team shall inform the Board of Directors both of the decision on significant risk and any approvals granted to employees of Danske Bank.
- 8.7 The persons, identified as having a significant risk of conflicts between their own interest and the interests of Danske Bank, shall not, on their own account or through companies they control (i) take up loans or draw on previously established credits to be used for acquisitions of securities which are then provided as collateral for said loan, (ii) acquire, issue or trade in derivative financial instruments, except to hedge risk, (iii) acquire holdings, except for units in Danish UCITS, capital associations and foreign investment undertakings, with a view to sell such units in less than six months from the date of acquisition, (iv) acquires positions in foreign currency, except for euro (EUR), unless the position is taken for payment for the purchase of securities, goods or services, purchase or management of real property, or for use when travelling.
- 8.8 The Executive Leadership Team shall establish and implement guidelines and procedures in order to identify actual and potential conflict of interests in all other areas of activity of Danske Bank. If conflict of interest cannot be prevented, the procedures implemented shall ensure that such conflict of interests is properly managed. The relationships and transactions, which may create conflict of interest include those between customers of Danske Bank and those between Danske Bank and its customers, shareholders, employees and other Group companies.
- 8.9 A member of the Executive Leadership Team may be present during the discussions of the accounts and facilities of any Danske Bank Group entity, even if such a member is the member of the Board of Directors or management of the company in question.
- 8.10 Each member of Executive Leadership Team shall as soon as practically possible notify the Chief Executive Officer in the event that the member finds there are reasons to believe that his/her private or professional interests or those of its related parties – directly or indirectly – may conflict with the interests of Danske Bank (or another company within Danske Bank). In the event of any reasonable doubt as to whether there is a conflict of interests, the Chief Executive Officer may decide to defer the decision to the Board of Directors.
- 8.11 Members of the Executive Leadership Team shall not conduct or be engaged in speculative transactions concerning shares and/or other securities issued by or relating to Danske Bank.

9. Market Abuse Policy and insider lists

- 9.1. The Executive Leadership Team shall together with the Board of Directors adopt a Market Abuse Policy for the purpose of (i) preventing inside information from becoming available to others than those needing such information, (ii) governing the access of members of the Board of Directors and the Executive Leadership Team and other employees to deal in securities issued by Danske Bank or a Danske Bank Group company and for trading in derivative financial instruments, (iii) governing Danske Bank's trading in its own shares and other types of securities, and (iv) ensuring compliance with Danske Bank's disclosure obligations. The Executive Leadership Team shall ensure that Danske Bank has established procedures to ensure compliance with such rules and forms for reporting. The Executive Leadership Team shall ensure that the rules are known to everyone bound by them.
- 9.2. The Executive Leadership Team shall assist the Board of Directors with ensuring that Danske Bank keeps the statutory insider list and establishes procedures to ensure that the list is up-to-date at all times in accordance with applicable laws and regulations.
- 9.3. Each member of the Executive Leadership Team shall upon election or appointment inform the Secretary to the Board of Directors of the size of the member's and of that member's related parties' holding(s) of shares in Danske Bank, share-related instruments, bonds issued or guaranteed by Danske Bank or a Danske Bank Group company and other types of securities related to Danske Bank or a Danske Bank Group company. Any subsequent transactions in respect of shares in Danske Bank, share-related instruments, bonds issued or guaranteed by Danske Bank or a Danske Bank Group company and other types of securities related to Danske Bank or a Danske Bank Group company shall be reported in accordance with Danske Bank's Market Abuse Policy.
- 9.4. Each member of the Executive Leadership Team shall arrange that the member's holding(s) of the shares in Danske Bank, share-related instruments, bonds issued or guaranteed by Danske Bank or a Danske Bank Group company and other types of securities related to Danske Bank or a Danske Bank Group company are registered in the relevant securities register in such manner that the legal name of the holder and the name of the relevant member - to the extent possible - appears.

10. Disclosure requirements and investor relations

- 10.1. Together with the Board of Directors, the Executive Leadership Team shall ensure that Danske Bank's procedures for announcements to the public within the EU/EEA, the Danish Financial Supervisory Authority, Nasdaq Copenhagen A/S and any other regulated market at which Danske Bank from time to time may have securities admitted for listing or trading comply with the rules applicable from time to time to listed companies having securities listed on such regulated markets.
- 10.2. The Executive Leadership Team shall ensure that a special investor relations function is established to undertake Danske Bank's investor related activities. Danske Bank shall for the purpose of ensuring compliance with the Main Market Rulebook of Nasdaq Copenhagen A/S apply a high information level as well as equal access for the general public to information about Danske Bank and the Danske Bank Group that may be assumed to be of importance to the pricing of listed securities issued by Danske Bank or Danske Bank Group companies. It shall, furthermore, be ensured that no unauthorised person can gain access to such information prior to its publication. Any information which is subject to Danske Bank's disclosure obligations shall be published as soon as possible in such a manner that ensures simultaneous publication and dissemination to the public in all relevant markets.

11. Confidentiality

- 11.1 Each member of the Executive Leadership Team shall have a duty to keep confidential any information obtained in his/her capacity as a member of the Executive Leadership Team and may under no circumstances, without permission from the Chief Executive Officer and/or with due course, disclose or use confidential information that comes to his/her knowledge in the course of performing his/her duties as a member of the Executive Leadership Team to persons outside of the

Executive Leadership Team. Disclosure with due course includes disclosure necessary in order for the members of the Executive Leadership Team to perform their duties as executive officers.

- 11.2 The duty of confidentiality shall also apply after the member resigns from the Executive Leadership Team.
- 11.3 The duty of confidentiality shall not merely extend to business and trade secrets, remuneration, etc. but to all information disclosed at meetings of the Executive Leadership Team or otherwise obtained in his/her capacity as a member of the Executive Leadership Team.
- 11.4 Members of the Executive Leadership Team shall keep all material provided to them in their capacity as members of the Executive Leadership Team in a proper manner and return all such material upon resignation or confirm that it has been destroyed. No member of the Executive Leadership Team shall be entitled to exercise any retention right or lien on such material.
- 12.1. The Chief Executive Officer shall represent the Executive Leadership Team externally. The Executive Leadership Team may decide that the members of the Executive Leadership Team shall be responsible for external communication within their respective business areas, unless the matter is of an extraordinary nature.
- 12.2. The Chief Executive Officer shall be responsible for the Executive Leadership Team's relations and contacts with the Chairman and the Vice-Chairmen of the Board of Directors, the media, the Danish Financial Supervisory Authority and other relevant Danish and foreign public authorities, the Danish Bankers Association and other relevant Danish and foreign organisations and associations, unless the Chief Executive Officer delegates the responsibility in this respect to another member of the Executive Leadership Team.

13. Amendments

- 13.1. The Rules of Procedure shall be reviewed at least once every year to ensure that the Rules of Procedure are up-to-date, adequate and adjusted to Danske Bank's activities and needs and applicable laws and regulations including applicable recommendations on corporate governance.
- 13.2. The Rules of Procedure shall be signed by all members of the Board of Directors and the Executive Leadership Team.
- 13.3. When a new member of the Executive Leadership Team is appointed and joins the Executive Leadership Team, the member shall as soon as reasonably practical sign the Rules of Procedure.

14. **Applicability to Danske Bank** Where applicable based on the specific content, a reference to the "Danske Bank" shall be construed as referring to and including all companies in the Danske Bank Group, and otherwise to Danske Bank A/S.

[Signatures on separate page]

Approved by the Board of Directors of Danske Bank A/S on 3 November 2020.

The Board of Directors:

Karsten Dybvad
(Chairman)

Jan Thorsgaard Nielsen
(Vice Chairman)

Carol Sergeant
(Vice Chairman)

Bente Bang

Martin Blessing

Lars-Erik Brenøe

Kirsten Ebbe Blich

Thorbjørn Lundholm Dahl

Raija-Leena Hankonen

Charlotte Hoffmann

Bente Avnung Landsnes

Christian Sagild

Gerrit Zalm

Approved by the Executive Leadership Team of Danske Bank A/S on 27 October 2020.

The Executive Leadership Team:

Berit Behring

Carsten Rasch Egeriis

Chris Vogelzang

Frans Woelders

Glenn Söderholm

Karsten Breum

Stephan Engels

Philippe Vollot

Appendix 1

The following reports, documents and information shall be submitted to the Board of Directors at least once a year:

- The overall business plan, cf. Clause 4.4.2,
- The funding plan, including debt programmes, cf. Clause 4.7.4,
- The capital plan, cf. Clause 4.7.4,
- An annual risk report, cf. Clause 4.6.5,
- An extended ICAAP report, cf. Clause 4.7.2,
- An ILAAP report, including contingency plan, cf. Clauses 4.7.2, 4.6.6 and 4.6.7,
- The recovery plan, cf. Clause 4.6.8,
- The leverage policy, cf. Clause 4.7.5,
- The framework, appetites, policies and instructions of the main risk types, cf. Clauses 4.6.5 and 4.6.6,
- A target for the financial year, cf. Clause 4.8.1,
- An overview of Danske Bank's unlisted shareholdings etc. having a booked value exceeding DKK 25 million, cf. Clause 4.9.1,
- A draft annual report, cf. Clause 5.9.2,
- An overview of Danske Bank's outsourcing agreements, accompanied by an assessment of the risks associated with these agreements, changes in the risk assessment, if any, and proposals if the assessment results in major adjustments, cf. Clause 4.13.3,
- A report and an assessment of the risks incurred through Danske Bank's use of IT, cf. Clause 4.20.2,
- An overview of Danske Bank's overall insurance position, cf. Clause 4.21.1., and
- Other policies and guidelines determined by the Board of Directors.

Appendix 2

The following reports, documents and information shall be submitted to the Board of Directors at least every calendar quarter:

- An ICAAP report, cf. Clause 4.7.2,
- A CRO letter, including market risk report, cf. Clause 4.6.5, a liquidity risk report, cf. Clause 4.6.1, an operational risk report, cf. Clause 4.6.1,
- A draft interim report, cf. Clause 4.9.2,
- A compliance report, cf. Clause 4.5.2,
- A credit portfolio report including an overview of exposures exceeding 10 per cent of Danske bank's capital base.

Appendix 3

The following reports, documents and information shall be submitted to the Board of Directors at least every month:

- A monthly financial report which shall include an update on the development in profit and loss statement and balance sheet, cf. Clause 4.8.2., and
- A monthly update on developments in general market conditions.