

Remuneration Report 2018

Danske Bank Group



Remuneration Report 2018 Danske Bank Group

Purpose

This remuneration report includes remuneration practices and main principles in Danske Bank A/S and its subsidiaries (Danske Bank Group). According to Danish Financial Supervisory Authority's Executive Order No. 1337 of 29 November 2017, this report explains governance with respect to remuneration, remuneration structure and principles governing Danske Bank Group's incentive programmes.

Further, practices related to regulatory matters are described, as well as change of practice during the year.

Information on total remuneration to members of the Board of Directors and the Executive Board of Danske Bank A/S is provided in the annual report.

Supporting Danske Bank Group's ambition on good corporate governance, this remuneration report discloses main practices related to implementation of Danske Bank Group's remuneration policy, i.e. how compliance to remuneration related regulation is monitored.

The Annual General Meeting approves the remuneration policy for Danske Bank A/S after prior consideration by the Remuneration Committee and upon the recommendation of the Board of Directors. The policy is available at danskebank.com.

Copenhagen 12/03 2019

Karsten Dybvad,

Chairman of the Board of Directors

Jesper Nielsen,

Interim CEO

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1 Introduction

Danske Bank is a leading financial institution in the Nordic countries and the largest bank in Denmark with a history that goes back more than 140 years. Today, Danske Bank serves 3.5 million customers in the core markets – Denmark, Norway, Sweden and Finland.

The vision of Danske Bank is to be recognised as the most trusted financial partner within our geographical footprint. We strive to be a modern universal bank for people and businesses across the Nordics, providing deep financial competence and leading, innovative solutions.

The financial sector is subject to regulation on remuneration. Regulatory requirements are initiated to ensure public trust in the financial sector, with the purpose of supporting good corporate governance. Some requirements heavily influences and governs how incentives can and must be put into practice. We invest significantly across the Group in ensuring compliance to all regulation, as this is the basis for restoring and maintaining the trust we need from all our stakeholders.

Remuneration policy and practices will evolve over time, reflecting Danske Bank's priorities and the industry's regulatory framework, but will always adhere to Danske Bank's objectives of good corporate governance and promoting sound and effective risk management related to remuneration matters. In 2019, the new Shareholders' Rights Directive will come into practice. Danske Bank already complies with the majority of requirements in the Directive. Further changes will apply to the Remuneration Report for 2019.

Variable remuneration to Material Risk Takers was reduced with approx. 35% compared to 2017 due to weakened business results in 2018. In view of the exceptional circumstances in 2018, the Executive Board waived its right to earned remuneration under the 2018 short-term incentive programme. The Board of Directors acknowledges this decision. Consequently, no short-term variable remuneration for 2018 was paid to any current or former member of Danske Bank's Executive Board.

2 Remuneration policy for Danske Bank Group

Danske Bank's remuneration policy applies to the Board of Directors, the Executive Board of Danske Bank, managers, and all employees in Danske Bank Group. Local deviations from the remuneration policy may exist within the overall framework, if required by or in alignment with local regulation. Furthermore, some subsidiaries have Board of Directors, e.g. Northern Bank (Northern Ireland), Danica Pension and Realkredit Danmark. Deviations on remuneration practices may also apply for such entities after consultation with relevant group functions, ensuring local practice is fully coordinated with Danske Bank Group's remuneration policy.

Danske Bank's Board of Directors reviews the Group's remuneration policy annually. Shareholders at the annual general meeting approve the policy to the extent that there are changes. The current remuneration policy was approved at the annual general meeting in March 2018.

2.1 Governance and decision-making process

The Board of Directors has established a Remuneration Committee with a charter and mandate for monitoring as well as preparing the work on remuneration matters for approval by the Board of Directors. Particular attention is paid to remuneration of the Executive Board and key employees, including employees in certain control functions and the highest remunerated employees. The Remuneration Committee also considers main remuneration vehicles, e.g. the incentive programmes used for driving and rewarding performance in Danske Bank Group.

The Remuneration Committee consists of no less than three members of whom one is the Chairman of the Board of Directors and another is an employee elected member of the Board of Directors. The Chairman of the Board of Directors serves as Chairman of the Remuneration Committee. Other members of the Board of Directors, the Executive Board, and relevant employees of Danske Bank i.e. the Group CEO, Group CHRO, and the Global Head of Executive Remuneration, shall participate in meetings of the Remuneration Committee at the request of the committee. Further, the Head of secretariat of the Board of Directors acts as secretariat for the Remuneration Committee.

The Remuneration Committee meets two times a year as a minimum. During 2018, the Committee has held two meetings, whereas a meeting planned in 2018 was postponed to early 2019.

In 2018 the Remuneration Committee monitored and/or followed up on:

- Progress on Danske Bank Group's Total Reward Strategy.
- The remuneration of certain heads of control functions.
- The remuneration of high earners.
- The spend on variable remuneration across the Group.
- The effectiveness of actions initiated to ensure compliance with regulatory requirements.
- Back testing of deferred bonuses to material risk takers due for release in 2018.

Furthermore, the Remuneration Committee reviewed, considered and made recommendations to Board of Directors in respect of the following:

- Fixed salary levels for members of the Executive Board.
- Performance agreements and bonus targets for members of the Executive Board.
- The accrual mechanisms for aggregated bonus pools in 2018.
- The remuneration of the Board of Directors.
- The charter and annual work schedule for the Remuneration Committee.

The charter and composition of the Remuneration Committee as well as the committee members' record of attendance for 2018 are available on danskebank.com.

2.2 Monitoring of Danske Bank Group's remuneration policy

Danske Bank Group HR monitors regulatory and/or legislative changes to identify what should or must be applied to Danske Bank Group's remuneration policy and practices. When new legislation and/or

regulation leave options for Danske Bank, Group HR, the Executive Board and/or the Board of Directors, depending on the materiality for Danske Bank Group, decide on the implementation.

Internal control and validation processes have been set up and documented, and implementation of such processes is documented.

The Remuneration Committee monitors compliance with the remuneration policy and monitors the effect of internal controls and validation processes.

3 Remuneration practices

Danske Bank Group's overall remuneration practices are anchored in the remuneration policy as published on danskebank.com. Current governance is mainly targeted towards variable remuneration and employee benefits. Earned remuneration split into relevant components for each member of the Executive Board is disclosed in the annual report.

3.1 Remuneration principles

Danske Bank Group offers a compensation structure with a mix of compensation elements. Some elements are mandatory as part of the total compensation package while some flexibility is offered on other elements. The compensation mix is continuously assessed to ensure alignment to the geographical and functional markets in which Danske Bank operates.

Individual remuneration is solely a matter between the employee and the immediate manager, while at the same time subject to collective agreements and/or the remuneration policy and supporting guidelines. Any changes in remuneration are as a rule made after consultation with Group HR and are always grandfathered by the manager's manager. Local governance is documented and applies to all compensation elements.

The governance is published on the Company's internal website for easy access for managers. HR partners are trained in compensation governance to support managers appropriately.

3.2 Fixed remuneration

All employees in Danske Bank Group receive a fixed salary, consisting of a base salary according to position and function. In some countries, employees on collective agreements may have part of the base salary allocated as an individual allowance to accommodate individual salary development. Employees on individual contracts, including at management level, only receive a base salary. A few exceptions apply due to special circumstances, e.g. ensured allowances allocated as part of an expatriation, or when specific positions are excluded from variable remuneration. The salary level is evaluated on an annual basis with no guaranteed increase for employees on individual contracts.

3.3 Benefits

Employee benefits are offered to all employees with some customization to local markets and working patterns. All employees have mandatory pension contributions and paid holidays and insurances on market aligned terms.

At executive and senior management level, certain benefits are offered to ensure competitive compensation packages in line with market standards to attract and retain key resources, e.g. company car and health checks.

3.4 Variable remuneration

Danske Bank Group uses performance based variable remuneration for incentivising and rewarding high performance. This includes short term (one year performance) and long term (3 year performance) incentive programmes.

Long Term Incentives

Long Term Incentives are offered to members of the Executive Board. The programme is entirely share based to increase the focus on and interest in Danske Bank's long term objectives, and to align the interests of management and shareholders. Payments are subject to deferral and back-testing against results to ensure sustainable value creation.

Short term incentives

Short term incentives are offered to members of the Executive Board, management levels, market functions and other selected employee segments. The purpose of short term incentives is to

- Attract and retain skilled and high-performing employees
- Encourage employees to take active part in and responsibility for Danske Bank Group achieving its strategic goals and objectives
- Motivate employees to meet financial and non-financial objectives while at the same time enforcing a customer centric behaviour and collaborative mind-set
- Incentivise employees to adopt an appropriate risk and compliance culture
- Ensure coherence between business results and remuneration levels in Danske Bank Group while at the same time balance individual risk taking against performance targets

Short term incentives are mainly cash based, though share granting and deferral of bonus is included when pay-out exceeds the thresholds set out in the remuneration policy, or, when bonus is awarded to material risk takers.

Short term incentive programmes for members of the Executive Board, management levels and designated material risk takers are based on individual performance agreements including performance against targets in three key areas: the Danske Bank Group, the Business Unit and the individual programme participant.

Weighting of each of the key areas is subject to the programme participant's tier level.

2018 KPIs for members of the Executive Board and management levels cover quantitative and qualitative criteria, e.g.:

- Return on Equity and/or Return on Allocated Capital

- Customer Satisfaction
- Performance supporting an appropriate risk management culture and appetite
- Compliance with legislation and/or internal business procedures
- Relative performance against selected peers
- Operating Expenses
- Leadership/Employee engagement
- Other KPIs related to each participant's area of responsibility

Financial targets for Danske Bank Group and the Business Units are measured on results audited by Danske Bank's external auditor. Non-financial targets for Danske Bank Group and Business Units are also delivered by external parties, e.g. customer satisfaction in main markets. Individual targets may be quantitative as well as qualitative, e.g. behavioural objectives, compliance with internal rules, or overall value contribution to growth and/or profitability.

Some employee segments are restricted by regulation to be rewarded on their commercial activities, i.e. employees subject to MiFiD regulation. Employees in independent control functions are offered variable remuneration; however only to the extent this is deemed relevant and only if conditions for the variable remuneration are considered compliant with regulation. Instead, independent control functions in positions which would normally be eligible for variable remuneration are offered a fixed supplement.

The remuneration policy has defined caps on variable remuneration for different employee segments. Overall, no employee can receive variable pay of more than 200% of their base salary and pension contribution in a given year. This cap is relevant only to certain employees mainly in Danske Bank's capital markets units. Significantly lower caps apply to the vast majority of employees, including members of the Executive Board, according to the employee's position, Business Unit and local/market conditions.

In 2018, no incidents of violating caps for variable remuneration have been identified and reported.

3.5 Risk impact of remuneration

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

Firstly, Danske Bank Group has initiated a well-balanced distribution between fixed and variable remuneration, ensuring senior management does not have more than 33% of the remuneration being variable, due to a maximum cap of combined short term and long term incentives at 50% of base salary.

Certain employees in Danske Bank Group's capital market and asset management units have a higher cap on short term incentives, hence these employees are monitored closely on business activities, and restricted by other risk limiting vehicles, i.e. using performance on risk related KPIs for bonus accrual.

Secondly, Danske Bank Group has initiated a split disbursement of performance based incentives, if the annual pay-out exceeds a threshold, as specified in the remuneration policy. Split disbursement is made in the form of cash and conditional shares, where conditional shares constitute 50% of the total variable remuneration exceeding the threshold. The conditional shares are restricted during a 3-year vesting period.

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

Thirdly, Danske Bank Group has implemented deferral of variable remuneration for material risk takers including members of the Executive Board to encourage sustainable and long-term value creation. Variable remuneration (cash and conditional shares) granted in one year is divided into a part paid initially, and a part deferred 3 years (5 years for members of the Executive Board).

Deferred conditional shares are restricted from transactions 6 months after disbursement (12 months for members of the Executive Board). The deferred remuneration is subject to back testing before disbursement, i.e. the deferred remuneration is disbursed only to the extent to which the criteria for the original granting are still fulfilled, and at the same time, provided the financial situation of Danske Bank Group has not deteriorated materially. Hence, the disbursement may lapse in part or in full.

In addition, variable remuneration to material risk takers, including members of the Executive Board, is subject to claw-back, if there is evidence that the granting of bonus was made on false basis. The claw-back applies to disbursed and deferred parts.

In 2018 ordinary back testing did not result in a reduction of deferred performance based remuneration. Based on business activities in the Estonian Branch, claw back in paid bonuses from previous years was considered during 2018. As the process was not concluded at year end, the claw back was not exercised in 2018. The ordinary back testing in 2019 will include a review based on the business activities in Estonia and is expected to be concluded in 1st Quarter 2019.

4 Material risk takers

On the basis of the Danish Financial Supervisory Authority's Executive Order No. 1337 of 29 November 2017, Danske Bank Group has set up a procedure for identifying material risk takers, using the different articles to assess and identify staff with material influence on Danske Bank Group's risk profile.

The procedure calls for cooperation between different subject matter experts in Danske Bank Group, namely Group Risk, Group Compliance and Group HR to ensure a comprehensive evaluation of each of the articles, ensuring the definition of risk takers is continuously maintained.

Danske Bank Group has also established a routine for continually reviewing the criteria for designation of material risk takers. As of December 2018, the number of designated material risk takers had decreased to 670 (2017: 742), mainly due to the change of Danske Bank Plc from being a subsidiary to become a branch in Danske Bank.

5 Quantitative information

The enclosed quantitative information complies with DK FSA and EBA Capital Requirements Regulation article 450 on disclosure of remuneration related to material risk takers.

Quantitative Information - Danske Bank Group - Material Risk Takers - 2018

(DKK millions)	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2018 financial year broken down by business areas	289	452	203	204	211
(DKK millions)	Board of Directors	Executive Board	Control Function	Other MRT's	
Total amounts for the 2018 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	9	123	527
Number of material risk takers at 31 December 2018		12	10	124	524
Fixed remuneration		11	71	185	845
Variable remuneration		0	16	19	212
Breakdown of variable remuneration earned in 2018					
- Cash		0	11	16	132
- Shares		0	5	3	80
- Share-linked instruments & other instruments		0	0	0	0
Variable remuneration earned in 2018 broken down by disbursement form					
- Disbursed**		0	11	16	127
- Deferred		0	5	3	85
Sign-on fees and severance payments disbursed in the 2018 financial year					
- Sign-on fees		0	11	0	1
- Number of beneficiaries		0	2	0	1
- Severance payments		0	0	12	46
- Number of beneficiaries		0	0	3	23
Provisions made for severance payments in the 2018 financial year					
- Total amounts		0	0	21	67
- Highest provision made for severance payment in 2018		0	0	0	17
- Number of beneficiaries		0	0	6	27
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	39	3	553
- Corrections 2018		0	0	0	3
- Payments in 2018 related to deferral in previous years		0	-6	0	-70
- Forfeited deferred remuneration in 2018		0	-11	0	-10
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2018		0	5	3	85
Deferred remuneration at 31 December 2018		0	27	6	561
Number of employees earning EUR 1 million or more, broken down into bands of EUR 500,000					
Total remuneration: EUR 1.0 million - EUR 1.5 million		0	7	1	2
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	1	0	0
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	0	0	0
Total remuneration above EUR 2.5 million		0	0	0	1

The figures are pro rata figures based on the period of time for which the employees have been designated as material risk takers.

* The number of employees includes all material risk takers at 31 December 2018. The number of FTEs is a pro rata figure over the year.

** Disbursed variable remuneration will be disbursed during 2019.

*** The amount of outstanding deferred remuneration is based on the number of designated material risk takers in the year of provision and the share price at the time of granting, thus reflecting the costs for Danske Bank Group.

Quantitative Information - Danske Bank A/S - Material Risk Takers - 2018

(DKK millions)	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2018 financial year broken down by business areas	126	443	90	177	207
(DKK millions)	Board of Directors	Executive Board	Control Function	Other MRT's	
Total amounts for the 2018 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	9	101	280
Number of material risk takers at 31 December 2018		12	10	101	278
Fixed remuneration		11	71	158	585
Variable remuneration		0	16	19	183
Breakdown of variable remuneration earned in 2018					
- Cash		0	11	16	113
- Shares		0	5	3	70
- Share-linked instruments & other instruments		0	0	0	0
Variable remuneration earned in 2018 broken down by disbursement form					
- Disbursed**		0	11	16	109
- Deferred		0	5	3	74
Sign-on fees and severance payments disbursed in the 2018 financial year					
- Sign-on fees		0	11	0	1
- Number of beneficiaries		0	2	0	1
- Severance payments		0	0	12	39
- Number of beneficiaries		0	0	3	16
Provisions made for severance payments in the 2018 financial year					
- Total amounts		0	0	21	60
- Highest provision made for severance payment in 2018		0	0	0	17
- Number of beneficiaries		0	0	6	19
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	39	1	462
- Corrections 2018		0	0	0	7
- Payments in 2018 related to deferral in previous years		0	-6	0	-59
- Forfeited deferred remuneration in 2018		0	-11	0	-9
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2018		0	5	3	74
Deferred remuneration at 31 December 2018		0	27	4	475
Number of employees earning EUR 1 million or more, broken down into bands of EUR 500,000					
Total remuneration: EUR 1.0 million - EUR 1.5 million		0	7	1	1
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	1	0	0
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	0	0	0
Total remuneration above EUR 2.5 million		0	0	0	1

The figures are pro rata figures based on the period of time for which the employees have been designated as material risk takers.

* The number of employees includes all material risk takers at 31 December 2018. The number of FTEs is a pro rata figure over the year.

** Disbursed variable remuneration will be disbursed during 2019.

*** The amount of outstanding deferred remuneration is based on the number of designated material risk takers in the year of provision and the share price at the time of granting, thus reflecting the costs for Danske Bank Group.

Quantitative Information - Danske Bank Group - Material Risk Takers - 2017

(DKK millions)	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2017 financial year broken down by business areas	399	445	251	231	199
(DKK millions)	Board of Directors	Executive Board	Control Function	Other MRT's	
Total amounts for the 2017 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	8	158	590
Number of material risk takers at 31 December 2017		12	8	153	569
Fixed remuneration		10	66	227	868
Variable remuneration		0	20	4	330
Breakdown of variable remuneration earned in 2017					
- Cash		0	9	3	188
- Shares		0	12	2	136
- Share-linked instruments & other instruments		0	0	0	6
Variable remuneration earned in 2017 broken down by disbursement form					
- Disbursed**		0	9	2	175
- Deferred		0	12	2	156
Sign-on fees and severance payments disbursed in the 2017 financial year					
- Sign-on fees		0	5	0	2
- Number of beneficiaries		0	1	0	3
- Severance payments		0	0	0	39
- Number of beneficiaries		0	0	0	22
Provisions made for severance payments in the 2017 financial year					
- Total amounts		0	0	0	59
- Highest provision made for severance payment in 2017		0	0	0	9
- Number of beneficiaries		0	0	0	27
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	32	0	431
- Corrections 2017		0	0	1	5
- Payments in 2017 related to deferral in previous years		0	-4	0	-33
- Forfeited deferred remuneration in 2017		0	-1	0	-6
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2017		0	12	2	156
Deferred remuneration at 31 December 2017		0	39	3	553
Number of employees earning EUR 1 million or more, broken down into bands of EUR 500,000					
Total remuneration: EUR 1.0 million - EUR 1.5 million		0	6	0	8
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	0	0	2
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	1	0	0
Total remuneration above EUR 2.5 million		0	0	0	0

The figures are pro rata figures based on the period of time for which the employees have been designated as material risk takers.

* The number of employees includes all material risk takers at 31 December 2017. The number of FTEs is a pro rata figure over the year.

** Disbursed variable remuneration will be disbursed during 2018.

*** The amount of outstanding deferred remuneration is based on the number of designated material risk takers in the year of provision and the share price at the time of granting, thus reflecting the costs for Danske Bank Group.

Quantitative Information - Danske Bank A/S - Material Risk Takers - 2017

(DKK millions)	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2017 financial year broken down by business areas	216	417	81	167	193
(DKK millions)	Board of Directors	Executive Board	Control Function	Other MRT's	
Total amounts for the 2017 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	8	102	291
Number of material risk takers at 31 December 2017		12	8	98	282
Fixed remuneration		10	66	166	562
Variable remuneration		0	20	1	248
Breakdown of variable remuneration earned in 2017					
- Cash		0	9	0	136
- Shares		0	12	0	113
- Share-linked instruments & other instruments		0	0	0	0
Variable remuneration earned in 2017 broken down by disbursement form					
- Disbursed**		0	9	1	123
- Deferred		0	12	0	125
Sign-on fees and severance payments disbursed in the 2017 financial year					
- Sign-on fees		0	5	0	2
- Number of beneficiaries		0	1	0	3
- Severance payments		0	0	0	21
- Number of beneficiaries		0	0	0	11
Provisions made for severance payments in the 2017 financial year					
- Total amounts		0	0	0	40
- Highest provision made for severance payment in 2017		0	0	0	8
- Number of beneficiaries		0	0	0	16
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	32	0	368
- Corrections 2017		0	0	1	4
- Payments in 2017 related to deferral in previous years		0	-4	0	-30
- Forfeited deferred remuneration in 2017		0	-1	0	-5
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2017		0	12	0	125
Deferred remuneration at 31 December 2017		0	39	1	462
Number of employees earning EUR 1 million or more, broken down into bands of EUR 500,000					
Total remuneration: EUR 1.0 million - EUR 1.5 million		0	6	0	6
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	0	0	1
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	1	0	0
Total remuneration above EUR 2.5 million		0	0	0	0

The figures are pro rata figures based on the period of time for which the employees have been designated as material risk takers.

* The number of employees includes all material risk takers at 31 December 2017. The number of FTEs is a pro rata figure over the year.

** Disbursed variable remuneration will be disbursed during 2018.

*** The amount of outstanding deferred remuneration is based on the number of designated material risk takers in the year of provision and the share price at the time of granting, thus reflecting the costs for Danske Bank Group.

Quantitative Information - Danske Bank Group - Material Risk Takers - 2016

(DKK millions)	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2016 financial year broken down by business areas	397	517	251	270	219
(DKK millions)	Board of Directors	Executive Board	Control Function	Other MRT's	
Total amounts for the 2016 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	7	194	640
Number of material risk takers at 31 December 2016		12	8	191	647
Fixed remuneration		10	61	268	955
Variable remuneration		0	17	1	341
Breakdown of variable remuneration earned in 2016					
- Cash		0	5	1	183
- Shares		0	12	0	158
- Share-linked instruments & other instruments		0	0	0	0
Variable remuneration earned in 2016 broken down by disbursement form					
- Disbursed**		0	5	1	168
- Deferred		0	12	0	173
Sign-on fees and severance payments disbursed in the 2016 financial year					
- Sign-on fees		0	0	0	6
- Number of beneficiaries		0	0	0	5
- Severance payments		0	0	1	21
- Number of beneficiaries		0	0	2	15
Provisions made for severance payments in the 2016 financial year					
- Total amounts		0	0	2	46
- Highest provision made for severance payment in 2016		0	0	1	16
- Number of beneficiaries		0	0	3	18
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	22	1	329
- Corrections 2016		0	0	-1	4
- Payments in 2016 related to deferral in previous years		0	-2	0	-58
- Forfeited deferred remuneration in 2016		0	0	0	-16
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2016		0	12	0	173
Deferred remuneration at 31 December 2016		0	32	0	431
Number of employees earning EUR 1 million or more, broken down into bands of EUR 500,000					
Total remuneration: EUR 1.0 million - EUR 1.5 million		0	5	0	9
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	0	0	1
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	1	0	0
Total remuneration above EUR 2.5 million		0	0	0	0

The figures are pro rata figures based on the period of time for which the employees have been designated as material risk takers.

* The number of employees includes all material risk takers at 31 December 2016. The number of FTEs is a pro rata figure over the year.

** Disbursed variable remuneration will be disbursed during 2017.

*** The amount of outstanding deferred remuneration is based on the number of designated material risk takers in the year of provision and the share price at the time of granting, thus reflecting the costs for Danske Bank Group.

Quantitative Information - Danske Bank A/S - Material Risk Takers - 2016

(DKK millions)	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2016 financial year broken down by business areas	227	484	86	206	202
(DKK millions)	Board of Directors	Executive Board	Control Function	Other MRT's	
Total amounts for the 2016 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	7	132	338
Number of material risk takers at 31 December 2016		12	8	130	340
Fixed remuneration		10	61	205	631
Variable remuneration		0	17	1	281
Breakdown of variable remuneration earned in 2016					
- Cash		0	5	1	150
- Shares		0	12	0	131
- Share-linked instruments & other instruments		0	0	0	0
Variable remuneration earned in 2016 broken down by disbursement form					
- Disbursed**		0	5	1	135
- Deferred		0	12	0	146
Sign-on fees and severance payments disbursed in the 2016 financial year					
- Sign-on fees		0	0	0	5
- Number of beneficiaries		0	0	0	4
- Severance payments		0	0	1	17
- Number of beneficiaries		0	0	2	9
Provisions made for severance payments in the 2016 financial year					
- Total amounts		0	0	2	35
- Highest provision made for severance payment in 2016		0	0	1	16
- Number of beneficiaries		0	0	3	11
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	22	1	282
- Corrections 2016		0	0	-1	11
- Payments in 2016 related to deferral in previous years		0	-2	0	-55
- Forfeited deferred remuneration in 2016		0	0	0	-16
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2016		0	12	0	146
Deferred remuneration at 31 December 2016		0	32	0	368
Number of employees earning EUR 1 million or more, broken down into bands of EUR 500,000					
Total remuneration: EUR 1.0 million - EUR 1.5 million		0	5	0	9
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	0	0	1
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	1	0	0
Total remuneration above EUR 2.5 million		0	0	0	0

The figures are pro rata figures based on the period of time for which the employees have been designated as material risk takers.

* The number of employees includes all material risk takers at 31 December 2016. The number of FTEs is a pro rata figure over the year.

** Disbursed variable remuneration will be disbursed during 2017.

*** The amount of outstanding deferred remuneration is based on the number of designated material risk takers in the year of provision and the share price at the time of granting, thus reflecting the costs for Danske Bank Group.