

Remuneration Report 2019

Danske Bank Group

A photograph of two people walking on a beach towards the ocean under a bright sky. The image is in a monochromatic blue and white color scheme. The two figures are silhouetted against the bright background of the beach and sky. The beach is wide and sandy, with gentle waves lapping at the shore. The sky is filled with soft, wispy clouds. The overall mood is serene and contemplative.

Danske Bank

Remuneration Report 2019 Danske Bank

This remuneration report includes remuneration practices and main principles in Danske Bank A/S and its subsidiaries (Danske Bank, or the 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's incentive programmes.

Disclosure of remuneration and remuneration structure further takes note of *Capital Requirement Regulation and Guidelines on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013*.

Further, the remuneration report describes practices related to regulatory matters, as well as changes of remuneration practices, including the Remuneration Committee's main considerations on remuneration during the year.

The remuneration report provides information on total remuneration to the individual members of the Board of Directors and the Executive Leadership Team of Danske Bank, as well as aggregate quantitative information on remuneration to the Group's designated material risk takers.

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

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 10/03 2020

Karsten Dybvad,
Chairman of the Board of Directors

Chris Vogelzang,
Group CEO

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1 Introduction

Danske Bank is one of the leading financial institutions in the Nordic countries and the largest financial institution in Denmark with a history that goes back more than 145 years. Today, Danske Bank serves approx. 3 million customers in the core markets – Denmark, Norway, Sweden, Finland and Northern Ireland.

Danske Bank wishes 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 to meet customer needs.

The financial sector is subject to regulation on remuneration practices. Regulatory requirements are initiated across Europe to ensure good corporate governance and trust in the financial sector. Further, legislation to protect shareholders' insight in the Group's remuneration practice is also in force.

On annual basis, the remuneration policy and practices are reviewed and adjusted, as required, to reflect changes in regulatory requirements, expectations from external stakeholders and Danske Bank's strategic priorities. A profound objective of the remuneration policy and remuneration practice at Danske Bank is to promote sound and effective risk management related to remuneration matters, including accounting managers to comply with internal governance.

In 2019, the new Shareholders' Rights Directive ('the directive') came into practice with requirement of full implementation from 2020 (to be presented at the annual general meeting in 2021). Consequently, Danske Bank has initiated fulfilment of requirements in the directive, where data are available and accurate. In addition, the remuneration report will continue to disclose aggregate quantitative remuneration to the Group's designated material risk takers.

2 Executive summary

2019 was an extraordinary year on remuneration in Danske Bank. Following the issues with the Estonian non-resident portfolio and the issues with the FlexInvest Fri product, Danske Bank and the Board of Directors has had high focus on reviewing the Group's incentive structures.

The overall purpose has been ensuring, the incentive structure actively leads to long term value creation, and that inappropriate risk taking or individual misconduct is taken properly into consideration, when settling the variable remuneration across the Group.

Especially the two incidents also included thorough investigation of key personnel's earned variable remuneration in the relevant years. Consequently, the Board of Directors has taken action in relation to clawing back already paid remuneration, and reducing deferred remuneration, which would otherwise have been paid out.

During 2019, five members of the Executive Leadership Team (ELT) left; two new members of ELT was appointed, including the new Group CEO, Chris Vogelzang. Another two members have been appointed, commencing their employment in 2020.

The Board of Directors extraordinarily adjusted the remuneration levels for ELT in 2019, to ensure Danske Bank is attractive to senior leaders with the required experience and competencies. The revised salary levels do not mirror the financial results for 2019. The Board of Directors, however, has considered a necessity for Danske Bank to have a robust and very

experienced senior management team to regain past financial strength and trust from the society into Danske Bank's actions.

With the above-mentioned changes in remuneration practices during 2019, the Board of Directors considers Danske Bank to have a robust and sustainable foundation for moving ahead and focusing on accomplishing the strategic objectives that is ahead of Danske Bank in the next 3-4 years to come.

3 Remuneration policy for Danske Bank

Danske Bank's remuneration policy applies to all employees at Danske Bank including the Board of Directors and the Executive Leadership Team. Local deviations from the remuneration policy may exist. However, any deviations not explained by local regulatory requirements have to be within the boundaries outlined in the Group's remuneration policy. Introduction or adjustment of remuneration components are discussed with and endorsed by Group HR.

Danske Bank's subsidiaries may have own local Board of Directors, e.g. Northern Bank, Danica Pension, MobilePay and Realkredit Danmark. Some deviations on remuneration practices may apply, and such deviations are reported to the Group's Remuneration Committee on annual basis. Where applicable, Group HR is consulted by subsidiaries to ensure compliance with the Group's policy and practices.

3.1 Monitoring of Danske Bank's remuneration policy

Group HR monitors changes to regulatory and/or legislative requirements in order to adjust the remuneration policy and practices accordingly. When new legislation and/or regulation requirements leave options for Danske Bank to decide, it is either Group HR, ELT and/or the Board of Directors who make the decision on the implementation depending on the materiality for Danske Bank.

Internal controls and validation processes for monitoring compliance with the remuneration policy are designed and implemented in a formalised way.

The Remuneration Committee monitors compliance with the remuneration policy as well as the effect of internal controls and validation processes on an ongoing basis, and as a minimum once a year.

3.2 Approval of Danske Bank's remuneration policy

Danske Bank's Board of Directors reviews the remuneration policy annually. Shareholders at the annual general meeting approve the revised remuneration policy to the extent that there are changes, and as a minimum every fourth year. The remuneration policy in its current form was approved at the annual general meeting in March 2019.

4 Remuneration governance and considerations in 2019

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 to members of ELT and key

employees, including material risk takers, employees in certain control functions¹ and the highest remunerated employees.

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. Relevant employees of Danske Bank i.e. the Group CEO, Head of Group HR, and the Head of Executive Reward Management, 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 charter and composition of the Remuneration Committee as well as the committee members' record of attendance for 2019 are available on [danskebank.com](https://www.danskebank.com).

The Remuneration Committee meets as a minimum twice a year. During 2019, the Remuneration Committee has held four meetings.

In 2019, the Remuneration Committee monitored and/or followed up on:

- The remuneration of certain heads of control functions
- The remuneration of high earners not part of ELT
- The spend on variable remuneration across the Group
- The salary drift across the Group in 2018
- The effectiveness of actions initiated to ensure compliance with regulatory requirements
- Ordinary back testing of deferred bonuses to material risk takers due for release in 2019
- Gender pay gap and pay equality for 2018

The spend on variable remuneration is monitored closely to ensure an appropriate use of incentives in the remuneration practices. In 2019, variable remuneration was settled for the performance year 2018, at a significantly lower level than preceding years, mainly due to the financial results and value creation during the year. For 2019, variable remuneration will be settled in Q1 2020, expectedly at an even lower level than for 2018.

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

- Back testing and considering reduction of deferred bonuses to key people investigated in relation to money laundering via the Estonian non-resident portfolio
- Back testing and considering reduction of deferred bonuses to key people investigated in relation to the launch of FlexInvest Fri in the Danish retail banking market
- The accrual mechanisms for aggregated bonus pools in 2019
- Enforcement of an even higher focus on conduct for beneficiaries in the Group's incentive programmes (set in force for 2020 and going forward)
- Review and reconfirmation of the incentive structure for members of ELT

¹ Control functions include employees responsible for internal controls and auditing, i.e. risk management, compliance and internal audit

- Fixed salary levels for members of ELT
- Performance agreements and bonus targets for members of ELT
- The annual review of criteria used for designating material risk takers and control functions
- The remuneration of the Board of Directors
- The charter and annual work schedule for the Remuneration Committee

In September 2019, the Executive Leadership Team was re-established to prepare for the strategic priorities in the years to come. At the same time, the Board of Directors considered, that remuneration of Danske Bank's leadership team should appropriately be closer aligned with European peer remuneration levels vs previously only Nordic peer levels, to ensure a sustainable level of experience and competences on the executive level. Consequently, an extraordinary salary adjustment was initiated, ensuring the individual members of ELT are on par with comparable European peers. At the same time, the ordinary salary adjustment in January 2020 was cancelled.

In 2019, back testing resulted in reductions of deferred performance based remuneration.

Based on business activities in the Estonian Branch, relevant targets/KPIs used for accruing bonus in 2014 and 2015 were tested for sustainability and recalculated. The back testing included financial performance on Group and Business Unit level. Further, individual KPIs and conduct for selected current and former employees was back tested, and deferred bonuses reduced accordingly.

In addition, the Group's ordinary back testing procedures for material risk takers included a reduction in a single employee's deferred bonus.

Further, following the investigations of the Estonian case and FlexInvest Fri, claw back claims of previously paid bonus have been considered. Danske Bank has provided the Danish Financial Supervisory Authority information on the back testing and claw back activities.

5 Remuneration practices

Danske Bank's overall remuneration practices are anchored in the remuneration policy, which is published on [danskebank.com](https://www.danskebank.com).

Below is an explanation of remuneration principles applied in Danske Bank. Remuneration to the Board of Directors and ELT, respectively, is described in section 5.5 and 5.6.

Total remuneration to individual members of the Board of Directors and ELT is disclosed in the annual report, note G36. Aggregate information on total remuneration to Danske Bank's designated material risk takers is disclosed in appendix.

5.1 Remuneration principles

Compensation at Danske Bank is a mixture of different compensation elements. Some elements are mandatory, as part of the total compensation package, while some flexibility is offered on other elements. Mandatory elements e.g. forced pension savings via own and company pension contribution has been applied for several years as part of Danske Bank's focus on including social responsibilities into compensation practices. The compensation mix

is continuously assessed to ensure alignment to the geographical and functional markets in which Danske Bank operates.

Base salary is the key compensation element containing flexibility for managers to decide on. Other fixed compensation elements include pension contribution. Collective agreements regulate base salary for the majority of employees. Where applicable, the level for individual remuneration is 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.

Changes in remuneration are consulted with Group HR when relevant, and always 'grandfather' approved by the deciding manager's manager. Internal governance and guidelines apply to all compensation elements.

The governance and guidelines are published on Danske Bank's internal website for easy access for managers. HR partners are trained in compensation governance to support managers appropriately in decision-making and grandfather approvals.

5.2 Fixed remuneration

All employees in Danske Bank 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 contractual terms, including at management level, only receive a base salary.

Few exceptions apply due to special circumstances, e.g. allowances allocated as part of an expatriation, or if taking on an interim position. Further, allowances can apply as a substitute when specific positions are excluded from variable remuneration, due to regulatory requirements. Group designated material risk takers cannot receive temporary allowances, unless taking on an interim position. No bonus or pension is paid based on interim acting-up allowances.

Fixed salary levels are evaluated on an annual basis with no guaranteed increase.

5.3 Benefits

Employee benefits are offered to all employees with some customisation to local markets and working patterns. All employees have mandatory pension contributions, 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, enabling Danske Bank to attract and retain key resources, e.g. company car and private health checks.

5.4 Variable remuneration

Danske Bank uses performance based variable remuneration to promote desired behaviour, set strategic directions, incentivise and reward high performance. Both short term and long term incentives are used to balance an appropriate focus.

As variable remuneration to key employees, i.e. material risk takers, including senior management contains deferral of settled bonus, even short term incentives contains a long term interest in sustainable performance and results.

Variable remuneration in Danske Bank is subject to claw back and reduction via back testing. Variable remuneration is reduced, if performance proves unsustainable or paid based on false information.

Long term incentives

Long term incentives (LTI) are exclusively offered to members of ELT. The LTI is a share based programme with the purpose of aligning the ELT members' focus and interest in Danske Bank's long term performance and objectives with interests of shareholders and other stakeholders. Granted bonus is subject to 5 years deferral, followed by back testing against performance and the beneficiary's behaviour/conduct to ensure sustainable value creation in the deferral period. Based on the back testing, reduction on the deferred bonus may be applied.

Short term incentives

Short term incentives (STI) are offered to members of ELT, management levels in general, market functions and other selected employee segments, where variable remuneration is a market standard. The purpose of short term incentives is to

- Encourage employees to take active part in and responsibility for Danske Bank 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 adapt an appropriate risk and compliance mind-set
- Set directions for employees, related to strategic focus and expected behaviour/conduct
- Ensure coherence between business results and remuneration levels in Danske Bank while at the same time balance individual risk taking against performance targets

STI programmes are mainly cash based, though payment in shares (share granting) is used when pay-out exceeds the thresholds set out in the remuneration policy, or, when bonus is awarded to material risk takers (aligned to applicable regulations). No share options or other financial instruments are offered.

STI programmes for members of ELT, management levels and designated material risk takers are based on individual performance agreements which include predetermined performance criteria against targets on Group performance, Area specific performance i.e. Business Unit and individual performance. The KPI levels and the KPIs have different weights depending on the participant's tier level.

The 2019 performance criteria includes both financial, non-financial, quantitative, qualitative, relative, absolute and risk adjusted KPIs e.g.:

- Return on Equity (ROE) and/or Return on Allocated Capital (ROAC)
- Operating Expenses
- Customer Satisfaction
- Relative performance against selected peers
- Performance supporting an appropriate risk management culture and appetite
- Compliance with legislation and/or internal business procedures
- Leadership behaviour/Employee engagement
- Other KPIs related to each participant's individual area of responsibility

Financial targets for the Group and the Business Units/Staff Areas are measured on results audited by Danske Bank's external auditor. Non-financial targets for the Group and Business Units are also delivered by external parties, e.g. customer satisfaction and reputation scores in main markets.

Further, targets on Risk and Compliance apply on Group and Business Unit level. The performance is evaluated and set by the Group's independent control functions; hence, Business Units do not evaluate and settle own performance.

Individual targets may be quantitative as well as qualitative, e.g. behaviour, accomplishment of strategic objectives, or overall value contribution to growth and/or profitability. Individual targets are customised to the individual participant's area of responsibility and is subject to grandfathering upon evaluation.

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.

Variable remuneration paid to employees in control functions, does not depend on the results of the business unit monitored by the employee. If variable remuneration is considered inappropriate for maintaining independency, a fixed allowance is offered as a substitute, e.g. to independent control functions in positions which would otherwise be eligible for variable remuneration.

The remuneration policy has defined caps on variable remuneration for different employee segments. Hence, variable remuneration is limited to 200% of individual fixed base salary and pension contribution in a given year. In practice, the 200% cap is relevant only to a limited number of employee segments, mainly in Danske Bank's capital markets units. Lower caps apply to the vast majority of employees, according to the employee's position, Business Unit and local/market conditions.

As specified in the remuneration policy, Danske Bank has settled the cap for variable remuneration to the Group's designated material risk takers, at 200% in accordance with section 77a(3) of the Danish Financial Business Act.

Further, with reference to Danish regulation, variable remuneration is limited to 50% of fixed base salary and pension for executive directors (members of ELT and executive directors of subsidiaries).

In 2019, no incidents of violating caps for variable remuneration were identified and reported.

5.5 Remuneration of the Board of Directors

Members of the Board of Directors are compensated with fixed cash. Hence, members of the Board of Directors do not receive any variable remuneration, pension contribution, or other benefits. Further, all members of the Board of Directors are non-executive directors in Danske Bank. Consequently, no members of the Board of Directors receive other remuneration from Danske Bank, except for members elected by the employees. In their role as employees of Danske Bank, they are entitled to variable remuneration and staff benefits, in accordance with their peers.

As members of the Board of Directors receive fixed cash remuneration only, there is no conflict of interest with the Group's remuneration policy.

The cash based compensation model for members of the Board of Directors mirrors the expected workload related to the work on the Board. Thus, a base fee for Board membership is paid to all members of the Board of Directors. Further, additional fees are paid for Board Committee memberships and for Chairmanship and Vice Chairmanship of the Board of Directors and in the Committees.

5.6 Remuneration of the Executive Leadership Team

The compensation model for members of ELT includes the following compensation elements:

Compensation elements	Comments
Fixed base salary	<ul style="list-style-type: none"> Reviewed by the Remuneration Committee on annual basis
Pension contribution	<ul style="list-style-type: none"> 20% of base salary paid as defined contribution. If covered by LL §48E/F the pension contribution is paid as a 20% cash allowance
Short term incentive	<ul style="list-style-type: none"> Maximum 30% of annual base salary is earned Paid in cash and shares 1 year accrual, based on KPI performance Upon settlement, 40% is paid in cash, while 60% is deferred 5 years and is subject to back testing Upon back testing, deferred bonus is paid in conditional shares and is retained for a year before being free to trade Payments are subject to claw back and good leaver/bad leaver conditions
Long term incentive	<ul style="list-style-type: none"> 100% share based 20% of annual fixed salary is granted in shares The shares vest over 3 years. After 3 years, pay-out ratio (0-100%) is settled based on relative TSR (Total Shareholder Return) performance against Nordic peers Upon settlement, 40% is paid out, while 60% is deferred 5 years from granting time, subject to back testing Upon back testing, deferred bonus is paid as conditional shares. Deferred shares are retained for a year before being free to trade Payments are subject to claw back and good leaver/bad leaver conditions (good leaver conditions applied on settled deferred bonus)
Benefits	<ul style="list-style-type: none"> Insurances (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 news papers 6 week annual paid holiday
Notice terms	<ul style="list-style-type: none"> A minimum of 9 month notice from the ELT member 18 month notice from Danske Bank No severance payment

The aggregated (fixed and variable) compensation constitutes a maximum of 170% of the annual fixed base salary, not including the value of benefits offered. Consequently, variable remuneration comprises a maximum of 30% of total remuneration, and 42% of the annual fixed salary; hence, the compensation model complies with the Group's remuneration policy as well as applicable regulatory requirements.

The incentive structure for members of ELT was revised in 2019 with no material changes. Focus remains on long-term performance, e.g. against Danske Bank's 2023 ambitions, and, further a balanced focus on Danske Bank's main stakeholders (*customers, shareholders, employees and the society*).

Conditioned by regulatory requirements for executive directors, variable remuneration is capped at 50% of the annual fixed salary. Further, due to 60% of settled bonuses being deferred in 5 years, the Remuneration Committee concluded that the incentive structure is well balanced in terms of serving the main stakeholders and focus on Danske Bank's long term performance and sustainable value creation.

The compensation model for members of ELT does not include a minimum share-hold of Danske Bank shares, as incentive programmes contain a certain amount of shares. Combined with the 5 year deferral of shares, members of ELT are generally expected to quickly obtain a noticeable amount of long term share-holds, making an additional share-hold requirement obsolete.

Further, members of ELT do not receive remuneration from responsibilities related to other entities in the Group, i.e. no separate remuneration is paid for work on Boards in subsidiaries.

Applied performance criteria for bonus accrual

In 2019, members of the ELT shared a set of group-wide performance criteria/KPIs for bonus accrual on the short term incentive. The KPIs used for bonus accruals in 2019 are described above in section 5.4 Variable remuneration.

Performance criteria for Group level performance applies to all individual members of ELT with a 50% contribution to the 2019 bonus settlement. Performance criteria for area specific performance (e.g. Business Unit level) applies with a 30% contribution to the 2019 bonus settlement. Some variation applies across the individual members of ELT, as staff areas/support functions are not measured on ROAC. The final 20% of the 2019 bonus settlement is based on individual performance criteria.

The long term incentive is solely based on relative performance to Nordic peers on Total Shareholder Return over a three-year period.

All performance criteria used for bonus accrual to members of ELT are measured against a performance scale with a minimum threshold for accruing bonus.

5.7 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, Danske Bank has initiated a well-balanced distribution between fixed and variable remuneration, ensuring senior management does not have more than 30% of the total remuneration being variable, due to a maximum cap of combined short term and long term incentives at 50% of base salary.

Certain employee segments in 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 on business activities, and restricted by other risk limiting vehicles, i.e. using performance on risk related KPIs for bonus accrual.

Secondly, Danske Bank 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 deferral and retention period of minimum three years.

Disbursement practice for material risk takers, including members of ELT, 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 ELT, 60% of disbursed short term incentives is paid in conditional shares.

Thirdly, Danske Bank has implemented deferral of variable remuneration for material risk takers including members of ELT 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 three years (five years for members of ELT).

Deferred conditional shares are restricted from transactions 6 months after disbursement (12 months for members of ELT). 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 has not deteriorated materially. Hence, the disbursement may lapse in part or in full.

Variable remuneration to material risk takers, including members of ELT, 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 parts.

On annual basis, incentive programmes are assessed internally to ensure the appropriateness of the programmes, and to continually monitor, if any programmes can lead to excessive risk taking.

6 Material risk takers

On the basis of the Danish Financial Supervisory Authority's Executive Order No. 1337 of 29 November 2017, Danske Bank 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's risk profile.

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

Danske Bank has also established a routine for continually reviewing the criteria for designation of material risk takers. As of December 2019, the number of designated material risk takers had increased to 714 (2018: 674).

7 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.

Appendix A: Quantitative information, Material Risk Takers

Quantitative Information - Danske Bank Group - Material Risk Takers - 2019					
[DKK millions]	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2019 financial year broken down by business areas	316	354	226	273	228
[DKK millions]	Board of Directors		ELT	Control Function	Other MRT's
Total amounts for the 2019 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	9	168	544
Number of material risk takers at 31 December 2019		12	7	169	526
Fixed remuneration		12	78	248	841
Variable remuneration		0	23	25	170
Breakdown of variable remuneration earned in 2019					
- Cash		0	14	13	89
- Shares		0	9	11	82
- Share-linked instruments & other instruments		0	0	0	0
Variable remuneration earned in 2019 broken down by disbursement form					
- Disbursed**		0	14	13	86
- Deferred		0	9	11	85
Sign-on fees and severance payments disbursed in the 2019 financial year					
- Sign-on fees		0	11	3	2
- Number of beneficiaries		0	2	4	6
- Severance payments		0	0	5	10
- Number of beneficiaries		0	0	6	11
Provisions made for severance payments in the 2019 financial year					
- Total amounts		0	0	5	17
- Highest provision made for severance payment in 2019		0	0	0	3
- Number of beneficiaries		0	0	6	13
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	27	6	561
- Corrections 2019		0	-1	0	10
- Payments in 2019 related to deferral in previous years		0	-1	0	-153
- Forfeited deferred remuneration in 2019		0	-1	0	-8
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2019		0	9	11	85
Deferred remuneration at 31 December 2019		0	33	17	495
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	3	0	2
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	2	0	0
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	0	0	0
Total remuneration above EUR 2.5 million		0	1	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 2019. The number of FTEs is a pro rata figure over the year.

** Parts of disbursed variable remuneration will be disbursed during 2020.

*** 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 - 2019

[DKK millions]	Retail Activities	Capital Markets	Asset Management	Control Function	Other Activities
Total remuneration for the 2019 financial year broken down by business areas	168	346	97	227	214
[DKK millions]	Board of Directors	ELT	Control Function	Other MRT's	
Total amounts for the 2019 financial year broken down by fixed and variable remuneration*					
Number of full-time-equivalent material risk takers (FTE)		12	9	127	312
Number of material risk takers at 31 December 2019		12	7	128	298
Fixed remuneration		12	78	200	583
Variable remuneration		0	23	23	133
Breakdown of variable remuneration earned in 2019					
- Cash		0	14	12	69
- Shares		0	9	11	64
- Share-linked instruments & other instruments		0	0	0	0
Variable remuneration earned in 2019 broken down by disbursement form					
- Disbursed**		0	14	12	67
- Deferred		0	9	11	66
Sign-on fees and severance payments disbursed in the 2019 financial year					
- Sign-on fees		0	11	3	2
- Number of beneficiaries		0	2	4	5
- Severance payments		0	0	1	7
- Number of beneficiaries		0	0	1	7
Provisions made for severance payments in the 2019 financial year					
- Total amounts		0	0	1	14
- Highest provision made for severance payment in 2019		0	0	0	3
- Number of beneficiaries		0	0	1	10
Outstanding deferred remuneration***					
Outstanding deferred remuneration related to previous years		0	27	4	475
- Corrections 2019		0	-1	0	0
- Payments in 2019 related to deferral in previous years		0	-1	0	-135
- Forfeited deferred remuneration in 2019		0	-1	0	-8
- Reduced		0	0	0	0
- Accrued deferred remuneration in 2019		0	9	11	66
Deferred remuneration at 31 December 2019		0	33	15	398
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	3	0	0
Total remuneration: EUR 1.5 million - EUR 2.0 million		0	2	0	0
Total remuneration: EUR 2.0 million - EUR 2.5 million		0	0	0	0
Total remuneration above EUR 2.5 million		0	1	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 2019. The number of FTEs is a pro rata figure over the year.

** Parts of disbursed variable remuneration will be disbursed during 2020.

*** 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 A/S.

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.