

Remuneration Report 2022

Danske Bank Group

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Introduction

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

The beginning of 2022 was characterised by the strong post COVID-19 recoveries in the Nordic economies with strong labour markets and consumer spending. However, the Russian invasion of Ukraine and the swift and determined sanctions imposed on Russia as a respond by the West triggered the biggest geopolitical crisis in Europe since the Second World War with soaring commodity prices reawakening fears of stagflation or even global recession. The European consumers experienced the biggest erosion of disposable income in decades due to increased inflation.

2022 also marked the end of the investigation into Danske Bank by US and Danish authorities regarding the Estonia matter. Danske Bank reached coordinated resolutions with the authorities resulting in a settlement of DKK 15.3 billion. The Danske Bank Group posted a net loss of DKK 5.1 billion. The outlook for 2023 is net profit in a range of DKK 15-17 billion.

For Danske Bank, 2022 was a year in which we continued to make progress with the transformation to become a better bank and delivered progress towards our 2023 ambitions. Among other things, we continued to strengthen our value propositions for our customers through digitalisation and sustainable solutions. Danske Bank was the first Nordic bank to set concrete CO2 reduction targets for selected sectors towards 2030 in relation to lending with the aim of achieving a net-zero loan portfolio by 2050 or sooner. Management confirmed that Danske Bank is fully committed to take leadership in the green transition and as the next step in our ongoing transformation, we will announce new strategic ambitions within the first half of 2023.

In 2022 the simplification of the bonus programmes and review of the KPIs progressed. In line with the Remuneration policy, the short-term incentives for the CEO and the rest of the Executive Leadership Team have been set with reference to a balanced scorecard of financial and non-financial KPIs including a further developed sustainability KPI supporting the Danske Bank Group strategy.

In 2022, the composition of the Board of Directors changed. Karsten Dybvad did not seek re-election and Jacob Dahl, Allan Polack and Helle Valentin were all elected at the annual general meeting in 2022. Bente Bang and Kirsten Ebbe Brich were re-elected and Aleksandras Cicasovas and Louise Aggerstrøm Hansen newly elected by the employees in 2022.

The composition of the Executive Leadership Team also changed during 2022. As announced last year, the Executive Leadership Team welcomed Johanna Norberg and Christian Bornfeld in May. In June 2022 it was announced that Christian Bornfeld would assume the responsibility for Danske Bank's units Financial Crime Prevention and Financial Crime Risk working within the financial crime prevention across the organisation following Philippe Vollot's resignation. At the same time the Chief Compliance Officer Satnam Lehal's organisation was moved interim - and later permanently - under the Chief Risk Officer, Magnus Thor Agustsson. The Chief Compliance Officer continued to have an independent reporting line to the Board of Directors.

Copenhagen, 2 February 2023



Martin Blessing,
Chairman of the Board
of Directors



Summary of key disclosures

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

A summary of these disclosures as they relate to the Chairman of the Board of Directors, the members of the Board of Directors, the CEO and the Executive Leadership Team as a whole is provided below.

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

At the Annual General Meeting in March 2022, Martin Blessing was elected Chairman of the Board of Directors replacing Karsten Dybvad who left the Board of Directors. The Chairman and the members of the Board of Directors receive a fixed annual base fee and are not eligible for any form of variable remuneration or pension unless required in accordance with local regulations.

(DKK thousands)	2022 Remuneration	2021 Remuneration
Martin Blessing Chairman (from 17 March 2022, former Board member)	2,873	1,054
Karsten Dybvad Chairman (until 17 March 2022)	840	3,803

(DKK thousands)	2022 Remuneration	2021 Remuneration
Board of Directors	15,506	15,536

Remuneration of the CEO

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

The remuneration of the CEO consists of fixed remuneration (base salary and benefits) and variable remuneration (Short-term Incentive Programme (STI) and Long-term Incentive Programme (LTI)).

(DKK thousands)	2022 Total Fixed ¹	Short-term incentive programme	Long-term incentive programme	2022 Total
Carsten Rasch Egeriis Chief Executive Officer	14,827	1,797	1,095	17,719

¹ Including salary and benefits.

Remuneration of the Executive Leadership Team (including the CEO)

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

(DKK thousands)	2022 Total Fixed ¹	Short-term incentive programme	Long-term incentive programme	Extraordinary payments	2022 Total
Current ELT	75,867	7,131	4,953	-	87,951

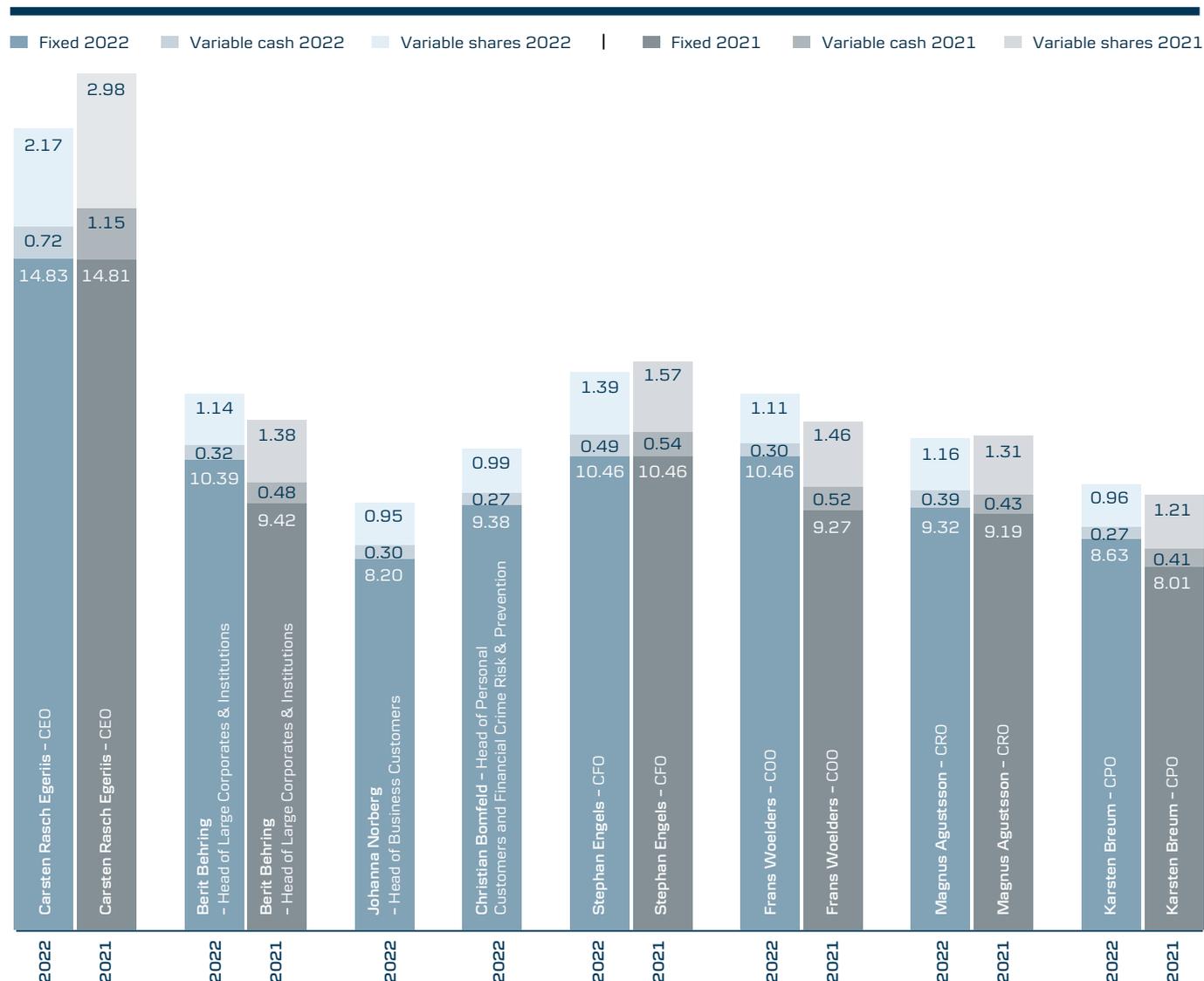
¹ Including salary, pension and benefits.

Summary of performance assessment

ELT members	KPI categories	Aggregated weight	Total performance assessment
Carsten Rasch Egeriis, CEO	Financial	25%	Below target
	Non-financial	55%	
	Risk & Compliance metric	20%	
Other ELT	Financial	35%	Below target
	Non-financial	45%	
	Risk & Compliance metric	20%	

The table below shows the composition of the remuneration of members of the Executive Leadership Team by category. The fixed remuneration includes base salary, pension and benefits. For the purposes of easy comparison of remuneration, all figures have been annualised.

ELT total remuneration breakdown - annualised (DKK millions)



Remuneration Policy and Corporate Governance

Remuneration Policy

The remuneration of the Board of Directors and the Executive Leadership Team for the financial year 2022 was determined in accordance with the Group's Remuneration Policy, which lays down and ensures an appropriate total remuneration package that has a clear link to the business strategy and aligns with stakeholder interests. In this context, the Remuneration Policy contributes towards promoting the Group's objectives for good corporate governance as well as sustained and long-term value creation for shareholders.

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

The Remuneration Policy was approved at the annual general meeting on 17 March 2022 and is available on our website at danskebank.com/about-us/corporate-governance.

Corporate Governance

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

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

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

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

The composition of the Remuneration Committee as well as the committee members' record of attendance for 2022 is available on our website at danskebank.com/about-us/management.

The Remuneration Committee meets three times a year as a minimum. During 2022, the Remuneration Committee held five meetings with full member attendance.

In 2022, the Remuneration Committee monitored, considered, evaluated and submitted recommendations to the Board of Directors in regard to the following:

- the Charter and annual work schedule for the Remuneration Committee
- the remuneration of the Board of Directors
- the annual review of criteria used for designating material risk takers and control functions
- the remuneration of certain heads of control functions (not part of the Executive Leadership Team)
- the remuneration of high earners (not part of the Executive Leadership Team)
- salary drift across the Group
- risk assessment of the Group's incentive programmes
- backtesting of deferred compensation to members of the Executive Leadership Team
- variable remuneration spend across the Group
- performance evaluation and remuneration of the individual members of the Executive Leadership Team, including fixed and variable pay
- individual performance agreement for members of the Executive Leadership Team
- review and confirmation of the incentive structure for members of the Executive Leadership Team and the rest of the Group, including the accrual mechanisms for bonus pools
- gender pay gap and pay equality



Remuneration of the Board of Directors

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

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

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

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

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

At the annual general meeting on 17 March 2022, the Board of Directors and committee fees for the financial year 2022 were approved and are listed in the tables below. The fees were unchanged compared to 2021.

Board fee structure for 2022

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

¹ 4 x base fee

² 2 x base fee



The remuneration paid in 2022 to each member of the Board of Directors is outlined in the table below.

Remuneration to members of the Board of Directors for 2022

Name and position (DKK thousands)	Annual base fee	Audit Committee	Conduct & Compliance Committee	Nomination Committee	Remunera- tion Committee	Risk Committee	Benefits	Total remuneration
Martin Blessing Chairman (from 17 March, former Board member)	2,217		173	130	259	94		2,873
Jan Thorsgaard Nielsen Deputy Chairman	1,320	220	47	259				1,846
Carol Sergeant Board member (Deputy Chairman until 17 March)	801		220			393		1,414
Lars-Erik Brenøe Board member	660		346	71	165			1,242
Bente Avnung Landsnes Board member	660	220		35				915
Raija-Leena Hankonen-Nybom Board member	660	440			35			1,135
Jacob Dahl Board member (from 17 March)	519					173		692
Allan Polack Board member (from 17 March)	519				130	173		822
Helle Valentin Board member (from 17 March)	519			130				649
Employee representatives								
Bente Bang Board member	660				130			790
Kirsten Ebbe Brich Board member	660		220					880
Louise Aggerstrøm Hansen Board member (from 17 March)	519							519
Aleksandras Cicasovas Board member (from 17 March)	519							519
Former members of the Board of Directors								
Karsten Dybvad Chairman (until 17 March)	564		93	35	71	47	30 ¹	840
Thorbjørn Lundholm Dahl Board member (until 17 March)	165							165
Charlotte Hoffmann Board member (until 17 March)	165				41			206
Total remuneration								
2022	11,126	880	1,099	660	831	880	30	15,506

¹ Home security.

Remuneration of the Executive Leadership Team

The remuneration of the members of the Executive Leadership Team is reviewed by the Remuneration Committee on an annual basis based on market practice, the scope and nature of the work, qualifications and the performance of each Executive Director. Any proposals for adjusting remuneration components for members of the Executive Leadership Team will require approval from the Board of Directors.

Members of the Executive Leadership Team receive remuneration in alignment with the Group's Remuneration Policy and do not receive remuneration from responsibilities related to other entities of the Group, so no separate remuneration is payable for work on the boards of directors of subsidiaries.

Description of ELT remuneration components

Fixed remuneration	Base salary	<ul style="list-style-type: none"> Reviewed by the Remuneration Committee on annual basis
	Pension	<ul style="list-style-type: none"> 20% of base salary paid as defined contribution. If covered by section 48E/F of the Danish Tax Assessment Act, the pension contribution is paid as a 20% cash allowance
	Benefits	<ul style="list-style-type: none"> Insurance (full time accident, group life insurance, critical illness) Company car, can be paid as a cash allowance upon request Paid mobile phone and broadband connection Paid newspaper subscriptions Home security Family health benefits
Variable remuneration	Short-term Incentive Programme	<ul style="list-style-type: none"> A maximum of 30% of annual base salary is earned Awarded once a year, with the value based on KPI performance for the year Upon settlement, 40% is paid in cash, while 60% is deferred over a five-year period and is subject to backtesting Upon backtesting, deferred bonus is paid in shares and is subject to a one-year retention period before being free to trade Payments are subject to backtesting and clawback and good leaver/bad leaver conditions
	Long-term Incentive Programme	<ul style="list-style-type: none"> 100% share-based 20% of annual base salary is granted in shares, which is the maximum award The shares vest over a period of three years. After three years, an award of 0- 100% of the maximum is settled based on relative TSR (Total Shareholder Return) performance against Nordic peers Upon settlement, 40% is paid out, while 60% is deferred for five years from the grant date, subject to backtesting Upon backtesting, deferred bonus is paid in shares and is subject to a one-year retention period before being free to trade Payments are subject to backtesting and claw back and good leaver/bad leaver conditions
	Extraordinary payments	<ul style="list-style-type: none"> Sign-on fee, retention award etc.
Notice periods		<ul style="list-style-type: none"> A minimum of nine months' notice from the ELT member, including the CEO (six months' notice from ELT members hired after 1 January 2022) 18 months' notice from Danske Bank (12 months' notice from Danske Bank for ELT members hired after 1 January 2022) No severance payment



The table below shows a summary of the remuneration of the current and former members of the Executive Leadership Team

for 2022 broken down by fixed and variable remuneration components.



Total remuneration of members of the Executive Leadership Team 2022

Earned 2022 (DKK millions)	Fixed remuneration				Variable remuneration				Total	Ratio
	Base salary	Pension ¹	Benefits	Total fixed remuneration	Extra-ordinary payments	Cash	Shares	Total variable remuneration	Total remuneration	Fixed vs. variable
Executive Leadership Team (ELT)										
Carsten Rasch Egeriis Chief Executive Officer	14.00	0	0.83	14.83	0	0.72	2.17	2.89	17.72	83% / 17%
Berit Behring Head of Large Corporates & Institutions	8.50	1.70	0.19	10.39	0	0.32	1.14	1.46	11.84	88% / 12%
Johanna Norberg Head of Business Customers (joined the ELT on 1 May 2022)	4.33	0.87	0.27	5.47	0	0.20	0.63	0.83	6.30	87% / 13%
Christian Bornfeld Head of Personal Customers and Financial Crime Risk & Prevention (joined the ELT on 1 May 2022)	5.00	1.00	0.30	6.31	0	0.18	0.66	0.83	7.14	88% / 12%
Stephan Engels Chief Financial Officer	8.50	1.70	0.26	10.46	0	0.49	1.39	1.88	12.34	85% / 15%
Frans Woelders Chief Operating Officer	8.50	1.70	0.26	10.46	0	0.30	1.11	1.41	11.87	88% / 12%
Magnus Agustsson Chief Risk Officer	7.50	1.50	0.32	9.32	0	0.39	1.16	1.55	10.87	86% / 14%
Karsten Breum Chief People Officer	7.00	1.40	0.23	8.63	0	0.27	0.96	1.23	9.86	88% / 12%
Total earned	63.33	9.88	2.66	75.87	0	2.85	9.23	12.08	87.95	

¹ Including pension amounts paid into pension scheme, as well as paid out as cash for employees covered by LL §48E/F. The CEO does not receive a pension or any pension allowance.

Total remuneration of members of the Executive Leadership Team 2022

Earned 2022 (DKK millions)	Fixed remuneration				Variable remuneration				Total	Ratio
	Base salary	Pension ¹	Benefits	Total fixed remuneration	Extra-ordinary payments	Cash	Shares	Total variable remuneration	Total remuneration	Fixed vs. variable
Former ELT members while in office										
Glenn Söderholm Head of Personal & Business Customers (left the ELT on 30 April 2022)	2.83	0.57	0.11	3.51	0	0.10	0.29	0.39	3.91	90% / 10%
Phillippe Vollot Chief Administrative Officer (left the ELT on 2 June 2022)	3.54	0.71	0.07	4.32	0	0.14	0.30	0.44	4.76	91% / 9%
Total earned	6.37	1.28	0.18	7.84	0	0.24	0.59	0.84	8.67	
Former ELT members in notice period ³										
Phillippe Vollot Former Chief Administrative Officer	2.83	0.57	0.06	3.46	0	0.11	-0.30 ²	0.11	3.57	n.a.
Total earned	2.83	0.57	0.06	3.46	0	0.11	-0.30	0.11	3.57	

¹ Including pension amounts paid into pension scheme, as well as paid out as cash for employees covered by LL §48E/F.

² In notice period Philippe Vollot forfeits the rights to conditional shares earned in 2022. Additionally he forfeits the rights to variable share-based payments earned in previous years. Further details of the forfeited awards are shown on page 18.

³ Chris Vogelzang, former CEO, who left in 2021 and was in notice period until end of October 2022, received DKK 14.68m in fixed and variable remuneration as per the contractual severance terms. Jakob Groot, former Head of C&I, who left in 2020 and was still in notice period until end of February 2022, received DKK 1.19m in fixed and variable remuneration as per the contractual severance terms.

Note: The categorisation of the remuneration components differs from the Annual Report, including the presentation of pension paid as cash allowance, which is classified as fixed salary in the Annual Report. Further, the value of the LTI grant in the table above is the grant value of the award for the 2022-2024 performance period. This value is lower than the maximum possible award as it takes into account the range of potential outcomes, including 0% and 100%.

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



Variable remuneration

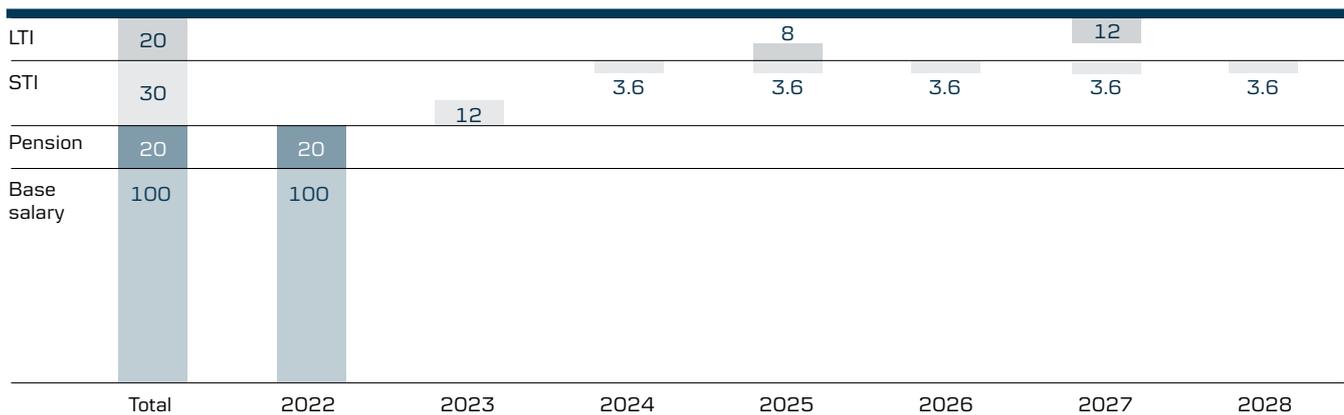
This section provides further information on the variable remuneration of the Executive Leadership Team. Danske Bank uses performance-based variable remuneration to motivate specific behaviour and performance and ensure alignment with shareholder interests.

A balance of short- and long-term incentives is applied. Short-term incentives reflect the performance of the year against agreed targets, with long-term incentives used to ensure alignment with shareholder interests on a longer time horizon.

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

The chart below provides a visual representation of the timing of award vesting to the Executive Leadership Team in respect of the 2022 performance year. For the variable pay awards, the maximum opportunity is shown.

Timing of payout for the remuneration components - illustrative



Short term incentives

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

50% of the scorecard relates to Group performance, with targets common to all Executive Leadership Team members, with 30% reflecting business unit or functional responsibilities, and the remaining 20% is allocated to individual objectives. The CEO has a 50%/50% split between Group and individual performance metrics.

On an annual basis, the Remuneration Committee undertakes the exercise of ensuring that the annual STI measures are aligned with the long-term ambitions and that annual targets

are sufficiently challenging to achieve in the context of Danske Bank's strategy. As it was the case in 2021, the Remuneration Committee safeguards that the STI measures are closely aligned with our 2023 stakeholder ambitions and the Better Bank transformation plan.

Compared to 2021, the 2022 performance criteria include a slight increase in financial (35%) KPIs to underline the needed focus on profit generation and cost. As a consequence, non-financial (65%) measures have decreased. A group sustainability KPI has been added in 2022 to underline the fact that this is an important strategic goal for the Group. The Group CEO has a split of 25% financial KPIs and 75% non-financial KPIs.

Linking strategy to performance KPIs

Stakeholder segment	2023 Ambitions	KPIs selected	Weight	Targets
Customers	We want to be among the top two performers, on average, in customer satisfaction in everything we do.	Group Customer Satisfaction	10%	
Employees	Our 2023 target is a Satisfaction & Motivation index score of 77 - taking us well on our way towards the aspiration to be a workplace where engagement is an integrated part of our culture, a natural part of our daily focus and how we work together.	Unit/Function Employee Engagement	5%	The targets for 2021 and 2022 are set accordingly to the planned progress towards our 2023 ambitions.
		Unit/Function D&I	5%	
		Leadership, Purpose and Cultural Commitments	Included in individual KPIs	
Society	We will operate sustainably, ethically and transparently - and have a positive impact on society.	Group and Unit/Function Risk, Compliance & Audit	20%	All targets are stretched and no incentive is earned until performance is close to target. Above target performance is achievable but challenging.
		Group Sustainability	5%	
Shareholders	8.5-9%* return on shareholders' equity, cost/income ratio in the mid-50s* and an unchanged dividend policy of 40-60%. *Adjusted in connection with Q3 results 2021.	Group ROE	25%	
		Unit ROAC	5%/0%	
		Unit/Function Cost	5%/10%	

At the end of the year, the KPIs are evaluated against the targets. Financial targets are measured against results audited by Danske Bank's external auditor. Please note that the group ROE in a very challenging year 2022 for the bank was scored at a zero payout. Across most of the business units, financial KPIs were scored at a low level. Non-financial targets such as customer satisfaction in main markets are, where necessary, validated by relevant parties. The measures relating to risk and compliance apply at the group and also at the business unit level. The targets are set and performance is evaluated by the Group's independent control functions. Sustainability is applied on the group level. The evaluation of this KPI is based on contributions and progress from across the business in relation to commercial and strategic sustainability objectives.

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

Performance measures and results for 2022 are included in the table on the next page.



STI performance, KPIs and results for 2022

ELT members	Group 50%		Unit 30%		Function 30%		Individual 20% (CEO: 50%)	Bonus % of base salary (max 30%)
Carsten Rasch Egeriis, CEO	ROE	25%	ROAC	5%	Total Costs	10%	Personal KPIs reflecting contribution to the Better Bank transformation and role modelling of our core values (WHAT & HOW)	13%
Berit Behring, Head of LC&I	CSAT	10%	Total Costs	5%				9%
Johanna Norberg, Head of BC	Risk & Compliance	10 (20) %*	Risk & Compliance	10%	Risk & Compliance	10%		11%
Christian Bornfeld, Head of PC								9%
Stephan Engels, CFO	Sustainability	5%	Empl. Engagement	5%	Empl. Engagement	5%		14%
Frans Woelders, COO								9%
Karsten Breum, CPO								10%
Magnus Augustsson, CRO			D&I	5%	D&I	5%		13%
Avg. achieved performance % of max (0-100%)		13%		37%		50%		79%

* 10% of the CEO's individual KPIs is allocated to Risk&Compliance

Long term incentives

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

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

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

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

The LTI grant for 2022- 2024 is adjusted on the basis of the relative TSR rank against peers at the end of year three

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

The assessment in 2022 of the LTI programme for 2020-2022 worked out at 0%.

Summary of STI and LTI grants for 2022

The following table shows the STI and LTI grants made in respect of 2022. In accordance with regulatory requirements, the annual STI bonus is split between

40% cash and 60% deferred shares. The LTI consists of shares only. The maximum LTI award is 20% of the annual base salary. All share-based remuneration is subject to deferral and backtesting.

Grants awarded to the Executive Leadership Team for 2022

Incentive programmes for the ELT (DKK millions)	STI 2022				LTI 2022-2024 maximum		Total grant 2022
	Cash	Shares	Total	Deferral %	Shares	Deferral %	
Executive Leadership Team (ELT)							
Carsten Rasch Egeriis Chief Executive Officer	0.72	1.08	1.80	60%	2.80	100%	4.60
Berit Behring Head of Large Corporates & Institutions	0.32	0.47	0.79	60%	1.70	100%	2.49
Johanna Norberg Head of Business Customers (joined the ELT on 1 May 2022)	0.20	0.30	0.49	60%	0.87	100%	1.36
Christian Bornfeld Head of Personal Customers and Financial Crime Risk & Prevention (joined the ELT on 1 May 2022)	0.18	0.27	0.44	60%	1.00	100%	1.44
Stephan Engels Chief Financial Officer	0.49	0.73	1.22	60%	1.70	100%	2.92
Frans Woelders Chief Operating Officer	0.30	0.45	0.74	60%	1.70	100%	2.44
Magnus Agustsson Chief Risk Officer	0.39	0.58	0.96	60%	1.50	100%	2.46
Karsten Breum Chief People Officer	0.27	0.41	0.68	60%	1.40	100%	2.08
Former ELT members ²							
Glenn Söderholm Head of Personal & Business Customers (left the ELT on 30 April 2022)	0.10	0.16	0.26	60%	0.57	100%	0.83
Philippe Vollot Chief Administrative Officer (left the ELT on 2 June 2022) ¹	0.25	0.00	0.25	60%	0.00	100%	0.25

¹ Full STI cash grant incl. accrual in the notice period. Deferred shares have lapsed hence the value of share grant is 0.

² Total grants awarded to former executives who left in previous years and were still in notice period in 2022: Chris Vogelzang, former CEO: DKK 3.81m; Jakob Groot, former Head of C&I: DKK 0.27m.

Share-based remuneration and shareholding

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

the CEO must own shares in the Group corresponding to a value of approximately DKK 2 million, subject to compliance with relevant legislation and the Group's policies. This requirement is fulfilled as of 31 December 2022. An overview of Danske Bank shares held by the Board of Directors and the Executive Leadership Team is provided in the annual report. The following table shows the outstanding share awards held by all members of the Executive Leadership Team.

Conditional shares held by the Executive Leadership Team

Incentive programmes	Opening balance 01/01 2022	Granted 2022	Vested 2022	Forfeited or reduced 2022	Closing balance 31/12 2022	Date		Market value (DKK millions)		
						Issue	Vesting	At issue	End of year	At vesting
Executive Leadership Team (ELT)										
Carsten Rasch Egeriis – Chief Executive Officer										
STI 2017	1,062	0	0	0	1,062	Apr.18	Mar.23	0.25	0.15	
STI 2019	6,405	0	0	0	6,405	May.20	Mar.25	0.49	0.88	
STI 2020	7,817	0	0	0	7,817	Apr.21	Mar.26	0.94	1.07	
STI 2021 ¹	0	2,483	0	0	2,483	Mar.22	Feb.24	0.28	0.34	
	0	2,483	0	0	2,483	Mar.22	Feb.25	0.28	0.34	
	0	2,483	0	0	2,483	Mar.22	Feb.26	0.28	0.34	
	0	2,483	0	0	2,483	Mar.22	Feb.27	0.28	0.34	
	0	2,483	0	0	2,483	Mar.22	Feb.28	0.28	0.34	
LTI 2019-2021	4,362	0	0	4,362	0	Jan.19	Mar.22	0.57	0.00	
	5,842	0	0	5,842	0	Jan.19	Mar.24	0.76	0.00	
	700	0	0	700	0	Sep.19	Sep.24	0.06	0.00	
LTI 2020-2022	5,916	0	0	0	5,916	Jan.20	Mar.23	0.63	0.81	
	8,874	0	0	0	8,874	Jan.20	Mar.25	0.95	1.22	
	272	0	0	0	272	Jul.20	Mar.23	0.02	0.04	
	407	0	0	0	407	Jul.20	Jul.25	0.04	0.06	
LTI 2021-2023	6,754	0	0	0	6,754	Jan.21	Mar.24	0.68	0.93	
	10,132	0	0	0	10,132	Jan.21	Mar.26	1.02	1.39	
	2,536	0	0	0	2,536	Apr.21	Mar.24	0.31	0.35	
	3,805	0	0	0	3,805	Apr.21	Apr.26	0.46	0.52	
LTI 2022-2024	0	9,990	0	0	9,990	Jan.22	Mar.25	1.12	1.37	
	0	14,985	0	0	14,985	Jan.22	Mar.27	1.68	2.06	
Total	64,884	37,390	0	10,904	91,370			11.41	12.55	
Berit Behring – Head of Large Corporates & Institutions										
MRT 2018 ²	837	0	837	0	0	Apr.19	Apr.22	0.10	0.00	0.10
MRT 2019 ²	2,018	0	0	0	2,018	May.20	May.23	0.15	0.28	
STI 2019	1,784	0	0	0	1,784	May.20	Mar.25	0.14	0.24	
STI 2020	6,449	0	0	0	6,449	Apr.21	Mar.26	0.78	0.89	
STI 2021 ¹	0	1,243	0	0	1,243	Mar.22	Feb.24	0.14	0.17	
	0	1,243	0	0	1,243	Mar.22	Feb.25	0.14	0.17	
	0	1,243	0	0	1,243	Mar.22	Feb.26	0.14	0.17	
	0	1,243	0	0	1,243	Mar.22	Feb.27	0.14	0.17	
	0	1,243	0	0	1,243	Mar.22	Feb.28	0.14	0.17	
LTI 2019-2021	1,914	0	0	1,914	0	Sep.19	Mar.22	0.17	0.00	
	2,872	0	0	2,872	0	Sep.19	Sep.24	0.25	0.00	
LTI 2020-2022	4,868	0	0	0	4,868	Jan.20	Mar.23	0.52	0.67	
	7,301	0	0	0	7,301	Jan.20	Mar.25	0.78	1.00	
LTI 2021-2023	5,960	0	0	0	5,960	Jan.21	Mar.24	0.60	0.82	
	8,940	0	0	0	8,940	Jan.21	Mar.26	0.90	1.23	
LTI 2022-2024	0	6,065	0	0	6,065	Jan.22	Mar.25	0.68	0.83	
	0	9,098	0	0	9,098	Jan.22	Mar.27	1.02	1.25	
Total	42,943	21,378	837	4,786	58,698			6.81	8.06	



Incentive programmes	Opening balance 01/01 2022	Granted 2022	Vested 2022	Forfeited or reduced 2022	Closing balance 31/12 2022	Date		Market value (mDKK)		
						Issue	Vesting	At issue	End of year	At vesting
Executive Leadership Team (ELT)										
Johanna Norberg - Head of Business Customers (joined the ELT on 1 May 2022)										
MRT 2018 ²	3,390	0	3,390	0	0	Apr.19	Apr.22	0.42	0.00	0.39
MRT 2019 ²	2,922	0	0	0	2,922	May.20	May.23	0.22	0.40	
MRT 2020 ²	2,741	0	0	0	2,741	Mar.21	Apr.25	0.33	0.38	
MRT 2021 ²	0	0	2,437	0	0	Mar.22	Oct.22	0.28	0.00	0.28
	0	914	0	0	914	Mar.22	Apr.23	0.10	0.13	
	0	914	0	0	914	Mar.22	Apr.24	0.10	0.13	
	0	914	0	0	914	Mar.22	Apr.25	0.10	0.13	
	0	914	0	0	914	Mar.22	Apr.26	0.10	0.13	
CLT 2022 ³	0	7,136	0	0	7,136	Jan.22	Mar.24	0.80	0.98	
	0	10,703	0	0	10,703	Jan.22	Sep.25	1.20	1.47	
LTI 2022-2024	0	3,011	0	0	3,011	Jan.22	Mar.25	0.35	0.41	
	0	4,517	0	0	4,517	Jan.22	May.27	0.52	0.62	
Total	9,053	29,023	5,827	0	34,686			4.54	4.76	
Christian Bornfeld - Head of Personal Customers and Financial Crime Risk & Prevention (joined the ELT on 1 May 2022)										
LTI 2022-2024	0	3,474	0	0	3,474	Jan.22	Mar.25	0.40	0.48	
	0	5,212	0	0	5,212	Jan.22	May.27	0.60	0.72	
Total	0	8,686	0	0	8,686			1.00	1.19	
Stephan Engels - Chief Financial Officer										
STI 2020	5,508	0	0	0	5,508	Apr.21	Mar.26	0.66	0.76	
STI 2021 ¹	0	1,417	0	0	1,417	Mar.22	Feb.24	0.16	0.19	
	0	1,417	0	0	1,417	Mar.22	Feb.25	0.16	0.19	
	0	1,417	0	0	1,417	Mar.22	Feb.26	0.16	0.19	
	0	1,417	0	0	1,417	Mar.22	Feb.27	0.16	0.19	
	0	1,417	0	0	1,417	Mar.22	Feb.28	0.16	0.19	
LTI 2020-2022	6,834	0	0	0	6,834	Jan.20	Mar.23	0.51	0.94	
	10,253	0	0	0	10,253	Jan.20	Mar.25	0.76	1.41	
LTI 2021-2023	6,754	0	0	0	6,754	Jan.21	Mar.24	0.68	0.93	
	10,132	0	0	0	10,132	Jan.21	Mar.26	1.02	1.39	
LTI 2022-2024	0	6,065	0	0	6,065	Jan.22	Mar.25	0.68	0.83	
	0	9,098	0	0	9,098	Jan.22	Mar.27	1.02	1.25	
Total	39,481	22,248	0	0	61,729			6.15	8.48	
Frans Woelders - Chief Operating Officer										
STI 2020	5,312	0	0	0	5,312	Apr.21	Mar.26	0.64	0.73	
STI 2021 ¹	0	1,370	0	0	1,370	Mar.22	Feb.24	0.16	0.19	
	0	1,370	0	0	1,370	Mar.22	Feb.25	0.16	0.19	
	0	1,370	0	0	1,370	Mar.22	Feb.26	0.16	0.19	
	0	1,370	0	0	1,370	Mar.22	Feb.27	0.16	0.19	
	0	1,370	0	0	1,370	Mar.22	Feb.28	0.16	0.19	
LTI 2020-2022	6,015	0	0	0	6,015	Mar.20	Mar.23	0.47	0.83	
	9,024	0	0	0	9,024	Mar.20	Mar.25	0.71	1.24	
LTI 2021-2023	5,960	0	0	0	5,960	Jan.21	Mar.24	0.60	0.82	
	8,940	0	0	0	8,940	Jan.21	Mar.26	0.90	1.23	
LTI 2022-2024	0	6,065	0	0	6,065	Jan.22	Mar.25	0.68	0.83	
	0	9,098	0	0	9,098	Jan.22	Mar.27	1.02	1.25	
Total	35,251	22,013	0	0	57,264			5.81	7.86	
Magnus Agustsson - Chief Risk Officer (joined the ELT on 22 November 2021)										
STI 2021 ¹	0	124	0	0	124	mar.22	Feb.24	0.01	0.02	
	0	124	0	0	124	mar.22	Feb.25	0.01	0.02	
	0	124	0	0	124	mar.22	Feb.26	0.01	0.02	
	0	124	0	0	124	mar.22	Feb.27	0.01	0.02	
	0	124	0	0	124	mar.22	Feb.28	0.01	0.02	
LTI 2021-2023	576	0	0	0	576	Nov.21	Mar.24	0.07	0.08	
	863	0	0	0	863	Nov.21	Nov.26	0.10	0.12	
LTI 2022-2024	0	5,351	0	0	5,351	Jan.22	Mar.25	0.60	0.73	
	0	8,027	0	0	8,027	Jan.22	Mar.27	0.90	1.10	
Total	1,439	13,998	0	0	15,437			1.74	2.12	



Incentive programmes	Opening balance 01/01 2022	Granted 2022	Vested 2022	Forfeited or reduced 2022	Closing balance 31/12 2022	Date		Market value (mDKK)		
						Issue	Vesting	At issue	End of year	At vesting
Executive Leadership Team (ELT)										
Karsten Breum - Chief People Officer										
MRT 2020 ²	2,077	0	0	0	2,077	Apr.21	Apr.25	0.25	0.29	
STI 2020	2,193	0	0	0	2,193	Apr.21	Mar.26	0.26	0.30	
STI 2021 ¹	0	1,081	0	0	1,081	Mar.22	Feb.24	0.12	0.15	
	0	1,081	0	0	1,081	Mar.22	Feb.25	0.12	0.15	
	0	1,081	0	0	1,081	Mar.22	Feb.26	0.12	0.15	
	0	1,081	0	0	1,081	Mar.22	Feb.27	0.12	0.15	
	0	1,081	0	0	1,081	Mar.22	Feb.28	0.12	0.15	
LTI 2020-2022	1,834	0	0	0	1,834	Aug.20	Mar.23	0.18	0.25	
	2,752	0	0	0	2,752	Aug.20	Aug.25	0.27	0.38	
LTI 2021-2023	5,165	0	0	0	5,165	Jan.21	Mar.24	0.52	0.71	
	7,748	0	0	0	7,748	Jan.21	Mar.26	0.78	1.06	
LTI 2022-2024	0	4,995	0	0	4,995	Jan.22	Mar.25	0.56	0.69	
	0	7,492	0	0	7,492	Jan.22	Mar.27	0.84	1.03	
Total	21,769	17,892	0	0	39,661			4.29	5.45	
Former ELT members ⁴										
Glenn Söderholm - Head of Personal & Business Customers (left the ELT on 30 April)										
STI 2017	2,861	0	0	0	2,861	Apr.18	Mar.23	0.67	0.39	
STI 2019	5,502	0	0	0	5,502	May.20	Mar.25	0.42	0.76	
STI 2020	7,123	0	0	0	7,123	Apr.21	Mar.26	0.86	0.98	
STI 2021 ¹	0	1,195	0	0	1,195	Mar.22	Feb.24	0.14	0.16	
	0	1,195	0	0	1,195	Mar.22	Feb.25	0.14	0.16	
	0	1,195	0	0	1,195	Mar.22	Feb.26	0.14	0.16	
	0	1,195	0	0	1,195	Mar.22	Feb.27	0.14	0.16	
	0	1,195	0	0	1,195	Mar.22	Feb.28	0.14	0.16	
LTI 2015-2017	3,148	0	3,148	0	0	Jan.15	Apr.22	0.77	0	0.36
LTI 2019-2021	4,497	0	0	4,497	0	Jan.19	Mar.22	0.58	0	
	6,230	0	0	6,230	0	Jan.19	Mar.24	0.81	0	
	514	0	0	514	0	Sep.19	Sep.24	0.05	0	
LTI 2020-2022	5,916	0	0	0	5,916	Jan.20	Mar.23	0.63	0.81	
	8,874	0	0	0	8,874	Jan.20	Mar.25	0.95	1.22	
LTI 2021-2023	6,754	0	0	0	6,754	Jan.21	Mar.24	0.68	0.93	
	10,132	0	0	0	10,132	Jan.21	Mar.26	1.02	1.39	
LTI 2022-2024	0	6,065	0	0	6,065	Jan.22	Mar.25	0.68	0.83	
	0	9,098	0	0	9,098	Jan.22	Mar.27	1.02	1.25	
Total	61,551	21,138	3,148	11,241	68,300			9.82	9.38	
Philippe Vollot - Chief Administrative Officer (left the ELT on 2 June 2022)										
STI 2019	8,090	0	0	8,090	0	May.20	May.25	0.62	0.00	
STI 2020	7,106	0	0	7,106	0	Apr.21	Mar.26	0.86	0.00	
STI 2021 ¹	0	7,735	0	7,735	0	Mar.22	Feb.28	0.89	0.00	
LTI 2019-2021	5,242	0	0	5,242	0	Jan.19	Mar.22	0.68	0.00	
	7,864	0	0	7,864	0	Jan.19	Mar.24	1.02	0.00	
LTI 2020-2022	6,365	0	0	6,365	0	Jan.20	Mar.23	0.68	0.00	
	9,548	0	0	9,548	0	Jan.20	Mar.25	1.02	0.00	
LTI 2021-2023	6,754	0	0	6,754	0	Jan.21	Mar.24	0.68	0.00	
	10,132	0	0	10,132	0	Jan.21	Mar.26	1.02	0.00	
LTI 2022-2024	0	6,065	0	6,065	0	Jan.22	Mar.25	0.68	0.00	
	0	9,098	0	9,098	0	Jan.22	Mar.27	1.02	0.00	
Total	61,101	22,898	0	68,836	0			9.16	0.00	

¹ The deferred shares from STI 2021 have been granted in spring 2022, hence the starting balance for 2022 is 0.

STI 2021 actual bonus amount earned in performance year 2021 and awarded January 2022 is not included in the other remuneration tables, as it relates to 2021.

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

³ Shares granted as member of the Commercial Leadership Team not part of the ELT.

⁴ Conditional shareholdings as of end of year for executives who left in previous years and were still in notice period during 2022: Chris Vogelzang, former CEO: 120,262 [market value end of year DKK 16.51m]; Jakob Groot, former Head of C&I: 39,169 [market value end of year DKK 5.38m].

Backtesting and Claw back

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

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

Deferred variable remuneration may be reduced after back testing based on an assessment of the sustainability of the results on which the variable remuneration was paid, the financial situation of Danske Bank, and the conduct of the member of the Executive Leadership Team. The process includes a review of financial performance at the group and business unit level, as well as an assessment of individual KPIs and is undertaken once a year. The process in 2022 included consideration of the business activities at the Estonian Branch and in the Flexinvest Fri case. In line with previous years' practice, former members of the Executive Leadership Team (for 2022 Thomas F. Borgen and Lars Stensgaard Mørch), who have waived their rights to variable pay, are not subject to backtesting. The outcome of the process in 2022 resulted in the reduction of incentive remuneration as detailed below.

Backtesting and Claw back 2022 (DKK)

	LTI 2015	Total backtesting 2022	Total Claw back 2022
Tonny Thierry Andersen Former Head of Wealth Management	-805.200	-805.200	0
Henrik Ramlau-Hansen Former CFO	-574.200	-574.200	0
Total DKK	-1.379.400	-1.379.400	0



Comparative overview

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

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

Comparison of remuneration and company performance over the past four years – annualised

Earned remuneration ² (DKK millions)	2022			Change 2021/2022			Change 2020/2021			Change 2019/2020		
	Fixed	Variable ¹	Total	Fixed	Variable ¹	Total	Fixed	Variable ¹	Total	Fixed	Variable ¹	Total
Executive Leadership Team (ELT)												
Carsten Rasch Egeriis Chief Executive Officer	14.83	2.89	17.72	0%	-30%	-6%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Berit Behring Head of Large Corporates & Institutions	10.39	1.46	11.84	10%	-22%	5%	8%	-1%	6%	5%	38%	10%
Johanna Norberg Head of Business Customers (joined the ELT on 1 May 2022)	8.20	1.25	9.45	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Christian Bornfeld Head of Personal Customers and Financial Crime Risk & Prevention (joined the ELT on 1 May 2022)	9.38	1.25	10.63	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Stephan Engels Chief Finance Officer	10.46	1.88	12.34	0%	-11%	-2%	0%	-5%	-1%	n.a.	n.a.	n.a.
Frans Woelders Chief Operating Officer	10.46	1.41	11.87	13%	-29%	6%	0%	-2%	-1%	n.a.	n.a.	n.a.
Magnus Agustsson Chief Risk Officer	9.32	1.55	10.87	1%	-11%	-1%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Karsten Breum Chief People Officer	8.63	1.23	9.86	8%	-24%	2%	1%	-15%	-2%	n.a.	n.a.	n.a.
Former ELT members												
Glenn Söderholm Head of Personal & Business Customers (left the ELT on 30 April)	11.17	1.44	12.62	6%	-24%	1%	-2%	-11%	-3%	14%	48%	18%
Philippe Vollot Chief Administrative Officer (left the ELT on 2 June 2022)	10.37	1.50	11.87	-1%	-33%	-7%	1%	2%	1%	0%	14%	2%
Performance indicator												
Group Return on Equity [%]			-3.10			-141%			192%			-73%
Adjusted Group Return on Equity ³			6.18			n.a.			n.a.			n.a.
Net profit (mDKK)			-5,068			-139%			182%			-70%
Average remuneration of FTEs												
Employees at Danske Bank A/S			0.69			0%			1%			5%

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

² For executives who have not been part of the ELT during full 2019, 2020, 2021 or 2022 compensation has been annualised to enable comparison.

³ Adjusted RoE excludes the impact of the Estonia provision and impairment charges on goodwill.

Comparison of remuneration of the Board of Directors over the past three years - annualised

Earned remuneration (DKK thousands)	2022			Change 2021/2022			Change 2020/2021		
	Fixed	Variable	Total	Fixed	Variable	Total	Fixed	Variable	Total
Board of Directors (BoD)									
Martin Blessing									
Chairman (from 17 March)	3,355	0	3,355	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Board member (until 17 March)	1,100	0	1,100	4%	0	4%	46%	0	46%
Jan Thorsgaard Nielsen									
Deputy Chairman	1,846	0	1,846	2%	0	2%	45%	0	45%
Carol Sergeant									
Deputy Chairman (until 17 March)	1,760	0	1,760	-3%	0	-3%	42%	0	42%
Board member	1,320	0	1,320	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Lars-Erik Brenøe									
Board member	1,241	0	1,241	7%	0	7%	38%	0	38%
Bente Avnung Landsnes									
Board member	915	0	915	-12%	0	-12%	24%	0	24%
Raija-Leena Hankonen-Nybom									
Board member	1,135	0	1,135	-7%	0	-7%	44%	0	44%
Jacob Dahl									
Board member (from 17 March)	880	0	880	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Allan Polack									
Board member (from 17 March)	1,045	0	1,045	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Helle Valentin									
Board member (from 17 March)	825	0	825	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Bente Bang									
Board member	790	0	790	20%	0	20%	23%	0	23%
Kirsten Ebbe Brich									
Board member	880	0	880	0%	0	0%	22%	0	22%
Louise Aggerstrøm Hansen									
Board member (from 17 March)	660	0	660	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Aleksandras Cicasovas									
Board member (from 17 March)	660	0	660	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Former BoD members									
Karsten Dybvad									
Chairman (until 17 March)	3,825	0	3,825	1%	0	1%	50%	0	50%
Thorbjørn Lundholm Dahl									
Board member (until 17 March)	660	0	660	0%	0	0%	23%	0	23%
Charlotte Hoffmann									
Board member (until 17 March)	825	0	825	0%	0	0%	25%	0	25%



Risk and compliance matters

Risk impact of remuneration

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

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

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



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

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

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

Deferred conditional shares are restricted from transactions for a period of six months after disbursement (12 months for members of the Executive Leadership Team). The deferred remuneration is subject to backtesting before disbursement, that is the deferred remuneration is disbursed only to the extent

to which the criteria for the original granting are still met, and at the same time provided the financial situation of Danske Bank has not deteriorated materially. Hence, the disbursement may lapse in part or in full.

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

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

Basis of preparation

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

Further, this Remuneration Report will be submitted for an advisory vote at the annual general meeting to be held on 16 March 2023.

Advisory vote on Remuneration Report 2021

Remuneration Report 2021 was the second report prepared in line with the new guidelines from the Danish Business Authority and with legislation.

On 17 March 2022, at the annual general meeting, Remuneration Report 2021 was submitted to the shareholders for an advisory vote. The result of the advisory vote was that Remuneration Report 2021 was adopted with 96.36% of the votes in favour of the proposal, while 3.64% of the votes were against the proposal. The proposal was therefore adopted. At the annual general meeting, there were no comments or questions in regard to Remuneration Report 2021.

Statement by the Board of Directors

The Board of Directors has today considered and approved the Remuneration Report of Danske Bank A/S for the financial year 1 January - 31 December 2022.

Remuneration Report 2022 has been prepared in accordance with section 139b of the Danish Companies Act.

In our opinion, the Remuneration Report 2022 is in accordance with the Remuneration Policy adopted at the annual general meeting and is free from material misstatement and omissions, whether due to fraud or error.

Remuneration Report 2022 will be submitted for an advisory vote at the annual general meeting.

Copenhagen, 2 February 2023

Board of Directors

Martin Blessing
Chairman

Jan Thorsgaard Nielsen
Vice Chairman

Carol Sergeant

Lars-Erik Brenøe

Jacob Dahl

Raija-Leena Hankonen-Nybom

Bente Avnung Landsnes

Allan Polack

Helle Valentin

Bente Bang

Kirsten Ebbe Brich

Aleksandras Cicasovas

Louise Aggerstrøm Hansen



Independent auditor's report

To the shareholders of Danske Bank A/S

We have examined whether the Remuneration Report for Danske Bank A/S for the financial year 1 January – 31 December 2022 contains the information required by section 139b(3) of the Danish Companies Act and whether the information provided on remuneration, number of shares granted, conditional shares held, and company performance in the Remuneration Report's tables is accurate and complete.

We express a conclusion providing reasonable assurance.

The Board of Directors' responsibility

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

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

Auditor's responsibility

Our responsibility is to express a conclusion on the Remuneration Report based on our examinations.

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

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

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

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

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

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

Conclusion

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

Copenhagen, 2 February 2023

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56

Kasper Bruhn Udam

State-Authorised Public Accountant
MNE no 29421

Jakob Lindberg

State-Authorised Public Accountant
MNE no 40824

