Owner	CEO	Date of approval	27 March 2025
Administrator	HR Legal SE	Next review date	March 2025
Approved by	Board of Directors DH		[4.0]
Policy No:	5.4		

This Remuneration Policy has been prepared in accordance with Swedish regulation (FFFS 2011:1) *in addition to the Danske Banks Groups Remuneration Policy and governance.*

This policy, including the amendments made, is adopted by the Board of Directors of Danske Hypotek AB (publ) the "Company" on 27th March, 2025. When the word "business unit" is used, it shall be read as "the Company".

All of the paragraphs are not applicable for the Company and others have additional or justified requirement according to national legislation. Added information applicable for Danske Hypotek AB is in italic.

Amendments has been made to the following paragraphs:

- *Introduction – including information on disclosing*
- *Objectives and the Group Strategy*
- *Remuneration Committee*
- *Definition of MRT and rules for deferral of variable pay*
- *Remuneration of the Board of Directors*

Following paragraphs are not applicable for the Company and hence excluded from this policy:

- *Remuneration to Executive Leadership Team*
- *Remuneration comprised by other special regulation*

Remuneration Policy

Introduction

This Remuneration Policy has been prepared in accordance with Swedish regulation (FFFS 2011:1) and aligned with the Danske Banks Groups Remuneration Policy in accordance with Sections 139 and 139a of the Danish Companies Act and 77d (1) in the Danish Financial Business Act and section 5-9 of Danish Executive Order No 1242.

The Remuneration Policy sets the framework for remuneration in Danske Bank Group and applies to all the Group's employees. The policy outlines the principles of the total remuneration by components and how the policy supports the achievement of the Group's Forward 28 strategy, long term interest and sustainability.

Once a year at danskehypotek.se, the Company discloses its remuneration policy and thereby informs on the Company´s remuneration practices. Information on the Group's procedures on Remuneration is also available for employees on the Group's intranet

Policy objectives and linkage to the Group’s Forward 28 strategy

The objective of the Group’s Remuneration Policy is to:

- Promote sustainable long-term value creation at the Group.
- Ensure alignment between the interests of management and employees and the interests of the Group and the shareholders by ensuring that remuneration packages have a clear link to Danske Bank´s strategy
- Support Danske Bank’s ability to attract, motivate and retain qualified and high-performing employees in a competitive international market by offering an appropriate total remuneration package

The Remuneration Policy contributes to achieving the Group’s ambitions, and long-term interests in several ways:

1) The applied performance criteria (KPIs) and associated targets for the Group’s incentive programmes are closely aligned with the Group’s Forward 28 strategy and the four strategic focus areas: Advisory, Digital, Sustainability and Simple, Efficient and Secure.

2) The distribution between bonus payouts in cash and shares seeks to ensure a balance between short-term and long-term results.

3) The pay out partly in shares under the short-term-incentive programme (“STI”) and the completely share based long-term-incentive programme (“LTI”) provide a strong alignment with the Group's long-term interests. In particular, the fact that the share-based variable remuneration for the Executive Leadership Team is deferred over a five - year-period (four years for other material risk takers), and further retained for a period of minimum one year (six months for other material risk takers), ensures that the Executive Leadership Team and other material risk takers are continuously exposed to the development of Danske Bank´s share price.

The Group’s general incentive structures supports its business strategy, including the risk strategy and the risk tolerance across all risk types, such as credit, market, operational, liquidity, reputational and other risks identified by the Group as well as the Group´s cultural commitments and values.

The policy and the Group’s incentive structures focus on ensuring sound and effective risk management through the following:

- Clear guidance for setting goals
- Alignment with the Group’s ambitions and, key priorities on short and long-term basis
- Alignment with the Groups Code of Conduct.
- Alignment with the principle of protection of customers, shareholders and Alternative Investment Funds managed by Alternative Investment Fund Managers ensuring prevention of conflicts of interest.
- Ensuring that the total bonus pool does not undermine or compromise the Group’s nor the Company´s capital base by including the policy and incentive structures in the capital and liquidity planning and setting
- Ensuring that incentives to take risk are balanced with incentives to manage risk and ensuring that remuneration is aligned with risk and actual performance

The above paragraph shall have the following amendment also applicable for the Company:

The policy and the Group’s general incentive structures further ensure transparency in respect of the Group´s and the Company´s reward strategy. As a main rule, individual *performance agreements (if any) are entered into with employees comprised by incentive schemes. On the basis thereof said employees have clear and predetermined KPIs, which are set in accordance with the Group's and the Company´s overall strategy and applicable regulation. Further, transparency is ensured by the Company´s disclosure of this remuneration policy on its web site and by disclosure of the Annual Report. The Company's incentive schemes and procedures is part of the Group's published bonus procedures and guidelines.*

Remuneration Committee

(Not applicable paragraph for the Company)

The Board of Directors has established a Remuneration Committee. The Remuneration Committee works as a preparatory committee for the Board of Directors with respect to matters concerning remuneration. In particular, the Remuneration Committee focus on the Group's Remuneration Policy, the structure and governance of the incentive programmes as well as the remuneration of members of the Board of Directors, the Executive Leadership Team and the principles for remuneration of key employees. These include material risk takers, employees in charge of control and internal audit functions, and the employees receiving the highest remuneration. The Remuneration Committee's charter lays down the responsibilities of the remuneration Committee and is published at our website.

The Remuneration Committee consists of least three members, of whom one is the Chairman of the Board of Directors. The Chairman of the Remuneration Committee is elected by the Board of Directors from amongst the members 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 Head of Total Rewards, participates in meetings of the Remuneration Committee at the request of the committee. Further, the Company Secretariat acts as secretariat to the Remuneration Committee. The composition of the Remuneration Committee, as well as the committee members' record of attendance are available on our website, Committee meetings (danskebank.com).

The Remuneration Committee meets as a minimum three times a year.

The above paragraph shall have the following wording applicable for the Company:

The Board of Directors of the Company has appointed a certain board member to assess the remuneration policy and the Company´s incentive structures. A reference to the "Remuneration Committee" shall when applicable be read as the "appointed board member".

Corporate governance

Various control and compliance functions within the Group are involved in the process with regard to the implementation of the Policy and incentive structures to ensure that risk, capital and liquidity limits are not exceeded. The Group´s Risk Committee assesses whether the incentive structure is commensurate with the Group´s risks, capital and liquidity and evaluates the probability and timing of the remuneration.

(Not applicable paragraph for the Company) Based on the recommendation of the Remuneration Committee, the Board of Directors reviews, considers and approves the incentive structure for the coming year. The aggregate bonus spend, which is made up of bonus accrued under the above mentioned structures is approved once a year by the Board of Directors based on basis of the recommendation of the Remuneration Committee.

The Group has established effective control procedure in order to ensure that variable remuneration payouts are made in accordance with the guidelines laid down by the Board of

Directors and applicable regulations. The practiced and procedures with regards to this are clear, well documented and transparent, and the procedures are subject to at least one annual independent review by Group Internal Audit.

The general rules in conflict of interest applicable to the Board of Director also apply to the decision-making process as regards remuneration matters, including the Remuneration Policy.

Accordingly, each member of the Board of Directors shall as soon as practically possibly notify the Chairman of the Board of Directors in the event that the individual member finds reason to believe that their private or professional interest or those of their related parties may- direct or indirect – conflict with the interest of Danske Bank. In the event of any reasonable doubts as to whether a conflict of interest exists, the Chairman may decide to defer the decision to the Board of Directors. More details about conflict of interests are provided in the Rules o Procedure of the Board of Directors and the Executive Leadership team which are available on Danske Bank´s website.

The above paragraph shall have the following wording applicable for the Company:

On the basis of the recommendation of the appointed board member, the Board of Directors of the Company decides on the performance-based remuneration to all of the employees. A

Remuneration – all employees

At least once a year, during the performance and appraisal interviews, the individual employees and managers evaluate and document performance for the past period/ year and set new goals. Decisions on adjustment, if any, of the employee's base salary or on annual variable remuneration are made on the basis of these interviews.

The remuneration components are:

- Base salary
- Fixed allowances
- Pension schemes and other benefits
- Variable remuneration such as short- term incentives and the long -term incentives
- Exceptional remuneration components

Base salary

Base salary is determined on the basis of the role and position of the individual employee, including professional experience, seniority, education, responsibility, job complexity, local market conditions, etc. The base salary is paid out mainly in cash but can in specific cases be paid partly in shares or other instruments especially if required by relevant legislation or the Group´s policies.

Fixed allowances

Fixed allowances are used but are limited to allowances governed by collective agreement or otherwise approved by the Group. The allocation of such allowances is governed by the internal Remuneration Governance.

Pension schemes and other benefits

Pension schemes guarantee employees a basic cover in the event of critical illness or death and pension payments upon retirement. In general, employees are covered by mandatory defined contribution plans with a pension insurance company. The pension contributions of employees subject to collective bargaining agreements are regulated by the collective agreements. Further, pension schemes are set up and offered to employees in accordance with local practises and regulation.

Other benefits are awarded on the basis of individual employment contracts and local market practice. As a main rule, the Group has set guidelines in order to align benefits/routine packages offered to employees in various employment levels within the Group. The benefit offered to certain groups of employees could be mobile telephone, internet, newspaper, company car, health insurance and health checks, assistance from health providers and other benefits in kind, such as insurance cover and/or indemnification for costs related to the conduct of certain employees during the employment.

Variable remuneration

Variable remuneration supports facilitating the right conduct according to our purpose and cultural commitments and rewards performance in line with the Group´s strategy and ambitions. The Group´s incentive (or the Alternative Investment Fund Managers/Management Companies) and at individual levels. All incentive programmes in the Group include performance at all three levels, where relevant. As a minimum, this applies to material risk takers.

The Group's incentive structures are overall divided into:
1) Management programmes (KPI scorecards)
2) Profit pools for revenue producing units (e.g. Capital Market and Asset Management programmes)
3) Employee award programmes (profit sharing)
4) Long-term share-base remuneration.

As a main principle for the KPI- based programmes, variable remuneration should be based on an assessment of the performance against pre-determined KPI´s and targets.
Procedures and internal governance are in place to ensure that variable remuneration represent the actual performance delivered.

Depending on the field of employment, the Group sets and uses an appropriate balance of financial, non-financial, absolute, relative, internal and external KPIs, balancing short-term and long-term objectives. Risk and compliance KPIs are further applied to ensure a strong risk management and compliance culture, facilitating the Group's commitment to integrity and sound business culture.

Where relevant, this includes integration sustainability risks into the existing KPI structures of variable remuneration programs, so that the variable remuneration for individuals covered by such programs, depend partly on sound risk management and/or compliance to group policies covering sustainability risks.

Examples of KPIs are listed below:

- Return on equity (RoE)
- Profit
- Cost/income ratio and/or cost related measures
- Creation of shareholder value relevant to peers
- Relative and/ or absolute customer satisfaction
- Compliance with legislation and/or internal business/conduct procedures
- Observance of the Group's and business units' risk management and compliance culture
- Other risk measures
- Sustainability and ESG- related targets
- Diversity and inclusion
- Employee engagement
- Actions and performance supporting the achievement of the Groups' strategy
- Personal KPIs, including conduct and demonstration of Danske Bank´s Culture Commitments y

Employees in customer-facing roles, such as advisers and other front-line employees, may be subject to a KPI-based programme. However, the majority of customer-facing employees are covered by the Group's employee award programmes.

It is a key principle that these employees must remunerated in a manner that promotes the fair treatment of our customers. In this regard, the Group has laid down internal policies and instructions outlining the principles for treating customers fairly and for regulatory compliance.

The policies and instructions are supplemented by internal guidelines and procedures for managers and employees outlining the principle that the target setting and performance appraisals for such employees must be in the customer´s interest and must not incentivise employees to sell specific products to customers if other products would serve the customer better or be more suitable for the customer. Additional (non-exhaustive) examples are provided in the following of how sound risk management is supported for customer facing roles. The governance and practices are regulated review and updated:

- Target setting for individuals is based on a balanced approach between performance-related goals ('What') and conduct ('How').
- Managers are responsible for ensuring that the performance- related goals take into account the regulatory requirements and the governance for the specific area, as relevant.
- Guidelines and training are provided to support compliant application of the risk governance framework in the target setting, follow-up and appraisal processes.
- In line with the principles set out in the Group's Code of Conduct, the Group does not reward outcomes if they are reached through undesired conduct (see below). Consequence management procedures are applied in cases of non-compliant conduct.
- The Group is conducting targeted reviews of sales employees' compliance, typically in the form of spot checks.
- The Group has a whistleblowing procedure under which employees can anonymously report practices that are to the disadvantage of customers.

Conflict of interest

A conflict of interest associated with remuneration can arise that may affect or appear to affect an employee's performance, motivation, loyalty or alignment with the Group's objectives and values. Conflicts of interest will be avoided or, where applicable, mitigating and managed in line with the principles and guidelines outlined in Danske Bank´s established conflict management framework. Some of the measures used by Danske Bank to avoid a conflict of interest are described in this policy, such as the KPI Scorecard for management programs.

Applicable to all the Groups' short -term incentive programme, a qualifying mechanism is installed to ensure that variable remuneration lapses in general, if the Group incurs losses during a year ("hurdle rate"). Further, if individual beneficiaries act in conflict with behavioural expectations such as misconduct, the Executive Leadership Team, subsequently the Group's Remuneration Committee may reduce any variable remuneration in part or in full. ("conduct detractor")

To ensure an appropriate balance between fixed and variable remuneration the Board of Directors has determined a maximum percentage of variable remuneration relative to the fixed remuneration ("cap"). The cap varies according to the type of position held by the employee and the business unit at which the employee works and local requirements. The cap on variable remuneration remains at 200% of fixed remuneration including base salary and pension. This level of variable remuneration will, in practice, apply only to a small minority of employees and be offered only to enable the Group to match market terms. The cap is reduced in jurisdictions where a lower maximum is required by applicable legislation.

Most employees covered by incentive schemes have a cap on variable remuneration of 25%. Furthermore, certain employees and senior management are subject to a variable remuneration cap up to 50% of the base salary, possibly inclusive of pension. When calculating the ratio between fixed and variable remuneration, institutions are allowed to apply a discount rate of 25% subject to requirements for deferral and instruments. However, the Group does not apply this notional discount rate at the moment.

Variable remuneration may be settled in cash, shares, share-based instruments, including conditional shares and other generally approved instruments, all on the basis of applicable local legislation. Where relevant and applicable, the Board of Directors has set certain minimum thresholds according to which variable remuneration exceeding the thresholds must be split into cash and shares or other adequate financial instruments. In accordance with the proportionality principle set forth in applicable legislation, the thresholds and the split vary within different business units and positions and are set according to an employee´ impact on the specific risk profile, market practice within the business unit in question and in order to offer competitive remuneration packages. However, alignment of the interests of the employees, the Group, the customers and the shareholders, Alternative Investment Funds and/or UCITS managed by management companies is always ensured.

Variable remuneration is awarded in a manner, which promotes sound risk management, includes ex-post risk adjustments and does not induce excessive risk-taking. This means that if the variable remuneration exceeds the minimum threshold determined by the Board of Directors the variable pay will be split in shares (or other instruments) and cash, part of which will be deferred in accordance with national legislation or the Group´s guidelines. Further, the default performance period for short-term incentives is one year. For a limited number of employees, the performance period is two years, while long-term incentive programmes may have an accrual period of up to three years.

Deferral varies on the basis of position, geography and amount, from three to seven years. Employees receiving variable remuneration over a certain threshold will receive the part of the variable remuneration exceeding the threshold in the form of conditional shares or other applicable instruments and deferred for one to three years. For material risk takers, deferral is applied according to mandatory legislation and Group policies. The Executive Leadership Team is subject to a period of deferral of at least five years. The deferral period for other material risk takers has been assessed, the purpose being to ensure adequate ex-post risk adjustment according to applicable legislation. Given the nature of the business, the business cycle, its risks, the individual´s activities and applied pay-out structures, including back testing and clawback provisions, a general deferral period of at least four years has been determined.

Deferred variable remunerations is subject to backtesting (as a minimum for employees identified as material risk taker) before being paid. Backtesting criteria are determined by Group HR in accordance with applicable legislation.

In regard to material risk takers, variable remuneration is subject to mandatory clawback regulations if granted on the basis of information which has subsequently proven to be manifestly misstated or inaccurate.

Variable remuneration is awarded by ensuring

- An appropriate balance between fixed and variable components

- That the fixed component represents a sufficiently high proportion of the total remuneration to make non-payment of the variable component possible
- That no hedging of deferred shares takes place for employees who are identified as material risk takers
- That material risk takers cannot dispose of the share-based instruments for an appropriate period of time after transfer of the instruments to the risk taker

The following shall apply for the Company regarding deferral. All of the Company´s employees are considered as material risk takers within the Company, but not the Group and therefore due to Swedish legislation a minimum of 40 % of all variable remuneration in an amount in SEK equivalent to more than EUR 50 000 or more than a third of the employees total yearly variable remuneration shall be deferred for a minimum of five years. For material risk takers subject to "high" amount of variable remuneration, 60 % of all variable remuneration shall be deferred.

Exceptional remuneration components
Remuneration components, such as buyout, sign-on fees, guaranteed bonuses as well as retention bonus are granted only in certain cases where a clear business need exists.

Buyout or sign-on fees and guaranteed bonuses are agreed when an employment agreement is entered into and are not granted for longer than the first year of employment. Furthermore, buyout, sign-on fees, guaranteed bonuses and retention bonuses are governed by and paid in accordance with relevant legislation applicable to both Group and local entities. In general, each of these exceptional remuneration components must not exceed one year's fixed remuneration which includes base salary, pension, benefits, fixed supplements and allowances. However, in exceptional cases, Danske Bank may also award exceptional remuneration exceeding this general internal guideline if needed for attracting and retaining key talents without deviation from this policy. In such case, as in all others, the applicable regulatory caps remain in effect.

Buyouts
Buyouts are granted to compensate for remuneration which was forfeited or reduced at the former place of employment due to the employee leaving the former employer. All requirements for variable remuneration apply, including, deferral, retention and clawback.

Sign-on fees
Sign-on fees are granted only by exception to attract key candidates at the executive level. Sign-on fees can be paid in cash and / or shares in addition, deferral and holding periods may apply. Unless prohibited by statutory legislation, the main rule is that the employees will lose the sign-on fee if they resign within a given period after having received the fee.

Guaranteed bonuses
Guaranteed bonuses are granted only by exception to attract key candidates.

Retention bonuses
Retention bonuses are only used in extraordinary cases to retain individual employees for a predefined period. The retention period must be set as a specific period or by defining an event when the retention criteria should be met (such as restructuring, wind-down, divestment etc.). The retention bonus should not be granted to merely compensate for performance-related remuneration not paid due to insufficient performance, or the institution's financial situation.

Severance pay
Severance pay is payable in accordance with relevant local legislation and applicable collective agreements. The overall policy and agreements on severance pay are determined by Group HR and relevant control functions. Severance pay constitutes an appropriate compensation for termination initiated by the Group and is decided upon consideration of the individual employee´s

responsibility and decision-making powers and it is taken into account that it must not constitute a reward for failure or misconduct. Normally, severance pay is linked to seniority, as employees become eligible for severance pay throughout their years of service. Most employees are entitled to severance pay solely pursuant to legislation or collective agreement. Under specific individual agreements, certain key employees are entitled to additional severance pay pursuant to legislation or collective agreement of up to a maximum of 12 months' base salary while certain managers (below Executive Leadership Team-level) are entitled to a maximum of up to 24 months' base salary.

For the avoidance of doubt and subject to applicable legislation and collective bargaining agreements, no severance pay agreed as from 1 January 2015 onwards must include any variable remuneration, pension or other benefits. Further, unless otherwise required by law, collective agreements or agreements entered into prior to 1 January 2018, severance pay, inclusive of salary during a notice period, cannot exceed a total of two years´ salary and benefits.

Material risk takers and control functions
The remuneration of material risk takers and employees in control functions is subject to specific conditions laid down in applicable national legislation, EU rules and relevant guidelines.

Once a year, subject to the policy of conducting an annual assessment process, where applicable on a consolidated, sub-consolidated and individual institution basis, the Board of Directors designates employees in the Group's internal control functions and employees who are material risk takers.

In accordance with the regulations applicable, the designation of material risk takers is made subject to internal criteria set by the Board of Directors and local Remuneration Committees and regulatory qualitative and quantitative criteria. Members of the Executive Leadership Team and the Board of Directors are appointed material risk takers on an ongoing basis.

To the extent control functions are comprised by incentive programmes, the Group ensures that control functions are remunerated for delivering their best performance in the specific role and that the variable remuneration does not compromise employees' objectivity and independence.

All of the employees in the Company are members of the management team and are appointed material risk takers, including the Board of Directors of the Company and Head of Internal Audit due to the Commission delegated regulation (EU) 604/2014.
The Company conducts annually a self-assessment in order to identify all staff whose professional activities have or may have a material impact on the institution's risk profile.

Remuneration comprised by other special regulation
(Not applicable for the Company)

Diversity and equal pay

An employee's total remuneration package is determined on the basis of the role and position of the individual employee, professional experience, seniority, education, responsibility, job complexity, local market conditions, the results of the Group, the business unit at which the employee is employed and the individual employee's performance, etc.

For several years, the Group has been pursuing a strategy and policy on diversity, equality and inclusion which can be found at danskebank.com. The objectives of this policy imply that the remuneration of individual employees is determined with no regard to gender, race, ethnic origin, political opinion, sexual orientation, age or other discriminatory factors. The Group constantly strives to promote equality within the Group with respect to both employment, career development, promotions, equal pay etc. Accordingly, to overcome gender pay gaps, the Group does not focus only on pay but more broadly on diversity and inclusion to ensure a more even distribution of women in particularly higher managerial positions and in positions within professional areas with higher market remuneration levels. The Group has implemented numerous initiatives to achieve its ambitions within diversity and equal pay and regularly performs internal reviews in order to ensure that the Group lives up to the set strategy and targets. Further information about this I provided in the section on sustainability in the annual report.

Non-employees of the Group

When cooperating with non-employees of the Group, such as agents, independent contractors/consultants, temporary workers from temp agencies etc., the Group strives to ensure that the terms and conditions in the contract lives up to the Group's business and risk strategy, long-term interest, purpose, culture commitment , avoid conflict of interests and does not encourage excessive risk-taking or the mis-selling of products. Accordingly, as an overall starting point non-employees are remunerated with a fixed hourly fee or a fixed project fee and do not receive variable remuneration from the Group. In alignment with the above set criteria the Chief Procurement Officer can in extraordinary and exceptional cases decide to deviate from fixed remuneration and agree on project bonuses etc. However, in any and all cases such bonus must respect the criteria above and may not reward any kind of failure or misconduct/non-compliance with Group policies on behalf of the non-employee.

Remuneration of the Board of Directors

(Not applicable for the Company)

In line with market practice, members of the Board of Directors receive a fixed annual base fee. In additional the base fee, members of the Board of Directors receive an additional annual fixed fee for serving on board committees. No member of the Board of Directors is entitled to receive any variable remuneration or pension contribution, except for employee- elected members or where this is required pursuant to local regulations. Employee- elected members of the Board of Directors, in their role as employees of Danske Bank, are entitled to variable remuneration and staff benefits like their peers at the Group.

In addition to the fixed fee for members of the Board of Directors and committees, Danske Bank may pay social duties and similar taxes levied by foreign authorities in relation to the directors' fees. Danske Bank may also pay any outlays and travel expenses incurred in connection with a director's discharge of his or her duties as a member of the Board of Directors. Further, Danske Bank may pay costs associated with granting telephones, newspapers, safe boxes and security facilities installed at the private addresses of the members of the Board of Directors as deemed necessary by the Board of Directors in order to protect the individual member of the Board of Directors and to safeguard the interests of Danske Bank and its customers. The Company will pay all costs associated with the above security facilities, including tax, if necessary, instalment of equipment, monthly fees etc. Further, members of the Board of Directors could be offered insurance cover and/or indemnification for costs related to the performance of conduct their services.

Members elected to the Board of Directors by the general meeting are obliged to acquire and retain a personal shareholding in Danske Bank equal to 100% of the annual base fee as decided by the general meeting for 2024. This shareholding requirement must be met within a period of not more than three years from the general meeting in March 2024 or, as regards future members of the Board of Directors, from their election to the Board of Directors. The three-year period may be extended in case of closed trading windows. The holding requirement must continue to apply to members of the Board of Directors for a period of three years following their resignation from the Board of Directors. During this period, they may reduce their (minimum) shareholding by 1/3 a year.

Based on the recommendation of the Remuneration Committee, the Board of Directors submits proposals for remuneration of the members of the Board of Directors to the annual meeting for approval every year.

The above paragraph shall have the following wording applicable for the Company:

Members of the Board of Directors not employed within the Group receive a fixed fee. Such Board members are not covered by incentive programmes and do not receive performance-based remuneration. The fees are set at a level that is market aligned and reflects the qualifications and competencies required in view of the Company's size and complexity, the responsibilities and the time the Board members are expected to allocate to discharge their obligations as Board members. No pension contributions are payable on board members' fees.

Remuneration of the Executive Leadership Team

(*Not applicable for the Company*)

Deviation from the policy

Some entities and units of the Group have remuneration policies and guidelines that apply in addition to the Group's Remuneration Policy. Such entities may implement policies that deviate from the group policy in order to meet local requirements and practices, for example to set different caps for variable remuneration, to extend periods of deferral for variable remuneration or to apply access or restrictions regarding the use of instruments. However, if employees in any such entity have a significant impact on the Group's risk profile, the Group will ensure that the variable remuneration for any such employees fulfils the requirement set out in this policy and applicable legislation. Any material deviations from this policy must be reported to the owner of the policy.

In the event of exceptional circumstances and in accordance with the framework of the remuneration rules for the financial sector, the Board of Directors, based on a recommendation from the Remuneration Committee, may temporarily deviate from the Remuneration Policy in order to serve the long-term interests of the Group and its shareholders. Such deviation must be based on valid and objective criteria. The respects in which the Board of Directors may deviate from the Remuneration Policy include the following but are not limited to:

Caps and forms of settlement of variable remuneration

Forms of settlement of exceptional remuneration and granting of further exceptional remuneration

Deferral and holding periods of shares as well as term of notice periods

Weighting of the STI and LTI for members of the Executive Leadership Team

Any such temporary deviation, including the reasons for such deviation given by the Board of Directors, must be described in the Remuneration Report