

General guidelines for incentive remuneration for the Executive Board

Bonus

A bonus scheme can be offered to members of the Executive Board, so that each member may receive a bonus of up to DKK 1m every financial year.

In order to ensure that the bonus can only be paid if the Bank shows a better result for the financial year in question than a selected group of comparable financial institutions, the bonus shall be calculated on the basis of the Bank's return on equity compared to the average return on equity of the group of financial institutions to which the bank, according to the ranking of the Danish Financial Supervisory Authority, is most comparable. The bonus shall be calculated as a proportion of the part of the Bank's profit that corresponds to the excess return on equity of the Bank compared to the average of the selected group of financial institutions.

Share options

In every financial year, the Executive Board may be granted share options at an estimated present value of up to 25 % of the individual director's fixed annual salary. The estimated present value is calculated in accordance with the International Financial Reporting Standards (IFRS).

The terms for the share options must comply with the following provisions:

- No payment is made for the granting of share options.
- If the granting of share options takes place about the time of publication of the Bank's annual results, the exercise price should as a minimum amount to a representative average of the price, presently the mid-market price (all transactions), at the OMX Copenhagen Stock Exchange of the Bank's shares during a period of 10 trading days after the publication of the annual results plus 5 %. In other cases the exercise price shall be fixed in accordance with analogous principles.
- The share options may be exercised for a period of three to six years after the time of granting.

Employee shares

If the Bank decides to establish a general employee share ownership plan according to which the Bank's employees are offered employee shares pursuant to the provisions of Section 7 A of the Danish Tax Assessment Act, the Executive Board may be offered such employee shares on equal terms with the Bank's other employees within the value limits stated in the said provisions.