



Remuneration Policy for the Board of Directors, the Executive Board, the Executive Team and the Chief Internal Auditor

DSB

Department responsible: *HR Services & Compensation*

Approved by: The Board of Directors

Date: 17 September 2024

1. Introduction

The Remuneration Policy is intended to support DSB's strategy and values and aims to establish the basis for pay and employment terms in DSB.

DSB adheres to the ownership policy of the Danish State and the recommendations on corporate governance, taking into account DSB's special circumstances and ownership structure. DSB's compliance with the corporate governance recommendations is published on www.dsb.dk.

As an independent public company, we have a special obligation for our wage formation to be characterised by integrity and transparency. Remuneration is paid for work performed.

2. Purpose

The Remuneration Policy is based on the relevant market for the position, taking into account the specific circumstances applying to an independent public company. DSB does not want to take the lead as regards pay, but wants to be able to attract and retain qualified labour at all levels.

Pay and employment terms in DSB are determined regardless of gender, religion, age, sexual orientation, political orientation and ethnic origin.

3. Our ambition and targets

It is DSB's policy to take out ordinary directors' and officers' liability insurance (D&O insurance) covering every member of the Board of Directors and the Executive Board.

Furthermore, in accordance with applicable law and such terms and conditions and up to such amounts as may be determined by the Board of Directors, DSB may elect to indemnify a member of the Board of Directors or the Executive Board for any claims raised by a third party arising from the member's discharge of his or her duties as a member of the Board of Directors or the Executive Board, provided that no indemnification will be provided if the claim is caused by fraud, intentional acts or gross negligence on the part of such member.

Any indemnification under the indemnification scheme described above will be secondary to DSB's D&O insurance.

4. How we achieve our ambition and/or reach our targets

Board member remuneration must be designed to ensure that DSB is able to compose and retain a professional Board of Directors that can support DSB's business development and the framework for generating results.

The members of DSB's Board of Directors receive a fixed remuneration, which is determined at the general meeting. The remuneration is paid quarterly in arrears and adjusted by resolution of the general meeting. Members of the Board of Directors do not receive variable salary components and are not covered by incentive schemes, pension agreements or agreements on severance schemes.

Subject to documentation, the members of the Board of Directors will be reimbursed for any relevant expenses in connection with board meetings and committee meetings set up by the Board of Directors, including travel and accommodation expenses. As compensation for using their own cars, board members will receive a mileage allowance according to the government rates.

4.1 Impacts, risks and opportunities

If DSB does not have a remuneration policy, there is a risk that DSB will not be able to attract and retain employees with the right qualifications and skills. This will result in high employee turnover, increased recruitment costs and increased loss of production. There is also a risk that DSB does not live up to a market-aligned salary level that is not top-bracket.

4.2 Principles for remuneration of committees

The Board of Directors may set up committees to carry out the preparatory work required for the decisions to be made by the Boards of Directors.

Board members receive a fixed remuneration for their participation in committees set up by the Board of Directors.

Participation in committees may be remunerated by up to half of the remuneration for board membership depending on complexity, workload and duration. The chair of a committee set up by the Board of Directors may be remunerated by up to one time the remuneration for board membership.

4.3 Principles for remuneration of members of the Executive Board

Members of the Executive Board receive a salary consisting of fixed salary and pension contributions. The remuneration is fixed by the Board of Directors based on a proposal by the Remuneration Committee.

The Executive Board cannot receive performance-based remuneration.

Members of the Executive Board do not receive fees for directorships held within the DSB Group.

With the exception of the CEO, the Executive Board is covered by the Danish Salaried Employees Act and the Danish Holiday Act.

4.4 Principles for remuneration of members of the Executive Team

Members of the Executive Team receive a salary consisting of fixed salary and pension contributions. The remuneration shall be determined by the CEO and approved by the chairmanship.



The Executive Team cannot receive performance-based remuneration.

Members of the Executive Team do not receive fees for directorships held within the DSB Group.

The Executive Team is covered by the Danish Salaried Employees Act and the Danish Holiday Act.

Principles for remuneration of the Chief Internal Auditor.

The Chief Internal Auditor's remuneration is fixed by the Board of Directors based on a proposal by the Remuneration Committee.

The Chief Internal Auditor's pension scheme is a contribution scheme.

The Chief Internal Auditor is covered by the Danish Salaried Employees Act and the Danish Holiday Act.

The Chief Internal Auditor is not offered performance-based remuneration.

4.5 Severance of employment

DSB may terminate members of the Executive Board and the Executive Team at twelve months' notice. Members of the Executive Board and the Executive Team may terminate their positions at six months' notice.

Changes to the above and the conclusion of special agreements focusing on retention must be approved by the Remuneration Committee.

4.6 Pension

In addition to the fixed salary, a pension contribution is paid to members of the Executive Board and the Executive Team for pension purposes. The Executive Officers may freely decide how to invest and use the pension contribution. The Executive Officers' pension scheme must include group life insurance, loss of earning capacity insurance, critical illness and pension savings.

The pension contribution is 15% of the fixed salary.

4.7 Employee benefits

The Executive Board, the Executive Team and the Chief Internal Auditor are covered by benefits offered for their respective job levels. The benefits are offered by agreement and may include free transport, broadband and newspaper subscription.

Board members are offered a DSB train pass valid for DSB 1'.

DSB reimburses relevant documented expenses in connection with meetings and conferences, including travel and accommodation expenses, training, etc.

DSB does not offer a company car and does not provide allowance payments for passenger car costs.

4.8 Miscellaneous

DSB prioritises openness and transparency in respect of remuneration schemes and the remuneration levels of senior management, which is a natural consequence of the Danish Act on Public Access to Documents in Public Files. After approval at the general meeting, the Remuneration Policy is available on www.dsb.dk.

The Remuneration Committee's work is carried out in compliance with the terms of reference of the Remuneration Committee, which are available at www.dsb.dk.

5. Organisation, responsibility and approval

The Remuneration Policy sets the framework for salary and employment conditions for the Board of Directors, the Executive Board, the Executive Team and the Chief Internal Auditor of DSB.

The Remuneration Committee is responsible for assisting the Board of Directors in preparing and reviewing the Remuneration Policy. The Remuneration Policy is to be reviewed by the Remuneration Committee at least once annually.

If the Remuneration Committee deems it necessary to revise the Remuneration Policy, the Remuneration Committee will prepare a recommendation for consideration and approval by the Board of Directors. If the Board of Directors approves the recommendation, the revised Remuneration Policy will be submitted for consideration and approval at the next general meeting.

6. Interaction with other policies and guidelines

Remuneration Policy for Employees of DSB

Commencement

This Remuneration Policy is effective from 1 January 2023.

Approved by the Board of Directors on 17 September 2024:

Peter Schütze (Chair)

Anne Hedensted Steffensen (Vice Chair)

Louise Saabye Høst

Christina Grumstrup Sørensen



Henrik Amsinck

Lene Espersen

Carsten Hedegaard

Lone Riis Stensgaard

Mikkel Channo Jessen

Approved at the general meeting:

Chair of the general meeting