

# Remuneration Report 2021



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# Chair's statement

Dear shareholder

Our objective with this report is to give an overview of the remuneration of DFDS' Executive Board and Board of Directors. The remuneration is consistent with the framework provided by the Remuneration Committee and the Board of Directors as well as the revised remuneration policy which was presented to and approved by the AGM in March 2021.

2021 was an exciting and challenging year for DFDS, and a year where transformational decisions and actions were taken to support DFDS' journey to become both a more profitable and sustainable company. This report seeks to describe how the remuneration of the Executive Board in 2021 reflects the progress made, in full alignment with the revised remuneration policy.

The purpose of revising the remuneration policy was twofold, making remuneration principles more transparent and ensuring remuneration principles which are consistent with current trends including DFDS' increasing focus on ESG (Environment, Social, Governance).

During the year, DFDS' financial performance continued to be impacted by the pandemic and travel restrictions which led to a low number of passengers. However, this was more than offset by an increase in freight earnings. In addition, our cold chain logistics offering to customers was boosted by the acquisition of HSF Logistics Group. DFDS thus raised EBITDA before special items to DKK 3.4 bn, equivalent to an increase of 25% compared to 2020.

In respect of sustainability, we made progress on our Climate Action Plan, reducing emissions from the existing fleet while planning for long-term decarbonisation. In addition, the focus on Diversity & Inclusion gained momentum with efforts paying off on the gender balance.

**Claus V. Hemmingsen**  
Chair of the Board

Chair of the  
Remuneration and the  
Nomination Committee



# Introduction

The purpose of this report is to give a transparent and comprehensive overview of the remuneration of DFDS' Executive Board and Board of Directors ('Board') in 2021. The report is in alignment with the approved remuneration policy for 2021 (summarized and described in Box 1 and in Appendix) and the requirements of section 139b of the Danish Companies Act. Furthermore, the paid out remuneration is aligned with the Recommendations on Corporate Governance issued by the Danish Committee on Corporate Governance.

## The business context for DFDS in 2021

During 2021, transformational decisions and actions have been taken to develop DFDS into a more profitable and more sustainable company. The financial performance continued to be impacted by the pandemic with continued travel restrictions keeping passenger activities significantly lower than before the pandemic. Brexit also had a negative impact on the financial performance during 1st quarter. However, with the acquisition of HSF and the focused efforts by the organization on growing freight volumes, DFDS ended the year with EBITDA before special items of DKK 3.4 bn.

As for the sustainability performance, DFDS made important strides forward in several areas. To mention a few, DFDS announced the intention of launching a CO<sub>2</sub> neutral vessel in 2025 which also involved establishing an internal task-force team. Further, DFDS and Volvo signed a contract for delivery of 125 Volvo eTrucks to DFDS's fleet.

In addition, DFDS continued to reduce emissions from the existing fleet aiming to reach the target of 45% reduction of CO<sub>2</sub> emissions by 2030.

Our sustainability focus includes DFDS' role as a caring and responsible employer. During 2021 DFDS expanded the current Health & Safety set-up with a dedicated organisation for land-based safety matters. Further, we continued our development towards becoming a truly diverse and inclusive company. The share of females increased to 29% (employees) and 14% (leaders) compared to 27% and 13%, respectively in 2020 (excl. HSF Logistics Group). This brings DFDS closer to the 2023 target of 30% females in DFDS. Our focus on inclusion intensified during 2021 and a new engagement survey tool was launched to generate more insights to help improving engagement, performance, well-being and safety overall.

## Revised remuneration policy for 2021-24

In March 2021, a revised remuneration policy was approved by the AGM, cf. Box 1 and Appendix for details. At the same time, a remuneration report for 2020 was presented and the advisory vote did not result in any changes.

The revised policy seeks to enable the Board to remunerate executives according to both financial targets and non-financial targets. With regards to non-financial targets, the policy enables the Board to incentivise executives to react swiftly

## Box 1: Objectives of the Remuneration Policy

### Ensure appropriate total remuneration:

The remuneration policy and decisions are guided by market practice to ensure the remuneration is enabling attraction, engagement and retention of executive leaders.

### Align with shareholder interest:

A sizeable part of the remuneration of the Executive Board is delivered in the form of share-based components to align the interests of executive leaders directly with those of shareholders.

### Drive sustainability:

The remuneration policy enables incentivising executive leaders to focus on delivering goals supporting the sustainability of DFDS and the wider society. The goals are reflected in the short-term remuneration components.

### Link to industry dynamics:

The Remuneration policy considers the cyclical nature of the Transportation and Logistics industry, seeking to balance explicit links between short-term incentives, priorities and performance with flexibility for the Board to adjust priorities under extraordinary circumstances.

### Link to business strategy:

The remuneration policy aims at incentivising executive leaders to focus on delivering DFDS' operational and strategic goals, reflected in a combination of short and long-term remuneration components.



to profound and unforeseen market changes, and to define and make critical long-term investments even in financially challenging times.

By incorporating these principles into the policy for 2021, the policy contains a dedicated share of short-term incentives to be allocated to personal targets, including e.g. strategy and sustainability progress. The policy also contains a counter cyclical mechanism within the LTIs through a split between Restricted Share Units (RSUs) and Share Options.

### The work of the Remuneration Committee

In accordance with the annual cycle of activities the Remuneration Committee ('Committee') had three ordinary meetings during 2021. In addition to revising the remuneration policy and creating the remuneration report for 2020, the Committee updated the Executive Board benchmark analysis as additional input to determine the level of executive pay.

Further, the Committee conducted a gender pay gap analysis for the Headquarter of DFDS in order to identify potential structural gaps in salaries at comparable levels between gender. The analysis serves as a pilot for the rest of the organization to be incorporated in the annual salary review process with the purpose of ensuring that any unexplainable variances are corrected.

## Remuneration of the Board of Directors

In accordance with the remuneration policy, the Board of Directors was remunerated with fixed fees varying in relation to scope and complexity of the individual member's work.

Each Board member received a fixed fee and the members of the committees also received a multiple of the fixed fee for the extra work associated with their roles. The fees are summarized in Table 1.

The ordinary total remuneration of the Board of Directors for 2021 was DKK 5.3 m (unchanged compared to 2020).

In addition Dirk Reich received an ad-hoc fee of DKK 375,000 in 2021 due to considerable advisory work related to business development, acquisitions and organisational design.

**Table 1: Fixed fees, Board of Directors – 2020-21 (audited)**

DKK '000		Board Fee		Committee fees		Total Remuneration		Number of shares	
Name	Committees	2021	2020	2021	2020	2021	2020	2021	2020
Claus V. Hemmingsen (Chair)	Chair of the Nomination & Remuneration Committees	1,125	1,125	100	100	1,225	1,225	3,336	3,336
Klaus Nyborg (Vice Chair)	Member of the Nomination & Remuneration Committees	750	750	100	100	850	850	-	-
Anders Götzsche	Chair of the Audit Committee	375	375	250	250	625	625	3,500	3,500
Marianne Dahl	Member of the Nomination & Remuneration Committees	375	375	100	100	475	475	1,817	1,817
Jill Lauritzen Melby	Member of the Audit Committee	375	375	125	125	500	500	4,735	4,735
Dirk Reich <sup>1</sup>	Member of the Audit Committee	375	375	500	125	875	500	-	-
Jesper Hartvig Nielsen		375	375	-	-	375	375	230	230
Lars Skjold-Hansen		375	375	-	-	375	375	530	530
Jens Otto Knudsen		375	375	-	-	375	375	-	130
<b>Total</b>		<b>4,500</b>	4,500	<b>1,175</b>	800	<b>5,675</b>	5,300	<b>14,148</b>	14,278

<sup>1</sup>Dirk Reich received an ad-hoc fee of DKK 375,000 in 2021 due to considerable advisory work related to business development, acquisitions and organisational design. The ad-hoc fee is extraordinary included as part of Committee fees above.

# Remuneration of the Executive Board

The total remuneration of the Executive Board increased by 33% from 2020 to 2021 from a total of DKK 19.6 m (2020) to a total of DKK 26.1 m (2021), cf. Table 2. The main reason for the increase was a higher STI pay out due to mainly financial targets being above the threshold.

The composition of the Executive Board was unchanged from 2020 to 2021.

**Figure 1: Actual pay-mix Executive Board – 2021**  
(%)



**Torben Carlsen**

- 52% Fixed
- 29% STI
- 19% LTI



**Karina Deacon**

- 53% Fixed
- 28% STI
- 19% LTI

## CEO

The remuneration of the CEO totalled DKK 17.1 m in 2021, representing an increase of 41% compared to 2020.

The fixed pay amounted to DKK 8.9 m (52% of total pay), composed of base salary (DKK 7.9 m), pension (DKK 0.8 m) and benefits (DKK 0.2 m).

The STI was DKK 5.0 m, corresponding to 63% of base salary (DKK 2.2 m and 32% in 2020). The pay-out was determined by performance against the specified targets, cf. Figure 2. The realisation of the financial targets was determined fully by the financial results, whereas the strategic and personal targets were assessed by the Board.

The LTI was DKK 3.2 m (DKK 2.0 m in 2020), corresponding to 40% of base salary. The 40% was awarded on a discretionary basis and split 50/50 in value with 5,774 RSU's and 37,037 share options cf. Table 3.

## CFO

The remuneration of the CFO totalled DKK 9.0 m in 2021, representing an increase of 21% compared to 2020.

The fixed pay amounted to DKK 4.8 m (53% of total pay), composed of base salary (DKK 4.2 m), pension (DKK 0.4 m) and benefits (DKK 0.2 m).

The STI was DKK 2.5 m, corresponding to 60% of base salary (DKK 1.3 m and 33% in 2020). The pay-out was determined by performance against the specified targets, cf. Figure 2. The realisation of the financial targets was determined fully by the financial results, whereas the strategic and personal targets were assessed by the Board.

The LTI was DKK 1.7 m (DKK 1.5 m in 2020), corresponding to 40% of base salary. The 40% was awarded on a discretionary basis and split 50/50 in value with 3,070 RSU's and 19,691 share options cf. Table 3.

**Table 2: Total remuneration, Executive Board – 2020-21 (audited)**

DKK '000	Base salary		Pension		Benefits		STI		LTI (Grant) <sup>1</sup>		Total		Number of shares	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Torben Carlsen, CEO	7,900	6,900	790	690	250	333	5,000	2,208	3,160	2,000	17,100	12,131	133,902	123,850
Karina Deacon, CFO	4,200	4,000	420	400	175	192	2,500	1,335	1,680	1,500	8,975	7,427	1,456	1,456
<b>Total</b>	<b>12,100</b>	<b>10,900</b>	<b>1,210</b>	<b>1,090</b>	<b>425</b>	<b>525</b>	<b>7,500</b>	<b>3,543</b>	<b>4,840</b>	<b>3,500</b>	<b>26,075</b>	<b>19,558</b>	<b>135,358</b>	<b>125,306</b>

<sup>1</sup> The granted value of LTI is the full award which covers a three year vesting period. This creates a difference to the expensed value of LTI in the financial statements.

**Figure 2: Targets/STI components CEO/CFO - 2021****Financial targets (60%) equally divided between:**

- ROIC (Return on Invested Capital) and
- PTP (Pre-Tax-Profit)

**Strategic and personal targets (40%) equally divided between:**

- ESG (CEO)
- ERP D365 Implementation (CFO)
- Strategy progress (Win23)
- HSF Integration
- Discretionary part

**Assessment**

The overall assessment was that in yet another challenging year, DFDS has continued a high level of performance whilst at the same time acquiring HSF, developing new business and services as planned in Win23, making important progress and investments in the areas of ESG - especially climate (CEO) and making significant progress in the implementation of a new ERP system (CFO).

The Board of Directors has assessed the results of each STI component to be above target with the exception of "Strategy progress (Win23)" where progress primarily due to the continuous impact of covid on the passenger business was behind target.

**Table 3: Share Options and Restricted Share Units (RSUs), Executive Board**

Share Options	1 Jan. 2021 No.	Granted No.	Cancelled No.	Exercised No.	31 Dec 2021 No.	Value at grant date DKK'000	Exercise price	Market value outstanding 31 Dec. 2021 DKK'000	Vesting	Value of exercised DKK' 000
<b>Torben Carlsen, CEO<sup>1</sup></b>										
Allocation in 2021	-	37,037	-	-	37,037	1,580	301	2,854	Feb 2024	-
Allocation in 2020	101,678	-	-	-	101,678	2,000	314	6,252	Feb 2023	-
Allocation in 2019 II	19,778	-	-	-	19,778	500	291	1,185	Feb 2022	-
Allocation in 2019 I	43,872	-	-	-	43,872	1,500	335	1,177	Feb 2022	-
Allocation in 2018	49,213	-	-	-	49,213	1,500	383	382	Feb 2021	-
Allocation in 2017	27,778	-	-	-	27,778	1,500	390	174	Feb 2020	-
Allocation in 2016	42,052	-	-	42,052	-	1,500	262	-	Feb 2019	1,035
<b>Total</b>	<b>284,371</b>	<b>37,037</b>	<b>-</b>	<b>42,052</b>	<b>279,356</b>	<b>10,080</b>		<b>12,024</b>		<b>1,035</b>
<b>Karina Deacon, CFO<sup>2</sup></b>										
Allocation in 2021	-	19,691	-	-	19,691	840	301	1,517	Feb 2024	-
Allocation in 2020	76,258	-	-	-	76,258	1,500	314	4,689	Feb 2023	-
<b>Total</b>	<b>76,258</b>	<b>19,691</b>	<b>-</b>	<b>-</b>	<b>95,949</b>	<b>2,340</b>	<b>-</b>	<b>6,206</b>	<b>-</b>	<b>-</b>
<b>Niels Smedegaard, former CEO<sup>3</sup></b>										
Allocation in 2019 I	12,999	-	-	-	12,999	444	335	349	Feb 2022	-
Allocation in 2018	36,454	-	-	-	36,454	1,111	383	283	Feb 2021	-
Allocation in 2017	32,922	-	-	-	32,922	1,778	390	207	Feb 2020	-
Allocation in 2016	56,070	-	-	56,070	-	1,999	262	-	Feb 2019	1,380
<b>Total</b>	<b>138,445</b>	<b>-</b>	<b>-</b>	<b>56,070</b>	<b>82,375</b>	<b>5,332</b>	<b>-</b>	<b>839</b>	<b>-</b>	<b>1,380</b>
<b>RSUs (first allocation in 2021)</b>										
<b>Torben Carlsen, CEO</b>										
Allocation in 2021	-	5,774	-	-	5,774	1,580	-	2,015	Feb 2024	-
<b>Karina Deacon, CFO</b>										
Allocation in 2021	-	3,070	-	-	3,070	840	-	1,071	Feb 2024	-

<sup>1</sup> Torben Carlsen was appointed CEO 1 May 2019. Prior to being appointed CEO, he was CFO.

<sup>2</sup> Karina Deacon was appointed CFO 1 January 2020.

<sup>3</sup> Niels Smedegaard resigned as CEO 30 April 2019.

# Remuneration key figures

**Table 4: Board and Executive remuneration key figures – 2017-21**

DKK'000	2021	%-change	2020	%-change <sup>7</sup>	2019	%-change <sup>7</sup>	2018	%-change <sup>7</sup>	2017
<b>Remuneration of Board of Directors</b>									
Claus V. Hemmingsen (Chair)	1,225	0%	1,225	9%	1,119	40%	800	12%	713
Klaus Nyborg (Vice Chair)	850	0%	850	11%	763	65%	463	37%	338
Anders Götzsche (joined in March 2018)	625	0%	625	5%	594	11%	375		-
Marianne Dahl (joined in March 2017)	475	0%	475	0%	475	36%	350	0%	263
Jill Lauritzen Melby	500	0%	500	5%	475	19%	400	3%	388
Dirk Reich (joined in July 2019) <sup>1</sup>	875	75%	500	0%	250	-	-	-	-
Jesper Hartvig Nielsen (joined in March 2018)	375	0%	375	5%	356	19%	225	-	-
Lars Skjold-Hansen	375	0%	375	5%	356	19%	300	0%	300
Jens Otto Knudsen	375	0%	375	5%	356	19%	300	0%	300
Jørgen Jensen (resigned in March 2019)	-	-	-	-	100	0%	400	3%	388
Pernille Erenbjerg (resigned in March 2018)	-	-	-	-	-	-	162	3%	588
Kent Vildbæk (resigned in March 2018)	-	-	-	-	-	-	75	0%	300
Bent Østergaard (resigned in March 2017)	-	-	-	-	-	-	-	-	187
<b>Remuneration of Executive Board (audited)</b>									
Torben Carlsen (CEO) <sup>2</sup>	17,100	41%	12,131	4%	9,748	-	-	-	-
Torben Carlsen (CFO) <sup>2</sup>	-	-	-	-	1,180	10%	9,564	10%	8,663
Karina Deacon (CFO) <sup>3</sup>	8,975	21%	7,427	-	-	-	-	-	-
Niels Smedegaard (CEO) <sup>4</sup>	-	-	-	-	8,751	11%	15,502	11%	13,987
<b>Financial Measures, DFDS A/S</b>									
EBITDA before special items, Consolidated	3,411	25%	2,732	-25%	3,633	21%	2,998	11%	2,702
Profit before tax, Consolidated	1,069	129%	466	-66%	1,371	-19%	1,694	0%	1,686
ROIC before special items, Consolidated	5.2	48%	3.5	-57%	8.1	-40%	13.5	-29%	19.0
TSR - Total Shareholder Return	27%	-275%	-15%	-160%	25%	-230%	-20%	-439%	6%
EBITDA before special items, Parent Company	1,771	1%	1,758	-36%	2,727	63%	1,670	-8%	1,817
Profit before tax, Parent Company	106	-21%	135	-87%	1,052	-59%	2,540	35%	1,880
<b>Remuneration other, DFDS A/S (land-based and sea-based)<sup>5</sup></b>									
Average FTEs, Parent Company (ex. Executive Board)	2,377	-4%	2,474	-7%	2,666	5%	2,539	5%	2,423
Average pay, Parent Company (ex. Executive Board)	485	8%	448	1%	442	4%	425	1%	420
CEO Pay-Ratio <sup>6</sup>	35	30%	27	-7%	29	-21%	36	9%	33

# Deviation from the Policy

The actual remuneration for the Board of Directors and the Executive Board is aligned with the remuneration policy and it is the view of the Committee and the Board that the policy has not been deviated from.

<sup>1</sup> Dirk Reich received an ad-hoc fee of DKK 375,000 in 2021, due to considerable advisory work related to business development, acquisitions and organisational design.

<sup>2</sup> Torben Carlsen was constituted CEO 1 March 2019 with adjusted base salary and appointed CEO 1 May 2019.

<sup>3</sup> Karina Deacon was appointed 1 January 2020.

<sup>4</sup> Niels Smedegaard resigned as CEO 30 April 2019.

<sup>5</sup> The average pay across land-based (1/3 of the population) and sea-farers (2/3 of the population) are partly misleading as the sea-farers are paid net salary according to DIS legislation.

<sup>6</sup> For purpose of calculating the CEO Pay-Ratio, the total CEO pay for 2019 is calculated as 8 months pay for Torben Carlsen and 4 months pay for Niels Smedegaard.

<sup>7</sup> The %-change is based on annualised numbers where applicable.





# Board of Directors' statement on the remuneration report

The Board of Directors has considered and adopted the remuneration report of DFDS A/S for the 2021 financial year.

The report has been prepared to meet the requirements of the section 139b of the Danish Companies Act and the Recommendations on Corporate Governance issued by the Danish Committee on Corporate Governance. The remuneration report describes the remuneration received by the Board of Directors and the Executive Board of DFDS A/S since 2017 as well as the relationship between the remuneration and DFDS' remuneration policy for 2021.

DFDS' remuneration policy entails the option to make use of a claw-back. This option has not been used.

It is the view of the Board of Directors that remuneration of the Board of Directors and of the Executive Board for the financial year 2021 has been conducted in alignment with DFDS' remuneration policy and according to the above stated requirements.

The report will be presented for an advisory vote at the Annual General Meeting planned for March 2022.

## Board of Directors

Copenhagen, 24 February 2022

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Claus V. Hemmingsen  
*Chair*

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Klaus Nyborg  
*Vice Chair*

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Marianne Dahl

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Anders Götzsche

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Jill Lauritzen Melby

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Dirk Reich

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Jesper Hartvig Nielsen  
*Elected by the employees*

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Lars Skjold-Hansen  
*Elected by the employees*

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Jens Otto Knudsen  
*Elected by the employees*



# Independent Auditors' Report on remuneration report

## To the shareholders of DFDS A/S

We have examined whether the remuneration report for DFDS A/S for the financial year 1 January - 31 December 2021 contains the information required under section 139 b, subsection 3 of the Danish Companies Act.

We express reasonable assurance in our conclusion.

## The Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139 b, subsection 3 of the Danish Companies Act. The Board of Directors is also responsible for the internal control that the Board of Directors deems necessary to prepare the remuneration report without material misstatement, regardless of whether this is due to fraud or error.

## Auditor's independence and quality management

We have complied with the independence requirements and other ethical requirements in 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.

PricewaterhouseCoopers is subject to the International Standard on Quality Control, ISQC 1, and thus applies a comprehensive quality control system, including documented policies and procedures concerning compliance with ethical requirements, professional standards and current statutory requirements and other regulation.

## Auditor's responsibilities

Our responsibility is to express a conclusion on the remuneration report based on our examinations. We conducted our examinations in accordance with ISAE 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and the additional requirements applicable in Denmark to obtain reasonable assurance in respect of our conclusion.

As part of our examination, we checked whether the remuneration report contains the information required under section 139 b, subsection 3 of the Companies Act, number 1 - 6, on the remuneration of each individual member of the Executive Board and the Board of Directors.

We believe that the procedures performed provide a sufficient basis for our conclusion. Our examinations have not included procedures to verify the accuracy and completeness of the information provided in the remuneration report, and therefore we do not express any conclusion in this regard.

## Conclusion

In our opinion the remuneration report, in all material respects, contains the information required under the Companies Act, section 139 b, subsection 3.

Hellerup, 24 February 2022

**PricewaterhouseCoopers**  
Statsautoriseret  
Revisionspartnerselskab  
CVR No 33 77 12 31

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Rasmus Friis Jørgensen  
State Authorised Public Accountant  
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Thomas Wraae Holm  
State Authorised Public Accountant  
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# Appendix: Remuneration Policy 2021 summary, Board of Directors

**Table 5: Remuneration policy elements, Board of Directors – 2021**

What	Purpose	What and how much
Base Fee – Board	To remunerate in relation to the scope and complexity of work, similar to fees in comparable listed companies.	Board members: Base fee. Chair: 3 times the Base Fee. Vice Chair: 2 times the Base Fee. Directors acceding or resigning during an election period will receive a pro rata share of the annual fees.
Base Fee – Committee	Same as above.	Chair of the Audit Committee: 2/3 of the Base Fee. Other members of the Audit Committee: 1/3 of the Base Fee. Chair of the Remuneration Committee: 2/15 of the Base Fee. Chair of the Nomination Committee: 2/15 of the Base Fee. Other members of the Remuneration and Nomination Committee: 2/15 of the Base Fee.
Ad hoc Fee	To remunerate for additional ad-hoc task, if agreed by the Board of Directors.	Fixed fee as per agreement with the Board. To be presented in the notes to the annual report and/or the remuneration report.
Contributions and expenses	To cover social security taxes imposed by foreign authorities on such fees. To reimburse expenses incurred by the Directors in connection with board and/or committee meetings.	Reasonable contributions and expenses, subject to approval from the Committee.
Insurance	To provide the Directors with insurance.	The Directors are covered by a customary D&O insurance policy with coverage deemed sufficient by the Board of Directors in relation to the size and nature of the business of DFDS. To the extent that insurance coverage proves insufficient DFDS may in certain cases cover additional claims.
Pension	None	None
Incentive plan	None	Employee-elected members of the Board may receive incentive pay in their capacity as employees of DFDS.



## Appendix: Remuneration Policy 2021 summary, Executive Board

**Table 6: Remuneration policy elements, Executive Board – 2021**

Component	Purpose	Link to performance	Size/value of component
Base salary	Recognise market value, the nature of the role in terms of scale, complexity and responsibility and the Executive Board members' experience, sustained performance and contribution.	Indirectly linked to DFDS' performance through the Executive Board member's sustained performance level.	No pre-defined maximum salary level but determined according to 'Purpose' (ref. explanation to the left).
Short-term incentive	Reward the achievement of DFDS' annual goals guided by the long-term business strategy.	Divided between the following performance areas: 1. DFDS' financial performance (e.g. ROIC, Profit before Tax), at least 60% 2. DFDS' strategic and personal performance (e.g. sustainability, transformation).	Target: 40% of annual base salary. Maximum: 80% of annual base salary. Performance area 1 is evaluated based on meeting the financial targets, whereas 2 and 3 are based on a discretionary assessment by the Board. Information on measures in any given year will be outlined in the relevant annual remuneration report.
Long-term incentive	Reward the achievement of DFDS' long-term goals through share-based instruments and support executive retention.	Directly linked to the stock market performance of DFDS through the share price development.	40% of annual base salary. Maximum: 80% of annual base salary.
Pension	Provide for the Executive Board members' pension related needs.	N/A	Equal to level of contributions made for Danish DFDS salaried employees (currently 10% of the annual base salary).
Benefits	Provide for the Executive Board members' work-related equipment.	N/A	E.g. company car, free telephone/ other devices, domestic broadband access, relevant newspapers.
Termination	Apply termination conditions to the Executive Board member aligned with general market conditions for the role.	N/A	Executive Board member: Six months' notice in case of resignation. DFDS: Twelve months' notice in case of termination.