

# Report on Salaries and Other Remunerations for Executive Personnel

2023



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This executive remuneration report was prepared by the Board of Directors of Storebrand ASA on 6 February 2024 in accordance with letter b of Section 6-16 of the Norwegian Public Limited Liability Companies Act. The report has been prepared on the basis of the European Commission’s template for remuneration reports.

# 1 Introduction – financial performance and organisation

## 1.1 Highlights – financial performance

In 2023, Storebrand has continued its development from a Norwegian provider of occupational pensions to becoming a broader Nordic financial group with a focus on savings and insurance. The company has delivered strong organic growth and improved solvency ratio.

The results during the year were negatively affected by challenging weather and high disability claims. Despite this Storebrand achieved an improved result driven by strong financial performance. Storebrand is benefiting from strong underlying market growth and improved market shares in most markets. In the pension market, Storebrand has developed from being a provider of traditional defined benefit pensions in Norway to a provider of insurance products, defined contribution pensions, asset management and other capital-light products throughout the Nordic region. In addition, higher interest rates make a positive contribution to the company's earning capacity through increased financial results.

### 1.1.1 Results<sup>1</sup> characterised by high organic growth and increased financial results

Storebrand's cash equivalent earnings before amortisation and tax for 2023 were NOK 3,480 million, compared with NOK 2,732 million in 2022.

Improved results in unit linked pensions, asset management, banking and guaranteed pensions contributed positively to the development. A strong financial result from the company portfolios also contributed positively.

Assets under management (AUM) increased to record high levels during the year and ended at NOK 1212 billion. This is an increase of NOK 192 billion compared to the corresponding period last year.

Performance-related income amounted to NOK 242 million, up from NOK 147 million last year.

The financial and risk result was NOK 1,362 million in 2023, compared to NOK 13 million in 2022. Higher interest rates contribute to increased returns in the company portfolios there are continued strong risk results and profit sharing improved in Storebrand's Swedish operations.

The Insurance result amounted to NOK 1,122 million for the full year, compared to NOK 1,664 million for the corresponding period last year. Challenging weather conditions and a negative disability trend were the main contributing factors.

The combined ratio for 2023 ended at 102 percent. Several measures, including further repricing, have been implemented to improve the profitability. The measures implemented are expected to bring profitability gradually back to the 90-92% targeted combined ratio in 2025.

### 1.1.2 Solvency development and share buybacks

The solvency ratio was 192 per cent at the end of 2023, an increase of 8 percentage points from 2022. The solvency ratio is well above the threshold for overcapitalisation of 175 per cent.

Solid capital generation from results, active risk management and increased volatility adjustment are among the main explanations for the strong development. Write-downs in the real estate portfolio contributed negatively.

Storebrand completed share buybacks amounting to NOK 1.5 billion in 2023 as part of a long-term plan to transfer excess capital to shareholders. The ambition is to buy back NOK 1.5 billion annually over the next few years, as well as NOK 12 billion in total by the end of 2030.

### 1.1.3 Sale of Storebrand Helseforsikring AS

Storebrand has entered into an agreement with ERGO International AG to sell its 50 percent stake in Storebrand Helseforsikring AS. The closing of the transaction is expected in the first quarter of 2024, with an estimated positive impact of approximately NOK 1.1 billion on Storebrand's results.

### 1.1.4 World leader in sustainability work

Customers, investors and society as a whole are placing ever higher demands on Storebrand. This applies not least to the Group's work on sustainability, both in its own operations and through the exercise of active ownership rights in other companies. As the only Norwegian company, Storebrand was listed on the renowned Dow Jones Global Sustainability Index in 2023. This means that the company is considered one of the world's leading listed companies in sustainability work. Storebrand has ambitions to continue to show leadership in this area. Human rights, inclusion and protection of nature and biodiversity have received particular attention in 2023.

### 1.1.5 Key figures – 2023

- Solvency ratio of 192 per cent (184 per cent)
- Cash earnings per share<sup>2</sup> adjusted for amortisation of NOK 7.85 (NOK 6.31)
- Equity NOK 29 531 million (NOK 29 519 million)
- Total assets under management of NOK 1 212 billion (NOK 1 020 billion)
- Dividend of NOK 4.1 per share and continuation of the share buy-back program

Development in key financial figures are described in more detail in Chapter 4.

## 1.2 Key points – organization

### 1.2.1 A remuneration scheme that provides the right incentives

Storebrand is dependent on the trust of customers, partners, authorities, shareholders and society. All employees must act with care, integrity and objectivity, and refrain from actions that could undermine confidence in the business. A more detailed explanation of this can be found in Storebrand's guidelines for ethics.

Storebrand's Group management shall work to ensure that the Group develops in the best interests of customers,

<sup>1/2</sup> This is based on the Storebrand Group's alternative income statement and contains alternative performance measures (APM) as defined by the European Securities and Market Authority (ESMA). The alternative income statement is based on reported IFRS results for the individual group companies. The profit and loss setup differs from the official accounting setup. An overview of the APMs used in financial reporting is available on [www.storebrand.com/ir](http://www.storebrand.com/ir).

shareholders and employees. The Group's activities are based on long-term customer relationships, and the remuneration system is intended to ensure that senior management acts in line with the long-term interests of customers and owners. The Board of Directors of Storebrand ASA is of the opinion that this ambition is best achieved by paying a substantial part of the remuneration of Group management in the form of shares in Storebrand ASA. Such an arrangement of the remuneration system, where a substantial part of the remuneration is deferred wages invested in Storebrand shares, also provides incentives for Group management to make decisions that are in the best interests of the Group's overall value creation.

Bonus schemes are only used to a limited extent in Storebrand, and according to Storebrand's remuneration system, Group management does not receive bonuses. A more detailed account of Group management's share remuneration model is presented in section 3.

By tying up part of the remuneration in shares in its own company, Group management has clear incentives to work towards a positive development in the share price, and the Board believes this is best done by working to recruit and maintain long-term customer relationships based on a clear sustainability strategy. This is reflected in, among other things, Storebrand's principles for sustainability, which summarise how the work is an integrated part of the Group's overall objectives and management and control processes. The principles cover all companies and all parts of the business, including investments, products, purchasing, employee follow-up and own operations:

- Storebrand uses the UN Sustainable Development Goals as a basis for its operations.
- Storebrand helps customers live more sustainably, through the products and services offered.
- Storebrand is a responsible employer.
- Sustainability is the basis for the processes and decisions in the Group – from the board and management, which has the overall responsibility, to each employee who promotes sustainability in their area.
- Storebrand collaborates with customers, suppliers, authorities and partners to achieve the UN Sustainable Development Goals.
- Storebrand is transparent about its sustainability work and the results achieved by the Group.

All Group areas in Storebrand have clearly defined sustainability objectives, and the CEO is followed up by the Board on a number of sustainability indicators.

It is mandatory for senior management and all employees at Storebrand to complete annual courses in ethics, anti-corruption, money laundering and terrorist financing, and privacy and digital trust as part of the Group's risk management. In 2022, the mandatory courses were also expanded with courses on sustainability. The courses are also made available to external board members of subsidiaries subject to licensing, of which some courses may be mandatory.

### **1.2.2 High and stable employee engagement – spotlight on hybrid working**

Storebrand believes that sustained and high employee engagement over time has a positive effect on the company's

results. Employee engagement is therefore an important KPI.

In 2023, about 80 percent of employees responded to the group's employee surveys, which are distributed monthly. The engagement score in 2023 was stable at 8.4 out of 10, which is 0.5 above the industry average. In 2023, the employee survey showed consistently high scores on all questions, including questions about organisational suitability (including values, sustainability and equality), meaningful work, goal setting, relationships with colleagues, self-determination, freedom of opinion and development.

Employees are asked separate questions about HSE twice a year. The results of the HSE surveys in 2023 showed a score of 8.3 out of 10, which is 0.3 above the industry average. In addition, separate questions on diversity and inclusion are also asked, with scores in 2023 being 8.3 out of 10, which is 0.1 below the industry average.

Since the pandemic, Storebrand has put special focus on employees' and teams' opportunities for flexibility and autonomy both in terms of workplace and working hours. Storebrand's employees are encouraged to strive for a good work-life balance. The ability to work from home is formalized through individual agreements.

The hybrid office works well in practice in various forms, and Storebrand collaborates with SINTEF, which conducts research on hybrid working methods and flexibility in everyday life.

### **1.2.3 Changes in the Executive Committee in 2023**

There have been two changes to the executive committee in 2023.

Executive Vice President for Retail Markets, Heidi Skaaret, chose to step down from the Group Management with effect from 1 November to take on a different role in the Group. From the same date, Camilla Leikvoll took over as the new Executive Vice President for Retail Markets. She came from the role as CEO of Storebrand Bank.

Executive Vice President for Communication, Sustainability and Business Policy, Karin Greve Isdahl, chose to leave Storebrand to take up the position of head of Innovation Norway's office in Hanoi, Vietnam. Count Isdahl was formally employed by Storebrand until 31 July. Stig-Øyvind Blystad took over as Director of Communications from 1 April 2023. He reports to CEO Odd Arild Grefstad but is not part of the Group Executive Management. Responsibility for sustainability has been transferred to CFO Lars Aa. Løddesøl, while responsibility for business policy has been transferred to Executive Vice President for Corporate Markets, Vivi Gevelt. These two leadership changes did not result in the payment of severance pay.

Vivi Måhede Gevelt was on maternity leave for six months in 2023, and during that period Lars Erik Eriksen, head of pensions in Corporate Markets, met with the executive committee.

At the end of 2023, there was an equal distribution of women and men in the Group Executive Management of Storebrand.

## 2 Remuneration of the Group Management

### 2.1 Annual review of the remuneration scheme

It follows from the Financial Institutions Act with regulations that undertakings subject to the remuneration rules shall at least once a year undertake a review of the application of the remuneration system. Storebrand prepares an annual written report for the companies Storebrand ASA, Storebrand Bank ASA, Storebrand Asset Management, Storebrand Livsforsikring AS and Storebrand Skadeforsikring AS, which are reviewed by independent control functions. EY is conducting this independent review.

The report is processed by the respective boards, and this requires prior preparation/assessment by the Compensation Committee for the Storebrand Group and the Remuneration Committee of Storebrand Asset Management AS (SAM).

In 2023, the Compensation Committee in the Storebrand Group and the Remuneration Committee in SAM concluded that the practice of the remuneration system in the companies Storebrand ASA, Storebrand Bank ASA, Storebrand Asset Management, Storebrand Livsforsikring AS and Storebrand Skadeforsikring AS is in line with the requirements for good management and control of the Group's risk, counteracts high risk-taking, and helps to avoid conflicts of interest.

EY also conducted an independent assessment in 2023 of the guidelines for the remuneration scheme and its application. EY had no comments on the review and concluded that the companies largely met the conditions set out in current regulations.

### 2.2 Review of the salary elements in Group management's remuneration system

Total remuneration for Storebrand's Group management is the sum of basic salary (incl. share salary), other benefits and pension earnings. The table below provides a review of the individual elements of the total remuneration.

Table 1

Remuneration	Explanation of the individual wage element	Contribution to long-term results
Fixed remuneration - basic salary	Gross salary paid in each fiscal year. The gross salary consists of two parts; cash salary paid monthly, and share salary paid once a year and where the net amount after tax is used to purchase shares in Storebrand ASA.	In the opinion of the Board, the share remuneration model provides the best incentives for Group management to act in line with the long-term interests of customers and owners.
Commissions and variable remuneration	In accordance with Storebrand's remuneration rules, the Group management receives neither commission-based nor variable remuneration.	
Pension scheme - Norway	<ul style="list-style-type: none"> <li>Savings rate of 7 percent of salary from 0 to 12 G.</li> <li>In addition, 13 per cent of wages between 7.1 and 12 G are saved, so that the total savings rate between 7.1 and 12 G becomes 20 per cent.</li> <li>Savings rate of 20% (taxed as salary) for wages over 12G (tophat). All employees of Storebrand Norway with salaries above 12G are members of the tophat scheme.</li> </ul>	Storebrand's pension scheme and supplementary benefits are on a par with or better than comparable financial institutions in Norway. The services contribute to attracting and retaining employees over time and are therefore a contribution to long-term value creation. Group management has no additional benefits of its own.
Other benefits	<p>Includes tax deductions for membership in the group's collective insurance schemes (group life insurance and health insurance) and for any benefit from subsidised mortgage interest if one uses the scheme<sup>3</sup>.</p> <p>Like other employees in the company, some members of the Group management also receive benefits in kind in the form of car supplements and fixed smaller amounts as contributions to cover expenses for newspapers, electronic communications, etc. These are administrative arrangements related to employment contracts entered into in the past and are not included in new employment contracts.</p>	
Extraordinary remuneration	Several members of the Group Executive Committee hold directorships in the Group's subsidiaries. No remuneration is received for directorships, nor does Group management receive other extraordinary remuneration from Storebrand.	Directorships in subsidiaries are regarded as part of the role one has in the group management, and the group perspective is safeguarded by not compensating directorships separately.

<sup>3</sup> For Swedish employees, benefits include lunch contributions and health insurance.

Table 2 summarises Group management's remuneration for 2023, compared to the remuneration for the previous year. Since Group management does not receive commissions, variable remuneration or extraordinary remuneration, these elements are not included in the table. The table shows what was actually paid out in fiscal years 2022 and 2023.

**Table 2**

	Fixed remunerations		Pension accrual	Total remunerations	Financial year
	Base salary	Other benefits			
Odd Arild Grefstad, Chief Executive Officer, CEO	8,715	158	1,692	10,565	2023
	7,952	169	1,549	9,670	2022
Lars Aa. Løddesøl, Group CFO	6,578	173	1,246	7,997	2023
	6,451	184	1,191	7,826	2022
Geir Holmgren (1), Executive Vice President, Corporate Market	N/A	N/A	N/A	N/A	2023
	5,271	186	991	6,448	2022
Vivi Måhede Gevelt (2), Executive Vice President, Corporate Market	4,612	8	856	5,476	2023
	1,556	8	150	1,714	2022
Heidi Skaaret (3), Executive Vice President, Retail Market	4,961	133	895	5,989	2023
	5,341	168	1,011	6,520	2022
Staffan Hansén (4), Executive Vice President, SPP (SEK)	N/A	N/A	N/A	N/A	2023
	5,795	25	1,546	7,366	2022
Jenny Rundbladh (2), Executive Vice President, SPP (SEK)	4,837	7	1,370	6,214	2023
	1,533	7	210	1,750	2022
Jan Erik Saugestad, Executive Vice President, Asset Management	7,515	138	1,426	9,079	2023
	7,052	149	1,361	8,562	2022
Karin Greve-Isdahl (5), Executive Vice President Communications, Sustainability and Business Policy	2,108	10	355	2,473	2023
	3,450	22	611	4,083	2022
Trygve Håkedal, Executive Vice President, Digital	4,739	8	866	5,613	2023
	4,311	22	781	5,114	2022
Tove Selnes, Executive Vice President, People	3,767	128	666	4,561	2023
	3,507	140	621	4,268	2022
Camilla Leikvoll (6), Executive Vice President, Retail Market	3,056	8	446	3,510	2023
	N/A	N/A	N/A	N/A	2022

(1) Geir Holmgren left his role as Executive Vice President for Corporate Markets on 03.06.2022, but was employed until 31.12.2022.

(2) Vivi Måhede Gevelt and Jenny Rundbladh joined the Group Executive Management on 1.9.2022.

(3) Heidi Skaaret left the Group Executive Management on 1 November 2023, but was still employed by Storebrand at year-end.

(4) Staffan Hansén left the Group Executive Management as CEO of SPP on 31.08.2022 but was employed until 31.10.2022.

(5) Karin Greve Isdahl left the Group Executive Management in April 2023, but was formally employed by Storebrand until 31.07.2023.

(6) Camilla Leikvoll joined the Group Executive Management on 1 November and has retained her role as CEO of Storebrand Bank. Remuneration is for all of 2023.

Members of the executive committee who left before 2022 had no remuneration due in the 2022 financial year and are therefore not included in the table above.

### 3 Report on Group management's share remuneration model

In 2015, share-based remuneration was introduced as a share of Group management's fixed remuneration (gross salary). Since the introduction of the share-based remuneration model, it has been a goal to rapidly build up Group management's holdings of Storebrand shares to secure the intention behind the introduction of the model. The share-based remuneration model means that equity exposure will continue to increase in the years ahead, ensuring a rapid build-up of equity exposure also for new members of the Group Executive Management.

The Board's assessment is that share-based remunerations Share-based remunerations as part of gross salary provides more appropriate incentives than variable remuneration, given the design of the scheme and the size of the individual's portfolio of shares in Storebrand ASA.]

#### 3.1 Development in cash wages and share wages

Group management's fixed remuneration (gross salary) consists of two elements:

- **Cash salary:** Percentage of gross salary paid monthly.
- **Share-based remunerations:** Percentage of gross salary paid once a year. Share salary after deduction of payroll tax is used to purchase Storebrand shares. The shares are purchased in the market and thus have no dilutive effect for shareholders.

The shares have a three-year lock-in period, which means that the lock-in period can be taken into account in the tax valuation of the shares, so-called disposition limitation. Storebrand uses an independent third party for the tax valuation of shares with a lock-in period, and the outcome of the valuation varies from year to year.

The Board encourages Group management to retain the shares even after the end of the lock-in period in order to ensure that Group management retains a significant part of its fixed remuneration exposed in shares in Storebrand. Since the Share-based remuneration model was introduced in 2015, no shares have been sold by members of the Group Executive Management.

To build up the equity portfolio of the individual members of the Group management as quickly as possible, pay increases in the form of share pay have mainly been awarded since 2015, while cash pay has been adjusted to a lesser extent. This has contributed to a substantial increase in the fixed remuneration exposed in shares in Storebrand, while the increase in cash remuneration has been moderate in the same period. An increase in cash pay has primarily been related to increased responsibility in the role or as a consequence of benchmarks against similar roles in other companies with which it is natural to make comparisons.

As of 2022, a fixed ratio between cash salary and share pay has been introduced, where the share salary amo-

unts to 35 per cent for the CEO and CFO, and 25 per cent for other members of the Group Executive Management. The adjustment in the salary model means that a salary increase given on gross salary is distributed proportionally between cash wages and share wages, so that the percentage increase in cash and share pay is equal, while the relative relationship between cash wages and share wages remains constant. This change is described in detail in the "Report on Salaries and Other Remuneration of Senior Executives" for the 2022 financial year.

Table 3 shows the equity exposure for each member of the Group Executive Management based on the share price at the end of 2023. The variations in actual equity exposure up to 2023 reflect how long each member has been part of the Group Executive Management. The total shareholding for each member of the Group Executive Management also includes shares purchased through the annual share programme for all employees in Storebrand, and shares purchased by the individual in addition to this.

Tabell 3

2023		
Name	Share-based remunerations as a percentage of gross salary	Actual share exposure
Odd Arild Grefstad	35%	265%
Lars Aa. Løddesøl	35%	231%
Vivi Måhede Gevelt	25%	29%
Heidi Skaaret	25%	199%
Jenny Rundbladh	25%	19%
Jan Erik Saugestad	25%	169%
Trygve Håkedal	25%	77%
Tove Selnes	25%	100%
Karin Greve-Isdahl	25%	91%
Camilla Leikvoll	25%	24%

Equity exposure is defined as the market value of an individual's total portfolio of Storebrand shares divided by gross salary. The table is based on the share price at the end of 2023 (NOK 90).

### 3.2 Setting annual salary limits for Group management

In general, the following factors will be central to the annual salary development for the individual members of the Group Executive Management:

Table 4

Internal factors	<ul style="list-style-type: none"> <li>The Group's overall financial results</li> <li>Risk management and solvency</li> <li>Achievement of results</li> <li>Any change in responsibility of each member of the Group Management</li> <li>Salary developments for other employees in the Group</li> </ul>
External factors	<ul style="list-style-type: none"> <li>Benchmarks for the individual roles in the Group Executive Management</li> <li>Expected salary growth in exposed and sheltered industries (front-line wage model)</li> </ul>

Table 5 shows that, on average, a salary increase of just under 5 per cent was given to Group management, distributed proportionally between cash salary and share pay. The differences in salary increases can be explained by changes in responsibilities or market adjustments based on benchmarks with similar roles in other companies with which it is natural to compare the roles.

Tabell 5

Group Executive Management 2023	Change 2023 vs. 2022
	Change in gross salary from the previous year
Odd Arild Grefstad (1), Chief Executive Officer, CEO	9%
Jenny Rundbladh (2), konserndirektør SPP	0%
Lars Løddesøl, Group CFO	5%
Heidi Skaaret, Executive Vice President, Retail Market	5%
Jan Erik Saugestad, Executive Vice President, Asset Management	5%
Vivi Måhede Gevelt (2), Executive Vice President, Corporate Market	0%
Karin Greve-Isdahl, Executive Vice President Communications, Sustainability and Business Policy	0%
Trygve Håkedal (3), Executive Vice President, Digital	10%
Tove Selnes (4), Executive Vice President, People	7%
Camilla Leikvoll (5), Executive Vice President, Retail Market	N/A
Lars-Erik Eriksen (6) Acting Executive Vice President, Corporate Market	N/A

- (1) Odd Arild Grefstad received an additional salary adjustment as compensation for changes in his employment contract
- (2) Vivi Måhede Gevelt and Jenny Rundbladh received new salary contingencies upon entry into the Group Executive Management on 1.9.2022 and were not adjusted on 1.1.2023.
- (3) Salary to Trygve Håkedal adjusted according to benchmark of corresponding roles in the market
- (4) Tove Selnes received an additional salary adjustment due to increased responsibility in the role
- (5) Camilla Leikvoll received new pay conditions upon entry into the Group Management on 1.11.2023
- (6) Lars-Erik Eriksen was substitute for Vivi Måhede Gevelt while she was on maternity leave

Developments in cash pay and share pay for Group management are the same in percentage terms as of 2022. Salary developments for Group management over the past five years are presented in full in section 9 (Appendix). The salary framework for other employees in Storebrand Norway was 5.4 per cent. The difference in salary developments in 2023 can mainly be explained by the fact that the payroll process for Group management was carried out in January 2023, while the central and local payroll process for other employees was carried out in the period May – September. Due to changed assumptions concerning wage growth and inflation, the salary limits were somewhat higher for other employees.

The Board of Directors of Storebrand ASA determines the remuneration of the CEO on the basis of a proposal from the Remuneration Committee. The CEO recommends the remuneration of the chief executive officers to the Remuneration Committee before the remuneration is approved by the boards of the respective subsidiaries. The CEO decides on the remuneration of other members of the Group Executive Management after consideration by the Remuneration Committee as an advisory body. This helps to quality assure the processes and prevent conflicts of interest.





## 4 Developments in key financial figures related to remuneration

Table 6

	2018		2019 <sup>1</sup>		2020		2021		2022		2023	
	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change	Value	Change
Total assets (billion NOK)	707	-2%	831	18%	962	16%	1,097	14%	1,020	-7%	1,212	19%
Earnings per share <sup>1</sup> adjusted for amortisation (NOK)	8.66	64%	5.38	-38%	6.07	13%	7.81	29%	6.34	-19%	7.85	24%
Dividend per share (NOK)	3	20%	-	-	3.25	-	3.5	8%	3.7	6%	4.1	11%
Solvency ratio	172%	17 pp.	174%	2 pp.	166%	-8 pp.	175 %	9 pp.	184%	9 pp.	192%	8 pp.

(1) Dividends for 2019 were cancelled in 2020 at the request of supervisory authorities due to the general uncertainty in the economy and society related to the Covid-19 pandemic.

### 4.1 Assets under management

Storebrand's most important revenue driver is the Group's total assets. Storebrand and management's active efforts to preserve and attract new customer funds play a key role in the development, in addition to the return they manage to create from the funds. These are internally managed pension funds, funds managed on behalf of external institutional asset management clients and private clients. By winning new management mandates and maintaining a leading position in occupational pensions, total assets have been strong and steadily increasing, despite weak financial markets in some years.

### 4.2 Earnings per share, adjusted for amortisation<sup>4</sup>

The value added accruing to each individual share is measured by looking at earnings per share, adjusted for amortization. Earnings per share take into account externally influencing effects from financial markets that are expected to vary over time through financial results, but in which Storebrand and management's risk management play a major role. The Group's tax expense is also deducted from the profit. Over the past five-year period, there has been increasing value creation in earnings per share, with some variation from year to year.

### 4.3 Dividend per share

Parts of the profit accruing to shareholders can be used for growth and/or a strengthening of the Group's solvency and solvency. This allocation is an annual assessment from Storebrand's Board of Directors. Storebrand's dividend policy states that the Group's goal is for the ordinary dividend per share to be at least at the same nominal level as the previous year. Ordinary dividends are paid at a sustainable solvency margin of more than 150 per cent. The Group's dividend policy also states that if the solvency margin exceeds 175 per cent without the use of transitional rules, the Board's intention is to propose extraordinary dividends or share buy-backs.

### 4.4 Solvency ratio

Storebrand's solvency is measured through the Solvency II standard model. The goal is to have a solvency ratio above 150%. The purpose is to ensure that the Group is well capitalised to meet all obligations, even under stressful market conditions. If the solvency ratio exceeds 150%, Storebrand pays ordinary dividends, and in excess of 175% the Group is considered to be overcapitalised. The Board of Directors intends to propose share buybacks when the solvency ratio exceeds the targeted ratio.



<sup>4</sup> This information is based on the Storebrand Group's alternative income statement and contains Alternative Performance Measures as defined by the European Securities and Market Authority (ESMA). The alternative income statement is based on reported IFRS results for the individual group companies. The statement differs from the official accounts layout. An overview of APMs used in financial reporting is available on [storebrand.com/ir](https://storebrand.com/ir).

## 5 Salary developments for other employees in Storebrand Norway

As part of the financial industry and a member of Finans Norway Storebrand adheres to the so-called front-line wage model, which is the Norwegian model for organising wage negotiations. The front-line wage model assumes that export companies, which compete internationally, negotiate their wage growth first, and wage growth elsewhere in society is negotiated at or lower as this one.

The outcome of wage settlements for front-line wage model therefore provides guidelines for centralised wage negotiations, for example in the financial industry, which is not exposed to international competition in the same way.

Storebrand's local wage settlement is being conducted following the central wage negotiations in the financial industry. The outcome of these negotiations, discussions with local trade unions in Storebrand, expected wage and price inflation and the Group's financial results collectively constitute the premises on which the salary framework for Storebrand employees is based.

To provide the best possible picture of salary developments for employees of Storebrand Norway excluding Group Executive Management, the annual salary limits are used, which are decided by People based on a mandate from Group Executive Management prior to each local wage settlement.

The table below shows the salary development employees in Storebrand in Norway have had in the period 2019-2023:

**Table 7**

Year	2019	2020	2021	2022	2023
Average salary growth	3.0%	3.3%	3.0%	3.9%	5.4%

Virtually the entire salary framework is used to adjust employees' salaries. In addition, there are extraordinary wage adjustments (wage drift) between the annual wage settlements through the year. Experience shows that the annual salary frameworks therefore provide a good estimate of the annual salary development for Storebrand employees.

## 6 Remuneration of employee-elected members of the Board of Storebrand ASA

In addition to being a member of the Board of Directors of Storebrand ASA, the employee-elected board members of Storebrand ASA may participate in the following sub-committees of the Board of Directors:

- Risk Committee
- Audit Committee
- Remuneration Committee
- Strategy Committee

The employee-elected board members receive remuneration. Board fees are approved annually by the general meeting based on a proposal from the nomination committee of Storebrand ASA and are fixed fees regardless of the company's results. Table 12 shows developments in board fees for board members in Storebrand ASA.

**Table 8**

Year	2019	2020	2021	2022	2023
Annual increase in board fees	3.0%	2.9%	2.5 %	4.1%	4.5%

Tables 9 and 10 provide an overview of the sum of annual fees paid for the employee-elected board members of Storebrand ASA for the last five-year period.

The table shows fees for the years the current board members have been elected to the board of Storebrand ASA.

Table 9

Former employee-elected board members 2019 - 2023		Total fees (in NOK 1,000) and percentage change from the previous year							
Name	Resigned from the board	2020 (NOK)	2020 vs. 2019	2021 (NOK)	2021 vs 2020	2022 (NOK)	2022 vs 2021	2023 (NOK)	2023 vs 2022
Svein Thomas Lømork	13/04/2023							325	
Hans-Petter Salvesen	01/04/2020	282		428	52%	418	-2%	445	6%
Hanne Seim Grave	01/05/2021			317		489	54%	510	4%

The fees vary depending on when you joined the board and with participation in the board's subcommittees.

The table shows fees for the years the former board members have been elected to the board of Storebrand ASA.

Table 10

Former employee-elected board members 2019 - 2023		Total fees (in NOK 1,000) and percentage change from the previous year									
Name	Resigned from the board	2019 (NOK)	2019 vs 2018	2020 (NOK)	2020 vs 2019	2021 (NOK)	2021 vs 2020	2022 (NOK)	2022 vs 2021	2023 (NOK)	2023 vs 2022
Ingvild Pedersen	12/04/2019	124	-71%								
Magnus Gard	30/04/2021	315		460	46%	155	-66%				
Fredrik Törnqvist	01/04/2020			86							
Arne Fredrik Håstein	01/01/2020	366	3%								
Heidi Storruste	01/01/2020	446	3%								
Bodil Cathrine Valvik	13/04/2023			343		472	38%	489	4%	165	-66%

The fees vary depending on when you joined the board and with participation in the board's subcommittees.



## 7 Objectives for the Group

Storebrand's Group Executive Management shall work to ensure that the Group develops in the best interests of customers, shareholders and employees. The Group has a clear ambition to influence society in a more sustainable direction, which is clearly reflected in the management of customers' funds. Storebrand's long-term strategy is evaluated annually by the Group Board of Directors and provides guidelines for priorities and budgeting throughout the Group's three-year rolling planning process. The success of the Group and management is measured by the Group's overall financial objective, which is to achieve:

- Return on equity target of 14 percent
- Ambition of NOK 5 billion in group cash results in 2025
- Ambition of increasing dividends
- NOK 1.5 billion in annual buybacks with an ambition of NOK 12 billion by the end of 2030

Key financial figures related to remuneration, mentioned above under section 4, support the Group's financial objectives.

In order for senior management, operational managers and employees to have clear goals that support the long-term strategy, the annual Must Win Battles (MWB) are formulated, which are followed up by the Board of Directors.

In addition, each group area designs a limited number of MWBs, which are decided by the Group Management and endorsed by the Group Board of Directors. Each MWB has a corresponding Key Performance Index (KPI), which is followed up and reported regularly by the Group Executive Management. In addition, the board follows up the CEO on a selection of Must Win Battles with associated KPIs.

The structure associated with MWBs has been developed to provide employees, senior management and the Board of Directors with a clear and simplified annual target structure to ensure that the Group is run in the right strategic direction. For Group Executive Management and other management, there are no variable salary elements associated with the achievement of the annual MWBs.

## 8 Shareholder voting information

The salary report will be presented to the 2023 AGM for an advisory vote.

At the 2023 AGM, there were 167,025,287 shares that voted in favor of the salary report. This corresponds to 96.37 of the votes that attended the AGM. 3.52 percent of the votes cast votes against. At the annual general meeting, there were no comments in connection with the consideration of the salary report.

## 9 Appendix

### 9.1 Developments in fixed remuneration for Group management in the period 2019-2023

The tables below show the members of the Group Management for the years 2019-2023 and annual percentage changes in cash salary, share salary and gross salary (fixed salary). The tables present changes in gross salary (broken down by cash salary and share salary) submitted to Storebrand ASA's Remuneration Committee and approved by the Board of Directors (salary changes for the CEO).

The tables do not include salary elements that are not changed annually as a result of specific salary assessments. Like other employees in the company, some members of the Group management receive benefits in kind in the form of car supplements and fixed smaller amounts as contributions to cover expenses for newspapers, electronic communications, etc. These are arrangements related to employment contracts entered into in the past and are not included in new contracts. Other additional benefits that are subject to benefit taxation may vary from year to year, e.g. the interest benefit of subsidized mortgages and group life and health insurance. In total, these salary elements constitute a very limited share of Group management's total remuneration and are omitted from the tables in order to obtain the best possible picture of Group management's actual salary changes in the five-year period that can be related to the Group's profit development. However, additional benefits that are subject to benefit taxation and thus included in the total remuneration are reproduced and explained in Table 2 of Chapter 2.

The tables show the percentage change in cash pay and share pay from the previous year. Since share pay accounted for a relatively smaller share of gross wages when share pay was introduced, the percentage increase in share pay was also high since the wage increase was added to the share salary in the first years with the accumulation of share pay. As share pay has been built up, the percentage increase in share pay from year to year has been decreasing. As described in Section 3.2, a fixed ratio between share pay and cash pay was introduced as of 2022. This is evident from the tables for 2022 where the changes are shown on gross salary (the sum of cash wages and share wages), since the percentage change in cash wages and share wages is equal.

Significant factors that have affected the remuneration of each member of the Group management are commented on under the tables for each year.

### 9.1.1 Group management and change in remuneration in 2019 vs. 2018

**Table 11**

Executive management 2019	Change 2019 vs. 2018		
	Change in cash salary from previous years	Change in share-based remunerations from previous years	Change in gross salary from previous years
Odd Arild Grefstad, Chief Executive Officer/CEO	0%	24%	7%
Staffan Hansén, CEO SPP	4%	28%	10%
Lars Løddesøl, Executive Vice President, Economy, Finance and Strategy	0%	29%	8%
Heidi Skaaret, Executive Vice President, Retail Market	6%	27%	12%
Jan Erik Saugestad, Executive Vice President, Asset Management	0%	29%	7%
Jostein Dalland (1), Executive Vice President, Digital Business Development	4%	32%	10%
Wenche Martinussen (2), Executive Vice President, Retail Market Norway	2%	32%	9%
Geir Holmgren, Executive Vice President, Corporate Market	5%	29%	11%
Karin Greve-Isdahl, Executive Vice, President Communications, Sustainability and Business Policy	0%	38%	7%
Terje Løken (3), Executive Vice President, Digital & innovation	N/A	N/A	N/A
Trygve Håkedal (3), Executive Vice President, Technology	N/A	N/A	N/A
Tove Selnes (3), Executive Vice President, People	N/A	N/A	N/A

(1) Jostein Dalland left Storebrand in 2019

(2) Wenche Martinussen left in October 2019 and the area was taken over by Heidi Skaaret.

(3) Trygve Håkedal, Terje Løken and Tove Selnes became members of the executive management on 1.8.2019.

### 9.1.2 Group management and change in remuneration in 2020 vs. 2019

**Table 12**

Executive management 2020	Change 2020 vs. 2019		
	Change in cash salary from previous years	Change in share-based remunerations from previous years	Change in gross salary from previous years
Odd Arild Grefstad, Chief Executive Officer/CEO	0%	21%	7%
Staffan Hansén, Executive Vice President, SPP	0%	23%	7%
Lars Løddesøl, Executive Vice President, Economy, Finance and Strategy	0%	23%	7%
Heidi Skaaret, Executive Vice President, Retail Market	0%	23%	7%
Jan Erik Saugestad, Executive Vice President, Asset Management	0%	24%	7%
Geir Holmgren, Executive Vice President, Corporate Market	0%	24%	7%
Karin Greve-Isdahl, Executive Vice, President Communications, Sustainability and Business Policy	10%	30%	14%
Terje Løken, Executive Vice President, Digital & innovation	0%	37%	7%
Trygve Håkedal (1), Executive Vice President, Technology	0%	37%	7%
Tove Selnes, Executive Vice President, People	0%	40%	7%

### 9.1.3 Group management and change in remuneration in 2021 vs. 2020

**Table 13**

Executive management 2021	Change 2021 vs. 2020		
	Change in cash salary from previous years	Change in share-based remunerations from previous years	Change in gross salary from previous years
Odd Arild Grefstad, Chief Executive Officer/CEO	0%	13%	5%
Staffan Hansén, Executive Vice President, SPP	0%	14%	5%
Lars Løddesøl, Executive Vice President, Economy, Finance and Strategy	3%	14%	7%
Heidi Skaaret, Executive Vice President, Retail Market	0%	14%	5%
Jan Erik Saugestad, Executive Vice President, Asset Management	0%	15%	5%
Geir Holmgren, Executive Vice President, Corporate Market	0%	15%	5%
Karin Greve-Isdahl, Executive Vice, President Communications, Sustainability and Business Policy	7%	18%	10%
Terje Løken, Executive Vice President, Digital & innovation	6%	20%	10%
Trygve Håkedal (1), Executive Vice President, Technology	32%	34%	33%
Tove Selnes, Executive Vice President, People	11 %	21 %	13 %

(1) In December 2021, the group areas Digital & Innovation and Technology were merged into one group area led by Trygve Håkedal.

### 9.1.4 Group management and change in remuneration in 2022 vs. 2021

**Table 14**

Executive management 2022	Endring 2022 vs. 2021	
	Change in gross salary from the previous year	
Odd Arild Grefstad, Chief Executive Officer/CEO		4%
Staffan Hansén, Executive Vice President, SPP		4%
Jenny Rundbladh (1), Executive Vice President, SPP		N/A
Lars Løddesøl, Executive Vice President, Economy, Finance and Strategy		3%
Heidi Skaaret, Executive Vice President, Retail Market		6%
Jan Erik Saugestad, Executive Vice President, Asset Management		8%
Geir Holmgren, Executive Vice President, Corporate Market		4%
Vivi Måhede Gevelt (1), Executive Vice President, Corporate Market		N/A
Karin Greve-Isdahl, Executive Vice, President Communications, Sustainability and Business Policy		7%
Trygve Håkedal (2), Executive Vice President, Technology		0%
Tove Selnes, Executive Vice President, People		6%

(1) Vivi Måhede Gevelt and Jenny Rundbladh joined the executive management on 1.9.2022

(2) Trygve Håkedal was given extended responsibility in December 2021, and salary increases as a result are therefore shown in the table in Chapter 3.2.

## 9.1.5 Group management and change in remuneration in 2023 vs. 2022

**Table 15**

Change 2023 vs. 2022	
Group Executive Management 2023	Change in gross salary from the previous year
Odd Arild Grefstad (1), Chief Executive Officer, CEO	9%
Jenny Rundbladh (2), konserndirektør SPP	0%
Lars Løddesøl, Group CFO	5%
Heidi Skaaret, Executive Vice President, Retail Market	5%
Jan Erik Saugestad, Executive Vice President, Asset Management	5%
Vivi Måhede Gevelt (2), Executive Vice President, Corporate Market	0%
Karin Greve-Isdahl, Executive Vice, President Communications, Sustainability and Business Policy	0%
Trygve Håkedal (3), Executive Vice President, Digital	10%
Tove Selnes (4), Executive Vice President, People	7%
Camilla Leikvoll (5), Executive Vice President, Retail Market	N/A
Lars-Erik Eriksen (6) Acting Executive Vice President, Corporate Market	N/A

(1) Odd Arild Grefstad received an additional salary adjustment as compensation for changes in his employment contract

(2) Vivi Måhede Gevelt and Jenny Rundbladh received new salary contingencies upon entry into the Group Executive Management on 1.9.2022 and were not adjusted on 1.1.2023.

(3) Salary to Trygve Håkedal adjusted according to benchmark of corresponding roles in the market

(4) Tove Selnes received an additional salary adjustment due to increased responsibility in the role

(5) Camilla Leikvoll received new pay conditions upon entry into the Group Management on 1.11.2023

(6) Lars-Erik Eriksen was substitute for Vivi Måhede Gevelt while she was on maternity leave



To the General Meeting of Storebrand ASA

## Independent auditor's assurance report on report on salary and other remuneration to directors

### Opinion

We have performed an assurance engagement to obtain reasonable assurance that Storebrand ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2023 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

### Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

### Our Independence and Quality Management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 16 February 2024

**PricewaterhouseCoopers AS**

Thomas Steffensen  
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.



