

ERGO Nordics Pay Policy

Scope of application: *ERGO Nordics incl. branches "ERGO Nordics",*

Effective from: 25.03.2026

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1 Objective

- The pay policy has been determined to comply with the executive order on pay policy and payment of the management in insurance companies (BEK nr. 676 04-06-2025), The Insurance Business Act chapter 13 and the Solvency II delegated regulation art. 275. The local requirements on remuneration in both Sweden and Norway apply on the employees there in scope of this Policy, as well as the Managing Director. Remuneration of the BoM and significant risk takers is subject to the Danish requirements.
- The pay policy has been determined based on an overall assessment of the company's size, organization and the extent and complex nature of the company's activities. The objective is to have a pay policy which is in accordance with and promote sound and efficient risk management and at the same time comply with the company's strategy, values and goals and meet the customers' and investors' interests in accordance with the Insurance Distribution Directive.

2 Scope of Application

The pay policy comprises all agreements about salaries to the below mentioned group of persons in ERGO Nordic, when these agreements have been entered:

The pay policy comprises the Board of Directors, Board of Management, and other employees, whose activities have a considerable influence on the company's risk profile, together with employees who are involved in supervisory duties and auditing.

The decision on the employees to be included in the present pay policy is decided by Board of Directors on the basis of a recommendation from Board of Management and is based on an assessment of the following criteria:

- The authorization and/or financial authorities of the employees in question, as it is considered that these persons could potentially pose financial risk to the company of such a nature that it is considered substantial.
- The duties of the employees in question within supervision and risk mitigation.

Based on this, the BoD has decided that the following employees have a considerable influence on the company's risk profile:

The Board of Management:

- Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- Chief Information Officer (CIO)
- Chief Underwriting Officer (CUO)
- Chief Commercial Officer (CCO), also MD of the Norwegian Branch
- Chief Operational Officer (COO)

Other employees, whose activities have a considerable influence on the company's risk profile:

- MD of Swedish Branch

- Sales Manager DK, SE and NO
- Chief Internal Auditor (Key function)
- Nordic Head of Risk Management (Key function)
- Nordic Compliance Officer (Key function)
- Nordic Head of Actuarial (Key function)
- Nordic Head of Underwriting
- Nordic Head of Operations Norway
- Nordic Head of Operations Denmark

2.1 Employees whose activities have considerable influence on the company's risk profile

The Danish executive order on pay policy and remuneration in insurance companies specifies that these employees as a starting point are:

- 1) manager of a control function,
- 2) head of internal audit,
- 3) responsible actuary,
- 4) manager of the insurance area and the managers of units within this area,
- 5) the manager of reinsurance,
- 6) manager of investments

Other employees are also those who fulfil one of the below criteria, unless a concrete assessment decides that the employee do not have considerable influence on the company's risk profile

- The employee received a combined remuneration of EUR 500.000 or above in the previous accounting year
- The employee is amongst the 0,3% of the company's employees who received the highest combined remuneration in the previous accounting year

3 Pay policy for ERGO Forsikring A/S for the Board of Directors, the Board of Management and employees, whose professional activities have a considerable influence on the company's risk profile

3.1 Principle

This policy shall ensure that the internal organizational structure of the Company and the nature, scope, and complexity of the risks inherent in its business operations are taken into account, and that there is clear, transparent and effective governance with respect to compensation, including monitoring of the policy.

General and specific requirements for compensation schemes is regulated in the MR Group Compensation Policy

3.2 The Board of Directors' remuneration

The Board of Directors is paid a fixed fee. However, Board of Directors members appointed by, and representing, ERGO International shall not receive a fixed fee. There is no paid pension included.

There is no variable fee, and there are no paid incentive programs of any kind.

The Board of Directors seeks to adjust the amount of the fee for any external members of the Board of Directors and employee representative in accordance with the extent and responsibility connected with the tasks of the Board of Directors.

3.3 Remuneration of the Board of Management and MDs

The Board of Management in ERGO Nordic receives a set basic salary which is endeavored to be determined so it is competitive with the remuneration of a corresponding job in the financial sector. In addition to the salary the company pays pension contribution, company car or car allowance of a suitable size, free telephone and other normal salary items (health insurance). The MD of the SE Branch in ERGO Nordic receives a set basic salary and has an agreement on variable pay, which is endeavored to be determined so it is competitive with the remuneration of a corresponding job in the financial sector. The MD of the Norwegian Branch is remunerated for his role as a member of the BoM, which includes responsibility of the Norwegian Branch. In addition to the salary the company pays pension contribution, company car or car allowance of a suitable size, free telephone and other normal salary items (health insurance).

The remuneration of the Board of Management is evaluated each year by the Chairman of the Board of Directors.

3.4 The remuneration of other employees, whose activities have a considerable influence of the company's risk profile and/or are involved in supervisory duties and auditing

The Nordic Head of Actuarial, the Chief of Internal Audit, the Nordic Head of Risk Management, the Nordic Compliance Officer, Sales Manager DK, Sales Manager SE, Sales Manager NO, Nordic Head of Underwriting, Nordic Head of Operations Denmark and Nordic Head of Operations Norway have a salary agreement. In addition to the salary the company pays pension contribution, free telephone and other normal salary items (health insurance).

3.5 Principles for variable pay

The variable pay cannot be more than 50 % of the set salary including pension for each person.

The total variable salary is determined on the basis of the persons own performance, the performance of the relevant department, the company's financial and actual results and the group financial result. Both financial

and non-financial criterias are to be taken into account when assessing the performance of an individual employee.

Where remuneration schemes include both fixed and variable components, such components shall be balanced so that the fixed or guaranteed component represents a sufficiently high proportion of the total remuneration to avoid employees being overly dependent on the variable components. This allows the undertaking to operate a fully flexible bonus policy, including the possibility of paying no variable component.

For employees employed in Denmark the bonus earned each year, if any, is paid with the maximum possible payment in year 1 (which means 60 % if the total bonus is below 750,000 DKK, and 40 % if the total bonus is above 750,000 DKK1) and the remaining amount is paid out in equally large portions over a period of the following 5 years for the Board of Management and 4 years for other employees, whose activities have a considerable influence of the company's risk profile and/or are involved in supervisory duties and auditing, under the Guidelines on the interpretation of §146, section 5, in the Danish Insurance Business Act. Any bonus below DKK 100.000 is paid in full in year 1, if the total variable pay is below 100.000 DKK.

For employees employed in SE Branch, whose actions can impact on the risk level of ERGO Nordic, at least 60 % of the variable remuneration mentioned above shall be deferred for at least 3 years. The earliest date on which the deferred component may be paid should be determined by the risks to the long-term, sustainable performance of the business in which the employee is active. The firm can decide that a deferred payment shall be cancelled in part or in full if at a later date it is demonstrated that the employee did not fulfil the performance criteria.

For employees in the Norwegian branch, both management, supervisory roles or other roles whose duties have a material impact on the business's risk profile, is applicable to remuneration schemes. They comply with the requirements in the Solvency II Regulation Section 53, which stipulates that Delegated Commission Regulation 2015/35 applies as a regulation. The composition of fixed and variable remuneration shall be balanced. Furthermore, the fixed component of the remuneration shall be sufficiently high to allow the business to refrain from paying out the variable component. The business must specifically assess what constitutes a sufficiently high fixed remuneration circular letter from the Norwegian FSA, point 4.1 (RFT-2020-2). A material portion of the variable remuneration shall be deferred for at least three years, with the deferral adjusted to the business's activities, risks, and the employee's role. EIOPIA considers a 40 % deferral to be sufficient in this regard, although the Norwegian FSA may assess the need for a higher share or longer deferral. Employees subject to these rules may not hold insurance that covers the loss of performance-based remuneration cf. circular letter from the Norwegian FSA, point 4.3 (RFT-2020-2).

The postponed instalments of a granted bonus can only be paid out if the criteria that formed the basis of the bonus are still met at the time of the payment of each installment and on the condition that the relevant person has fulfill relevant demands to fit- and properness and has not been involved in or responsible for any behavior resulting in significant loss and finally that the financial situation of the company is not significantly impaired compared to the financial situation at the time the bonus was granted.

ERGO Nordic can refrain from paying out variable pay partly or in whole, if the company doesn't fulfill the solvency requirements in §§ 154 and 166 in the Danish Insurance Business Act, or if the FSA asses that there is a reasonable risk thereof. Furthermore, ERGO Nordic will not pay out variable pay to the Board of Management, MD and other employees if the FSA demands that ERGO Nordic drafts a plan for restoring the company's financial position, cf. § 223 in the Danish Insurance Business Act

At least half of the variable payment must consist of a subordinated debt to the company. Such subordinated debt can at the earliest be collected 6 months after the debt is granted.

The bonus schemes are thus aiming at supporting long-term behavior.

Variable remuneration must be fully or partly paid back by the BoD, BoM or other risk takers if it has been paid out on the basis of information of results that can be documented to be faulty and if the recipient has acted in bad faith.

3.6 Guidelines for severance pay

There are no agreements of severance pay with the Board of Directors.

Notice period for Board of Management and C-function is determined in accordance with the provisions of the individual employment contract and constitutes a maximum of 9 months of severance pay. In addition to such severance pay, in individual cases, a special allowance corresponding to appropriate compensation for early termination by the Company may be paid exceptionally.

For other employees, whose activities have a considerable influence on the company's risk profile, an extension of the notice period can be agreed. Such extended period is individual and can be up to 12 months plus an additional compensation according to the Consolidation Act on Danish Employers' and Salaried Employees' Legal relationship, the Swedish Employment Act (1982:80) and the Norwegian Working Environmental Act Chapter 15 or the in-house agreement/collective agreement.

Any severance payments shall be related to performance achieved over the whole period of activity and be designed in a way that does not reward failure. Reference may be made here to the current function.

All severance pay must be approved by the Chairman of the Board of Directors. The severance pay must be paid out in monthly rates in an average size compared to the salary in the previous year and the payout of the severance pay, can only happen after pay during termination period has ended.

If the Company enters into a termination agreement with a BoM member, and if the value exceeds the individuals combined salary for the past two years incl. Pension, the company must publicize the size of the combined remuneration on the homepage

Salary in an agreed termination period to a BoM member must be paid out monthly in the duration of the termination period.

The BoD must pause the termination payments if the BoD assess that the BoM member has conducted an behavior that is viewed as comprising a serious management failure. The same must be done if the company is charged with criminal charges that can be attributed to the respective BoM member.

3.7 Use of hedging or salary insurance

Employees in scope of this policy must not use any personal hedging strategies or remuneration and liability-related insurance which would undermine the risk alignment effects embedded in their remuneration arrangement. An annual control hereof will be performed by HR.

3.8 Publication

In accordance with § 144, section 6 in the Danish Insurance Business Act ERGO Nordic will annually update the website ergo.dk with the current version of the Pay Policy.

3.9 Control

The Board of Directors will at least once a year perform a control on whether the pay policy is complied with, this control will also secure that the Munich Re Group Compensation Policy are complied with. The Board of Directors will determine the detailed guidelines for the control.

The pay policy is approved by the general assembly. It is reviewed annually by the Board of Directors and revised if necessary. The control of the pay policy is presented at the general meeting for approval.

4 Tasks, Responsibilities and Interfaces

4.1 Task

Whenever variable pay is determined to the group of people which this policy applies to, the above rules must be complied with.

4.2 Responsibilities

Responsibilities in relation to this policy, its implementation and updating are allocated as follows:

Board of Directors and Board of Management:

- Definition of additional principles for pay policy within the area of responsibility, if applicable;
- Passing the necessary resolution to adopt this policy;
- Monitoring implementation of this policy;
- Approving material changes to this policy;

Nordic Head of HR & Internal Communication:

- Conducts a thorough assessment with regard to the Company's significance and the resulting requirement of setting up a local compensation committee.
- Ensuring that Board of Management passes the necessary resolution to adopt this policy;
- Ensuring that the Company implements and complies with this policy (including any updates);
- Determining those persons for whom specific compensation requirements must be complied with;
- Identifying additional local risk takers, where this is required by local law;
- Drawing up compensation schemes for employees within their remit in accordance with compensation requirements stated in MR Group Compensation Policy and other relevant regulations, if applicable;

- Disclosing this policy to all employees and updating the pay policy on the website.

4.3 Interfaces

There will be an interface between the responsible body or person and the financial department which carries out the actual payment of variable pay.

5 Processes, Controls and Reporting Procedures

5.1 Processes

The salary process is described in Salary Process ERV DK Working Instruction and Salary process SE Branch Working instruction.

Board of Management set the targets for the individual bonus schemes. HR is responsible for collecting and for filing the signed schemes. Finance calculates the amount based on the annual result and Board of Management fills in the non-financial targets and the final bonus schemes approved by Board of Management are submitted to HR for payout with the salary.

5.2 Controls

The control activities in connection with the execution of salary and bonus administration are following the “4 eyes” principle and the frequency is monthly with regard to salary with each payroll process and annual with regard to bonus. The involved parties are HR, Finance and the Board of Managers. HR controls the salary figures and the CFO controls Finance’s balance, Board of Management approves all bonus scheme pay-outs before pay-out.

The Board of Directors has the responsibility for compliance with this policy. To fulfil this responsibility, the Board of Directors, has requested the Legal department to overview the process where the variable pay is being granted and paid out each year, and to report if the Policy is being respected or not.

The Pay Policy has to be approved by the General Assembly, together with the guideline with the basis for awarding variable pay.

HR must annually gather commitments of those affected to comply with the requirement in section 3.7 and document this.

5.3 Reporting lines

HR shall ensure compliance with the pay policy and shall provide a status report to the Head of Legal and Compliance.

Head of Legal and Compliance must check the appropriateness of the implementation concept with respect to the pay policy and report to Board of Directors

5.4 Reporting Procedures

Board of Management signs off the final bonus scheme before submitting to HR for pay-out.

For the reporting procedures in connection with the execution of salary and bonus administration are described in the Salary Process ERGO DK Working instruction and Salary Process SE Branch Working Instruction.

The Chairman of the Board of Directors must in his report to the General Assembly explain the payment made to the Board of Directors and Board of Management. The explanation must contain information about the payment in the previous year, the expected payment in the present and coming year.

The annual report must contain the combined payment to each member of the Board of Directors and the Board of Management. The combined payment also includes payment for positions in the Board of Directors or the Board of Management of other companies in the group.

A control of the pay policy is performed annually. This is presented to the BoD at each Q1 meeting.

5.5 Review of the norm

The Board of Directors will review the norm every year. If significant changes are made, the norm must be approved by the General Assembly and at least once every 4 years.

Before the annual review of the norm by the Board of Directors, HR & Internal Communication will review the norm to determine whether any changes are needed to the norm due to any changes in the legal requirements or requirements from the Group. The outcome of this review will be documented in written form and be made available to the Board of Directors.

6 Document information and history

Document	ERGO Nordics Pay Policy		
Version	4.0		
Classification	C2		
Norm Issuing Function	HR & Internal Communication		
Topic Owner	Thomas Munk-Larsen		
Approval body	Board of Directors and General Assembly		
Approval date	24.03.2026		
Effective from	25.03.2026		
Review cycle	Yearly		
Reference to Group norm	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	(= highest norm level)
Regulatory requirement Policy serves to implement regulatory requirements	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Solvency II delegated regulation, Insurance Business act (DK)

Version	Date	Amended by	Amendments/ Comments
1.1	18 April 2016	Anders Erlandsen	Amendments from Compliance Officer
1.2	15 September 2016	Anders Erlandsen	Changes due to answer from the FSA
1.3	05 January 2017	Anders Erlandsen	Changes due to new executive order
1.4	19 February 2018	Niklas Lewenhard Gren	Changes due to the merger of the Danish and the Swedish entity.
1.4	11.04.2018	N/A	Presented to the BoD
1.4	25.04.2018	N/A	Approved at General Assembly
1.5	26.11.2018	Annica Westerman	Updated with amendments
1.5	12.12.2018	N/A	Presented to the BoD
1.5	08.04.2019	Judith Nielsen Marchl	Minor editorial changes
1.5	26.04.2019	N/A	Approval at General Assembly
2.0	03.12.2019	Leela Voigt-Jalving	Merged with Munich Re's compensation policy
2.0	11.12.2019	N/A	Presented to the BoD
3.0	17.11.2020	Annica Westerman	Updated Pay Policy Cleaned from MR GCP

3.0	07.12.2020	N/A	Approval by the BoD
3.1	01.12.2021	Annica Westerman	Adjustment of section 3.4 and 3.5 aligned with the new remuneration setup.
3.1	15.11.2022	Annica Westerman	Minor editorial changes
3.1	06.12.2022	N/A	Approved by BoD
3.1	04.12.2023	Sofie Sørensen	Annual update. Deletion of COO
3.1	13.12.2023	N/A	Approved by BoD
3.1	22.03,2024	Sofie Sørensen	Adding of CTO
3.1	12.04.2024	N/A	Approved by BoD
4.0	23-02-2026	Sofie Sørensen	Updated after Merger to cover DK, SE and NO Updated Risk Takers Reviewed by Legal and Compliance regarding legislation.
4.0	24.03.2026	N/A	Approval by BoD

7 Appendix

No appendixes