

SpareBank 1 Markets AS Remuneration Policy

SpareBank 1 Markets AS (“SB1M”) follows regulations on remuneration arrangements in holding companies in financial services, banks, financial institutions, insurance companies, pension institutions, investment firms and management companies for investment funds (“Forskriften”). In the following SB1M will inform how the company complies with this.

Competent and dedicated co-workers is the key to create value for SB1M’s clients and hereby contribute to the company’s long-term development. SB1M’s remuneration model ought to be in correlation with the market, contribute to sustainable results and the long-term interests of the shareholders. The company’s remuneration model should reward individual performance and encourage long-term value creation combined with balanced risk-taking. The remuneration model includes all compensation, including fixed salary, variable remuneration, pension schemes, benefits in kind and more.

When assessing the remuneration of the individual employee, each employee will be assessed against pre-defined goals that covers both financial and non-financial performance. When assessing the employee’s total compensation, including variable remuneration, this is done based on the employees’ individual goal achievements, the departments result, as well as the company’s overall profitability.

In order to prevent employees with leadership responsibilities, control functions, as well as employees who may significantly affect SB1M’s risk profile from having undesirable risk behaviour, these are withheld at least 40 % of their possible remuneration for three years. The variable remuneration will be invested equity instruments in SpareBank 1 SMN’s ECs (MING), SpareBank 1 Sør-Norge (“SSN”) and SpareBank 1 Nord-Norge (“NONG”) weighted in accordance with these three banks ownership in SB1M, and transferred to the employee by $\frac{1}{4}$ each year, over four years, after a specific assessment.

The board has approved the company’s remuneration model and will monitor its effects. Furthermore, SB1M has established a Remuneration committee that will monitor compliance with the company’s remuneration policy on the behalf of the board. The company’s internal auditor KPMG conducts an annual independent audit of SB1M’s remuneration model, as well as its compliance, and reports directly to the company’s board.