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To The annual general meeting
Alm. Brand A/S 2023

From Dorte Bast Aagaard

Date 28. March 2023

Review of remuneration policy of Alm. Brand companies

This memorandum contains a review of the remuneration policy, which is recommended for adoption by the respective boards of directors.

The amendments made are shown in the enclosed mark-up version of the remuneration policy.

The amendments to the group's remuneration policy are motivated by different circumstances, including the following:

- editorial amendments;
- new rules on sustainability which are to be incorporated in the remuneration policy;
- consistent delegation of the authority to determine the remuneration of subsidiary management board members to the board chairman of the company in question.

Lastly, it is recommended that the Board of Directors approve the revised remuneration policy with a view to recommending the policy for adoption at the general meetings of the respective companies.

Amendments to the remuneration policy

Companies covered by the remuneration policy
As a result of the acquisition of Codan Forsikring and Forsikringsselskabet Privatsikring, these companies have now been included as financial enterprises of Alm. Brand Group covered by the remuneration policy.

Due to the group's new name and the new companies, consequential editorial changes have been made throughout the document to the effect that "the Alm. Brand group" is now referred to as "Alm. Brand Group".

Re. sustainability
Sections on sustainability have been inserted in:

- Clause 3, General aspects of remuneration of members of the Board of Directors, the Management Board and employees. Two sections on sustainability have been inserted here. The first section concerns the principles of determining remuneration in Alm. Brand Group, and the second section concerns how this principle is implemented.
- Clause 7, One-off fees for executive officers and identified risk takers. Here, we have specified that sustainability is a criterion to be taken into account when granting variable remuneration for executive officers and risk takers.

As stated above, new sections have been inserted on sustainability and how sustainability is supported in the determination of remuneration in Alm. Brand Group.

The background to the new sections is a new EU regulation requiring that the companies of Alm. Brand Group include in the remuneration policy information on how the remuneration policy takes into account the integration of sustainability risks in the risk management system.

It is assessed that the companies of Alm. Brand Group take into account sustainability risks in their remuneration, because risk takers who are members of the Board of Directors, the Management Board, Group Management or the Extended Management Group, and who by virtue of their position are assessed to be able to assume significant sustainability risks, generally do not receive variable remuneration at present.

New sections have been inserted in clause 7, stipulating that in future the written motivation from the Board of Directors and the Management Board, respectively, which is prepared in the event of any award of one-off fees to the above-mentioned group of persons, will include as a condition for the payment of the one-off fees that the basis of the award is not in contravention of Alm. Brand Group's ESG policies and principles on the integration of sustainability risks.

Determination of remuneration to the members of the Management Board
In Alm. Brand Forsikring A/S, the authority to determine the remuneration of the Management Board members is currently delegated to the Chairman of the Board of Directors.

The same principle is sought to be applied for other subsidiaries of Alm. Brand A/S covered by the remuneration policy, meaning that the authority to determine the salary payable to the management board members of Alm. Brand Forsikring A/S, Codan Forsikring A/S and Forsikringsselskabet Privatsikring A/S will be delegated to the chairman of the company in question.

This is the way in which the authority has predominantly been delegated to date in Alm. Brand Group as regards subsidiaries, and it is assessed to be appropriate considering the organisational structure of the group.

Recommendation for approval

On this basis, the proposal for a new remuneration policy for 2023 is recommended for final approval by the Board of Directors and subsequently for adoption by the shareholders at the annual general meeting.

Alm. Brand A/S

Dorte Bast Aagaard
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