

# Report on remuneration to leading persons

It is the Board's responsibility to establish guidelines and frameworks for the remuneration scheme at Sparebanken Sør, and to ensure compliance with this. The guidelines set out in a separate management document, "Policy Remuneration Schemes" (published on the bank's website [www.sor.no](http://www.sor.no)), shall contribute to promoting good management of and control over risks. This document should counter excessive risk-taking and help avoid conflicts of interest. The remuneration scheme should provide incentives and help promote good management of and control over the Bank's risk in the short- and long term.

There are separate rules for leading persons, which were presented by the Board to the Bank's General Meeting for them to decide in March 2022.

In this context, leading persons consist of the CEO and the members of the Group's management. The guidelines also include salary and other remuneration for staff who are members of the Board.

## Events from 2023 affecting the determination of remuneration

There are no registered events in the Bank's performance or risk picture that have led to the need for changes in the practice of established reimbursement schemes. No new reimbursement schemes have been adopted during the year.

## Wage settlement

The Bank has a long tradition of tailoring its wage policy to the Norwegian "frontline model" as far as possible. This was also applied in the local wage settlement of 2023, where estimated annual wage growth was 5.3 percent, which was a slightly above the "frontline" target of 5.2 percent.

## Guidelines for remuneration schemes for leading persons

Guidelines for remuneration schemes for leading persons decided by the General Meeting in March 2022, summarised existing agreed-upon schemes and represented no real changes to the schemes as they have been applied.

There have been no changes to the remuneration scheme in 2023, nor have there been any exceptions to established guidelines for leading persons in 2023.

## Changes in the composition of leading persons

Director Corporate division Lasse Kvinlaug retired on 1 April 2023. From the same date, Gunnar P. Thomassen was appointed as EVP Corporate division. Bente Svensen was appointed Acting EVP retail market in the period from 1 April to 30 August. She was appointed as EVP process improvement and member of the group management in the period 1 September 2023 - 31 December 2023.

Pål Ekberg was appointed as EVP retail market on 1 September 2023. Marianne Lofthus left the group management on 31 December 2023. Otherwise no changes within the group leading people.

## Remuneration of leading persons

The fixed salary is the main element in the remuneration of leading persons and should reflect the job requirements with regard to qualifications, responsibilities, complexity and the extent to which the person in question contributes to achieving the Bank's overall business goals, long-term interests and sustainability goals.

Leading persons are covered by the Bank's general bonus scheme for all employees, which can trigger a bonus payment of up to 1.5 months' salary. The bonus is distributed to all employees at the same percentage of annual salary and is paid out as a cash benefit. The bonus scheme does not provide an incentive to take risks on behalf of the Bank.

The Bank has no form of variable remuneration that is paid over several years.

The Bank has no fixed or variable remuneration paid in the form of equity certificates.

**Table 1:** Remuneration to leading persons

**Table 2:** Remuneration and similar benefits to the Board

**Table 3:** Remuneration and similar benefits to the General Meeting

## Application of the compensation schemes with respect to performance criteria

The total remuneration to leading persons has been paid in accordance with approved remuneration schemes. The Board's view is that the guidelines' overall goals of maintaining the Group's business strategy, risk tolerance, long-term interests and sustainability goals have been met.

### Fixed salaries

Fixed salaries, which is the main element of the remuneration for leading persons, were assessed and determined in connection with the annual salary review for employees of Sparebanken Sør.

A fixed salary must be tailored to the market, based on the individual's results (quantitative and qualitative), efforts, competence, and responsibility. This means that:

- A salary is a reward for results, work effort, adaptability, responsibility, and value creation that the individual contributes to the community.
- Salaries will differ according to the extent to which the above criteria are present and are met.

There are no specific individual financial and non-financial performance criteria for leading persons used in the remuneration review.

- In accordance with the regulations, the Board of Directors determined the remuneration of the CEO.
- The CEO similarly determined the salary changes for other members of the Group management after securing changes with the Remuneration Committee.
- The General Meeting set the fees for the employees' Board members.

### Fees

The Board members elected by employees have received fees for their Board positions at an amount determined by the General Meeting. Deputy CEO, EVP Retail market, and EVP Market and communication have received fees for their Board positions in Sørmegløren. Beyond this, no leading persons have received fees from either the Bank or its subsidiaries.

### Fringe benefits

Fringe benefits are paid in accordance with regulations. There have been no changes in scope or content.

### Variable pay

At a board meeting on 8 February 2024, the Board decided to pay all employees, including leading persons, a bonus for 2023 of 150 percent of their monthly salary. The bonus was paid out as a cash amount in connection with ordinary payroll processing in February 2024. The bank has no variable remuneration that is paid over several years.

### Extraordinary remuneration

No extraordinary remuneration has been paid to leading persons in 2023.

### Pensions

Pension payments in 2023 to collective and individual pension schemes have been made in accordance with agreements entered.

### Comparative information on changes in remuneration and company results

**Table 4:** Comparative information on changes in remuneration and company results

**Tabel 1: Remuneration and similar to leading persons**

Leading persons	Role	Year	Fixed remuneration		Variable remuneration			Total Remuneration	Number of equity certificates	Loans and collateral	Share of fixed remuneration*
			Fixed salary	Fringe benefits	One-year variable	Several years variable	Pension				
Geir Bergskaug 1)	CEO	2023	4056	275	289		742	5362	88803	3000	94.6 %
		2022	3076	185	70		2 084	5415	76203	2995	98.7 %
Lasse Kvinlaug 2)	Deputy CEO	2023	794	50	185		429	1458	4052	0	87.3 %
		2022	1976	203	46		368	2593	4 052	0	98.2 %
Gunnar Thomassen 3) 8)	EVP. Corporate market	2023	1954	328	174		364	2820	5318	6352	93.8 %
		2022	1853	275	42		312	2482	3 718	5911	98.3 %
Pål Ekberg 5)	EVP. Retail market	2023	2000	417	0		78	2495	2 880	2073	100.0 %
Rolf Søraker	EVP. Head office	2023	1594	246	143		317	2300	4528	1472	93.8 %
		2022	1525	195	35		276	2031	2 608	1631	98.3 %
Marianne Lofthus 4)	EVP. Capital market	2023	1566	256	142		358	2322	1948	6930	93.9 %
		2022	1501	252	34		307	2094	1 228	6304	98.4 %
Bjørn A. Friestad	CRO	2023	1650	246	148		351	2395	6683	659	93.8 %
		2022	1579	183	36		306	2104	5 083	744	98.3 %
Gry Moen	EVP. Business development	2023	1574	203	142		347	2266	732	5504	93.7 %
		2022	1503	194	34		293	2024	732	5319	98.3 %
Steinar Breen	EVP. Strategy	2023	1583	272	142		167	2164	3178	2319	93.4 %
		2022	1514	211	36		162	1923	1 578	1413	98.1 %
Eva Kvelland 8)	EVP. Market and communication	2023	1449	249	131		154	1983	1772	4983	93.4 %
		2022	1263	148	13		140	1564	772	1788	99.2 %
Steinar Vigsnes 9)	CFO	2023	1469	261	131		152	2013	9598	4874	93.5 %
		2022	1339	124	133		139	1735	6 718	4992	92.3 %
Bente Svensen 6)	EVP. Process improvement	2023	1346	36	89		195	1666	912	2721	94.7 %
Gunhild Tveiten Golid 7)	Employee representative boardmember	2023	175	0	0		0	175	3864	0	100.0 %
		2022	175	0	0		0	175	1 464	0	100.0 %
Jan Erling Tobiassen 7)	Employee representative boardmember	2023	175	0	0		0	175	3340	57	100.0 %
		2022	175	0	0		-	175	1 740	0	100.0 %

1) The CEO`s pension agreement was renegotiated in 2023. The overall compensation reflects a decrease from 2022 to 2023

2) Deputy CEO/Director corporate market until 31.03.2023

3) EVP retail market until 31.03.2023. EVP corporate market from 01.04.2023.

4) EVP capital market until 31.12.2023

5) EVP from 01.09.2023

6) Acting EVP retail market 01.04.2023 - 31.08.2023. EVP process improvement from 01.09.23

7) Fees paid to the Board of Directors

8) Board of directors` fees for board position at Sørmeqleren are not included in the table. This applies to Eva Kvelland and Gunnar Thomassen, who each received NOK 60 000 in 2023

9) CFO from 01.06.2022.

**Table 2: Remuneration and similar to the Board of Directors**

							2023
Board of Directors NOK THOUSAND	Role	Number of equity certificates	Remuneration 1)	Fringe benefits	Total remuneration	Loans and collateral	
Knut R Sæthre	Chairman	1600	464	0	464	0	
Mette Harv	Deputy chairman	400	274	0	274	0	
Merete Østby	Member	0	228	0	228	0	
Erik Tønnesen 2)	Member	800	250	0	250	5 695	
Trond Randøy	Member	640	243	0	243	0	
Eli Giske	Member	640	256	0	256	0	
Tor Kim Steinsland	Permanently attending deputy member	400	150	0	150	3 414	
Jan Erling Tobiassen	Employee representative	3340	175	0	175	57	
Gunnhild Tveiten Golid	Employee representative	3864	175	0	175	0	
<b>Total</b>		<b>11 684</b>	<b>2 215</b>	<b>0</b>	<b>2 215</b>	<b>9 166</b>	

- 1) Fees paid to the General Meeting, risk committee, audit committee, technology committee and remuneration committee.  
2) Lord 1 AS - close relatives to Erik Tønnesen - owns 3201 numbers of equity

							2022
Board of Directors NOK THOUSAND	Role	Number of equity certificates	Remuneration 1)	Fringe benefits	Total remuneration	Loans and collateral	
Stein A. Hannevik 2)	Chairman	38 467	138	3	140		
Inger Johansen 3)	Deputy chairman	0	72	0	72		
Knut R Sæthre 4)	Chairman	0	413	0	413		
Mette Harv 5)	Deputy chairman	0	294	0	294		
Merete Østby	Member	0	208	0	208		
Erik Tønnesen	Member	0	250	0	250	8 336	
Trond Randøy 6)	Member	0	197	0	197		
Eli Giske 7)	Member	0	181	0	181		
Tor Kim Steinsland 7)	Deputy member	0	113	0	113	3 279	
Jan Erling Tobiassen	Employee representative	0	175	0	175		
Gunnhild Tveiten Golid	Employee representative	0	175	0	175		
<b>Total</b>		<b>38 467</b>	<b>2 216</b>	<b>3</b>	<b>2 218</b>	<b>11 615</b>	

- 1) Fees paid to the General Meeting and the committees  
2) Chairman until 31.03.2022  
3) Deputy chairman until 31.03.2022  
4) Chairman from 01.04.2022  
5) Deputy chairman from 01.04.2022  
6) Permanent member from 01.04.2022  
7) Deputy member from 01.04.2022

**Tabel 3: Remuneration and similar benefits to the General Meeting**

<b>2023</b>				
General Meeting		Number of equity		
NOK THOUSAND	Role	certificates	1) Remuneration	Loans
Anne Omholt Hovstad	Chairman.	0	90	0
Eldbjørg Dahl 2)	Deputy Chairman	0	12	0
Terje Spilling 5)	Deposit elected	0	4	1075
Anders Gaudestad	Deposit elected	0	12	11816
Hege Nodeland	Deposit elected	0	8	6703
Astri Lunde Wilmann 5)	Deposit elected	84	4	0
Berit Therese Knudsen	Deposit elected	0	8	0
Birgitte Midgaard	Deposit elected	0	86	390
Terje Røsnes	Deposit elected	600	8	0
Gjermund Nesland	Deposit elected	0	36	0
Tore Askildsen 8)	Public elected	84	8	760
Dag Eide 8)	Public elected	84	36	0
Bjørn Rudborg 9)	Public elected	0	4	0
Nina Berit Gumpen Hansen 3)	EC owner	0	55	0
Ole Moe Dy 7)	EC owner	99	16	0
Rune Røisland	EC owner	370	47	0
Kari Anne Nordbø 5) 2)	EC owner	175	4	0
Harald Rune Øyhovden 4)	EC owner	0	8	0
Tomas Holmen Nyberg 6)	EC owner	0	4	3973
Vibekke Hellesund 2)	EC owner	0	4	0
Hildegunn Smidsrød	Elected by employees	1586	8	584
Tommy Holter Moi	Elected by employees	5000	8	8104
Britt Ytterbø	Elected by employees	1214	8	1538
Hans Arthur Frigstad	Elected by employees	280	36	3009
Vidar Ås	Elected by employees	2660	8	0
Veronica Hamstad	Elected by employees	3326	24	6151
Jan-Inge Wågestad	Elected by employees	3340	8	2846
<b>Total</b>		<b>18 902</b>	<b>554</b>	<b>46 949</b>

1) Fees paid to the General Meeting and the Nomination Committee.

2) Represents Sparebankstiftelsen Sparebanken Sør. which owns 10 925 765 equity certificates

3) Represents Gumpen Bileiendom AS which owns 178 209 equity certificates

4) Represents Hamjern Invest AS which owns 99 equity certificates

5) Member of the General Meeting until 31.03.2022

6) Represents Acan AS/Acto AS which owns 20 000/60 000 certificates

7) Represents Ole Moe Holding which owns 19.627 certificates

8) Represents Agder fylkeskommune

9) Represents Vestfold and Telemark fylkeskommune

10) In 2023, the General Meeting changed its name to the General Meeting

<b>2022</b>				
<b>Board of Trustees</b>		<b>Number of equity</b>	<b>1) Remuneration</b>	<b>Loans</b>
<b>NOK THOUSAND</b>	<b>Role</b>	<b>certificates</b>		
Anne Omholt Hovstad	Chairman. Deposit elected from 01.04.2022	0	58	0
Eldbjørg Dahl	Deputy Chairman. Deposit elected from 01.04.2022	0	16	0
Jorunn Aarrestad 5)	Chairman. Deposit elected until 31.03.2022	0	32	3 183
Nina Berit Gumpen Hansen 3)	Deputy chairman. Deposit elected until 31.03.2022	174 209	47	0
Terje Spilling	Deposit elected	0	8	1 447
Anders Gaudestad	Deposit elected	0	8	11 515
Hege Nodeland	Deposit elected		4	6 763
Astri Lunde Wilmann	Deposit elected		4	0
Berit Therese Knudsen	Deposit elected	0	16	0
Birgitte Midgaard	Deposit elected	0	81	291
Kristi Marie Tveit	Deposit elected	0	8	465
Oddmund Ljosland	Deposit elected	0	8	5 750
Mette Vestberg Sørensen 5)	Deposit elected	0	27	0
Terje Røsnes	Deposit elected	600	4	0
Merete Fogh Lund	Deposit elected	0	8	2 166
Gjermund Nesland	Deposit elected		12	0
Tore Askildsen	Public elected	0	8	1 641
Dag Eide	Public elected	0	19	0
Bjørn Rudborg	Public elected	0	8	0
Alf Albert 5)	EC owner	73 044	31	1 800
Ole Moe Dy	EC owner	24 577	20	0
Rune Røisland	Permanent attendee EC owner	370	16	0
Kari Anne Nordbø 2)	EC owner	175	8	0
Harald Rune Øyhovden 4)	EC owner	189 099	16	0
Karen Andersen 5)	Elected by employees	894	19	1 597
Hildegunn Smidsrød	Elected by employees	1 346	4	693
Tommy Holter Moi	Elected by employees	1 666	8	5 978
Nina Merete Olsen 5)	Elected by employees	1 648	19	4 375
Britt Ytterbø	Elected by employees	894	8	1 573
Hege Kirkhus 5)	Elected by employees	1 346	4	6 637
Hans Arthur Frigstad	Elected by employees	280	12	2 714
Vidar Ås	Elected by employees	1 700	4	2 280
Veronica Hamstad	Elected by employees	1 648	8	5 561
Jan-Inge Wågestad	Elected by employees	1 740	4	2 906
<b>Total</b>		<b>466 236</b>	<b>556</b>	<b>69 338</b>

1) Fees paid to the General Meeting and the Nomination Committee.

2) Represents Sparebankstiftelsen Sparebanken Sør. which owns 34 027 762 equity certificates

3) Represents Gumpen Bileiendom AS which owns 174 209 equity certificates

4) Represents Hamjern Invest AS which owns 180 099 equity certificates

5) Member of the General Meeting until 31.03.2022

**Table 4: Comparative information about changes in remuneration and the company's results**

Geir Bergskaug 2)	CEO	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	4.1	-2.3	13.2	-8.1	-1.0	
Total remuneration		In NOK Thousand	210	-125	685	-478	-53	5362
Fixed Salary		in percent	2.9	1.6	1.6	3.1	31.9	
Fixed Salary		In NOK Thousand	82	47	46	92	980	4056
Lasse Kvinlaug 1)	Deputy CEO/Director Corporate market	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	-8.6	7.3	2.2	-1.1	-43.8	
Total remuneration		In NOK Thousand	-225	175	57	-30	-1134	1458
Fixed Salary		in percent	2.9	1.3	1.9	2.9	-59.8	
Fixed Salary		In NOK Thousand	52	24	36	55	-1182	794
Gunnar P. Thomassen	EVP Corporate market	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	6.5	2.7	8.3	-6.9	13.6	
Total remuneration		In NOK Thousand	146	64	205	-185	337	2820
Fixed Salary		in percent	3.1	1.3	1.9	2.8	5.5	
Fixed Salary		In NOK Thousand	53	22	34	53	101	1954
Pål Ekberg	EVP Retail market	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	NA	NA	NA	NA	NA	
Total remuneration		In NOK Thousand	NA	NA	NA	NA	2495	2495
Fixed Salary		in percent	NA	NA	NA	NA	NA	
Fixed Salary		In NOK Thousand	NA	NA	NA	NA	2000	2000
Rolf H Søraker	EVP Group head office	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	6.3	2.6	5.0	-3.5	13.2	
Total remuneration		In NOK Thousand	116	50	100	-74	269	2300
Fixed Salary		in percent	2.9	1.8	1.4	3.0	4.5	
Fixed Salary		In NOK Thousand	40	26	21	44	69	1594
Marianne Lofthus	EVP Capital market	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	4.4	5.4	7.3	-4.0	10.9	
Total remuneration		In NOK Thousand	82	104	148	-88	228	2322
Fixed Salary		in percent	3.8	1.5	3.7	5.2	4.3	
Fixed Salary		In NOK Thousand	50	21	51	74	65	1566
Bjørn A. Frietad	CRO	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	1.6	5.6	0.5	-2.3	13.9	
Total remuneration		In NOK Thousand	32	113	11	-49	292	2395
Fixed Salary		in percent	2.9	1.5	1.8	3.0	4.5	
Fixed Salary		In NOK Thousand	42	22	27	46	71	1650
Gry Moen	EVP Business Development	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	5.3	3.6	6.1	-3.8	12.0	
Total remuneration		In NOK Thousand	96	69	121	-79	243	2266
Fixed Salary		in percent	3.1	1.9	3.7	5.3	4.7	
Fixed Salary		In NOK Thousand	41	26	51	76	71	1574
Steinar Breen	EVP Strategy	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	NA	NA	-2.2	6.8	12.5	
Total remuneration		In NOK Thousand	NA	1840	-40	123	241	2164
Fixed Salary		in percent	NA	NA	-4.4	6.2	4.6	
Fixed Salary		In NOK Thousand	NA	1490	-65	89	69	1583
Eva Kvelland	EVP Marketing and communication	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	NA	NA	NA	1.8	26.8	
Total remuneration		In NOK Thousand	NA	NA	1536	28	419	1983
Fixed Salary		in percent	NA	NA	NA	0.2	14.7	
Fixed Salary		In NOK Thousand	NA	NA	1261	2	186	1449
Steinar Vigsnes	CFO	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	NA	NA	NA	NA	16.0	
Total remuneration		In NOK Thousand	NA	NA	NA	1735	278	2013
Fixed Salary		in percent	NA	NA	NA	NA	9.7	
Fixed Salary		In NOK Thousand	NA	NA	NA	1339	130	1469
Bente Svensen	EVP Process improvement	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	NA	NA	NA	NA	NA	
Total remuneration		In NOK Thousand	NA	NA	NA	NA	1666	1666
Fixed Salary		in percent	NA	NA	NA	NA	NA	
Fixed Salary		In NOK Thousand	NA	NA	NA	NA	1346	1346

**Tabel 4, continued**

Jan Erling Tobiassen 3)	Employee representative boardmember	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	3.1	32.8	7.3	-8.4	0.0	
Total remuneration		In NOK Thousand	4	44	13	-16	0	175
Fixed Salary		in percent	4.3	15.0	1.4	25.0	0.0	
Fixed Salary		In NOK Thousand	5	18	2	35	0	175
Gunhild Tveiten Golid 3)	Employee representative boardmember	Change	2018 -2019	2019 - 2020	2020 - 2021	2021 -2022	2022-2023	2023
Total remuneration		in percent	7.6	14.9	51.2	-28.6	0.0	
Total remuneration		In NOK Thousand	10	21	83	-70	0	175
Fixed Salary		in percent	4.3	16.7	0.0	25.0	0.0	
Fixed Salary		In NOK Thousand	5	20	0	35	0	175
Change in the bank's operating profit, return on equity and salary		Change	2018 -2019	2019 - 2020	2020 - 2021	2021 - 2022	2022-2023	2023
Change in the bank's operating profit		in NOK Million	186	-31	129	60	490	1 773
Change in the bank's operating profit		in percent	19.8	-2.8	11.8	4.9	38.2	
Change in return on equity		in percent	11.8	-11.6	7.1	-3.3	29.9	11.3
Change in average fixed salary employees excluding senior staff		in NOK Million	25	13	31	22	25	719 947
Change in average fixed salary employees excluding senior staff		In percent	4.1	2.0	4.9	3.3	3.6	

1) Deputy CEO until 31.03.2023.

2) The CEO`s pension agreement was renegotiated in 2023. The overall compensation reflects a decrease from 2022 to 2023.

3) For the employee-elected board members, only board reuneration is provided.