



Remuneration Principles

Sirius International Insurance Corporation

Remuneration policy and practices

Sirius International Insurance Corporation's ("Sirius") Remuneration Policy aims at mitigating the risk that the remuneration structure could promote excessive risk-taking, which could have a major impact on the company's financial stability. The policy thereby contributes to the mitigation of operational and compliance risks. The overriding principle for compensation to Sirius employees is that salaries and other remuneration are in line with the market level in the reinsurance industry. There are both fixed and variable components in the remuneration guidelines. The variable remuneration component is based on a combination of the assessment of the individual and the collective performance, such as business area and the overall results of the undertaking or group. The variable remuneration program contains a flexible, deferred component that considers the nature and time horizon of the undertaking's business in order to align the remuneration practices with the long term interest of shareholders.

Sirius applies the basic principle for occupational pension plans that are common for each jurisdiction within which Sirius operates. The CEO has a defined contribution based executive pension plan. Certain members of management can be offered to subscribe to a special premium based pension plan. Both plans are safeguarded by insurance.

Sirius has processes established to ensure that the remuneration structure is uniform within the company through our group Compensation/Remuneration Committee that works through the Board (this committee is established at Sirius Group level). The Committee meets annually to discuss these matters and suggest changes to the Board which also annually decides on compensation and remuneration matters.