

Remuneration policy

We closely monitor the remuneration levels of members of the board, the accountability body, the board of supervisors and the staff of our administrative office. And we ensure our outsourcing parties adopt a controlled remuneration structure.

The remuneration policy complies with the Pension fund Code of Governance. The pension fund operates a controlled and sustainable remuneration policy. The remuneration policy does not encourage higher risks to be taken than is acceptable for us. This pertains to financial as well as non-financial risks. The board and the other bodies of the APF Pension Fund are aware of this and observe these principles when performing their duties in relation to the remuneration policy.

Our remuneration policy is based on the following principles.

- ▶ The remuneration:
 - Is in reasonable proportion to the responsibility borne, the suitability and other requirements set for the position and the amount of time required.
 - Is not related to the financial results of the APF Pension Fund.
 - Does not contain any components that allow for more risks to be taken than is acceptable for the APF Pension Fund, including sustainability risks. The remuneration of the pension fund bodies does not depend on the extent to which the APF Pension Fund incorporates sustainability risks in its investment policy.
 - Contributes to attracting and retaining sufficiently competent board members and members of the board of supervisors, but is simultaneously conservative and socially responsible.
- ▶ The remuneration policy is in line with the work activities and risk profile, the objectives, the nature of the businesses, the long-term interests, the complexity, the financial stability and the performance of the APF Pension Fund as a whole.
- ▶ The remuneration policy contributes to sound, prudent and effective governance of the APF Pension Fund.
- ▶ A sound rationale serves as the basis for determining the level of remuneration.
- ▶ No severance pay is provided in the event of dismissal of a member of any of the pension fund bodies.
- ▶ The APF Pension Fund does not pay variable remuneration.

The APF Pension Fund has outsourced the administration of the pension scheme and asset management. We guarantee that our outsourcing parties' remuneration policy complies with the statutory frameworks applicable to them and that it discourages them from taking more risks than we consider acceptable. Our policy is aimed at minimising variable remuneration as much as possible. Complying with the remuneration policy is therefore a fixed component of the contract arrangements when concluding or renewing an outsourcing agreement.