

Responsible Business Policy (Sustainability)

December 2023

This policy is published in Swedish and English. In the event of any differences between the English version and the Swedish original, the Swedish version shall prevail.

Background – Avanza’s definition of sustainability

The vision of “A better future for millions of people” is the basis of Avanza’s business and the foundation for the Group’s approach to sustainability. Sustainability for Avanza means creating long-term value for customers, employees, shareholders and society as a whole. To create sustainable value, Avanza must maintain the trust of customers, employees, the public, investors and authorities. Trust is built by acting responsibly and ethically, promoting an environmentally sustainable society and creating social and financial value. Avanza’s sustainability work is continuously evolving in order to maintain low risks and to attract new customers and talented employees.

Social engagement is a natural and integral part of Avanza’s business model and strategy. Since the start, Avanza has worked to lower the thresholds to the financial market, to reduce prices and increase transparency, and to promote financial inclusion. These are the cornerstones of Avanza’s long-term competitiveness.

Definitions

Avanza supports the generally accepted definition of sustainability, which is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.¹ Avanza includes environmental, social, governance and ethical, and financial aspects in the definition of sustainability.

Environmental sustainability

How Avanza contributes to the development of society and the economy within the planetary boundaries.

Social sustainability

How Avanza contributes to a society that supports human rights and the equal value of all human beings, that is inclusive, where gender equality and diversity are accepted, and where there is increased financial inclusion.

Sustainability in corporate governance

How Avanza encourages good corporate governance and ethical behaviour.

¹ “Bruntland” definition from “Our Common Future” (1987) and the UN’s Sustainable Development Goals.

Financial sustainability

How Avanza creates long-term economic value for both customers and shareholders and thereby contribute to a sustainable economy.

Purpose, governance and scope

The purpose of this policy is to set the direction for Avanza's sustainability work. This includes Avanza's relationship with customers and its actions as an employer, member of society and in relation to owners, investors and other stakeholders. The policy serves as the basis of the Group's sustainability framework. It complements the Policy on internal governance and control and more thematic policies, including the Diversity policy and Diversity plan, Occupational health and safety policy, Anti-bribery policy, Code of conduct and Avanza's Code of conduct for suppliers, Avanza Fonder's Instruction on responsible investing and Avanza Pension's Instruction on investment and liquidity risk management.

The policy applies to all employees, contractors and others who, for similar reasons, play a role in operations. The policy covers all activities in relation to customers as well as suppliers and other partners. The policy is reviewed annually or as needed and applies as of the date it is approved by the Board of Directors of Avanza Bank Holding (publ).

Responsibility

Each employee is responsible for acting in accordance with Avanza's values ² in a responsible and ethical manner and for taking note of and being familiar with the contents of this policy.

The CEO of the Group has appointed a sustainability committee with Avanza's Head of Sustainability as chairman. The sustainability committee is responsible for coordinating the Group's overarching sustainability work, preparing documentation for Group Management on issues concerning the sustainability approach, consulting on the sustainability strategy and targets, and informing about and when needed discussing the interpretations and assumptions that have been made regarding new or revised sustainability regulations. The committee can also draw attention to and move forward with issues that could pose a potential sustainability risk for Avanza.

The Board of Directors, together with the CEO, annually approves Avanza's sustainability report by signing it.

Avanza's sustainability work

Avanza's sustainability work is continuously evolving based on demands from customers, employees and owners as well as other stakeholders. Environmental, social, governance and financial sustainability are an integral part of Avanza's operations in every respect. This applies to the services that the Group provides as well as internal, day-to-day operations.

² See also Avanza's *Code of Conduct*.

Avanza's sustainability work is based on international frameworks and guidelines and is integrated in current compliance work.

Environmental aspects

Avanza strives to minimise the Group's negative impact on the climate and environment and to increase its positive impact. The companies will in their operations and in accordance with the Group's sustainability targets actively promote a carbon neutral economy aligned with the Paris Agreement and 1.5°C target. This is achieved by reducing direct and indirect emissions associated with Avanza's operations. Avanza's emissions will be measured, reported and offset annually.

Avanza seeks to be the obvious choice for those who want to save sustainably. This requires Avanza to offer decision support that enables customers to integrate sustainability preferences in their investment decisions.

Avanza offers its own savings products as well as products owned and managed by others in the market. Avanza supports openness, maintains a wide range of products, and is transparent about price, fees and ESG factors. Avanza's aim is also to offer at least one sustainable alternative in every product area.

Avanza Fonder will offer funds that promote environmental qualities as well as funds that have environmental sustainability as an objective. Avanza Fonder will take into consideration the negative impacts of its investments on sustainability factors related to the environment and climate change.

Social aspects

Inclusion, diversity and gender equality are an important part of Avanza's corporate culture and Avanza will work in a structured way towards the goal of engaged employees. Avanza is protective of groups with different experiences and perspectives and believes that it makes the organisation more dynamic and contributes to greater efficiency and understanding of the world around us. For Avanza, there is no question that everyone should be treated equally and have the same opportunities for development regardless of gender, gender identity, ethnicity, religious belief, disability, sexual orientation and age. Avanza has zero tolerance for harassment and discrimination and prioritises a healthy work environment and opportunities for a work-life balance.

Social engagement is a natural and integral part of Avanza's business model and strategy. Since the start, Avanza has worked to lower the thresholds to the financial market and democratise savings, to reduce prices and increase transparency, and to promote financial inclusion. Avanza's work in this area is continuously evolving and is helping more people enhance their financial skills and make sound investment decisions. Avanza will contribute to financial literacy in society through educational information and inspiration as well as various types of decision support. Avanza also strives to increase gender equality in the savings market by highlighting the importance of personal finance for women.

Avanza's products and services will be user-friendly and easily available. In the case of more complex products, a suitability assessment is required.

Avanza is committed to protecting the interests of private savers and to challenging the established structures of banks and pension companies that do not fully benefit savers.

By acting ethically and exercising due diligence in its operations and in relationships with suppliers and counterparties, Avanza will avoid contributing to human rights violations.

Avanza Fonder will offer funds that promote social aspects and/or funds with sustainable investments as an objective, and will take into consideration the investments' adverse impact on sustainability factors with regard to social and human resource-related issues, as well as respect for human rights.

Governance and ethical aspects

Avanza will promote high ethical standards, and good corporate governance will be an integral part of the Group's core business. Governance will be based on comprehensive processes, effective control and clearly defined areas of responsibility. The policy for internal governance and control serves as an overarching framework for governance and control within the Avanza Group and will clarify the principles for organisation, internal governance and control, including risk management.

Avanza encourages employees to take responsibility and see the big picture as well as to act with high ethical standards in every relationship and transaction. Avanza has a code of conduct that summarises internal rules. It applies to all employees and codifies the expectations they face in terms of personal judgment and responsibility.

Avanza has zero tolerance for corruption, money laundering and terrorism financing. Conflicts of interest will be handled according to established procedures.

Avanza Fonder will offer funds whose underlying investments follow good governance practices and take into consideration the investments' adverse impact on sustainability factors with regard to fighting corruption and bribes.

Avanza's efforts to promote high ethical standards, sustainability, respect for human rights, and fair and just working conditions extend beyond its own organisation. Avanza will set demands, influence and evaluate suppliers and counterparties, and promote high ethical standards in society. Avanza's suppliers and counterparties will approve and act in line with Avanza's code of conduct for suppliers, annex 2.3.³ The current version of Avanza's code of conduct for suppliers can be found on <https://investors.avanza.se/en/corporate-governance/policys/>. The CEO of each company may decide whether to deviate from the wording of the above-mentioned code in individual cases.

Financial aspects

The financial system is of critical importance to an effective, growing economy. As an important player in savings and investments, Avanza serves an important role in creating an efficient securities market. Avanza will maintain a strong financial position, solid capital adequacy, effective, structured information security and a stable digital IT structure.

Avanza's actions with regard to tax issues will be responsible, correct and transparent. As a good corporate citizen, Avanza regards taxes as an important part of its social responsibility and will report, pay

³ Avanza's Code of conduct for suppliers is included as an annex to all new agreements signed with partners, suppliers and other counterparties, and is included in contractual updates with existing counterparties.

and follow all tax laws and regulations. Avanza will not participate in transactions or provide products that can be called into question in relation to current laws.

Sustainability risks

Sustainability risks is a collective term for environmental, social and governance factors that could adversely impact Avanza operationally, financially or reputationally. Sustainability risks will be identified and be an integral part of the risk assessment process within Avanza. Sustainability risks will be integrated in line with Avanza's generally low risk tolerance.

Sustainability risks in customers' investment decisions

Sustainability risk is defined in the EU's Sustainable Finance Disclosure Regulation ("SFDR") as an environmental, social or governance event or condition which, if it occurs, could cause an actual or potential material negative impact on the value of an investment.

Avanza will provide savers with opportunities to manage their assets in a sustainable way and as far as possible avoid unnecessary risks to their investments. Avanza does not offer advice, but by providing the right tools as well as education and information will enable sustainable investment decisions and contribute to lower sustainability risks. Moreover, the basic occupational pension insurance solution will consist of a fund/funds that promote sustainable characteristics or have sustainable investments as an objective, i.e. Article 8 or Article 9 funds according to the SFDR, and that integrate sustainability risks in their management. Specific information on how Avanza Fonder integrates sustainability risks can be found in Avanza Fonder's *"Instruction on Responsible Investments"*. For more information on how Avanza Pension integrates sustainability risks, see Avanza Pension's pages on avanza.se/ir.

Reporting and transparency

Avanza will measure, monitor and report the Group's sustainability work and established sustainability targets. The reporting is provided annually in Avanza's sustainability report and updated on Avanza's website.