

## THE BOARD OF DIRECTORS' PROPOSAL

**regarding guidelines for determining salaries and other remuneration payable to the managing director and other members of the group's management, pursuant to Chapter 8 Sections 51, 52 and 53 of the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*), item 20 on the agenda.**

---

The board of directors of Avanza Bank Holding AB (publ) proposes that the annual general meeting, to be held on 30 March 2023, adopts the following guidelines for determining salaries and other remunerations to be paid to the managing director, the deputy managing director and other members of the company's management (the group management).

### **The guidelines' promotion of the company's business strategy, long-term interests and sustainability**

The company's business model is built on strong customer growth through satisfied customers, combined with a scalable business model and the market's lowest cost to savings ratio. This creates long-term growth in operating income and facilitates further development and creates shareholder value. The strategy is to develop the customer offer to be cheaper, better and simpler than the competition. Through continuous innovation, with a focus on what is best for the customer, better opportunities to save, build trust and generate growth are created. Sustainability has always been an important part of Avanza, and it is a prerequisite to maintain low risks, stay competitive and attract new customers and talented employees. The sustainability strategy is integrated in the overall strategy and is based on international frameworks and guidelines, and is focused on three main areas: Sustainable investments, Educate & Challenge, and Sustainable organisation. The strive is to create the best tool for our customers to successfully manage their finances.

For further information on the company's business strategy, please see [www.avanza.se/ir](http://www.avanza.se/ir).

Successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, require the company to be able to recruit and retain qualified employees. In order to do this, the company needs to be able to offer market-based remuneration. These guidelines allow senior executives to be offered a market-based remuneration.

Long-term incentive programs based on warrants have been established in the company. They have been decided by the general meeting and they are therefore not included by these guidelines. Participation in the incentive programs is offered on market terms to all employees in the group. The outcome of the incentive programs has a clear connection to the business strategy and also to the company's long-term value-adding for the shareholders, including its sustainability, since the company's share price needs to have reached a specific higher level three years after the warrants were issued, in order to make use of the warrants and subscribe for new ordinary shares. The incentive programs based on warrants further impose requirements on own investment and a holding period of three years before they can be used for subscription for new ordinary shares. For more information about these programs, including the criteria on which the outcome depends, please see <https://investors.avanza.se/en/corporate-governance/incentive-program/>.

## **The forms of remuneration**

The remuneration must be market-based and may consist of a fixed cash salary, pension benefits and other benefits. In addition, the annual general meeting may, and regardless of these guidelines, decide on, for example, shares and share price related remuneration or incentive programs based on warrants.

For the managing director, pension benefits as well as health insurance must be determined based on a premium. Pension premiums for premium based pension shall amount to a maximum of thirty-five (35) percent of the fixed cash salary. For other senior executives, pension benefits, including health insurance, must be determined based on a premium. Pension premiums for premium based pension shall amount to a maximum of thirty (30) percent of the fixed cash salary.

Other benefits may, among others, include life insurance and health insurance. Premiums and other costs in connection with such benefits may amount to a maximum of five (5) percent of the fixed cash salary.

## **Termination of employment**

Upon termination of employment by the company, the notice period may not exceed twelve (12) months for each senior executive. Fixed cash salary during the notice period and severance pay may all in all not exceed an amount corresponding to the fixed cash salary of two (2) years for the managing director. Fixed cash salary during the notice period and severance pay may all in all not exceed an amount corresponding to the fixed cash salary of one (1) year for other senior executives. In the event of termination of employment by the managing director or by other senior executives, the period of notice may not exceed six (6) months, without the right to severance pay.

## **Salary and terms of employment for employees**

In the processing of the board's proposal of these compensation guidelines, salaries and terms of employment for the company's employees have been taken into account since information on employees' total remuneration, components of the remuneration and remuneration increase and increase rate over time, have been part of the remuneration committee's and the board's decision basis when evaluating the reasonableness of the guidelines and the limitations that follow by these.

## **The decision-making process to establish, review and implement the guidelines**

The board has established a remuneration committee. The committee's tasks include preparing the board's decision on proposals for guidelines for remuneration to senior executives. The board shall draw up proposals for new guidelines at least every four years and submit the proposal to be resolved at the annual general meeting. The guidelines shall apply until new guidelines have been adopted by the annual general meeting. The remuneration committee shall also follow and evaluate the application of guidelines for remuneration to senior executives as well as current remuneration structures and remuneration levels in the company. The members of the remuneration committee are independent in relation to the company and company management. In the board's processing of and decisions on remuneration related matters, the managing director or other members of the executive management are not present, insofar as they are affected by the issues. At the latest review of the

guidelines, clarifications were made on the company's strategy and on salary during the notice period and severance pay for other senior executives than the managing director.

### **Deviations from the guidelines**

The board may decide to temporarily deviate from the guidelines in whole or in part, if in an individual case, there are special reasons for it and a deviation is necessary to satisfy the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, it is part of the remuneration committee's tasks to prepare the board's decision on remuneration issues, which includes decisions on deviations from the guidelines.

\*\*\*\*\*

Stockholm, February 2023

*The Board of Directors of Avanza Bank Holding AB (publ)*