

Remuneration Report 2024 – Avanza Bank Holding AB (publ)

Remuneration report for Avanza Bank Holding AB (publ), corporate identity number 556274-8458, (Avanza) according to Chapter 8, Section 53 a of the Swedish Companies Act (2005:551).

1. Introduction

This remuneration report provides an overview of how the guidelines for remuneration to senior executives of Avanza (Remuneration Guidelines), adopted by the annual general meeting 2024, to be valid until further notice, have been applied during 2024. For the period before the 2024 annual general meeting, the Remuneration Guidelines as adopted by the annual general meeting in 2023 were in force. The version adopted in 2024 included an addition, allowing for the remuneration of the company's board members to, in certain cases, be based on market terms for services performed within their respective areas of expertise, providing that the service is performed outside of their ordinary roles as board members in the company (which includes serving as a board member in other companies within the group). The remuneration report also contains detailed information about remuneration to Avanza's CEO, deputy CEO and the board members (regarding remuneration for any services performed outside of the ordinary role as a board member). In addition, the report contains a compilation of Avanza's outstanding share-based incentive programs. The report has been prepared in accordance with Chapter 8, Section 53 a of the Swedish Companies Act (2005:551), the Swedish Code of Corporate Governance and the Stock Market Self-Regulation Committee's Rules on Remuneration of the Board and Executive Management and on Incentive Programmes.

Information according to Chapter 5, Sections 40–44 of the Annual Reports Act (1995:1554) are available in Note 8 on pages 100-101 in Avanza's Annual Report for 2024 (Annual Report 2024).

The board of directors has appointed a remuneration committee which at the end of 2024, consisted of John Hedberg, Sven Hagströmer and Johan Roos. The members of the remuneration committee are independent in relation to Avanza and the company's management. Information regarding the remuneration committee's work in 2024 can be found in the corporate governance report, which can be found on pages 65–72 in the Annual Report for 2024.

Ordinary remuneration to the board of directors of Avanza is not covered by this report. Some of the board members have, during the year, also been remunerated for assignments as board members in subsidiaries of Avanza. For these assignments, market based board remunerations are paid by the subsidiaries and resolved upon annually by the annual general meeting of each subsidiary. Board remuneration from the subsidiaries are included in each respective Annual Reports of the subsidiaries.

The remuneration reported for the CEO and the deputy CEO in this report refers to total remuneration from all companies in the Avanza Group. The persons who held the position of CEO and deputy CEO during 2024 were or are employees of both the parent company Avanza Bank Holding AB and the wholly owned subsidiary Avanza Bank AB. As the majority of the Avanza Group's employees are employees of the wholly owned subsidiaries Avanza Bank AB, Försäkringsaktiebolaget Avanza Pension and Avanza Fonder AB, comparisons with other employees are reported at group level in this report.

2. Significant events in 2024

Avanza's development in 2024

Avanza's CEO summarizes the company's development in his statement on pages 11-13 in the Annual Report 2024.

Overview of the application of the guidelines for remuneration to senior executives in 2024

A successful implementation of Avanza's business strategy and the safeguarding of its long-term interests, including its sustainability, require that Avanza can recruit and retain qualified employees. In order to do this, Avanza needs to be able to offer market-based remuneration.

According to the Remuneration Guidelines, the remuneration to the company's management 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 the Remuneration Guidelines - resolve on, for example, share and share price-related remuneration or incentive programs based on warrants, as well as remuneration to the board of directors. The Remuneration Guidelines adopted by the annual general meeting 2024 to be valid until further notice can be found on page 85 in the Annual Report 2024. The auditor's report on the Remuneration Guidelines, applicable at any time during the financial year 2024, have been complied with is available on Avanza's website www.avanza.se/ir.

The remuneration committee has evaluated the performance of the CEO and deputy CEO in 2024 and prepared the board of director's resolution on remuneration for these persons as well as for other persons in the company's management. Furthermore, the remuneration committee has reviewed the Remuneration Guidelines. The remuneration committee has also reviewed Avanza's remuneration structures and remuneration levels, including the company's incentive programs. A long-term ownership interest in Avanza is encouraged through the possibility for all employees of the company to purchase warrants in the incentive programs that are directed to all employees.

In 2024, Avanza did not make any deviations from the decision-making process that, according to the Remuneration Guidelines, must be applied to determine the remuneration. Neither has Avanza deviated from the Remuneration Guidelines for special reasons.

Table 1 – Total remuneration to the CEO and the deputy CEO

Table 1 below sets out the total remuneration to Avanza's CEO and deputy CEO in 2024 (SEK thousand).

The following persons have held the role as CEO and deputy CEO of Avanza during 2024:

- Gunnar Olsson (acting CEO 1 January – 24 March, deputy CEO 25 March – 31 December)
- Gustaf Unger (25 March – 31 December)

Name of director (position)	1 Fixed remuneration ¹		2 Variable remuneration	3 Extraordinary remuneration	4 Pension benefits ⁴	5 Total remuneration	6 Portion of fixed and variable remuneration ³
	Base salary	Other remuneration ²					
Gustaf Unger ⁽⁵⁾	6,542	851	0	0	3,063	10,456	100/0
Gunnar Olsson ⁽⁶⁾	1,978	0	0	0	235	2,213	100/0
Gunnar Olsson ⁽⁷⁾	2,394	307	0	0	780	3,481	100/0

¹ Avanza's CEO and deputy CEO are employed 50% in Avanza Bank Holding AB and 50% in the wholly owned subsidiary Avanza Bank AB, and thus receive 50% of their total salary from each company.

² Refers to warrants financing (SEK 840,000 for the CEO and SEK 296,000 for the deputy CEO) and health insurance (SEK 11,000 for the CEO as well as the deputy CEO). The warrants financing is based on 10% of the executive's annual gross salary, where the net amount is intended for financing the acquisition of warrants in Avanza's incentive program. The warrants financing is conditional on the amount being invested in Avanza's incentive program and may be subject to repayment if the re-purchase of warrants is effected in accordance with the pre-emption agreement for the warrants.

³ Avanza does not apply variable remuneration for the CEO, deputy CEO, or other senior executives. Since variable remuneration does not exist, it has not been relevant to use any opportunity to reclaim variable remuneration in accordance with agreements.

⁴ Pension benefits in column 4 are based on the base salary and are premium based, and have therefore been regarded as fixed remuneration in column 6. The pension benefit includes payroll tax.

⁵ The remuneration to Gustaf Unger refers to the total remuneration for the period 25 March – 31 December.

⁶ The remuneration to Gunnar Olsson refers to remuneration for the period as acting CEO 1 January – 24 March.

⁷ The remuneration to Gunnar Olsson refers to remuneration for the period as deputy CEO 25 March – 31 December.

3. Share-based remuneration

Outstanding share-related incentive programs

Avanza currently has three outstanding incentive programs where exercise of warrants can take place in the autumn of 2025, 2026 and 2027. The incentive programs are based on warrants issued to the wholly owned subsidiary Avanza Förvaltning AB for onward transfer to employees in the Avanza Group. Senior executives in Avanza, including the CEO and deputy CEO, have had the opportunity to acquire warrants in these incentive programs on market terms, like all other employees in the group. The incentive programs have been resolved by the annual general meeting of the company. For more details, see <https://investors.avanza.se/en/corporate-governance/incentive-program/>

The warrants in the respective incentive programs have been acquired on market terms with the application of established calculation models (Black & Scholes). Each warrant gives a right to subscribe for one new share in Avanza at a subscription price corresponding to an amount of 120 percent of the weighted average price of the completed trades in Avanza's shares during a specific measurement period. Subscription of shares by exercise of the warrants can take place on predetermined dates that occur approximately three years after the acquisition of the warrants.

Avanza's group management, which includes the CEO and deputy CEO, receives, unlike other employees in the Avanza Group, warrants financing for the acquisition of warrants (see Table 1 above for more information on warrants financing). Since participation in the programs takes place on market terms and requires the investors' own investment, the incentive programs are not associated with any performance criteria.

The previous incentive program (Incentive program Warrants 2021/2024) with subscription periods in August, October and November 2024 respectively, with a subscription price of SEK 380.47 per share, expired worthless, and no new shares were subscribed in relation to the program.

Table 2A – Incentive programs based on warrants, CEO

Name of director, position	Principal terms and conditions of the warrant program				Information about the reported financial year			
					Balance B/F	During the year		Balance C/F
	1 Incentive program	2 Premium paid & allotment date ¹	3 Subscription period / subscription dates	4 Subscription price & subscription dates for shares ²	5 Warrants at the beginning of the year	6 Warrants allotted	7 Warrants exercised	8 Warrants allotted & outstanding
Gustaf Unger, CEO ⁴	Warrants 2021/2024	N/A			-	-	-	-
	Warrants 2022/2025	N/A			-	-	-	-
	Warrants 2023/2026	N/A			-	-	-	-
	Warrants 2024/2027	SEK 15.71 2024-05-03	Period 1: Two weeks between 22/4 and 31/5 2027 Period 2: Two weeks between 18/10 and 30/11 2027	SEK 282.12 Subscription for shares not yet possible	-	127,307	-	127,307
				-	127,307	-	127,307	

¹ The subscription price may be subject to recalculation in accordance with the terms and conditions of the incentive programs.

² Gustaf Unger assumed the position of CEO on 25 March 2024 which is why he is only eligible to participate in incentive program (Warrants 2024/2027).

Table 2B – Incentive programs based on warrants, deputy CEO

Name of director, position	Principal terms and conditions of the warrant program				Information about the reported financial year			
					Balance B/F	During the year		Balance C/F
	1 Incentive program	2 Premium paid & allotment date	3 Subscription period / subscription dates	4 Subscription price & subscription dates for shares ¹	5 Warrants at the beginning of the year	6 Warrants allotted	7 Warrants exercised	8 Warrants allotted & outstanding
Gunnar Olsson, deputy CEO ²	Warrants 2021/2024	SEK 17.54 2021-08-26	2024-08-29 2024-10-31 2024-11-28	SEK 380.47 Warrant expired worthless	10,260	0	-10,260 ³	0
	Warrants 2022/2025	SEK 9.72 2022-08-26	2025-08-28 2025-10-30 2025-11-27	SEK 209.03 Subscription not yet possible	21,050	0	0	21,050
	Warrants 2023/2026	SEK 13.78 2023-08-24	2026-08-27 2026-10-29 2026-11-26	SEK 258.95 Subscription not yet possible	16,690	0	0	16,690
	Warrants 2024/2027	SEK 15.71 2024-05-03	Period 1: Two weeks between 22/4 and 31/5 2027 Period 2: Two weeks between 18/10 and 30/11 2027	SEK 282.12 Subscription not yet possible	0	21,005	0	21,005
				48,000	21,005	10,260	58,745	

¹ The subscription price may be subject to recalculation in accordance with the terms and conditions of the incentive programs.

² Gunnar Olsson was action CEO during the period 1 January – 24 March and thereafter assumed the position of deputy CEO 25 March – 31 December 2024. Subscription for warrants during the period has therefore been made in his capacity as deputy CEO.

³ No shares were subscribed for as the warrants expired worthless.

4. Compliance with the Remuneration Guidelines and application of performance criteria

Avanza's business model is built on strong customer growth through satisfied customers, combined with a scalable business model and high cost efficiency. This creates long-term growth in operating income and enables further development and creates shareholder value. The strategy is to develop the offering to be cheaper, better and simpler. Through constant innovation, and with a focus on what is best for the customer, better opportunities for savings are created, trust is built and growth is generated. Sustainability has always been an important part of Avanza, and is a prerequisite to maintain low risks and competitiveness as well as to 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 organization. The strive is to create the best tool for our customers to successfully manage their finances.

A 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.

Avanza does not apply variable remuneration for the CEO, the deputy CEO and other senior executives. Therefore, there are no variable remuneration that is linked to certain performance criteria. Avanza's CEO and deputy CEO have individual goals that are related to the overall goals of the Avanza Group. These goals include areas such as customer satisfaction, shareholder interests, market reputation and sustainability. The fulfillment of individual goals is evaluated annually by the remuneration committee and the board of directors, and forms, together with the board of directors' evaluation of the CEO's work, the basis for determining the remuneration to the CEO and deputy CEO for the coming year.

Since the CEO's and deputy CEO's individual goals are linked to the overall goals of the Avanza Group, they contribute to Avanza's business strategy and the safeguarding of Avanza's long-term interests.

The total remuneration to the CEO and deputy CEO in 2024 has been in accordance with Avanza's Remuneration Guidelines. In 2024, Avanza did not make any deviations from the decision-making process that, according to the guidelines, must be applied to determine the remuneration. Neither has Avanza deviated from the guidelines for specific reasons.

The CEO is bound by a non-compete undertaking under the employment contract. For periods when severance pay is not provided, the CEO may receive remuneration for such non-compete undertaking. The remuneration may not exceed 60 percent of the monthly fixed cash salary at the time of termination and shall only be paid during the period of when the non-compete undertaking is applicable. This period shall not exceed twelve months.

5. Comparison of the company's performance and changes in remuneration

Table 3 – change in remuneration and the company's performance during the last five reported financial years (RFY) (SEK thousand)

Annual change	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022	2024 vs. 2023	RFY 2024
CEO	+502 (5.16%)	+441 (4.31%)	+695 (+6.51%)	+3,805 (+33.45%)	- 2,513 (-0.51%) ¹	12,668
Deputy CEO	+321 (+9.56%)	+175 (+4.76%) ³	-87 (- 2.26%)	-293 (-7.78%)	6 (0.17.%) ²	3,481

Avanza's result						
Consolidated operating profit	+1,056,000 (+203.08%)	+861,000 (+54.63%)	-497,000 (-20.40%)	352,000 (18.14%)	329,000 (14.35%)	2,621,000
Customer satisfaction, win the Swedish Quality Index for Sweden's most satisfied customers in the savings category	Won Swedish Quality Index	Won Swedish Quality Index	Won Swedish Quality Index	Won Swedish Quality Index	Won Swedish Quality Index	Won Swedish Quality Index
Average remuneration on a full-time equivalent basis for employees in the Avanza Group ⁴						
Employees in the Avanza Group ⁵	+71 (+11.15%)	+4 (+0.57%)	+5 (+0.67%)	+42 (+5.92%)	+62 (+8.95%)	679

¹ The amount refers to the total remuneration to the CEO in the relevant year but the position as CEO has been held by two persons during 2024. The position as CEO was held by Gunnar Olsson (1 January – 24 March) and Gustaf Unger (25 March – 31 December).

² The comparison refers to remuneration to the deputy CEO during the period 25 March – 31 December.

³ Only nine persons are employed in the parent company Avanza Bank Holding AB. These persons are the CEO, deputy CEO, CFO, CRO, CCO and CLO, all of whom are 50% employed in the parent company and three internal auditors, who are 100% employed in the parent company. The remaining part of the Avanza Group's employees are employed in the wholly owned subsidiaries Avanza Bank AB, Försäkringsaktiefbolaget Avanza Pension and Avanza Fonder AB. As it will not be expedient to make a comparison with other employees in the parent company, which is thus only eight persons excluding the CEO, the comparison with other employees is reported in this table only at group level. Group management has been excluded to provide a better comparison of the CEO's and deputy CEO's remuneration in relation to the average employee.