

## THE BOARD OF DIRECTORS' PROPOSAL

### regarding the issue of warrants intended for the incentive program for employees in the company, item 18 on the agenda

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To keep and recruit competent and committed employees in the company the board of directors of Avanza Bank Holding AB (publ) ("Company") proposes that the general meeting resolves on the issue of warrant intended for incentive programs for employees in the company. No more than 2,250,000 warrants shall be issued by the Company.

The reason for not applying the shareholders' pre-emption rights regarding the private placement of the warrants is that the warrants constitute an incentive program for individuals who are, or will be, employed by the Company or its subsidiaries. The board of directors considers the incentive program to improve the Company's long-term financial interests by encouraging employees to participate in the ownership of the Company.

The board of directors and the managing director shall be authorized to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

#### Warrants shall be issued on the following terms

- The Company shall issue a maximum of 2,250,000 warrants.
- The right to subscribe for the warrants shall vest in subsidiary of the Company, Avanza Förvaltning AB ("**Subsidiary**"), with the right and obligation to transfer the warrants on market terms to individuals who are, or will be, employed in the Company or one of its subsidiaries in any position related to the categories below:

Category	Minimum allotment at subscription	Maximum allotment at subscription
Managing director of the Company	25,000	250,000
Other members of the Group management	12,500	125,000
Other employees	1,000	40,000

Individuals entitled to acquire the warrants shall request the number of warrants they wish to acquire within the framework as set out above.

- Subscription of the warrant by the Subsidiary shall take place no later than on 31 August 2020. The warrants shall be issued to the Subsidiary at no consideration.
- The annual general meeting approves that the Subsidiary transfers the warrants in accordance with the terms set forth above.

- Established calculation models (Black & Scholes) shall be applied for the determination of the value of the warrants at the transfer from the Subsidiary. Such valuation shall be executed by an independent valuation institute.
- Each warrant gives the right to subscribe to one (1) new ordinary share in the company at an exercise price of 120 percent of the weighted average of the completed trades of the company's shares in the marketplace on 27 August 2020 in which the company has its primary listing (currently NASDAQ Stockholm). The weighted average shall be calculated on all auto-matched trades and all trades in the opening and closing call, regardless of size. The exercise price shall, however, be no less than an amount equal to the nominal value of the share.
- Subscription of new shares by exercising the warrants may take place on 31 August 2023, 26 October 2023 or 23 November 2023.
- Shares issued following subscription shall grant entitlement to receive dividends for the first time on the first record date for dividends that occurs following that the shares have been registered in the Company's share register.
- Other terms and conditions for the warrants follows from Appendix A.
- If all 2,250,000 warrants are exercised, the Company's share capital will increase by not more than SEK 1,125,000, corresponding to a dilution of approximately 1.5 percent.
- Avanza has during several years issued warrants intended for incentive programs with equivalent terms and conditions as the proposed incentive program for employees. Avanza currently has three outstanding incentive programs with subscription 2020, 2021 and 2022. The incentive program with subscription 2020 will be expired before the warrants under this proposed incentive program is transferred to employees. If all of the three incentive programs are exercised it corresponds to a dilution of less than 4.5 percent. For further information regarding the outstanding incentive programs please see the company's website <https://investors.avanza.se/en/corporate-governance/incentive-program/>.

### **Majority requirement**

A valid resolution by the general meeting requires that shareholders holding not less than nine-tenths of both the votes cast and the shares represented at the general meeting vote in favour of the proposal.

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Stockholm in February 2020

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