

THE BOARD OF DIRECTORS' PROPOSAL

regarding issuance of warrants intended for the incentive program for employees, item 15 a-c on the agenda

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 issuance of warrants intended for incentive programs for employees.

The board of directors' proposal entails, in contrast to the proposal to the annual general meeting in 2020, a return to proposing three incentive programs (2021/2024, 2022/2025 and 2023/2026) for resolution at the same annual general meeting, similar to the board of directors' proposal to the annual general meeting in 2017. A resolution by the annual general meeting in accordance with the board of directors' proposal would lead to increased predictability for Avanza's employees and reduce the administration that arises when resolutions on incentive programs are made each year.

Not more than 1,200,000 warrants per program shall be issued by the Company, i.e. 3,600,000 warrants in total for all three programs. The dilution of the three proposed programs together amounts to approximately 2.3 percent in total.

The reasons for the proposals

Through the incentive programs, the board of directors wants to stimulate the employees in the group to long-term commitment and continued good performance, and increase the attractiveness of the group as an employer.

A prerequisite for a successful implementation of the business strategy and existence of the long-term interests of the group is that the group can retain the best skilled employees and their loyalty, and that the employees of the group continue to deliver good results and perform at a high level. The board of directors finds it important and in the interests of the shareholders that the employees in the group have a long-term interest in a positive development of the Company's share price.

Allotment criteria

Regarding the allotment in the incentive programs, no other criteria than that participants must be employees in the group are applicable. The board of directors believes that a broad program that includes all employees provides the best conditions for achieving the board of directors' goals in implementing the programs – committed, motivated and competent employees.

Preparation of proposals

The proposals have been prepared by the remuneration committee, after which they have been approved for presentation by the board of directors.

Terms of incentive program 2021/2024 (item 15 a)

- The Company shall issue not more than 1,200,000 warrants.
- The right to subscribe for the warrants shall vest in the 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	Maximum allotment
Managing director in the Company	5,000	75,000
Other members of the group management	2,500	50,000
Other employees	500	25,000

Individuals entitled to acquire the warrants shall request the number of warrants they wish to acquire and will be allotted the number they have requested provided that over-subscription does not occur and that the requested number does not exceed the above maximum allotment. The participants are entitled to allotment of the minimum allotment in accordance with the above. Maximum allotment according to the table above can, however, not be guaranteed. In the event of over-subscription, the Company's board may decide at its own discretion the final allotment within the limits set out above.

- Subscription of the warrants by the Subsidiary shall take place no later than on 31 August 2021. The warrants shall be issued to the Subsidiary at no consideration. Over-subscription is not allowed.
- The 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 for one (1) new ordinary share in the Company at an exercise price of 120 percent of the weighted average price of the completed trades in the Company's shares on 26 August 2021 on the marketplace on which the Company has its primary listing (currently Nasdaq Stockholm). The weighted average price 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 quotient value of the share.

- Subscription of new shares by exercise of the warrants may take place on 29 August 2024, 31 October 2024 or 28 November 2024. In case any date would be within a so-called closed period, the date is postponed by ten trading days from the end of the closed period.
- Shares issued following subscription shall grant entitlement to receive dividends for the first time on the first record date for dividends that occurs following the registration of the shares in the Company's share register.
- The reason for not applying the shareholders' pre-emption rights for the issue 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.
- Other terms and conditions for the warrants follows from Appendix A.
- If all 1,200,000 warrants are exercised, the Company's share capital will increase by not more than SEK 600,000, divided on 1,200,000 shares each with a quotient value of SEK 0.50, corresponding to a dilution of approximately 0.77 percent.
- The board of directors shall be authorized to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

Terms of incentive program 2022/2025 (item 15 b)

- The Company shall issue not more than 1,200,000 warrants.
- The right to subscribe for the warrants shall vest in the 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	Maximum subscription
Managing director in the Company	5,000	75,000
Other members of the group management	2,500	50,000
Other employees	500	25,000

Individuals entitled to acquire the warrants shall request the number of warrants they wish to acquire and will be allotted the number they have requested provided that over-subscription does not occur and that the requested number does not exceed the above maximum allotment. The participants are entitled to allotment of the minimum allotment in accordance with the above. Maximum allotment according to the table above can, however, not be guaranteed. In the event of over-subscription, the Company's board may decide at its own discretion the final allotment within the limits set out above.

- Subscription of the warrants by the Subsidiary shall take place no later than on 31 August 2022. The warrants shall be issued to the Subsidiary at no consideration. Over-subscription is not allowed.
- The 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 for one (1) new ordinary share in the Company at an exercise price of 120 percent of the weighted average price of the completed trades in the Company's shares on 25 August 2022 on the marketplace on which the Company has its primary listing (currently Nasdaq Stockholm). The weighted average price 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 quotient value of the share.

- Subscription of new shares by exercise of the warrants may take place on 28 August 2025, 30 October 2025 or 27 November 2025. In case any date would be within a so-called closed period, the date is postponed by ten trading days from the end of the closed period.
- Shares issued following subscription shall grant entitlement to receive dividends for the first time on the first record date for dividends that occurs following the registration of the shares in the Company's share register.
- The reason for not applying the shareholders' pre-emption rights for the issue 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.
- Other terms and conditions for the warrants follows from [Appendix A](#).
- If all 1,200,000 warrants are exercised, the Company's share capital will increase by not more than SEK 600,000, divided into 1,200,000 shares each with a quotient value of 0.50, corresponding to a dilution of approximately 0.77 percent.
- The board of directors shall be authorized to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

Terms of incentive program 2023/2026 (item 15 c)

- The Company shall issue not more than 1,200,000 warrants.
- The right to subscribe for the warrants shall vest in the 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	Maximum subscription
Managing director in the Company	5,000	75,000
Other members of the group management	2,500	50,000
Other employees	500	25,000

Individuals entitled to acquire the warrants shall request the number of warrants they wish to acquire and will be allotted the number they have requested provided that over-subscription does not occur and that the requested number does not exceed the above maximum allotment. The participants are entitled to allotment of the minimum allotment in accordance with the above. Maximum allotment according to the table above can, however, not be guaranteed. In the event of over-subscription, the Company's board may decide at its own discretion the final allotment within the limits set out above.

- Subscription of the warrants by the Subsidiary shall take place no later than on 31 August 2023. The warrants shall be issued to the Subsidiary at no consideration. Over-subscription is not allowed.
- The 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 for one (1) new ordinary share in the Company at an exercise price of 120 percent of the weighted average price of the completed trades in the Company's shares on 24 August 2023 on the marketplace on which the Company has its primary listing (currently Nasdaq Stockholm). The weighted average price 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 quotient value of the share.

- Subscription of new shares by exercise of the warrants may take place on 27 August 2026, 29 October 2026 or 26 November 2026. In case any date would be within a so-called closed period, the date is postponed by ten trading days from the end of the closed period.
- Shares issued following subscription shall grant entitlement to receive dividends for the first time on the first record date for dividends that occurs following the registration of the shares in the Company's share register.
- The reason for not applying the shareholders' pre-emption rights for the issue 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.
- Other terms and conditions for the warrants follows from [Appendix A](#).
- If all 1,200,000 warrants are exercised, the Company's share capital will increase by not more than SEK 600,000, divided on 1,200,000 shares each with a quotient value of SEK 0.50, corresponding to a dilution of approximately 0.77 percent.
- The board of directors shall be authorized to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

Additional information

Costs for the Company

As a result of the warrants being transferred on market terms, there will be no payroll taxes imposed on the Company due to the incentive programs. Apart from costs for administration, implementation, valuation and evaluation of the incentive programs, no additional costs are expected to arise in connection with the incentive programs.

Other incentive programs

Avanza has during several years issued warrants intended for incentive programs. Within the framework of the three incentive programs proposed to the annual general meeting, the board of directors proposes that the total number of warrants for each incentive program is reduced by approximately 50 percent in comparison with previous years' incentive programs. It is noted that as a result of the positive share price development of the Company's share during the years Avanza has had incentive programs for employees, the reduction in the number of warrants means that the underlying value in the incentive programs in principle is unchanged compared to previous years. The Company currently has three outstanding incentive programs with subscription in 2021, 2022 and

2023. The incentive program with subscription in 2021 will expire in connection with the transfer of warrants to employees under the proposed incentive program 2021/2024. Since the existing incentive programs expire in connection with the allotment of warrants to employees in the programs proposed above, not more than three incentive programs will be outstanding at the same time. The total dilution upon full exercise of three programs that are outstanding at the same time will amount to less than 3.6 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.

Stockholm in February 2021

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