

## Policy for remuneration

Handelsbanken's remuneration system must be fit-for-purpose and consistent with the Bank's business objectives and business culture, which are based on sound, sustainable operations, in which employees observe high ethical standards, and good administrative order and regulatory compliance. Remuneration must also be structured in a manner that promotes a healthy and efficient management of sustainability risks. Handelsbanken considers that fixed remuneration contributes to healthy operations. This is therefore the main principle. All employees participate in the Oktogonen profit-sharing scheme. Remuneration to employees must be on market terms and be gender-equal and gender-neutral enabling Handelsbanken to attract, retain and develop skilled staff, and ensuring good management succession.

Remuneration for work performed is set individually. Salaries are set locally in accordance with Handelsbanken's decentralised work method and are based on salary-setting factors which are determined in advance. This policy does not affect the rights and obligations agreed upon by employers' and employees' organisations through collective agreements.

Pensions are part of the total remuneration to the Group's employees. The total remuneration is to be on market terms. The pension terms in the countries where the Group pursues its operations must be competitive and adapted to legislation and regulations, in accordance with the conditions prevailing in each country.

The Head of Group HR is responsible for applying the Group's remuneration system. The control functions must identify, monitor, analyse and report material risks or deficiencies in the remuneration system.