

# Remuneration report 2020

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## BACKGROUND

This remuneration report describes compliance with Handelsbanken's guidelines for remuneration to executive officers, adopted at the 2020 annual general meeting of shareholders. The report contains information about remuneration to the Group Chief Executive and the Deputy CEOs. The report has been prepared in accordance with Chap. 8, Sections 53a and 53b of the Swedish Companies Act (2005:551) and the Rules on Remuneration (previously part of the Swedish Corporate Governance Code) issued by the Swedish Corporate Governance Board.

Information in accordance with Chap. 5 Sections 40–44 of the Swedish Annual Accounts Act (1995:1554) is available in note G8 on pages 145–149 of Handelsbanken's 2020 Annual Report.

The work of the remuneration committee for 2020 is described in the corporate governance report on pages 66–83 of Handelsbanken's 2020 Annual Report.

Remuneration to the Board is not included in this report. Information about remuneration to the Board is decided by the annual general meeting of shareholders and can be found on page 70 of the corporate governance report

(pages 66–83 of Handelsbanken's 2020 Annual Report).

## HANDELSBANKEN'S PERFORMANCE IN 2020

The Group Chief Executive summarises Handelsbanken's performance in the Group Chief Executive's comments on pages 4–5 of Handelsbanken's 2020 Annual Report.

## HANDELSBANKEN'S PRINCIPLES FOR REMUNERATION TO EXECUTIVE OFFICERS

Handelsbanken's principles for remuneration to employees are long established. In the remuneration policy for the Handelsbanken Group, the Board has stipulated that the Bank's remuneration system is to be aligned with the Bank's corporate goal and corporate culture, which are founded on sound, sustainable operations.

Considering the above approach, the total remuneration to an employee must be on market terms, observing gender equality and enabling Handelsbanken to attract, retain and develop skilled staff, and ensuring good management succession.

As a basis for the guidelines for remuneration to executive officers, Handelsbanken's remuneration policy and the above principles for remuneration to employees have been taken into account; this contributes to the Bank's business strategy, long-term interests and sustainability.

The aggregated total remuneration must be on market terms. Remuneration is paid in the form of a fixed salary, pension provision and customary benefits. The executive officers in question are included in the Oktogonen profit-sharing scheme on the same terms as all employees of the Bank.

The guidelines for remuneration to executive officers can be found on pages 77–78 of Handelsbanken's 2020 Annual Report. The guidelines, which were unanimously adopted by the 2020 annual general meeting, have been implemented in their entirety. The auditor's statement regarding compliance with the guidelines can be found at Handelsbanken's website under Corporate Governance.

## Remuneration to the Group Chief Executive and Deputy CEOs

SEK m	Fixed remuneration		Variable remuneration		Pension		Total remuneration		Proportion fixed remuneration/total remuneration			
	Basic salary		Benefits		2020	2019	2020	2019	2020	2019		
	2020	2019	2020	2019								
<b>Group Chief Executive</b>												
Carina Åkerström <sup>1,5</sup>	12.5	9.1	0.4	0.2	-	-	4.4	3.2	17.3	12.5	100%	100%
Anders Bouvin <sup>2,6</sup>	-	3.4	-	0.2	-	-	-	1.2	-	4.8	-	100%
<b>Deputy CEO</b>												
Carina Åkerström <sup>2</sup>	-	1.4	-	0.1	-	-	-	0.9	-	2.4	-	100%
Per Beckman <sup>7</sup>	6.1	5.9	0.3	0.3	-	-	4.1	3.8	10.5	10.0	100%	100%
Dag Tjernsmo <sup>7,11</sup>	4.0	4.5	0.3	0.3	-	-	3.2	3.1	7.5	7.9	100%	100%
Nina Arkilahti <sup>8,9</sup>	0.6	5.6	0.0	0.2	-	-	0.2	2.3	0.8	8.1	100%	100%
Lars Moesgaard <sup>8,11</sup>	4.3	4.4	0.3	0.3	-	-	1.7	1.6	6.3	6.3	100%	100%
Mikael Sorensen <sup>4,9,11</sup>	9.4	9.6	1.7	2.6	-	-	-	-	11.1	12.2	100%	100%
Katarina Ljungqvist <sup>10</sup>	-	1.4	-	0.1	-	-	-	0.7	-	2.2	-	100%

The pension cost refers to pension earned under defined benefit pension plans in accordance with IAS 19, or alternatively paid premiums for defined contribution pension plans.

<sup>1</sup> Since AGM 2019.

<sup>2</sup> Until AGM 2019.

<sup>3</sup> Stepped down as Deputy CEO on 29 January 2020.

<sup>4</sup> Remuneration from Handelsbanken Plc

<sup>5</sup> Defined contribution pension of 35% of salary since becoming Group Chief Executive. The retirement age is 65. Previously earned defined benefit pension is placed in a paid-up policy.

<sup>6</sup> Defined contribution pension of 35% of salary. Defined benefit pension is being disbursed.

<sup>7</sup> Defined benefit pension of 65% of salary upon retirement and a pension contribution of 2% of salary. The retirement age is 60 and the defined benefit retirement pension is earned successively during the period of employment; it is fully earned for these persons by the time they reach the age of retirement.

<sup>8</sup> Defined contribution pension of 35% of salary. The retirement age is 65.

<sup>9</sup> No pension earned.

<sup>10</sup> Stepped down as Deputy CEO on 16 April 2019.

<sup>11</sup> Stepped down as Deputy CEO on 15 December 2020.

## Remuneration relative to other employees and relative to financial performance and key figures

	Change 2019/2018		Change 2020/2019		2020
Remuneration to Group Chief Executive, Carina Åkerström/Anders Bouvin <sup>12</sup> , SEK m	-4.4	-20%	0	0%	17.3
Remuneration to Deputy CEO, Carina Åkerström <sup>2</sup> , SEK m	-6.2	-72%	-	-	-
Remuneration to Deputy CEO, Per Beckman, SEK m	0.3	3%	0.5	5%	10.5
Remuneration to Deputy CEO, Dag Tjernsmo <sup>11</sup> , SEK m	0.2	3%	-0.4	-5%	7.5
Remuneration to Deputy CEO, Nina Arkilahti <sup>3</sup> , SEK m	0.5	7%	-7.3	-90%	0.8
Remuneration to Deputy CEO, Lars Moesgaard <sup>11</sup> , SEK m	0.3	5%	0	0%	6.3
Remuneration to Deputy CEO, Mikael Sørensen <sup>11</sup> , SEK m	1.4	13%	-1.1	-9%	11.1
Remuneration to Deputy CEO, Katarina Ljungqvist <sup>10</sup> , SEK m	-3.9	-64%	-	-	-
Group operating profit, SEK m	-217	-1%	-1,661	-8%	20,135
Return on equity, %	-0.9%	-7%	-1.9%	-16%	10.0%
Average full-time remuneration for other employees, parent company <sup>13</sup> , SEK m	0.05	7%	0.03	4%	0.9
Average full-time remuneration for other employees, Group <sup>13</sup> , SEK m	0.07	9%	0.02	2%	0.9

<sup>12</sup> Carina Åkerström from 27 March 2019, Anders Bouvin from 15 August 2016 to 27 March 2019.

<sup>13</sup> Other employees, average full-time remuneration.

