

# Remuneration Report 2022

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## BACKGROUND

Each financial year, the Board prepares a report of paid and accrued remuneration to Board members, the Chief Executive Officer and Executive Vice Presidents to whom Handelsbanken's guidelines for remuneration to executive officers apply. These guidelines refer to all remuneration, regardless of type, with the exception of Board fees and other remuneration determined by the Annual General Meeting. 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 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 152–157 of Handelsbanken's Annual and Sustainability Report 2022.

The work of the remuneration committee for 2022 is described in the corporate governance report on pages 74–91 of Handelsbanken's Annual and Sustainability Report 2022.

Given that the Board members do not receive any remuneration from Handelsbanken AB other than that determined by the Annual General Meeting, this report does not include

remuneration to Board members. Information on remuneration to the Board as determined by the Annual General Meeting can be found on page 78 of the Corporate Governance Report, presented on pages 74–91 of Handelsbanken's Annual and Sustainability Report 2022. The Board member Arja Taaveniku has also received a board fee from Handelsbanken plc, amounting to SEK 872,633.

## HANDELSBANKEN'S PERFORMANCE IN 2022

Handelsbanken's performance is summarised in the Administration report on pages 13–15 of Handelsbanken's Annual and Sustainability Report 2022.

## 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, recruit, retain and develop skilled staff, and ensure 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 page 86 of Handelsbanken's Annual and Sustainability Report 2022. The guidelines, which were unanimously adopted by the 2022 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 Chief Executive Officer and Executive Vice Presidents

SEK m	Fixed remuneration				Variable remuneration		Pension costs, defined benefit and defined contribution plans		Fixed and variable remuneration, including pension costs		Proportion fixed remuneration/total remuneration	
	Basic salary		Benefits		2022	2021	2022	2021	2022	2021	2022	2021
	2022	2021	2022	2021								
<b>Chief Executive Officer</b>												
Carina Åkerström <sup>1</sup>	14.0	13.3	0.6	0.5	0.0	0.0	4.9	4.6	19.5	18.4	100%	100%
<b>Executive Vice President</b>												
Carl Cederschiöld <sup>2,3</sup>	7.3	6.4	0.2	0.1	0.0	0.0	2.1	2.1	9.6	8.6	100%	100%
Per Beckman <sup>4</sup>	6.3	6.2	0.3	0.3	0.0	0.0	3.6	4.3	10.2	10.8	100%	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. The payment of variable remuneration in the form of the Oktogonen profit-sharing scheme has taken place in 2022. Before local taxes and social security costs, the amount was SEK 10,965 (16,742) per employee.

<sup>1</sup> Defined contribution pension of 35% of salary since becoming Chief Executive Officer. The retirement age is 65. Previously earned defined benefit pension is placed in a paid-up policy.

<sup>2</sup> Became Executive Vice President on 2 February 2021.

<sup>3</sup> Defined benefit pension according to the collective bargaining agreement, in combination with a defined contribution plan amounting to a maximum of 30% of salary above 30 income base amounts. The retirement age is 65, and the defined benefit pension is fully earned at retirement age.

<sup>4</sup> Defined benefit pension of 65% of salary at age 60 and a pension contribution of 2% of salary. The defined benefit pension is fully earned. Defined contribution pension of 30% of salary since November 2022.

## Remuneration and pension costs relative to other employees and relative to financial performance and key metrics

Change for the year	2019/2018	2020/2019	2021/2020	2022/2021	2022
Remuneration to Chief Executive Officer, Carina Åkerström/Anders Bouvin <sup>1</sup> , SEK m	-4.4 (-20%)	0.0 (0%)	1.1 (7%)	1.1 (6%)	19.5
Remuneration to Executive Vice President, Carina Åkerström <sup>2</sup> , SEK m	-6.2 (-72%)	-	-	-	-
Remuneration to Executive Vice President, Carl Cederschiöld <sup>3</sup> , SEK m	-	-	-	1.0 (12%)	9.6
Remuneration to Executive Vice President, Per Beckman, SEK m	0.3 (3%)	0.5 (5%)	0.3 (3%)	-0.6 (-6%)	10.2
Remuneration to Executive Vice President, Dag Tjernsmo <sup>4</sup> , SEK m	0.2 (3%)	-0.4 (-5%)	-	-	-
Remuneration to Executive Vice President, Nina Arkilahti <sup>5</sup> , SEK m	0.5 (7%)	-7.3 (-90%)	-	-	-
Remuneration to Executive Vice President, Lars Moesgaard <sup>6</sup> , SEK m	0.3 (5%)	0.0 (0%)	-	-	-
Remuneration to Executive Vice President, Mikael Sørensen <sup>6</sup> , SEK m	1.4 (13%)	-1.1 (-9%)	-	-	-
Remuneration to Executive Vice President, Katarína Ljungqvist <sup>6</sup> , SEK m	-3.9 (-64%)	-	-	-	-
Group operating profit <sup>7</sup> , SEK m	-217 (-1%)	-2,999 (-14%)	4,678 (25%)	3,144 (13%)	26,619
Return on equity <sup>7</sup> , %	-0.9% (-7%)	-2.6% (-22%)	2.1% (23%)	1.1% (10%)	12.5%
Average full-time remuneration for other employees, parent company <sup>8</sup> , SEK m	0.05 (6%)	0.03 (4%)	0.01 (1%)	0.06 (6%)	1.0
Average full-time remuneration for other employees, Group <sup>8</sup> , SEK m	0.04 (4%)	0.03 (3%)	0.01 (1%)	0.05 (5%)	1.0

<sup>1</sup> Carina Åkerström from 27 March 2019, Anders Bouvin from 15 August 2016 to 27 March 2019.

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

<sup>3</sup> Became Executive Vice President on 2 February 2021.

<sup>4</sup> Stepped down as Executive Vice President on 15 December 2020.

<sup>5</sup> Stepped down as Executive Vice President on 29 January 2020 and resigned from employment on 28 July 2020.

<sup>6</sup> Stepped down as Executive Vice President on 16 April 2019.

<sup>7</sup> Refers to continuing operations.

<sup>8</sup> Average full-time remuneration is based on salaries and fees, earned pension costs and provisions for the Oktogonen profit-sharing scheme. No adjustments are made for non-recurring items.

