

11 April 2022

## Remuneration Disclosures Nordea Investment Management AB

This statement discloses requirements stated in article 51 of the Investment Firm Regulation (EU) 2019/2033 for Nordea Investment Management AB, (NIM).

Nordea Investment Management AB (NIM) offers fair and competitive compensation packages. NIM has a total remuneration approach to compensation that recognizes the importance of well-balanced but varied remuneration structures based on business and local market needs, and of compensation being consistent with and promoting sound and effective risk management, and not encouraging excessive risk-taking or counteracting NIM's long-term interests. NIM's remuneration policy is gender neutral. The current gender pay gap within NIM is 23,8%<sup>1</sup> and is monitored by the remuneration committee annually and actively managed by the organization.

NIM's remuneration structure comprises fixed and variable remuneration. The fixed and variable components of total compensation are balanced and in accordance with applicable regulations. Ratio between fixed and variable remuneration varies for different categories of employees and local market practice is taken into consideration. The variable remuneration for categories of staff whose professional activities have a material impact on investment firm's risk profile in Nordea Investment Management AB (Risk takers) is however capped at 100% of their annual fixed remuneration. All variable remuneration schemes are limited to a one-year period and assessed at year end.

NIM applies an "a priori risk-adjustment" to mitigate risks and to support a sound and efficient risk management. This means that all relevant risks must be taken into account when setting the goals and targets for employees participating in a variable remuneration program. The effect on the long-term result of NIM must be considered, as well as conflict of interest and conduct of business requirements. All employees receiving variable remuneration must use score cards where the aforementioned risks are mirrored in the targets. The targets should consist of both quantitative and qualitative targets.

Target setting and outcome from the main variable pay programs in NIM awarded to employees shall be based on a combination of the assessment of the performances of; the employee, the employer and the Nordea Group.

Variable remuneration is only paid if it is justified according to the capital base and financial situation of the Nordea Group, Nordea Asset Management Group and NIM and motivated according to the fulfilment of the goals and targets set out in score cards. Prior to allotment, relevant risks that have occurred since the "a priori risk assessment" shall be taken into account and adjusted for.

Variable remuneration for Risk takers follows a deferral scheme where 60% of the bonus is deferred for 3-5 years. During the deferral period, the deferred remuneration is linked to an index appropriate for the employee's position. The different indexes are based on the performance of assets under management.

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<sup>1</sup> The gender pay gap is defined in accordance with the consultation paper of Guidelines on the benchmarking exercises on remuneration practices and gender pay gap under Directive (EU) 2019/2034 section 39 and comprises all employees in NIM in Sweden.

Aggregated quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the investment firm:

<b>Awarded Bonus for performance year 2021</b>	
	<u>Fixed compensation</u> <u>Bonus paid upfront in cash</u> <u>Deferred, linked to instruments</u>
Senior Mgmt	EUR 4,368,234                      EUR 1,581,713                      EUR 2,372,569
Other Risk takers	EUR 4,624,709                      EUR 1,306,788                      EUR 1,960,183
<b>Awarded Bonus for performance periods prior to 2021</b>	
	<u>Due to vest in 2021</u> <u>Due to vest in subsequent years</u>
Senior Mgmt	EUR 1,718,891                      EUR 4,031,182
Other Risk takers	EUR 1,651,549                      EUR 2,796,954
<b>Deferred bonus reduced through performance adjustments in 2021</b>	
not applicable	
<b>Guaranteed variable remuneration awarded for 2021</b>	
not applicable	
<b>Severance payments paid during 2021</b>	
not applicable	
<b>Severance payments awarded during 2021</b>	
not applicable	