

Remuneration report of Nordnet AB (publ) for the financial year 2021

Introduction

This remuneration report provides an overview of the application of Nordnet AB (publ)'s ("the Company") guidelines for executive remuneration, *Riktlinjer för ersättning till ledande befattningshavare* ("the remuneration guidelines"), adopted by the annual general meeting of 29 April 2021. The report also provides details on the remuneration paid to the Company's CEO and deputy CEO during the year, comparative information and a summary of the Company's outstanding share-related incentive programme.

Information required by Chapter 5, Sections 40-44 of the Annual Accounts Act (1995:1554) is available in note 13 on p. 114 – 117 in the Company's annual report for 2021. The information includes, inter alia, the total remuneration paid to board members, CEO and other members of the executive management during the year.

The CEO's report on the company's overall performance during 2021 is available on p. 7 – 9 in the annual report.

Information on the work of the remuneration committee in 2021 is set out in the corporate governance report, which is available on p. 53 in the annual report.

Remuneration of the Board of Directors resolved upon by the general meeting is not covered by this report. Such remuneration is disclosed in note 13 on p. 114 – 115 in the annual report.

Overview of the application of the remuneration guidelines

The general meeting of 29 April 2021 adopted remuneration guidelines which, in accordance with Chapter 8, Section 52 of the Companies Act (2005:551) and the Swedish Code of Corporate Governance, set out a framework for the Company's remuneration of the executive management. The guidelines have been in force since they were first adopted by the extraordinary general meeting of 10 September 2020 and are published here. : <https://nordnetab.com/wp-content/uploads/2020/11/Bilaga-4-Riktlinjer-for-ersattning-till-ledande-befattningshavare.pdf>.

Under the guidelines, remuneration of the executive management shall be competitive, comply with market terms and may consist of the following components: fixed cash salary, variable cash remuneration, participation in long-term share and share-related incentive programmes resolved by the general meeting, pension benefits and other customary benefits.

During the financial year, the Company has not made use of any contractual opportunity to reclaim remuneration. Further on, the Company has not resolved on any deviation from the decision-making process prescribed in the guidelines or any other derogation from the guidelines with respect to the CEO or to the deputy CEO. The Company has however deviated from the guidelines with respect to another member of the senior management, the Chief Technology Officer. For further information on the deviation, please see the document *Report on deviation from the Guidelines for remuneration to senior executives*, which will be available on the Company's website, <https://nordnetab.com/>, at the latest as from 7 April 2022.

There has been not any comments from shareholders on the report, to take into account in the application of the guidelines.

The auditor's report on whether the Company has complied with the guidelines since the adoption of them will be available on the Company's website, <https://nordnetab.com/>, at the latest as from 7 April 2022.

Remuneration of the CEO and the deputy CEO

Remuneration to the CEO

The table below sets out the total remuneration of the Company's CEO during the financial year 2021, presented in SEK.

Fixed remuneration		Variable remuneration	Pension	Other	Total remuneration	Proportion of fixed and variable remuneration
Cash salary	Benefits					
7 106 368	106 334	n/a	2 485 524	n/a	9 698 226	n/a

The *Cash salary* column includes 1.45 percent holiday pay.

The *Benefits* column refers to a private medical insurance (SEK 4 940) and access to a company car (SEK 101 394).

The CEO has not received any remuneration from other companies within the group or any shares or share options (for information on the CEO's participation in the Company's outstanding share-related incentive programme, please see **Outstanding share-related incentive programme** below.)

Remuneration to the deputy CEO

The table below sets out the total remuneration of the Company's deputy CEO during the financial year 2021, presented in SEK.

Fixed remuneration		Variable remuneration	Pension	Other	Total remuneration	Proportion of fixed and variable remuneration
Cash salary	Benefits					
2 641 910	76 069	n/a	491 875	n/a	3 209 853	n/a

The *Cash salary* column includes 1.45 percent holiday pay.

The *Benefits* column refers to a private medical insurance (SEK 4 940) and access to a company car (SEK 71 129).

The deputy CEO has not received any remuneration from other companies within the group or any shares or share options (for information on the deputy CEO's participation in the Company's outstanding share-related incentive programme, please see **Outstanding share-related incentive programme** below.)

Application of performance criteria and the total remuneration's compliance with the remuneration guidelines

The Company has not paid any variable remuneration to the CEO or to the deputy CEO during the financial year 2021, i.e. performance criteria have not been applied.

The total remuneration of the CEO and the deputy CEO during the financial year 2021 are in line with the remuneration guidelines and contributes to the Company's and the group's long-term results. The remuneration level is revised yearly to ensure that it reflects the responsibility and nature of the position and the individual performance of the CEO and the deputy CEO. The remuneration level is market-based and competitive.

Comparative information

The table below sets out a comparison of the average remuneration of a full-time equivalent in Nordnet Bank AB¹ during the financial year 2021 and the financial year 2020. Nordnet Bank AB holds the majority of the employees of the group. Cash salary (including parental leave and sick leave compensation), holiday pay, pension benefits and, where applicable, other benefits have been taken into account in this calculation.

	Average remuneration	% change vs previous year
2020	732 512	n/a
2021	738 387	0.8%

The table below sets out a comparison of the Company's and the group's net profits in the financial year 2021 and the financial year 2020.

	Net profits (million SEK)	% change vs previous year
2020	1 172.7	245%
2021	1 984.7	69%

The table below sets out a comparison of the total remuneration of the Company's CEO during the financial year 2021 and the financial year 2020, presented in SEK. The position as deputy CEO was established during 2021 and comparative information for the deputy CEO will be included in the remuneration report for 2022.

	Fixed remuneration		Variable remuneration	Pension	Other	Total remuneration	% change vs previous year
	Cash salary	Benefits					
2020	6 771 793	106 628	n/a	2 352 371	n/a	9 230 782	n/a
2021	7 106 368	106 334	n/a	2 485 524	n/a	9 698 226	5.1%

¹ Excluding the branch offices

Outstanding share-related incentive programme

Incentive programme exercisable 2023

The extraordinary general meeting of 24 November 2020 resolved on a warrant programme for all employees within the Nordnet Group, including the CEO of the Company, encompassing a directed issue of warrants. The purpose of the programme is to strengthen the connection between employees' performance and attained shareholder value. The programme comprises 10 680 274 warrants in total.

Warrants could be bought between 24 November 2020 and 11 December 2020 to a price of SEK 7.21. The number of warrants available for purchase to each employee depended on the employee's position. The CEO could purchase at most 693 481 warrants. Employees who were not part of the executive management or holders of key positions could purchase at most 6 934 warrants.

Each warrant entitles the holder to, at a given point in time, subscribe for one share in the Company to a price equaling 133 percent of the price offered at the initial public offering (at least the quota value of the share, though). Subscription is possible as from the day after the disclosure of the Q3 report 2023 and during the four subsequent weeks (at the earliest 16 October 2023 and at the latest 30 November 2023, though).

The number of shares that each warrant entitles the holder to subscribe for may be converted to a lower number if the market share price equals 195 percent or more of the IPO price at the point when the warrant is redeemed.

The CEO of the Company has purchased 693 481 warrants. The deputy CEO of the Company has purchased 416 088 warrants.

Incentive programme exercisable 2024/2025

The extraordinary general meeting of 28 October 2021 resolved on a warrant programme for all employees within the Nordnet Group, including the CEO of the Company, encompassing a directed issue of warrants. The purpose of the programme is to strengthen the connection between employees' performance and attained shareholder value. The programme comprises 2 780 586 warrants in total.

Warrants could be bought between 1 November 2021 and 8 November 2021 to a price of SEK 16.40. The number of warrants available for purchase to each employee depended on the employee's position. The CEO could purchase at most 30 488 warrants and the deputy CEO could purchase 21 341 warrants. Employees who were not part of the executive management or holders of key positions could purchase at most 1 524 warrants.

Each warrant entitles the holder to, at a given point in time, subscribe for one share in the Company to a price equaling 120 percent of the valuation price (at least the quota value of the share, though). Subscription is possible as from and including the day following the publication of the interim report for the period 1 January - 30 September 2024 and for a period of two weeks thereafter, but not earlier than 14 October 2024 and not later than 9 December 2024, or from and including the day following the publication of the year-end report for the period 1 January - 31 December 2024 and for a period of two weeks thereafter, but not earlier than 13 January 2025 and not later than 24 March 2025.



The number of shares that each warrant entitles the holder to subscribe for may be converted to a lower number if the market share price equals 180 percent or more of the subscription price at the point when the warrant is redeemed.

The CEO of the Company has purchased 15 243 warrants. The deputy CEO of the Company has purchased 21 341 warrants.

Stockholm in March 2022
The Board of Directors, Nordnet AB (publ)