

Remuneration report of Nordnet AB (publ) for the financial year 2022

Introduction

This remuneration report provides an overview of the application of Nordnet AB (publ) (the “Company”) guidelines for remuneration to senior executives (Sw: *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-based incentive programs.

Information required in accordance with Chapter 5, Sections 40-44 of the Swedish Annual Accounts Act (1995:1554) is available in note 13 on page 111 – 118 in the Company’s annual report for 2022. The information includes, inter alia, the total remuneration paid to board members, the CEO and other members of the executive management during the year.

The CEO’s report on the Company’s overall performance during 2022 is available on page 8 – 10 and page 33 – 34 in the annual report.

Information on the work of the Remuneration Committee in 2022 is set out in the corporate governance report and is available on page 51 in the annual report.

Remuneration to the Board resolved upon by the general meeting is not covered by this report. Such remuneration is disclosed in note 13 on page 113 – 114 in the annual report.

Overview of the application of the Remuneration Guidelines

The Annual General Meeting of 29 April 2021 adopted remuneration guidelines which, in accordance with Chapter 8, Section 52 of the Swedish Companies Act (2005:551) and the Swedish Corporate Governance Code, provides a framework for the Company’s remuneration to senior executives. The guidelines are available on the Company’s website: <https://nordnetab.com/wp-content/uploads/2020/11/Bilaga-4-Riktlinjer-for-ersattning-till-ledande-befattningshavare.pdf>.

According to the guidelines, remuneration to senior executives shall be competitive, in accordance 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 programs resolved upon by the general meeting, pension benefits and other customary benefits.

During the financial year, the Company has not exercised any contractual opportunity to reclaim remuneration. Furthermore, the Company has not resolved on any deviation from the decision-making process prescribed in the Remuneration Guidelines nor made any other deviation from the Remuneration Guidelines with respect to the CEO or deputy CEO.

Shareholders have not provided any comments regarding the report that would need to be taken into account when applying the guidelines.

The auditors’ statement on whether the Company has complied with the guidelines since their adoption will be available on the Company’s website, <https://nordnetab.com/>, no later than on 16 March 2023.

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 deputy CEO during the financial year 2022, i.e. the performance criteria have not been applied.

The total remuneration of the CEO and the deputy CEO during the financial year 2022 is 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 deputy CEO. The level of remuneration is considered as competitive and in accordance with market terms.

Remuneration to the CEO and the deputy CEO

Remuneration to the CEO

The table below specifies the remuneration to the Company's CEO Lars-Åke Norling during the financial year 2022. All amounts are in SEK.

Fixed remuneration		Variable remuneration	Pension	Other	Total remuneration	Proportion of fixed and variable remuneration
Cash salary	Benefits					
7,344,976	105,918	n/a	2,533,999	n/a	9,984,893	n/a

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

The column *Benefits* refers to a private medical insurance (SEK 4,980) and access to a company car (SEK 100,938).

The CEO has not received any remuneration from other companies within the group nor shares or share options other than what is stated in the information regarding the CEO's participation in the Company's outstanding share-based incentive programs (see Outstanding share-based incentive programs below).

Remuneration to the deputy CEO

The table below specifies the remuneration to the Company's deputy CEO Rasmus Järborg during the financial year 2022. All amounts are in SEK.

Fixed remuneration		Variable remuneration	Pension	Other	Total remuneration	Proportion of fixed and variable remuneration
Cash salary	Benefits					
3,600,000	97,452	n/a	585,338	n/a	4,282,790	n/a

The column *Benefits* refers to a private medical insurance (SEK 4,980) and access to a company car (SEK 92,472).

The deputy CEO has not received any remuneration from other companies within the group nor shares or share options other than what is stated in the information on the deputy CEO's participation in the Company's outstanding share-based incentive programs (see Outstanding share-based incentive programs below).

Comparative information

The table below compares the average remuneration for a full-time equivalent employee at Nordnet Bank AB in the years 2020, 2021 and 2022. Nordnet Bank AB holds the majority of the employees in the group. In this calculation, cash salary (including parental leave and sickness compensation), holiday pay, pension benefits and, if 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%
2022	787,121	6.6%

The table below compares the Company's and the group's net profits in the financial year 2022, 2021 and the financial year 2020.

	Net profits (SEK million)	Change vs previous year (%)
2020	1,172.7	245%
2021	1,984.7	69%
2022	1,652.5	-16.7%

The table below compares the total remuneration to the Company's CEO during the financial year 2022, 2021 and the financial year 2020, presented in SEK.

	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%
2022	7,334,976	105,918	n/a	2,533,999	n/a	9,984,893	3.0%

The table below presents a comparison of the total remuneration to the Company's deputy CEO during the financial years 2021 and 2022, presented in SEK. Since the position of the deputy CEO was established in 2021, no comparison with the financial year 2020 is relevant. It is worth noting that the position as deputy CEO was filled during the fourth quarter of 2021 and the salary was adjusted accordingly. Hence, the comparison with 2021 is not entirely relevant.

	Fixed remuneration		Variable remuneration	Pension	Other	Total remuneration	Change vs previous year (%)
	Cash salary	Benefits					
2021	2,641,910	76,069	n/a	491,875	n/a	3,209,853	n/a
2022	3,600,000	97,452	n/a	585,338	n/a	4,282,790	33.0%

Outstanding share-related incentive program

Incentive program 2020/2023¹

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

Between the period of 24 November 2020 and 11 December 2020, warrants were available for acquisition at a price of SEK 7.21. The number of warrants offered to each employee depended on the employee's position. The CEO could acquire a maximum of 693,481 warrants, the deputy CEO could acquire a maximum of 416,088 warrants. Employees who were not part of the executive management or holding any key positions had the option to acquire a maximum of 6,934 warrants.

Each warrant entitles the holder to, at a given time, subscribe for one share in the Company at a price corresponding to 133 percent of the offer price in connection with the Company's IPO (however, never less than the share's quotient value), which has been set at SEK 127.68. Subscription can be made following the day after the publication of the Q3 report 2023 and during the four following weeks (however, no earlier than 16 October 2023 and no later than 30 November 2023).

The number of shares that each warrant entitles the holder to subscribe for may be recalculated to a lower number if the share price of the Nordnet share corresponds to 195 percent or more of the share price during the measurement period when the warrants were acquired (the "Cap"). The Cap for these warrants has been set to an amount of SEK 187.20.

The number of shares that the warrants entitle to, the strike price, and the Cap are subject to provisions regarding recalculation based on, inter alia, certain dividend payments, new issues, bonus issues, share splits or reverse share splits, and certain reductions of the share capital or similar acts.

¹ The Board proposes to the Annual General Meeting on 18 April 2023 an offer to repurchase the participants' warrants and to decide on a set-off issue. For more information, please see the notice convening the Annual General Meeting.

The CEO of the Company acquired 693,481 warrants. The deputy CEO of the Company acquired 416,088 warrants.

Incentive program 2021/2025

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

Between the period of 1 November 2021 and 8 November 2021, warrants were available for acquisition at a price of SEK 16.40. The number of warrants available to each employee depended on the employee's position. The CEO could acquire a maximum of 30,488 warrants, and the deputy CEO could acquire a maximum of 21,341 warrants. Employees who were not part of the executive management or holding any key positions had the option to acquire a maximum of 1,524 warrants.

Each warrant entitles the holder to, at a given time, subscribe for one share in the Company at a price corresponding to 120 percent of the share price during a certain measurement period (however, never less than the share's quotient value), which has been set at SEK 213.40. Subscription can be made following the day after the publication of the interim report for the period 1 January - 30 September 2024 and during a period of two weeks thereafter, however no earlier than 14 October 2024 and no later than 9 December 2024, or from the day after the publication of the year-end report for the period 1 January - 31 December 2024 and during a period of two weeks thereafter, but no earlier than 13 January 2025 and no later than 24 March 2025.

The number of shares that each warrant entitles the holder to subscribe for may be recalculated to a lower number if the share price of the Nordnet share at the time when the warrant is exercised corresponds to 180 percent or more of the share price during the measurement period when the warrants were acquired (the "Cap"). The Cap for these warrants has been set at SEK 320.10.

The number of shares that the warrants entitle to, the strike price, and the Cap are subject to provisions regarding recalculation based on, inter alia, certain dividend payments, new issues, bonus issues, share splits or reverse share splits, and certain reductions of the share capital or similar acts.

The CEO of the Company acquired 15,243 warrants. The deputy CEO of the Company acquired 21,341 warrants.

Incentive program 2022/2026

The general meeting of 28 April 2022 resolved upon a warrant plan for all employees within the Nordnet Group, including the CEO of the Company, involving a directed issue of warrants. The purpose of the program is to strengthen the connection between the employees' performance and created shareholder value. The program comprises a total of 2,527,806 warrants.

Between the period of 2 May 2022 and 9 May 2022, warrants were available for acquisition at a price of SEK 18.07. The number of warrants available to each employee depended on the employee's position. The CEO could acquire a maximum of 27,670 warrants, and the deputy CEO could acquire a maximum of 27,670 warrants. Employees who were not part of the executive management or holding any key positions had the option to acquire a maximum of 2,767 warrants.

Each warrant entitles the holder to, at a given time, subscribe for one share in the Company at a price corresponding to 120 percent of the share price during a certain measurement period (however, never less than the share's quotient value), which has been set at SEK 173.90.

The warrants may be exercised for subscription of shares in Nordnet during a two-week period from and including the day after the publication of the Company's interim report for the period 1 January - 31 March 2025, however no earlier than 14 April 2025 and no later than 5 June 2025, and a two-week period from and including the day after the publication of the Company's half-year report for the period 1 January - 30 June 2025, but no earlier than 18 August 2025 and no later than 12 September 2025.

The number of shares that the warrants entitle to, and the strike price are subject to provisions regarding recalculation based on, inter alia, certain dividend payments, new issues, bonus issues, share splits or reverse share splits, and certain reductions of the share capital or similar acts.

The CEO of the Company acquired 27,670 warrants. The deputy CEO of the Company acquired 27,670 warrants.

Stockholm in March 2023
The Board, Nordnet AB (publ)