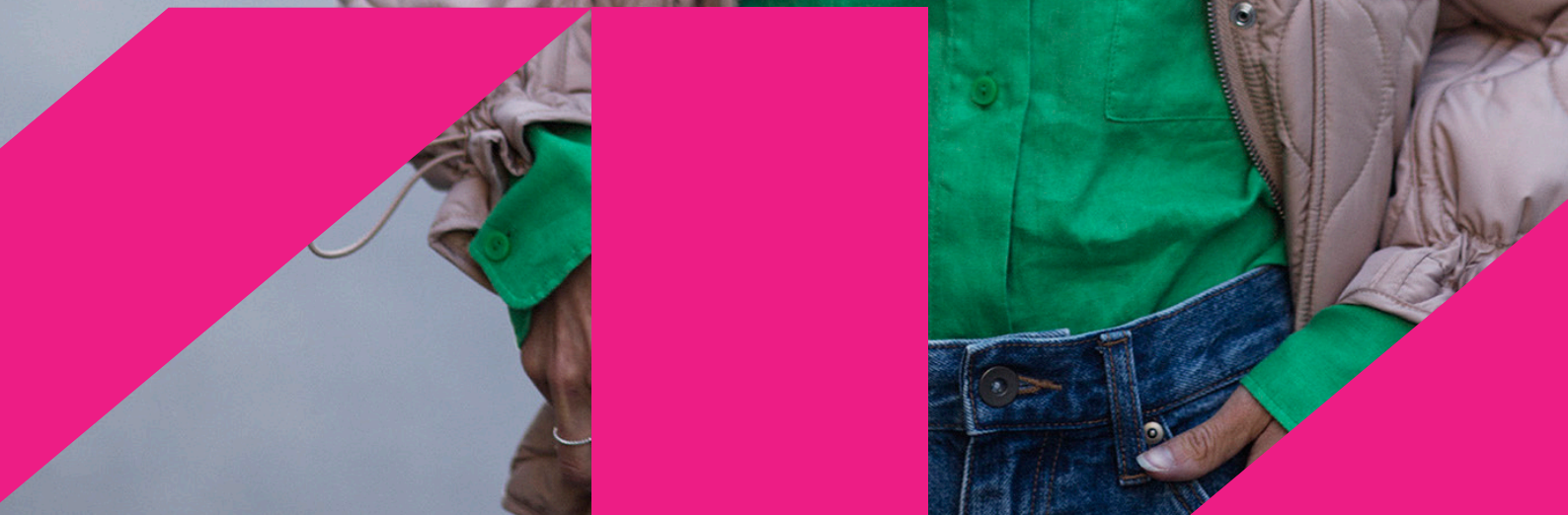


Nordnet AB (publ)

Annual and Sustainability Report 2022.





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¹ Subject of the audit. The corporate governance report has been reviewed by the company's auditor in accordance with a so-called statutory review.

The English version of the Annual and Sustainability Report is a translation. In case of any discrepancy between the Swedish version and the English version, the Swedish version shall prevail.

This is Nordnet.

Nordnet is a leading digital platform for savings and investments with operations in Sweden, Norway, Denmark and Finland. With user-friendliness, good availability, a broad offering and low prices, we give our customers the opportunity to take their savings to the next level.

The overarching purpose of Nordnet's business is to democratize savings and investments. By that, we mean giving private savers access to the same information and tools as professional investors. This purpose has driven us from the outset in 1996 and remains our direction to this day. At the beginning, it entailed offering easily accessible and inexpensive stock trading over the internet, and building a fund portal with products from a number of different distributors, where savers could easily compare returns, risk and fees. During the journey, we have simplified matters and pressured down fees on, for example, pension savings, index funds and private banking. In recent years, we have democratized savings and investments through, for example, our stock lending program and cost-effective index funds that cover the global markets. We are always on the savers' side, and pursue issues such as fair terms in pension savings and reasonable and predictable taxation on holdings of shares and funds.

Vision

Our vision is to become the Nordic private savers' first choice. To achieve this goal we always need to challenge and innovate, keeping user-friendliness and the benefit of savings at the top of the agenda and to succeed with the ambition of building a "one-stop shop" for savings and investments – a platform that can meet the needs of private savers in the Nordic region in managing their financial futures. Only then can we achieve the high level of customer satisfaction and brand strength required to become a leader in the Nordic region in terms of attracting new customers and producing loyal ambassadors for Nordnet.

Our product areas

Savings and investments

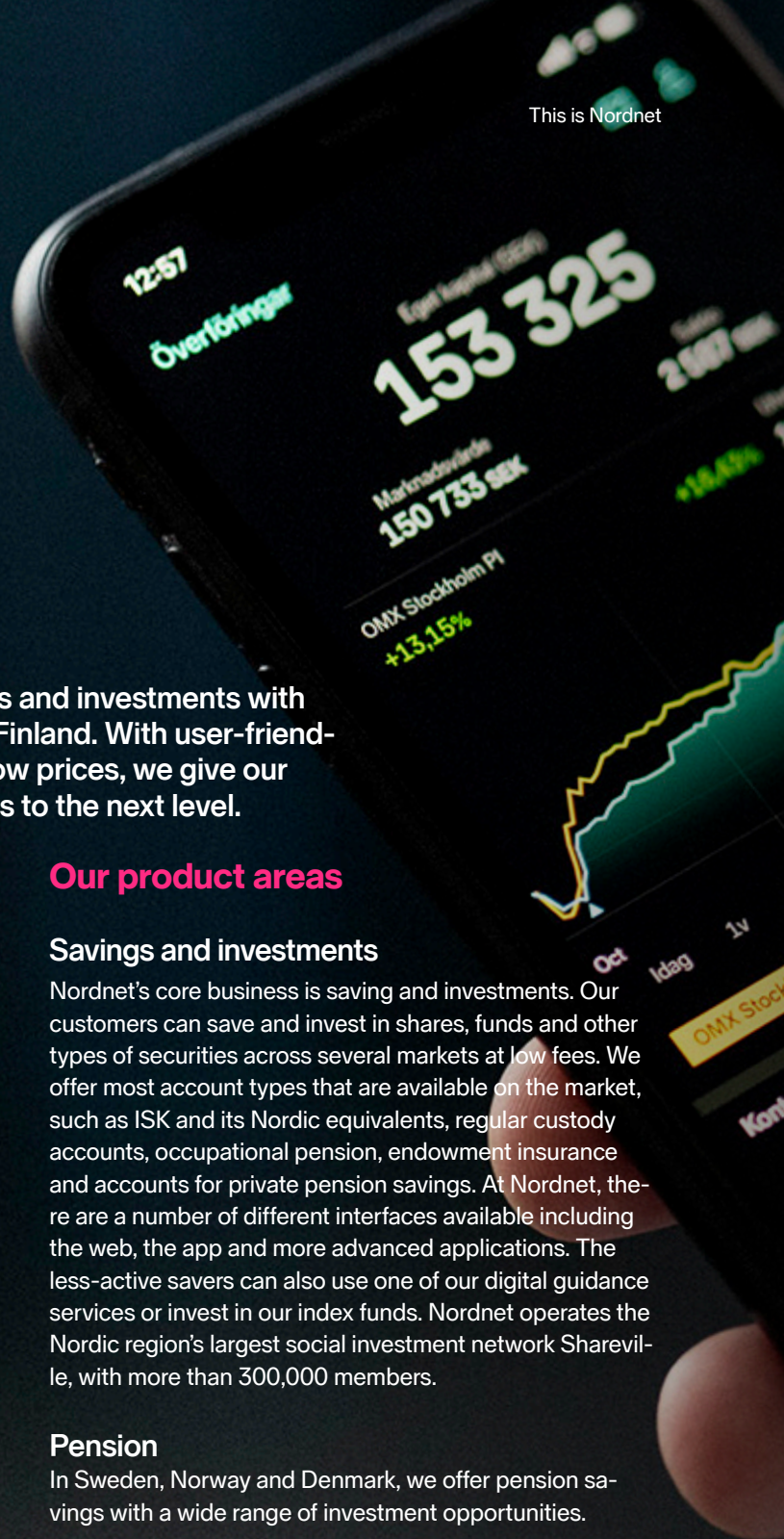
Nordnet's core business is saving and investments. Our customers can save and invest in shares, funds and other types of securities across several markets at low fees. We offer most account types that are available on the market, such as ISK and its Nordic equivalents, regular custody accounts, occupational pension, endowment insurance and accounts for private pension savings. At Nordnet, there are a number of different interfaces available including the web, the app and more advanced applications. The less-active savers can also use one of our digital guidance services or invest in our index funds. Nordnet operates the Nordic region's largest social investment network Shareville, with more than 300,000 members.

Pension

In Sweden, Norway and Denmark, we offer pension savings with a wide range of investment opportunities.

Loans

Nordnet offers three kinds of loans – margin lending, residential mortgages and personal loans (unsecured loans). Margin lending with securities as collateral is available in all four of our markets and allows our customers to leverage their investments. Our residential mortgages are offered in Sweden and Norway. Personal loans, which cater to private individuals in Sweden, are offered both through Nordnet's own brand and under the trade name Konsumentkredit.



Our markets.

Nordnet has business activities in Sweden, Norway, Denmark and Finland. The head office is located in Stockholm, where Group-wide functions such as tech, product development and administration are located. Stockholm is also home to the customer service and sales organization for the Swedish market. There are also local offices in Oslo, Copenhagen and Helsinki with responsibility for customer service, sales and marketing in each market. We mainly communicate with our customers via digital and social channels and have no physical bank offices. Our platform handles all four markets, providing us with economies of scale and cost efficiency.

In the Nordic countries, the savings markets are dominated by traditional banks and pension companies. Nordnet is the only pan-Nordic digital platform for savings and investments and, together with one or two local competitors, bears the role of challenger in all four markets. At the same time, Nordnet has a leading position as a digital platform in Norway, Denmark and Finland and is a strong number two in the Swedish market.

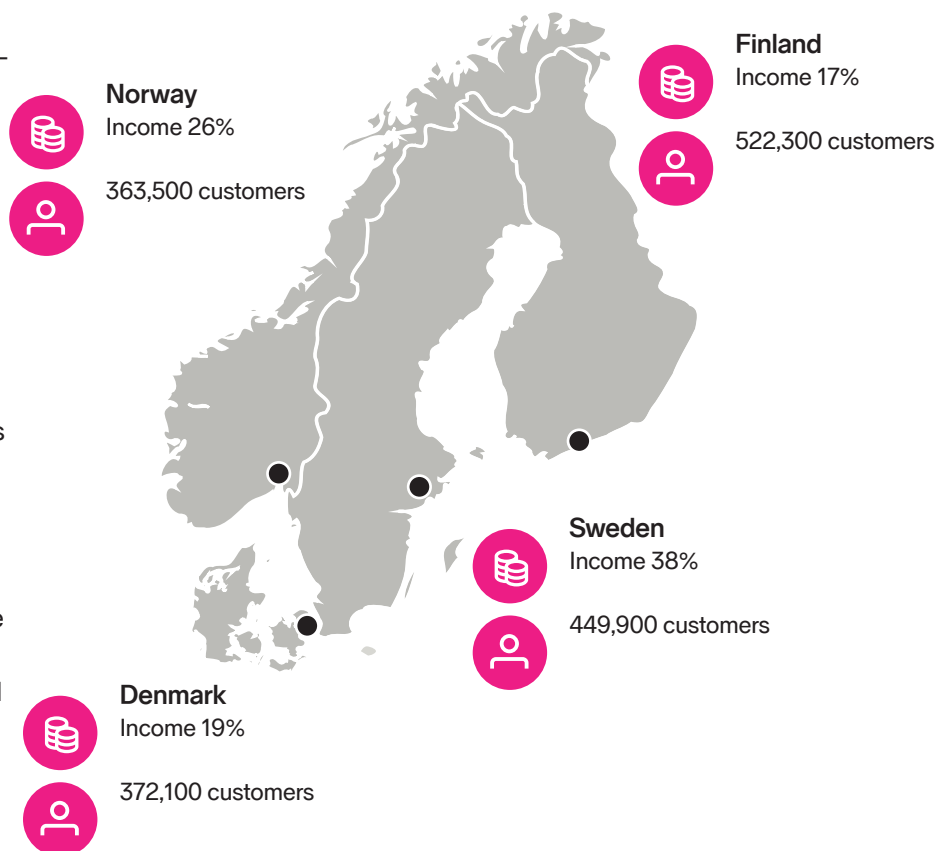
Sweden.

In the Swedish market, we are one of several players who challenge the traditional banks and pension companies with greater freedom, an improved customer experience and lower prices. We offer investments and pension savings in a broad range of various products and kinds of savings primarily for private savers. In the Swedish market, we also offer residential mortgages and personal loans. Of the four Nordic countries in which we operate, Sweden is the largest market. We differ from our competitors by offering a so-called “one-stop shop” for savings and investments, favourable loan terms and digital tools for smarter savings. We are the only actor that provides free-of-charge index funds in three Nordic markets. With our stock lending program, we can

offer private savers in Sweden a third type of return, in addition to value growth and dividends. On our social investment network Shareville, our customers share their actual investments in real time.

Norway.

In the Norwegian market, Nordnet offers investment and saving services and pension savings for private individuals and companies. We differ from traditional banks and pension companies by offering more choices and better conditions. We offer a stock lending program with an opportunity for a third type of return on shares, margin lending with securities as collateral on favourable terms, free-of-charge index funds, digital guidance tools for savings and the social investment network Shareville. In 2022, Nordnet also launched residential mortgages in Norway, at attractive interest rates, targeting Private Banking customers.



Denmark.

In Denmark, Nordnet holds a leading position as a customer-focused bank with low fees and competitive tools for savings and investments. We compete primarily with the major banks in the market, as well as with pension companies. Our offering is distinguished by unique products including free-of-charge index funds, margin lending and the social investment network Shareville. Our pension offering, with no fixed charges, also stand outs in the market. Pension savings accounts for more than half of the savings in Denmark and many Danes are choosing to move their pensions to Nordnet.

Finland.

Nordnet has a leading position in the Finnish savings market, and we are perceived more as a modern and customer-friendly bank than is our competition. We offer Finland's largest range of mutual funds, including our own free-of-charge index funds. Other unique products at Nordnet are Shareville and our innovative margin lending. In Finland, we offer services for investments, savings and loans, as well as digital tools for savings on the customer's own terms.

Nordnet's market share

2022	Sweden	Norway ¹	Denmark	Finland
Volume	3.96%	8.5%	5.22%	5.81%
Number of trades	5.34%	n/a	6.90%	9.70%
2021	Sweden	Norway	Denmark	Finland
Volume	3.81%	9.40%	5.08%	5.87%
Number of trades	4.95%	n/a	6.33%	10.98%

Table: Nordnet's market share in share trading on the Nordic exchanges.

Source: Market data from Nasdaq in Sweden, Denmark and Finland and from the Oslo Stock Exchange in Norway.

¹ As of 2021, only Nordnet's share of the volume on the Oslo Stock Exchange is reported, since data on the number of transactions is not available.

Financial targets.

Medium-term financial targets

Presented below are the financial targets applicable in 2022. On 31 January 2023, Nordnet updated its financial targets. The new targets are available on the company's website nordnetab.com.

- Annual customer growth of about 15 percent.
- Average savings capital per customer (defined as the average quarterly savings capital per customer over the past 12 months) amounting to about SEK 450,000.
- Income in relation to savings capital (defined as income adjusted for items affecting comparability over the past 12 months in relation to the average quarterly savings capital for the same period) amounting to about 0.45 percent.
- Yearly increase of adjusted operating expenses by about 5 percent based on the adjusted operating expenses for 2021.
- Nordnet intends to distribute 70 percent of annual net profit as dividends.

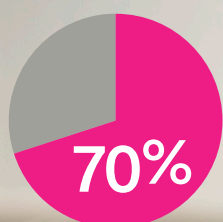
Status as of 31 December 2022

- Annual customer growth in the past 12 months, amounted to 10 (31) percent.¹
- Average savings capital per customer amounted to SEK 443,800 (477,000).
- Adjusted operating income in relation to savings capital for the preceding 12 months amounted to 0.46 percent (0.53).
- Adjusted operating expenses increased by 6 percent over the past 12 months, amounting to SEK 1,210 (1,141) million.
- Proposed dividend of SEK 4.60 (5.56) per share, corresponding to 70 percent of earnings for 2022.



10%

Annual customer growth.



Dividend of the profit for the year

Savings capital
Customer

= 444 000 SEK

Operating income²
savings capital

= 0,46%

6%

Annual increase in operating expenses²

¹ Customer growth over the past 12 months was 7 percent including the customer relationships that were terminated due to the customer documentation project. ² For items affecting comparability, see page 45. The comparative figures in parentheses refer to the same period in 2021.

Comments from the CEO.



In many ways, 2022 turned out to be a historic and dramatic year, with war in Europe, a deteriorating security situation in the Nordic region, high inflation, rising interest rates and stock market decline. We have all been affected in one way or another by the course of events and this was, of course, also reflected in the behaviour of private savers over the year. Despite such negative sentiment in many regards, Nordnet experienced a favourable financial trend over the year, achieving its second-best income and net profit ever, thanks largely to its strong brand among savers and a well diversified business model from both a geographical perspective, as well as in terms of product.

Stable development over the year.

Nordnet enjoyed favourable customer growth throughout the year, with nearly 160,000 savers having chosen Nordnet as their financial partner over the past 12 months, corresponding to an underlying customer growth of 10 percent. At the end of the year, our customers' savings capital amounted to SEK 715 billion, a decline of 11 percent compared with 2021, which was attributable to the year's stock market declines. Over the year, our customers made net savings of SEK 36 billion.

Savers at Nordnet made a total of 56.2 million transactions, which was a reduction of 22 percent compared with 2021. Our loan portfolio – including margin lending, residential mortgages and personal loans – passed SEK 27 billion. Margin lending increased by 2 percent in 2022 and residential mortgages showed growth of 23 percent over the past 12 months.

Nordnet's business model guarantees high income and favourable profitability in various types of macroeconomic environments, thanks to the breadth of both the product range and the geographical spread. Income from share trading and savings in funds decreased over the year, but was partially offset by higher interest income. Total income for the year amounted to SEK 3,382 million, which, combined with continued good cost control, allows us to present an adjusted operating profit of SEK 2,115 million for 2022 – the second-best in Nordnet's history.

Long-awaited product launches.

During 2022, we launched several much-appreciated initiatives and reached key milestones in the product area. We received solid evidence of this when we were named "Bank of the year" by Swedish finance magazine *Privata Affärer*. Nordnet garnered the highest overall rating in *Privata Affärer*'s poll of its readers. This is generally considered the industry's most significant award and, in its motivation, the jury highlighted the strong voice we have provided for savers in the public debate and Nordnet's product development. Over the year, we continued to deliver on our promise to build the world's best platform for savings and investments. In May, we began offering our customers electronic trading on the London Stock Exchange, meaning that we are now con-

nected to exchanges in eight countries.

In the third quarter, we entered the Norwegian mortgage market and now offer the market's cheapest residential mortgages for customers with substantial savings capital. We are continuing our pensions initiative in the Danish market and, with our latest launch of a digital transfer function, we are leading the way in automated processes in what has traditionally been an administratively demanding area.

In April, we received a permit for our new mutual fund company from the Swedish Financial Supervisory Authority. Over the year, the mutual fund company launched its first mutual funds, in the form of allocation funds, in all of our markets. We have also assumed responsibility for five Nordic index funds from Öhman. At the same time, we have also launched a digital tool that allows savers to initiate long-term savings in a straightforward manner and to receive guidance in their choices of mutual funds. The overarching name of the new concept is "Nordnet One", and the launch represents an important milestone in the broad savings initiative that we had already begun.

“Over the year, we continued to deliver on our promise to build the world’s best platform for savings and investments”

A highly prioritized project for us at Nordnet entails integrating the functions of our social investment network Shareville into Nordnet's regular interface. In an initial stage, it is now possible to see your Shareville profile when logged-in at Nordnet, and to write comments and arrange polls. In 2023, we will continue to focus on integrating Shareville into the platform.

On the website and in the app, we have launched functions that were high on savers' wish lists. Worth mentioning are, for example, a dividend service offering savers an overview of their historical and future dividend yield, as well as the "Watch-list" function that identifies areas of interest to present savers with predefined lists of shares in specific categories – our equivalent perhaps to streaming services' play-lists and program recommendations. Through a partnership initiated with Trustly, we have made it possible for Swedish customers to easily and instantly transfer funds to their Nordnet accounts, helping to get them started with their investments. On the same theme, in Denmark, Finland and Norway, we have launched our new app log-in solution, facilitating customers' access to their Nordnet accounts. This is one in a line of functions for generating the best savings experience for our customers.

Leader in sustainable savings.

Sustainability is part of our DNA and our objective is to become the leading platform for sustainable savings in the Nordic region. In the third quarter, we presented three key ratios designed to follow up our progress in the area of sustainable savings. In our interim reports we report the proportion of capital invested in mutual funds classified either as light or dark green, the proportion of capital invested in mutual funds classified solely as dark green (sustainable) mutual funds, as well as the proportion of female customers at Nordnet. In this report, we present for the first time a measure of the of our platform's climate impact in terms of the carbon footprint of our savers' assets.

We began 2022 by presenting the Re:turn initiative. Together with our principal owner Öhman, over the year, we donated SEK 0.10 per share transaction on Nordnet's platform to a number of organizations working to resolve challenges related to climate and the environment. Three organizations were selected in each of the countries where Nordnet operates, with Nordnet's customers voting on how the SEK 5.6 million should be distributed between the participating organizations.

Awards validating our work.

During 2022, Nordnet's work attracted favourable recognition in several ways. In Denmark, our equity savings account has been named "Best in test" by the Danish Consumer Council, corresponding to the tests conducted by consumer rights magazine Råd & Rön in Sweden. We also received an official recommendation from the independent and acknowledged Danish consumer organization Taenk for our low prices on trading in shares and mutual funds. This savings format attracted considerable interest among Danish savers over the year. In 2022, Nordnet had a total market share of 29 percent and accounted for fully 58 percent of the accounts opened during the year. Our work to democratize savings and investments continued over the year on various fronts and in various forms. In Sweden, we received recognition and praise for our initiatives through the Stora Kommunikationspriset (Great Communications Prize) presented by Sveriges Kommunikatörer (Sweden's Communicators) for our efforts for fair terms on share savings accounts (ISAs). In the same spirit, our Swedish savings economist, Frida Bratt, received praise in the annual Savings Economist of the Year competition arranged by Lannebo Fonder and financial magazine Affärsvärlden. These recognitions mean a lot to us, demonstrating that our purpose makes a difference in society and for individual savers. In the ongoing debate on savings, Nordnet has pursued issues regarding more consumer-friendly rules for pension savings, as well as the development of a digital pension portal with both information and transfer functionality.

In 2023, the focus continues to be on creating the world's best platform for savings and investments. Thank you for following Nordnet. Your commitment means a great deal to me and my colleagues.



Lars-Åke Norling, CEO

Sustainability report.



Sustainability in figures.

	2022	2021
CO ₂ -intensity for assets on the platform (31 Dec)	124 kgCO ₂ e/ SEK thousand	-
Investments in green funds ¹ (31 Dec)	75 percent of fund capital	59 percent of fund capital
Fund customers with green funds in their portfolios ¹ (31 Dec)	91 percent	71 percent
Proportion of female customers (31 Dec)	33 percent	32 percent
Equal opportunity workplace (31 Dec)	36 percent women	36 percent women
Healthy workplace	1.9 percent sick-leave	2.1 percent sick-leave
Greenhouse gas emissions per trade	2.9 g CO ₂ e	1.7 g CO ₂ e
Total greenhouse gas emissions	163 tonnes CO ₂ e	122 tonnes CO ₂ e
Climate compensation	110 percent	110 percent

¹ EU categorization of mutual funds, Articles 8 and 9, or "light green" and "dark green" respectively.

Sustainability.

Sustainability is a central part of Nordnet's operations and is in line with our overarching aim of democratizing savings and investments. By increasing knowledge about private finances in the society, offering digital tools, acting for increased savings among women and making it easy for our customers to invest sustainably, we foster societally beneficial objectives, while also enhancing Nordnet's long-term competitiveness.

Agenda 2030 and the UN's global goals represent one of the world's frameworks for sustainable development. As a digital platform for savings and investments, we can contribute to the goals by conducting activities that inspire and influence, as well as by conducting responsible and sustainable operations. Of the UN's 17 global sustainability goals in total, we have selected the five goals we consider closest to our own areas of focus, thus linking our own sustainability work to the global challenges we face.

Our sustainability strategy encompasses three principal areas:

Democratizing savings and investments.



Increase knowledge in society regarding personal finances through education and advocacy.

Develop user-friendly and pedagogical digital services for savings and investments.

Become a leader in sustainable savings in the Nordic region.

Gender equality and diversity.



A more even gender distribution in savings and investments.

A workplace characterized by gender equality and diversity.

Offer a meaningful professional future for young people and others in the Nordic region, where there is potential to increase digital knowledge.

Responsible and sustainable operations.



Practice transparency, regulatory compliance and superior ethical standards to maintain trust in Nordnet and in the industry as a whole.

Safeguard a favourable work environment in terms of physical and mental health, personal development and an engaging culture.

Mitigate negative impacts on the environment and climate.

Democratizing savings and investments.

The overarching purpose of Nordnet's operations is to democratize savings and investments by offering private savers access to the same tools, information and services as professional investors. We try to realize this ambition by developing user-friendly digital products and services, engaging in the public dialogue on personal finance issues, and by educating and coaching our customers to save better.

Education and advocacy in personal finance.

Education in personal finances is an important part of our aim to democratize savings and investments. Through our own channels and external ones, we seek to inspire and involve new savers as well as more experienced investors with regard to savings.

Nordnet participates in the general debate on savings and personal finances in all of the markets in which we operate. In Sweden, we have been struggling for fair terms on share trading accounts (ISAs) for several years and in connection with the parliamentary elections in the autumn of 2022, we conducted a series of interviews with the political parties' economic policy spokespersons on the possible changes they wanted to see for that savings format. Our savings economist Frida Bratt's involvement in this and other issues was recognized in Lannebo Fonder and Affärsvärlden's annual vote, in which she was named Saver Profile of the Year in 2022. On the same theme, we also received

the prestigious Stora Kommunikationspriset award from Sveriges Kommunikatörer for our advocacy efforts in connection with various proposals on the political agenda regarding restrictions on investment savings accounts. In Sweden, we have also promoted the proposal for a digital pensions portal with transfer functionality, which would increase the freedom of choice and flexibility for pension savers. In Norway, we have been a strong voice on the matter of how the market for issuing securities can function better for private savers and, in Denmark, we conducted lobbying efforts around higher deposit ceilings on equity savings accounts, to name just a few examples.

In Finland, we are conducting the Savings and Investment School (Lukiolaisten sijoittajakoulu) project in partnership with the Finnish Shareholders Association and Economy and Youth TAT. The purpose of the



For the ninth consecutive time, we arranged our flagship event, Nordnet Live.



Our savings economist Frida Bratt's commitment to democratizing savings and investments was recognized in Lannebo Fonder's and Affärsvärlden's annual vote and she was named Savings Profile of the Year 2022.

Investments in educations of the public, SEK thousand	2022	2021 ¹	2020
Cost for Nordnet's education activities			
Savings economists	-6,889	-6,347	-6,156
Nordnet Live Stockholm	-118	-144	0
Nordnet blog	-136	-75	-493
Podcast	-2,078	-1,461	-902
Totala kostnader för utbildningsinsatser	-9,221	-8,027	-7,551

The table shows the cost of education efforts for our customers and the public. The Nordnet blog is our inspiration platform for savings and investments in Sweden, Norway, Denmark and Finland. Expenses for the Nordnet blog include web hosting expenses and payroll expenses in connection with operation. Podcasts refers to the production expenses for the podcasts in Sweden, Norway, Denmark and Finland and to expenses for equipment.

project is to train students in savings and investments, as well as providing teachers with tools for teaching the basics of the subject. The initiative reached more than 90 upper-secondary schools last year, an increase of 50 percent from 2021 when we visited 60 schools around the country. In 2022, we reached 2,046 students, with 51 percent of the participants starting their own investments during the course, of whom 85 percent continued after the course had ended. In Norway, we chose to partner with Filmkonsulentene to produce educational films, with the purpose of reaching out with know-how on savings and investments to upper-secondary school students at schools around the country in 2023 and later. In Finland, we produced the series "Matkalla massimaisteriksi", about Kajsa who chooses to start investing. This was also distributed via the Inez app and television channel for eight weeks - yet another way of reaching out to the target groups of young people and women on how to start saving and investing.



Nordnet wants to democratize savings and investments and give all private individuals in the Nordic region access to a user-friendly platform enabling them to take control of their finances, in line with global goal 8, *Decent working conditions and eco-*

As in previous years, in the spring we invited people to attend our flagship event, Nordnet Live, which was held for the ninth time. The event was hosted by, for example, Stefan Edberg, Martin Kragh, Anna Kinberg Batra, Per Briloth, Patrik Tigerschiöld and politicians Elisabeth Svantesson, Ali Esbati and Martin Ådahl. We also arranged Nordnet Live in Norway, where it was hosted by investors Arne Fredly, Egil Dahl and economist Kjersti Haugland.

Digital and user-friendly tools.

In 2022, work continued to build the world's best platform has for savings and investments. We launched a large number of updates of both the website and the mobile app. Over the year, we have, among other things, implemented the possibility of transferring shares, mutual funds and other securities from other banks to Nordnet via Tink, while making it possible for our Swedish customers to deposit larger sums of money and to invest directly via Trustly, continued the integration of Shareville into the platform, launched trading in "dark pools", which, for example, suits investors who want to place larger orders for shares with somewhat lower turnover. We have also launched a digital tool that allows savers to initiate long-term savings in a straightforward manner and to receive guidance in their

Savings at Nordnet, SEK billion	2022	2021	2020
Nordnet customer savings			
Net savings	36	83	82
Total savings capital	715	802	565

The table above shows Nordnet's indirect economic impact in accordance with GRI GRI 203-2 in the form of net savings and total savings. Net savings refers to capital deposited less capital withdrawn.

Carbon intensity	2022-12-31
Shares, Carbon intensity, kg CO ₂ e/SEK thousand	121
Mutual funds, Carbon intensity, kg CO ₂ e/SEK thousand	106
ETFs, Carbon intensity, kg CO ₂ e/SEK thousand	167
Total, Carbon intensity, kg CO₂e/SEK thousand	124
Proportion of market value for which emissions data exists	78%

choices of mutual funds. This goes under the name of Nordnet One and was launched in connection with our mutual fund company entering the market. In addition to creating a user-friendly platform that promotes savings, our product launches are also entirely in line with creating the best platform for our customers. In 2022, we launched electronic trading on the London Stock Exchange. A long-awaited initiative which means that we are now connected to exchanges in eight countries. In 2022, we also launched residential mortgages for our Norwegian customers.

Sustainable savings.

Nordnet aims to become a leader in sustainable savings in the Nordic region. In saying this, we mean that our platform shall offer a broad range of sustainable investment options, and that we will provide digital and user-friendly tools making it easy for our customers to invest sustainably. It is also our ambition to inspire and provide information on sustainable savings.

Objective in sustainable savings linked to climate.

Nordnet stands behind the Paris Agreement and keeping global warming well below 2°C and striving to limit it to 1.5°C. According to the UN climate panel's report published in 2018, CO₂ emissions must decrease by 40 to 60 percent by 2030 compared with 2010, while net zero emissions must be achieved by 2050 if we are to achieve the target of 1.5°C. In line with this ambition, Nordnet's overarching target is for the carbon footprint from savings capital on Nordnet's platform to decrease. This target is one of eight that Board of Directors has defined as strategically significant for Nordnet's long-term growth. This target includes all assets that our customers place on our platform. Nordnet measures carbon footprint as portfolio weighted carbon intensity in accordance with the Task Force on Climate-related Financial Disclosures (TCFD). The

carbon intensity of the companies in the portfolio is calculated as emissions divided by revenues. Adding up the intensity at the portfolio level, the companies' intensities are weighted with the proportion of the portfolio that the companies represent. This makes portfolios comparable with one another regardless of the scale of the investment.

As of 31 December 2022, the carbon intensity amounted to 124 kg CO₂e/SEK thousand in income. This can be compared with a broad global share index (MSCI World) which had a carbon intensity of about 175 kg CO₂e/SEK thousand in income. We are currently measuring shares, mutual funds and ETFs, with data for those asset classes available for 78 percent of the capital. Because we also offer other instruments and while customers to some extent have cash and cash equivalents, this means that data was available for 69 percent of the total savings capital on the platform.

Our target is for the carbon footprint from the savings capital on our platform to decrease in line with the Paris Agreement in the long term. Over the year, we will work to make this objective more concrete. On Nordnet's platform, savers make their own investment decisions, which therefore means that Nordnet as a company has no direct opportunity to influence the fulfilment of the

Fact box, CO₂-intensity

Carbon intensity is calculated as a company's emissions of CO₂ equivalents (CO₂ and other greenhouse gases) divided by the company's income. The units that Nordnet reports are emissions of CO₂-equivalents in kilos annually, divided by annual sales in thousands SEK. The carbon intensity of the savings capital as a whole is calculated by multiplying the individual intensity of the underlying companies by the percentage of the savings capital as a whole that the investment in each company represents. The products are then added up.

$$\text{Portfolio weighted carbon intensity} = \sum_{k=0}^n \text{Portfolio weight}_k \cdot \frac{\text{Emissions}_k}{\text{Revenues}_k}$$

k is companies the portfolio is invested in.

target. We can, however, influence the carbon footprint by inspiring and informing our customers on green investments, developing tools making it easier to find data and understand ones portfolio from a climate perspective and maintaining a broad range of sustainable investment options on the platform.

Sustainable mutual funds.

We offer slightly more than 2,400 different mutual funds in our different mutual fund portals. The range comprises mutual funds from both established major and smaller start-ups, and spans different types of asset classes, regions, sectors and management styles. We offer customers the opportunity to independently select the investment options that suit them best, based on the tools and information provided in our interfaces.

Each year, we report the extent to which our customers choose sustainable funds. In 2022, we also introduced this key ratio to our quarterly reporting to achieve more frequent review. Since 2021, we have been measuring this in accordance with the EU's definition of Article 8 or 9, that is "light green" and "Dark green". We have previously used Morningstar's sustainability rating to define which funds are sustainable.

At the end of the year, Nordnet offered savings in about 1,740 (1,500) mutual funds categorized as Article 8 or 9, of which about 150 (149) are Article 9. An Article 8 fund promotes environmental or social characteristics. To be categorized as Article 9, the fund has sustainable investments as its objective. As of 5 December 2022, the share of mutual fund savings in categories 8 or 9 amounted to 75 percent (59) of the total mutual fund savings in Nordnet, of which 5 percentage points (5) belonged to category 9. Of our mutual fund customers, 91 percent had investments in at least one mutual fund categorized as Article 8 or Article 9. One of the reasons that we are seeing such large increase in mutual fund savings categorized as Article 8 is that we have gained access to more data regarding the fund companies' categorization. As a result of the new regulations, we are seeing that the fund companies are still working to find the right level, which is why we believe we will see mutual funds re-categorized over the upcoming years.

In May 2022, the operations of the mutual fund company Nordnet Fonder were launched. The objective of the operations is to achieve a qualitative and cost-effective asset management focused on attractive asset classes for long-term savers. Sustainability is an important component in the asset management process. The sustainability strategy applied in the mutual funds is to deselect certain holdings, excluding specific sectors, for example, and excluding companies that violate human rights. Nordnet Fonder manages 12 "so-called" allocation portfolios (funds dividing their investments between different regions and asset classes, such as interest-bearing securities and shares), which are all categorized as Article 8 (light-green). Nordnet Fonder also manages four Nordic equity index funds, three of which are categorized as Article 8. Each fund's information brochure includes additional information on how the mutual fund company's various funds promotes environmentally or social characteristics.

Functions for investing sustainably.

Nordnet's website provides digital tools that make it easier for savers to invest more sustainably through, among other things, the option of choosing mutual funds that are classified as light or dark green or have a low climate risk and a filter function allowing savers to screen out unwanted holdings in mutual funds, such as those involving weapons or tobacco. An example of what we developed in 2022 are watch lists with sustainable themes. We maintain, for example, two lists with gender equality themes and several lists on the themes of renewable energy and green electricity. We strive to continuously develop our product range in sustainable investments.



For us, it is important that everyone has access to knowledge on private finances. With our efforts in education and advocacy, we seek to contribute to UN global goal 4, *Good education for all*.



Promoting economic inclusion in society, in line with UN global goal 10, *Reduced inequality*, goes hand in hand with our purpose of democratizing savings and investments. We want to inspire everyone, regardless of background, gender or age, to take control of their personal finances.

Membership in Norsif and Swesif.

Nordnet is a member of the trade associations Swesif and Norsif, both of which are counterparts to the European trade association Eurosif. Swesif and Norsif are independent networking forums for sustainable investments.

Green loans.

Beyond our work in sustainable savings, we also offer green residential mortgages through our collaboration with Stabelo. A green mortgage gives customers who own energy-efficient homes the opportunity to receive an extra discount on the interest rate.

A close-up portrait of a woman with short, wavy grey hair and blue eyes. She is smiling slightly and looking towards the camera. She is wearing a brown jacket over a dark top, with a blue strap visible over her shoulder.

Equality and diversity.

At Nordnet, we are working actively to achieve a greater equality among private savers. Giving everyone an opportunity to start saving and to take control of their finances is a basic prerequisite for democratizing our industry. For us, it is also important to be an equal workplace and to provide equal opportunities within the company. We consider an equal organization pervaded by diversity and an inclusive culture as an asset with which conditions for innovation, creativity and productivity are enhanced.

More even gender distribution in savings and investments.

Nordnet's customer base mainly comprises men, who generally also have more savings in shares and mutual funds. We want to help get more women saving on the stock market and to increase gender equality in the stock market. We seek to inspire women to invest in the stock market through our savings economists and spokespersons, but also through partnerships. In 2022, 38 percent (35) of all new customers were women. The total proportion of women in the customer base was 33 percent (32) in late 2022.

Initiatives to increase women's savings.

By inspiring and informing about savings through different types of channels and events, we want to encourage women to save more.

As in previous years, in 2022 we chose to draw atten-

tion to International Women's Day in relation to private finances and savings. We conducted a survey together with Yougov to obtain a picture of how much women and men feel they have savings of their own to such an extent that they would be able to change their own life situation. On the same day, our savings economist Frida Bratt participated in an event in Sweden together with Unga Aktiesparare (young shareholders), to inspire more women to start saving on the stock market. Suvi Tuppurainen, Country Manager for Finland, participated in the event "Ring the bell for gender equality", highlighting changes in how women save over the past five years.

Another example of how we are working to increase savings among women is our collaboration with influencer-duo "Girls Invest" ("Mimmit sijoittaa"). In 2022, we were once again able to invite participants to meet them in person. Alongside experts Pia-Maria Nickström and



As part of our collaboration with Kodcentrum, students from a school in Stockholm visited Nordnet's premises and learned the basics of coding with the help of Nordnet's volunteers.

Hanna Tikander, we invited people to join us for an evening filled with inspiration, with guests attending both on site and online. In the same spirit, we organized a similar event together with influencer network Frukostflickorna (the breakfast girls), targeting Swedish-speaking Finns. We had the opportunity to discuss Nordnet One, which we had launched during the year, as well as topics such as index funds, ETFs and the value of saving and investing.

More women for a career in fintech.

Fintech is a male-dominated industry. Accordingly, we seek to influence the sector and make it more attractive for women to apply. We achieve this in several ways, including by working actively to increase the proportion of women in our recruitment processes, but also through our Power Women in Tech career network. Read more about Nordnet's internal work on gender equality and diversity on pages 26–27.

Power Women in Tech, Sweden.

In 2018, we founded the Power Women in Tech career network. The network is a meeting place for women working in the tech industry or planning a career in this field. Today, we have more than 3,000 members who attend our meetings to be inspired, to receive career tips and to expand their networks.

In 2022, we arranged an in-person breakfast event with Power Women in Tech. We were joined by female

leaders from Google Cloud Nordic, Amazon Prime and Polestar to name just a few.

Kodcentrum, Sweden.

Nordnet collaborates with the organization Kodcentrum, to inspire children to create digitally. We contribute financially and also arrange get-togethers, such as kid "hackathons". Alongside Kodcentrum, we can contribute to digital development and lower the barriers to children making their future careers in programming. In 2022, we were again able to arrange a hackathon together with Kodcentrum. Over the course of a morning, students from a school in Stockholm could visit Nordnet's premises and, with the help of volunteers from Nordnet, learn the basics of coding.



Women should have the same rights as men, and equal rights to financial resources. By inspiring women to save more on the stock market, we aim to contribute to UN global goal 5 *Equality*.



By engaging in digital learning for young people, we want to inspire them to seek future employment in accordance with UN global goal 8 *Decent working conditions and economic growth*.

A responsible business.

Nordnet strives to conduct responsible operations and to leave as positive impact as possible in the markets in which we operate. Our guiding principles are transparency, superior ethical standards and benefit for savers in all parts of our offering.

Values.

Our values of passion, simplicity and transparency permeate everything we do. With a positive attitude and high level of energy, we make a little extra effort to engender satisfied and loyal colleagues and customers. We believe that user-friendly financial products, direct and straightforward communications, as well as modern ways of working foster commitment and energy. By saying it as it is and by being open, accessible and honest, both internally and externally, we build trust and foster an inclusive culture.

Internal guidelines.

Nordnet conducts banking, mutual fund and insurance operations. In this type of business, it is important to act ethically and responsibly, to safeguard good governance and control, and to prevent risks. Nordnet's control functions monitor the operations regularly, and review internal control documents annually.

To foster trust in Nordnet's operations, it is important that all employees are familiar with our ethical guidelines and Code of Conduct and act based on these. On commencing their employment and once a year thereafter, all employees must sign Nordnet's Code of Conduct. To ensure good ethics, confidentiality and knowledge regarding money laundering in the operations, internal training is conducted annually. Employees also receive training in, for example, communications, complaints handling, IT security and market abuse for employees particularly affected by these areas.

All employees are expected to adhere to current internal rules and guidelines in anti-corruption. An anti-corruption course for all employees was also launched. No incidents concerning corruption were reported over the year or discovered through Nordnet's control processes and systems.

Some employees in the Swedish operations, such as brokers, require a Swedsec licence. To increase

expertise and to enhance the quality of our contacts with customers, other employees are also encouraged to undergo training to meet the licensing requirements. Corresponding licensing requirements also exist for certain roles in Nordnet's Danish, Finnish and Norwegian operations. At the end of 2022, 124 of our employees were Swedsec-licensed, corresponding to about a fifth of our employees in Sweden.

Promoting good business ethics.

Nordnet is a member of the Swedish Securities Markets Association, the Swedish Bankers' Association and the Swedish Investment Fund Association and has based the company's own ethical rules on the framework established by the Swedish Securities Market. For Nordnet's operations, the confidence of customers, supervisory authorities and other stakeholders is of the utmost importance. Circumstances that may damage this trust can also potentially harm Nordnet's operations. It is therefore important that Nordnet, among other things, identifies and manages potential conflicts of interest – an area in which we conduct workshops and courses annually.

In order to identify potential or actual events that violate Nordnet's internal regulations, Nordnet has, in addition to clear internal escalation and reporting processes, a whistle-blower function with which employees can anonymously report violations. No potential violations were reported via this function in 2022 (in 2021, three were reported).

Combating financial crime.

Financial sector players are always at risk of being exploited by criminals for financial crimes such as money laundering, fraud, unfair market impact or insider trading. The presence of such criminal activities and violations may harm Nordnet and its customers, brands and investors. Accordingly, Nordnet works long-term to ensure good business ethics and transparency, to uphold confidence in relations with customers, employees, owners, suppliers and other stakeholders. In accordance with the Money Laundering and Terrorist



Financing (Prevention) Act, Nordnet must maintain a good level of awareness regarding its customers. Nordnet also continuously monitors customers' transactions to detect any suspected of being linked to money laundering, financing of terrorism or other crimes. Against this background, Nordnet has systems and procedures in place for detecting such transactions and reporting them to the relevant authorities. We also continually perform risk assessments of customers, products and services. In addition, all employees undergo mandatory annual training in matters relating to money laundering and financing of terrorism. For relevant employees, an annual background check is also performed. Nordnet has a specific department devoted to combating financial crime and reporting directly to the CEO.

Sustainable supply chain.

Nordnet safeguards high standards in sustainability, good business ethics in general, as well as respect for human rights, justice and safe working conditions also among suppliers. One way in which our suppliers can demonstrate their shared aspirations in this regard is to sign Nordnet's Supplier Code of Conduct, which is based on the UN Global Compact's principles regarding the environment, human rights, anti-corruption and labour law. Nordnet expects all major suppliers to understand and adhere to our Code, or to have their own, equivalent Code of Conduct. We encourage all suppliers to disseminate these standards throughout their supply chains. In 2022, we ensured that all of our critical "outsourcing-suppliers" had signed our Code or had their own equivalent code.

Personal integrity.

Nordnet places great emphasis on safeguarding the integrity of its customers and employees and on the processing of personal data. Based on the General Data Protection Regulation (GDPR), we continuously review how personal data is processed in the operations, means that we perform relevant impact assessments regarding the processing of personal data when developing new products or services, and also have processes to ensure that data protection is built into new systems. Our processes also include careful review of suppliers from a security and data protection standpoint, with strict demands being placed on suppliers in aspects such as contractual obligations, organizational procedures and technical security measures, followed by adequate review processes. Anyone who has registered is entitled to receive details of their personal data that we process and of how and why we use this data. Internal rules have also been established and updated in accordance with relevant legal developments in the area, development of practices and recommendations, as well as guidelines from relevant authorities at the national and EU levels, to ensure that personal data is handled correctly. Nordnet has also appointed a data protection officer to monitor the handling of personal data in the operations. More information about how we handle personal data can be found at nordnet.se, the corresponding sites in the countries in which we operate, as well as at nordnetab.com.

No complaints have been received from authorities or customers regarding privacy violations or customer data losses. The total number of incidents reported for the Group was 16.

Information and IT security.

For Nordnet, proper and secure information management is important in maintaining trust from customers, authorities, owners and partners. Maintaining this trust and making use of the potential of digitalization requires structured information and IT security work, which is integrated throughout our entire operations. We ensure this by:

- Involvement of Management and the Board in the design of the company's security strategy.
- The overarching objective of the security strategy is to support Nordnet's business strategy and is based on an analysis of existing capabilities, current threat scenarios, identified risks and current regulatory requirements.
- A management system has been established in which roles and responsibilities regarding security are presented clearly.
- Organization, processes and technical solutions for proactive security work are established and further developed in accordance with the security strategy and with a particular focus on cyber security.
- Through various security forums, we collaborate with other players in the financial market, this helping to protecting the financial system.
- Our various IT systems are monitored around the clock, throughout the year.
- Our employees regularly attend General Security Awareness Training.



By combating financial crime, corruption and contributing to a stronger society, Nordnet can influence UN's global sustainable development goal 16 Peace, justice and strong institutions.





Employees.

Our employees are our most important asset and satisfied employees are key to our success. To ensure employees are happy, we actively work to create an engaging workplace, that prioritizes health, equality and diversity. We value the diversity of our employees as an asset that generates creativity and innovation, and that fosters a committed and dynamic culture.

A work environment and value-driven culture that challenge the individual.

Inspiring, developing and fun! That's what we want the Nordnet working experience to be. Our values of passion, simplicity and transparency permeate everything we do, from contact with customers to product innovation and collaboration between departments internally. In order for us to achieve our vision and live up to our values, we want to create a workplace where each individual sees great potential for personal development and where diversity is an asset. We are convinced that this leads to creativity, innovation, commitment and good results.

Since its inception in 1996, Nordnet has been a challenger in the industry and our aim to democratize savings and investments is as strong now as it was then. Our role as challenger and our overarching purpose have given rise to a strong culture in which our employees have considerable scope for influencing the operations, regardless of what they work with. To achieve our vision of being the first choice for savers and investors in the Nordics, we must continuously challenge and innovate. The objective is to build the best platform for savings and investments. We want the work environment and culture at Nordnet to be pervaded by cooperation, flexibility and inclusion. This allows employees to be creative, personally engaged in our operations and inclined to make their voices heard in various contexts.

At the same time, we want our workplace to be pervaded by a familiar, warm and relaxed atmosphere where our employees feel at home and confident in achieving their full potential.

Personal development.

Nordnet works long-term to create an attractive work environment, to become a stronger organization and to deliver value to customers. We do this primarily by offering exciting work assignments and individual development for our employees.

At least three times a year, all our employees have talks with their immediate manager to review their performance and discuss their development. Alongside personal performance targets, Nordnet's values summarize our conduct objectives and are at the core of all assessment and feedback. We also offer all employees opportunities to visit other departments, during shadowing sessions, to increase the dissemination of expertise. By visiting other departments, employees gain a greater understanding of the organization as a whole, although these sessions also serve as a springboard for continued career development as they offer opportunities to discover new personal skills.

We also work continuously with leadership development through our Group-wide leadership forum LEAD, where the focus is on generating consensus, energy

and joint commitment to strategies and leadership. The forum develops our leaders and increases integration between different offices and different teams. We also offer needs-specific training for Nordnet leaders in areas such as the work environment and collective bargaining.

Attractive workplace.

Nordnet is dependent on attracting, developing and retaining talent to achieve our goals as an organization. As a digital platform for savings and investments, we have a specific need for personnel in sought-after areas of expertise such as tech and product development. We therefore work actively to provide an attractive workplace and build a strong culture through engaging employee communications, health-promoting activities and forums for creative tech development, such as hackathons. We also arrange social activities, such as golf tournaments, padel and floorball training.

We conduct quarterly employee surveys to pick up on feedback and any areas on which we need to focus, as well as measuring employee satisfaction in the form of eNPS.

Employee satisfaction	2022	2021	2020
Average eNPS for the four quarters of the year	35	30	17

Personnel turnover	2022 ¹		2021 ²		2020 ²	
	Employees (No.)	Women (%)	Employees (No.)	Women (%)	Employees (No.)	Women (%)
New hires						
Under 30 years	75	35%	169	41%	163	42%
30–50 years	93	33%	95	37%	73	26%
Over 50 years	8	50%	13	54%	4	50%
New hires during the year	176	35%	277	40%	240	38%
Rate of new employee hires	26%		35%		34%	
Departures during the year						
Under 30 years	60	40%	114	46%	65	31%
30–50 years	87	30%	81	36%	46	37%
Over 50 years	10	20%	6	67%	8	63%
Departures during the year	157	33%	201	42%	119	35%
Rate of employee turnover	24%		25%		17%	

¹ As of 1 January 2022, permanent, probationary and fixed-term employees are reported, but not those on parental leave, professional leave or hourly employees. ² For 2021 and 2020, permanent, probationary, fixed-term and hourly employees are reported, but not those on parental or professional leave.



“An important part of our sustainability work is to offer our employees a healthy work environment.”

In 2022, the average eNPS in the quarterly surveys conducted amounted to 35 for 2022. In 2021 and 2020, the average eNPS was 30 and 17 respectively.

In our recruitment processes, we strive to employ a mix of both junior and senior candidates. Our workforce has a relatively low average age of 36.4 years and many of our employees are at the beginning of their careers. Nordnet offers talented young people opportunities to develop and grow, making our employees sought after. Many choose to evolve into new roles within the company and others move on to new challenges outside Nordnet. Our HR function holds departure interviews with employees who leave Nordnet, with the results being used to make us a more attractive employer. Personnel turnover was 24 percent for the Group in 2022. We measure staff turnover by calculating the number of departures divided by the average number of employees at the end of the period, including permanent, probationary and part-time employees, but not hourly employees or those on parental or professional leave.

Physical health and ergonomics

We have applied a hybrid and flexible work model for many years. This takes the form of various health-promoting activities to maintain a healthy workplace and reduce sick leave among employees. Such efforts continued during the pandemic, in permitted formats. To ensure good ergonomics when working from home, our employees could order height-adjustable desks, desk chairs and additional monitors. We continuously share “best practice” ideas on how to set up an optimal workstation in the home environment, as well as suggestions for healthy routines.

Once a year, we distribute a work environment survey in which all employees can express their opinions regarding the workplace anonymously. We also have work environment representatives who coordinate with HR in a work environment Committee. Employees can contact their work environment representative with proposals on improving aspects of the work environment. The Committee meets once a quarter, and its work is ongoing.

Absenteeism due to illness	2022	2021	2020
Employee sick leave by country			
Sweden	1,8%	2,0%	2,5%
Norway	1,6%	1,8%	2,8%
Denmark	3,2%	4,8%	2,3%
Finland	1,6%	1,9%	1,7%
Nordnet average	1,9%	2,1%	2,5%

The table shows our employees' absenteeism due to illness. Sick leave has decreased by a total 1.7 percent in the Group since 2019 when sick leave was 3.6 percent. This can be explained by more people working from home than previously.

Nordnet offers all employees in Sweden Skandia's "Hälsoslussen" health insurance plan to prevent sick leave and stress. The "Hälsoslussen" (health sluice) insurance plan includes preventive measures such as conversational therapy, physiotherapy and occupational therapy, ergonomics, professional life planning and access to specialist doctors. Employees who want to may use "Hälsoslussen" anonymously. Similar health insurance plans are available to employees in Norway, Denmark and Finland.

Better through diversity and gender equality.

At Nordnet, all employees shall have the same opportunities, rights and obligations. We continue to work with both diversity and equality in a deliberate and goal-oriented manner. Our general target scenario is a 50/50 distribution between women and men at all levels in the organization including in the management team, albeit within a tolerated interval of +/- 10 percent. We review the wage differences from a gender

equality perspective at every salary review and place specific emphasis on equal salaries for equal work.

Since our corporate language is English, most of those we recruit are not required to master any of the Nordic languages, which increases our potential to find appropriate candidates. When recruiting for certain local positions, such as customer service, a knowledge of the local language is required. We strive to have a larger proportion of the under-represented gender in the various stages of the recruitment process – ranging from the first selection to the final candidates. Our procedures help us avoid unconscious decisions linked to both gender and cultural background. We continue to believe that an increased proportion of women in recruiting positions promotes long-term improvement in gender equality.

Nordnet's Gender Equality Policy clearly states that all employees have the right to be treated with respect and that everyone's integrity and right to privacy are protected. Unwelcome advances of a sexual nature, discrimination and other forms of harassment are prohi-

Collective agreement	2022	2021	2020
Employees covered by collective agreements (%)			
Proportion of employees with collective agreements	95%	93%	88%

All employees in Finland and Sweden are covered by collective bargaining agreements, including employment categories such as temporary employees and substitutes. In 2021, Nordnet also signed a collective agreement for Nordnet employees in Denmark.

Salary differences at Nordnet	2022	2021	2020
Women's salaries as a percentage of men's			
Management (excl. CEO)	100%	97%	105%
All Nordnet employees (excl. management)	90%	94%	87%

The table shows women's average salary as a percentage of the average wage of men in different personnel categories on 31 December 2022. The calculation includes severance pay. We actively apply our gender equality plan and Gender Equality Policy to reduce differences.



bited in the workplace. No cases of discrimination were reported to HR in 2022.

The pie charts on the next page show the gender and age distribution at Nordnet. On 31 December 2022, 64 percent (64) of the employees were men and 36 percent (36) were women. The gender distribution varies between different employee categories. Administrative functions have a higher proportion of women, while the proportion of men is higher among, for example, IT personnel. Most of the employees, 60 percent (52), were in the age range of 30–50 years.

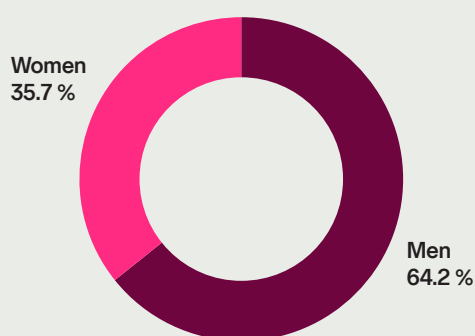
The proportion of women in management positions at Nordnet is steadily increasing. On 31 December 2022, 42 percent of our managers with employee responsibility were women, compared with 41 percent in 2021 and 38 percent in 2020.

The proportion of women in Group Management was 30 percent (30). As of 31 December 2022, Nordnet's Group Management comprised seven men and three women, while the Board of Directors comprised five men and three women. The proportion of women applying for newly advertised positions decreased by 5 percentage points compared with 2021, from 40 percent to 35 percent at the end of the year. This was attributable to a lower recruitment rate compared with the preceding year. All departments were affected, apart from the tech department, to which it is more difficult to recruit women.

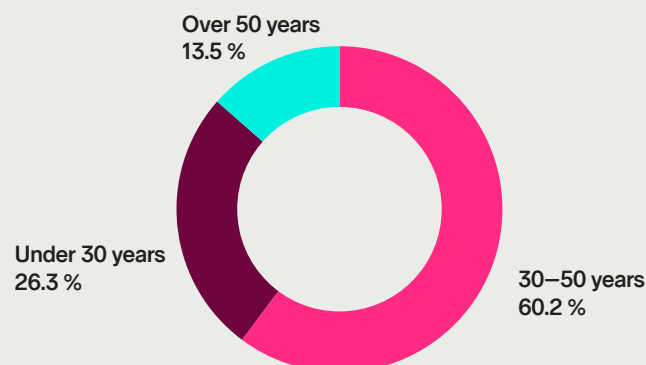


For us, it is important to develop a workplace characterized by both gender equality and diversity. We work actively to recruit more women to all decision-making levels, in line with UN global goal 5 Equality.

Gender distribution



Age distribution



Environment and climate.

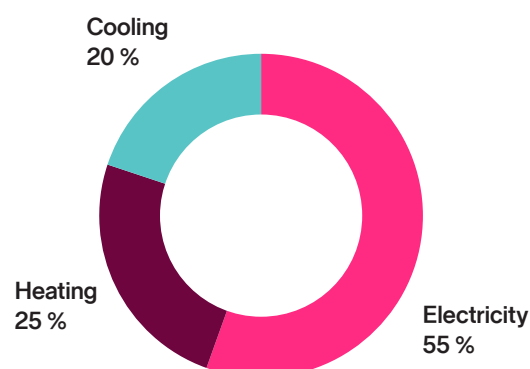
Nordnet's business model is digital. With a scalable digital platform, automated and digital customer journeys and processes, as well as the lack of physical bank branches, we are able to limit our direct impact on the environment. We also compensate for our greenhouse gas emissions and are climate positive in the sense that we compensate for more emissions than we produce. Nordnet's greatest opportunity to influence the climate and environment is indirectly through the investments made on our platform and the products we offer our customers. By making it easier for our customers to choose sustainable investment options, we can increase the flow of capital contributing to sustainable development.

To reduce our direct impact on the environment and climate, we strive to run our office premises on 100-percent renewable energy and to recycle waste. Our business model does not require physical banking offices, and contact with our customers is mainly online and by telephone. This means that we are fundamentally resource-efficient and that our environmental impact is relatively small. We therefore assess the environmental risks as limited. For this reason, we have no formal processes for environmental management but, in this respect, adhere to the guidelines set out in our Sustainability Policy. Read more about our contributions regarding the environment and climate through our products and our customers' investments in the section "Sustainable savings".

Nordnet's direct climate impact.

Our ambition is to have as little impact on the environment as possible. Every year, we measure and climate compensate for our greenhouse gas emissions, including those from our employees' commuting. Our policy is to compensate for more than we emit, 110 percent. In 2022, this compensation took the shape of prevented deforestation in collaboration with local communities on Vanua Levu, Fiji. The project, called Nakau, is

Energy consumption by energy type



Through our digital business model, choice of renewable energy agreements and the effort to minimize office waste, we are able to reduce our ecological footprint. This can contribute to UN global goal 12 Sustainable consumption and production.

Nordnet's energy consumption	2022	2021	2020
Indirect energy consumption, MWh			
Electricity, of which 100% is renewable energy	1,382	1,173	1,187
District heating, of which 82% is renewable energy	613	536	530
District cooling, of which 100% renewable energy	495	266	234
Total	2,490	1,976	1,951

The table shows the energy consumed in heating and cooling our premises and in generating the electricity used to operate our equipment. For the properties where we have lacked data, standard amounts have been used.



“Nordnet’s greatest opportunity to influence the climate and environment is via our customers’ investments”.

certified in accordance with Plan Vivo. In addition to the forest binding CO₂, it is also essential in reducing vulnerability for the increasingly frequent hurricanes, while also helping preserve biological diversity and purifying drinking water naturally.

Each year, we report our greenhouse gas emissions in accordance with the Greenhouse Gas Protocol, the most common international framework for voluntary reporting of greenhouse gas emissions. We target using 100 percent renewable energy in our electricity consumption. In 2022, we achieved our target of using electricity from 100 percent renewable energy. We also strive to achieve 100 percent renewable energy for heating and cooling. In 2022, our total emissions of greenhouse gases amounted to 163 tonnes CO₂e, which is an increase of 34 percent compared with 2021. The change in 2022 is partly due to the increased number of business trips as a result of reduced corona restrictions. As we switched to renewable electricity for our office in Stockholm at the same time, the increase will be less than it would otherwise have been. Emissions from our employees' commuting to and from work increased by 18 percent (decreased 7). Emissions from business travel increased by 413 percent (decreased 30) in 2022. Emissions of greenhouse gases on our platform were 2.9 g CO₂e per trade (1.7), meaning an increase of 70 percent (decrease 35)

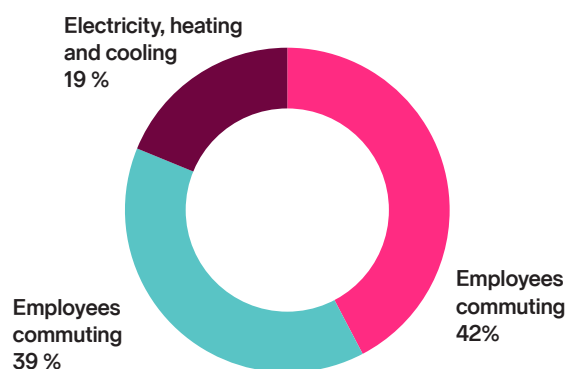
on the preceding year. In 2020 and 2021, emissions decreased because of the realignment in the working model, with most of Nordnet's employees working from home because of the coronavirus pandemic, resulting in a drastic reduction in business travel and commuting to and from the office. As we are now seeing a more normalized situation with regard to the corona pandemic, emissions from commuting and business travel are increasing. In 2018 and 2019, the years preceding the corona pandemic, Nordnet's emissions totalled 254 and 244 tonnes CO₂e respectively.

Energy efficient banking services.

Nordnet's energy consumption derives mostly from the operation of our offices and server halls. In 2022, we consumed approximately 2,490 MWh (1,976) for the operation of our IT infrastructure and for our consumption of electricity, heating and cooling at our offices. That's about as much as 124 (99) average single-family homes in Sweden consume over a year. Nordnet's energy intensity amounted to 0.04 (0.03) kWh per exchange trade, which was somewhat higher than in the preceding year.

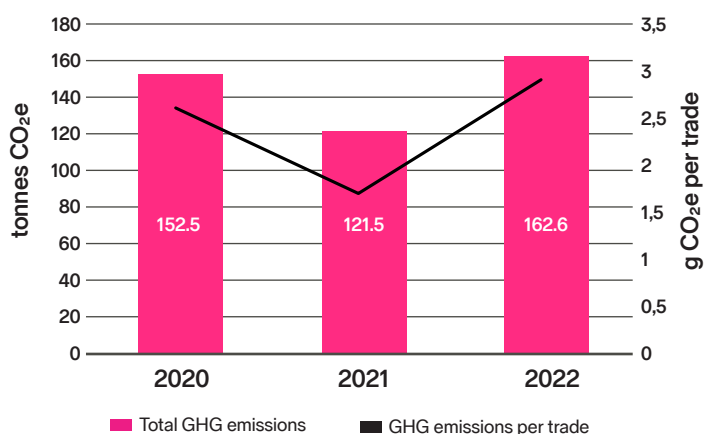
We are working in various ways to reduce our impact on the climate. Both in terms of our suppliers' impact, our own impact and that of our customers. Previously,

Greenhouse gas emissions by activity.



Of Nordnet's greenhouse gas emissions, 19 percent derive from the consumption of electricity, heating and cooling at our offices, so-called Scope 2 emissions, while the remainder are Scope 3, which includes business trips and employees' commuting.

Greenhouse gas emissions.



The bars represent Nordnet's total greenhouse gas emissions and the black line represents greenhouse gas emissions per trade.

Water and waste	2022
Sorted waste (kg)	5 864
Unsorted waste (kg)	2 417
Water consumption (m ³)	4 692

we have for example launched the "dark mode" function (screen display with dark background) for both the website and the app, saving energy for customers choosing to use the function. In 2022, we continued the process of migrating to Java as our principal programming language. We save energy by doing that because Java is an energy-efficient programming language compared with many others. We are also gradually migrating our programming code to energy-efficient cloud services.

Water and waste.

Nordnet strives to reduce water consumption and to sort waste. In this regard, we started collecting data on water consumption and waste management at our properties during the year. For 2022, we are able to present the data for our premises in Stockholm, where 80 percent of our employees are based. Water consumption at these properties amounted to 4,692 m³ in 2022. In 2022, sorted waste amounted to 5,864 kg and unsorted waste to 2,417 kg. Household waste is not included in the calculation.

Commitment to the climate issue.

In 2022, we assumed a commitment for the climate through the Re:turn initiative. Together with our principal owner Öhman, over the year, we donated SEK 0.10 per share transaction conducted on Nordnet's platform to a number of organizations working to resolve challenges related to climate and the environment. Three

organizations were selected in each of the countries where Nordnet operates, with Nordnet's customers voting on how the SEK 5.6 million should be distributed between the participating organizations. The Re:turn initiative is one way in which we have been able to show that everyone can contribute and make a difference for our environment and climate.

New sustainability regulations.

Taxonomy regulation

The EU taxonomy regulation includes rules as to how economic activities are defined as sustainable. Although the regulation has taken effect, transitional rules require less data to be reported now than will be required in the longer term. While the transitional rules apply, only a summary of the proportion of Nordnet's exposure to economic activities covered by the EU taxonomy shall be reported, although this need not be reported if the activities meet the established requirements for being defined as sustainable. Data is only reported for two of the EU's six environmental goals – restrictions on climate change and adaptation to climate change.

Nordnet's reporting refers to the consolidated situation. The consolidated situation does not include Nordnet Pensionsförsäkring AB or Nordnet Livsförsäkring A/S. In 2022, Nordnet started a mutual fund company, Nordnet Fonder AB ("the fund company") which is also included in the consolidated situation. The regulations look different depending on the type of organization requi-

Assets	Consolidated situation, share of total assets, %	Nordnet Fonder ² , share of total assets including mutual funds, %	Consolidated situation and Nordnet Fonder, share of total assets including mutual funds, %
Exposures to economic activities covered by the taxonomy	18%	38%	22%
Exposures to economic activities not covered by the taxonomy	36%	53%	39%
Exposures to states, central banks and supranational issuers	22%	0%	17%
Derivatives	0%	3%	1%
Exposures to companies not covered by NFRD ¹	18%	3%	15%
Trading portfolio	0%	0%	0%
Interbank loans on demand	0%	0%	0%
Cash items and exposures for which no data is available and Other	6%	3%	6%

¹NFRD = The EU's directive on non-financial reporting, which includes sustainability reporting requirements for certain large companies with more than 500 employees.

² We have analyzed NFAB's holdings in the mutual funds.

red to report. For its balance sheet exposures and for holdings in the fund company's mutual funds, Nordnet reports as a financial institution.

The proportion of assets covered by the taxonomy comprises residential mortgages, exposures in the liquidity portfolio and holdings in the fund company's mutual funds. As of 31 December 2022, the exposures to activities covered by the taxonomy amount to 22 percent (12) of total assets (and, for 2022, also the fund company's mutual funds). In the table, exposures not covered by the taxonomy comprise other types of loans to households, exposures in the liquidity portfolio and holdings in the fund company's mutual funds and amount to 39 percent (19). Nordnet's lending to companies comprises margin lending and none of those customers had more than 500 employees as of 31 December 2022. Accordingly, in the table below, Nordnet's lending to companies is classified as exposures not covered by the "NFRD"¹. That item amounts to 15 percent (22) and also contains exposures to companies in the liquidity portfolio and to mutual funds. The changes since last year are largely attributable to the addition of the fund company's exposures and to reported data for the liquidity portfolio being available to a greater extent.

Background to calculations and further information on the taxonomy

The balance sheet exposures forming the basis for Nordnet's report regarding which assets are covered by the taxonomy consist, for the most part, of Nordnet's lending and holdings in interest-bearing securities and securities in the mutual fund company's funds. Nordnet's residential mortgages have been deemed to be covered by the taxonomy, while other households loans have not been deemed to be covered.

With regard to exposures to companies, the analysis is made in two stages. An initial analysis determines whether the company is an "NFRD company" (Non-Financial Reporting Directive). If this is the case, an examination is conducted to determine if the company is covered by the taxonomy. Data on the number of employees at the companies, as well as information on whether they are listed on a European stock exchange,

have been used to determine if the company needs to report in accordance with NFRD. Data reported by the companies in 2021 has been used to determine the extent to which the NFRD companies' activities are covered by the taxonomy. For the fund company's holdings and the liquidity portfolio, the data has been available for about 99.3 percent and 100 percent of the holdings respectively.

Nordnet's business model means that we do not have any significant lending to companies covered by the taxonomy. We also have a limited opportunity to influence how our customers are exposed, in their savings, to companies that are sustainable according to the taxonomy, as our customers make their own investment decisions. On the other hand, we have opportunities to provide information and inspiration regarding various sustainable investment options. In an initial stage, we have previously made it possible for our customers to see if a mutual fund is categorized as Article 8 or 9. It is only in the fund company that we have the opportunity to manage the proportion of assets covered by the taxonomy ourselves.

Sustainable Finance Disclosure Regulation

The Sustainable Finance Disclosure Regulation determines how financial actors must inform their customers and investors regarding ESG factors. In 2022, the process continued of reviewing policies and disseminating information regarding the remuneration policy, the negative sustainability consequences of investment decisions, and information regarding how we integrate sustainability risks into investment decisions and insurance advice on our website.



Nordnet AB (publ)

Board of Directors report.

The year in figures.

"The diversified nature of Nordnet's business, both geographically and by product, underpins high revenue and profit in various macroeconomic environments."

Lars-Åke Norling, CEO Nordnet

Customer growth in the last 12 months¹: **10%** (31%)

Adjusted operating profit²
SEK 2,115 (2,451) million

Proposed dividend of SEK
4.60 (5.56) per share

Adjusted operating expenses³
amounted to SEK -1,210 (-1,141) million

Operating income
amounted to SEK 3,382
(3,639)

Earnings per share after
dilution amounted to SEK
6.33 (7.75)

Net savings amounted to
SEK 36.2 (83.4) billion

Savings capital at 31
December amounted to
SEK 715 (802) billion

Lending² 31 December
SEK 27.3 (25.4) billion

Million SEK	2022	2021	Change %
Operating income	3,382.1	3,638.5	-7%
Operating expenses	-1,291.5	-1,140.9	13%
Credit losses	-43.4	-36.3	19%
Imposed levies	-13.1	-10.1	30%
Operating profit	2,034.1	2,451.2	-17%
Profit after tax	1,652.5	1,984.7	-17%
Earnings per share before dilution (SEK)	6.35	7.79	-18%
Earnings per share after dilution (SEK)	6.33	7.75	-18%
Income in relation to savings capital	0.46%	0.53%	-0.07%
Operating margin %	60%	67%	-7%
Adjusted operating expenses ³	-1,210.3	-1,140.9	6%
Adjusted operating profit ¹	2,115.3	2,451.2	-14%
Adjusted operating margin ³	63%	67%	-5%
Adjusted earnings per share pre amortization of intangible assets due to PPA before dilution (SEK)	6.79	7.90	-14%
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	6.77	7.86	-14%
Total number of customers	1,707,800	1,601,000	7%
Net savings (SEK billion)	36.2	83.4	-57%
Savings capital at the end of the period (SEK billion)	714.8	801.6	-11%
Average savings capital per customer SEK	443,800	477,000	-7%

¹ Over the past 12 months, the number of new customers joining Nordnet amounted to 158,500 gross and 106,800 net, with the latter figure including customer relationships terminated in connection with the previously announced customer documentation project. In percentage terms, customer growth was 7 percent over the past 12 months, including the customer relationships terminated in connection with the customer documentation project. ² Loans to the public less pledged cash and cash equivalents, see Note 21. ³ For items affecting comparability, see page 45. For definitions of key performance indicators, refer to pages 166–167.

Significant events during the year.

- We achieved an adjusted operating profit of SEK 2.1 billion for 2022 - our second-best full-year profit to date.
- Higher interest rates contributed to net interest income of SEK 1.3 billion, an increase of 76 percent compared with 2021.
- We added 160,000 new customers over the year and the customer base now totals over than 1.7 million Nordic savers.
- Nordnet's customers had net savings of more than SEK 36 billion and made 56.2 million trades.
- In April, Nordnet received a permit from Finansinspektionen (Swedish Financial Supervisory Authority) for the new fund company, Nordnet Fonder AB. At the end of 2022, the fund company managed 16 proprietary mutual funds in the form of four Nordic index funds and 12 "allocation funds" with different risk profiles. Together with co-managed mutual funds, total savings capital in mutual funds under the Nordnet brand amount to SEK 31.7 billion at the end of the year.
- We maintained a high pace in product development with many important launches, including residential mortgages in Norway, electronic trading on the London Stock Exchange, an improved login procedure in Denmark, Norway and Finland, and simpler transfers via Trustly in Sweden.
- Nordnet continues to achieve success in savings formats with simpler and more favourable taxation for securities trading. In November, we reached the milestone of 300,000 equity savings accounts ("osakesäästötili") in Finland, corresponding to a market share of 69 percent. Our Danish equity savings account was named "Best in test" by the Danish Consumer Council. At the end of the year, Nordnet had a 29 percent market share for this account type.
- To focus more on our work in the area of sustainability, in third the quarterly report we launched sustainability-related key ratios. Key figures include the proportion of fund savings capital in sustainable mutual funds and the proportion of women customers, and these will be reported quarterly.
- Nordnet received an official recommendation from the independent and acknowledged Danish consumer organization Taenk for our low prices on trading in shares and mutual funds.
- In early December, our savings economist Frida Bratt was named "Savings Profile of the Year" in a competition organized by Lannebo Fonder. In the same month, we were named "Bank of the Year" by magazine Privata Affärer.



Our markets 2022.

Sweden.

In 2022, net commission income in Nordnet's Swedish operations decreased by 24 percent compared with the preceding year as a result of a negative stock market and the weaker macroeconomic situation, which affected household investment capacity. The reduced income from share and fund trading was, however, largely offset by higher net interest income, which grew by 47 percent to SEK 674 (459) million. All in all, total income decreased by 3 percent to SEK 1,282 (1,327) million compared with 2021. Operating profit amounted to SEK 680 (840) million, a decrease of 19 percent compared with 2021, which is partly explained by a provision of a negative SEK 100 million related to a fine. For further information, see page 51.

The number of transactions amounted to 21.6 (26.8) million, a decline of 19 percent compared with January-December 2021. Trades per customer and day decreased by 24 percent and the proportion of cross-border trading amounted to 13 percent, which is a decrease compared with 2021 when the proportion was 14 percent. The customer base in Sweden amounted to 449,900 (451,100) customers at the end of the year, which was basically unchanged compared with 2021. Adjusted for the customer relations terminated in connection with the project to secure complete customer documentation, customer growth was 6 percent for the year. At the end of December, the savings capital amounted to SEK 271 billion (342), a decrease of 21 percent as a result of a decline in the stock market. Net savings amounted to SEK 7.5 (18.4) billion. The lower level of net savings in 2022 is explained by the macroe-

conomic situation, as well as lower customer growth compared with 2021.

In margin lending, the lending volume decreased by 11 percent compared with the preceding year, amounting to SEK 4.1 (4.6) billion on 31 December 2022. The lending volume in Nordnet's residential mortgages increased by 21 percent over the year, amounting to SEK 10.7 (8.9) billion at the end of the year. In personal loans (unsecured loans), there were 26,631 (27,247) customers and the lending volume was SEK 4.1 (4.1) billion on 31 December 2022.

In December, we were awarded the prestigious Bank of the Year award by the magazine *Privata Affärer* for our product development and for the strong voice for savers that Nordnet has become in the public debate. In addition, our savings economist, Frida Bratt, was praised for her societal commitment and capacity to inspire savers to better decisions by means of the Saver Profile of the Year award, which was presented by the newspaper *Affärsvärlden* and *Lannebo Fonder*.

Over the year, we expanded our award-winning stock lending program with US and Canadian shares. By broadening the program, we can increase the value for our savers. The program delivered close to SEK 73.2 million in bonuses to Swedish savers in 2022. We also entered the London Stock Exchange and opened up electronic trading in UK shares for our customers.

Our customers are always interested in deepening their knowledge and gaining new insights in savings

Key figures Sweden	2022	2021
Income, SEK million	1,282.4	1,327.0
Operating profit, SEK million	680.5	840.4
Operating margin	53%	63%
Number of customers	449,900	451,100
Savings capital, SEK billion	271.5	342.2
Net savings, SEK billion	7.5	18.4
Trades	21,648,800	26,767,600
Lending, SEK billion ¹	18.9	17.6

¹ Lending excluding pledged cash and equivalents, see Note 21.

and investments. For that reason, we organized, as in previous years, our flagship event Nordnet Live. The digital event was our ninth consecutive event of this kind and was hosted by, among others, Stefan Edberg, Martin Kragh, Anna Kinberg Batra, Per Briloth, Patrik Tigerschiöld and politicians Elisabeth Svantesson, Ali Esbati and Martin Ådahl.

Norway.

In 2022, income in Norway rose by 15 percent compared with the preceding year. Net commission income amounted to SEK 476 (562) million. Trades per customer and day decreased by 25 percent and the proportion of cross-border trading amounted to 29 percent, which is a decrease compared with 2021 when the proportion was 33 percent. Net interest income increased by 117 percent to SEK 371 (171) million.

The increase is attributable to increased margins in both the lending portfolio and the liquidity portfolio as a result of higher interest rates and increased deposits. On 31 December 2022, the number of active customers in Norway amounted to 363,500 (336,800), corresponding to customer growth of 8 percent over the past 12-month period. Adjusted for the customer relations terminated in connection with the project to secure complete customer documentation, customer growth was 11 percent for the year. Net savings for the period January–December amounted to SEK 6.0 (20.8) billion. As of 31 December 2022, savings capital amounted to SEK 125.6 (133.2) billion. The lending volume increased by 14 percent compared with the preceding year, to SEK 3.0 (2.6) billion. At the end of September, we launched the residential mortgages product in the Norwegian market with an attractive interest rate for customers with sub-

stantial savings. The launch is an important step in our effort to become a one-stop shop for financial services in all of our markets. Besides offering our customers new products and offerings, we inspire them with new knowledge. In March, we held the digital Nordnet Live event, which was guested by investors Arne Fredly, Egil Dahl and the economist Kjersti Haugland. Nordnet is continuing its work for fair conditions in savings, and in Norway we have been operating for a long time to eliminate double taxation on dividends in US companies where customers have difficulty reclaiming pay-as-you-earn taxes. In September, we submitted our consultation response on the matter to the Norwegian Tax Committee. We are also taking a stand against the proposal presented by the government to raise the tax on dividends and stock gains. We continue to digitize and improve our platform for to create the best customer experience, launching at the end of the year a new login option in the form of an QR code. This was a much appreciated launch that most of our customers in Norway, Denmark and Finland have now started using.

Key figures Norway	2022	2021
Income, SEK million	864.2	750.8
Operating profit, SEK million	587.8	504.4
Operating margin	68%	67%
Number of customers	363,500	336,800
Savings capital, SEK billion	125.6	133.2
Net savings, SEK billion	6.0	20.8
Trades	12,540,500	16,778,600
Lending, SEK billion ¹	2.9	2.5

¹ Lending excluding pledged cash and equivalents, see Note 21.

Denmark.

In 2022, income in Denmark decreased by 24 percent compared with the preceding year. This is as a result of a negative stock market and a deteriorating macroeconomic situation, affecting households' capacity to invest. However, the reduced income from trading in shares and funds is being compensated for to some extent by higher interest income. Net commission income decreased over the year to SEK 490 (746) million. Net interest income amounted to SEK 137 (76) million, an increase of 81 percent compared with 2021, driven by increased margins in both the lending portfolio and the liquidity portfolio as a result of higher interest rates and increased deposits.

In 2022, Denmark accounted for the greatest customer growth among Nordnet's markets. On 31 December 2022, the number of active customers in Denmark amounted to 372,100 (330,600), corresponding to customer growth of 13 percent over the past 12-month period. Adjusted for the customer relations terminated in connection with the project to secure complete customer documentation, customer growth was 15 percent for the year. Savings capital at the end of the year amounted to SEK 169 (172) billion. Net savings for the period January-December 2022 amounted to SEK 12.4 (30.6) billion. The number of trades during the period January-December 2022 decreased by 25 percent compared with the same period last year. As of 31 December 2022, margin lending amounted to SEK 2.5 (2.4) billion.

In Denmark, as in the other markets, we worked for more saver-friendly conditions over the year, foremost by committing ourselves to a higher deposit limit on the popular equity savings account. The savings form

continues to generate great interest among savers, and at the end of 2022, Nordnet had a market share of 29 percent, accounting for as much as 58 percent of the accounts opened during the year. We are continuing our pensions initiative and, with our latest launch of a digital transfer function, we are leading the way in automated processes in what has traditionally been an administratively demanding area.

Our equity savings account was named "Best in test" by the Danish Consumer Council. We also received an official recommendation from the independent and acknowledged Danish consumer organization Taenk for our low prices on trading in shares and funds.

Key figures Denmark	2022	2021
Income, SEK million	647.5	849.9
Operating profit, SEK million	410.1	624.4
Operating margin	63%	73%
Number of customers	372,100	330,600
Savings capital, SEK billion	168.6	172.0
Net savings, SEK billion	12.4	30.6
Trades	10,362,400	13,894,000
Lending, SEK billion ¹	2.5	2.4

¹ Lending excluding pledged cash and equivalents, see Note 21.

Finland.

In 2022, income in Finland decreased by 17 percent compared with the preceding year. This is as a result of a negative stock market and a deteriorating macroeconomic situation, affecting households' capacity to invest. However, the reduced income from trading in shares and funds is being compensated for to some extent by higher interest income. Net commission income decreased over the year, amounting to SEK 453 (616) million. Net interest income amounted to SEK 98 (21) million, an increase of 358 percent compared with 2021, driven by higher lending rates and increased returns on the liquidity portfolio.

During the year, Nordnet Finland passed the milestone of half a million customers and the number of customers at the end of the year amounted to 522,300 (482,500), which corresponds to customer growth of 8 percent for the past 12-month period. Adjusted for the customer relations terminated in connection with the project to secure complete customer documentation, customer growth was 10 percent for the year. Savings capital at the end of the year amounted to SEK 149 (154) billion. Net savings for the period January-December 2022 amounted to SEK 10.3 (13.6) billion. The number of trades during the period January-December 2022 decreased by 18 percent compared with the same period last year. Margin lending increased by 8 percent compared with the previous year, amounting to SEK 3.1 (2.9) billion at the end of December.

In November, we passed 300,000 equity savings accounts ("osakesäästötili"), corresponding to a market share of 69 percent. Of the equity savings accounts opened in Finland in 2022, Nordnet accounted for 48 percent. We also saw an increased general interest in share ownership in Finland, with the total number of

Finnish shareholders exceeding 1 million during the year. Nordnet marked the occasion in partnership with Nasdaq.

In March, our Finnish savings and investment podcast Rahapodi won the Podcast of the Year award in the companies and organizations category in the Audio-land Awards competition. The year also ended with the positive news that Rahapodi is the tenth most listened to podcast in the country.

We also participated in the popular investment event Livetreidaus with more than 4,000 visitors. We participated in panel discussions and organized a live trading competition. Our country manager for Finland, Suvi Tuppurainen also had the honour of handing out awards for Investor of the Year and Investment Act of the Year. This was an opportunity to showcase Nordnet in a leading position and to share the latest in our development.

Key figures Finland	2022	2021
Income, SEK million	588.0	710.8
Operating profit, SEK million	355.7	482.0
Operating margin	61%	68%
Number of customers	522,300	482,500
Savings capital, SEK billion	149.1	154.2
Net savings, SEK billion	10.3	13.6
Trades	11,627,900	14,182,700
Lending, SEK billion ¹	3.1	2.9

¹ Lending excluding pledged cash and equivalents, see Note 21.

Profits and financial overview, Group.

The uncertain macro situation during the year contributed to the decline in trading volume in all markets and to lower cross-border trading. This resulted in a 27-per cent decline in transaction-related income compared with 2021.

Fund related income decreased by 14 percent in 2022 compared with 2021. The decrease is explained by the value of the fund capital having decreased due to the decline in the financial markets, and income in relation to fund capital having decreased somewhat, which is mainly explained by lower platform fees in Norway and an increased share of fund capital in funds with lower fees.

Lower transaction related income and fund related income resulted in 26 percent lower net commission income compared with 2021, amounting to SEK 2,029 million (2,730) in 2022.

Increased policy rates in Nordnet's markets are contributing to an increased return on liquidity. Combined with higher lending volumes for residential mortgages and margin lending, as well as higher interest levels in the loan portfolio, this resulted in an increase of 76 percent in net interest income compared with 2021, amounting to SEK 1,281 (727) million for 2022.

Other operating income amounted to SEK 81 (164) million for the year, a decline of 51 percent compared with 2021. The decline can be attributed to lower income linked to Nordnet's operations in the area of IPOs.

Operating income for the 2022 full year decreased by 7 percent, compared with the 2021 full year, to SEK 3,382 million (3,639) as the increase in net interest income, which had the greatest impact at the end of the year, did not fully offset the decline in net commission income.

Operating expenses for the full year 2022 amount to SEK 1,291 million, which is an increase of 13% compared to 2021. A large part of the increase in operating expenses is driven by items affecting comparability of SEK -81 (0) million which includes a penalty fee of SEK

100 million. For more information on the fee, see page 51.

Adjusted operating expenses for full year 2022 amounted to SEK 1,210 million, an increase of 6 percent compared with 2021. The increase, which is in line with Nordnet's financial targets, was mainly attributable to additional employees in Tech, Product and the newly started mutual fund company.

Net credit losses amounted to SEK 43 million (36), an increase of 19 percent compared with 2021. This was mainly due to changed scenario weights and an updated debt collection process affecting the calculated provision level for future credit losses in accordance with IFRS9. The real credit losses remain stably low and credit quality remains favourable.

The adjusted operating profit decreased by 14 percent over 2022 and amounted to SEK 2,115 million (2,451), with an adjusted operating margin of 63 percent (67). Operating profit, which includes items affecting comparability of a negative SEK 81 million (0), decreased by 17 percent compared with the 2021 full year. For more information on items affecting comparability, see page 45.

Group	2022	2021	2020	2019	2018
Income statements, SEK million					
Net commission income	2,029.2	2,729.6	2,020.7	939.9	870.2
Net interest income	1 281.0	727.3	613.3	513.6	396.5
Net result of financial transactions	-8.8	18.0	-14.2	66.1	3.7
Other income	80.7	163.7	68.7	69.7	58.9
Total operating income	3,382.1	3,638.6	2,688.7	1,589.3	1,329.3
Operating expenses	-1,291.5	-1,140.9	-1,193.4	-1,162.3	-1,133.2
Credit losses	-43.4	-36.3	-38.7	-33.7	-36.0
Imposed levies	-13.1	-10.1	-9.8	-15.9	-18.9
Operating profit	2,034.1	2,451.2	1,446.6	377.4	141.2
Tax	-381.7	-466.5	-273.9	-37.9	-23.1
Profit for the year	1,652.5	1,984.7	1,172.7	339.5	118.1
Balance sheets, SEK million					
Interest-bearing securities	50,178.7	44,681.0	32,616.0	23,599.5	20,036.3
Lending to credit institutions	485.1	644.8	603.5	505.2	333.0
Loans to the general public	28,527.4	26,326.1	20,311.9	16,127.8	14,204.5
Assests for which customers bear the investment risk	119,974.7	152,165.5	102,691.4	70,089.2	51,726.5
Other assests	7,741.9	8,726.8	11,770.3	5,281.6	5,819.1
Total assets	206,907.8	232,544.2	167,993.1	115,603.3	92,119.4
Deposits and borrowing from the general public	70,084.1	64,286.7	52,552.8	38,572.1	35,225.2
Liabilities for which customers bear the investment risk	119,979.6	152,168.3	102,693.3	70,091.1	51,726.5
Other liabilities	10,794.0	10,099.1	8,535.3	3,882.3	3,179.5
Total liabilities	200,857.7	226,554.1	163,781.4	112,545.5	90,131.2
Total equity	6,050.1	5,990.1	4,211.7	3,057.8	1,988.2
Total equity and liabilities	206,907.8	232,544.2	167,993.1	115,603.3	92,119.4

Financial position.

Nordnet's total assets amounted to SEK 206.9 (232.5) billion, a decrease of 11 percent, which was explained by the decline in the value of assets for which customers bear the risk. Of the total assets, SEK 120.0 (152.2) billion comprise assets for which customers bear the risk and for which there is a corresponding item on the liability side. The value of those assets decreased by SEK 32.2 billion since 2021. Furthermore, liquid assets increased by 8 percent over the year, equivalent to SEK 4.4 billion. Lending has increased by SEK 2.2 billion since the end of 2021, corresponding to an increase of 8.4 percent. Most of the increased lending can be attributed to residential mortgages, while other lending remained at a stable level during the period. Confirmed credit losses are at a low and stable level and have not been affected by the higher volatility or greater inflation. Deposits are Nordnet's most significant source of funding, with only a little over a third being lent and the remaining liquidity being invested in interest-bearing securities of high credit quality and high liquidity. The currency distribution among lending and investments corresponds to the currency distribution among deposits. The main investment orientation for the interest-bearing securities is to hold them until maturity. The maturity structure for the group's investments in bonds and certificates is shown in the graphs on the right, broken down by credit category and interest duration. Nordnet's liquidity and capital situation is strong. Liquid assets amounted to SEK 57.6 (53.2) billion and equity amounted to SEK 6.0 (6.0) billion. The capital base that is to cover the capital requirements in the consolidated situation amounted to SEK 3.9 (3.8) billion.

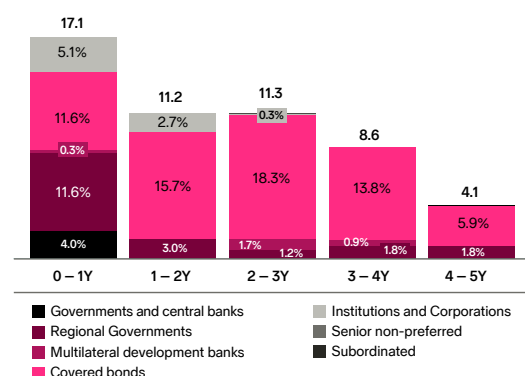
In addition to the profit for the year, most of the change in equity is explained by the dividend of SEK 1.4 billion that was paid, a warrants issue for SEK 17.6 million and repurchases of own shares for SEK 56 million. Furthermore, the market value of the investment portfolios has negatively affected shareholders' equity by SEK 177 million through other comprehensive income, primarily as an effect of increased credit spreads. A summary of the Group's total comprehensive income is presented on page 71.

Nordnet has a strong and stable capital structure, which, combined with low risk in its lending and investments, provides a favourable capital situation.

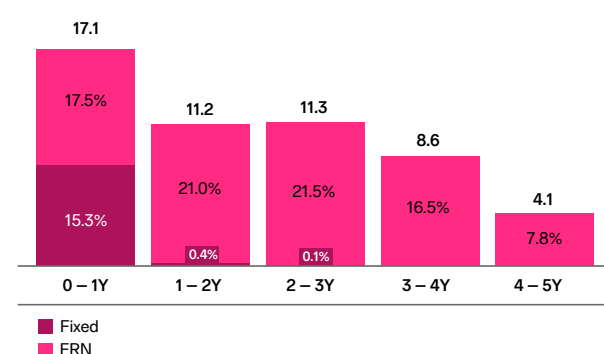
Combined with the low credit risk in Nordnet's business model, conditions remain for adhering to a dividend policy of 70 percent of the profit for the year.

The regulatory capital requirement for the bank operations comprises two parts: the risk-weighted part (capital adequacy) and the non-risk-weighted part (leverage ratio). The consolidated situation's risk-weighted capital

Maturity structure by credit category (SEK billion),
31 December 2022¹



Maturity structure by fixed or floating interest rate (SEK billion),
31 December 2022¹



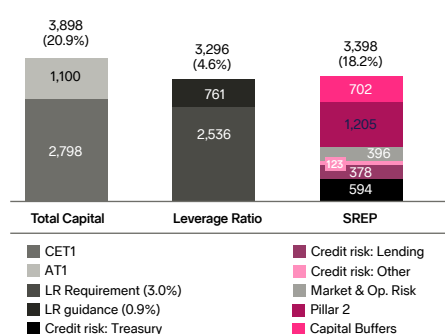
ratio amounted to 20.9 (21.6) percent, compared with a total risk – weighted capital requirement of 18.2 (17.1) percent, and the leverage ratio amounted to 4.6 (4.8) percent.

The risk-weighted capital requirement can be divided into three components: Pillar 1, Pillar 2 and combined buffer requirements. The Pillar 1 requirement largely comprises credit risk and operational risk, for which Nordnet applies the standard methods. The Pillar 2 requirement is largely attributable to credit spread and interest rate risk in the bank book, which is largely a function of the interest rate and maturity structure in investments of excess liquidity in securities. For Nordnet's consolidated situation, the Swedish Financial

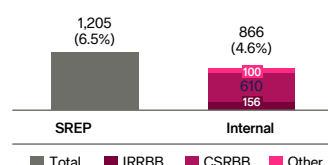
¹The diagram does not include cash and cash equivalents at central banks and credit institutions.

Supervisory Authority has, in its review and assessment process (RAP), imposed a capital requirement of 6.47 percent as a minimum for risks within Pillar 2. Nordnet also monitors credit spread risk and interest rate risk (CSRBB and IRRBB) based on internal models. Both the regulatory requirements and the internally calculated needs are shown below. For Nordnet, the combined buffer requirement comprises a capital conservation buffer and a counter-cyclical capital buffer. At the end of September, the requirements for the countercyclical buffer were raised, increasing the risk-weighted total capital requirement by 0.85 percent and explaining the increase compared with the preceding year.

Capital requirements SEK million (RWE%)



Capital requirement pillar 2, SEK million (RWE%)



For further information, see Note 35.

Nordnet's leverage ratio was 4.6 (4.8) percent. The minimum requirement for the leverage ratio is 3.0 percent. With the pillar 2 guidance of 0.9 percent, this means that Nordnet is recommended to maintain a leverage ratio exceeding 3.9 percent. This guidance applies only to the consolidated situation. It does not constitute a requirement and violating it does not automatically mean that Swedish Financial Supervisory Authority will take measures.

For Nordnet, the leverage ratio is driven indirectly by deposits. Nordnet's deposits have, as an effect of the prevailing uncertainty on the stock markets, increased by SEK 6 billion since 31 December 2021. Combined

with the aforementioned higher credit spreads, this has negatively affected the capital base, which is primarily why the leverage ratio fell from 4.8 percent to 4.6 percent. With a leverage ratio of 4.6 percent as of 31 December, deposits can increase by SEK 45.4 billion or 62.0 percent without the leverage ratio falling below the minimum requirement of 3.0 percent, and by SEK 15.4 billion or 21.1 percent to not fall below the Swedish Financial Supervisory Authority's guidance of a total of 3.9 percent for the leverage ratio.

Should deposits increase more than this within a short space of time, as of 31 December 2022, Nordnet would be able to rapidly manage additional deposits of SEK 30.1 billion. In total, this provides a preparedness in relation to the regulatory minimum requirement corresponding to additional deposits of SEK 75.5 billion, or an increase of about 103 percent.

Profits and financial review, Parent Company.

Nordnet AB (publ) is a holding company and conducts no operations beyond its role as the owner of Nordnet Bank AB and Nordnet Incentive AB. Operating income for January-December 2022 amounted to SEK 18.2 million (17.5) and pertains to Group-internal administrative services. The Parent Company's profit after financial items for the period January-December 2022 amounted to SEK 2,545 (301) million. The Parent Company's cash and cash equivalents amounted to SEK 7.3 million (16.8 as of 31 December 2021), and shareholders' equity to SEK 3,478 million (2,425 as of 31 December 2021).

Employees.

The average number of employees during the year was 704 (654). In addition to the number of full-time positions, the number of employees also includes staff on parental leave and leaves of absence. The increase is mainly attributed to increased numbers of employees in Tech, Product and the newly-launched mutual fund company. At the end of the year, the number of full-time positions was 666 (648), broken down between 560 (538) in Sweden, 34 (33) in Norway, 39 (42) in Denmark och 33 (35) in Finland.

Nordnet strives for balanced gender distribution. At the end of 2022, the proportion of women in the Group

Nordnet Group – five-year summary.

Financial overview, SEK million	2022	2021	2020	2019	2018
Consolidated income statement					
Net commission income	2,029	2,730	2,021	940	870
Net Interest income	1,281	727	613	514	396
Net result of financial transactions	-9	18	-14	66	4
Other operating income	81	164	69	70	59
Operating income	3,382	3,639	2,689	1,589	1,329
General administrative expenses	-1,065	-918	-992	-948	-950
Depreciation, amortization and impairments	-172	-163	-158	-174	-106
Other operating expenses	-54	-61	-44	-40	-78
Operating expenses	-1,291	-1,141	-1,193	-1,162	-1,133
Net credit losses	-43	-36	-39	-34	-36
Imposed levies	-13	-10	-10	-16	-19
Operating profit	2,034	2,451	1,447	377	141
Tax	-382	-467	-274	-38	-23
Operating profit after tax	1,652	1,985	1,173	339	118
Earnings per share before dilution, (SEK)	6.35	7.79	4.55	1.25	0.47
Earnings per share after dilution, (SEK)	6.33	7.75	4.55	1.25	0.47
Items affecting comparability, income	-	-	-	66	-
Items affecting comparability, expenses	-81	-	-129	-65	-16
Adjusted operating expenses before credit losses	-1,210	-1,141	-1,064	-1,097	-1,117
Adjusted operating profit	2,115	2,451	1,576	377	157
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	6.77	7.86	5.10	1.37	0.64
Key figures					
Adjusted operating income in relation to savings capital - rolling 12 months %	0.46%	0.53%	0.60%	0.44%	0.44%
Adjusted operating expenses in relation to savings capital - rolling 12 months %	0.17%	0.17%	0.24%	0.32%	0.38%
Operating margin %	60%	67%	54%	24%	11%
Adjusted operating margin %	63%	67%	59%	25%	12%
Cost/income %	38%	31%	45%	74%	86%
Adjusted cost/income %	36%	31%	40%	73%	85%
Profit margin %	49%	55%	44%	22%	9%
Return on equity (annulized) %	34%	44%	37%	13%	6%
Adjusted return on equity (annulized) %	36%	44%	40%	13%	7%
Adjusted return on equity excl intangible assets (annulized) %	45%	56%	57%	21%	10%
Customers	1,707,800	1,601,000	1,221,500	913,600	765,200
Annual customer growth %	10% ¹	31%	34%	19%	14%
Net savings (SEK billion)	36.2	83.4	82.2	20.9	23.5
Savings ratio %	5%	15%	21%	7%	9%
Savings capital (SEK billion)	715	802	565	395	286
of which shares/derivatives/bonds	490	573	404	268	185
of which funds	144	154	100	82	57
of which deposits	81	74	60	45	43
Average savings capital per customer - 12 months rolling (SEK)	443,800	477,000	415,900	409,100	411,800
Lending (SEK billion)	27.3	25.4	19.7	15.6	13.7
of which margin lending ²	12.3	12.4	9.2	7.1	5.6
of which mortgages	10.9	8.9	6.5	4.5	4.2
of which personal loans	4.1	4.1	4.0	4.1	4.0
Investments in tangible assets (SEK million)	24	46	12	46	84
Investments in intangible assets excl. company acquisitions (SEK million)	137	121	93	91	112
Number of full-time equivalents at end of period	666	648	571	494	494

¹ Customer growth over the past 12 months is 7 percent, the corresponding comparative figure for the preceding quarter amounted to 10 percent, including the customer relationships that were terminated within the framework of the previously communicated project on customer documentation.

Items affecting comparability

SEK million	2022	2021	2020	2019	2018
Acquisition of Netfonds				-35	-16
Deduction right VAT	38		-20	-30	
AML/KYC project	-19				
Sanction from SFSA	-100				
Expenses related to the IPO			-109		
Revaluation of the shareholdings in Tink AB1				66	
Total	-81	0	-129	1	-16

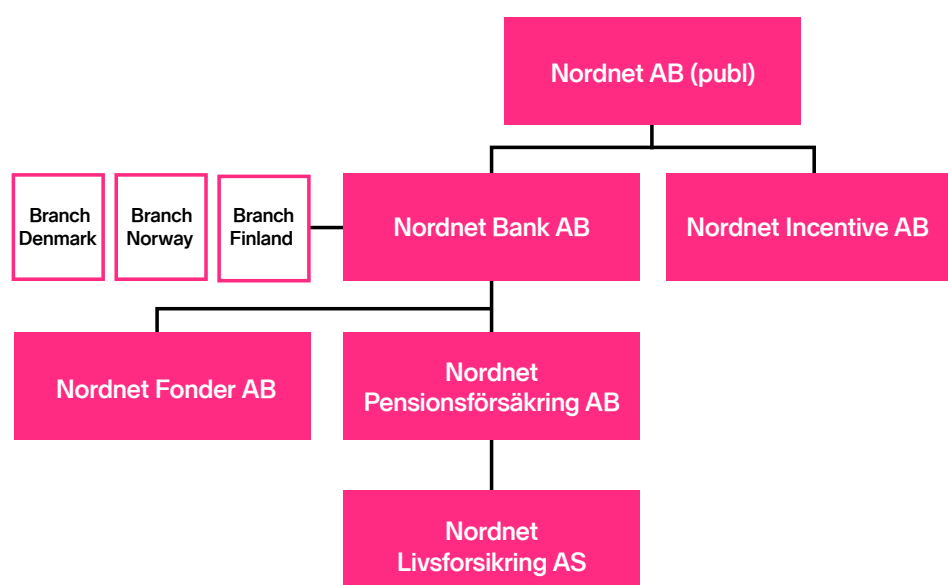
was 36 (36) percent, and the proportion of women in management was 42 percent (41). The proportion of women in Group Management is currently 30 percent.

Employees' commitment and satisfaction with Nordnet as their employer is measured continuously. We use net promoter score (eNPS) to measure our overall attractiveness as an employer. The Sustainability Report contains additional information about employees on pages 23–27. See also Note 13 for more information.

Group overview.

Illustrated below is Nordnet's Group structure as of 31 December 2022. Operations are conducted via the subsidiary Nordnet Bank AB, as well as the subsidiaries Nordnet Pensionsförsäkring AB, Nordnet Livförsäkring AS and Nordnet Fonder AB. Nordnet Incentive AB is a wholly-owned subsidiary of Nordnet AB (publ) that manages subscriptions and transfers of warrants within share-based incentive programs for employees,

commencing with the 2021 program. Nordnet Bank AB, offers a broad range of services for savings and investments, margin lending with securities as collateral, residential mortgages with Swedish and Norwegian homes as collateral, and personal loans. In addition, a large number of information services and digital tools are offered for smarter savings. In Norway, Denmark and Finland, bank operations are conducted via branch offices. Through the subsidiary Konsumentkredit in Sweden, personal loans are provided to private individuals in the Swedish market. Nordnet Pensionsförsäkring AB conducts life insurance operations focused on pension savings. The Norwegian pension operations are conducted through Nordnet Livförsäkring AS, a subsidiary of Nordnet Pensionsförsäkring AB. Through Nordnet Fonder AB, which has been in operation since April 2022, Nordnet offers a selection of allocation funds in all markets.



Future prospects.

Nordnet has an efficient and scalable operations model, and holds a strong position in all of the markets in which we operate. We use a shared technology and administration platform to provide a Nordic offer in the area of savings and investments. Our customer base is growing at a rapid pace with the large number of savers having chosen Nordnet, combined with a high inclination to recommend, serving as an engine for continued growth.

The Nordic region is a well-developed market for savings where holding shares and mutual funds is widespread among private individuals, and is also increasing in the long term. A number of underlying macro trends and structural drivers are expected to continue supporting market growth over time. Growth is driven by expected increases in household income in line with the GDP forecast, a stable level of savings and a future market trend in line with the historical average return. All four Nordic countries in which Nordnet operates are open and stable economies with high per-capita GDP.

One reason contributing strongly to the market growth is the ongoing restructuring of the pension system, whereby the individual is expected to assume greater responsibility for his/her pension. Within the EU, there is a clear trend whereby pension systems are shifting from defined-benefit pension plans to defined-contribution pension plans. The Nordic countries are at different phases of this transition.

Development is also underway in private savings, driven by the insight that individuals must be afforded opportunities to take greater responsibility for their financial futures. We are seeing a trend in which the share culture continues to grow, while legislation regarding, for example, taxation, deposits, amount limits and capital transfers are simplified, fostering continued growth in private savings.

The long-term trends favour our business model. The increasing awareness among consumers results in savers, to a large extent, choosing actors like Nordnet with transparent, affordable and digital offerings, at the expense of large banks and traditional pension companies. Digital technology combined with social media

enables rapid sharing of consumer experiences and reviews, and we believe that the key to success is to ensure a world-class user experience and take advantage of the power for growth found in the hundreds of thousands of satisfied customers who recommend Nordnet as a savings platform.

Risks and uncertainty factors.

The core of Nordnet's operations is to offer customers in Sweden, Norway, Denmark and Finland products and services for savings and investments. Customers' trading activity and savings are affected by a number of factors associated with customers' personal finances. A deterioration in macroeconomic conditions in these markets or globally may result in Nordic customers having less funds available to invest or in their becoming less interested in securities as savings and investment options, which could have a negative impact on Nordnet's operations and earnings. Over the year, the war in Ukraine and increased inflationary pressure have led to increased uncertainty and a decline in the stock market, trading activity has decreased, resulting in reduced brokerage income. The loss of income has been offset by higher interest income due to higher interest rates. Demand for digital trading and interest rate levels may change in the future, there is a risk that demand will decrease without rising net interest income offsetting the loss of income.

The markets for savings and investments, and for lending to consumers in the Nordic region are, and will continue to be, exposed to competition. There is a risk that local competitors in Sweden, Norway, Denmark and Finland will expand their operations to other Nordic countries or that non-Nordic players will choose to expand into one or more of the Nordic countries and that new products or price models will be launched that could exert pressure on prices. There is also a risk that Nordnet will not succeed in developing at a sufficiently fast pace in relation to the rapid development in the industry, or will fail to develop and to introduce new, attractive and innovative solutions.

As Nordnet's digital platform forms the core of its operations, Nordnet is exposed to risks related to its

information and communication technology ("ICT"), such as system errors, delays in performing services, catastrophic events and interruptions to access to Nordnet's products or services, and loss or leakage of customer data. Such incidents could damage Nordnet's operations and brand, and entail liability for damages and sanctions.

In general, the cyber threat to the digital financial sector is extensive and Nordnet's operations are thus exposed to cyber attacks, insider attacks and fraud. An incident related to such attacks or fraud may materially disrupt Nordnet's operations, damage Nordnet's reputation, expose Nordnet to the risk of loss, sanctions or legal proceedings and a potential exposure to liability for losses affecting customers.

Nordnet is exposed to risks related to human error, incorrect or inadequate performance of services by employees, lack of fully efficient processes for internal control and deficiencies in the knowledge and experience of employees. Improper measures or incorrect handling by Nordnet's personnel could lead to financial losses for customers, legal proceedings and sanctions, thereby damaging confidence in Nordnet.

Nordnet is dependent on services, licenses and agreements with partners for a number of Nordnet's services and products and these parties' failure to perform these services, provide these licenses and fulfil these agreements could have a negative impact on Nordnet's operations. Nordnet has also previously experienced such shortcomings in certain partners, some of which have caused significant interruptions in Nordnet's provision of services.

If the development of the mutual funds that Nordnet offers under its own brand is not satisfactory, such as in relation to the relevant index, Nordnet's brand and reputation may be negatively affected, resulting in decreased compensation, which would, in turn, affect Nordnet's growth. There is a risk that Nordnet receives negative publicity regarding, for example, its products and services, in newspapers and on social media. Such publicity exposes Nordnet to a reputation risk not only with regard to the criticized products and services but

also in relation to Nordnet as a brand. Poor publicity of this kind could have an adverse effect on Nordnet's earnings and future growth.

Nordnet is subject to capital and liquidity requirements including the leverage ratio requirements and must maintain adequate capital and liquidity buffers. If Nordnet fails to meet capital requirements or other requirements that are introduced, this may lead to interventions, such as sanctions being issued, which could adversely affect Nordnet's earnings and financial position. Uncertainty in the market may mean that Nordnet's financing expenses increase and limit the company's access to the capital markets, which may have a material adverse effect on Nordnet's operations, earnings and financial position.

The operations that Nordnet conducts are supervised, in relation to, for example, solvency and capital adequacy rules and rules regarding internal governance and control. As a result of the activities conducted by Nordnet's subsidiaries in various countries, consumer authorities, financial supervisory authorities and other authorities in these countries have jurisdiction over several parts of Nordnet's operations, including marketing and sales methods, remuneration models, general business terms and reminders and debt collection. Nordnet is also subject to directly applicable EU regulations and EU directives implemented through local legislation. In the event of significant deficiencies in compliance with regulations applicable to operations requiring permits, the permits granted by Swedish Financial Supervisory Authority (Finansinspektionen) and its Norwegian equivalent, the Norwegian Financial Supervisory Authority (Finanstilsynet) to Nordnet's subsidiaries may be revoked, which would lead to the subsidiaries being forced to cease operations.

Operating in a tightly regulated environment not only exposes Nordnet to the risk of sanction fees and other sanctions, but also entails significant expenses and resource requirements for implementing, adapting, monitoring and otherwise conducting operations in accordance with current rules. The penalty fees can be significant, during the year Nordnet received a remark from the Financial Supervisory Authority and

was required to pay a penalty fee of SEK 100 million for shortcomings in the intra-day short selling service.

Nordnet's operations are covered by laws and other rules regarding money laundering and terrorist financing in each Nordic country in which the company operates. Deficiencies in compliance with such rules may lead to sanctions, in the form of remarks or warnings, penalty fees and other interventions and may ultimately lead to the revocation of Nordnet's subsidiaries' licenses. There is also a risk that business relationships and Nordnet's reputation could be significantly damaged.

Nordnet processes large amounts of personal data on a daily basis and failure to comply with the Data Protection Regulation (GDPR) can lead to high financial penalties and Nordnet's reputation can be negatively affected to a significant extent.

Nordnet's operations are influenced by a number of environmental factors, the effects of which on the Group's profit and financial position can be controlled to varying degrees. When assessing the Group's future development, it is important to take into account the risk factors alongside any opportunities for profit growth. For a detailed description of risks and the handling of these, please see Note 7.

A specific comment on Russia's invasion of Ukraine.

Russia's invasion of Ukraine is one of several factors resulting in a changed macroeconomic situation, reducing interest in savings and investments among private individuals. Inflation, higher interest rates and high energy prices mean that most people are having to tighten their belts, and, in many cases, the focus of personal finances is more on making ends meet than investing in shares and mutual funds. Combined with lower market prices, this means lower commission income for Nordnet – an effect that could naturally persist into the future as long as savers and investors are affected by the uncertain situation. However, an environment with rising interest rates means higher interest income through a better return on Nordnet's excess liquidity and increased earnings in the lending

operations. As a company, Nordnet has no direct exposures to Russia or Ukraine. The company's customers have certain holdings in mutual funds and other securities with connections to Russia, and Nordnet has dealt with these in accordance with market standards. No credit losses have occurred within Nordnet's operations as a result of Russia's invasion of Ukraine, and the company's financial position has not been significantly affected by the situation.

Official supervision.

Nordnet's operations are supervised by the Swedish Financial Supervisory Authority in Sweden and the corresponding authorities in Norway, Finland and Denmark. Operations are largely regulated by laws, instructions, industry agreements, as well as regulation by European supervisory authorities. Within the Group, compliance with regulations is therefore of the utmost importance and is subject to regular review and follow-up, in part by the Board of Directors and in part by the control functions. Among other things, Nordnet's compliance function reviews whether the policies and instructions developed by the operations are appropriate and effective. The compliance function is also tasked with ensuring that Group's employees, including the Board of Directors, receive regular information regarding the regulations applicable to the operations conducted. This occurs, for example through training courses on new and changing business rules and information on the intranet.

Review by the Swedish Financial Supervisory Authority.

On 25 May 2022, the Financial Supervisory Authority decided to serve Nordnet a remark and imposed SEK 100 million in sanction fees regarding the internal governance and control in relation to the short selling regulation. The background to the decision lies in short-selling transactions conducted by Nordnet customers in Moment Group AB in February 2021. Nordnet posted a provision for the entire penalty amount of SEK 100 million against the second quarter profit and the payment was made on 22 November. The case is thus closed and will have no effect on Nordnet's future earnings.

Permits obtained.

The subsidiary, Nordnet Bank AB, which is subject to supervision by the Swedish Financial Supervisory Authority, is licensed to conduct banking operations in accordance with the Banking and Financing Business Act (2004:297), licensed to conduct securities operations in accordance with the Securities Market Act (2007:528), licensed to conduct insurance distribution in accordance with the Insurance Distribution Act (2018:1231) and licensed to conduct pension savings operations in accordance with the Individual Pension Savings Act (1993:931). The subsidiary, Nordnet Pensionsförsäkring AB, which is also subject to supervision by the Swedish Financial Supervisory Authority, is licensed to run insurance operations in accordance with the insurance operations Act (2010:2043). Nordnet Livsförsäkring AS is a wholly owned subsidiary of Nordnet Pensionsförsäkring AB and is subject to the supervision of the Financial Supervisory Authority of Norway. Nordnet Livsförsäkring AS is licensed to conduct insurance operations in accordance with the Norwegian Insurance Act (10 June 2005 no. 44). Since 7 April 2022, the subsidiary Nordnet Fonder AB, which is under the supervision of the Financial Supervisory Authority, holds a permit to conduct mutual fund operations in accordance with the Securities Funds Act (2004:46).

Share-based incentive programs.

At the Extraordinary General Meeting on 28 April 2022, a decision was made to establish a new incentive program 2022/2025 for all Nordnet Group employees. A total of 974,988 warrants were issued. The subscription and transfer of warrants to those employees in the Nordnet Group who wished to participate in the program was conducted through Nordnet Incentive AB, a wholly owned subsidiary of Nordnet. The subsidiary subscribed for the warrants free-of-charge and transferred them to the program participants at market prices. The number of warrants issued to each participant depended on the participant's function in the Group. The program will be in effect for three (3) years, with each warrant entitling the holder to subscribe for one (1) share in Nordnet AB (publ). For the warrants, the subscription price per share amounted to 120 percent of the closing price for Nordnet's share on Nasdaq Stockholm on 6 May 2022. The warrants are transfer-

red on market terms at a fair value determined applying the Black & Scholes valuation model. The program may cause a maximum dilution effect of less than 0.5 percent of the company's share capital. A corresponding warrant program 2020/2023 already exists, comprising 5,893,854 warrants, as well as a corresponding warrant program 2021/2024 comprising 862,695 warrants. For further information, see Note 13.

Sustainability.

Sustainability is part of Nordnet's DNA, and is in line with our purpose of democratizing savings and investments. Within the framework of this overarching ambition, we strive to give all private individuals access to knowledge and tools to be optimally able to manage their financial futures. The sustainability strategy encompasses three main areas: democratizing savings and investments, equality and diversity, as well as responsible and sustainable operations. Within these areas, we strive to benefit society in the long term, but also to benefit us as a company, in accordance with the principle of "shared value". We aim to become a leader in sustainable savings in the Nordic region. For us, this means helping customers invest sustainably by developing digital tools, making knowledge available and offering a wide range of sustainable investment options. As a company, Nordnet has a limited environmental impact. Our stores are digital, and our business model does not require any physical bank branches. Nor do we offer any traditional corporate lending, which is why our exposure to the environment and climate-related sectors is low. Read more about our sustainability work on pages 10–32.

Nordnet has prepared a Sustainability Report with reference to GRI Standards. In accordance with Chapter 6, Section 11 of the Annual Accounts Act, Nordnet has chosen to prepare the Statutory Sustainability Report separately from the Annual Report. The Sustainability Report is included on pages 10–32 and pages 168–174 of this document.

Shareholder information.

Nordnet AB (publ) has been listed on the Nasdaq Stockholm Large Cap list under the ticker SAVE since 25 November 2020.

Share price trend

Nordnet's share price decreased by 13 percent in 2022 from SEK 174 to SEK 151, while the OMX Stockholm 30 index decreased by 16 percent and Nordnet's comparison group* showed an average decrease of 24 percent. The highest closing price in 2022 was SEK 174 on 1 April and the lowest was SEK 109 on 12 October. The average closing price was SEK 143. The total return for Nordnet's share was -10% in 2022.

Turnover and trade

The turnover rate in Nordnet's shares in 2022 amounted to 114 percent, meaning that 284 million shares out of a total of 250 million registered shares were traded during the year. This corresponds to a total value of approximately SEK 41 billion. On average, approximately 1.1 million Nordnet shares were traded each trading day, which corresponds to a value of approximately SEK 162 million.

Dividend

Nordnet intends to distribute 70 percent of the annual reported profit to shareholders via cash dividends. In 2022, Nordnet distributed SEK 1,390 million to shareholders in the form of a cash dividend of SEK 5.56 per share. For the 2022 financial year, the Board of Directors has decided to recommend to the Annual General Meeting on 18 April 2023 that a cash dividend of SEK 4.60 per share be paid. The dividend is expected to be paid out on 25 April 2023.

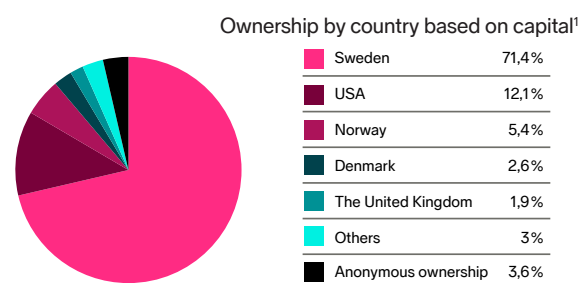
Share capital

Nordnet AB has only one class of shares. As of 31 December 2022, the number of registered shares amounted to 250

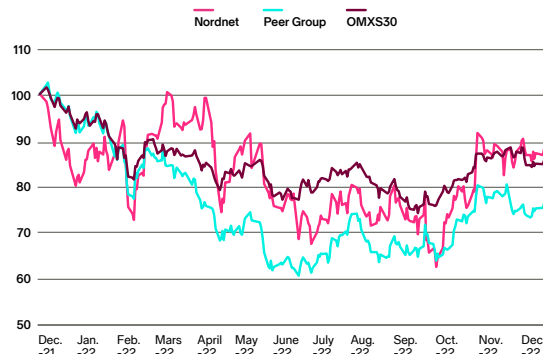
million (of which 375,000 were held as treasury shares). Each share has a quota value of SEK 0.005 and total share capital amounts to SEK 1,250 thousand.

Shareholders

As of 31 December 2022, Nordnet had 25,726 identified shareholders and the company's market capitalization was SEK 37.7 billion. As of 31 December, Öhman Intressenter and Premiefinans held 22.0 percent and 10.2 percent of the share capital and votes respectively. No other shareholder holds, directly or indirectly, more than 10 percent of the shares in Nordnet. The ten largest individual shareholders represent 59 percent of the share capital and votes. Foreign shareholders hold 29 percent of the share capital and votes.



Share price development for Nordnet, index of peers and market index for 2022 (indexed to 100)^{2,3}



Top 10 shareholders¹

As of 31 December 2022	Capital	Votes
Öhman Intressenter	22.0%	22.0%
Premiefinans	10.2%	10.2%
Norges Bank	5.1%	5.1%
Swedbank Robur Fonder	4.5%	4.5%
Fidelity Investments (FMR)	4.5%	4.5%
Handelsbanken Fonder	4.3%	4.3%
Vanguard	2.4%	2.4%
Catharina Versteegh	2.1%	2.1%
Micaela Bredberg	2.1%	2.1%
Claes Dinkelspiel	1.8%	1.8%
Total top 10	58.9%	58.9%

¹ Source: Modular Finance

² Source: Bloomberg

³ Peer group as determined by Nordnet includes AJ Bell plc, Avanza Bank Holding AB, The Charles Schwab Corporation, FlatexDegiro AG, FincoBank S.p.A., and Hargreaves Lansdown plc

Events after 31 December 2022

The Board of Directors proposes that the Annual General Meeting approve a dividend of SEK 4.60 per share, corresponding to 70 percent of profit after tax for 2022.

Nordnet issued Tier 1 capital contributions (AT1) and Tier 1 capital on Level 2 under Solvency II with the purpose of optimizing the capital structure. The issue concerns SEK 300 million. The bonds have a perpetual maturity, with an initial opportunity for redemption after five years and carrying variable interest of 3M STI-BOR + 500 basis points. The settlement date was 14 February 2023. The bonds are to be listed on Nasdaq Stockholm.

On 10 February 2023, Brian Buus Madsen took over as the Acting Country Manager of Nordnet Denmark in connection with the former Country Manager Anne Buchardt leaving the company. The process to recruit a permanent Country Manager is in progress.

In March, Nordnet filed a lawsuit with the Stockholm District Court against the law firm Vinge for negligent advice. Claimed damages amount to SEK 80 million. The background to the lawsuit is Nordnet's case with the Financial Supervisory Authority regarding routines for intraday shorting, which resulted in Nordnet being issued a remark and an administrative fine of SEK 100 million. The decision was appealed to the Administrative Court, but the appeal was submitted too late, which resulted in the case being rejected. Vinge has assisted Nordnet with legal advice in the dialogue with the Financial Supervisory Authority during the course of the case and was the company's representative in the appeal to the Administrative Court.

Corporate Governance Report.

Introduction.

The company's governance in 2022 was based on, among other things, the Articles of Association, the Swedish Companies Act, the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, the Swedish Code of Corporate Governance (the "Code") and internal governing documents. This Corporate Governance Report has been prepared in accordance with the Annual Accounts Act and the Code. Nordnet's ambition is to comply with the Code.

Bodies and regulations.

Annual General Meeting.

Resolutions concerning Nordnet are taken by the Annual General Meeting, which is the company's highest decision-making body. Some of the obligatory tasks of the Annual General Meeting include approving and adopting the company's balance sheet and income statement, deciding on the distribution of earnings, the remuneration principles for the company's senior executives and on discharge from liability for the Board Members and CEO. The Annual General Meeting also elects Board Members and auditors for the period until the end of the ensuing Annual General Meeting. All shareholders registered in the shareholders' register and who have announced their intent to participate in time have the right to participate at the meeting and vote according to their shareholding. One share entitles the holder to one vote.

Nomination Committee.

The Nomination Committee shall safeguard the interests of all shareholders and is tasked with submitting proposals to the Annual General Meeting regarding, among other things, the number of Board Members and the composition of the Board of Directors, including the Chairman of the Board, as well as submitting proposals regarding Board fees, specified for the Chairman of the Board and other Board Members. The composition of the Board of Directors shall be in accordance with applicable laws and regulations, as well as with the policy of fostering diversity on the Board adopted by Nordnet's Board of Directors. An important

principle is that the Board of Directors should be of the size and composition most appropriate for the company's needs. Nordnet strives for its Board of Directors to have an equal gender distribution, composed of members of varying ages, with varied education, experience and expertise, and with varying geographical backgrounds. The Nomination Committee shall also submit proposals for chairman at the Annual General Meeting and for the election of auditors and their remuneration, as well as proposals for any new instructions regarding the appointment of the Nomination Committee and its work. All shareholders are entitled to propose Board Members to the Nomination Committee.

The Nomination Committee shall comprise the Chairman of the Board and three members appointed by the three largest shareholders in Nordnet, by number of votes, as of 31 July 2022. If any of the three largest shareholders in terms of votes does not exercise the right to appoint a member, the right to appoint a member of the Nomination Committee passes to the next-largest shareholder by number of votes. The individual representing the largest shareholder in terms of voting rights shall be appointed chairman of the election committee, unless the election committee decides otherwise.

Board of Directors.

Responsibility of the Board of Directors in 2022

Nordnet's Board of Directors is the company's second-highest decision-making body. The tasks of the Board of Directors are stated in the Swedish Companies Act, the Articles of Association and the Code. In addition, the work of the Board of Directors is governed by the Board's rules of procedure, as adopted annually by the Board of Directors.

The Board of Directors bears the overarching responsibility for the company's organization and management of the company's affairs and is responsible for safeguarding a well-functioning reporting system. The Board is responsible for the company's long-term operations and significant issues, for reviewing the company's operations including procedures, resolutions on issues

Nomination Committee prior to AGM			
Name	Shareholding 31/12/2022	Appointed by	Shareholding 31/12/2022
Johan Malm	-	E. Öhman J:or Intressenter Aktiebolag	55 101 392
Björn Fröling	-	Premiefinans K. Bolin Aktiebolag	25 496 261
Frank Larsson	-	Handelsbanken Fonder AB	10 703 596
Tom Dinkelspiel, styrelsens ordförande	4 412 389		

concerning financial targets, strategies, the business plan and budget, and continuously monitoring the company's development and financial situation. The Board is responsible for the Group's financial statements being prepared in compliance with legislation and applicable accounting principles, and for quality assuring the company's financial reporting. The Board safeguards that the company's external communication is characterized by openness and objectivity as well as high relevance to the target groups to which it is directed. The Board also has the task of ensuring that there is satisfactory control of the company's compliance with laws and regulations and that necessary ethical guidelines are established for the company's and the Group's conduct, including appointing an internal auditor, whose work is evaluated annually. Furthermore, it is the task of the Board of Directors to appoint the CEO - and, where applicable, a Deputy CEO, to adopt instructions to the CEO and to supervise the work of the CEO.

Chairman of the Board

The Chairman manages the work of the Board to ensure that this is done efficiently and that the Board of Directors fulfils its undertakings in accordance with applicable legislation and other regulations. The Chairman monitors the operations in dialogue with the CEO. The Chairman ensures that the Board Members, through efforts by the CEO, continuously receive sufficient information and background data for their work, and encourages an open and constructive discussion to foster optimum conditions for the work of the Board of Directors.

The Chairman ensures that the Board's work is evaluated annually and verifies that the Board's decisions are implemented effectively. The Chairman shall also receive points of view from the owners and convey these within the Board of Directors.

Composition of the Board

At the 2022 Annual General Meeting it was decided

that the Board would comprise eight regular members and no deputies. In accordance with Nordnet's Articles of Association, the Board of Directors shall comprise at least three and at most ten Board Members. The CEO does not sit on the Board but presents the reports. The company's General Counsel acts as secretary at Board meetings. Where necessary, other company officials also present reports. The table on the next page shows the composition of the Board of Directors as of 31 December 2022 and includes the Board's dependence in relation to Nordnet, Group Management and major shareholders. In accordance with the Articles of Association, Board Members are elected annually by the Annual General Meeting.

Promoting diversity in the Board

Diversity entails a variety of characteristics and skills among individuals. This may apply, for example, to formal skills in the form of education, experience in different sectors, experience from activities in different countries or other background factors such as gender, ethnicity or age. Nordnet strives for equal gender distribution on the Board of Directors, and to have members of varying age, education, experience and expertise, as well as geographical background. Nordnet's Board currently has a diversified composition in terms of expertise, experience and specialist areas, and it is well-adapted in this respect to Nordnet's priority development areas. The gender distribution of the Board is relatively even and, as of the 2022 Annual General Meeting, three Board Members are women.

The Board's rules of procedure

The rules of procedure are set annually at the Board meeting following election. The rules of procedure are reviewed when necessary. The rules of procedure include the Board's responsibilities, tasks and division of labour, the duties of the Chairman, Board meeting agendas, and audit issues. They also state what reports and financial information are to be received by the Board in preparation for each ordinary Board

Board Members 2022								
Board Member ¹	Elect- ed	Position	Independent in rela- tion to Nordnet and Group Management/ major shareholders:	Remunera- tion Committee	Credit Committee	Audit Committee	Risk- and Compliance Committee	IT Commit- tee
Tom Dinkelspiel	2007	Chairman of the Board of Directors	Yes/No	Chairman	Chairman	Member	Member	
Fredrik Bergström	2022	Board Member	Yes/Yes				Member	
Anna Bäck	2020	Board Member	Yes/Yes	Member				Member
Karitha Ericson	2019	Board Member	Yes/Yes		Member		Member	
Charlotta Nilsson	2021	Board Member	Yes/Yes			Member		Member
Henrik Rättzén	2022	Board Member	Yes/Yes			Chairman		
Gustaf Unger	2022	Board Member	Yes/Yes			Member	Chairman	
Per Widerström	2017	Board Member	Yes/Yes					Chairman

¹Hans Larsson and Jan Dinkelspiel were Board Members until the Annual General Meeting on 28 April 2022, but declined re-election. Christian Frick resigned at the Extraordinary General Meeting on 12 October 2022.

meeting. Furthermore, the rules of procedure include instructions to the CEO complemented by CEO terms of reference. The rules of procedure also stipulate that Remuneration, Audit, Risk, Compliance and IT Committees are to be established and what their tasks will be. The Board's rules of procedure were adopted on 28 April 2022. In addition to these committees, there is a Credit Committee specific to the bank operations.

Evaluation of the work of the Board

The procedures state that an annual evaluation of the work of the Board should take place by means of a systematic and structured process.

Committees

Although the Board's overarching responsibility cannot be delegated, the Board has established the following preparatory committees. Nordnet's Board of Directors currently has four committees: the Remuneration Committee, the Audit Committee, the Risk and Compliance Committee and the IT Committee. All of the committees serve as bodies that prepare matters for the Board of Directors. In addition to these committees, there is a Credit Committee specific to the bank operations that has been established by the Board of Directors of the subsidiary Nordnet Bank AB.

Remuneration Committee

The Remuneration Committee is responsible for preparing matters regarding salaries and fees, remuneration and other terms of employment for the CEO, Group Management and others, as well as incentive programs, pension provisions and other financial benefits for Group employees, where applicable. The Committee shall also analyze and present to the Board the risks associated with the company's remuneration system and, on the basis of this analysis, identify and present the employees who should be considered to have a substantial impact on the company's risk profile. Reporting to the Board takes place regularly.

Audit Committee

Without affecting the responsibilities and tasks of the Board as a whole, the Audit Committee is principally tasked with assuring satisfactory control of risk management, internal control, accounting and financial reporting and with ensuring that the company's financial reporting is prepared in accordance with the law, other relevant regulations and applicable accounting standards. The Audit Committee shall also ensure on-going contact with the external auditors, proposing guidelines for the Board regarding which services, beyond auditing, that may be procured from the auditor, examining and monitoring the auditor's impartiality

and independence, and assisting in the preparation of proposed resolutions by the Annual General Meeting regarding the election of auditors. In addition, the Committee shall inform the Board of the results of the audit, including on how the audit contributed to the reliability of the company's financial reporting.

Risk and Compliance Committee

In its work and, where necessary, in dialogue with the external auditors, the internal audit function, those responsible for the Risk Control and Compliance functions, as well as with other committees established by the Board of Directors and with Group Management, the Risk and Compliance Committee shall monitor the structure of the operations and the organization, as well as their regulatory compliance, risk management and reporting of risks and incidents, increasing the Board's opportunities for insight into these areas. Transparency in ICT operations to ensure information security and compliance with internal and external requirements in these areas. The Committee shall also propose to the Board a plan for the internal audit. It shall also appraise the reviews of the operations and the policies applied conducted by the control functions and report on these to the Board of Directors.

IT Committee

The IT Committee is tasked with ensuring that Nordnet's IT strategy and platform are effectively defined, planned and implemented in accordance with Nordnet's overarching strategy and targets.

Credit Committee

For the subsidiary Nordnet Bank AB, the Board has established a Credit Committee which, among other things, is tasked with determining and preparing the limits for which the Board of Directors of the company is responsible in accordance with the Board procedures, and to prepare the annual reporting of the limits set by the Board. According to the current rules of procedures, the Credit Committee shall also report to the Board of Directors of Nordnet AB (publ).

CEO and Group Management.

The CEO leads the operations within the guidelines and instructions established by the Board. The most recently established instructions for the CEO were set by the Board on 28 April 2022. The CEO is responsible for compliance with the objectives, policies and

strategic plans for the Group established by the Board. The CEO also produces the data needed to monitor the Group's position, profit, liquidity and general development, background data and decision materials in preparation for Board meetings and also presents these matters. The CEO leads the work of the Group Management team and makes decisions in consultation with other members of management. Group Management holds regular meetings at which both strategic and operational issues are discussed. Group Management comprises the heads of key business areas within the Group, see pages 66–67.

Audits and auditors.

At the 2022 Annual General Meeting, accounting firm Deloitte AB was re-appointed as the auditor for Nordnet AB and all of its subsidiaries until the 2023 Annual General Meeting. The principal auditor is Authorized Public Accountant Patrick Honeth. The auditors' task is to review the annual accounts, the consolidated accounts and the accounting, as well as the administration by the Board of Directors and the CEO. The auditors report back on their findings on a number of occasions during the year and are present at the Board meetings that deal with annual accounts. The auditors also maintain continuous contact with the Audit Committee.

Internal audit.

In accordance with the Board's procedures and procedures for the subsidiaries Nordnet Bank AB and Nordnet Pensionsförsäkring AB, Nordnet Livförsäkring AS and Nordnet Fonder AB, as well as the regulations of the Swedish Financial Supervisory Authority, the Board has appointed an independent review function/internal audit, which is directly subordinate to the Board. The work of the internal audit is based on a Policy adopted by the Board of Directors. The internal audit shall review and periodically assess the appropriateness and efficiency of the company's internal controls. Since 2018, this function has been held by EY.

The Board's control of financial reporting.

The Board monitors and assures the compliance of the financial reporting with external regulations and is responsible for following up the internal control of the financial reporting (ICFR). The ICFR framework is closely related to Nordnet's internal framework for operational risk management. Methods and processes are coordi-

nated and adapted to assure efficiency and accuracy. Internal governance and control are performed by the Board, Group Management and other personnel, and the framework is designed to provide reasonable assurance that objectives regarding operations, reporting and legal and regulatory compliance are met. The framework serves to identify risks and establish control environments with clear roles and responsibilities. The ICFR work, as well as general operational risk control, is based on COSO (Committee of Sponsoring Organizations of the Treadway Commission) and is based on five internal control components:

- **Control environment** – Nordnet has instructions, policies, procedures, authorization manuals and guidelines related to the management of the operations, compliance, financial accounting and reporting. All documents are published and made available to all personnel.
- **Risk assessment** – The CEO bears the overall responsibility for managing the Group's risks. Risk management is an integral part of the operations that must be assessed and managed in accordance with the Risk Policy. To be able to exercise effective internal control of financial reporting, the company must understand and identify the risks to which the operations are exposed and, as part of the assessment process, determine and consider the consequences of the relevant risks. Nordnet continuously assesses the risks in its financial reporting – that is, it identifies, analyzes and assesses the principal risks of misstatement in the financial reports.
- **Control activities** – The control activities serve to detect, guard against and limit risks and the assumption of risks in operations while also preventing deviations and errors in financial reporting. To assure the quality of the financial reporting, controls are performed at several levels. The internal reporting and control systems are based on internal regulations for financial planning, accounting principles and reporting, as well as the follow-up and analysis of financial results.
- **Information and communications** – All employees must understand their own role in the internal control system, as well as how individual activities relate to the work of others. Employees are provided with tools for the upstream and downstream communication of important information within the company and to external parties. Each manager is

responsible for adequate reporting regarding internal control to the next management level, thereby securing communications throughout the organization. Instructions, policies and guidelines are made available and kept updated via Nordnet's intranet. Knowledge and awareness of these are obtained by means of ongoing internal training and information for the various departments and functions covered by the responsibility for internal reporting.

- **Supervision** – An annual follow-up of the controls included in the ICFR framework is performed to assure the reliability of the process. Self-assessment is performed on a regular and ongoing basis. The assessment results are followed up by the finance department and reported to the Audit Committee.

In 2022, the interim report for the third quarter was subject to review by the company's auditors. In addition, on four occasions over the year, the company's auditors conducted reviews regarding the inclusion of the interim result in the capital base for Nordnet Bank AB and its consolidated situation.

The Group's auditors report their findings to the Board in connection with the review of the annual accounts. In addition, the Board meets the company's auditors at least once a year – without the presence of the executive management team – to learn about the focus and scope of the audit, and to discuss coordination between the external and internal audits and views of the Company's risks. The auditor issues a presentation and receives feedback from the Board regarding the focus and scope of the audit.

Internal control.

Nordnet works with internal control in accordance with the principles of the three lines of defence, where the business operations constitute the first line of defence and are tasked with identifying, managing and mitigating potential risks. The second line of defence comprises the risk control and regulatory compliance functions and, as far as the subsidiaries Nordnet Pensionsförsäkring AB and Nordnet Livsförsäkring AS are concerned, their actuarial functions. Risk Control, Compliance and the actuarial function are independent of the business operations. The functions are responsible for developing principles and frameworks for Nordnet's risk management, obtaining the operations' risk assess-

ments and conducting independent reviews. They must also promote a healthy risk culture by supporting and educating Nordnet's employees. These functions are directly subordinate to the CEO and report regularly to both the CEO and the Board of Directors. The internal audit constitutes the third line of defence, which on behalf of the Board monitors both the first and second line of defence. The internal audit is directly subordinate to, and reports to, the Board and its main task is to assess, based on the audits conducted, the extent to which internal governance, risk management and internal control are appropriate and effective, and to submit an opinion in this regard to the Board of Directors and the CEO.

The tasks performed by the Audit Committee ensure that the financial reports maintain a high standard.

The Board follows up and assesses this quality assurance through monthly reports on the company's earnings trend, credit and risk exposure and relevant sector data and by addressing the Group's financial situation at each Board meeting.

Work over the year.

Annual General Meeting for 2022.

Nordnet's Annual General Meeting for 2021 was held on 28 April 2022. Counsel Fredrik Lundén was elected chairman of the Meeting and Nordnet's General Counsel, Carl Dahlborg was elected as secretary. The resolutions of the Annual General Meeting included:

- Dividend of SEK 5.56 per share
- The Board of Directors shall comprise eight ordinary members and no deputies.

An Extraordinary General Meeting was held in 2022, on 12 October. The Extraordinary General Meeting decided to elect Fredrik Bergström and Henrik Rättzén as Board Members.

Attendance at Annual General Meeting

Extraordinary General Meeting 12 October	67%
2022 (ordinary)	72%
2021 (ordinary)	70%
2020 (ordinary)	100%
2019	100%
2018	100%

Percentage of votes and capital.

Board of Directors.

The Board of Directors held 11 meetings over the year, two of which were held by mail. The table below shows the attendance at the meetings in 2022. The work of the Board takes place at an intensive pace to support the CEO and other members of Group Management. At each ordinary meeting, the Board discussed a number of issues relating to strategic and business-related areas. During the year, Nordnet officials have also taken part in Board meetings by presenting reports. Every month, the Board receives a report on the company's earnings trend, credit and risk exposure and relevant

Attendance at Board and Committee meetings in 2022^{1,2}

	Board meetings ¹	Remuneration Committee ³	Credit Committee ⁴	Audit Committee	Risk and Compliance Committee ⁵	IT Committee
Tom Dinkelspiel	11 of 11	9 of 9	6 of 6	6 of 6	6 of 6	
Fredrik Bergström ^{5,6}	3 of 11				1 of 6	
Anna Bäck	11 of 11	6 of 9				7 of 7
Karitha Ericson	11 of 11		4 of 6		6 of 6	
Charlotta Nilsson	11 of 11			1 of 6		7 of 7
Henrik Rättzén ^{5,7}	3 of 11			1 of 6		
Gustaf Unger ⁸	8 of 11			3 of 6	3 of 6	
Per Widerström	11 of 11					7 of 7

¹ In addition to the pre-planned (ordinary) Board meetings reported below, an additional in-person meeting was held in 2022. In addition, six meetings were held by mail in 2022.

² Jan Dinkelspiel and Hans Larsson stepped down as Board Members at the Annual General Meeting on 28 April 2022.

³ Jan Dinkelspiel attended two committee meetings and Hans Larsson attended three committee meetings before stepping down from the Board of Directors.

⁴ The Committee only exists within Nordnet Bank AB. In addition to the pre-planned (ordinary) meetings reported above, seven additional meetings were held and four meetings by mail. Jan Dinkelspiel and Hans Larsson stepped down as Board Members at the Annual General Meeting on 28 April 2022 and Karitha Ericson took office as a member of the committee in connection therewith.

⁵ Fredrik Bergström and Henrik Rättzén were elected as Board Members at the Extraordinary General Meeting on 12 October 2022 and have participated at all three ordinary Board meetings held since then. At the same Extraordinary General Meeting, Christian Frick resigned as a Board Member.

⁶ Fredrik Bergström stepped in as a member of the Risk and Compliance Committee on 27 October 2022 and participated in the Committee meeting that was held afterwards.

⁷ Henrik Rättzén stepped in as a member of the Audit Committee on 27 October 2022, and as chairman of the same committee on 7 December 2022. He attended the only meeting held since his being elected as a member of that Committee.⁸ Gustaf Unger was elected as a Board Member at the Annual General Meeting on 28 April 2022 and has attended all eight regular Board meetings after that. He was appointed chairman of the Risk and Compliance Committee and as a member of the Audit Committee at the constituent board meeting on the same day and participated in all three meetings with the respective committees since then.

Board meetings 2022	
Meeting1	Topics discussed
February	Year-end report. Proposed dividend. Possible revaluation of balance sheet items. Reporting of other companies Q4. Compliance incl. SAE/AML, risk control and security. Board training.
March	ICLAAP. Annual Report Solvency reporting at Group level ("RSR", "QRT" and "SFCR"). Follow-up of employee satisfaction. Report on the audit work and the Board's meeting with the auditor. Evaluation of and remuneration to, the CEO. Evaluation of, and compensation for, senior executives. Reporting from Board committees and Nordnet Pension.
April	Interim report Q1. Forecast update. Reporting of other companies for Q1. Compliance incl. SAE/AML, risk control and security. Reporting from Board committees and Nordnet Pension. Board training.
June	Approach strategy meeting. Approval of stress scenarios in ORSA. Reporting from Board committees and Nordnet Pension. Board training.
July	Results for the first six months January-June.
August	Strategy work.
September	Reporting of other companies for Q2. Compliance incl. SAE/AML, risk control and security. Reporting from Board committees and Nordnet Pension. Board training.
October	Interim report Q3. Reporting from Board committees and Nordnet Pension. Board training.
November	Strategy work. Financial plan and budget.
December	ORSA. Reporting of other companies Q3. Compliance incl. SAE/AML, risk control and security. Annual presentation credit limits. Board training.

industry data. See the table of Board meetings at which decisions were made in 2022 on the next page. For information about Board Members, see the section Board of Directors and auditors on pages 63–65.

Remuneration Committee

As of 31 December 2022, the Remuneration Committee comprised Tom Dinkelspiel (chairman) and Anna Bäck. The committee has conventionally handled matters as wages, compensation, incentive compensation and other employment terms for the CEO and the company's top management and incentive programs for key employees. In 2022, the Committee held nine meetings, of which seven were held by mail.

Audit Committee

As of 31 December 2022, the members of the Audit Committee were Henrik Rättzén (chairman), Tom Dinkelspiel, Charlotta Nilsson and Gustaf Unger. Among other matters, the committee has prepared the work of the Board regarding quality assurance of financial reporting and maintained constant contact with the external auditor. In 2022 the Committee held six meetings.

Risk and Compliance Committee

The Risk and Compliance committee comprised Gustaf

Unger (chairman), Karitha Ericson, Tom Dinkelspiel and Fredrik Bergström. Among other tasks, the Committee monitors the structure, regulatory compliance, risk and incident reporting in the organization and its operations, increasing the Board of Directors' opportunities for insight regarding these matters. The Committee held eight meetings over the year.

The Credit Committee (committee within Nordnet Bank AB)

At the end of 2022, the Credit Committee comprised Tom Dinkelspiel (chairman) and Karitha Eriksson. The Committee has determined and prepared the annual report of the Board's limits and limits on the company's Board of Directors in accordance with the applicable Credit Policy and credit instruction at all times. The Committee held 13 meetings during the year, of which four were held by mail.

IT Committee

As of 31 December 2022, the IT Committee comprised Per Widerström (Chairman), Anna Bäck and Charlotta Nilsson.¹ The Committee prepared issues relating to IT operations and IT development. The Committee held seven meetings in 2022.

¹In 2022, Former Board Member, Pierre Siri, also participated in the practical work of the Committee as a consultant. As of January 2023, Per is no longer a consultant within Nordnet.

CEO.

Lars-Åke Norling has been the CEO of Nordnet since 1 September 2019.

Group Management.

As of 31 December 2022, Group Management comprised ten individuals: Lars-Åke Norling, Anne Buchardt, Rasmus Järborg, Lennart Krän, Elias Lindholm, Martin Ringberg, Anders Skar, Johan Tidestad, Carina Tovi, and Suvi Tuppurainen.

Group Management is presented in greater detail in the appurtenant section on pages 66–67.

Guidelines for remuneration of senior executives.

The following guidelines for the remuneration of senior executives were adopted at the Annual General Meeting on 28 April 2022.

The guidelines are also to encompass Nordnet's Board Members, to the extent that they receive any remuneration beyond the Board fees they receive. The guidelines shall be applied to remunerations agreed following the adoption of the guidelines by the Annual General Meeting on 28 April 2022, as well as to changes made to remunerations agreed previously. The guidelines do not cover remunerations approved by the Annual General Meeting.

How the guidelines foster Nordnet's business strategy, long-term interests and sustainability.

Put briefly, Nordnet's business strategy entails Nordnet democratizing savings and investments, which is Nordnet's core operation. This means that Nordnet gives private savers access to the same information and tools as professional investors by, for example, offering easily accessible and inexpensive online share trading. Nordnet's vision is to be the first choice for Nordic savers. For more information about Nordnet's business strategy, see www.nordnetab.com.

A prerequisite for Nordnet to be able to realize its

business strategy and safeguard the Group's long-term interests, including sustainability, is that Nordnet is able to attract, motivate and retain senior executives in competition with comparable Nordic companies, primarily Nordic banks and credit market companies. These guidelines must therefore make it possible for senior executives to be offered overall remunerations that are market-based and competitive. At the same time, Nordnet's remuneration system must be compatible with sound and efficient risk management, fostering this and counteracting excessive risk-taking. The remuneration of senior executives in Nordnet must also be in accordance with Nordnet's business strategy, targets, values and long-term interests; designed to avoid conflicts of interest between employees, Nordnet and Nordnet's customers; based on quantitative business objectives and qualitative criteria reflecting regulatory compliance, appropriate treatment of Nordnet's customers and the quality of the services provided. Overall variable remuneration may not limit Nordnet's ability to maintain an adequate capital base and liquidity or to strengthen the capital base if necessary.

The Board of Directors takes the view that a well-balanced fixed remuneration, combined with participation in any share-related incentive programs approved by the Annual General Meeting and opportunities for variable remuneration, provide the conditions that Nordnet needs to be a competitive employer.

Forms of remuneration.

Remuneration of senior executives shall comprise:

- fixed salary,
- possible variable cash remuneration,
- the opportunity to participate in long-term share-based incentive programs approved by the Annual General Meeting,
- pension, and
- any other customary benefits.

Fixed salary

Senior executives' fixed salaries are revised annually and must be competitive and based on the expertise, responsibility and performance of the individual. Fixed remuneration shall also constitute a sufficiently large

part of the senior executive's total remuneration that the variable part can be set at zero.

Variable salary

Senior executives' variable cash remuneration shall be based on how well approved targets for their respective areas of responsibility, and for Nordnet as a whole, are met. Both financial and non-financial criteria must be taken into account in the assessment. The outcome shall be linked to measurable targets which, as far as Nordnet is concerned, shall be directly or indirectly linked to the achievement of Nordnet's financial goals. The targets within the relevant executives' specific areas of responsibility aim to promote Nordnet's development, in both the short and long term, and thus promote Nordnet's business strategy and long-term interests, including the Group's sustainability.

Variable remuneration may amount to at most 100 percent of the senior executive's fixed annual salary. If the variable remuneration for one year exceeds SEK 100,000, at least 60 percent of that remuneration must be deferred for at least three years before being disbursed or before the title of ownership passes to the senior executive.

When Nordnet determines how much of the variable remuneration is to be postponed, and for how long, Nordnet must take into account the Group's business cycle, the risks inherent in the business, the senior executive's responsibilities and tasks and the scale of the variable remuneration. Nordnet may decide to defer variable remuneration for up to five years.

Variable remuneration, even that which has been deferred, shall only be paid or transferred to the senior executive if doing so is justifiable taking into account Nordnet's financial situation, including its capital base and liquidity, and can be considered motivated given Nordnet's results or those of the relevant business unit and senior executive. Variable remuneration may therefore be reduced or dispensed with entirely. Nordnet or, where applicable, Group companies, are also entitled to claim back, in whole or in part, variable remuneration that has been paid if it can be demonstrated that the senior executive, if his duties have a significant impact on the Group's risk profile, has participated in, or been responsible for, any action resulting in significant losses for Nordnet or Group companies or has not met

appropriate standards for suitability and suitability. A prerequisite for the payment of variable remuneration is that the measure is in accordance with Swedish Financial Supervisory Authority's regulations and the EBA's guidelines for sound remuneration policy.

Long-term share-based incentive programs

Long-term share-based incentive programs must be approved by the Annual General Meeting and are therefore not covered by these guidelines.

Pensions and other customary benefits

With the exception of the CEO, pension provisions for all senior executives shall be covered by a single policy. These must be defined-contribution pension commitments and secured through payments of premiums to insurance companies. The scale of the pension premiums is set out in Nordnet's pension plan and must, in all material respects, correspond to the provision levels applicable in accordance with the BTP 1 plan and subject to the limitations in relation to fixed annual salary following from this. No provisions are made for salary components exceeding 30 income base amounts calculated on an annual basis. For members of Group Management not residing in Sweden, local rules are applied that lead to a pension under equivalent terms. Variable cash compensation shall, in principle, not be pensionable.

Other possible benefits shall be customary and facilitate executives' opportunities to fulfil their duties, such as a company car, company health care and health insurance.

Remuneration in connection with recruitment

Beyond the aforementioned forms of remuneration, remuneration must also, in certain exceptional cases and in accordance with Nordnet's Remuneration Policy, be paid in connection with recruitment to attract certain key individuals to Nordnet as part of Nordnet's business strategy. Such remuneration shall be limited to the first year of employment.

Termination

In the event of termination by Nordnet, the period of notice may not exceed 12 months. In the event of resignation by the executive, the period of notice may not exceed six months. Severance pay shall not occur.

Remuneration Policy for banking and insurance operations

In addition to these guidelines, Nordnet's Board of Directors has, in accordance with Swedish Financial Supervisory Authority's regulations regarding remuneration systems in credit institutions and the EBA's guidelines for sound remuneration policy, adopted a Remuneration Policy covering all employees of Nordnet and Nordnet's regulated subsidiaries. The Remuneration Policy is compatible with and promotes sound and efficient risk management and counteracts excessive risk-taking. Further information about Nordnet's Remuneration Policy is published on Nordnet's website

Salary and terms of employment for employees

In preparing the Board's proposal for these remuneration guidelines, salaries and terms of employment for the Group's employees have been taken into account. The guidelines do not deviate from the remuneration systems generally applied for other employees within the Group. In other respects too, the remuneration, forms of remuneration and wage trends for senior executives are deemed to be in line with salaries and terms of employment for other Group employees.

Decision-making process

The Board of Directors has established a Remuneration Committee. The Committee's tasks include preparing the Board's decisions regarding proposed guidelines for remuneration to senior executives. Every four years at least, the Board of Directors shall submit proposals for guidelines for the remuneration of senior executives for adoption by the Annual General Meeting. The guidelines shall apply until new guidelines have been adopted by the Annual General Meeting.

The Remuneration Committee shall also monitor and assess variable remuneration programs for Executive Management, the application of guidelines for the remuneration of senior executives and applicable remuneration structures and levels within Nordnet.

Deviations from the guidelines

Where, in an individual case, the Board of Directors

finds that there are specific reasons to do so, and to meet Nordnet's long-term interests, including sustainability, or to safeguard Nordnet's financial position, the Board of Directors is entitled to deviate from these guidelines, provided that the deviation is not covered by provisions in the Swedish Financial Supervisory Authority's regulations or in the EBA's guidelines. If the Board deviates from the guidelines, it shall present the reasons for this at the next Annual General Meeting. Additional information on the remuneration of senior executives is reported in Note 13 and in the Remuneration Report for 2022. The Remuneration Report for 2022 will be published on the Group's website www.nordnetab.com.

Remunerations paid to senior executives and auditors.

Board of Directors

At the Annual General Meeting on 28 April 2022, it was decided that the remuneration for the current year to the Chairman of the Board and each of the Board Members shall be SEK 450,000 (SEK 350,000). Additional fees are paid for work on the Board's committees. Fees for work on the Risk and Compliance Committee amount to SEK 150,000 to the chairman and SEK 80,000 for each of the other committee members. Fees for work on the Remuneration Committee amount to SEK 40,000 to the chairman and SEK 25,000 for each of the other committee members. Fees for work on the Audit Committee amount to SEK 100,000 to the chairman and SEK 60,000 for each of the other committee members. Fees for work on the IT Committee amount to SEK 75,000 to the chairman and SEK 40,000 for each of the other committee members. Fee for the work to Credit Committee in Nordnet Bank AB amounts to SEK 75,000 more chairman and to SEK 40,000 more other information members of the committee.

CEO

In 2022, the fixed monthly salary paid to the current CEO, Lars-Åke Norling, amounted to SEK 603,333. The CEO is entitled to monthly pension provisions corresponding to 35 percent of his basic salary.

Auditors

Compensation totalling SEK 10,444 thousand (10,821) was paid to auditors and audit firms in 2022. This amount relates to audits, advice and other review work linked with auditing. Remuneration has also been paid for other advisory services, most of which pertains to consultation concerning accounting and tax issues.

For further information on the remuneration of senior executives and auditors, see Note 13.

Board of Directors and auditors.

The disclosures regarding the Board and management refer to 28 February 2023.



Tom Dinkelspiel, Chairman of the Board

Born: 1967

Elected: Chairman of the Board since 2019 and Board Member since 2007.

Committees: Chairman of the Remuneration Committee and the Credit Committee. Member of the Audit Committee and the Risk and Compliance Committee.

Education and work experience: Studied at the Stockholm School of Economics. Previous experience of positions including CEO, derivatives trader and stockbroker at subsidiaries of E.Öhman J:or AB.

Other significant assignments: Chairman of the Board of E. Öhman J:or AB, Premiefinans K. Bolin AB, Chairman of the Board and CEO of E. Öhman J:or Alternative Investments AB and Board Member of Öhman Luxembourg S.A., E. Öhman J:or Intressenter AB, Kogmot AB, Mokmot AB.

Own and related parties' holdings in the company:

85,364,209 shares

Independent in relation to Nordnet and Group Management/major shareholders:
Yes/No



Fredrik Bergström, Board Member

Born: 1970

Elected: 2022

Committees: Member of the Risk and Compliance Committee.

Education and work experience: MBA from Uppsala University. Previous experience includes positions as CEO of Länsförsäkrings AB and of leading positions within, among others, If and SBAB.

Other significant assignments: Board Member of Metaforce AB, Claims Carbon Institutet AB, Enebybergs Tennishall AB and FFOMAB AB.

Own and related parties' holdings in the company: –

Independent in relation to Nordnet and Group Management/major shareholders:
Yes/Yes



Anna Bäck, Board Member

Born: 1972

Elected: 2020

Committees: Member of the Remuneration Committee and IT Committee.

Education and work experience: Master's degree in industrial economics, Linköping University and Executive MBA, Stockholm School of Economics. Anna has experience in digitization and innovation. Previous experience as CTO at Glocalnet and Chief Operating Officer and Associate Partner at McKinsey & Company.

Other significant assignments¹: CEO and Board Member of Kivra Sweden AB. Board Member of Kivra Oy. Board Member of Permobil AB and of the Swedish Biathlon Federation (Svenska Skidskytteförbundet). Member of the SNS Board of Trustees.

Own and related parties' holdings in the company: 102,362 shares

Independent in relation to Nordnet and Group Management/major shareholders:
Yes/Yes

¹ When the report was published on 16 March, Anna Bäck resigned as President and CEO of Kivra, and stepped down from her Board commitments for Kivra Sverige AB och Kivra Oy,

Board of Directors and auditors.



Karitha Ericson, Board Member

Born: 1973

Elected: 2019

Committees: Member of the Risk and Compliance Committee and Credit Committee.

Education and work experience: Education in advanced organizational psychology at Stockholm University and BA in psychology, Stockholm University. Karitha has experience in private equity and the financial sector. Previously, Karitha was Vice President and COO at Grant Thornton Sweden AB for 10 years. She also has experience as Head of Human Resources for EQT and various units within SEB.

Other significant assignments: Global Head of Grant Thorntons International for its member countries, Global Head of Human Resources and Head of Strategic Sustainability and Board member of Kamami AB.

Own and related parties' holdings in the company: 100,229 shares

Independent in relation to Nordnet and Group Management/major shareholders: Yes/Yes



Charlotta Nilsson, Board Member

Born: 1970

Elected: 2021

Committees: Member of the Audit Committee and IT Committee.

Education and work experience: Master of Arts in physics, Umeå University and Executive MBA, Stockholm School of Economics and OWP at IMD Business School in Lausanne. Charlotta has solid experience in innovation and growth and has, among other things, been an investment expert in blockchain, AI and start-ups for Vinnova. Charlotta has held several senior positions such as VP at Tieto AB, CEO at SIS, EVP at Vizrt (publ), MD at Ardeno AB and Deputy MD at Epsilon Hightech Innovation. Currently COO at Paradox Interactive (publ) including as Board Member in subsidiaries.

Other significant assignments: Board Member of Industrifonden, FCG, and the Computer Games Industry Spelplan ASGD AB.

Own and related parties' holdings in the company:

–

Independent in relation to Nordnet and Group Management/major shareholders: Yes/Yes



Henrik Rättzén, Board Member

Born: 1965

Elected: 2022

Committees: Chairman of the Audit Committee.

Education and work experience: MBA from Uppsala University. Henrik has previous experience as CFO at Codan/Trygg Hansa, Postnord, Carnegie Investment Bank and SJ, and as a partner at KPMG.

Other significant assignments: Chairman of the Board of Hedvig Försäkring, Bosam Group Holding AB and Freedom Group AB. Board Member of Fjärde AP-fonden and Advinans AB. He also works as a senior adviser.

Own and related parties' holdings in the company: –

Independent in relation to Nordnet and Group Management/major shareholders: Yes/Yes

Board of Directors and auditors.



Gustaf Unger, Board Member

Born: 1973

Elected: 2022

Committees: Chairman of the Risk and Compliance Committee and Member of the Audit Committee.

Education and work experience: Engineering degree from the Royal Institute of Technology, an economics degree from Stockholm University and a PhD in financial mathematics from ETH Zurich. Previous experience as Head of Private Banking at Nordea and as CEO of Nordea's pension company Nordea Life Holding and active at SEB as, among other things, head of SEB Investor Services and active at McKinsey and Investor earlier in his career.

Other significant assignments: CEO of Intelligent Debt Financing.

Own and related parties' holdings in the company:

—

Independent in relation to Nordnet and Group Management/major shareholders:
Yes/Yes



Per Widerström, Board Member

Born: 1966

Elected: 2017

Committees: Chairman of the IT Committee.
Education and work experience: MA in International Accounting and Finance, London School of Economics, and Graduate in Business Administration, School of Business, Economics and Law at the University of Gothenburg. Per has experience from e-commerce, the gaming industry, telecom, FMCG, AI/Automation, and Fintech. Previous experience includes leading positions in, for example, Fortuna Entertainment Group, Gala Coral Group, bwin.party, Telenor, Procter & Gamble and Coca-Cola.

Other significant assignments: Chairman of the Board of the following companies: Turbotic AB, Qred Holding AB, Ihsus TopCo AB (Sambla Group), Bokadirekt Group Nordic AB and Casumo Holding PLC. Board Member of the following companies: Catena Media PLC.

Own and related parties' holdings in the company: 194,446 shares

Independent in relation to Nordnet and Group Management/major shareholders:
Yes/Yes

Auditors

The company's auditor has been Deloitte AB since 2017. The principal auditor is Patrick Honeth, born in 1973, Authorized Public Accountant and licensed auditor for financial companies.

Group management.



Lars-Åke Norling, CEO

Born: 1968

CEO since: 2019

Education and work experience: MA in Business Administration, School of Business, Economics and Law at the University of Gothenburg, Civil Engineering Program in Technical Physics, Uppsala University and MA in Systems Engineering, Case Western Reserve University, USA. Lars-Åke has more than 20 years of experience from companies in technology, media and telecom (TMT). Previous experience includes several management positions, including as CEO and CTO of Telenor Sweden.

Own and related parties' holdings in the company:

2,020,455 shares and 736,394 warrants.

Other significant assignments: Board Member of Tele2 AB.



Rasmus Järborg, Chief Product Officer, Deputy CEO

Born: 1976

Chief Product Officer since: 2018.

Deputy CEO since: 2021

Education and work experience: Master of Science in Business & Economics from the Stockholm School of Economics. Previous experience from several management positions at SEB, including Chief Strategy Officer and responsible for the bank's digitization and digital channels. Rasmus has previously worked at UBS Investment Bank in London.

Own and related parties' holdings in the company: 250,000 shares and 465,099 warrants.

Other significant assignments: Board Member of Sleep Cycle AB.



Brian Buus Madsen, Acting Country Manager Denmark

Born: 1977

Acting Country Manager Denmark since: 2022

Education and work experience: Degree in business administration. Brian has more than 25 years of experience from Danske Bank, most recently in the role as Head of Investment Retail Banking Denmark. Previous experience also includes roles at Danske Capital and Danske Invest.

Own and related parties' holdings in the company:

29,228 warrants (through companies)

Other significant assignments: -



Lennart Krän, Chief Financial Officer

Born: 1965

Chief Financial Officer since: 2019

Education and work experience: Graduate in Business Administration, Stockholm University and Certified Financial Analyst, Stockholm School of Economics. Lennart has experience from the financial services sector and has held positions as CEO of SalusAnsvar and as CFO of SBAB and of HSBC Investment Bank, Stockholm Branch.

Own and related parties' holdings in the company: 90,000 shares and 257,855 warrants

Other significant assignments: -



Elias Lindholm, Chief Technology Officer

Born: 1980

Chief Technology Officer since: 2021

Education and work experience: Graduate Engineer in Electrical Engineering, Chalmers University of Technology, Gothenburg. Elias has more than 11 years of experience from Avanza, of which the last three as CTO. Elias joined Nordnet in 2019 as the Head of Nordnet's Development Department, he became CTO in 2021.

Own and related parties' holdings in the company: 21,595 shares and 46,305 warrants

Other significant assignments: -



Martin Ringberg, Country Manager Sweden

Born: 1976

Country Manager Sweden since: 2018

Education and work experience: Graduate in Business Administration, Stockholm University. Previous experience from several management positions within SEB - mainly in savings and investments.

Own and related parties' holdings in the company: 150,000 shares and 218,714 warrants ((some of the options are owned through companies).

Other significant assignments: -

Group management.



Anders Skar, country manager Norway

Born: 1976

Country Manager Norway since: 2008

Education and work experience: MA in Finance from the Norwegian Business School. Anders has more than 15 years of experience from the Nordic and Norwegian banking, insurance and financial market. Previous experience as a consultant in banking, insurance, finance and CRM (customer relationship management) at Accenture.

Own and related parties' holdings in the company: 107,420 shares and 208,044 warrants (through companies)

Other significant assignments: Board Mem-



Johan Tidestad, Chief Communications Officer

Born: 1968

Chief Communications Officer since: 2012

Education and work experience: BA in Laws, Uppsala University and studies at Berghs School of Communication. Previous positions as Deputy CEO and Chief Legal Counsel at E-Trade Sweden, a digital bank for savings and investments based in the US, and founder and Deputy CEO of mutual fund company Bergsgård Petersson Fonder AB.

Own and related parties' holdings in the company:

55,478 shares and 232,549 warrants

Other significant assignments: –



Carina Tovi, Chief Human Resource Officer

Born: 1965

Chief Human Resource Officer since: 2018

Education and work experience: Graduate in Business Administration, Stockholm School of Economics. Carina has more than 30 years of experience from the financial industry, mainly in asset management, business and product development. Previous positions as CEO and Head of Products at Swedbank Robur Fonder.

Own and related parties' holdings in the company:

60,000 shares and 214,961 warrants

Other significant assignments: –



Suvi Tuppurainen, Country Manager Finland

Born: 1976

Country Manager Finland since: 2016

Education and work experience: MA in Economics, University of Tampere, Finland. Suvi has more than 20 years of experience from the financial sector and has held positions including Head of Online Desk, stockbroker, specialist in payment control and risk management at eQ Bank. Founder of Propertit OY.

Own and related parties' holdings in the company: 135,146 shares and 237,686 warrants.

Other significant assignments: Chairman of the Board of Propertit Oy.

Proposed appropriation of profit.

The following profits are at the disposal of the Annual General Meeting (SEK):

Share premium reserve	6 607 548 296
Other capital contributions	1 100 000 000
Profit brought forward	-6 776 215 313
Profit for the year	2 545 019 125
Total	3 476 352 109

The Board of Directors proposes the following appropriation:

To shareholders, a dividend of SEK 1.51 per share	1 148 275 000
Carried forward to next year	2 328 077 109
Total	3 476 352 109

The Board of Directors of Nordnet AB (publ) proposes that the Annual General Meeting on 18 April 2023 resolve to allocate the retained earnings, including the profit for the year according to the approved balance sheet, such that SEK 4.60 per share is distributed to shareholders and the remainder is transferred to a new account. This corresponds to a total dividend of SEK 1,148 million and a dividend payout ratio of 70 percent of the total profit for 2022.

When the supervisory authorities revise their dividend recommendation, Nordnet will assess the situation and then respond.

In the opinion of the Board of Directors, the financial position of the company and the Group justifies the proposed dividend with reference to the requirements such as the nature, scope and risks of the business with regard to the scope of the company's and the Group's

equity and the company's and Group operations' consolidation needs, liquidity and position in general.

Taking recent market turmoil into account, a special review was conducted to ensure that the financial position of the company and the Group is not jeopardized by the proposed dividend. The assessment is that the current situation does not give rise to any change in the assessment of the financial position. The capital adequacy and liquidity situations both remain satisfactory. Furthermore, the assessment is that the situation does not have, or will not entail, any major increase in credit losses that would have a material negative impact on equity.

The Board of Directors and the CEO provide their assurance that the annual accounts have been prepared in accordance with generally accepted accounting practices in Sweden and that the consolidated accounts have been prepared in accordance with the international accounting standards as stipulated by the European Parliament and Council's regulation (EC) No. 1606/2002 of 19 July 2002 on the application of international accounting standards and give a fair account of the Parent Company and Group's position and earnings. Furthermore, assurance is given that the Board of Directors' Report for the Parent Company and Group, respectively, provides an accurate overview of the development of operations, position and earnings of the Parent Company and the Group, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and the companies within the Group.

A woman with freckles is shown in profile, looking at a computer screen. She is wearing a dark blazer over a white top. In the background, there are two computer monitors. The monitor in the foreground shows a blurred image of a document or spreadsheet. The monitor in the background shows a blurred image of a website or application. The overall scene is a professional office environment.

Financial statements.

Financial statements.

Consolidated income statement.

Group, SEK thousands	Note	2022	2021
Commission income ¹	9	2,695.0	3,476.4
Commission expenses	9	-665.8	-746.8
Interest income	10	1,662.8	945.2
Interest expenses	10	-381.8	-217.9
Net result of financial transactions ¹	11	-8.8	18.0
Other operating income	12	80.7	163.7
Total operating income		3,382.1	3,638.6
General administrative expenses	13	-1,064.9	-917.5
Depreciation, amortization and impairments of intangibles and equipment	14	-172.4	-162.7
Other operating expenses	15	-54.2	-60.7
Total expenses before credit losses		-1,291.5	-1,140.9
Profit before credit losses		2,090.6	2,487.5
Credit losses, net	16	-43.4	-36.3
Fees imposed; Resolution fees		-13.1	-10.1
Operating profit		2,034.1	2,451.2
Tax on profit for the year	17	-381.7	-466.5
Profit for the year ¹		1,652.5	1,984.7
Earnings per share before dilution, SEK	36	6.35	7.79
Earnings per share after dilution, SEK	36	6.33	7.75
Number of shares before dilution, SEK		249,687,500	250,000,000
Number of shares after dilution, SEK		250,581,110	251,146,045

¹ The full profit goes to the shareholders of the Parent Company.

Consolidated statement of comprehensive income.

SEK thousands	Note	2022	2021
Profit for the year		1,652.5	1,984.7
Items that will be reversed to the income statement			
Changes in value of financial assets recognized at fair value through other comprehensive income	32	-177.2	-3.6
Tax on changes in value of financial assets recognized at fair value through other comprehensive income	32	36.5	0.7
Translation of foreign operations	32	46.0	45.0
Tax on translation of foreign operations	32	-5.2	-3.1
Total other comprehensive income after tax		-99.9	39.0
Total profit or loss and other comprehensive income ¹		1,552.6	2,023.7

¹ The full profit goes to the shareholders of the Parent Company.

Consolidated balance sheet.

SEK thousands	Note	2022	2021
Assets			
Cash and balances in Central banks		3,726.5	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing	19	38,960.2	33,702.7
Loans to credit institutions	20	485.1	644.8
Loans to the general public	21	28,527.4	26,326.2
Bonds and other interest bearing securities	22	11,218.5	10,978.3
Shares and participations	23	19.8	5.2
Assets for which customers bear the investment risk	24	119,974.7	152,165.5
Intangible fixed assets	25	967.5	920.7
Tangible fixed assets	26	244.0	285.3
Deferred taxed assets	17	1.3	0.9
Current tax assets	17	28.8	0.6
Other assets	27	2,267.6	2,906.3
Prepaid expenses and accrued income	28	486.4	357.9
Total assets		206,907.8	232,544.2
Liabilities			
Deposits and borrowing from the general public	29	70,084.1	64,286.7
Liabilities for which customers bear the investment risk	24	119,979.6	152,168.3
Other liabilities	30	10,371.4	9,468.7
Current tax liabilities	17	151.1	327.6
Deferred tax liabilities	17	56.1	65.7
Accrued expenses and deferred income	31	215.4	237.1
Total liabilities		200,857.8	226,554.1
Equity	32		
Share capital		1.2	1.2
Additional Tier 1(AT1) capital		1,100.0	1,100.0
Other capital contributions		7,086.7	7,125.9
Other reserves		-161.2	-61.4
Retained earnings including profit for the year		-1,976.6	-2,175.6
Total equity		6,050.1	5,990.1
Total liabilities and equity		206,907.8	232,544.2

Consolidated statement of changes in equity

SEK thousands	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves ¹	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2021	1.2	500.0	7112.4	-100.4	-3301.6	4211.7
Profit after tax reported in the income statement	-	-	-	-	1,984.7	1984.7
Other comprehensive income after tax	-	-	-	39.0	-	39.0
Total comprehensive income	-	-	-	39.0	1984.7	2023.7
Transactions reported directly in equity:						
Issue new share capital ²	-	600	-	-	-	600.0
Transaction cost with issue of Tier 1 capital	-	-	-	-	-2.1	-2.1
Issue of warrants ³	-	-	13.5	-	-	13.5
Tax on transaction costs in connection with issue of Tier 1 capital	-	-	-	-	0.4	0.4
Interest on Tier 1 capital	-	-	-	-	-37.1	-37.1
Dividends paid	-	-	-	-	-820.0	-820.0
Total transactions reported directly in equity	-	600.0	13.5	-	-858.8	-245.3
Equity carried forward 31 December 2021	1.2	1,100.0	7,125.9	-61.4	-2,175.6	5,990.1

¹ See Note 32

² Issue of SEK 600 million in Tier 1 capital. The bonds have an indefinite maturity, can be redeemed first after five years and mature with interest of three-month Stibor + 3.9 percent. The bonds are listed on Nasdaq Stockholm.

³ The amount includes repurchases of warrants for SEK 625 thousand.

SEK thousands	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves ¹	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2022	1.2	1,100.0	7,125.9	-61.4	-2,175.6	5,990.1
Profit after tax reported in the income statement	-	-	-	-	1,652.5	1,652.5
Other comprehensive income after tax	-	-	-	-99.9	-	-99.9
Total comprehensive income	-	-	-	-99.9	1,652.5	1,552.6
Transactions reported directly in equity:						
Transaction costs on issue of Tier 1 capital	-	-	-	-	-0.7	-0.7
Tax on transaction costs on issuance of Tier 1 capital	-	-	-	-	0.1	0.1
Interest on Tier 1 capital	-	-	-	-	-65.0	-65.0
Repurchase of own shares	-	-	-56.5	-	-	-56.5
Issue of warrants	-	-	17.6	-	-	17.6
Repurchase of warrants	-	-	-0.4	-	-	-0.4
Dividend paid	-	-	-	-	-1,387.9	-1,387.9
Total transactions reported directly in equity	-	-	-39.2	-	-1,453.4	-1,492.7
Equity carried forward 31 December 2021	1.2	1,100.0	7,086.7	-161.2	-1,976.6	6,050.1

Consolidated cash flow statement (direct method).

SEK thousands	Note	2022	2021
Current operations			
Provisions received		2,704.2	3,496.7
Provisions paid		-665.8	-764.0
Interest received		1,549.2	935.0
Interest paid		-445.9	-276.7
Net received from financial transactions		21.0	20.2
Other operating payments		15.7	134.0
Dividend received		-	-
Payments to suppliers and employees		-1,185.9	-1,106.2
Income taxes paid		-614.4	-350.4
		1,378.1	2,089.6
Increase/decrease of assets of current operations			
Increase (-)/decrease (+) of lending to the general public		-1,696.5	-5,808.5
Increase (-)/decrease (+) of other assets		3,402.8	5,283.9
Increase/decrease of liabilities of current operations			
Increase (+)/decrease (-) of deposits and borrowing among the general public		2,533.4	10,536.6
Increase (+)/decrease (-) of liabilities		875.4	1,510.6
		6,493.2	13,612.2
Cash flow from current operations			
Investing activities			
Acquisition of intangible assets	25	-136.9	-121.5
Acquisition of tangible assets	26	-23.7	-46.1
Investments in securities		-35,114.1	-43,010.1
Sales of securities		29,521.6	30,977.4
		-5,753.1	-12,200.3
Financing activities			
Issue of warrants		17.3	13.5
Amortization of leasing		-1.9	-30.4
Shareholders' contribution		-56.5	-
Issue of Tier 1 capital		-	600.0
Dividends paid to shareholders		-1,387.9	-820.0
		-1,429.0	-236.8
Cash flow for the year			
		-688.9	1,175.1
Cash and cash equivalents, January 1		4,894.6	3,704.0
Exchange rate differences in cash and cash equivalents		6.0	15.5
		4,211.7	4,894.6
Cash and cash equivalents at year-end			
Cash and cash equivalents include: ¹			
Cash and balances in Central Banks		3,726.5	4,249.8
Loans to credit institutions (bank deposits) ²	20	485.1	644.8
		4,211.7	4,894.6

¹ This amount includes pledged assets of SEK 281 (377) million.

² Loans to credit institutions (bank deposits) only include investments with a maturity of less than three months.

Parent Company's income statement.

SEK thousands	Note	2022	2021
Net sales	37	18.2	17.5
Total operating income		18.2	17.5
Administrative expenses	38	-14.0	-6.2
Personnel costs	39	-13.8	-13.2
Other operating expenses		-3.5	-2.5
Total operating expenses		-31.3	-21.8
Operating profit		-13.1	-4.3
Result from financial investments			
Result from participations in Group companies	40	2,558.7	305.9
Interest expense and similar items		0.4	-
		-0.8	-0.8
Result from financial investments		2,558.2	305.0
Profit after financial items		2,545.2	300.7
Tax on profit for the year	41	-0.1	-0.3
Profit for the period		2,545.0	300.4
Items that will be reversed to the income statement		-	-
Total other comprehensive income after tax		-	-
Total profit or loss and other comprehensive income		2,545.0	300.4

Parent Company's balance sheet.

SEK thousands	Note	2022	2021
Assets			
Fixed assets			
Financial fixed assets			
Shares in Group companies	42	2,412.8	2,409.2
Total fixed assets		2,412.8	2,409.2
Current assets			
Current receivables from Group companies		414.2	8.6
Deferred tax asset		-	-
Current tax receivables		1.2	0.6
Other receivables	43	657.9	1.5
Prepaid expenses and accrued income	44	3.2	0.3
		1,076.5	11.0
Cash and cash equivalents		7.3	16.8
Current assets, total		1,083.8	27.7
Total assets		3,496.6	2,436.9
Equity	45		
Restricted equity			
Share capital		1.2	1.2
		1.2	1.2
Non-restricted equity			
Share premium reserve		6,607.6	1,100.0
Additional Tier 1(AT1) capital		1,100.0	-6,776.3
Retained earnings		-6,776.3	2,545.0
Profit for the year		2,545.0	3,477.6
		3,476.4	346.3
Total equity		3,477.6	347.6
Liabilities			
Liabilities to Group companies		-	-
Other liabilities	46	9.8	5.2
Accrued expenses and deferred income	47	9.2	6.5
Total liabilities		19.0	11.7
Total equity and liabilities		3,496.6	359.2

Parent Company's statement of changes in equity.

SEK thousands	Share capital	Share premium reserve	Additional Tier 1 (AT1) capital	Retained earnings	Profit for the year	Total
Equity brought forward 1 January 2021	1.2	6,633.3	500.0	-4,971.0	206.5	2,370.0
Reallocation of last year's profit	-	-	-	206.5	-206.5	-
Profit after tax reported in the income statement	-	-	-	-	300.5	300.5
Total comprehensive income	-	-	-	206.5	94.0	300.5
Transactions reported directly in equity						
Issue new share capital ¹	-	-	600.0	-	-	600.0
Issue of warrants	-	13.5	-	-	-	13.5
Transaction costs in connection with issue of Tier 1 capital	-	-	-	-1.7	-	-1.7
Interest on Tier 1 capital	-	-	-	-37.1	-	-37.1
Dividend	-	-	-	-820.0	-	-820.0
Equity carried forward 31 December 2021	1.2	6,646.8	1,100.0	-5,623.3	300.5	2,425.2
Equity brought forward 1 January 2022	1.2	6,646.8	1,100.0	-5,623.3	300.5	2,425.2
Reallocation of last year's profit	-	-	-	300.5	-300.5	-
Profit after tax reported in the income statement	-	-	-	-	2,545.0	2,545.0
Total comprehensive income	-	-	-	300.5	2,244.6	2,545.0
Transactions reported directly in equity						
Transaction costs in connection with issue of Tier 1 capital	-	-	-	-0.7	-	-0.7
Tax on transaction costs in connection with issue of Tier 1 capital	-	-	-	0.1	-	0.1
Interest on Tier 1 capital	-	-	-	-65.0	-	-65.0
Repurchase of own shares	-	-56.5	-	-	-	-56.5
Issuance of warrants	-	17.6	-	-	-	17.6
Repurchase of warrants	-	-0.4	-	-	-	-0.4
Dividend	-	-	-	-1,387.9	-	-1,387.9
Equity carried forward 31 December 2022	1.2	6,607.6	1,100.0	-6,776.3	2,545.0	3,477.6

¹ Issue of Tier 1 capital of SEK 600 million. The bonds have an indefinite maturity, with the first redemption possible on 16 November 2026 and runs with interest of three-month Stibor + 3.9 percent. The bonds are listed on Nasdaq Stockholm.

Parent Company's cash flow statement (direct method).

SEK million	Note	2022	2021
Cash flow from current operations			
Interest paid		-65.8	-37.7
Net received from financial transactions		0.3	-0.3
Other operating payments		2,064.5	64.9
Payments to suppliers and employees		-28.4	-95.2
Cash flow from current operations before changes in working capital		1,970.7	-68.2
Cash flow from changes in working capital			
Increase (-)/decrease (+) of other receivables		-1,050.1	96.4
Increase (+)/decrease (-) of liabilities		1.5	2.9
Paid income taxes		-0.8	-
Cash flow from current operations		921.3	31.1
Investing activities			
Investments in securities		-	194.1
Cash flow from investing activities		-	194.1
Financing activities			
Issue of Tier 1 capital		-	600.0
Dividends from subsidiaries		514.0	500.0
Shareholders' contribution received		-	-600.0
Repurchase of shares		-56.5	-
Issue of warrants		-0.4	-0.6
Shareholders' contribution given		-1,387.9	-820.0
Cash flow from financing activities		-930.8	-320.6
Cash flow for the year		-9.4	-95.5
Cash and cash equivalents, January 1		16.8	112.2
Cash and cash equivalents at year-end		7.3	16.8

Cash and cash equivalents refers to the company's bank accounts.



Notes.

Notes.

Note 1 Company information.

The consolidated accounts for Nordnet AB (Parent Company) for the financial year ending 31 December 2022 have been approved by the Board of Directors and CEO for publication on 16 March 2023 and will be presented for adoption by the Annual General Meeting on 18 April 2023. The registered office of the Parent Company, Nordnet AB (publ), is Alströmergatan 39, Box 30099, 104 25 Stockholm, Sweden. The Group offers financial services and products, primarily in savings and investments in its home markets of Sweden, Norway, Denmark and Finland. Since 25 November 2020, Nordnet AB's (Publ) shares have been listed on Nasdaq Stockholm. The operations are described further in the Board of Directors' Report.

Note 2 Basis for preparation of the accounts.

Statement of compliance with applied regulations.

The financial statements and the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and interpretative statements from the IFRS Interpretations Committee as approved by the EU. Also applied are the Annual Accounts for Credit Institutions and Investment Firms Act (1995: 1559), the Swedish Financial Supervisory Authority's regulations and general guidelines on annual accounts in credit institutions and securities companies (FFFS 2008:25), including relevant amendment regulations and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups.

The Parent Company's Annual Report is prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and with application of the Swedish Financial Reporting Boards RFR 2 Accounting for legal entities. This entails the Parent Company applying the same accounting principles as the Group with the exceptions and additions set out in Swedish accounting

legislation. IFRS valuation and rules of disclosure are applied with the exceptions and additions specified in the section concerning the Parent Company's accounting principles.

Reporting is based on different grounds of valuation. Financial assets and liabilities are measured at amortized cost, with the exception of certain financial assets and liabilities that are recognized at fair value. Non-monetary items are reported based on their historical cost. Pension provisions are reported based on the discounted value of future pension commitments. Assets and liabilities in the insurance business, where the policyholder bears the investment risk, are reported at fair value.

All figures in the Annual Report are shown in millions of Swedish kronor (SEK million) unless otherwise stated. The 2021 Annual Report was presented in thousands of Swedish kronor (SEK thousand).

As of 1 June 2022, Nordnet has made a change in the presentation of the income statement, and the comparative figures have also been recalculated accordingly. The Group has changed the presentation of the income statement by adding a new line, Incurred fees: resolution fees for the income statement to be in line with industry practices. Resolution fees have previously been reported under net interest. The line Operating profit before credit losses has been changed to Operating profit before credit losses and resolution fees. A total of SEK -10.1 million has been transferred regarding 2021 to the line Charges incurred: resolution fees from the line Interest expenses. The purpose of the changes is to clarify the reporting and facilitate the comparison of operating profit between time periods. The changes in the presentation have not affected the Group's profit or shareholders' equity. To reflect the current reporting and decision-making process, Nordnet has changed the presentation of reportable operating segments.

The accounting principles stated below were applied consistently in all periods presented in the financial statements, unless stated otherwise.

Note 3 New and amended standards.

Standards that will come into force in 2023 and beyond.

In preparing the consolidated financial statements, standards and interpretations are applied that are published by the International Accounting Standards Board (IASB). The following is a preliminary assessment of the impact that the introduction of these standards and interpretations may have on the Group's financial reports.

IFRS 17 Insurance Contracts and

IFRS 4 Insurance Contracts

The IFRS 17 standard replaces IFRS 4 Insurance contracts as of 1 January 2023.

IFRS 17 establishes principles for the accounting, presentation, measurement and disclosure of insurance contracts. Exempted from the new standard are investment agreements with the legal form of an insurance contract but where no significant insurance risk is transferred to the insurance company. Nordnet's assessment is that Nordnet's insurance contracts do not contain significant insurance risk, meaning that they are classified as investment contracts and will be reported in accordance with IFRS 9. Accordingly, IFRS 17 has no significant impact on Nordnet's financial statements.

IAS 1 Presentation of Financial Statements

The IAS 1 standard prescribes the basis for the design of general financial reports to ensure comparability both with the company's own financial reports for previous periods and with other companies' financial reports. The changes in IAS 1 Presentation of Financial Statements mean that companies that apply IFRS must provide disclosures of material information regarding accounting principles rather than providing information on significant accounting principles. The accounting principles will be more company-specific and disclosures perceived as less material must not obscure significant disclosures.

Note 4 Critical accounting estimates and assumptions.

Establishing financial reporting in accordance with IFRS requires that management conduct assessments and estimates as well as make assumptions that affect the application of the accounting principles and the reported amounts of both assets and liabilities on the balance sheet date, as well as income and expenses in the reporting period. Estimates and assumptions are based on historical experience and a number of other factors that seem reasonable under current conditions. The result of these estimates and assumptions is then used to assess the reported values of assets and liabilities that are not otherwise clearly stated from other sources. Estimates and assumptions are reviewed regularly. Actual outcomes may deviate from these estimates and assessments. Described below are the areas where the risk of changes in value over the ensuing year is greatest given that the assumptions or estimates may need amending.

Financial instruments.

In determining the fair value of the Group's financial instruments, different methods are used depending on the degree to which data and market activity can be observed. Primarily, prices quoted in active markets are used. In the absence of quoted prices, valuation models are used instead. Management assesses when the markets are considered inactive and a valuation model should be used. An active market is considered either a regulated or reliable trading venue where quoted prices are easily accessible with regularity. As some of these criteria are not met, the market is considered inactive. Management then makes an assessment of which valuation model is considered most relevant for the individual instrument. The starting point is that quoted prices for financial instruments that are as similar as possible should be used. Since such prices or components of prices cannot be identified, company management is required to make its own assumptions.

Note 33 accounts for financial instruments measured at fair value and divided into three different valuation levels. As of 31 December 2022, the value of financial instruments measured applying the company's own assumptions amounted to SEK 1,633.4 million (4,445.9), of which SEK 0.8 (0.7) million pertained to Nordnet Bank's holdings of unlisted shares. Assets for which the customer bears the investment risk account for SEK 1,632.6 million. The valuation models applied are generally accepted and are subject to independent

risk control.

Credit losses.

Methods and models for calculating and reporting expected credit losses include assumptions, methods and input data that involve a high degree of assessment. The Group uses both quantitative and qualitative indicators to assess a significant increase in credit risk. Forward-looking information is included in the assessment of a significant increase in credit risk. From analyses of historical data, macroeconomic factors are identified that affect credit risk and credit losses. These analyses take into account internal and external information and are consistent with the forward-looking information used for other purposes such as financial planning and forecasting. For more information on the assessments made as of 31 December 2022, see Note 21.

Impairment testing of goodwill.

The value of recognized goodwill is tested at least once a year to determine whether the asset may be impaired. The test requires an assessment to identify the cash-generating units as well as an assessment of the value in use of the cash-generating unit to which the goodwill value is attributable. This in turn requires the anticipated future cash flow from the cash generating unit to be estimated and a relevant discount rate to be established for calculation of the present value of the cash flow. Consolidated goodwill at the end of the year amounted to SEK 429.0 million (422.6), of which SEK 236.5 million (232.6) refers to the investment in Netfonds. Company management's assumptions when calculating the value in use at the end of the year did not lead to any impairment. For more information, see Note 5 Accounting principles and Note 7 Risks.

Prepaid acquisition expenses.

When determining the rate at which reported prepaid acquisition expenses are to be depreciated, an assumption is made about, among other things, the expected repurchase and mortality rates. In addition, the assessment of the fees charged on mutual fund insurance affects the assessment of possible impairment. At the end of the year, the consolidated carrying amount for prepaid acquisition expenses amounted to SEK 106.5 million (64.0).

Note 5 Accounting principles applied.

Consolidated accounts.

The consolidated accounts comprise the Parent Company and its subsidiaries where controlling influence is held. The financial reports of the Parent Company and subsidiaries included in the consolidated accounts relate to the same period and have been compiled in accordance with the accounting principles applicable to the Group. The Parent Company has controlling influence when it has the influence and ability to exert its influence over the other company's relevant operations and is exposed to variable returns and has the ability to use its influence to affect returns. Controlling influence exists when the Parent Company directly, or indirectly through subsidiaries, holds over half of the voting rights in a company. A subsidiary is included in the consolidated accounts from the time of acquisition, which is the date on which the Parent Company takes on controlling influence and is included in the consolidated accounts until the date on which the controlling interest ceases. The acquisition method entails that acquired identifiable assets, liabilities and contingent liabilities that meet the accounting conditions are reported and valued at fair value at the acquisition date. A surplus between the acquisition value and the business combination and the fair value of the acquired participation is reported as goodwill. If the amount is less than fair value, the difference is recognized directly in the income statement in other income. Acquisition-related expenses are expensed as they are incurred. No provisions are made for expenses for planned restructuring measures resulting from the acquisition.

A subsidiary's contribution to equity consists solely of the capital that is acquired between date of acquisition and date of disposal. All intra-Group dealings that arise in transactions between companies included in the consolidated accounts are eliminated in their entirety.

Foreign currency translation.

The consolidated accounts are presented in Swedish kronor (SEK), which is the functional currency and reporting currency of the Parent Company. Each subsidiary and branch in the Group determines its functional currency based on its primary economic environment. Transactions in foreign currencies are reported after translation using the exchange rate on the transaction

date. Monetary assets and liabilities in foreign currency are converted into functional currency at the exchange rate on the balance sheet date. All exchange rate differences are reported in the income statement. Non-monetary items in foreign currency that are valued at their historical cost are valued in the functional currency, using the exchange rate at the time of the original transaction.

Assets and liabilities in subsidiaries and affiliates with a functional currency other than SEK are translated into the reporting currency at the exchange rate on the balance sheet date. For recalculation of the income statement, an average price for the period is usually used for practical reasons. Translation differences that occur are reported in other comprehensive income.

Income recognition.

Commission income and commission expenses (net commission income)

Income from contracts with customers is reported as commission income, comprising compensation for service assignments performed. Commission income is reported when the performance commitment has been met, which is when the control of the product or service is transferred to the customer, who is thus able to use the service. The customer is the party who enters into a contract with Nordnet to receive the services offered by the ordinary operations. The income reflects the compensation expected to be received in exchange for these services. In the case of variable remuneration, such as discounts deducted or performance-based compensation, income is reported when it is probable that no repayment will be made. The overall compensation is broken down by the individual services and is determined by whether the services are fulfilled at a specific point in time or over time. Service assignments refer primarily to brokerage and commissions. Brokerage is reported as income on the transaction date. In part, commissions are charged on securities brokerage in connection with securities being issued, sales of structured products and guaranteed issues. These commissions are reported as income on completion of the transaction. Commissions from the fund operations are made up partly of entry commissions, which are recognized as income in connection with fund purchases, and partly of commissions based on fund volume, which are recognized monthly as income on the basis

of actual volume.

Commission expenses are transaction-dependent and are usually directly related to transactions reported as income within commission income. Commission expenses comprise expenses for services received, insofar as they are not considered to be interest, which primarily comprise expenses to stock exchanges, clearing houses and sharing to partners in connection with the purchase and sale of securities. Commission expenses for fund management operations comprise management fees consisting of fixed expenses and expenses based on actual volumes, which are recognized monthly.

Other operating income

Other operating income relates to income from agreements with customers regarding, for example, custodial services, information services, software and service and support fees from partners. Other operating income also includes issue-related income, as well as capital gains on divestment of tangible assets.

Interest income and interest expenses (net interest income)

Interest income on receivables and interest expenses on liabilities are calculated and recognized using the effective interest rate method. The effective interest rate is the interest rate that discounts all estimated future inflows and outflows over the anticipated fixed-interest term to the reported gross value of the receivable or liability, resulting in a steady return over the term of the loan. The calculation includes transaction costs, premiums or discounts and fees paid or received that form an integral part of the return. An exception to the above comprises financial assets measured at amortized cost and that were recognized as impaired following initial recognition (Stage 3 financial assets). For these, interest income is calculated by applying the effective interest rate to the reported gross value less reserves for credit losses. Where such financial assets are no longer recognized as impaired, interest income is again calculated based on the recognized gross value.

Interest expenses on deposits from credit institutions and the general public are recognized as an expense when processed, which means that interest expenses are distributed over the period to which they relate.

Interest expenses also include expenses for the deposit guarantee, which are booked in accordance with the same principle.

Net profit from financial transactions

Recognized under this item are dividends received and exchange rate fluctuations. Net income from financial transactions also includes capital gains from interest-bearing securities and from the divestment of participations in subsidiaries and associated companies.

Financial instruments.

Accounting, cancellation and modification

A financial asset or financial liability is reported on the transaction date, when Nordnet becomes a party in accordance with the contractual terms of the instrument, in addition to financial assets classified as measured at amortized cost, which are reported on the settlement date. Financial assets reported in the balance sheet and considered significant include, on the asset side, cash and bank balances at central banks, sovereign bonds eligible as collateral, etc. Assets where the customer bears the investment risk, lending, bonds and other interest-bearing securities, shares and participations, and accrued income. On the liability side are Deposits, Liabilities for which the customer bears the investment risk and Accrued expenses. Currency derivatives are reported as either assets or liabilities, depending on whether the fair value is positive or negative.

When a financial instrument is reported for the first time, it is valued at fair value plus, regarding financial liability not belonging to the category of financial assets or liabilities valued at fair value through profit or loss, transaction expenses directly attributable to the acquisition or issue of the financial instrument. When valuing a financial instrument after initial recognition, the financial asset is recognized according to the valuation category of the financial instrument.

A financial asset is de-recognized from the balance sheet once the obligations in the contract have been realized, have matured, been transferred to a third party or if the company has lost control of it. Financial liabilities are de-recognized when the liability has been terminated by the completion, cancellation or termination of the agreement. The same applies to parts of

financial assets and financial liabilities.

When modifying a loan, an assessment is made as to whether this would cause it to be removed from the balance sheet. A loan is considered to be modified when the terms governing the cash flows of the loan change compared to the original agreement. Examples include deferrals, changed market conditions, measures to retain the customer and other factors unrelated to a borrower's deteriorating creditworthiness. Modified loans are removed from the balance sheet and a new loan is reported when the existing loan is terminated, with a new agreement being entered into on significantly different terms, or when the terms of an existing agreement are significantly modified. In case of modification due to a borrower encountering financial difficulties, an individual assessment is made as to whether the borrower can be granted a temporary deferment. The deferment can be of a varying nature, for example a changed term, setting up a payment plan or temporarily adjusted interest rates. The loan is then retained in the balance sheet and placed in Stage 3 in accordance with IFRS9 until the deferment and associated probation period expire.

Offsetting

Financial assets and financial liabilities are recognized in the balance sheet on a net basis when there is a legally enforceable right to offset the carrying amounts and if the intention is to settle on a net basis or to simultaneously realize the asset and settle the liability.

Repurchase agreements

A repurchase agreement (repo) refers to an agreement in which the parties agree on a sale of securities, as well as a subsequent repurchase of equivalent assets at a predetermined price. A security that is sold is reported in the balance sheet as the Group is exposed to the risk of changes in the value of the security over the term of the transaction. Payments received on sales of securities are reported as financial liabilities based on the counterparty. Securities that are sold are reported under the item Assets pledged for own liabilities. Payments disbursed for acquisitions of securities, referred to as reverse repurchases, are reported as lending to the vendor. Securities submitted in accordance with repurchase agreements are also reported. Cash and cash equivalents received under a buy-back agreement are recognized in the balance sheet as "Liabilities to

credit institutions".

Margin loans

Margin loans comprise secured lending or borrowing of securities. A security that is loaned is reported in the balance sheet as the Group is exposed to the risk of changes in the value of the security. Loaned securities are reported as a pledged deposit on the transaction date, while borrowed securities are not recognized as assets. Loaned securities are measured in the same way as other securities of the same type. On divesting borrowed securities (short-selling), an amount corresponding to the fair value of the securities is booked under Other liabilities. For on-lent securities, Nordnet receives collateral, while it pays collateral for borrowed securities. Collateral is provided and received at a surplus value of at least 5 percent.

Recognition and measurement.

Financial assets are classified in one of the following categories: measured at fair value through the income statement, fair value through other comprehensive income, and at amortized cost based on the company's business model for the management of financial assets and on the contractual terms of the assets. The classification also depends on whether the instrument is a debt instrument, an equity instrument or a derivative. In the income statement, financial liabilities are classified as measured either at amortized cost or at fair value.

The business model reflects how the Group manages portfolios of financial assets to generate cash flows. On determining the business model for a group of financial assets, factors are taken into account, including previous experience of how cash flows were obtained, how the performance of the financial assets are assessed and reported to management, how risks are assessed and managed and how compensation is linked to performance. The terms of the agreement form the basis for identifying whether the cash flows solely represent payments of principal and interest. Capital amounts are defined as the fair value of the debt instrument on the initial reporting date, which can change over the term if repayments are made or if interest is capitalized. Interest is defined as compensation for the time value of money and the credit risk, plus a profit margin compatible with a basic lending arrangement. Where contractual terms involve exposure to other risks or volatility, this entails the cash flows not meeting the criteria for

solely representing payments of principal and interest.

Financial assets valued at amortized cost

Financial assets held within the framework of a business model, the objective of which is to hold financial assets for the purpose of receiving contractual cash flows comprising only payments of capital and interest on the outstanding capital amount, are measured at amortized cost.

On the initial reporting date, assets in this category are reported at fair value plus transaction costs. On subsequent assessment, they are measured at amortized cost in accordance with the effective interest rate method. The effective interest rate corresponds to the interest rate applied in discounting the future contractual cash flows to the carrying amount of the financial asset or liability.

Financial liabilities measured at fair value via other comprehensive income

Financial assets under management within the framework of a business model, the objective of which is to collect contractual cash flows comprising only capital and interest, either through holdings or sales, are valued at fair value through other comprehensive income.

On the initial reporting date, these assets are reported at fair value plus transaction costs. On subsequent assessment, they are measured at fair value, with unrealized changes in value being included in other comprehensive income, which are accrued against a fair value reserve in shareholders' equity. The changes in fair value are transferred from other comprehensive income to the net result of financial transactions in the income statement on realizing the asset. Impairment is reported in the income statement under the heading Net result of financial transactions and as a change in the fair value reserve in shareholders' equity through other comprehensive income. Changes in value attributable to exchange rate fluctuations are reported directly in the income statement.

Financial liabilities valued at fair value via the income statement

The category comprises financial assets that are, on first being recorded, as well as in connection with subsequent valuations, measured at fair value through profit or loss to eliminate inconsistencies in valuation

and accounting. The category also includes equity instruments and derivatives not used in hedge accounting. The classification also includes debt instruments held under another business model - not only to receive contractual cash flows. These include debt instruments held for trading or under management and the results of which are assessed on the basis of their fair value, as well as debt instruments for which the contractual cash flows do not only comprise payments of capital and interest.

Assets in this category are measured both initially and subsequently at fair value. Transaction expenses are recognized in the income statement. Fair value is determined based on prices quoted in active markets. In the absence of these, generally accepted valuation models are used, which are based on observable market data, such as prices quoted in active markets for similar instruments or prices quoted for identical instruments in inactive markets. Changes in fair value are reported within the net result of financial transactions, as are changes in value due to exchange rate fluctuations.

Financial liabilities measured at amortized cost.

Financial liabilities valued at amortized cost include those not measured at fair value through profit or loss. These are reported at fair value on the transaction date, which is normally the borrowed amount, and on subsequent measurement at amortized cost in accordance with the effective interest method. The valuation is performed analogously to that applied for financial assets at amortized cost, but without adjustment for credit loss provisions.

Financial liabilities measured at fair value in the income statement

The category of financial liabilities measured at fair value through profit or loss comprises financial liabilities held for trade and financial liabilities that the Group has chosen to transfer to this category on initial reporting, in accordance with the so-called fair value option.

Liabilities in this category are measured both initially and subsequently at fair value. Determining fair value and reporting gains and losses is performed analogously to financial assets measured at fair value through profit or loss. Changes in fair value are reported in the income statement under Net income from financial transactions, with the exception of changes in fair value due to changes in the Group's own credit risk.

Such changes in financial liabilities valued at fair value are otherwise presented in comprehensive income without subsequent reclassification to profit.

Reclassification of financial assets and liabilities

Financial assets are only reclassified if the business model for the financial assets changes, which is expected to be highly uncommon. Financial liabilities are never reclassified.

Credit losses.

Provisions for credit losses are reported for financial assets valued at fair value through other comprehensive income and that were valued at amortized cost. The accounting builds on a model of whether credit risk has increased significantly compared with the initial accounting date. The provision comprises a probability-weighted amount that takes into account all reasonable and verifiable information that is available without undue expense or effort.

- Stage 1 – financial instruments for which no significant increase in credit risk has occurred since the first reporting occasion and counterparties covered by the Group's definition of low credit risk.
- Stage 2 – financial instruments for which a significant increase in credit risk has occurred since the first reporting occasion but for which there is no objective evidence that the receivable is doubtful.
- Stage 3 – financial instruments for which objective evidence has been identified that the receivable is doubtful.

For financial instruments at Stage 1, the reservation corresponds to the credit loss expected within 12 months. At Stage 2, as well as at Stage 3, the reservation corresponds to the total expected credit losses over the remaining maturity of the instrument.

Measurement

Expected credit losses are calculated as the discounted product of the probability of default (PD), exposure at default (EAD) and loss at default (LGD). PD corresponds to the probability of a borrower defaulting at any given time during the remaining term. EAD corresponds to the expected exposure at the time of default after taking contractual payments into account. LGD corresponds to the loss expected on a defaulted exposure, taking counterparty characteristics, collateral and type of product into account.

For margin lending, a loss rate model is used in which the loss rate corresponds to PD and LGD combined. Due to historically few defaults and few losses, a combination of PD and LGD is used. PD, LGD and EAD are calculated monthly up until the end of the expected term. The expected credit losses are then discounted at the original loan rate. A summary of the expected credit losses up to and including the end of the expected term yields credit losses expected over the remaining term of the asset. The sum of the credit losses expected to occur within 12 months yields the expected credit losses for the next 12 months.

The calculation takes into account three scenarios (base, positive and negative) reflecting relevant macroeconomic factors, such as GDP, housing prices and unemployment. The risk parameters used to calculate expected credit losses incorporate the effects of macroeconomic forecasts. A probability is allocated for each scenario and the expected credit losses are obtained as a weighted average probability.

For credit exposures where the bank considers it unlikely that the debtor will meet its credit obligations, the credit risk is assessed individually, without the use of input data from models.

All investments in debt instruments reported at amortized cost or fair value through other comprehensive income are considered to have low credit risk and the reported credit loss provision is therefore limited to 12 months' expected losses. Management considers "low credit risk" for listed bonds to mean that at least one major rating institute has given the rating "investment grade". Other investments are considered to have "low credit risk" when they have a low probability of default and the issuer has a high ability to meet its short-term contractual payment obligations.

Significant increases in credit risk

Changes in credit risk are assessed through a combination of individual and collective data and will reflect the increase in credit risk at the level of the individual instrument as far as possible. The calculated credit risk at the individual level partly comprises historical data, such as payment history, and forward-looking information where macroeconomic factors are taken into account.

Qualitative indicators will also be taken into account, for

example when the borrower has past-due unpaid amounts older than 30 days or has been granted an extension.

An instrument is no longer considered exposed to a significantly increased credit risk when none of the indicators are met any longer.

Default and doubtful receivables

Default is defined in accordance with the Group's Credit Policy as a combination of both quantitative and qualitative factors.

An instrument is no longer considered in default or uncertain when all past-due amounts have been repaid, sufficient evidence shows that the risk of future cash flow payments not being made has decreased significantly and that there are no other indicators of default.

See also the definition of default for each product under Note 7 and credit loss provisions in Note 21.

Expected maturity

In general, the expected term is limited to the maximum contract period in which the Group is exposed to credit risks, even if a longer period agrees with business practices. All contract terms are taken into account when determining the expected term, including repayment, as well as binding extension and transfer options.

The credit provision models apply an expected term that may be shorter than the maximum contract period. The expected maturity is based on historical actual maturity and assumptions regarding expected additional repayments and early repayments of loans.

Modification

When a loan is modified but not removed from the balance sheet, an assessment is made of significant increases in credit risk compared with the original credit risk calculated for purposes of impairment. Modifications do not automatically result in reduced credit risk and all qualitative and quantitative indicators will continue to be assessed. Furthermore, a modification gain or loss will be reported in the income statement regarding the difference in the present value of the contractual cash flows discounted at the original effective

interest rate.

When a loan is modified and removed from the balance sheet, the date when the modification was made is considered to be the first reporting date for the new loan for the purpose of assessing impairment, including the assessment of significant increases in credit risk.

Presentation

Provisions for credit losses for financial assets measured at amortized cost, are presented as a reduction of the reported gross value of the asset.

In the income statement, provisions and write-offs are presented under Credit losses, net. Write-offs are applied once the loss has been conclusively determined. Repayments of write-offs and provision reversals are both recognized as income on the same line.

Hedge accounting.

The Group uses various types of derivative instruments to hedge the risks for interest rate and exchange rate exposures to which the Group is exposed. In accordance with IFRS 9 Financial Instruments, the Group does not, at present, apply hedge accounting. Derivatives not included in a hedging relationship are reported at fair value via the income statement.

Tangible assets.

Tangible assets are recognized in the balance sheet if the company is likely to derive future economic benefits from them and the acquisition value of the assets can be reliably estimated. The asset is reported at cost less accumulated amortization and impairment. Depreciation is made on a straight-line basis over the estimated useful life of the asset. On each reporting occasion, the company assesses whether there are any indications of impairment. If it is necessary to recognize impairment, the recoverable amount of the asset is calculated and if the recoverable amount is less than the carrying amount, impairment is recognized.

The tangible asset is de-recognized from the balance sheet upon scrapping or disposal, or when no future economic benefits are expected to remain. Profit and loss is determined by the difference between sales income and the asset's carrying amount.

Fixtures and fittings, computers and other hardware are normally written off after three to four years. Improvement charges for third-party property are depreciated on a straight-line basis over the remaining term of the rental contract or the useful life of the improvements, whichever is shorter.

Tangible fixed assets with right-of-use – leases

For all leases where the Group functions as a lessee, a right-of-use asset and a lease liability are reported in the balance sheet from the date on which the leased asset is available for use by the Group. Lease liabilities are calculated at the present value of future lease payments, discounted applying the marginal loan rate, and are initially reported at their estimated present value. In subsequent periods, lease liabilities are reported by increasing the liability to reflect the effect of interest and reducing it to reflect the effect of the lease fees that have been paid.

The right-of-use asset is initially reported at a value corresponding to the lease liability, adjusted for any prepaid or accrued lease fees. In subsequent periods, the right-of-use asset is reported at cost less depreciation and impairment.

Lease fees included in measurements of lease liabilities include the following:

- fixed fees (including fees that are, by and large, fixed), following deduction of any benefits in connection with the signing of the lease,
- lease fees that vary according to index or price, measured initially as per the commencement date,
- amounts expected to be paid by the lessee under residual value guarantees,
- the exercise price for an option to purchase if it is reasonably certain that the option will be exercised, and
- fees in connection with termination, if the lease period reflects the lessee making use of an opportunity to terminate the lease agreement.

Variable lease fees not attributable to an index or price are not included in the measurement of lease liabilities and right-of-use assets but are reported as an expense under operating profit during the period in which they are incurred.

Contracts of a shorter duration than 12 months or

where the underlying asset is of low value are expensed on a straight-line basis. Agreements of lesser value include those for IT equipment and smaller items of office furniture. These contracts are recognized as an expense directly in the income statement. All leases include a rental period and terms for extension.

In the consolidated balance sheet, right-of-use assets are reported as Tangible fixed assets and interest-bearing lease liabilities are presented under Other liabilities. In the income statement, an expense is recognized for the depreciation of the leased asset and an interest expense for the financial liability. Interest expenses are allocated across the lease period such that each reporting period is burdened with an amount corresponding to a fixed interest rate for the liability reported for each period. Where a lease transfers ownership at the end of the lease period or where the cost includes the probable exercise of an option to purchase, the right-of-use asset is amortized over the useful life. Depreciation is applied as of the commencement date of the lease. In the cash flow statement, the lease payments are divided between interest paid in the operating activities and repayment of lease liabilities in financing activities.

The Group's leases primarily involve leases for premises and cars. Contracts for leased cars extend over three years. If the contracts lack stipulated maturities, a maturity of five years is assumed for local contracts and three years for leased cars.

Lease income from operational leases where the Group is the lessor is reported as income on a straight-line basis over the lease period. Initial direct expenses incurred on signing the lease agreement are added to the asset's carrying amount and expensed over the lease period on the same grounds as the lease income.

The Group has held a subletting contract for part of a premises. The contract was classified as an operating lease. The contract has been terminated and expired in March 2022.

Intangible assets.

Intangible assets are recognized as assets in the balance sheet if the company is likely to derive future economic benefits from them and the cost of the asset can be reliably estimated. An intangible asset is valued at its acquisition value when it is initially recognized in the balance sheet. After its initial recognition, an intangible

asset is included in the balance sheet at its acquisition value less any accumulated depreciation and accumulated impairment. The useful life of intangible assets is estimated to be either determinable or indeterminable. Intangible assets with a determinable useful life are depreciated on a straight-line basis over their useful life. The residual value and useful life of intangible assets are reviewed, irrespective of whether there is any indication of depreciation, at the end of every financial year as a minimum, at which point the amortization period is adjusted and/or impairment recognized. Also intangible assets, which are not yet available for use, are tested for impairment on an annual basis, even if there is no indication of an impairment loss.

Goodwill

Goodwill arising in a business combination is recognized as the acquisition value on the acquisition date. Goodwill constitutes the part of the acquisition value that exceeds the net fair value of the acquired participation, of the acquired entity's identifiable assets, liabilities and contingent liabilities. After its initial recognition, any goodwill that has arisen is valued at the acquisition value less any accumulated impairments.

Brands

Brands acquired separately are reported at cost. Brands acquired in a business combination are recognized at fair value on the acquisition date. All brands deemed to have limited useful lives are depreciated on a straight-line basis over their useful life, estimated at between one and five years.

Customer relations

The cost of customer relations is recognized at estimated fair value on the acquisition date. Customer relations have a limited useful life and are recognized at cost less accumulated amortization and impairment. Depreciation is on a straight-line basis over the useful life of the asset, which varies between five and twenty years.

Capitalized expenditure for development work

Balanced development expenses relate mainly to the development of trading systems and other applications, as well as externally purchased services, which are expected to provide future financial benefits through either increased income or cost savings. Capitalized development expenses are initially recognized at cost and subsequently at cost less accumulated amortiza-

tion and impairments. Depreciation occurs after the asset is completed, on a straight-line basis over the assessed useful life, which varies between three to seven years.

Impairment testing of tangible and intangible assets.

At each reporting date, an assessment is made of whether there are indications that assets may have decreased in value. If this is the case, an estimate is made of the asset's recoverable amount. For goodwill with an indefinite useful life, the recoverable amount is calculated at least annually. The recoverable amount of an asset is the fair value minus sales expenses for an asset or cash-generating unit and its value in use, whichever is greater. If the carrying amount exceeds the recoverable amount, impairment is made to the recoverable amount. In calculating the recoverable amount, future cash flows are estimated which are discounted at present value with a discount rate before tax which takes into account market assessments of the time value of money and the risks related to the specific asset. For an asset that does not generate cash flows, the recoverable amount of the cash-generating unit is calculated to which the asset belongs. Impairment is recognized in the income statement separately for tangible and intangible assets.

At each reporting date, an assessment is made of whether there are indications that a previous impairment, complete or partial, is not longer justified. If there are any such indications, the recoverable amount of the asset is calculated. A previous impairment is reversed only if there has been a change in the assumptions used to assess the asset's recoverable amount when the impairment was recognized. If this is the case, the carrying amount of the asset shall be increased to its recoverable amount. This increase is recognized in the income statement as a reversal of an impairment loss. Impairment of goodwill is never reversed. Impairment is reversed only to the extent that the asset's carrying amount after the reversal does not exceed the carrying amount that the asset would have had, less depreciation, if no impairment was recognized. A reversal is recognized in the income statement. Once an impairment loss has been reversed, future depreciation is adjusted to allocate the assets revised carrying amount, less any residual value, over its remaining useful life.

Insurance operations.

Nordnet's products in the insurance business

Within the framework of the Swedish insurance company, Nordnet Pensionsförsäkring, private pension insurance, endowment insurance and occupational pension insurance are offered. For occupational pension agreements, risk benefits (such as health insurance, premium exemption and survivors' pension) are offered in collaboration with another insurer. The Swedish company also offers the product capital pension, which is closed for new subscriptions.

In the Norwegian market, Nordnet Livsforsikring offers savings insurance in the form of Investeringskonto Zero which is a capital insurance, "IPA" which is a private pension insurance, Egen pensjonskonto ("EPK") and Pensjonskapitalbevis ("PKB") which are occupational pension insurances for employees in the private sector.

At Nordnet, savings insurance is offered as mutual fund or custodial account insurance, meaning that policyholders choose their own investments and that the insurance has no guaranteed capital. Instead, the value of the insurance is entirely dependent on the value of the investments made by the policyholder.

Within the framework of endowment insurance, and in the Swedish market also for private pension insurance and occupational pension insurance, Nordnet's insurance customers are offered a stock lending program offering Nordnet customers an opportunity for additional returns on their share investments.

All products offered by Nordnet include repayment protection that the policyholder can opt out of in certain cases. Repayment protection means that the insurance capital is repaid to one or more beneficiaries in the event that the policyholder dies. For endowment insurance, repayment protection is mandatory and is normally taken out with a risk amount of 1 percent of the value of the insurance. If the policyholder dies, 101 percent of the insurance capital is paid to survivors. For repayment protection in excess of 100 percent, a risk premium is paid as a proportion of the insurance capital. In cases where endowment insurance is taken out with repayment protection of 99 percent, 99 percent of the insurance capital is paid to survivors if the policyholder dies. For private pension insurance and occupa-

tional pension insurance, respectively, the repayment protection is 100 percent of the value of the insurance. For some insurance products, the terms may allow the policyholder to opt out of the repayment protection. For that part of the insurance capital that is not protected by repayment protection, "inheritance gain" is paid. Inheritance gain is a risk compensation that reimburses the policyholder because he risks the insurance capital accruing to Nordnet in the event that the policyholder dies.

Division of deposit components

According to IFRS 4, insurance contracts can contain both deposit and insurance components. According to the standard's rules on the division of deposit components, insurers must in some cases report these parts separately, while in other cases the insurer may elect to do so. In addition to a deposit component, the Occupational pension product also includes one or more risk insurance components such as health insurance, premium exemption, death benefit and survivors' pension. The Group reports these insurance risk components separately from the deposit component. The deposit component is a financial instrument that does not involve any significant insurance risk being transferred from the policyholder to the insurer, as the value of payments from this is entirely dependent on the investments chosen by the insured party, or in some cases the policyholder, and is reported in accordance with IFRS 9. However, the insurance components mean that an insurance risk is transferred and reported and valued in accordance with the Annual Accounts Act for Insurance Companies and the Swedish Financial Supervisory Authority's regulations.

Recognition and Measurement

Assets in the insurance business comprise the policyholders' investments in securities and cash and cash equivalents. The assets relating to the mutual fund and custodial insurance plans are reported as assets where the customer bears the investment risk in the balance sheet, since it is the Group that legally owns the underlying assets in these insurance plans. Corresponding commitments are reported on the liability side of the balance sheet as liabilities where the customer bears the investment risk. The provision for these commitments is directly related to the development in value of the underlying securities, deposits and withdrawals.

The underlying assets are reported at fair value through profit or loss and the associated liabilities are identified to be measured at fair value through profit or loss in accordance with the fair value option. Application of the fair value option has been chosen to eliminate inconsistencies in the accounting. Accordingly, the fair value of the financial liabilities is determined with the help of the fair value of the financial assets to which the financial liabilities are attributable on the balance sheet date.

Insurance-related liabilities, that is, insurance technical provisions, are divided into mutual fund insurance commitments, conditional bonuses, life insurance provisions for guaranteed commitments and provisions for outstanding claims. Provisions for mutual fund insurance commitments mainly comprise the technical redemption value, which corresponds to the value of all investment fund holdings on mutual fund insurance plans, including cash and cash equivalents, in securities deposits calculated at market value, adjusted for accrued fees and risk premiums. Conditional bonuses corresponds to the value of all securities holdings in custodial insurance plans, including cash and cash equivalents, in securities deposits calculated at market value, adjusted by accrued fees and risk premiums and reduced by the insurance technical provision of a possible guaranteed commitment (life insurance provision). The life insurance provision for the guaranteed commitment, which can be determined for traditional insurance at the time of updating, corresponds to the sum of the guaranteed monthly amounts at any given time. Provisions for unsettled claims are calculated for deaths that have occurred but that are yet to be reported to the company. The provision is calculated on an actuarial basis and recognized as outstanding claims. Life insurance provisions and provisions for unsettled debts make up a very small part of the total insurance technical provisions.

Income recognition.

Amounts received from and paid to policyholders are reported in the balance sheet as Assets where the customer bears the investment risk or Liabilities where the customer bears the investment risk. Management fees for investment agreements are recognized as income distributed evenly across the terms of the agreements.

Recognition of expenses

Expenses for insurance contracts are expensed as they

are incurred, with the exception of commissions and other variable costs relating to new contracts which are capitalized as prepaid acquisition expenses.

Additional charges for obtaining an agreement with a customer are recognized as an asset in the balance sheet if they can be expected to be recovered. These comprise direct charges for securing agreements with customers that the Group would not have incurred had the agreements not been secured, such as sales commissions for securing investment agreements. The charges are largely variable. They are expected to be recouped through the commission income earned through the investment agreements. Prepaid acquisition expenses are accrued and expensed over a period of ten years as the related income is recognized. The assets are tested for impairment on each closing date to ensure that the anticipated future economic benefits of the contracts exceed their carrying amount. All other expenses, including fixed acquisition expenses and ongoing administrative expenses, such as commissions to proprietary personnel acting as salespeople, and ongoing administrative expenses paid over the terms of the investment agreements, are recognized during the accounting period in which they are incurred.

Margin loans

Loans are provided against collateral equivalent to 105 percent of the loaned value. The stock lending program does not affect the policyholder's investment rights within the insurance scheme.

The risks and returns on loaned securities remain within the Group and are recognized in accordance with IFRS 9. The securities are taken up in their entirety under the item "assets where the customer bears the investment risk", with an equivalent amount under the item "liabilities where the customer bears the investment risk". In the event that on-lent securities cannot be returned due to the borrower's insolvency, received collateral is used to repurchase on-lent securities. If the security is insufficient, there is a risk that the company will incur an expense to repurchase the security. The likelihood of such a cost being incurred is considered highly unlikely. The income is classified as interest income and the compensation to the customer as an interest expense.

Employee benefits.

Short-term employee benefits

Short-term benefits include salaries, social security contributions, paid short-term leave, performance-related pay and certain types of non-monetary benefits

are recognized in the income statement in the period in which the employee performed the service for the Group. Short-term benefit entails that the amount is due for payment within 12 months after the end of the period during which the employee has performed the services. A provision for performance-related pay is reported when the Group has a legal or informal obligation to make such payments as a consequence of the services in question having been received from the employees and the provision amount can be calculated reliably.

Share-based incentive programs

Between 2020 and 2022, Nordnet established a warrant program for all employees within the Group. The purpose of the program is to strengthen the link between employees' work and the shareholder value generated. Accordingly, greater shared interest is expected to arise between the participants and Nordnet's shareholders. Participants have been offered the opportunity to subscribe for options at market value. Beyond expenses for preparing and administering the incentive program, Nordnet's expenses for the incentive program are limited to expenses arising in Norway regarding social security contributions. For additional information, see Note 13 General transaction costs and Note 32.

Post-employment benefits

Post-employment benefits encompass pensions. The Group has defined contribution plans (see Note 13) entailing that the Group pays a fixed fee to a separate legal entity and has no legal or informal obligation to pay additional fees if the legal entity does not have sufficient assets to pay all employee benefits related to employees' service during the current period and prior. The size of the pension for the individual employee depends on the amount of money paid in and the size of the returns on the funds, unlike defined benefit pension plans, under which the employee is guaranteed a specific, predetermined pension by the employer. The Group's obligations regarding contributions to defined contribution plans are recognized as an expense in the income statement as they are earned by the employees performing services for the Group over a period.

Termination benefits

Compensation for termination of employment where the personnel member is suspended is recognized im-

mediately as an expense as there are no future financial benefits for the Group.

Provisions.

A provision is recognized in the balance sheet when a formal or informal commitment exists as a consequence of an event and it is likely that an outflow of resources will be required to settle that obligation and the amount can be reliably estimated. A provision for restructuring is reported only when a detailed restructuring plan has been established and restructuring has either commenced or otherwise been announced to the affected parties.

Pledged assets.

Pledged assets mainly refers to collateral in credit institutions and the stock exchange. Pledged assets on behalf of customers refers to securities lending in which assets are provided in the form of cash and cash equivalents from the institutions offering the securities lending. Nordnet, in turn, has corresponding coverage in collateral from customers.

Contingent liabilities.

Contingent liabilities are reported when there is a potential obligation stemming from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or where there is an obligation stemming from past events but which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Commitments.

Commitments comprise credits granted but not utilized, such as personal loans and residential mortgages, as well as custodial credit granted, which are reported at the nominal amounts granted, less any amortized cost on the amount utilized of the loan receivable.

Tax.

The Group's tax comprises current and deferred tax. Current tax is that paid or received pertaining to the current year, calculated applying tax rates that have been established (or to all intents and purposes es-

tablished) on the balance sheet date. Any adjustment of current tax attributable to previous periods also belongs here.

Deferred tax is calculated based on temporary differences between the reported tax bases of assets and liabilities. Temporary differences are not taken into account in consolidated goodwill, or for differences arising on the initial recognition of assets and liabilities that are not business combinations that, at the time of the transaction, affect neither accounting nor taxable profit. Nor are temporary differences taken into account that relate to participations in subsidiaries, associates and affiliates and that are not expected to be reversed in the foreseeable future. The valuation of deferred tax is based on how underlying assets or liabilities are expected to be realized or settled. Deferred tax is calculated by applying the tax rates and tax rules that have been set or essentially are set as of the balance sheet date. Deferred tax assets for deductible temporary differences and loss carryforwards are recognized to the extent that it is probable that the amounts can be utilized against future taxable income.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to offset. This entails items relating to taxes levied by the same taxation authority on either the same taxable entity or a different taxable entity, where there is an intention either to settle these tax items net or to reclaim the tax asset at the same time as the tax liability is settled. Deferred tax assets and deferred tax liabilities are generally offset to the extent that this is permitted for current tax assets and current tax liabilities.

All current and deferred taxes are reported in the income statement, unless they refer to items recognized in other comprehensive income or directly in equity.

Tax on returns

The subsidiary Nordnet Pensionsförsäkring AB reports a return tax based on flat-rate calculations of the return on assets managed on behalf of policyholders. The tax is deducted from policyholders' assets and reported net in the income statement in Other income.

Segment reporting.

An operating segment is a component of a company that engages in business activities from which it may earn income and incur expenses and whose operating results are regularly reviewed by the company's man-

agement and for which discrete financial information is available.

Nordnet's operating segments are divided into geographical areas in the form of the countries in which the Group operates. The highest executive decision maker in the form of Group Management monitors the development of operations per country based on operating profit. The allocation of balance items per country is not reported. Nordnet has a joint operating platform and the offering in each market is very similar in terms of a platform for investment and savings, pension savings and margin lending in the Swedish, Norwegian and Danish markets. The personal loan product is only offered in the Swedish market and residential mortgages only in the Swedish and Norwegian markets. In the Finnish market, we offer a platform for investments and savings and margin lending, but not pension savings.

Cash flow statement.

The cash flow statement is prepared using the direct method, as this method best reflects the operations. The cash flow statement includes changes in cash and cash equivalents. Cash flow is divided into cash flow from operating activities, investment activities and financing activities. Cash flow from investment activities includes only actual payments for investments during the year.

Foreign subsidiaries' transactions are recalculated in the cash flow statement at the average exchange rate of the period. Acquired and divested subsidiaries are reported as cash flow from investing activities, net, after deduction of cash and cash equivalents in the acquired or divested company.

Cash and cash equivalents.

Cash and cash equivalents comprise balances at banks and corresponding credit institutions. Cash and cash equivalents can easily be converted into cash to a known amount, have an insignificant risk of value fluctuations and have a maturity of no more than three months from the date of acquisition.

Parent Company's accounting policies.

The Parent Company generally adheres to IFRS and the accounting principles applied in the consolidated financial statements. In addition, the Parent Com-

pany needs to take into account and prepare annual reports in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Parent Company's Annual Report has therefore been prepared in accordance with IFRS as long as it is compatible with ÅRL and RFR 2. The most significant principal differences between the Parent Company and the Group's accounting policies are shown below.

Shares in subsidiaries

Shares in subsidiaries are recognized according to the cost method, which means that transaction expenses are included in the carrying amount.

Intangible assets

The Parent Company writes off goodwill systematically based on the estimated useful life. All expenses attributable to internally developed intangible assets are reported in the income statement as an expense.

Leased items

In accordance with RFR 2, the Parent Company has chosen not to apply IFRS 16 Leases. The Parent Company reports financial lease agreements as operating lease agreements. This means that the company reports lease fees as expenses on a straight-line basis across the lease period. Consequently, the right-of-use assets and lease liabilities are not reported in the balance sheet.

Untaxed reserves and Group contributions

Due to the relationship between accounting and taxation, the deferred tax liability attributable to the untaxed reserves in the Parent Company is not separately disclosed. These are recognized gross in the balance sheet and income statement. Group contributions received from subsidiaries are recognized as financial income. Group contributions paid by the Parent Company to a subsidiary are recognized as an increase in participations in Group companies.

Note 6 Transactions with related parties.

E. Öhman J:or AB with subsidiaries ("Öhman Group") is closely related to Nordnet AB (publ).

Nordnet Bank, Nordnet Pension and Nordnet Fonder regularly enter into business relations with subsidiaries of E. Öhman J:or AB in the same way as they regularly do with other financial parties. Nordnet's fee-free index funds have been taken over by Nordnet Fonder since 1 October 2022. The management of the funds has been outsourced to E.Öhman J or Fonder AB, which receives market-based remuneration from Nordnet Fonder for its work. Nordnet Bank continues to be the distributor of the funds. E. Öhman J or Fonder has received compensation of SEK 1 million from Nordnet Bank, as compensation for the termination of their previous cooperation regarding the index funds. This compensation was assessed by the Board of Directors to be on market terms.

According to the agreement regarding another fund marketed in Nordnet's name and managed by Öhman Fonder, Nordnet Bank receives compensation for its distribution of the fund as part of the management fee charged by Öhman Fonder for the fund in question. Nordnet Bank and Öhman Fonder have also entered into distribution agreements regarding Nordnet Bank's distribution of other funds managed by Öhman Fonder. Nordnet Bank receives compensation from Öhman funds for this distribution as part of the management fee charged on mutual fund units distributed by Nordnet Bank. In addition, a co-operation agreement has been entered into regarding Nordnet Bank's and Nordnet Pension's provision of so-called partner services to Öhman Fonder with regard to custodial accounts for Öhman Fonder's customers whose assets are deposited with Nordnet Bank or are covered by insurance provided by Nordnet Pension. According to the co-operation agreement, Nordnet Bank and Nordnet Pension receive compensation from Öhman Fonder for providing the partner service. The Öhman Group has entered into an occupational pension agreement with Nordnet Pensionsförsäkring AB. All agreements between Nordnet and E. Öhman J:or AB and its subsidiaries have been entered into on market terms.

During the period, Nordnet Bank has received commission income and other income from related parties totalling SEK 19.6 million (9.8) and paid commission expenses and other expenses to related parties totalling SEK 13.4 million (13.2). As of the balance sheet date, receivables from related companies amounted to SEK 5.8 million (12.7) and liabilities to related compa-

nies amounted to SEK 0 million (2.6).

Nordnet Bank offers personnel credits to all Group employees. The company has granted credits for margin lending to Board Members as well as residential mortgages to a Board Member and another individual considered to be a related party. These credits have been issued on market terms. The company has also provided margin lending and personal loans to senior executives. Interest on unutilized credits with regard to residential mortgages incurs taxation of benefits. No provisions relating to bad debts or expenses relating to bad debts to related parties have been reported during the financial year. For information on granted and utilized credits to Board Members and other senior executives, see Note 13.

For disclosures regarding the salaries and other remuneration, expenses and obligations relating to pensions and similar benefits and contracts in respect of severance pay for the Board, the CEO and other senior executives, see Note 13.

Note 7 Risks.

Risk is defined as an exposure to a deviation from an anticipated financial outcome. Although risk-taking is a fundamental part of the operations, Nordnet shall not generally expose itself to risks not supported by an established business plan. Risk management must be carried out in accordance with appropriate practices so that the relationship between risk and expected return is optimized.

Nordnet's risk exposures are based on:

- Business activities intended to meet both customer needs as well as Nordnet's own needs, within the business strategy adopted by the Board
- Nordnet's long-term financial interests
- Current and future regulatory requirements
- Current and future capacity to control and mitigate risk exposure
- Acceptable loss levels and the capacity to absorb losses through earnings and capital

How risk management is conducted is described in the risk management framework. The framework comprises a number of control documents that describe strategies, processes, procedures, internal rules, limits, controls and reporting procedures. The risk framework is integrated into the organization and covers all relevant risks.

Central to the risk framework is the risk appetite, which expresses the aggregate level and the types of risks that Nordnet is willing to expose itself to within its risk capacity and in accordance with the business model to achieve strategic objectives. The risk appetite indicates the maximum accepted risk exposure at both a general level, as well as for specific risks. This is adapted to Nordnet's business strategy, with the limits being determined by the Board and assessed and updated regularly.

Risk culture is defined as the norms, attitudes and behaviours around risk awareness, risk-taking and risk management and the controls that shape decisions regarding risks. The risk culture influences the decisions that management and employees make in their daily operations and that thereby influence the risks they take. Nordnet shall have a sound risk culture that safeguards a common view of risk-taking based on risk

awareness and an understanding of the specific risks and risk appetite. The resources and expertise in the business organization and the control functions must be adapted to the scope of the work performed in the respective units. Nordnet's risk processes are conducted in accordance with the principles associated with the three lines of defence.

The first line of defence comprises the operations of the line organization and involves all risk management activities performed by line management and personnel. All managers are fully responsible for the risks within each area of responsibility and the day-to-day management of these. Consequently, they are responsible for ensuring that an appropriate organization, procedures and support systems are implemented to secure an appropriate system of internal control. They are also responsible for ensuring that all activities are kept within risk appetite and adhere to internal and external rules.

The second line of defence comprises the risk control, actuarial and compliance functions. They are independent of the line operations and monitor, control and report the company's risks and regulatory compliance and must also support and advise the first line of defence. The functions develop the principles and framework of risk management, gather the business's risk assessments and perform independent follow-up procedures. They must also promote a healthy risk culture by supporting and educating managers and personnel.

The third line of defence comprises the internal audit function, which performs independent periodic reviews of the governance structure and the internal control system. These audits may be mandatory from a regulatory perspective or risk-based.

ICLA.

The internal capital and liquidity assessment process (ICLA) is a continuous process that evaluates capital and liquidity requirements in relation to Nordnet's risk profile, plans and global factors. As part of the IKLU work, a comprehensive study and analysis is conducted of the risks in the operations. Nordnet is working for the entire organization to be involved in risk analysis. All employees are responsible for identifying

risks and increasing their knowledge about these. The ICLA process is part of the organization's work with risk and requires the active participation of risk owners and the employees concerned. For the insurance group, a risk and solvency assessment or ORSA (Own Risk and Solvency Assessment) is performed, which is a continuous process that assesses the capital requirement in relation to the Group's risk profile and business plan. The ORSA covers all material risks to which the Group is exposed.

Credit risk.

Credit risk is the risk of Nordnet not receiving payment as agreed and/or making a loss due to a counterparty's inability to fulfil its obligations, and where any securities do not cover Nordnet's receivables.

Nordnet's exposure to credit risks arises primarily from lending, which entails the risk of incurring losses due to borrowers not being able to meet their payment obligations for various reasons. Lending to the public comprises margin lending with collateral in listed securities. In addition to margin lending with collateral, residential mortgages are offered in Sweden and Norway, as well as personal loans without collateral in Sweden.

Nordnet's lending is characterized by good ethics, superior quality and control and is therefore based on policies established by the Board that set the framework for credit assessment, credit risk management, credit risk reporting and risk appetite. The CEO is responsible for more detailed credit instructions being established. It is in the Group's interests that lending does not entail borrowers taking unnecessary risks. All credits are assessed within the credit department, which is centrally located in the Group. Internally developed risk classification tools are used as support. Before granting credit, all credits must be identified and are assessed based on the individual borrower's financial conditions and repayment capacity in both the short and long term. Nordnet continuously monitors borrowers' repayment capacity.

At the end of the year, lending to the public amounted to SEK 28,527 million (26,326). The total provision for expected credit losses amounted to SEK 100 million (105), including an expert adjustment of SEK 3 million (3) regarding residential mortgages, SEK -2 million (0) regarding personal loans and SEK -2 million (0) regarding margin lending. The expert adjustment for residen-

tial mortgages should cover expected credit losses on an average mortgage that the model does not capture. The negative adjustment of SEK 2 million for personal loans is placed in Stage 2 and provides scope for the over-reservation identified in completed model validations. The negative adjustment of SEK 2 million for margin lending is placed in Stage 2 and offsets the excess provision that occurs in a number of custodial accounts where the risk later turns out to be decreased.

The Group's credit risk exposures also include counterparty risks and concentration risks. Counterparty risks, defined as the risk that a counterparty in a financial transaction is unable to meet its obligations and thus causes a loss for the other party, arise primarily in the management of the Group's liquidity portfolio but also occur in clients' securities trading. Concentration risks can arise from exposures to individual counterparties/customers, industries and regions.

Credit rating.

Margin lending

In the case of margin lending, the decisive assessment criteria for Nordnet are the value and quality of the security in the form of mortgageable securities in the customer's custodial account and the customer's repayment capacity. The loan value of the collateral securities is evaluated in accordance with an internal model based on the quality, liquidity and volatility of the individual security. Based on this and the repayment capacity, the customer is assigned a credit limit. The maximum permissible loan-to-value ratio for an individual security is 90 percent, although the loan-to-value ratio is often lower. Nordnet's credit department constantly monitors the loan-to-value ratio at both an individual and aggregated level. The number of custodial accounts utilizing credit amounted to approximately 23,838 (23,394) as of 31 December 2022.

In a situation where the exposure (negative balance/lending + negative market values for short sales + collateral requirements for derivatives) exceeds the loan-to-value ratio of the collateral, so-called over-borrowing occurs. The customer must then remedy the shortfall that has arisen, either by selling securities, injecting additional cash and/or injecting additional securities with collateral value. If this is not rectified within a given time frame, Nordnet has the option of selling securities to the extent required to rectify the over-bor-

rowing. However, Nordnet always has the opportunity to remedy over-borrowing directly. As of 31 December 2022, over-borrowing amounted totalled SEK 12.0 million (10.9), corresponding to 0.09 percent (0.10) of the total lending for margin lending. Over-borrowing averaged SEK 14.9 million per day during 2022, which corresponds to 0.11 percent of the average lending for margin lending. In a situation where exposure has arisen in a custodial account where no approved loan agreement exists, an overdraft occurs. Customers must rectify overdrafts and if this does not happen within the specified time frame, Nordnet has the opportunity to sell securities to settle the shortfall. As of 31 December 2022, over-borrowing amounted to SEK 31.8 million (29.2)

Nordnet conducts ongoing stress tests to assess and calculate the risk of losses that may arise in the event of sharp stock market declines or due to concentrations in the collateral.

At the end of the year, lending totalled SEK 13,563 million (13,337) and the market value of the securities amounted to SEK 109,786 million (140,859). The volume-weighted average loan-to-value ratio in customers' custodial accounts with credit limits amounted to 39.8 (36.2) percent. The provision for expected credit losses amounted to SEK 11.4 million (11.8).

The change in the provision for expected credit losses has been affected by confirmed credit losses regarding

a small number of loans that have been reserved for a longer period and where an assessment has been made that the borrower is unable to repay the remaining debt.

Residential mortgages

Nordnet offers residential mortgages on the Swedish and Norwegian markets with a maximum loan-to-value ratio of 50 and 60 percent respectively. To personnel in Sweden, Nordnet offers residential mortgages with a maximum loan-to-value ratio of 75 percent. All lending is secured by mortgage deeds in single-family homes and tenant-owned apartments with Nordnet as the sole holder of the pledged assets. The value of the pledged assets is calculated on the basis of valuations by an external party: statistical valuation or valuation from brokers or authorized assessors. When buying a home, the purchase consideration can be used as market value. Revaluation takes place annually, or more frequently if needed. Nordnet also has supplementary collateral in borrowers' securities deposits with Nordnet.

Nordnet only grants residential mortgages following a customary credit check and a left to live on calculation, in which all income and expenditure of the borrower's household is taken into consideration to ensure that the borrower can cope with a higher interest-rate scenario. All loans are covered by regulatory amortization requirements. The interest rate follows an interest rate ladder that can be adjusted if the conditions change in the form of reduced assets that qualify for a certain dis-

Margin lending

Market	Credit utilized (SEK million)		Percentage of total credit volume (%)	
	2022	2021	2022	2021
Sweden	5,188	5,480	38%	41%
Norway	2,819	2,575	21%	19%
Denmark	2,471	2,410	18%	18%
Finland	3,074	2,860	23%	22%
Total	13,552	13,325	100%	100%

Range	Total, net (SEK million)		Percentage of total (%)	
	2022	2021	2022	2021
<10 SEK thousands	47	43	0%	0%
10-500 SEK thousands	2,587	2,494	19%	19%
501-2 000 SEK thousands	3,415	3,545	25%	27%
>2 000 SEK thousands	7,503	7,243	55%	54%
Total	13,552	13,325	100%	100%

count or that the value of the home decreases.

At the end of the year, lending totalled SEK 10,880 million (8,872). Of the total lending, 83 percent (85) is to borrowers resident in Stockholm, Gothenburg and Malmö. The volume-weighted average loan-to-value ratio amounted to 46.0 percent (45.7). The provision for expected credit losses amounted to SEK 3.2 million (3.2). The provision for expected credit losses includes an expert adjustment of SEK 3 million for expected credit losses that may arise if, for example, the mortgaged home is destroyed and the insurance does not cover the damage or if the pledge is invalid. The expert adjustment shall cover expected credit losses on an average residential mortgage.

Nordnet collaborates with Stabelo. Although Stabelo's residential mortgages are brokered through Nordnet, these loans are not included in Nordnet's balance sheet.

Personal loans

Nordnet offers credits of up to SEK 500,000 to private individuals in Sweden without requiring collateral. Accordingly, this type of lending has a higher inherent credit risk than in Nordnet's other lending. For these loans, individual pricing is applied that reflects the risk.

Credit assessment regarding personal loans applies in-house-developed scoring models combined with a calculation of how much the borrower has left to live on, and supplementary credit regulations. The scoring model predicts the risk of default based on the information registered at the time of application, credit information and internal management. A credit decision must be made based on current information, which is why an application must not be older than 30 days.

The internal risk rating system forms a central component in the Group's processes for credit provision, credit review and quantification of the credit risk in

the portfolio. Nordnet can thereby estimate the risk of bankruptcy and future losses. This also affects the pricing in the form of the interest offered to the customer. Credit risk and the dynamics of the credit portfolio are followed up on an ongoing basis to ensure that the risk level is in line with the risk appetite approved by the Board of Directors. The models are reviewed regularly and validated internally or by an independent party.

At the end of the year, lending amounted to SEK 4,184 million (4,223) under the Konsumentlånet (consumer loan) and Nordnet brands and divided between 26,771 loans (27,247). The provision for expected credit losses amounted to SEK 85 million (90).

In March 2022, an expert adjustment of a negative SEK 2 million was introduced due to validations having shown the risk of default to be overestimated in Stage 1. With more loans having been transferred to Stage 2 in 2022, validations have also shown that the excess provisions were also transferred to Stage 2, with the expert adjustment therefore also being included in Stage 2 since the fourth quarter of 2022. Efforts are in progress to update the bank's PD models for personal loans, with the new models being expected to be implemented in the first quarter of 2023. It is expected that the manual provision adjustment will be retained until the project has been completed and implemented in the bank's IFRS9 model.

Liquidity portfolio

Liquidity management within Nordnet comprises the regulatory liquidity reserve (in accordance with the Swedish Financial Supervisory Authority's regulations on liquidity risk management (FFFS 2010:7)) and all other liquidities in the liquidity portfolio. The liquidity reserve constitutes a separate reserve of high-quality liquid assets, bank balances (excluding client funds), balances with central banks and investments in interest-bearing securities.

	Market value (SEK million)		Lending (SEK million)		Average loan to value ratio % ¹	
	2022	2021	2022	2021	2022	2021
Collateral for mortgage loans						
Houses	19,780	14,381	7,038	5,702	41.6%	44.4%
Tenant-owner's right	9,369	7,320	3,839	3,170	47.9%	47.9%
Total	29,150	21,701	10,877	8,872	43.9%	45.7%

¹ Volume-weighted average loan-to-value ratio is produced by multiplying the loan-to-value ratio for each loan by its weight, which here is lending on the loan divided by total lending. All values are then summed.

Procedures for investments in financial instruments follow established policies and instructions. These regulate the type of investment, limits per counterparty, permitted issuers, maximum fixed interest maturities, as well as procedures to ensure the quality of counterparties and pledged collateral. Securities holdings comprise certificates, bonds and treasury bills with a rating of at least BBB- issued by banks, companies, states, municipalities and county councils, as well as a holding of a Tier 1 capital instrument with a credit rating of BB. All interest-bearing securities where the issuer or instrument does not have a credit rating from a credit rating agency entail exposures to local government authorities within the EU/EEA.

Nordnet's liquidity portfolio comprises cash and bank balances at central banks, loans to credit institutions, sovereign bonds eligible as collateral and bonds and other interest-bearing securities and amounted, as of 31 December 2022, to SEK 54,390 million (49,576).

Provision for sovereign bonds eligible as collateral, as well as bonds and other interest-bearing securities, amounting to SEK 1.1 million (1.3). Most of the holdings carry investment grade credit ratings or, in cases where credit ratings are lacking, are issued by municipalities or regions in the Nordic countries. Provisions are therefore calculated as the expected credit loss (ECL) over the ensuing 12-month period.

Counterparty risk

Counterparty risks arise in the form of issuer risks in the liquidity portfolio, risks to account holders for bank deposits, settlement risks, and risks to clearing institutions and CCPs. Settlement risk comprises the risk that the counterparty to a transaction will not be able to fulfil its obligations to pay for or deliver agreed securities and that the price of the financial instrument will have changed when re-arranging the transaction with a new

counterparty.

As a consequence of Nordnet's operations, a large part of the counterparty risk is related to the flow of transactions on the Nordic stock markets. The risks are limited through the use of established clearing organizations, such as Euroclear and Nasdaq OMX.

Counterparty risks in the liquidity portfolio are limited by, for example, deliberately selecting counterparties with high credit quality. Trading in derivative instruments is governed by ISDA agreements, and their collateral by CSA agreements. Counterparty risks are limited through the deliberate selection of counterparties with high credit quality and by entering agreements on derivative instruments with several financial counterparties.

The table on the next page shows the credit ratings for the Group's holdings of financial instruments. According to the Group's Finance Policy, holdings in interest-bearing instruments carry a rating of at least BBB-. Nordnet may also invest in hybrid and capital instruments with a rating lower than BBB- provided that the issuer has a rating of at least BBB-. For covered bonds, the ratings of the bonds have been used; for others, the issuer's ratings have been used. Nordnet allows investments in non-rated assets issued by municipalities or county councils.

Concentration risk

Concentration risks arise in commitments concentrated to a small number of customers or a certain industry, for example, or to securities issued by one particular issuer, or to a specific geographical area. Concentration risks can also arise when groups of exposures exhibit a significant degree of covariance.

Nordnet has a range of services and products targeting a broad spectrum of customers throughout the Nordic

Concentration risk	
31/12/2022	
Note	2.4%
Sampo	2.0%
Nordea	2.0%
Evolution Gaming	1.8%
Novo Nordisk	1.5%

Concentration risk	
31/12/2021	
Evolution Gaming	2.6%
Nordea	2.1%
Sampo	2.0%
Fortum	1.3%
Tesla	1.3%

Rating according to Standard & Poor's 31/12/2022																	
Group SEK million	A-1+	A-1	A-2	A-3	no rating	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BB	no rating	Total
Assets																	
Loans to credit institutions ¹	87	1,397	72	-	16	-	-	-	-	-	-	-	-	-	-	-	1,572
Loans to the general public	-	-	-	-	28,527	-	-	-	-	-	-	-	-	-	-	-	28,527
Financial assets at fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	20
Treasury bills and other interest bearing securities	-	-	-	-	-	35,579	2,819	-	445	-	-	-	-	-	-	117	38,960
Bonds and other interest bearing securities	-	1,143	1,348	203	-	2,582	391	-	515	193	83	593	190	-	10	3,968	11,218
Reinvested assets in the insurance business ²	-	-	-	-	-	1,954	185	-	-	-	-	-	-	-	-	-	2,139
Total	87	2,541	1,419	203	28,544	40,115	3,395	-	960	193	83	593	190	-	10	4,105	82,437

¹ Of which SEK 1,087 million is reported as actuarial assets in the consolidated balance sheet.

² Parts of the liquid assets in the insurance business were reinvested in bonds.

Rating according to Standard & Poor's 31/12/2021

Group SEK million	A-1+	A-1	A-2	A-3	no rating	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BB	no rating	Total
Assets																	
Loans to credit institutions ¹	317	2,183	33	-	5	-	-	-	-	-	-	-	-	-	-	-	2,538
Loans to the general public	-	-	-	-	26,326	-	-	-	-	-	-	-	-	-	-	-	26,326
Financial assets at fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5
Treasury bills and other interest bearing securities	-	-	-	-	-	30,206	3,236	-	154	-	-	-	-	-	-	107	33,703
Bonds and other interest bearing securities	200	941	1,866	363	-	1,536	324	-	530	884	382	853	-	171	89	2,839	10,978
Reinvested assets in the insurance business ²	-	-	-	-	-	1,586	126	-	-	-	-	-	-	-	-	-	1,712
Total	517	3,124	1,899	363	26,331	33,327	3,686	-	684	884	382	853	-	171	89	2,952	72,310

¹ Of which SEK 1,893 million is reported as actuarial assets in the consolidated balance sheet.

² Parts of the liquid assets in the insurance business were reinvested in bonds.

region, with relatively low exposures per customer, a favourable geographical spread and considerable variation in their trading behaviour. Nordnet has established procedures and working methods aimed at avoiding excessive concentrations to individual issuers. The credit portfolios show limited exposures to individual borrowers and are spread well between geographical markets. There is one major concentration in the residential mortgage portfolio, primarily in Greater Stockholm, which accounted for 69.1 percent (70.4) of this lending. Nordnet monitors the concentration risks on an ongoing basis.

As of 31 December 2022, the ten largest credits (customers with co-limits) accounted for 14.7 percent (9.5) of total margin lending. The table below presents the concentration regarding lending against individual collateral assets.

Calculation of expected credit losses.

Assumptions and techniques for assessing impairment

Nordnet reports provisions for expected credit losses on financial assets measured at amortized cost and for irrevocable loan commitments. For all credit products, as well as for the liquidity portfolio, Nordnet has developed statistical models combining historical, current, future-oriented and macroeconomic data, as well as benchmarks deemed relevant by Nordnet and external data from multiple sources to be able to measure the credit risk and assess the potential risk of default. The measurement of credit exposure and calculation of expected credit losses (ECL) are complex and include the use of models based on the probability of default (PD), exposure at default (EAD) and loss given default (LGD).

Twelve-month and lifelong PD represents Nordnet's assessment of the probability of default within the next 12 months and over the entire remaining term of the contract at a given time based on the conditions on the balance sheet date and future financial conditions affecting credit risk. EAD refers to the expected exposure on default, taking into account repayments of principal and interest from the balance sheet date to the time of default. LGD constitutes the expected loss on default, taking into account mitigating factors, such as collateral assets and their value. PD, LGD and EAD are calculated monthly up until the end of the expected term. ECL comprises the product of PD, LGD and EAD discount-

ed by the original effective interest rate. A summary of the expected credit losses up to and including the end of the expected maturity yields the expected credit losses over the remaining maturity of the asset. For margin lending, a loss-rate model is applied in which PD and LGD are calculated together, as there have been very few defaults and losses historically, meaning there was insufficient data for building separate PD and LGD models.

The calculation takes into account three scenarios (base, positive and negative) reflecting relevant macroeconomic factors, such as GDP, housing prices and unemployment. The risk parameters incorporate the effects of macroeconomic forecasts. A probability is allocated for each scenario and the expected credit losses are obtained as a probability-weighted average. Significant doubtful credit exposures are assessed individually, without applying input data from models.

Increased credit risk

Nordnet takes both quantitative and qualitative information into account when assessing whether there has been a significant increase in credit risk since initial recognition. The analyses are based on historical, current and forward-looking information alike.

For margin lending, a significant increase in credit risk is considered to have occurred where:

- Over-borrowing or an overdraft exceeding SEK 10,000 has arisen and not been settled within ten days. The reason for a limit of SEK 10,000 is that the capacity to repay has historically been significantly higher for amounts below SEK 10,000 compared with amounts above SEK 10,000.
- The credit exposure exceeds the value of the security, with the amount exceeding SEK 1,000 and not having been settled on the first banking day. If the amount is not settled within 30 days (back-stop), a significant increase in credit risk is considered to have occurred regardless of the amount.

A significant increase in credit risk for residential mortgages occurs if the PD at the time of reporting is higher than the PD when the mortgage was disbursed and the increase in PD exceeds 0.25 percentage points. There is also a significant increase in credit risk if a claim is more than 30 days past due (back-stop).

For personal loans, a significant increase in credit risk is considered to have occurred if a significant increase in PD has occurred since the application date, or if the invoice remains unpaid 17 days after the due date. After that time, the claim is submitted for collection. Nordnet has chosen to deviate from the standard's back-stop (30 days), as Nordnet believes that this model provides a more accurate view of which customers risk becoming insolvent.

Regarding the liquidity portfolio, Nordnet's Finance Policy stipulates that an asset must be sold if the issuer's credit rating falls below BBB- (Standard & Poor's or Fitch/Moody's respectively). If the asset refers to a covered bond, the credit rating may not fall below AA-/Aa3.

Nordnet assesses these assets in accordance with the exception for holdings with low credit risk, as the asset will be sold before the credit risk is considered to have increased significantly.

Collective assessment

The assessment of a significant increase in credit risk for exposures pertaining to all lending products and the liquidity portfolio is based initially on a collective assessment applying shared risk parameters in the form of product category and credit risk rating.

Modified loans

The reason for a loan being modified may be that a borrower has contacted Nordnet after encountering financial difficulties, that Nordnet has taken measures to retain the customer or that changes in market conditions have occurred.

A modified loan not derecognized in the balance sheet, which is attributable to the customer's repayment capacity, is categorized as a deferred loan. This requires a transfer between stages in the models used to calculate provisions for expected credit losses. The

loan must then pass at least 12 months without remark or further modification to then be moved back to an earlier stage.

Default and doubtful receivables

Default is defined in accordance with the Group's Credit Policy as a combination of both quantitative and qualitative factors.

For margin lending, a custodial account is considered to be in default (Stage 3) if the credit exposure has exceeded the value of the collateral for more than 90 days, or if some form of deferment has been granted to the customer.

For residential mortgages, default is defined as a claim overdue for more than 90 days, if the claim has been sent for collection or if some form of deferment has been granted to the customer.

Personal loans are defined as being in default if a claim is at least 90 days past due, or if the probability of repayment is considered low. Examples of this involve customers undergoing debt restructuring, who have been declared bankrupt, are deceased, are targets of fraud or have emigrated from the country. A default always leads to the claim being classified as Stage 3. In addition to the above, loans granted any form of deferral are to be placed in Stage 3. Stage 3 also includes minimum terms for reclassification to a non-default status.

Transfer from Stage 3

All types of loans transferred to Stage 3 are subject to a probation period, meaning that they can only be transferred to Stage 1 or 2 after a certain period.

Loans transferred to Stage 3 due to having been deferred can be transferred to Stage 1 or 2 after 12 months at the earliest. In other instances, loans can be transferred to Stage 1 or 2 after three months.

Antal lån med eftergift per produkt och utlåning för dessa lån

Product	Number of loans with concession	Total lending to loans with concession, MSEK
Personal loans	77	18.1
Margin loans	5	1.5
Residential mortgages	-	-

The liquidity portfolio and lending to credit institutions are assessed in accordance with the exception for holdings with low credit risk. In accordance with Nordnet's Finance Policy, only bonds and treasury bills with a rating of at least BBB according to Standard & Poor's, Moody's or Fitch are permitted. All bank deposits are placed at rated institutions and central banks in the Nordic banking system.

For other financial instruments measured at amortized cost, such as accounts receivable, default is defined as a claim that is more than 90 days past due, or for which there are other indicators (bankruptcy) suggesting that debtors are unlikely to pay their credit obligations in full.

Application of forward-looking information.

Nordnet includes forward-looking information in its calculations of expected credit losses. From analyses of historical data, macroeconomic factors are identified that affect credit risk and, thus, expected credit losses. These analyses take into account internal and external information on country, borrower and product type and are consistent with the forward-looking information used for other purposes such as financial planning and forecasting. These comprise reasonable and verifiable factors, such as unemployment, GDP and a housing price index. The effect of forward-looking macroeconomic factors is calculated through the application of three different scenarios (base, positive and negative). The probabilities for the different scenarios, as well as the methodology and assumptions used in the models, are reviewed regularly and adjusted as necessary.

In margin lending, GDP is considered a relevant macro variable in the calculation of expected credit losses. Years of negative GDP growth show a correlation with developments in the stock market, leading to an increase in credit losses. Data from Bloomberg and from various forecast institutes are used for forecasting the GDP trend in Sweden, Norway, Finland and Denmark. As the risk of credit losses on margin lending

is often strongly correlated with the diversification and level of risk in the customer's specific securities portfolio, the GDP trend is therefore often used as a general indicator of the economic trend. In addition to GDP forecasts, volatility in financial markets and other forecasts of future economic development may be taken into account.

For personal loans, forecast unemployment, in relation to current unemployment, is used as a variable when calculating the expected default level in the coming year. These forecasts are obtained from Bloomberg, which provides data from various forecasting institutes. Each scenario is then given a probability, based on. This probability is initially 50% base, 25% positive, 25% negative, but can be adjusted based on quantitative and qualitative assessments. A quantitative assessment can be a big difference between forecast and actual unemployment, while a qualitative assessment can be that the forecasts are not assumed to be updated or contain all the available macroeconomic information that can have an effect on the expected credit losses.

In connection with residential mortgages, the housing price index is used to reflect the price trend in the Swedish housing market, and future housing price expectations and forecast GDP trends are also applied.

Historical price trend data is taken from Valueguard HOX Sweden and housing price expectations are taken from the SEB housing price indicator. As Nordnet's residential mortgage portfolio has very low risk, with approved loan-to-value ratios of up to 50 percent in Sweden and 60 percent in Norway, larger declines in future house price expectations are required to have significant effects on the expected credit losses. Changes in market interest rates are used to forecast the risk of credit losses in the liquidity portfolio. The interest rate affects funding expenses for states, banks and institutions that borrow money on the capital markets. Accordingly, the interest rate has an impact on

Reservation per product, based on 100% weight against each scenario

Product	Actual	Positive	Base	Negative
Personal loans	85,0	80,9	84,3	85,9
Margin loans	11,4	8,7	11,4	14,2
Residential mortgages	3,2	3,0	3,1	3,7

credit providers' credit quality in the form of refinancing opportunities, interest payments and financing expenses. Macroeconomic factors are reflected in the credit ratings of credit providers and the portfolio instruments. A forecast is also given of each credit rating (positive/stable/negative). Forecast credit losses are based on three different scenarios. Base – all credit ratings are unchanged.

Negative – credit ratings with a negative outlook are downgraded one level. Positive – credit ratings with a positive outlook are upgraded one level.

A 12-month provision is calculated for each of the scenarios. These are then weighted with the probability of each scenario occurring, with the final provision being the sum of these weighted amounts.

Sensitivity analysis, forward-looking information.

In the provisions for residential mortgages, expected credit losses are calculated for different scenarios (base, positive, negative). In the negative scenario, the market value of housing and customers' pledged capital are stressed.

For provisions for personal loans, a sensitivity analysis shows that at an unemployment rate of 12 percent the percentage of agreements in Stage 2 will increase from 4.4 percent to 5.3 percent of total portfolio volume. The reason for using unemployment as a macroeconomic indicator of future credit losses is that Nordnet has historically seen that it is the indicator that best correlates with credit losses. The reason for using 12 percent unemployment is based on historical levels, where unemployment in Sweden during the 1990s almost reached these levels.

Nordnet conducts ongoing stress tests regarding margin lending and regarding concentration risks for margin lending and residential mortgages.

Nordnet annually conducts a climate risk analysis of the mortgage portfolio. This takes into account potential risk areas based on climate-related problems that may arise in the future. Based on this analysis, an assurance can be given that the mortgage portfolio is geographically well diversified. No corresponding analysis is currently carried out for margin lending and personal loans.

Compliance measures.

Nordnet's contractual outstanding amount with regard to financial assets that have been written off but that are still covered by compliance measures in the form of instalment plans, amounts to SEK 11.8 million (11.0) as of 31 December 2022.

Confirmed credit losses.

Confirmed credit losses are credit losses for which Nordnet has made the assessment that it will not be possible to recover all or part of the credit exposure on an individual loan. Confirmed credit losses entail the credit exposure being removed from the balance sheet and expensed. Examples of confirmed credit losses include when a counterparty is declared bankrupt and there is no collateral to cover the credit exposure. A confirmed credit loss arises even if a loan receivable is sold to a collection agency as is the case for personal loans. In addition, where the probability of repayment is assessed as very low, continuous amortizations of unpaid receivables are applied.

Confirmed credit losses for 2022 totalled SEK 48.9 million (35.3). This corresponds to 0.17 percent (0.13) of the total lending as of 31 December 2022. For margin lending, the confirmed credit losses amounted to SEK 0.9 million. The credit losses involve a small number of old, defaulted credits for which the assessment has been made that the borrowers lack the means to repay the debts. Nordnet has not had any confirmed credit losses regarding residential mortgages over the year, nor has it had any confirmed credit losses since beginning to offer residential mortgages in 2016. The confirmed credit losses for personal loans amounted to SEK 48.0 million (23.8), which corresponds to 1.16 percent of total lending for personal loans as of 31 December 2022. A major write-off was applied in the fourth quarter of 2022 when most defaulted credits linked to customers who had emigrated and to estates of deceased individuals were written off. Although these increased the confirmed losses, provisions for 100 percent of the relevant amounts had been made and the write-off therefore had no effect on profit.

Market risk.

Market risk derives from the risk that the fair value or future cash flow from a financial instrument is affected by changes in market prices. Nordnet is exposed to

Group - valuation of assets and liabilities in foreign currency	2022	2021
Assets		
Loans to credit institutions	917.5	1,589.3
Loans to the general public	8,396.8	7,777.0
Shares and participations	20.7	2.0
Treasury bills and other interest bearing securities	37,544.4	32,476.5
Other assets	24,081.5	43,621.6
Total	70,959.9	85,466.3
Liabilities		
Deposits and borrowing from the general public	49,992.3	45,462.0
Other liabilities	19,979.7	39,452.1
Total	69,972.0	84,914.1

2022	Assets	Liabilities	Net exposure	Exchange rate risk ¹
NOK	32,832.9	32,173.3	659.6	66.0
DKK	17,664.9	17,538.7	126.2	12.6
EUR	17,546.2	17,333.2	213.0	21.3
Other	2,915.9	2,926.8	-10.9	1.1
Total	70,959.9	69,972.0	987.9	101.0

2021	Assets	Liabilities	Net exposure	Exchange rate risk ¹
NOK	23,678.3	23,372.0	306.3	30.6
DKK	28,097.7	28,021.1	76.6	7.7
EUR	30,636.8	30,461.7	175.1	17.5
Other	3,053.4	3,059.3	-5.9	0.6
Total	85,466.3	84,914.1	552.3	56.4

¹Displays the currency risk in an unfavorable fluctuation of 10 percent in each currency.

market risks in the form of interest rate risk, exchange rate risk and share price risk. As Nordnet's operations are structured around customer trading and no trading is conducted on Nordnet's own behalf, the interest rate risks are primarily attributable to the bank book. Exchange rate risks arise in connection with differences between assets and liabilities in different currencies. The risk appetite for market risk is low, with the strategy being to match assets and liabilities with regard to currency, interest rate index and interest rate maturity.

Interest rate risks.

Interest rate risk is the risk that the fair value of, or future cash flows from, a financial instrument fluctuates due to changes in market interest rates. Interest rate risks in the form of price risk and cash flow risk occur in connection with maturities imbalances between assets

and liabilities, as well as in changes in asset values due to changes in market interest rates.

Nordnet's credit provision generally involves variable interest rates and is primarily funded through deposits at variable interest rates. The interest rate risk is deemed to be limited as the credit turnover rate is relatively high, and the credit agreements allow interest rate adjustments with a relatively short periodicity. The Board has set limits for the maximum interest rate risk level and interest rate sensitivity is measured and reported daily to Risk Control and the CFO. In addition, at the end of each quarter, a sensitivity analysis of the portfolio is conducted in conjunction with the reporting of interest rate risk to the Swedish Financial Supervisory Authority.

31/12/2022 Interest period										
Assets	0-1 months	2-3 months	4-6 months	7-12 months	1-2 years	2-3 years	3-4 years	4-5 years	No fixed rates	Total
Cash and balances in Central banks	3,726.5	-	-	-	-	-	-	-	-	3,726.5
Loans to credit institutions	485.1	-	-	-	-	-	-	-	-	485.1
Loans to the general public	17,650.7	10,876.8	-	-	-	-	-	-	-	28,527.4
Financial assets at fair value	-	-	-	-	-	-	-	-	19.8	19.8
Treasury bills and other interest bearing securities	6,192.1	21,452.2	4,413.0	6,079.1	823.8	-	-	-	-	38,960.2
Bonds and other interest bearing securities	5,125.1	5,959.8	0.9	132.6	-	-	-	-	-	11,218.4
Reinvested assets in the insurance business	482.3	1,168.3	188.1	264.7	35.1	-	-	-	-	2,138.5
Other assets	-	-	-	-	-	-	-	-	123,970.3	123,970.3
Total assets	33,661.8	39,457.0	4,602.0	6,476.4	858.9	0.0	0.0	0.0	123,990.0	209,046.3
Liabilities										Total
Deposits and borrowing from the general public	70,084.1	-	-	-	-	-	-	-	-	70,084.1
Other liabilities	-	-	-	-	-	-	-	-	130,773.6	130,773.6
Total liabilities	70,084.1	-	-	-	-	-	-	-	130,773.6	200,857.8
Difference between assets and liabilities	-36,422.3	39,457.0	4,602.0	6,476.4	858.9	-	-	-	-6,783.6	8,188.5
Adopted remaining interest period, year (present value)	0.04	0.21	0.42	0.79	1.50	2.50	3.50	4.50		
Adopted interest rate change, %	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%		
Risk weight	0.08%	0.42%	0.84%	1.58%	3.00%	5.00%	7.00%	9.00%		
Total net interest risk	-29.1	165.7	38.7	102.3	25.8	0.0	0.0	0.0		303.3

31/12/2021 Interest period										
Assets	0-1 months	2-3 months	4-6 months	7-12 months	1-2 years	2-3 years	3-4 years	4-5 years	No fixed rates	Total
Cash and balances in Central banks	4,249.8	-	-	-	-	-	-	-	-	4,249.8
Loans to credit institutions	644.8	-	-	-	-	-	-	-	-	644.8
Loans to the general public	17,454.6	8,871.6	-	-	-	-	-	-	-	26,326.2
Financial assets at fair value	-	-	-	-	-	-	-	-	5.2	5.2
Treasury bills and other interest bearing securities	5,432.5	17,352.7	2,812.1	7,472.6	437.3	195.6	-	-	-	33,702.7
Bonds and other interest bearing securities	3,413.8	5,188.2	1,337.6	629.4	374.3	-	35.0	-	-	10,978.3
Reinvested assets in the insurance business	275.7	880.8	142.7	379.3	22.2	9.9	-	-	-	1,710.6
Other assets	-	-	-	-	-	-	-	-	156,637.2	156,637.2
Total assets	31,471.2	32,293.2	4,292.5	8,481.3	833.8	205.5	35.0	-	156,642.4	234,254.8
Liabilities										
Deposits and borrowing from the general public	64,286.7	-	-	-	-	-	-	-	-	64,286.7
Other liabilities	-	-	-	-	-	-	-	-	162,267.4	162,267.4
Total liabilities	64,286.7	-	-	-	-	-	-	-	162,267.4	226,554.1
Difference between assets and liabilities	-32,815.4	32,293.2	4,292.5	8,481.3	833.8	205.5	35.0	-	-5,625.0	7,700.8
Adopted remaining interest period, year (present value)	0.04	0.21	0.42	0.79	1.50	2.50	3.50	4.50		
Adopted interest rate change, %	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%		
Risk weight	0.08%	0.42%	0.84%	1.58%	3.00%	5.00%	7.00%	9.00%		
Total net interest risk	-26.3	135.6	36.1	134.0	25.0	10.3	2.4	-		317.7

Maturity review 2022

In the maturity review, non-discounted cash flows are allocated based on the remaining maturity.

Remaining maturity 2022	Payable on request	Max 3 months	3 months-1 year	1-5 years	5-10 years	Without maturity	Total
Assets							
Cash and balances in Central banks	-	-	-	-	-	3,726.5	3,726.5
Treasury bills and other interest bearing securities	-	2,854.3	6,027.9	30,078.0	-	-	38,960.2
Loans to credit institutions	485.1	-	-	-	-	-	485.1
Loans to the general public	13,551.8	2.1	9.9	443.1	14,520.5	-	28,527.4
Bonds and other interest bearing securities	-	6,194.6	1,361.3	3,662.6	-	-	11,218.5
Shares and participations	-	-	-	-	-	19.8	19.8
Assets for which customers bear the investment risk	119,974.7	-	-	-	-	-	119,974.7
Other assets	-	2,097.0	-	-	-	1,898.6	3,995.6
Total assets	134,011.6	11,148.0	7,399.1	34,183.7	14,520.5	5,644.9	206,907.8
Liabilities							
Deposits and borrowing from the general public	70,084.1	-	-	-	-	-	70,084.1
Liabilities for which customers bear the investment risk	119,979.6	-	-	-	-	-	119,979.6
Lease liability	-	18.0	24.2	95.9	25.5	-	163.6
Other liabilities and equity	-	2,171.9	-	-	-	14,508.6	16,680.5
Total liabilities	190,063.7	2,189.9	24.2	95.9	25.5	14,508.6	206,907.8

Maturity review 2021

In the maturity review, non-discounted cash flows are allocated based on the remaining maturity.

Remaining maturity 2021	Payable on request	Max 3 months	3 months-1 year	1-5 years	5-10 years	Without maturity	Total
Assets							
Cash and balances in Central banks	-	-	-	-	-	4,249.8	4,249.8
Treasury bills and other interest bearing securities	-	975.2	4,902.3	27,825.2	-	-	33,702.7
Loans to credit institutions	644.8	-	-	-	-	-	644.8
Loans to the general public	13,262.1	4.5	8.6	434.7	12,616.3	-	26,326.2
Bonds and other interest bearing securities	-	4,058.7	2,737.8	4,181.7	-	-	10,978.3
Shares and participations	-	-	-	-	-	5.2	5.2
Assets for which customers bear the investment risk	152,165.5	-	-	-	-	-	152,165.5
Other assets	-	2,636.5	-	-	-	1,835.3	4,471.8
Total assets	166,072.3	7,674.9	7,648.8	32,441.6	12,616.3	6,090.3	232,544.2
Liabilities							
Deposits and borrowing from the general public	64,286.7	-	-	-	-	-	64,286.7
Liabilities for which customers bear the investment risk	152,168.3	-	-	-	-	-	152,168.3
Lease liability	-	17.0	23.6	129.8	24.7	-	195.1
Other liabilities and equity	-	2,540.9	-	-	-	13,353.2	15,894.0
Total liabilities	216,455.0	2,557.9	23.6	129.8	24.7	13,353.2	232,544.2

At the end of the year, the interest rate risk amounted to SEK 303.3 million (317.1) in the event of a negative change in the market interest rate of 2 percentage points (2), which would be charged against profit after tax and reduce equity by SEK 240.8 million (251.8). Correspondingly, a positive change in the market interest rate of two percentage points would increase profit after tax and increase equity by SEK 240.8 million (251.8). A summary of Nordnet's interest maturities can be found in the table on page 108. Nordnet has an internal model for measuring credit spread risk. At the end of the year, the credit spread risk according to this model amounted to SEK 392 million (425).

Exchange rate risks.

Exchange rate risk is the risk that fluctuations in one currency in relation to another will affect Nordnet's profit, balance sheet and/or cash flows. Nordnet's home market is the Nordic region, with currency exposure mainly arising in NOK, DKK and EUR, although there are also currency flows in GBP, CAD and USD, for example.

To limit its exchange rate risk, Nordnet conducts currency exchange transactions on a daily basis and holds only minor flow-related currency positions over more than one banking day. According to the Policy established by the Board, Nordnet measures and reports its exchange rate risk on an ongoing basis.

At the end of the year, the total net exposure in foreign currency amounted to SEK 987.9 million (552.3). An unfavourable exchange rate development of 10 percent in either currency would entail an effect of SEK 101.0 million (56.4), which would be charged against profit after tax and other comprehensive income in the amount of SEK 80.2 million (44.8). This includes net assets from foreign operations that are not hedged. For a more detailed description of assets and liabilities in foreign currency, see the table below.

Share price risk.

Share price risk is the risk that the fair value of, or future cash flows from, a share will vary due to changes in market prices. Nordnet's direct exposure to share price risk is low as the Group does not normally hold any positions of its own.

At the end of the year, the company's own total exposure to share price risk amounted to SEK 19.8 million (5.2). A general change in share prices of 10 percent entails a risk of about SEK 2.0 million (0.5), which would be charged against profit after tax and reduce equity by SEK 1.6 million.

Financing risk/liquidity risk.

Liquidity risk refers to the risk that Nordnet would be unable to finance existing assets or meet its payment obligations, or only be able to do so at significant expense. Liquidity risk can be divided into two components. The first part is the risk of Nordnet having insufficient cash and cash equivalents to fund its operations, and the other part is the risk of being unable to convert investments into cash without significantly increased expenses.

The Board has established policies for limits, division of responsibilities, follow-up and contingency plans. The Board has decided that Nordnet shall have a low risk appetite for liquidity risk. Nordnet must always have cash and cash equivalents available to manage the daily flows in the operations. Contingencies shall always be in place to handle disruptions, with possibilities to redistribute liquidity quickly or to divest assets. The liquidity portfolio must comprise investments with good credit quality. Among other things, Nordnet's contingency plan includes risk indicators, a division of responsibilities, a plan of action to generate liquidity and planned measures in connection with serious disruptions. Treasury is responsible for continuously monitoring, analyzing, forecasting, managing and reporting liquidity risks. Liquidity forecasts and various risk measures are reported to the Board on an ongoing basis. Regular stress tests ensure liquidity preparedness under conditions deviating from the normal, such as significant outflows of deposits from the public, disturbances in the capital market and deteriorating repayment behaviour.

Most of Nordnet's lending operations are short-term in nature, with the exception of the residential mortgage product in Sweden and Norway. As Nordnet's financing mainly comprises equity, customers' deposits and two issued bonds, the structural liquidity risk is low. In the maturity table (see page 109), deposits from the public are categorized as payable on demand, although the

behavioural flow differs from the contractual one as deposits from the public have historically been a long-term and stable source of financing.

Lending to the public in relation to deposits from the public (including deposits from the public included in the item Liabilities where the customer bears the investment risk, which corresponds to cash and cash equivalents in accordance with Note 24) amounts to 35 percent (35) as of the balance sheet date. In Sweden, Nordnet has also issued two so-called AT1 bond loans of SEK 500 million and SEK 600 million to optimize the capital structure and generate scope for continued growth. Nordnet's liquidity risk is reduced by its financing being spread between many customers and several geographical markets, and its payment contingencies are deemed to be very good. Concentrations in deposits, both on a customer and geographical basis, are monitored daily.

Operational risk.

Operational risk comprises the risk of losses due to inappropriate or failed processes, human error, faulty systems or external events. The definition includes legal risk, compliance risk and HR risk. Besides all the risks that may be associated with human error and mistakes, typical examples of operational risks include: computer failure, dependence on key individuals, fraud, inadequate compliance with legislation and internal regulations, or external events, such as fire, natural disasters, sabotage or changes in laws and regulations.

To maintain good internal control of operational risks, Nordnet maintains well-functioning systems and procedures, as well as ongoing training of personnel. The principal responsibility for the management of operational risks lies with the individual departments and functions in the organization. The self-assessment process includes identification and an evaluation of operational risks in all significant processes. The self-assessment is based on a shared method and is documented in a shared systems support. The results are reported annually to the Board and CEO. Based on the self-assessment and incidents having occurred, Nordnet identifies operational risks in its products, services, functions, processes and IT systems. The risk control function supports and guides

the divisions in their risk work and performs the independent follow-up of the handling of operational risks and reports to the Board and the CEO.

Given the nature of Nordnet's operations, it follows that IT risks and data security are of considerable importance. Not only does rapid technological development create opportunities, it also entails threats in the form of cyber attacks, insider attacks, IT disruptions and online scams. There is also a risk that the IT infrastructure will become outdated and obsolete.

Cyber threats against the Swedish financial sector are extensive and intrusions can cause downtime in important systems and sensitive data being leaked. For Nordnet, a fundamental concern is maintaining a high level of cyber security with a strong, highly secure, digital outer shell. Over the past three years, Nordnet has also carried out an extensive project to upgrade and replace its IT platform to offer a world-class user experience in terms of interfaces, products and stability.

The project is planned to continue in 2023. Development and outcomes are closely monitored by both Group Management and the Board. A special IT security function works on the identification, prevention and control of risks related to Nordnet's IT systems.

Insurance risk.

(Life) insurance risk refers to the risk of loss as a result of changed customer behaviour or changes in the expenses associated with managing the insurance company's insurance obligations. Insurance risk also arises as a result of changes in demographic conditions, such as changes in the lifespan of the insured party. For Nordnet, life insurance risk mainly encompasses customer behaviour risk, in the form of the risk that income will be lost as a result of policyholders moving out or repurchasing their insurance to a greater extent than expected or if a large amount of savings is cancelled at one and the same time.

In Nordnet's insurance business, the main insurance risk lies in customer choices that risk having a negative impact on the company's future earnings, such as the risk of cancellations in the form of repurchases or transfers of insurance. To reduce the financial impact of cancellations, the insurance companies have taken out

a reinsurance solution that to some extent mitigates the cancellation risk.

The insurance operations comprise traditional policies with conditional bonuses (custodial insurance) and mutual fund insurance in which the insured party bears its own investment risk. This means that the Company's financial risk is very limited. In traditional insurance policies with periodic pay-outs, there is a guarantee over the first five years of the pay-out period. The guarantee amount totals 3 percent, in accordance with conditions guaranteeing 15 percent of the insurance capital, which is spread over 5 years.

Insurance provisions for guaranteed commitments amount to SEK 45 million (42), corresponding to 0.04 percent (0.03) of total insurance technical provisions.

Sustainability risk.

Sustainability factors can drive risk in all risk categories and the management of sustainability risks is an integral part of the management of each risk. Sustainability factors refer to environmental, social or governance-related events or circumstances.

Nordnet is exposed to sustainability risk through, for example, its lending to the public, through investments in the liquidity portfolio and in its operational processes. In addition, Nordnet is exposed to long-term effects on its brand and growth due to customers' future expectations and behaviours linked to sustainability.

Nordnet reports on sustainability in accordance with the GRI standards and prepares a Sustainability Report detailing the consequences of our operations (in accordance with ÅRL). Nordnet also reports in accordance with the Taxonomy Regulation and has made information available in line with the Disclosure Regulation.

Note 8 Group – income from customer contracts

2022	Sweden	Norway	Denmark	Finland	Total
Commission income-transaction-related	387.1	391.8	374.3	464.4	1,617.5
Commission income - non transaction-related	260.5	176.9	38.8	23.3	499.6
Currency exchange income	122.5	140.6	153.7	78.1	495.0
Other commission income	38.0	19.3	12.5	13.1	82.9
Total	808.1	728.6	579.3	578.9	2,695.0
Income associated with IPOs and company events	8.5	4.2	1.7	27.0	41.3
Other operating income	22.3	8.4	16.2	12.1	58.9
Total	838.9	741.1	597.2	618.0	2,795.2
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	838.9	741.1	597.2	618.0	2,795.2

2021	Sweden	Norway	Denmark	Finland	Total
Commission income-transaction-related	488.8	460.4	532.2	603.8	2,085.1
Commission income - non transaction-related	307.1	178.5	33.2	22.8	541.6
Currency exchange income	186.2	198.3	244.3	123	751.9
Other commission income	39.5	18.4	23.8	16.1	97.8
Total	1,021.6	855.6	833.5	765.7	3,476.4
Income associated with IPOs and company events	33.6	7.2	16.0	58.1	115.0
Other operating income	13.0	6.5	9.6	13.0	42.0
Total	1,068.2	869.3	859.1	836.8	3,633.3
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	1,068.2	869.3	859.1	836.8	3,633.3

Note 9 Group – Commission income and commission expenses.

	2022	2021
Commission income		
Commission income - transaction related ¹	1,617.5	2,085.1
Commission income - not transaction related ²	582.5	639.4
Currency exchange income	495.0	751.9
Total commission income ³	2,695.0	3,476.4
Commission expenses		
Commission expenses - transaction related	-449.1	-546.4
Commission expenses - not transaction related	-208.2	-200.4
	-8.4	-
Total commission expenses	-665.8	-746.8
Net commission	2,029.2	2,729.6
Of which attributable to financial assets and liabilities valued at fair value via the income statement.	-	-

¹ Refers to brokerage income.

² Primarily pertains to commission income from mutual fund savings.

Note 10 Group – Interest income and interest expenses.

Interest income	2022	2021
Interest income on loans to credit institutions	186.8	158.7
Interest income on interest-bearing securities	421.8	39.5
Interest-bearing securities at amortized cost	215.7	44.7
Interest income on loans to the general public	829.2	691.1
Other interest income	9.3	11.2
Total interest income	1,662.8	945.2
Interest expenses		
Interest expenses for liabilities to credit institutions	-2.1	-21.8
Interest expenses on interest-bearing securities	-219.3	-74.4
Interest expenses for deposits and loans to the general public	-6.4	-0.2
Other interest expenses	-154.1	-121.5
Total interest expenses	-381.8	-217.9
Net interest income	1,281.0	727.2
Of which attributable to financial assets and liabilities valued at fair value via the income statement.		
Interest income	318.2	35.7
Interest expense	-56.6	-34.0

The average interest on lending to the public during the year was 2,89 percent (2,80). The average interest on deposits from the public during the year was 0,01 percent (0,0). Over the year, average interest on lending, excluding account credits, which are fully covered by pledged liquid funds in endowment insurance plans, was 2,69 percent (2,97).

Note 11 Group – net result from financial transactions.

	2022	2021
Capital gains/losses, shares and participations	-0.2	3.8
Unrealised value changes, shares and participations	-2.7	0.3
Capital gains/losses, interest-bearing securities	-5.2	22.7
Exchange income	-0.7	-8.9
Total net result from financial transactions	-8.8	18.0
Net profit/Net loss per category		
Fair value through profit and loss	-2.8	4.1
Fair value through other comprehensive income	-5.2	22.7
Exchange income	-0.7	-8.9
Total	-8.8	18.0

Note 12 Group – other operating income.

	2022	2021
Other account-related side-income	32.0	13.3
Fees from customers private loans	1.1	2.6
Revenues from market activities	5.6	3.9
Rental income	0.6	2.5
Fee for unlisted shares	5.5	5.1
Revenues related to IPOs	41.3	115.0
Coupon tax	-10.1	-
Other operating income	4.6	21.1
Total	80.7	163.7

Note 13 Group – General administration costs.

General administration expenses	2022	2021
Personnel expenses	-645.4	-591.2
Rental and property expenses	-25.0	-20.5
Other operational leasing expenses	-1.5	-1.6
Information expenses	-33.6	-31.3
System and communication expenses	-167.9	-161.8
Purchased services	-79.7	-57.0
Other general administration expenses	-111.7	-54.2
Total general administration expenses	-1,064.9	-917.5

Cont. Note 13 Group – General administration costs.

Average number of employees covers the following geographical markets	2022	2021
Sweden	589	542
- of whom women	208	194
- of whom men	381	348
Norway	33	34
- of whom women	7	8
- of whom men	26	26
Finland	38	36
- of whom women	15	16
- of whom men	23	21
Denmark	44	42
- of whom women	25	24
- of whom men	19	18
Total	704	654
- of whom women	256	242
- of whom men	448	412
Number of full-time employees at year-end	666	648
Of whom parent company	1	1
- of whom women	-	-
- of whom men	1	1

	Parent company		Group	
Distribution of personnel expenses	2022	2021	2022	2021
Salaries and other remuneration	-7.5	-7.2	-497.5	-453.3
Social insurance contributions	-5.6	-5.5	-227.6	-194.6
- of which pension expenses incl social security expenses	-3.2	-3.2	-92.5	-73.2
Other personnel expenses	-0.7	-0.4	-36.0	-29.0
Total personnel expenses	-13.8	-13.2	-761.1	-676.9
Of which capitalized personnel expenses	-	-	115.7	85.7
Total expensed personnel expenses	-13.8	-13.2	-645.4	-591.2

Cont. Note 13 Group – General administration costs.

	2022		2021	
	Salaries and other remuneration ¹	Social security expenses (of which pension expenses incl. social security expenses)	Salaries and other remuneration ¹	Social security expenses (of which pension expenses incl. social security expenses)
Group	-501.0	-227.6 (-92.5)	-459.2	-194.6 (-73.2)
Of which Board members, Chief Executive Officer and corresponding officials	-32.9	-17.5 (-8.2)	-31.7	-15.5 (-7.4)
Parent company ²	-11.1	-5.6 (-3.2)	-10.8	-5.5 (-3.2)
Of which Board members and Chief Executive Officer	-11.1	-5.6 (-3.2)	-10.8	-5.5 (-3.2)

¹ Remuneration to the Board is reported among administrative expenses in the Parent Company and Group.

² The Parent Company only has one employee (CEO).

2021	Fixed remuneration	Benefits	Pension expenses	Fees	Total
Board Chairman					
Tom Dinkelspiel	-	-	-	-0.6	-0.6
Other board members					
Charlotta Nilsson				-0.4	-0.4
Jan Dinkelspiel (- mar 2022)				-0.1	-0.1
Christian Frick (- okt 2022)				-0.3	-0.3
Hans Larsson (- mar 2022)				-0.2	-0.2
Per Widerström				-0.4	-0.4
Karitha Ericsson				-0.4	-0.4
Anna Bäck				-0.4	-0.4
Gustaf Unger (apr 2022 -)				-0.5	-0.5
Fredrik Bergström (okt 2022 -)				-0.1	-0.1
Henrik Rättzén (okt 2022 -)				-0.1	-0.1
Chief Executive Officer					
Lars-Åke Norling	-7.3	-0.1	-2.5		-10.0
Vice Chief Executive Officer					
Rasmus Järborg	-3.6	-0.1	-0.6		-4.3
Other senior executives					
9 people on average (whereof 1 consultant)	-17.9	-0.3	-3.7		-21.9
Total	-28.8	-0.5	-6.8	-3.3	-39.5

Cont. Note 13 Group – General administration costs.

2021	Fixed remuneration	Benefits	Pension expenses	Fees	Total
Board Chairman					
Tom Dinkelspiel	-	-	-	-0.5	-0.5
Other board members					
Charlotta Nilsson				-0.4	-0.4
Jan Dinkelspiel				-0.4	-0.4
Christian Frick				-0.4	-0.4
Hans Larsson				-0.6	-0.6
Per Widerström				-0.4	-0.4
Karitha Ericsson				-0.4	-0.4
Anna Bäck (apr 2021 -)				-0.3	-0.3
Chief Executive Officer					
Lars-Åke Norling	-7.1	-0.1	-2.5	-	-9.7
Vice Chief Executive Officer					
Rasmus Järborg ¹	-0.5	-	-	-	-0.6
Other senior executives					
9 people on average (whereof 1 consultant)	-20.0	-0.4	-3.4	-	-23.8
Total	-27.6	-0.5	-5.9	-3.4	-37.4

¹ Rasmus Järborg entered as vice CEO november 16th 2021. The Board fees pertain to the period November 16th to December 31th 2021.

Board of Directors.

Remuneration is paid to Board Members in accordance with a decision by the ordinary General Meeting on 28 April 2022. Remuneration paid to Board Members for the period January 1, 2022 to March 31, 2022 was decided on ordinary the general meeting on 29 April 2021. Remuneration paid to Board Members in 2022 amounted to SEK 3,525 thousand (3,600). For work on the Board's committees, fees of SEK 25 thousand (25) per committee in which a Board Member participates shall be paid. A fee of SEK 50 thousand (50) shall be paid to each committee chairman. For work on the Risk and Compliance Committee, a fee of SEK 150 thousand (150) shall be paid to the chairman and fees of SEK 75 thousand (75) shall be paid to each of the other members. For work on the Audit Committee a fee of SEK 100 thousand (100) shall be paid to the chairman and SEK 60 (60) thousand to each of the other members. No other remuneration has been paid to the Board apart from minor travel expenses. There are no other agreements concerning pensions or severance pay.

Nordnet Bank offers personnel credits to employees

within the Group. The company has granted credits for margin lending of SEK 3.0 million (9.2) to Board Members, residential mortgages of SEK 7.8 million (19) to a Board Member and two persons associated with the Board, with the utilized credits totalling SEK 7.8 million (19). These credits have been issued on market terms.

The table Remuneration of senior executives above includes expenses for Board fees for the 2022 financial year. These are disbursed by Nordnet AB (publ). The Board comprises 5 (5) men and 3 (3) women. The discussion and decision process applied with regard to remuneration to the Chairman of the Board takes place within the Board. Remuneration to the Board has been distributed in accordance with the Annual General Meeting's resolution. For details of Board Members' shareholdings, see the section about the Board on page 51 and onwards in the Corporate Governance Report.

Chief Executive Officer.

The expense for occupational pension in 2022 amounted to 35 percent of pensionable salary. Pensionable salary refers to the basic salary including holiday pay.

Cont. Note 13 Group – General administration costs.

For the CEO, general rules on retirement age apply. The period of notice from the company to the CEO is 12 months, and the period of notice from the CEO to the company is 6 months.

The preparation and decision process applied with regard to remuneration and other terms for the CEO is a matter for the Board of Directors. The Board's preparation of remuneration issues is handled by the Remuneration Committee. Information about the Remuneration Committee appears in the Corporate Governance Report.

Deputy CEO and other senior executives.

The Deputy CEO and other senior executives are defined as members of Group Management, excluding the CEO. The Group Management team changed over the year, and as of 31 December 2022 it amounted to 9 (9) people besides the CEO, of whom 6 (6) are men and 3 (3) are women. One person is employed at Nordnet Bank's Norwegian branch, one is employed at Nordnet Bank's Finnish branch and one is employed at Nordnet's Danish branch – all others are employed in Sweden. Remuneration in the above table relates to the time each individual has been part of the Group Management team. Any salary adjustments or other remuneration for the company's management is proposed by the CEO to the Remuneration Committee, which has been commissioned by the Board to discuss such issues. Beyond paid health insurance, Group Management receives no special additional benefits.

For the Deputy CEO and other senior executives, a notice period of six months applies on termination by the company, with the exception of one individual for whom the notice period, on termination by the company, is 11 months. For the Deputy CEO and other senior

executives, a notice period of six months applies on resignation by the employee, with the exception of one individual for whom the resignation period is four months. For the Deputy CEO and other senior executives, the general rules on retirement age in the individual's country of employment are applied.

Nordnet Bank offers personnel credits to all Group employees. As of 31 December 2022, the company had provided margin, residential mortgages and personal loans to senior executives totalling SEK 32,638 thousand (11,875), of which utilized credits totalled SEK 30,961 thousand (6,100). Interest on unutilized credits with regard to residential mortgages incurs taxation of benefits. No provisions relating to bad debts or expenses relating to bad debts to related parties have been reported during the financial year.

Remuneration Policy.

The Group has adopted a Remuneration Policy regulating the system of remuneration for employees. The purpose of this Credit Policy is to establish a remuneration system for the Group that promotes sound and efficient risk management and that does not encourage excessive risk-taking. According to the Credit Policy, the Group applies the general principle that employees receive fixed remuneration based on their responsibilities and tasks. Employees in the independent functions receive only fixed remuneration. The members of all boards receive a fixed fee for their board assignment. Nordnet employees holding board assignments receive no compensation for this.

An account of the company's remuneration system and an analysis of the risks associated with the remuneration system will be available on Nordnet's website in connection with the publication of the Annual Report.

Program	Subscription period	CEO	Other board members	Other members	Overdue / Repurchase	Total
LTIP 2020	16/10/2023 - 30/11/2023	693,481	2,080,440	3,,206,628	-127,599	5,852,950
LTIP 2021	14/10/2024- 9/12/2024 alt. 13/1/2025-24/3/2025	15,243	112,801	734,651	-1,828	860,715
LTIP 2022	14/04/2025 - 5/6/2025 18/8/2025-12/09/2025	27,670	117,597	829,721	-553	974,435

Cont. Note 13 Group – General administration costs.

Pension Policy.

The Group's Pension Policy is a defined contribution plan applicable to all personnel within the Group. Pension expenses for the Group average approximately 18.6 percent (16.1) of pensionable salary, depending on age and salary.

Share-based incentive programs.

The Annual General Meeting on 28 April 2022 resolved to establish a further incentive program, 2022/2025 for all Nordnet Group employees. A total 974,988 warrants were issued at a market value of SEK 18.07 per warrant. Each warrant entitles the holder to subscribe for one (1) share in the company at a subscription price of 120 percent of the closing price for the company's share on Nasdaq Stockholm on 6 May 2022. Unlike previous programs, this one has no ceiling.

This is the company's third incentive program and the purpose of these programs and the reasons for the deviation from shareholders' preferential rights, is to strengthen the connection between employees' work and the shareholder value that is generated. Accordingly, greater shared interest is expected to arise between the participants and the company's sharehold-

ers. The Board of Directors intends to propose a similar warrant program annually at future Annual General Meetings.

The number of warrants issued to each participant depended on the participant's function in the Group. Each warrant can be used to subscribe for one (1) share in Nordnet AB (publ) during a subscription period as shown in the table above.

In all programs, the warrants have been transferred on market terms at a fair value determined applying the Black & Scholes valuation model.

Important inputs in the valuation model are the value of the underlying share at the time of valuation, exercise price, volatility, expected maturity of the options and an annual, risk-free interest rate, corresponding to a three-year Swedish government bond yield. As Nordnet was first listed on the stock exchange in connection with the issuance of the first option program, the volatility is based on the historical volatility of companies with which Nordnet considers itself closely comparable. For the second program, the share's last 90 days of volatility are also taken into account, measured from 5 November 2021. In the third program, the share has the most recent current volatility of the stock weighted in.

Summary of issued and outstanding warrants in warrant programs.

	2022		2021	
	Average exercise price in SEK per option	Number of options	Average exercise price in SEK per option	Number of options
Number of warrants issued				
Opening number of warrants issued	135.4	6,843,244	127.68	5,980,549
Warrants forfeited				
New warrants program	173.94	974,988	213.42	862,695
Total number of warrants issued	138.44¹	7,818,232	135.94¹	6,843,244
Outstanding warrants issued				
Opening number of warrants outstanding	136.08	6,756,559	127.68	5,980,549
Warrants subscribed during the year	173.94	974,988	213.42	862,695
Less warrants repurchased during the year	126.59	-43,295	125.10	-86,695
Total warrants outstanding	138.69¹	7,688,252	136.08¹	6,756,559
Weighted average remaining agreed maturity at end of year		1.75 years		2.01 years

¹The redemption price has been adjusted downwards due to payment of dividend
No options could be exercised

cont. Note 13 Group – General administration costs..

Costs of the incentive programs are, on the side costs of preparing and administering the incentive program, limited to costs that arise in Norway regarding social security contributions. Costs amounted to SEK 2,354.0 (1,185.4) and are reported as part of personnel costs. These costs are affected by Nordnet AB (publ)'s share price at the time the options are exercised. Nordnet has not any legal or informal obligation to repurchase or settle the options in cash. The number of warrants which can be subscribed by the participants in the incentive programs can cause a total dilution effect of a maximum of 3.1% of Nordnet AB's (publ) share capital.

For further information, see note 32 Equity.

Audit.

Audit services refer to the statutory audit, i.e. the reviewing of the Annual Report, the accounts and the administration by the Board of Directors and Managing

Director. Audit services also include any other tasks that the auditor for the Group and the Parent Company is required to perform.

Activities beyond the audit assignment involve quality assurance measures, that is to say, in part, any review of management, the Articles of Association, statutes or agreements intended to result in a report, certificate or other document addressed to a party other than the principal and, in part, advice or other assistance occasioned by observations made during an audit. Reviews of interim financial reports are included in the audit assignment outside the assignment. Tax advice includes advice on income taxes and VAT.

Other services include advice on accounting issues, services in connection with corporate/business changes and operational efficiency.

Auditing costs.

Deloitte	2022	2021
Audit services	-4.9	-5.5
Audit services outside the assignment	-4.8	-4.5
Tax advice	-0.8	-0.5
Other services	-	-0.3
Total	-10.4	-10.8

Leases.

Nordnet leases office space and cars. Leases are normally drawn up for fixed periods of between three and five years, although there may also be possibilities for extension. The terms for each agreement are negotiated separately and contain a large number of different contractual terms. Although the leases do not include any specific terms that would entail their termination if the terms were not met, leased assets may not be used as collateral for loans.

Lease payments are discounted at the marginal loan rate. Nordnet has chosen to use the rate corresponding to a five-year Swedish government bond +2 percent as an approximation for the marginal loan rate for premises leases. As of 31 January 2022, Nordnet's weighted average marginal borrowing rate was 3.6 percent (2.0). A variable interest rate is stated in the vehicle leases.

cont. Note 13 Group – General administration costs.

Recognised in the balance sheet 2020 - IFRS 16	2022	2021
Assets with Right of use, reported under "tangible fixed assets"		
Office facilities	152.2	184.6
Cars	5.2	6.2
Total	157.4	190.8
Leasing liabilities, reported under "Other liabilities"		
Short-term	60.9	59.9
Long-term	102.7	135.3
Total	163.6	195.2
Depreciation of Right of use		
Office facilities	36.2	35.4
Cars	1.2	1.2
Total	37.4	36.6
Interest expenses (included in financial expenses)	6.3	3.9
Expenses attributable to short-term leases	6.0	6.8
Expenses attributable to low value leasing agreements (not short-term leasing)	0.4	0.5
Expenses attributable to variable lease payments that are not included in lease liabilities	15.3	12.6
Revenue from subletting of Right of use	0.6	2.5
Cash flow attributable to leasing agreements	1.9	30.4

Note 14 Group – Amortization, depreciation and impairment of tangible and intangible assets.

	2022	2021
Brands, amortization	-	-
Customer relations, amortization	-24.8	-28.1
Capitalized expenditure on development work, depreciation	-78.4	-69.7
Capitalized expenditure on development work, write-downs	-	-
Tangible assets, depreciation	-31.9	-28.3
Right-of-use assets	-37.4	-36.6
Total	-172.5	-162.7

Note 15 Group – Other operating expenses.

	2022	2021
Marketing and sales	-50.9	-52.3
Bank expenses	-0.1	-5.9
Corporate insurance	-3.2	-2.5
Total	-54.2	-60.7

Note 16 Group – Credit losses, net.

	2022	2021
Change of the year, stages		
Loan receivables stage 1	2.4	-2.9
Loan receivables stage 2	-5.9	-
Loan receivables stage 3	8.9	1.7
Total	5.4	-1.1
Confirmed credit losses		
Write-off for the period for confirmed losses	-48.9	-35.3
Recoveries of previously confirmed losses	0.1	-
Total	-48.8	-35.3
Total net credit losses for the period	-43.4	-36.3

All confirmed credit losses are attributable to personal loans in lending to the public. For reservations per product, refer to Note 21.

Note 17 Group – Taxes.

	2022	2021
Tax charged to income		
Current tax expense (-)/ tax income (+)		
Adjustment current tax for previous years	-1.1	-0.7
Current tax	-392.2	-475.9
Deferred tax expense (-)/ tax income (+)		
Deferred tax related to temporary differences	11.6	10.0
Tax on net income for the year	-381.7	-466.5

Cont. Note 17 Group – Taxes.

Reconciliation of effective tax		2022		2021
Profit before tax		2,034.1		2,451.2
Tax expense in the income statement	-18.8%	-381.7	-19.0%	-466.5
Tax as per current tax rate for the Parent Company	-20.6%	-419.0	-20.6%	-504.9
Difference	1.8%	37.3	1.6%	38.4
The difference consists of the following items:				
Effect of profit charged with tax on returns	3.0%	61.7	2.6%	63.6
Effect of non-deductible expenses/non-taxable income	-0.9%	-18.4	0.0%	0.7
Effect of non-deductible foreign tax	-0.1%	-1.8	-0.8%	-20.8
Effect of corrected tax from previous years	-0.1%	-1.1	0.0%	-0.7
Differences in tax rate between countries	-0.2%	-3.5	-0.2%	-4.9
Effect of unreported deferred tax on tax losses	0.0%	-	0.0%	0.3
Others	0.0%	-	0.0%	0.1
Reported effective tax	1.8%	37.3	1.6%	38.3

Deferred tax, recognised in the balance sheet	2022	2021
Opening balance, deferred tax assets	0.9	0.6
Recognized in the income statement	0.4	0.2
Closing balance, deferred tax asset	1.3	0.9
Deferred tax is attributable to:		
Financial lease	1.3	0.9
	1.3	0.9
Opening balance, deferred tax liabilities	-65.7	-73.2
Recognised in the income statement	11.3	9.8
Conversion differences for the year	1.7	-2.2
Closing balance, deferred tax liabilities	-56.1	-65.7
Deferred tax is attributable to:		
Untaxed reserves	-4.9	-6.3
Temporary differences in depreciation	-48.5	-55.3
Other provisions	-2.7	-4.1
Total	-56.1	-65.7

The current tax asset of SEK 28.8 million (0.6) is mainly attributable to Nordnet Bank AB.

Current tax liabilities of SEK 151.1 million (329.6) are mainly attributable to Nordnet Bank AB and Nordnet Pensionsförsäkring AB.

These taxes will be paid during 2023.

Note 18 Group – Segments.

2022					
MSEK	Sweden	Norway	Denmark	Finland	Total
Net commission income	610.0	476.1	489.7	453.3	2,029.2
Net interest income	674.0	371.4	137.4	98.2	1,281.0
Net result of financial transactions	-8.9	2.3	0.6	-2.8	-8.8
Other operating income	7.3	14.5	19.7	39.3	80.7
Total operating income	1,282.4	864.2	647.5	588.0	3,382.1
Total operating expenses	-558.6	-272.2	-232.7	-228.0	-1,291.5
Result before credit losses	-558.6	-272.2	-232.7	-228.0	-1,291.5
Result before credit losses and resolution fees	723.9	592.0	414.8	360.0	2,090.6
Net credit losses	-40.0	-1.9	-1.1	-0.4	-43.4
Fees imposed: resolution fees	-3.4	-2.3	-3.6	-3.8	-13.1

No customer accounts for more than 10% of the Group's income.

2021					
MSEK	Sweden	Norway	Denmark	Finland	Total
Net commission income	805.5	562.2	745.8	616.1	2,729.6
Net interest income	458.6	171.4	75.8	21.4	727.2
Net result of financial transactions	15.4	1.8	0.9	-0.1	18.0
Other operating income	47.4	15.5	27.4	73.4	163.7
Total operating income	1,327.0	750.8	849.9	710.8	3,638.5
Total operating expenses	-448.1	-243.3	-223.1	-226.5	-1,140.9
Result before credit losses	-448.1	-243.3	-223.1	-226.5	-1,140.9
Result before credit losses and resolution fees	878.9	507.5	626.9	484.3	2,497.6
Net credit losses	-35.7	-1.4	0.3	0.5	-36.3
Fees imposed: resolution fees	-2.8	-1.7	-2.8	-2.8	-10.1
Operating profit	840.4	504.4	624.4	482.0	2,451.2

No customer accounts for more than 10% of the Group's income.

Note 19 Group – Treasury bills and other eligible bills, etc.

	2022	2021
Collateralized mortgage bonds	31,150.1	26,008.7
States and state exposure	2,583.5	2,128.2
Municipalities	5,226.6	5,565.8
Total	38,960.2	33,702.7

Loss provisions in step 1 are included in an amount of SEK 1.1 million (1.3) in the table above.

Note 20 Group – Lending to credit institutions.

	2022	2021
Liquid assets	1,572.1	2,538.0
Contains of		
Loans to credit institutions	485.1	644.8
Assets in the insurance business ¹	1,087.0	1,893.2

¹ Assets in the insurance business are included in the item Assets where the customer bears the investment risk.

Loss provisions amounts to SEK 0 million.

Note 21 Group – Lending to the public.

2022	Residential mortgages		Margin loans		Personal loans	
MSEK	Amortized cost	Provisions for expected credit losses	Amortized cost	Provisions for expected credit losses	Amortized cost	Provisions for expected credit losses
Stage 1	10,302.5	-3.1	13,423.4	-0.4	3,888.1	-19.8
Stage 2	577.5	-0.1	118.8	-1.6	183.2	-23.5
Stage 3	-	-	21.0	-9.4	112.5	-41.7
Summa	10,880.0	-3.2	13,563.3	-11.4	4,183.8	-85.0

2021	Residential mortgages		Margin loans		Personal loans	
MSEK	Amortized cost	Provisions for expected credit losses	Amortized cost	Provisions for expected credit losses	Amortized cost	Provisions for expected credit losses
Stage 1	8,600.4	-3.1	13,281.5	-0.4	3,966.4	-20.5
Stage 2	271.2	-0.0	39.8	-1.6	143.7	-19.6
Stage 3	-	-	15.9	-9.8	112.6	-50.2
Summa	8,871.6	-3.2	13,337.1	-11.8	4,222.7	-90.2

Cont. Note 21 Group – Lending to the public.

Consolidated credit loss reserve - total lending to the public	Stage 1	Stage 2	Stage 3	Total
Opening balance January 1, 2022	24.0	21.2	60.0	105.2
Currency effects and other	-	0.1	0.6	0.7
Write-downs recognized credit losses	-0.3	-4.8	-20.0	-25.1
New financial assets	5.8	3.6	3.4	12.8
Transfers and reservation changes: ¹				
-to 12-month expected credit losses	-0.7	-5.7	-1.4	-7.9
-to expected maturity credit losses (no default)	-1.0	16.5	-0.8	14.6
-to expected maturity credit losses (default)	-0.3	-1.2	14.1	12.6
Repayment	-4.2	-1.4	-4.7	-10.3
Changes in models/parameters	-0.2	1.0	-	0.8
Changes in models/parameters	-	-4.0	-	-4.0
Closing balance December 31, 2022	23.3	25.2	51.1	99.6

Consolidated credit loss reserve - total lending to the public	Stage 1	Stage 2	Stage 3	Total
Opening balance January 1, 2021	21.9	21.3	61.8	105.0
Currency effects and other	0.2	0.1	2.6	2.9
Write-downs recognized credit losses	-0.2	-3.9	-13.9	-18.0
New financial assets	7.3	2.1	8.8	18.2
Transfers and reservation changes: ¹				
-to 12-month expected credit losses	-2.3	-7.7	-2.9	-12.9
-to expected maturity credit losses (no default)	-0.6	6.3	-0.3	5.3
-to expected maturity credit losses (default)	-0.2	-1.4	13.9	12.2
Repayment	-4.5	-1.7	-2.1	-8.3
Changes in models/parameters	-0.6	6.1	-5.7	-0.2
Changes in models/parameters	3.0	-	-2.0	1.0
Closing balance December 31, 2021	24.0	21.2	60.0	105.2

¹ The three lines that show transfers and reserve changes reflect the three steps according to IFRS 9. Each line shows how the reserves for the respective step changed during the year. The reserves for loans moved to another step were removed and the reserves for the loans that were added from the other two steps were added. In addition, the reserve change for loans that remain in the same step is added. The reserve changing even though the loan remains in the same step is due to the credit risk on the loan changing during the year. The reserve decreasing may be due to the customer being considered less risky, the macroeconomic outlook improving or the size of the loan decreasing.

Cont. Note 21 Group – Lending to the public.

For margin lending and residential mortgages, analyses and stress tests show a low correlation between macroeconomic forecasts and expected credit losses. Instead, it is the customers' portfolio concentrations and unforeseen events in the market that will lead to future credit losses, which is not reflected in macroeconomic forecasts. Accordingly, the macro variables are not included as an individual variable in the calculations of the provisions for margin lending and residential mortgages.

However, the macro variables are included in assessing the probability of different scenarios (base, positive, negative), which affects the calculation of expected credit losses.

For personal loans, there is a high correlation between macroeconomic forecasts and expected credit losses. The impact of macroeconomic factors on the share of total provisions for personal loans is shown in the table below.

2022 - Personal loans	Stage 1	Stage 2	Stage 3	Total
Amortized cost	3,857.6	181.8	111.6	4,151.0
Provisions for expected credit losses	-19.8	-23.5	-41.7	-85.0
of which macro impact	-0.5	-0.4	-0.1	-1.1
Reservation rate %	1%	13%	37%	2%

2021 - Personal loans	Stage 1	Stage 2	Stage 3	Total
Amortized cost	3,966.4	143.7	112.6	4,222.7
Provisions for expected credit losses	-20.5	-19.6	-50.2	-90.2
of which macro impact	1.1	0.8	0.2	2.2
Reservation rate %	1%	14%	45%	2%

Given borrowers' places of domicile, the company's loan receivables are attributable to ¹	2022	2021
Sweden	20,031.9	18,481.2
Norway	2,956.6	2,575.1
Finland	3,069.3	2,859.6
Denmark	2,469.5	2,410.2
	28,527.4	26,326.2

Loan receivables are distributed as follows		
Households in Scandinavia	25,411.3	23,662.6
Non-financial corporate sector	2,991.0	2,568.4
Other	125.2	95.1
Total	28,527.4	26,326.2

Given borrowers' places of domicile, the company's reserve for anticipated credit losses is attributable to		
Sweden	-89.0	-97.6
Norway	-5.2	-3.6
Finland	-1.8	-2.7
Denmark	-3.7	-1.3
Total	-99.6	-105.2

¹ Residential mortgages and personal loans only occur in Sweden.

Of lending to the public, SEK 1,214.5 million (950.3) involves account credits that are fully covered by pledged cash and cash equivalents in endowment insurance plans and investment savings accounts (ISKs); the lending rate applied to the credits corresponds to the deposit rate on the pledged cash and cash equivalents.

Personal loans comprise SEK 4,183 million (4,132) of lending to the public. The remainder of lending to the public is secured by collateral in the form of securities.

Note 22 Group – Bonds and other interest-bearing securities.

	2022	2021
Issued by government bodies	4,502.5	3,576.0
Issued by other borrowers	6,716.0	7,402.3
Total	11,218.5	10,978.3

Interest-bearing securities entail investments of the company's surplus deposits – primarily in bonds.

Provision for expected credit losses is included in the recognized amount in an immaterial amount.

Note 23 Group – Shares and participations.

	2022	2021
Shares and participations, listed	19.0	4.4
Shares and participations, unlisted	0.8	0.7
Total	19.8	5.2

¹ Unlisted shares and participations measured at fair value. For more information, see Note 32.

Note 24 Group – Assets and liabilities where the customer bears the investment risk.

	2022	2021
Financial assets where the policyholder bears the risk of investments		
Shares and participations	107,023.4	139,836.4
Interest-bearing securities	1,255.0	1,096.0
Derivatives	633.5	1,047.6
Cash and cash equivalents ¹	11,062.8	10,185.5
Total assets in the insurance business	119,974.7	152,165.5
Liabilities in the insurance business		
Life insurance provision	44.7	42.1
Claims outstanding	3.3	2.9
Fund insurance obligations	8,523.6	7,498.3
Conditional bonus	111,408.0	144,625.0
Total liabilities in the insurance business	119,979.6	152,168.3
Of which liabilities relating to investment contracts	119,979.6	152,168.3
of which liabilities relating to insurance contracts	-	-

¹ Distributed to loans to credit institutions SEK 1,087.0 million (1,893.2) and assets held for sale SEK 9,975.8 million (8,292.2).

All assets in the insurance operations entail assets for which the policyholders bear the direct investment risk. For liabilities in the insurance operations pertaining to investment contracts, the policyholders bear the direct risk. This means that the policy holders receive a return but are also responsible for the risk that assets and liabilities in the insurance business incur. The Group is not entitled to cash flow attributable to the invested funds.

The liabilities are measured according to the category financial assets and liabilities measured at fair value via profit or loss. The equivalent applies to assets beyond the part pertaining to cash and cash equivalents that is measured at amortized cost. The net effect on earnings of acquired securities, unrealized changes in value, realized changes in value, interest and dividends received and changes in value of the debt is zero.

Note 25 Group – Intangible fixed assets.

	Goodwill		Brands		Customer relations		Capitalized expenditure on development work		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Accumulated costs										
On 1 January	454.6	440.0	24.8	24.2	605.7	581.0	666.4	725.7	1,751.6	1,770.8
Acquisition	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	136.9	121.5	136.9	121.5
Divestments and disposals	-	-	-	-	-	-	-100.0	-180.6	-100.0	-180.6
Conversion differences for the year	6.6	14.6	0.4	0.6	22.7	24.7	-	-	29.7	39.8
	461.2	454.6	25.2	24.8	628.4	605.7	703.4	666.6	1,818.2	1,751.6
Accumulated amortization and impairments										
On 1 January	-32.0	-31.7	-24.8	-24.2	-388.2	-351.2	-385.8	-496.8	-830.9	-904.0
Amortization for the year	-	-	-	-	-24.8	-28.1	-78.4	-69.7	-103.2	-97.8
Write-downs for the year	-	-	-	-	-	-	-	-	-	-
Divestments and disposals	-	-	-	-	-	-	100.0	180.6	100.0	180.6
Conversion differences for the year	-0.1	-0.3	-0.4	-624	-16.0	-8.8	-	-	-16.6	-9.6
	-32.1	-32.0	-25.2	-24.8	-429.0	-388.2	-364.3	-385.8	-850.7	-830.9
Carrying amount at the end of the year	429.0	422.6	-	-	199.4	217.5	339.1	280.8	967.5	920.7

Goodwill and acquisition-related intangible assets.

Nordnet has carried out a number of strategic acquisitions over the years that have resulted in intangible assets with indefinite useful lives. A useful life is determined as indeterminate in the event an asset's expected ability to contribute financial benefits cannot be determined.

Goodwill represents the positive difference between acquisition cost and fair value of the Group's share of the acquired company's net assets on the acquisition date and is recognized at cost less accumulated impairment. Goodwill is allocated to cash-generating units (CGU) and is tested annually to identify any impairment need using a valuation model based on discounted future cash flows. Other acquisition-related intangible assets consist mainly of brands and customer relationships, which are recognized at fair value on the acquisition date and subsequently at cost less accumulated

amortization/depreciation and impairment. Acquisition-related intangible assets with an indefinite useful life are tested annually for impairment in the same way as goodwill. Goodwill and intangible assets with indefinite useful lives are allocated to a CGU comprising the respective countries in which Nordnet operates. Each year, the Group examines by country whether there is any need for impairment of goodwill and intangible assets with indefinite useful lives. The recovery value for CGUs has been set by calculating utility value. These calculations are based on estimated future cash flows based on financial projections approved by management and covering a three-year period. Cash flows beyond the three-year period are extrapolated using the estimated growth rate.

The main assumptions in the three-year plan are management's assessment of net profit, including credit losses, growth in each economy and development of risk-weighted assets.

Cont. Note 25 Group – Intangible fixed assets.

	Goodwill		Brands		Customer relations	
SEK thousands	2022	2021	2022	2021	2022	2021
Sweden						
AD Aktiedirekt AB	29.7	29.7	-	-	-	-
Deriva Financial Services AB	6.9	6.9	-	-	-	-
Konsumentkredit	63.7	63.7	-	-	-	-
Verksamhet förvärvat från Öhman	5.9	5.9	-	-	-	-
Shareville	2.3	2.3	-	-	-	-
Netfonds	107.0	107.0	-	-	-	-
Sweden	215.5	215.5	-	-	-	-
Finland						
eQ	-	-	-	-	-	2.3
Finland	-	-	-	-	-	2.3
Norway						
Stocknet Securities AS	84.1	81.5	-	-	5.5	8.3
Netfonds Bank AS	120.2	116.6	-	-	193.9	206.9
Netfonds Liv AS	9.3	9.0	-	-	-	-
Norway	213.5	207.1	-	-	199.4	215.2

In order to extrapolate cash flows beyond the budget period, a growth rate of 2 percent has been used. Due to the long-term nature of the investments, an assessment has been made for perpetual cash flow. The use of perpetual cash flow is motivated by the fact that all cash-generating units are part of the Group's domestic markets, for which there are no intentions to leave. The long-term growth assumption is based on external assessments as well as the Group's experience and assessment of growth in the banking sector in relation to GDP growth and inflation.

In addition, an average discount rate in local currency before tax has been used. The discount rate has been determined by calculating the weighted capital cost (CAPM) for each country, which is based on the market's risk-free interest rate, the market's return requirement and the specific risk of the asset. The discount rate is in the range 9.40–16.90 percent (8.64–15.86) before tax, which corresponds to the calculated return requirement for each country. Net cash flow refers to the amount theoretically available as a dividend or alternatively contributed as a capital contribution. The 2022 annual testing of impairment needs was carried out in the fourth quarter. This testing did not indicate any needs to recognize impairment. As part of the impairment testing, Nordnet also performed a sensitivity analysis in which the discount rate was raised by 5 percent and unrestricted cash flow was reduced by 10

percent. Neither of these scenarios indicated any need to recognize impairment.

The Finnish customer relations are attributable to the acquisition of eQ. Customer relationships in the acquisition of eQ were originally valued at SEK 142.2 million. This is amortized over an average of 11 years, reflecting the estimated useful life. The carrying amount was SEK 0 million (2.3) and was fully amortized in 2022.

The Norwegian customer relations regarding Netfonds were identified in connection with the acquisition of Netfonds Bank AS. The carrying amount is SEK 193.9 million (206.9). The amortization period is 15 years, reflecting the estimated useful life. The remaining amortization period is 11.4 years.

The value of the Norwegian customer relations regarding Stocknet was identified in connection with the acquisition of Stocknet Securities AS. The carrying amount is SEK 5.5 million (8.3). The amortization period is 20 years, reflecting the estimated useful life, with a remaining period of amortization of 1.8 years.

All development costs that meet the criteria of IAS 38 are capitalized in the form of capitalized development costs for development work. Costs for improvements are expensed on an ongoing basis in the income statement. The carrying amount for Nordnet's three

Cont. Note 25 Group – Intangible fixed assets.

most significant development projects is SEK 315.1 million, pertaining to Next Nordnet, Customer Journeys and New Mobile Application. Development is ongoing and the depreciation period is on straight-line basis over three to seven years. Balanced personnel-related expenses for the year amounted to SEK 115.7 million (85.7).

Note 26 Group – Tangible fixed assets.

Group, SEK thousands	2022	2021
Accumulated cost		
On 1 January	524.7	601.8
Additions	23.7	46.1
Acquisitions	2.7	31.9
Right of use assets, lease	-6.8	-157.3
Conversion differences for the year	6.2	2.3
	550.6	524.7
Accumulated depreciation		
On 1 January	-239.4	-328.8
Depreciation for the year	-31.9	-28.3
Right of use assets, lease	-37.4	-36.6
Divestments and disposals	6.0	155.8
Conversion differences for the year	-3.9	-1.5
	-306.6	-239.4
Carrying amount at the end of the year	244.0	285.3

Accumulated acquisition values include fees for improvement of someone else's property, amounting to SEK 55.5 million (55.5), which relates to subsidiary Nordnet Bank AB. The depreciation plan is based on a useful life of 60 months, and the residual value according to plan amounts to SEK 22.5 million (27.7). A linear method is used when depreciating tangible fixed assets. Reported value of the right-of-use assets amounts to SEK 157.4 million (190.8).

Note 27 Group – Other assets.

Other assets	2022	2021
Liquid fund receivables regarding unsettled transactions	2,097.0	2,636.5
Other assets	170.6	269.8
Total	2,267.6	2,906.3

Gross liquid fund receivables amount to 2,097.0 (2,636.5) MSEK. Gross amounts for liabilities that are offset against assets are subject to agreements that provide legal set-off rights. Other assets consist entirely of short-term receivables that fall due within one year.

The table below describes the balance sheet items that are the basis for net recognition. Other items are reported gross in the balance sheet.

31/12/2022			
SEK million	Gross amount for assets	Gross amount for liabilities set off against assets	Net amount in the Balance Sheet
Other assets			
Unsettled trades that are not subject to set-off or netting agreements	2,097.0	-	2,097.0
Unsettled trades that are subject to set-off or netting agreements	3,007.9	3,007.9	-
Total	5,104.9	3,007.9	2,097.0
SEK million	Gross amount for liabilities	Gross amount for assets set off against liabilities	Net amount in the Balance Sheet
Other liabilities			
Unsettled trades that are not subject to set-off or netting agreements	2,171.9	-	2,171.9
Unsettled trades that are subject to set-off or netting agreements	3,007.9	3,007.9	-
Total	5,179.9	3,007.9	2,171.9

31/12/2021			
SEK million	Gross amount for assets	Gross amount for liabilities set off against assets	Net amount in the Balance Sheet
Other assets			
Unsettled trades that are not subject to set-off or netting agreements	2,636.5	-	2,636.5
Unsettled trades that are subject to set-off or netting agreements	2,615.7	2,615.7	-
Total	5,252.2	2,615.7	2,636.5
SEK million	Gross amount for liabilities	Gross amount for assets set off against liabilities	Net amount in the Balance Sheet
Other liabilities			
Unsettled trades that are not subject to set-off or netting agreements	2,540.9	-	2,540.9
Unsettled trades that are subject to set-off or netting agreements	2,615.7	2,615.7	-
Total	5,156.6	2,615.7	2,540.9

Note 28 Group – Prepaid expenses and accrued income.

Prepaid expenses and accrued income	2022	2021
Prepaid expenses	164.3	114.2
Accrued interest income	167.2	53.6
Accrued commission income	93.7	125.5
Other accrued income	61.2	64.8
Total	486.4	357.9

Note 29 Group – Deposits and borrowing by the public.

Deposits and borrowing by the public	2022	2021
Sweden	25,455.9	24,005.9
Norway	11,406.3	11,467.5
Finland	17,127.2	16,484.6
Denmark	19,320.2	15,932.6
Deposits in Nordnet Pensionsförsäkring AB and Nordnet Livsförsäkring AS ¹	-3,225.6	-3,603.9
Total	70,084.0	64,286.7

¹ Recognized as actuarial liabilities in the consolidated balance sheet

Note 30 Group – Other liabilities.

Other liabilities	2022	2021
Liquid fund liabilities regarding unsettled transactions	2,171.9	2,540.9
Debt to policyholder ¹	7,837.3	6,581.6
Accounts payable	58.0	31.4
Lease liability	163.6	195.2
Other liabilities	140.7	119.7
Total	10,371.5	9,468.8

Gross liquid fund liabilities for the year amount to SEK 2,171.9 million (2,540.9).

For information on settlement of fund cash and equivalents, receivables and liabilities, see Note 27.

¹ Refers to excess liquidity from policyholders who have invested in the Pension Company's own holdings in interest-bearing paper.

Note 31 Group – Accrued expenses and deferred income.

Accrued expenses and deferred income	2022	2021
Personnel related expenses	70.1	62.2
Accrued interest expenses	23.6	22.6
Accrued commission expenses	26.9	34.0
Accrued expenses hence to IPO	-	0.3
Other accrued expenses ¹	94.7	118.0
Total accrued expenses and deferred income	215.4	237.1

¹ The largest component is attributable to accrued administrative costs in the operating activities.

Note 32 Group – Equity.

A summary of changes in equity can be found in the statement of changes in equity.

Share capital.

The total number of fully paid shares amounts to 250,000,000 (250,000,000), with a quota value of SEK 0.005 each (0.005). Quota value refers to share capital divided by the number of shares. Holders of ordinary shares are entitled to dividends determined by the Annual General Meeting and are entitled exercise one vote per share held at the Annual General Meeting.

Other capital contributions.

Comprise unconditional shareholder contributions and issue proceeds in the form of non-cash and cash issues.

Treasury share repurchases

In February 2022, the company repurchased 375,000 shares to secure parts of the company's obligations under its long-term share-related incentive program. The procedure was approved by the shareholders at the regular Annual General Meeting in 2022. The shares were repurchased at an average price of SEK 150.66, with prices varying between SEK 146.45 and SEK 153.52. The total cost of SEK 56,498 thousand decreased other contributed capital.

Share-based incentive program

In the spring, Nordnet introduced an additional incentive program for Group employees. A total 974,988 warrants were issued for a value of SEK 17,618 thousand. For more information, see Note 13 General transaction costs.

Tier 1 capital instruments.

Issued Tier 1 capital instruments are deemed to meet the conditions for an equity instrument as the instrument, according to the conditions, has no set date of maturity, meaning that the issuer has an unconditional right to refrain from making repayment, and that the issuer of the instrument has full discretion regarding interest payments, that is, it is under no obligation to pay interest.

In the first quarter of 2019, Nordnet issued a Tier 1 capital injection (AT1) of SEK 500 million. The instrument carries an indefinite maturity, can be redeemed first

after five years and runs with interest of three-month Stibor + 6.75 percent. The bonds are listed on Nasdaq Stockholm. In the fourth quarter of 2021, Nordnet issued an additional Tier 1 capital injection (AT1) of SEK 600 million on the same terms as the previously issued AT1, with the exception of an interest rate of three months' Stibor +3.9 percent.

Other provisions.

Fair value reserve

In the fair value reserve, the accumulated change in value among holdings of financial debt instruments measured at fair value is reported via other comprehensive income until the asset has been de-recognized from the statement of financial position. On divestment, unrealized changes in value are reclassified to the income statement. Any impairment is recognized in the income statement.

Reserve for translation differences

Reported in the reserve for translation differences are all foreign exchange differences arising on translation of the foreign operations that prepare their financial statements in a currency other than that applied in the consolidated accounts.

For this year's change in other provisions, see the table on the next page.

Profit brought forward.

Comprises the preceding year's unrestricted equity following payment of any dividend. Constitutes, together with the profit for the year, the fair value reserve and Tier 1 capital instruments, total unrestricted equity, that is the amount available for dividends to shareholders.

Dividend.

The Annual General Meeting of shareholders in Nordnet AB (publ) on 28 April 2022 approved a dividend of SEK 5.56 per share and that the undistributed profit for 2021 be carried forward in a new account. This dividend is equivalent to 70 percent of the company's net profit for 2021.

Cont. Note 32 Group – Equity.

Equity	2022	2021
Translation reserve		
Opening balance	-78.0	-119.9
Translation difference, foreign subsidiary	46.0	45.0
Tax on taxable part of translation difference, foreign subsidiaries	-5.2	-3.1
Closing balance	-37.2	-78.0
Fair value reserve		
Opening balance	16.7	19.5
Change in value, financial assets at fair value through other comprehensive income, net after tax	-140.7	-2.9
Closing balance	-124.0	16.7
Total		
Opening balance	-61.3	-100.4
Translation difference, foreign subsidiary	40.8	41.9
Change in value, financial assets at fair value through other comprehensive income	-140.7	-2.9
Closing balance	-161.2	-61.3

Note 33 Group – Categorization of financial instruments.

2022	Fair value through consolidated income statement					Total
	Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	Non financial instruments	
Assets						
Cash and balances in Central banks	3,726.5	-	-	-	-	3,726.5
Treasury bills and other interest bearing securities eligible for refinancing	16,241.6 ¹	-	-	22,718.6	-	38,960.2
Loans to credit institutions	485.1	-	-	-	-	485.1
Loans to the general public	28,527.4	-	-	-	-	28,527.4
Bonds and other interest bearing securities	5,039.6 ¹	-	-	6,178.9	-	11,218.5
Shares, listed	-	19.0	-	-	-	19.0
Shares, unlisted	-	0.8	-	-	-	0.8
Assests for which customers bear the investment risk	1,087.0	-	116,749.2	2,138.5	-	119,974.7
Other assets	2,267.6	-	-	-	28.8	2,296.4
Prepaid expenses and accrued income	322.1	-	-	-	-	322.1
Total assets	57,696.9	19.8	116,749.2	31,036.0	28.8	205,530.7
Liabilities						
Deposits and borrowing from the general public	70,084.1	-	-	-	-	70,084.1
Liabilities for which customers bear the investment risk	-	-	119,979.6	-	-	119,979.6
Other liabilities	10,371.4	-	-	-	207.2	10,578.7
Accrued expenses	215.4	-	-	-	-	215.4
Total liabilities	80,670.9	-	119,979.6	-	207.2	200,857.8

¹ The market value for 2022 amounted to SEK 21,317.5 million.

2021	Fair value through consolidated income statement					Total
	Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	Non financial instruments	
Assets						
Cash and balances in Central banks	4,249.8	-	-	-	-	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing	17,413.6 ¹	-	-	16,289.1	-	33,702.7
Loans to credit institutions	644.8	-	-	-	-	644.8
Loans to the general public	26,326.2	-	-	-	-	26,326.2
Bonds and other interest bearing securities	299.0 ¹	-	-	10,679.2	-	10,978.3
Shares, listed	-	4.4	-	-	-	4.4
Shares, unlisted	-	0.7	-	-	-	0.7
Assests for which customers bear the investment risk	1,893.2	-	148,561.6	1,710.7	-	152,165.5
Other assets	2,906.3	-	-	-	0.6	2,906.9
Prepaid expenses and accrued income	243.8	-	-	-	-	243.8
Total assets	53,976.8	5.2	148,561.6	28,679.0	0.6	231,223.1
Liabilities						
Deposits and borrowing from the general public	64,286.7	-	-	-	-	64,286.7
Liabilities for which customers bear the investment risk	-	-	152,168.3	-	-	152,168.3
Other liabilities	9,468.7	-	-	-	393.2	9,862.0
Accrued expenses	237.1	-	-	-	-	237.1
Total liabilities	73 992,5	-	152 168,3	-	393,2	226 554,1

¹ The market value for 2021 amounted to SEK 17,781.6 million.

Cont. Note 33 Group – Categorization of financial instruments.

Determination of fair value of financial instruments.

When the Group determines fair values for financial instruments, different methods are used depending on the degree of observability of market data in the valuation and the market activity. An active market is considered either a regulated or reliable trading venue where quoted prices are easily accessible with regularity. An ongoing assessment of the activity is done by analyzing factors such as differences in buying and selling prices.

The methods are divided into three different levels:

Level 1 – Financial assets and financial liabilities valued on the basis of unadjusted listed prices from an active market for identical assets or liabilities.

Level 2 – Financial assets and financial liabilities valued on the basis of input data other than that included in Level 1, either directly (prices) or indirectly (derived from prices) observable. Instruments in this category are measured applying:

- a) Quoted prices for similar assets or liabilities, or identical assets or liabilities from markets not deemed to be active; or
- b) Valuation models based primarily on observable market data.

Level 3 – Financial assets and financial liabilities valued on the basis of observable market data.

The level of the fair value hierarchy to which a financial instrument is classified is determined based on the lowest level of input data that is significant for the fair value in its entirety.

In cases where there is no active market, fair value is determined using established valuation methods and models. In these cases, assumptions that cannot be directly derived from a market can be applied. These assumptions are then based on experience and knowledge about valuation in the financial markets. The objective, however, is always to use data from an active market. In cases when deemed necessary, relevant adjustments are made to reflect a fair value, in order to correctly reflect the parameters contained in the financial instruments and to be reflected in its valuation.

For financial instruments recognized at fair value through profit or loss, mainly assets where the customer bears the investment risk, fair value is determined based on quoted purchase prices for the assets. Liabilities where the customer bears the investment risk receive an indirect asset valuation, which classifies them as Level 2 instruments, with the exception of liabilities relating to insurance contracts not classified as a financial liability.

Forward rate agreements are valued at fair value by discounting the difference between the contracted forward rate and the forward rate available on the balance sheet date for the remaining contract period. The discount rate is the risk-free rate based on government bonds.

The fair value of interest-bearing securities has been calculated by discounting anticipated future cash flows, with the discount rate being set based on the current market interest rate.

Fund units not considered to be traded in an active market at listed prices are measured at fair value based on NAV (net asset value).

For lending and deposits at variable interest rates, including lending with financial instruments or housing as collateral, which are reported at amortized cost, the carrying amount is considered to be fair value. For assets and liabilities in the balance sheet with a remaining maturity of less than six months, the carrying amount is considered to reflect the fair value.

Cont. Note 33 Group – Categorization of financial instruments.

Level distribution in accordance with IFRS 9.

2022	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Treasury bills and other interest bearing securities eligible for refinancing	22,718.6	-	-	22,718.6
Bonds and other interest bearing securities	5,087.9	1,091.0	-	6,178.9
Shares and participations ¹	19.0	-	0.8	19.8
Assets for which customers bear the investment risk ²	117,877.9	464.2	1,632.6	119,974.7
Subtotal	145,703.3	1,555.2	1,633.4	148,891.9
Financial assets where fair value is given for information purposes				
Cash and balances in Central banks	3,726.5	-	-	3,726.5
Loans to credit institutions	-	485.1	-	485.1
Loans to the general public	-	28,527.4	-	28,527.4
Treasury bills and other interest bearing securities eligible for refinancing	16,288.0	-	-	16,288.0
Bonds and other interest bearing securities	498.8	4,530.7	-	5,029.5
Other assets	2,267.6	-	-	2,267.6
Accrued income	322.1	-	-	322.1
Subtotal	23,103.0	33,543.2	-	56,646.2
Total	168,806.3	35,098.4	1,633.4	205,538.2
Financial liabilities at fair value				
Liabilities for which customers bear the investment risk	-	119,979.6	-	119,979.6
Total	-	119,979.6	-	119,979.6

¹ SEK 2,138.5 million relates to re-investments in bonds and SEK 1,087.0 million relates to cash and cash equivalents. These items are included in level 1.

cont. Note 33 Group – Categorization of financial instruments.

31/12/2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Treasury bills and other interest bearing securities eligible for refinancing	16,289.1	-	-	16,289.1
Bonds and other interest bearing securities	10,679.2	-	-	10,679.2
Shares and participations ¹	4.4	-	0.7	5.2
Assets for which customers bear the investment risk	147,452.6	267.7	4,445.2	152,165.5
Subtotal	174,425.4	267.7	4,445.9	179,139.0
Financial assets where fair value is given for information purposes				
Cash and balances in Central Banks	4,249.8	-	-	4,249.8
Loans to credit institutions	-	644.8	-	644.8
Loans to the general public	-	26,326.2	-	26,326.2
Treasury bills and other interest bearing securities eligible for refinancing	-	17,480.8	-	17,480.8
Bonds and other interest bearing securities	-	300.8	-	300.8
Other assets	2,906.3	-	-	2,906.3
Accrued income	243.8	-	-	243.8
Subtotal	7,400.0	44,752.5	-	52,152.5
Total	181,875.5	45,020.2	4,445.9	231,291.5
Financial liabilities at fair value				
Liabilities for which customers bear the investment risk	-	152,168.3	-	152,168.3
Total	-	152,168.3	-	152,168.3

¹ 1,710.7 MSEK relates to re-investments in bonds and 1,893.2 MSEK relates to cash and cash equivalents. These items are included in level 1.

Description of valuation levels in accordance with IFRS 13.

Level 1 mainly contains shares, mutual funds, bonds, treasury bills and standardized derivatives where the quoted price has been used in the valuation.

Level 2 primarily involves bonds that are valued based on an interest rate curve and liabilities in the insurance operations, the value of which is indirectly linked to a specific asset value valued based on observable input data. For less liquid bond holdings, credit spread adjustments are based on observable market data such as the credit derivatives market. This category includes mutual funds, derivatives and certain interest-bearing securities.

Level 3 contains other financial instruments for which own internal assumptions have a significant effect on the calculation of fair value. Level 3 contains mainly unlisted equity instruments. When valuation models are

used to determine fair value of financial instruments in Level 3, the consideration paid or received is considered to be the best assessment of fair value on initial recognition.

When the Group determines the level at which financial instruments are to be reported, each one is individually assessed in its entirety.

Financial instruments are transferred to or from Level 3 depending on whether internal assumptions have changed for the valuation.

Detailed disclosures regarding Level 3.

Over the year, financial assets were transferred from Level 2 to Level 3, with the main reason for the transfer being due to instruments lacking observable market data and therefore valued in accordance with independent theoretical valuations. Financial assets were also transferred from Level 3 to Level 2, with the main reason for the transfer being because instruments that

cont. Note 33 Group – Categorization of financial instruments.

previously lacked reliable data or were valued in accordance with independent theoretical valuations have now been calculated using valuation methods based on observable market data.

Of the closing amount in Level 3 as of 31 December 2022, 99.7 percent comprises Swedish holdings, which is why the currency effect, shown under Changes in value, represents an immaterial part of the amount for foreign holdings.

Nordnet's valuation techniques for Level 3 comprise discounted cash flow analyses, option price models and current transactions for similar instruments. Nordnet may employ theoretical valuations by independent counterparties in accordance with valuation techniques if these prices are provided to Nordnet. If the valuation data for the most recent three months following the end of a quarter are insufficient, the valuation is set to zero

Information on changes within level 3

2022	Assets where the customer bears the investment risk	Stocks and shares
Opening balance	4,445.2	0.7
Buy	943.6	-
Transfers to level 3	8.0	-
Sell	-3,546.9	-
Transfers from level 3	-23.0	-
Change in value including currency effect	-194.3	0.1
Closing balance	1,632.6	0.8

All changes in value accrue to the customers, which is why no division into realized and unrealized changes in value is made.

2021	Assets where the customer bears the investment risk	Stocks and shares
Opening balance	826.6	0.7
Buy	3,342.5	-
Transfers to level 3	1.9	-
Sell	-198.3	-
Transfers from level 3	-47.1	-
Change in value including currency effect	519.6	-
Closing balance	4,445.2	0.7

All changes in value accrue to the customers, which is why no division into realized and unrealized changes in value is made.

Note 34 Group – Pledged assets, contingent liabilities and commitments.

	2022	2021
Pledged assets		
Pledged assets and comparable collateral for own liabilities ¹	771.1	724.5
Other pledged assets and comparable collateral		
Bonds and other interest bearing securities ²	2,468.7	2,086.6
<i>of which deposits with credit institutions</i>	2,018.7	1,696.4
<i>of which deposits with clearing houses</i>	450.1	390.2
Obligations		
Contingent liabilities		
Warranty commitment, rental contract	13.2	24.0
Commitments		
Granted undrawn credit facilities ³	85.7	118.7
Funds managed on behalf of third parties		
Client funds	147.3	119.1

¹ In the previous year, Pledges and corresponding collateral pledged for own liabilities were reported under Bonds and other interest-bearing securities, the line of which is deposits with credit institutions.

² The amount includes blocked funds of SEK 281 million (377), which mainly pertained to pledged collateral at clearing institutions, central banks and the stock exchange. As per the balance sheet date of 31 december 2022, the insurance business held registered assets amounting to SEK 119,975 (152,165 per 31 december 2021) to which the policyholders have priority rights.

³ This amount includes granted, unpaid mortgages of SEK 64 million (98).

Pledged assets for own liabilities comprise securities pledged in connection with buy-back agreements. The transactions are carried out in accordance with standard agreements used by the parties on the financial market and counterparties in these transactions are credit institutions. The transactions are primarily short-term with a duration of less than three months.

Other pledged assets consist partly of bonds and other fixed-interest securities that have been provided as security for the customer's margin lending, and for payment to clearing institutions. Counterparties in margin lending transactions are other credit institutions.

As both repurchase agreements and other pledged assets entail that the securities are returned to Nordnet, all risks and rewards associated with the transferred instruments at Nordnet remain, even if they are not available to Nordnet during the period in which they are transferred. The counterparty to the transaction holds securities as collateral but is not entitled to any other

assets in Nordnet. The securities are still recognized in the balance sheet and are measured, like the related liabilities, at fair value.

As of the balance sheet date of 31 December 2022, the insurance operations held registered assets of SEK 119,975 million (152,165) to which the policyholders have priority rights.

In addition to the commitments specified in the table on the preceding page, SEK 18,474 million (16,602) of a credit facility related to possible securities-collateralized borrowing remained unutilized at the end of the period. For each customer, the credit size is restricted by the minimum amount of credit limit, which is set individually per customer by the company, and the collateral value of security holdings. Credit agreements can be terminated with 60 days' notice. The leverage value of a security can be changed instantly.

Note 35 Group – Capital adequacy information.

The rules on capital adequacy are the legislator's requirement for how much capital in the form of a capital base an institution must have in relation to the level of risk it takes. The regulations aim to strengthen the link between risk taking and capital requirements in the Group's operations. The legal capital requirements are calculated in accordance with Regulation 575/2013 of the European Parliament and of the Council (CRR), as well as the 2013/36 EU (CRD V) Directive.

Information in this note is provided in accordance with Regulation (EU) 575/2013 of the European Parliament and of the Council on supervisory requirements for credit institutions and investment firms ("the supervisory regulation") and regulations supplementing the supervisory regulation, the Swedish Financial Supervisory Authority's regulations and general guidelines (FFFS 2008:25) on the annual accounts of credit institutions and securities companies and the Swedish Financial Supervisory Authority's regulations and general advice (FFFS 2014:12) on supervisory requirements and capital buffers. Other required information is provided in a separate Pillar 3 report available on Nordnet's website, see www.nordnetab.com.

Capital base and capital requirement of the financial conglomerate.

The financial conglomerate comprises Nordnet AB (publ) and all of its subsidiaries. For the determination of the financial conglomerate's regulatory capital requirement, the Law (2006:531) on special supervision of financial conglomerates and the Swedish Financial Supervisory Authority's regulations and general advice (FFFS 2011:26) on the special supervision of financial conglomerates are applicable. The conglomerate's cap-

ital base shall cover the minimum capital requirements under the Supervision regulation and the Solvency Requirement under the Insurance Companies Act. The rules contribute to strengthening the Group's resilience to financial losses and thereby protecting customers.

The capital base and capital requirement have been calculated in accordance with the consolidation method. The Group-based accounts have been compiled in accordance with the same accounting principles as the consolidated accounts. As a consequence of the solvency rules, the item Solvency capital, which refers to the estimated future present value of the insurance companies (Nordnet Pensionsförsäkring AB) including the subsidiary Nordnet Livsförsäkring AS) includes cash flows generated by the policyholders' capital.

The capital requirement for units in the insurance business is affected by the policyholders' assets. The capital requirements for the banking operations (presented in detail under a separate heading for the consolidated situation) vary primarily in terms of the size and credit quality of the bank's exposures. For the financial conglomerate, solvency capital requirements and capital base are calculated according to the standard model under Solvency 2, which affirms the total capital requirement from both the banking and insurance operations. Within the financial conglomerate, Nordnet has a surplus of capital of SEK 791.8 million.

The financial conglomerate

SEK million	31/12/2022	31/12/2021
Capital base after regulatory adjustments	5,642.7	5,837.2
Capital requirements financial conglomerate	4,850.9	5,044.7
Excess capital	791.8	792.5
Capital ratio	1.2	1.2

As of 30 June 2019, Solvency II figures are recognized with a one-quarter delay.

Cont. Note 35 Group – Capital adequacy information.

Capital base and capital requirements for the consolidated situation.

The consolidated situation comprises Nordnet AB (publ) and Nordnet Bank AB. Accordingly, the difference compared with the financial conglomerate is that the insurance business is not taken into account in the consolidated situation. In order to establish statutory capital requirements for the consolidated situation, the Special Supervision of Credit Institutions and Investment Firms Act (2014:968); the Capital Requirements Regulation (EU) 575/2013 of the European Parliament and of the Council; the Capital Buffers Act (2014:966), and the Swedish Financial Supervisory Authority's regulations (FFFS 2014:12) on supervisory requirements and capital buffers all apply.

The capital base shall cover minimum capital requirements, the combined buffer requirement, as well as supplemental Pillar 2 requirements. Nordnet applies the standardized method when calculating capital base requirements for credit risk, meaning that exposures are distributed across exposure classes and assigned a risk weight based on this class and additional factors. Credit risk is calculated on all asset items in and off the balance sheet, except for items deducted directly from the capital base. The own funds requirement for exchange rate risk comprises all items in and outside the balance sheet measured at current market value and converted to Swedish kronor at the balance sheet date. Capital base requirements for operational risk are calculated in accordance with the standardized method.

The capital requirement is usually expressed as a percentage of the total risk-weighted exposure amount, which amounted to SEK 18,631.3 million for the period at hand. The basic capital base requirement is 8 percent (SEK 1,490.5 million) and includes a Common Equity Tier 1 capital requirement of 4.5 percent (SEK 838.4 million) and a Tier 1 capital requirement of 6 percent (SEK 1,117.9 million). In addition to the basic capital requirement, there is also the combined buffer requirement, which amounts to 3.8 percent of the risk-weighted exposure amount (SEK 702.1 million). The combined buffer requirement comprises a capital conservation buffer (2.5 percent) and a countercyclical buffer (1.3 percent), the requirement must be fully met

with core primary capital. The countercyclical buffer is calculated based on each country's supervisory authority's approved level for a countercyclical buffer weighted over Nordnet's risk-weighted exposures in the markets in which the company operates.

As part of the Swedish Financial Supervisory Authority's review and assessment process (RAP), which was completed in the third quarter of 2021, the Financial Supervisory Authority decided that Nordnet, in addition to the basic capital requirements and buffer requirements, shall meet a Pillar 2 requirement of 6.47 percent for the consolidated situation, corresponding to SEK 1,205.4 million as of 31 December 2022. Nordnet's capital requirements for risks within Pillar 2 always correspond to the internally assessed Pillar 2 requirement or the Swedish Financial Supervisory Authority's approved Pillar 2 requirement, whichever is higher. For the period at hand, the Swedish Financial Supervisory Authority's Pillar 2 guidance exceeds the internally assessed capital requirement for risks within Pillar 2 by SEK 351.1 million. Three quarters of the Pillar 2 requirement must be met with Tier 2 capital, of which at least three quarters shall comprise Common Equity Tier 1 capital.

Common Equity Tier 1 capital comprises equity reduced for items not included in the capital base, such as intangible assets, deferred tax assets and value adjustments. Parts of the profit for the year in 2022 are included in the capital base as external auditors have verified the profit and permission to include the profit has been obtained from the Swedish Financial Supervisory Authority. The result in the consolidated situation includes an anticipated dividend from the insurance business, but since the anticipated dividend has not yet been realized, the consolidated situation excludes the anticipated dividend entirely from the capital base. The remaining profit for 2022 is included at 30 percent in the capital base, 70 percent is deducted as expected dividend in accordance with Nordnet's dividend policy.

During 2022, supervisory authorities in Sweden, Denmark and Norway increased the countercyclical buffer requirements in each country, which has contributed to increasing Nordnet's capital requirements in relation to the total risk-weighted exposure amount. During

Cont. Note 35 Group – Capital adequacy information.

the year, Nordnet launched its own fund offering and as part of the launch, there is a temporary holding of shares in Nordnet's funds in the consolidated situation, which results in increased capital requirements compared with 2021. Increased turbulence in the financial market has affected market valuations (increasing credit spreads) on instruments managed in Nordnet's liquidity portfolio, which has a temporary negative effect on Nordnet's equity and capital base at the end of 2022.

Deductions for value adjustments are made using the simplified method for financial instruments valued at fair value as regulated by Regulation (EU) 2016/101 on prudent valuation. Deductions are made for foreseeable costs and possible dividends under Commission Delegated Regulation (EU) 241/2014.

Nordnet applies a reduced deduction for intangible software assets in accordance with the option for this in Article 13a of Implementing Regulation (EU) No. 241/2014. This means that intangible software assets, the value of which is not significantly affected by an institution's resolution, insolvency or liquidation, are excluded from deductions against the capital base based on a prudent valuation (maximum three-year depreciation period) and capitalized with a risk weight of 100 percent. Deductions against the capital base are still made for software assets that do not meet the aforementioned criteria. The application of Article 13a is more favourable in relation to previous rules which entailed deductions for all software assets from the capital base. This change means that, all other things being equal, the capital base and the total risk-weighted exposure amount increase by SEK 201.3 million as of 31 December 2022.

In summary, the capital base in the consolidated situation amounts to SEK 3,898.3 million, compared with a total capital requirement of SEK 3,398.0 million. This gives a capital surplus of SEK 500.2 million, the surplus consists entirely of Core Tier 1 capital. The capital adequacy is thus satisfactory and meets all statutory requirements. For more information about Nordnet's capital base and capital requirements, see Nordnet's Pillar 3 reports and documentation of key performance indicators published on Nordnet's website, www.nordnetab.com.

Cont. Note 35 Group – Capital adequacy information.

The consolidated situation

	SEK million	31/12/2022	30/09/2022	30/06/2022	31/12/2022	31/12/2021
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	2,798.3	2,618.0	2,550.4	2,619.2	2,655.9
2	Tier 1 capital	3,898.3	3,718.0	3,650.4	3,719.2	3,755.9
3	Total capital	3,898.3	3,718.0	3,650.4	3,719.2	3,755.9
Risk-weighted exposure amounts						
4	Total risk exposure amount	18,631.3	18,987.2	18,857.6	17,805.2	17,399.0
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	15.0%	13.8%	13.5%	14.7%	15.3%
6	Tier 1 ratio (%)	20.9%	19.6%	19.4%	20.9%	21.6%
7	Total capital ratio (%)	20.9%	19.6%	19.4%	20.9%	21.6%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	6.5%	6.5%	6.5%	6.5%	6.5%
EU 7b	of which: to be made up of CET1 capital (percentage points)	3.6%	3.6%	3.6%	3.6%	3.6%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	4.9%	4.9%	4.9%	4.9%	4.9%
EU 7d	Total SREP own funds requirements (%)	14.5%	14.5%	14.5%	14.5%	14.5%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
9	Institution specific countercyclical capital buffer (%)	1.3%	1.1%	0.2%	0.2%	0.1%
EU 9a	Systemic risk buffer (%)					
10	Global Systemically Important Institution buffer (%)					
EU 10a	Other Systemically Important Institution buffer (%)					
11	Combined buffer requirement (%)	3.8%	3.6%	2.7%	2.7%	2.6%
EU 11a	Overall capital requirements (%)	18.2%	18.0%	17.2%	17.1%	17.1%
12	CET1 available after meeting the total SREP own funds requirements (%)	6.5%	5.1%	4.9%	6.4%	7.1%

cont. Note 35 Group – Capital adequacy information.

Leverage ratio

The leverage ratio is calculated as the quota of Tier 1 capital and total exposures and is expressed as a percentage. Nordnet's binding minimum leverage ratio requirement amounts to 3.0 percent, corresponding to SEK 2,535.6 million for the period at hand. In addition to the minimum requirement, the Swedish Financial Supervisory Authority proposes leverage ratio guidance that must be met with Common Equity Tier 1 capital to be able to absorb any losses in the best possible way. In connection with its latest review and assessment process (RAP) for 2021, the Swedish Financial Supervisory Authority adopted guidance regarding the leverage ratio for Nordnet's con-

solidated situation of 0.9 percent, which together with the statutory requirement provides an appropriate leverage ratio level for Nordnet of 3.9 percent, equivalent to SEK 3,296.2 million for the period at hand. In relation to the leverage ratio requirement, Nordnet has a capital surplus of SEK 1,362.7 million and, in relation to requirements and guidance, a surplus of SEK 602.0 million.

Leverage ratio

	SEK million	31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
	Leverage ratio					
13	Total exposure measure	84,519.2	90,327.9	86,336.6	83,943.6	78,924.5
14	Leverage ratio (%)	4.6%	4.1%	4.2%	4.4%	4.8%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)					
EU 14b	of which: to be made up of CET1 capital (percentage points)					
EU 14c	Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)					
EU 14e	Overall leverage ratio requirement (%)	3.0%	3.0%	3.0%	3.0%	3.0%

Cont. Note 35 Group – information regarding capital adequacy and liquidity.

Internally assessed capital requirement.

The minimum requirement for capital under Pillar 1 amounts to 8 percent. In addition to the minimum requirement, Nordnet maintains capital to meet the combined buffer requirement as well as to cover the total capital requirement resulting from the Bank's annual internal capital and liquidity assessment (IKLU) carried out under Pillar 2. This is governed by EU directive on capital adequacy 2013/36/EU Article 73 and the Financial Supervisory Authority's Regulations (FFFS 2014: Chapter 12 10). The capital evaluation aims at analyzing and highlighting risks that may be underestimated in calculating capital base requirements under Pillar 1 and identifying other significant risks to which the bank is exposed.

The internal capital assessment (ICAAP) is based on Nordnet's business plan, current and future regulatory requirements and scenario-based simulations and stress tests. A summary of the results is reported annually to the Board and forms the basis for the company's capital planning as approved by the Board of Directors. The Swedish Financial Supervisory Authority reviews and evaluates Nordnet's risk management and ascertains whether sufficient capital is retained to cover the significant risks to which the bank is exposed.

Nordnet calculates the internal capital requirement for the consolidated situation at SEK 2,344.8 million (2,328.5). This is considered to be a satisfactory level of capital given the activities conducted by Nordnet. Nordnet's internal assessment of the capital requirement is not completely comparable to the statutory capital requirement, partly due to the Financial Supervisory Authority's adopted Pillar 2 requirement being based on the risks identified by the Financial Supervisory Authority on conducting its RAP (2021) expressed as a percentage of the risk-weighted exposure amount, while the internally assessed Pillar 2 requirement is calculated as an amount of the risks identified by Nordnet at the end of 2022. Accordingly, the Financial Supervisory Authority's adopted Pillar 2 requirement of

6.47 percent reflects the conditions at the time of the RAP with an underlying assumption that the relationship would endure until 2022. Nordnet's internally assessed capital requirements take into account updated methodology and calculate the actual risk exposures as of the end of 2022, which results in a lower Pillar 2 requirement in relation to the Pillar 1 requirement compared with the level determined by the Financial Supervisory Authority.

Liquidity.

The liquidity coverage ratio (LCR) is calculated as the ratio between the bank's liquidity buffer and net cash flows in a highly stressed scenario over a 30-day period. The ratio shall be at least 100 percent. In addition to this requirement, the Swedish Financial Supervisory Authority has decided in RAP that Nordnet Bank AB must meet additional liquidity requirements at the Group level: an LCR of 100 percent in EUR, an LCR of 75 percent in other currencies, and that the liquidity buffer applied in calculating the LCR at the Group level, may comprise at most 50 percent covered bonds issued by Swedish issuing institutes. As Nordnet matches its liquidity portfolio in relation to the currency distribution in the company's deposits, the currency distribution in the liquidity portfolio is sufficient to meet all liquidity coverage ratios determined for the company by the Swedish Financial Supervisory Authority in each of the currencies. The net stable funding ratio, NSFR, is calculated as the ratio of stable funding available to the stable funding needed. The measure is intended to safeguard the long-term liquidity situation. The minimum requirement applies at an aggregate level and the quota must amount to at least 100 percent.

Nordnet's high LCR and NSFR quotas show that the bank is highly resilient to disturbances in the financing market and has a good liquidity situation in both the short and long term. Nordnet continuously monitors regulatory and internal measures of the liquidity situation and actively manages its liquid assets in order to maintain a satisfactory liquidity buffer. ICLA also

Cont. Note 35 Group – information regarding capital adequacy and liquidity.

	SEK million	31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	31,952.8	31,557.8	30,210.1	29,561.3	29,172.8
EU 16a	Cash outflows - Total weighted value	8,573.1	8,312.9	8,190.7	8,209.9	8,199.7
EU 16b	Cash inflows - Total weighted value	2,241.6	1,646.4	1,463.2	1,338.1	1,250.6
16	Total net cash outflows (adjusted value)	6,331.5	6,666.5	6,727.5	6,871.8	6,949.1
17	Liquidity coverage ratio (%)	504.7%	473.4%	449.1%	430.2%	419.8%
Net Stable Funding Ratio						
18	Total available stable funding	70,206.8	75,451.7	72,556.9	69,103.4	65,640.4
19	Total required stable funding	28,766.5	29,973.7	29,466.1	28,140.8	26,959.5
20	NSFR ratio (%)	244.1%	251.7%	246.2%	245.6%	243.5%

contains in-depth assessments of the liquidity need in relation to future developments under both normal and stressed conditions.

In accordance with FFFS 2010:7, Chapter 5, Nordnet reported information regarding liquidity positions as of the balance sheet date 31 December 2022. The information refers to the consolidated situation, which includes Nordnet AB (publ), org. no. 559073-6681 and Nordnet Bank AB, org. no. 516406-0021.

Cont. Note 35 Group – information regarding capital adequacy and liquidity.

Liquidity buffer

31/12/2022 SEK million	Total	SEK	NOK	DKK	EUR	USD	Övriga
Cash and lending to credit institutions	4,427	625	90	2,065	1,448	95	104
Securities issued or guaranteed by sovereigns, central banks or multinational development banks	7,031	3,938	969	146	1,979	0	0
Covered bonds	21,930	2,215	7,256	9,478	2,981	0	0
Other securities	0	0	0	0	0	0	0
Total buffer	33,388	6,777	8,315	11,688	6,409	95	104
Buffer composition by currency	100.0%	20.3%	24.9%	35.0%	19.2%	0.3%	0.3%

Liquidity buffer

31/12/2021 SEK million	Total	SEK	NOK	DKK	EUR	USD	Övriga
Cash and lending to credit institutions	5,660	500	199	1,651	3,061	189	59
Securities issued or guaranteed by sovereigns, central banks or multinational development banks	7,372	4,548	758	233	1,787	45	0
Covered bonds	19,937	2,336	6,658	7,845	3,098	0	0
Other securities	0	0	0	0	0	0	0
Total buffer	32,969	7,385	7,616	9,729	7,945	234	59
Buffer composition by currency	100.0%	22.4%	23.1%	29.5%	24.1%	0.7%	0.2%

The liquidity reserve is financed through deposits from the public, equity and an issued bond, a so-called AT1 bond loan of SEK 1,100 million. Most of the reserve is invested in bonds with a high rating, such as covered bonds, sovereign bonds and balances at central or other banks. The liquidity reserve is deemed sufficient to be able to respond to situations of temporary or

prolonged stress. Nordnet Bank AB is a member of the Swedish, Norwegian, Finnish and Danish central banks, further strengthening the Group's liquidity preparedness.

Cont. Note 35 Group – Capital adequacy information.

SEK million	31/12/2020		31/12/2019	
Risk weighted exposures				
Exposure to credit risk according to the standardized method	13,683.7		13,248.4	
of which exposures to institutions	1,372.8		1,717.3	
of which exposures to corporates	1,423.1		1,312.6	
of which retail exposures	3,963.3		4,286.8	
of which exposures secured by mortgages on immovable property	2,604.7		1,995.3	
of which exposures in default	100.6		89.6	
of which exposures in the form of covered bonds	2,676.9		2,252.3	
of which equity exposures	369.8		397.8	
of which regional and local authorities	5.4		172.0	
of which exposure in funds	210.3		-	
of which other items	956.9		1,024.7	
Exposures market risk	92.0		142.3	
Exposure operational risk	4,855.6		4,008.3	
Total risk weighted exposures	18,631.3		17,399.0	
Capital requirement				
Credit risk according to the standardized method	1,094.7	5.9%	1,059.9	6.1%
Market risk	7.4	0.0%	11.4	0.1%
Operational risk	388.4	2.1%	320.7	1.8%
Capital requirement Pillar 1	1,490.5,	8%	1,391.9	8.0%
Credit risk in government exposures	-	-	-	-
Concentration risk	104.34	0.6%	97.4	0.6%
Market risk excluding interest rate risk	1,101.11	5.9%	-	-
Interest rate risk	251.52	1.4%	234.9	1.4%
Credit spread risk	849.59	4.6%	791.7	4.6%
Capital requirement Pillar 2	1,205.44	6.5%	1,124.0	6.5%
Buffer requirement	702.10	3.8%	460.6	2.6%
Total capital requirement	3,398.04	18.2%	2,976.5	17.1%

The table shows figures for capital requirements in both MSEK and as a percentage of total risk weighted assets.

Note 36 Group – Earnings per share.

	2022	2021
Earning per share before and after dilution		
Profit for the period attributable to the shareholders of Nordnet AB (publ)	1,652.5	1,984.7
Interest on Tier 1 capital recognised in equity ¹	-65.8	-37.6
Profit attributable to shareholders of the Parent Company before and after dilution	1,586.7	1,947.0
Number of outstanding shares before dilution	249,687,500	250,000,000
Number of outstanding shares after dilution	250,581,110	251,146,045
Earning per share before dilution	6.35	7.79
Earning per share before dilution	6.33	7.75
¹ Including interest for the period and accrued transaction costs, net after tax	-0.8	-0.6

The number of shares used in the calculation comprises a weighted average of shares outstanding during the period. The average share price during the year full year exceeded the exercise price for the employee stock option programs, which had a dilutive effect on the average number of the year.

Note 37 Parent Company – Net sales.

Net sales are made up entirely of internal Group invoicing, referring to administrative services.

Note 38 Parent Company – Administrative expenses.

Deloitte	2022	2021
Audit	-0.9	-1.4
Audit services beyond the assignment	-1.1	-2.1
Tax advice	-0.1	-
Other services	-	-0.3
Total audit services	-2.1	-3.9

Note 39 Parent Company – Personnel expenses.

Salaries and other remuneration	2022	2021
Salaries and other remuneration ¹	-7.5	7.2
Social security expenses	-2.4	-2.3
Pension expenses	-3.2	-3.2
Other personell expenses	-0.7	-0.4
Total personnel expenses	-13.8	-13.2

¹ For other disclosures regarding personnel expenses and remuneration of the Board, CEO and other senior executives, please see Note 13.

cont. Note 39 Parent Company – Personnel expenses.

Average number of employees	2022	2021
Total	1	1
of whom women	-	-
of whom men	1	1

All employees within the Parent Company are located in Sweden.

Note 40 Parent Company – Profit from participations in Group companies.

Income from participations in group companies	2022	2021
Dividend from subsidiaries	2,560.8	300.0
Impairment of shares in subsidiaries	-14.0	-
Group contributions received	11.9	5.9
Total	2,558.7	305.9

Note 41 Parent Company – Taxes.

Tax charged to income	2022	2021
Current tax expense (-)/ tax income (+)		
Adjustment current tax for previous years	-	0.1
Current tax	-0.1	-0.4
Tax on net income for the year	-0.1	-0.3

Reconciliation of effective tax	2022	2021
Profit before tax	2,545.2	300.7
Tax expense in the income statement	0.0%	-0.1%
Tax as per current tax rate for the Parent Company	20.6%	20.6%
Difference	20.6%	20.5%
The difference consists of the following items:		
Effect of dividend from subsidiaries	20.7%	20.6%
Effect of adjusted tax from previous years	0.0%	0.1%
Effect of non-deductible expenses/non-taxable income	-0.1%	-0.2%
Reported effective tax	20.6%	20.5%

Note 42 Parent Company – Participations in Group companies.

Name	Corporate ID	Headquarters	% of share capital	Number of shares	Book value
Nordnet Bank AB	516406-0021	Stockholm	100.00%	480,001	2,395.0
Nordnet Incentive AB	559338-6385	Stockholm	100.00%	25,000	17.8
Total					2,412.8

Cont. Note 42 Parent Company – Participations in Group companies.

	2022	2021
Accumulated acquisition value		
On 1 January	2,409.2	2,1750.0
Acquisition	-	-380.0
Stock elimination through merger	17.6	614.1
Shareholders contribution	2,426.8	2,409.2
Total		
Accumulated impairments	-	-185.9
At the beginning of the year	-	185.9
Impairment of shares in subsidiaries	-14.0	-
Total	-14.0	-
Reported value at the end of the year	2,412.8	2,409.2

In 2021, Nordnet AB (publ) has transferred 100% of the shareholding in Nordnet Ventures AB (now called Nordnet Fonder AB) and Nordnet Pensionsförsäkringar AB to Nordnet Bank AB for a purchase price corresponding to the book value of the shares.

Note 43 Parent Company – Other assets.

	2022	2021
Anticipated dividend	656.7	-
Tax account	1.2	1.5
Total	657.9	1.5

Note 44 Parent company – Prepaid expenses and accrued income.

	2022	2021
Other prepaid expenses	3.2	0.3
Total	3.2	0.3

Note 45 Parent Company – Equity.

Details of changes in equity are given in the statement of changes in Parent Company equity.

As per 31 December 2022, registered share capital amounted to 250,000,000 (250,000,000) shares with a quotient value of SEK 0.005 per share (0.005).

Restricted equity pertains to share capital of SEK 1,250 thousand (1,250).

In February 2022, the company repurchased 375,000

shares, in order to secure parts of the company's obligations due to the company's long-term share-related incentive program.

Note 46 Parent Company – Other current liabilities.

	2022	2021
Accounts payable	3.2	0.1
Other liabilities	6.6	5.1
Total	9.8	5.1

Other liabilities are current liabilities – that is, they fall due for payment within 12 months of the balance sheet date.

Note 47 Parent company – Accrued expenses and deferred income.

Accrued expenses and prepaid income	2022	2021
Accrued social security contributions	0.4	0.3
Accrued holiday pay	0.6	0.4
Other accrued personell costs	1.3	0.6
Accrued payroll tax	4.3	3.3
Accrued consultancy costs	0.9	-
Accrued auditors fee	1.5	0.6
Other accrued expenses	0.2	1.3
Total	9.2	6.5

Note 48 Parent Company – Details of purchases and sales between Group companies.

Of the Parent Company's total purchases and sales measured in SEK, 0 percent (1) of purchases and 100 percent (100) of sales pertain to other Group companies.

The Parent Company's outstanding transactions to Group companies on the balance sheet date consist of one receivable from Nordnet Bank AB of SEK 414.0 million (8.3) and one receivable from Nordnet Pensionsförsäkring AB of SEK 0.2 million (0.3).

Intra-Group interest income amounted to SEK 0 million (0) and intra-Group interest expenses amounted to SEK 0 million (0.2).

Note 49 – Events after the reporting period.

Group.

The Board of Directors proposes that the Annual General Meeting approve a dividend of SEK 4.60 per share, corresponding to 70 percent of profit after tax for 2022.

Nordnet issued primary capital additions (AT1) and primary capital at level 2 during Solvency II with the aim of optimizing the capital structure. The issue concerns SEK 300 million. The bonds have a perpetual maturity with the first possible redemption after five years, and a variable interest rate of 3M STIBOR + 500 basis points. Settlement date was February 14, 2023. The bonds are listed on Nasdaq Stockholm.

On February 10, 2023, Brian Buus Madsen took over as acting country manager in Nordnet Denmark in connection with the former country manager Anne Buchardt leaving the company. The recruitment process for a permanent country manager is ongoing.

In March, Nordnet submitted a lawsuit to the Stockholm district court against the law firm Vinge regarding negligent advice. Claimed damages amount to SEK 80 million. The background to the lawsuit is Nordnet's case with the Financial Supervisory Authority regarding routines for intraday shorting, which resulted in Nordnet being awarded a reprimand and a fine of SEK 100 million. The decision was appealed to the Administrative Court, but the appeal was submitted too late, which meant that the case was rejected. Vinge has assisted Nordnet with legal advice in the dialogue with the Financial Supervisory Authority during the course of the case and was the company's representative in the appeal to the Administrative Court.

Parent Company.

No significant events have occurred after the balance sheet date.

Note 50 – Proposed appropriation of profits

The following profits are at the disposal of the Annual General Meeting (SEK):	
Share premium reserve	6,607,548,296
Other capital contributions	1,100,000,000
Non-restricted reserve	-6,776,215,313
Profit brought forward	2,545,019,125
Total	3,476,352,109

The Board proposes the following allocation:	
To shareholders, a dividend of SEK 1,51 per share, in total	1,148,275,000
Carried forward to next year	2,328,077,109
Total	3,476,352,109

The Board of Directors of Nordnet AB (publ) proposes that the Annual General Meeting on 18 April 2023 resolve to allocate the retained earnings, including the profit for the year according to the approved balance sheet, such that SEK 4.60 per share is distributed to shareholders and the remainder is transferred to a new account. This corresponds to a total dividend of SEK 1,148 million and a dividend payout ratio of 70 percent of the total profit for 2022.

When the supervisory authorities revise their dividend recommendation, Nordnet will assess the situation and then publish a response.

In the opinion of the Board of Directors, the financial position of the company and the Group justifies the proposed dividend with reference to the requirements such as the nature, scope and risks of the business with regard to the scope of the company's and the Group's equity and the company's and Group operations' con-

solidation needs, liquidity and position in general.

Taking recent market turmoil into account, a special review was conducted to ensure that the financial position of the company and the Group is not jeopardized by the proposed dividend. The assessment is that the current situation does not give rise to any change in the assessment of the financial position. The capital adequacy and liquidity situations both remain satisfactory. Furthermore, the assessment is that the situation does not have, or will not entail, any major increase in credit losses that would have a material negative impact on equity.

The Board of Directors and the CEO provide their assurance that the annual accounts have been prepared in accordance with generally accepted accounting practices in Sweden and that the consolidated accounts have been prepared in accordance with the international accounting standards as stipulated by the European Parliament and Council's regulation (EC) No. 1606/2002 of 19 July 2002 on the application of international accounting standards and give a fair account of the Parent Company and Group's position and earnings. Furthermore, assurance is given that the Board of Directors' Report for the Parent Company and Group, respectively, provides an accurate overview of the development of operations, position and earnings of the Parent Company and the Group, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and the companies within the Group.

Signatures of the Board of Directors.

The Board of Directors and CEO provide their assurance that the 2022 annual report provides an accurate overview of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and the companies within the Group.

Stockholm, 15 March 2023

Tom Dinkelspiel
Chairman of the Board

Fredrik Bergström
Board member

Anna Bäck
Board member

Karitha Ericson
Board member

Charlotta Nilsson
Board member

Henrik Rättzén
Board member

Gustav Unger
Board member

Per Widerström
Board member

Lars-Åke Norling
CEO

Our auditor's report was submitted on 15 March 2023.

Deloitte AB

Patrick Honeth
Authorized Public Accountant

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This information is information that Nordnet AB (publ) is obliged to make public pursuant the Securities Markets Act. This information was submitted for publication on 16 March 2023 at 8:00 a.m. CET.

Auditor's report.

To the annual general meeting of the shareholders of Nordnet AB (publ) corporate identity number 559073-6681.

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Nordnet AB (Publ) for the financial year 2022 except for the corporate governance statement on pages 52-67. The annual accounts and consolidated accounts of the company are included on pages 33-51 and pages 68-157 of this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as at 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the group as at 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. Our opinions do not cover the corporate governance statement on pages 52-67. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts. We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group. Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Commission income recognition

Commission income is an integral part of the Group's income. These consist of a number of different revenue streams such as commission in connection with the purchase and sale of securities, commission for the transfer of securities in connection with issuance of debt securities, sales of structured products and guaranteed issues, commissions from fund operations and, commissions from customers' exchange related transactions.

Income recognition includes several risks, primarily regarding the interpretation and application of accounting principles, which include management's judgement regarding when income is to be reported as well as risks related to completeness and valuation. IT systems

and applications are used for debiting income, and a large amount of data is generated in these systems and applications when customers use Nordnet's services and networks. Therefore, we consider the recognition of commission income to be a key audit matter. For the year 2022, the Group reported net sales related to commission income of SEK 2 695 million. The reporting item is thus essential from a financial reporting perspective. Revenue recognition is deemed a particularly important area due to the large transaction volumes which makes completeness critical for a significant error in the financial reporting not to arise.

Refer to the related information on accounting principles in note 5 and net commission income in note 9. Our audit procedures included testing and evaluation of design and effectiveness in controls for commission income recognition. This includes the evaluation of essential procedures and controls for income recognition, including relevant IT systems and applications used for accounting and related controls. We have also conducted analytical and detailed procedures for a selection of income reported.

Our substance review has been conducted by comparing data from the source system with the accounts to ensure proper transfer. In order to ensure correct data in the source system, we have, based on random selection, examined whether individual transactions have been registered based on specified parameters.

Valuation of financial instruments at fair value

Financial instruments valued at fair value both in the insurance and banking operations are mostly financial instruments that are actively traded and for which quoted market prices are available. To a lesser extent, there are holdings in financial instruments for which the valuation is based on market data other than quoted prices in the same instrument.

As at December 31, 2022, financial instruments measured at fair value comprised of assets of SEK 148 892 million and liabilities of SEK 119 980 million.

For financial instruments that are actively traded and for which quoted market prices are available, there is a higher degree of objectivity in determining the market price (level 1). When observable and liquid market prices are not available, the fair value of financial instruments are subject to significant estimation uncertainty (level 2 and 3 instruments). The valuation of such

instruments is determined through different valuation techniques, which often include significant judgements and estimates made by management.

These instruments constitute a key audit matter in our audit due to the significant proportion of financial instruments measured at fair value and the impact of the inherent uncertainty and subjectivity in the assessment of level 2 and 3 financial instruments.

Refer to disclosures of financial instruments at fair value in note 33.

Our audit procedures included, but were not limited to:

- We obtained an understanding of the key controls in the valuation process, and designed tests to verify if the controls operated effectively during the year, which included controls over data inputs into valuation models and independent valuation.
- For level 1 instruments, we have compared reported fair values with available quoted market prices. Similar procedures have been performed for level 2 instruments since Nordnet's level 2 financial assets primarily consist of market traded instruments, but where the market is not considered active.
- For level 3 instruments, we have assessed the appropriateness of valuation methods used.

IT-systems that support complete and accurate financial reporting

Nordnet relies on IT systems to (1) serve customers, (2) support business processes, (3) ensure proper financial transaction processing, and (4) support the overall internal control framework. The financial reporting is dependent on several systems. Many of Nordnet's internal controls over financial reporting are dependent on automated system controls with regard to completeness and integrity in reports generated by IT systems.

Given the high dependence on IT, we consider this a key audit in our audit. It is essential that permissions and access rights to systems and program modifications are adequately managed to ensure proper financial reporting.

Refer to the related information on Operational risks in note 7.

Our audit has included review of general IT controls and judgement of whether Nordnet has satisfactory procedures for achieving the required IT security and

environment needed to ensure financial reporting. Our review has focused on significant systems with a direct impact on the financial reports. Our tests have included reviewing access to programs and data, managing program changes and reviewing access restrictions.

Valuation of loan receivables

Recognition and measurement of financial instruments as regulated in IFRS 9 is a complex area with significant impact on Nordnet's business and financial reporting. IFRS 9 is a new and complex accounting standard that requires significant judgement to determine the loan loss provision.

Key areas of judgment include:

- The interpretation of the requirements to determine loan loss provisions under application of IFRS 9, which is reflected in Nordnet's expected credit loss model.
- The identification of exposures with a significant deterioration in credit quality.
- Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows and forward-looking macroeconomic factors.
- The effect of the current geopolitical state, high energy prices, inflation, and rising interest rates on above key areas of judgement.

At December 31, 2022, loans to the public amounted to SEK 28 527 million, with loan loss provisions of SEK 100 million.

Given the significance of loans to the public, the impact from the inherent uncertainty and subjectivity involved in assessing loan loss provisions, as well as the extensive disclosures required under IFRS 9, we consider this a key audit matter for our audit.

Refer to critical judgments and estimates in note 4, disclosures of credit risk in note 7 and related disclosures of credit risk in note 16 and lending to the public in note 21.

Our audit procedures included, but were not limited to:

- We evaluated key controls within the loan loss provision process to verify if they are appropriately designed and operated effectively during the year; including key controls for approval, recording and monitoring of loans, input data, accuracy and completeness of loan loss provision.

- We assessed, supported by our credit risk modelling specialists, the modelling techniques and model methodologies against the requirements of IFRS 9. We assessed the sufficiency the underlying models developed for loan loss provisions. We involved our credit risk modelling specialists in the consideration of principal credit risk modelling decisions against requirements of IFRS 9 and industry practice. We evaluated key assumptions, evaluated the calculation methodology and ensured the completeness of source data in the models.

- We assessed the completeness and accuracy of the disclosures relating to loan loss provision to assess compliance with disclosure requirements included in IFRS.

- We have included an assessment of the current geopolitical state, high energy prices, inflation, and rising interest rates in the above stated audit procedures.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-32 and pages 162-173. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information. In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated. If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies. The Board of Directors and the Managing Director are

also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error. In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the parent company's and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

A further description of our responsibilities for the audit of the annual accounts is located at the Swedish Inspectorate of Auditors website:

www.revisorsinspektionen.se/revisornsansvar. This description forms part of the auditor's report".

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Nordnet AB (publ) for the financial year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the company in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in

any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibilities for the audit of the management's administration is located at the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf. This description forms part of the auditor's report.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Nordnet AB (publ) for the financial year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance

with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Nordnet AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, that requires the company to design, implement, and maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal

and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include validation of the Esef report is established in a valid XHTML-format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow statement.

The Auditor's Examination of the Corporate Governance Statement

The Board of Directors is responsible for that the corporate governance statement on pages 52-67 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's recommendations of auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that

the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and are in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies.

Deloitte AB, was appointed auditor of Nordnet AB (publ) by the general meeting of the shareholders on the on April 28, 2022 and has been the company's auditor since April 25, 2017.

Stockholm March 15, 2022
Deloitte AB

Patrick Honeth
Authorised public accountant

Definitions.

Alternative Performance Measures (APM) are financial measures of historical or future financial position, performance or cash flow that are not defined in applicable reporting regulations (IFRS) or in the fourth capital requirement directive (CRD IV) or in the EU capital requirement regulation no. 575/2013 (CRR) or the EU's Solvency II directive 2015/35. Nordnet uses alternative key performance measures when it is relevant to describe our operations and monitor our financial situation. APM-measures are mainly used to be able to compare information between periods and to describe the underlying development of the business. These measures are not directly comparable with similar key indicators presented by other companies. Disclosures regarding financial measures not defined in IFRS but stated outside of the formal financial statements, "alternative performance measures", are presented in the note references below.

Number of trades¹

A registered transaction on the stock exchange or in the marketplace. Orders sometimes involve several trades.

Number of trades per trading day¹

Number of trades during the period divided by the number of trading days in Sweden during the period.

Number of trading days¹

Number of days on which the relevant exchanges are open.

Number of full-time employees at end of period¹

Number of full-time positions, including fixed-term employees, but excluding staff on parental leave and leaves of absence, at the end of the period.

Number of customers¹

Number of private individuals and legal entities who hold at least one account with a value of more than SEK 0, or who had an active credit commitment at the end of the period.

Return on equity^{2,4}

Return on equity calculated as the period's accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to the average of equity excluding Tier 1 capital over the corresponding period. The average of equity excluding Tier 1 capital is calculated based on opening, quarterly and closing equity for the period in question.

Leverage ratio²

Tier 1 capital as a percentage of the total exposure amount.

Cash market²

Cash market refers to trade in shares, warrants, ETFs, certificates, bonds and similar instruments.

Equity excluding intangible assets¹

Total equity less intangible assets.

Average savings capital per customer – rolling 12 months²

The average quarterly savings capital per customer for the current period (calculated as the average quarterly savings capital per customer that includes the opening KPI at the beginning of the current period and the closing KPI at the end of every quarter that is included in the current period).

Cash deposits at end of period²

Deposits and borrowing from the public including deposits attributable to liabilities in the insurance operations at end of period.

Adjusted return on equity^{2,4}

Return on equity calculated as the period's adjusted accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to the average of equity excluding Tier 1 capital over the corresponding period. The average of equity excluding Tier 1 capital is calculated based on opening, quarterly and closing equity for the period in question.

Adjusted return on equity excluding intangible assets^{2,4}

Return on equity calculated as the period's adjusted accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, excluding amortization related to acquisitions in relation to the average of equity excluding Tier 1 capital and intangible assets over the corresponding period. The average of equity excluding Tier 1 capital and intangible assets is calculated based on opening, quarterly and closing equity for the period in question.

Adjusted operating income in relation to savings capital²

Adjusted operating income in relation to the average quarterly savings capital for the same period (calculated as the average quarterly savings capital that includes the opening amount at the beginning of the current period and the closing amounts at the end of each quarter that is included in the current period).

Adjusted C/I ratio %²

Adjusted operating expenses before credit losses in relation to adjusted operating income.

¹ Financial key figures that are directly reconcilable with the financial statements.

² Financial key figures that can be deduced from historical financial data published quarterly at <https://nordnetab.com/sv/om/finanssiell-information>.

³ Definitions in accordance with IFRS and the EU's capital requirement regulation no. 575/2013 (CRR) and the EU's Solvency II directive 2015/35.

⁴ Annualization is calculated as the denominator for the period divided by the quotient of the number of quarters in the period and the number of quarters per year.

Adjusted operating expenses in relation to savings capital ²

Adjusted operating expenses before credit losses in relation to the average quarterly savings capital for the same period (calculated as the average quarterly savings capital that includes the opening amount at the beginning of the current period and the closing amounts at the end of each quarter that is included in the current period).

Adjusted profit ²

Profit for the period adjusted for items affecting comparability over the period.

Adjusted profit before amortization of intangible assets in purchase consideration allocation ²

The profit for the period after tax adjusted for items affecting comparability and excluding amortization of intangible assets from acquisitions of companies (purchase consideration allocation). Items affecting comparability have illustratively been taxed at an assumed tax rate of 20 percent insofar as such items affecting comparability are deductible and/or give rise to a tax expense. The amortization of the purchase consideration allocation is not deductible and has accordingly not been illustratively taxed.

Adjusted profit before amortization of intangible assets in purchase consideration allocation per share before and after dilution ²

The profit for the period after deduction of interest on additional Tier 1 capital adjusted for items affecting comparability and excluding amortization of intangible assets from acquisitions of companies (purchase consideration allocation) per share before and after dilution.

Adjusted operating income ²

Total operating income adjusted for items affecting comparability over the period.

Adjusted operating expenses before credit losses ²

Expenses before credit losses, adjusted for items affecting comparability over the period.

Adjusted operating margin ²

The adjusted operating profit in relation to adjusted operating income.

Adjusted operating profit ²

Profit for the period adjusted for items affecting comparability. Items affecting comparability are items reported separately due to their nature and amount.

Own funds³

The sum of Core Tier 1 capital and Tier 2 capital.

C/I ratio excluding operating losses ¹

Total expenses before credit losses in relation to total operating income.

Core Tier 1 capital⁵

Equity excluding unrevised earnings, proposed dividend, deferred

taxes and intangible assets and some further adjustments in accordance with the EU capital requirements regulation no. 575/2013 (CRR) and EU 241/2014.

Core tier 1 capital ratio ³

Core tier 1 capital divided by total risk-weighted exposure amount.

Net savings²

New deposits of cash and cash equivalents and securities, less withdrawals of cash and cash equivalents and securities.

Traded value cash market²

Cash market refers to trade in shares, warrants, ETFs, certificates, bonds and similar instruments.

Earnings per share ²

Profit for the period, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to weighted average number of ordinary shares before and after dilution.

Operating expenses³

Operating expenses before credit losses.

Operating margin¹

Operating profit in relation to total operating income.

Savings capital²

Total of cash and cash equivalents and value of securities for all active accounts.

Savings ratio²

Net savings over the past 12 months as a percentage of savings capital 12 months ago.

Total capital ratio²

Total own funds in relation to risk-weighted exposure amount.

Lending/deposits²

Lending to the public at the end of the period in percentage of deposits from the public at the end of the period.

Lending excluding pledged cash and equivalents ²

Lending to the public, excluding lending through account credits that are fully covered by pledged cash and cash equivalents on endowment insurance plans and investment savings accounts (ISKs), where the lending rate applied to the credits corresponds to the deposit rate on the pledged cash and cash equivalents.

Lending at end of period ²

Lending to the public at the end of the period.

Profit margin¹

Profit for the period in relation to operating income.

Annual customer growth²

Annual growth rate in customers over the period.

¹ Financial key figures that are directly reconcilable with the financial statements.

² Financial key figures that can be deduced from historical financial data published quarterly at <https://nordnetab.com/sv/om/finansiell-information>.

³ Definitions in accordance with IFRS and the EU's capital requirement regulation no. 575/2013 (CRR) and the EU's Solvency II directive 2015/35.

⁴ Annualization is calculated as the denominator for the period divided by the quotient of the number of quarters in the period and the number of quarters per year.

Other sustainability information.

The reporting of our sustainability work has been in accordance the guidelines of the Global Reporting Initiative (GRI) since 2010. The Sustainability Report for the 2022 calendar year is presented with reference to GRI Standards 2021. The Sustainability Report has been prepared in compliance with statutory Sustainability Reporting requirements in the Annual Accounts Act. The account covers Nordnet AB (publ) and its subsidiaries. Nordnet's Sustainability Report 2022 has not been reviewed by the company's auditor.

General standard disclosures		
GRI 2: General standard disclosures		Reference/comment
2-1 a	Name of organization	s.32
2-1 c	Location of the organization's headquarters	s.80
2-1 d	Countries where activities are conducted	s.4-5
2-1 b	Ownership structure and corporate form	s.45
2-2	Entities included in the report	s.168
2-3	Accounting period, frequency and contact information	s.168 , s. 159
2-6	Activities, value chain and other business relations	s.3-5, s. 36-39, s. 167
2-7	Employees	s.171-172
2-9	Statement of the company's corporate governance	s.52-68
2-22	Statement by CEO on the organization's sustainability strategy	s.8
2-23	Policy commitments	s.20-22, s.174
2-28	Associations in which the organization is a member	s. 20
2-29	Interest groups with which the organization is in contact	s.170
2-30	Proportion of employees covered by collective agreements	s.26
3-1	Process for the definition of report contents	s.170
3-2	Identified significant areas of sustainability	s.170

Subject-specific standard disclosures		Reference/comment
GRI 201: Financial performance		
201–1	Generated and distributed financial value	p. 170
GRI 203: Indirect economic impact		
203–1	Investments in infrastructure and services	p. 14
203–2	Indirect economic effects	p. 14
GRI 205: Anti-corruption		
205–3	Number of confirmed cases of corruption and measures taken	p. 20
GRI 302: Energy		
302–1	The organization's energy consumption	p. 28
302–3	Energy intensity	p. 30
GRI 305: Emissions		
305–1	Direct greenhouse gas emissions	p. 30
305–2	Indirect greenhouse gas emissions	p. 30
305–3	Other indirect greenhouse gas emissions	p. 30
305–4	Greenhouse gas emissions intensity	p. 15, p. 30, 172-173
GRI 401: Employment conditions and Working conditions		
401–1	Personnel turnover	p. 24
GRI 404: Training		
404–3	Development interview	p. 24
GRI 405: Diversity and Equality		
405–1	Composition of the company	p. 171-172
405–2	Salary differences between genders	p. 26
GRI 406: Non-discrimination		
406–1	Number of cases of discrimination	p. 27
GRI 418: Customer privacy		
418–1	Complaints and number of lost customer data cases	p. 21

Dialogue with stakeholders.

Nordnet conducts ongoing dialogues on sustainability issues with these stakeholder groups:

- Employees
- Board of directors
- Savers
- Shareholders
- Suppliers

Each year since 2011, we have distributed a sustainability survey to all Nordnet employees. The survey allows employees to evaluate our sustainability work and provide development proposals. In the survey, employees can also indicate how they commute to and from the workplace, and these statistics are then used when calculating the greenhouse gas emissions of Nordnet as a whole. In 2020, we conducted a survey on sustainability with select customers in Sweden, Norway, Denmark and Finland. In 2021, in-depth interviews were conducted with shareholders and a questionnaire was also distributed to Nordnet's shareholders and Board of Directors, in which they were asked to respond to questions about Nordnet's sustainability work. Based on the survey results with these stakeholder groups, the following priority areas have been identified and updated:

In addition to the stakeholder groups listed in the table above, we also see the media, analysts, government

Stakeholder groups	Priority areas in sustainability
Employees	<ul style="list-style-type: none"> • Sustainable investments • Well-being among employees and opportunities for development • Offering transparent financial products • Preventing money laundering
Board of Directors	<ul style="list-style-type: none"> • Sustainable investments and a sustainable mutual fund offering • Making investments available to a wider group of savers
Savers	<ul style="list-style-type: none"> • Anti-corruption • Preventing money laundering • Protecting customer data and privacy
Shareholders	<ul style="list-style-type: none"> • Sustainable investments and a sustainable mutual fund offering • Making investments available to a wider group of savers • Education of the public in savings • Anti-corruption, preventing money laundering and combating financial crime
Suppliers	<ul style="list-style-type: none"> • Customer service and support • Offering transparent financial products • Protecting customer data and privacy

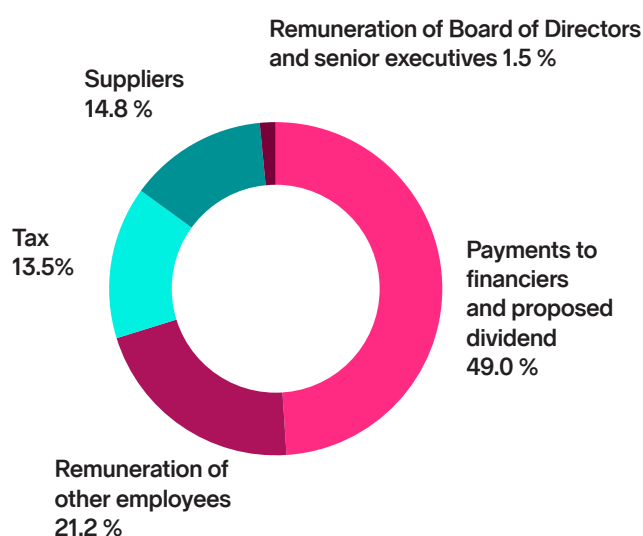
agencies, competitors, and the public as key stakeholders who, in a broader sense, affect our operations.

Materiality analysis.

The dialogue with our primary stakeholder groups lays the foundation for our materiality analysis and choice of sustainability issues on which we focus. The results of the materiality analysis are presented in the table below.

Sustainability areas	GRI standards
Democratizing savings and investments	Indirect financial impact, information on sustainable investments, offering transparent and responsible financial products, financial performance, education in personal finance
Equality and Diversity	Diversity and equality, equal pay for men and women, non-discrimination
Responsible and sustainable operations	Anti-corruption, customer integrity, energy, emissions, employment conditions, working conditions

Nordnet's financial impact on various stakeholder groups



Background data for GRI indicators.

In this section, we describe the methods, assumptions, and conversion factors used to develop Nordnet's GRI indicators. In addition, supplementary tables and information are included in the Annual Report.

Employees.

Employee key figures are based on the actual number of employees as at the end of December and the year, respectively, and are therefore not converted to full-time equivalents or such.

Employees, 31 Dec	2022 ¹		2021 ²		2020 ²	
Sweden	Number	Women (%)	Number	Women (%)	Number	Women (%)
Total employees	560	35%	642	36%	581	37%
Number of permanent employees	555	34%	551	35%	471	35%
- Of which full time	544	34%	541	35%	457	35%
- Of which part-time	11	55%	10	40%	14	50%
Number of fixed-term employees	5	60%	91	41%	110	44%
Finland						
Total employees	33	45%	53	42%	45	44%
Number of permanent employees	32	44%	33	42%	31	45%
- Of which full time	31	42%	31	39%	29	41%
- Of which part-time	1	100%	2	100%	2	100%
Number of fixed-term employees	1	100%	20	40%	14	43%
Norway						
Total employees	34	24%	42	19%	40	18%
Number of permanent employees	33	24%	42	19%	40	18%
- Of which full time	33	24%	34	24%	32	22%
- Of which part-time	0	0%	8	0%	8	0%
Number of fixed-term employees	1	0%	0	0%	0	0%
Denmark						
Total employees	39	54%	61	49%	47	40%
Number of permanent employees	38	55%	57	46%	44	41%
- Of which full time	33	48%	36	53%	30	47%
- Of which part-time	5	100%	21	33%	14	29%
Number of fixed-term employees	1	0%	4	100%	3	33%
	666		798		713	

¹ As of 1 January 2022, permanent, probationary and fixed-term employees are reported, but not those on parental leave, professional leave or hourly employees.

² For 2021 and 2020, permanent, probationary, fixed-term and hourly employees are reported, but not those on parental or professional leave.

Composition of the company	2022 ¹		2021 ²		2020 ²	
Employees at different levels within the company	Number	Women (%)	Number	Women (%)	Number	Women (%)
Board of Directors	8	38%	8	38%	8	25%
Below 30 years	0	0%	0	0%	0	0%
30–50 years	2	50%	4	50%	5	40%
Above 50 years	6	33%	4	25%	3	0%
Management³	10	30%	10	30%	9	33%
Below 30 years	0	0%	0	0%	0	0%
30–50 years	5	20%	5	20%	4	25%
Above 50 years	5	40%	5	40%	5	40%
Employees with responsibility for personnel	81	42%	75	41%	66	38%
Below 30 years	5	80%	7	86%	5	60%
30–50 years	61	34%	60	32%	53	32%
Above 50 years	15	60%	8	75%	8	63%
Other employees	575	36%	713	36%	638	36%
Below 30 years	170	39%	310	39%	281	38%
30–50 years	335	31%	348	33%	312	33%
Over 50 år	70	53%	55	42%	45	42%

¹ As of 1 January 2022, permanent, probationary and fixed-term employees are reported, but not those on parental leave, professional leave or hourly employees. ² For 2021 and 2020, permanent, probationary, fixed-term and hourly employees are reported, but not those on parental or professional leave. ³ The table shows the number of employees excluding consultants.

Environment.

Energy

To recalculate the energy consumption from MWh to GJ, the conversion factor 3.6 is used.

Greenhouse gas emissions

Nordnet has a small environmental impact and we do not express ourselves in terms of compliance with the precautionary principle when dealing with the environmental impact that our business causes.

To calculate our greenhouse gas emissions, we use, to the extent possible, conversion factors that include all relevant greenhouse gases, i.e. CO₂, CH₄, N₂O, HFCs,

PFCs, SF₆ and NF₃. We do not implement our own conversions from other greenhouse gases to CO₂e and therefore have no overall value for Global Warming Potential (GWP).

Just like fossil fuels, combustion of renewable fuels causes greenhouse gas emissions, but as these emissions are part of a cycle we do not report emissions in the current calculation methodology. The conversion factors related to the consumption of renewable fuels are the part of the fuel that is fossil fuel. However, we report fossil greenhouse gas emissions that arise in the production of fossil and renewable fuels.

Nordnet's greenhouse gas emissions, tonnes CO ₂ e	2022	2021	2020
Scope 1, direct greenhouse gas emissions	0.0	0.0	0.4
Scope 2, indirect greenhouse gas emissions from energy consumption	31	55	76
Scope 3, other indirect greenhouse gas emissions	132	67	77
Total greenhouse gas emissions	163	122	153

The table details Nordnet's greenhouse gas emissions by Scope in accordance with the Greenhouse Gas Protocol. Nordnet's CO₂e emissions for energy consumption by geographical valuation (location based): 50 tonnes CO₂e.

Activity	Activity data	Conversion factor
Electricity consumption	Data for each office and data centre	Conversion factor comprises specific contracts or residual-mix: 371.99 g CO ₂ e/kWh. Source: Swedish Energy Markets Inspectorate (Ei)
District heating	Data for each office. Standard amounts have been used for Oslo and Helsinki.	Statistics from each supplier Stockholm: 42 g CO ₂ e/kWh (2021) Copenhagen: 72.0 g CO ₂ e/kWh (2020) Oslo: 5.3 g CO ₂ e/kWh (2021) Helsinki: 111 g CO ₂ e/kWh (2020)
District cooling	Data for each office and data centre. Data for each office.	Statistics from supplier. Stockholm: 0 g CO ₂ e/kWh (2020)
Business-related travel with company vehicles and company cars	Driving distance in company cars is based on employee reporting to receive mileage compensation for business-related travel	The result refers to driving distance and average consumption for mixed driving for each car in combination with the following conversion factors: Petrol: 2,360 g CO ₂ /litre Source: SBPI (2019)
Business-related travel, private car	Driving distance in company cars is based on employee reporting to receive mileage compensation for business-related travel	Assumptions regarding petrol-fuelled cars: Consumption: 0.58 l/10km Emissions: 136.88 g CO ₂ e/km Source: Swedish Environmental Protection Agency, SBPI
Business-related travel, taxi	Statistics comprise booked taxi expenses	Assumptions on travel with average Taxi Stockholm: 8 g CO ₂ /SEK. Source: Taxi Stockholm
Business-related travel, air travel	Statistics comprise booked expenses for airline tickets	Emissions report from travel agency is used as a template for calculating all air travel expenses.
Employee commuting	Average travel distance with different forms of transportation, calculated from responses in employee survey sent to all employees.	Petrol vehicle: 136.88 g CO ₂ e/km Diesel vehicle: 130.1 g CO ₂ e/km Ethanol vehicle: 69.6 g CO ₂ e/km Gas vehicle: 99.5 g CO ₂ e/km Hybrid vehicle: 40 g CO ₂ e/km Motorcycle/moped: 94.4 g CO ₂ e/km Rail transport: 0.3 g CO ₂ e/pkm Bus: 70 g CO ₂ e/pkm Source: Swedish Transport Agency, NTM and SJ

The table shows which activities, assumptions and conversion factors are the basis for Nordnet's reporting of greenhouse gas emissions.

Risks, governance and follow-up of sustainability.

Sustainability area	Risk description	Policies and governance	Follow-up and results
Social conditions, personnel and human rights.	Ensuring a favourable work environment and that our employees are motivated is the key to our success. As a digital platform, we are dependent on an IT workforce, a workforce that is in short supply. The risks we see in this area include not being able to recruit staff at the pace we would like, that skilled employees leave and risks associated with health and workload. Finance and tech are areas mainly dominated by male employees, and there is therefore a risk that Nordnet's gender distribution will be one-sided. Nordnet's operations are concentrated in the Nordic countries; a region where the incidence of human rights violations is normally low. Nordnet has not specified any specific risks in the area of human rights.	Relevant policies adopted for Nordnet's operations in these areas are, for example, Equal Opportunities Policy, Work Environment policy, Remuneration Policy and Employee Handbook. Nordnet has a work environment committee that works systematically with health promotion, prevention and aftercare with activities. Nordnet's overarching target scenario is a 50/50 distribution between women and men, albeit with a tolerance interval of +/- 10. The objective is to achieve and maintain a safe and stimulating work environment for every employee. Read more about our governance on pages 20-21 and 23-27.	We work proactively and systematically with Nordnet's work environment to achieve a high level of motivation and to reduce absenteeism due to illness or stress. Sick leave was 1.9 percent in 2022, which was less than in 2021 when sick leave was 2.1 percent. Nordnet's employee satisfaction has developed in a positive direction for the past year. We work actively with our work environment and to increase our attractiveness as an employer by, for example, investing in creating an engaging culture, providing opportunities for personal development and arranging health-promoting activities. Nordnet's stated objective is for the workplace to be characterized by diversity and equality, and we work actively to prevent discrimination. No cases of discrimination were reported in 2022. The proportion of women among newly recruited employees decreased by 5 percentage points compared with 2021. Read more on pages 23-27.
Countering corruption and financial crime.	A common definition of corruption is the abuse of power to benefit oneself or others. Corruption can take various forms, such as bribery, fraud, extortion, abuse of power and conflicts of interest. Financial sector players are always at risk of being exploited by criminals for financial crimes such as money laundering, fraud, unfair market impact or insider trading. The presence of such criminal activities and violations may harm Nordnet and its customers, brands and investors.	Nordnet applies internal rules and control processes to combat financial crime and corruption. Relevant policies that have been adopted in this area include an Anti-Corruption Policy, Ethics Policy, Policy on Conflicts of Interest, Policy and Guidelines in the Area of Money Laundering and a Code of Conduct for employees. Nordnet has also set up a whistle-blower function that enables employees to report any irregularities completely anonymously. Nordnet also has a dedicated department, the Financial Crime Prevention Unit, which monitors, among other things, customer transactions and otherwise works to prevent financial crime and which reports directly to the CEO. Read more on pages 20-22.	We regularly hold training in relevant areas, such as the Code of Conduct, money laundering and financial crime. In 2022, no incidents linked to corruption were reported or discovered through internal control processes. Read more about how we combat corruption and financial crime on pages 20-22.
Environment and climate.	Reducing our climate footprint and our direct impact on the environment is part of our sustainability work. As we have a digital business model without physical bank branches, have no corporate lending and do not trade in shares on our own behalf, we generally assess our environmental and climate risks as small. However, Nordnet or our partners may be affected by natural disasters and the like, and some exposure also arises in our mortgage portfolio, margin lending and securities portfolio. A risk in this area is also that we at Nordnet fail to meet our customers' demand for information services and sustainable-savings investment alternatives.	Nordnet seeks to minimize risks related to the environment and climate, and their management is therefore an integral part of our general risk framework, which is approved by the Board. Accordingly, considerations and controls regarding specific environmental and climate risks are addressed in the management of credit risks, market risks and operational risks. Minimizing our direct climate footprint is part of Nordnet's overall Sustainability Policy.	To monitor Nordnet's environmental and climate effects, we measure our energy consumption and greenhouse gas emissions annually. We climate-compensate our greenhouse gas emissions. We strive to use 100-percent renewable electricity in our energy consumption. We also measure the CO ₂ -intensity of our customers' capital managed on our platform. We have addressed the risks within our lending and securities portfolio with additional controls to mitigate any climate risks. We assess and follow up our customers' and other stakeholders' views on Nordnet's sustainability work and product range in sustainable savings. Read more on pages 15 and 28-32.

Auditor's opinion regarding the statutory sustainability report.

Till bolagsstämman i Nordnet AB (publ), org.nr
559073-6681

Uppdrag och ansvarsfördelning.

Det är styrelsen som har ansvaret för hållbarhetsrapporten för år 2021 på sidorna 18-38 samt sidorna 164-170 och för att den är upprättad i enlighet med årsredovisningslagen.

Granskningens inriktning och omfattning.

Vår granskning har skett enligt FARs rekommendation RevR 12 Revisorns yttrande om den lagstadgade hållbarhetsrapporten. Detta innebär att vår granskning av hållbarhetsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

Uttalande.

En hållbarhetsrapport har upprättats.

Stockholm den 17 mars 2022
Deloitte AB

Patrick Honeth
Auktoriserad revisor

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