



overview of Nordnet's sustainability performance 2010

Total savings capital:

Savings capital - the collective value of customer assets - reached new record levels in 2010, thanks to a strong stock market and high net savings

SEK 102.2 billion

Savings in ethical funds:

Savings capital in ethical funds also reached a record level during 2010, thanks to a strong growth in *GodFond*.

SEK 200 million

Number of active accounts: Clearly, savers want to have control over their own money - in 2010, the number of accounts at Nordnet rose by 17 percent.

360,000

Customer satisfaction rate:

Customers satisfied or very satisfied with Nordnet's services during 2010.

96 %

Sickness absence rate:

Absence rate among employees due to sick leave during 2010.

2,4 %

Total energy consumption:

Nordnet's energy consumption during 2010 is mainly for operating our servers.

2.3 GWh

Total greenhouse gas emissions:

Nordnet's greenhouse gas emissions mostly occur from our use of energy.

395 ton CO_{2e}

ceo statement

Our first responsibility report

For the first time in Nordnet's history we present a responsibility report according to the Global Reporting Initiative, an international framework for sustainability reporting. It is an important step in making our business more transparent, raising awareness about and improving our work within the economic, social and environmental areas. During the production of this report we have been in contact with Nordnet's key stakeholders to get their view of what they believe we should focus on regarding different responsibility issues. Based on the outcome of this dialogue and other measurements presented in this report, we have started to form an action plan for the upcoming years and beyond. I believe this report should be seen as a benchmark for Nordnet's future responsibility work.

Customer needs is our main focus

Based on the dialogue with our key stakeholders, it is clear that customer service, support and dispute resolution stand out as the most important responsibility issue for Nordnet. This goes well in line with my belief that responsiveness to customer needs is the foundation for our growth going forward. Nordnet exists for its customers, not the other way around.

During 2010, we have put a lot of effort in making our customer service more efficient with improved quality. One of the biggest changes was to move the Danish customer service team from the headquarters in Sweden to our new premises in Denmark, giving faster postal connections and increased opportunities for direct contact between Nordnet and the savers. We have also improved the customer service organization with more defined areas of responsibility for each team member, providing a higher level of quality while stimulating personal development among employees.

Actions in 2011

In 2011, we are continuing to work with customer commitment. A project to improve our dispute handling has been initiated during the spring, with the objective to give us greater understanding of the reasons behind any complaint. In the end, I hope we will be able to turn every complaint into an idea on how we can improve our services.

Looking on other responsibility issues addressed in this report, we have implemented a videoconference system to reduce the number of business trips between our Nordic offices. I am convinced that this will be seen in next year's greenhouse gas emission measurements.

Last but not least, Nordnet aims to initiate a responsibility project before year-end to which we can commit ourselves on a long-term basis. Likewise, we are continuously looking at different responsibility initiatives where we can get involved. As an example, Nordnet joined the Swedish Financial Coalition Against Child Pornography in April 2011.

Our long-term strategy

Looking beyond 2011, Nordnet will continue to position itself as the round alternative in the otherwise square financial sector. We are a modern bank that keeps things simple – which is reflected also in the area of responsibility. By taking an active approach, Nordnet has most definitely the possibility to deliver a positive impact on our surroundings.

Unbank yourself!

Carl-Viggo Östlund
CEO Nordnet

this is nordnet

Nordnet provides services that simplify savings, investments and loans. With smart solutions and a modern approach, we focus on active savers in the Nordic countries.

Our vision is to become the leading bank for savings in the Nordic countries. To achieve this, we seek to keep things simple and focus on what is best for savers.

Nordnet AB (publ) is listed on the NASDAQ OMX Stockholm exchange.

nordnet's first responsibility report

For the first time in the company's history, Nordnet presents a responsibility report. This report describes how we can contribute to a sustainable development of the economy, the social welfare and the environment. In recent years we have seen an increasing demand for information on how Nordnet addresses sustainability issues, and it is therefore a natural step to expand the reporting on these areas. We have chosen to initiate annual reporting of responsibility issues in accordance with the guidelines of the Global Reporting Initiative (GRI), a widely used framework among listed companies. This first report refers to fiscal year 2010 and is based on the third generation of the GRI guidelines (G3) with a self-declared level C. The report covers the Nordnet group, excluding the operations in Luxembourg that were closed down during 2010.

Nordnet's view on responsibility

Nordnet's overreaching goal is to create business profitability and economic growth for the company while also delivering a positive impact on the broader economy, the environment and on social welfare. We believe wide value creation through our cornerstones *Be modern, Keep it simple and Stay active* is the recipe for long-term growth and prosperity for Nordnet.

close relationship with our stakeholders

During the spring of 2011 we had a dialogue with our key stakeholders about their expectations of Nordnet's way of managing sustainability. The purpose has been to analyze what aspects of sustainability that are most material for Nordnet. Through a challenging dialogue with our stakeholders, we are better prepared to meet the demands and expectations placed on Nordnet today, and that may be imposed on us in the future. The result of the analysis shows that Nordnet's stakeholders appreciate that the company conducts the business in a transparent and responsible manner in which it takes into account both the ethical and environmental aspects of the business model.

The stakeholder analysis were conducted through a variety of interviews and online surveys and created a comprehensive picture of the expectations placed on the organization. During the analysis we have had a dialogue with our key stakeholders consisting of;

- Customers
- Employees
- Investors
- Suppliers

Stakeholder	Most important responsibility issues for Nordnet
Customers	Customer service, support and dispute resolution Transparent & accountable financial products Ethics and morality
Employees	Customer service, support and dispute resolution Customer data protection and privacy Employee well-being and development
Investors	Anti-corruption Provide ethical funds Social sponsorship
Suppliers	Customer service, support and dispute resolution Transparent & accountable financial products Customer data protection and privacy

Nordnet conducted a stakeholder and materiality analysis during the spring of 2011. The table shows which sustainability issues each stakeholder group believes are most important for Nordnet to manage.

economic responsibility

We believe that Nordnet can contribute to a better society through better and more transparent services for personal savings. For us it is obvious that Nordnet achieves increased profitability for our shareholders if we create tangible economic gains for all our stakeholders.

Nordnet – a modern and simple way to personal savings

It became clear after the financial crisis of 2008 that savers have lost confidence in the Jurassic banks. According to a study carried out in 2010, one in seven people in the Nordic region feels cheated by his or her bank. With smart new tools and honest and transparent pricing, Nordnet has shown that saving need to be neither difficult nor expensive. For modern savers who want to maintain control of their own finances, there is no longer any reasons to remain with old structures. This development can be seen, for example, in Nordnet's service *the Investment guide* – an online consulting tool that easily creates and customizes a fund portfolio based on the customer's own risk profile. The Investment guide makes it possible to get free, qualified, independent advice 24 hours a day without having to leave the computer.

Direct economic value generated and distributed (Million SEK)			
Direct economic value created	2010	2009	2008
Net income	1,388	1,171	1,170
Allocated economic value			
Operating costs (incl. suppliers)	810	662	511
Employee wages	219	176	146
Shareholders - dividend	88	84	82
Tax costs	113	54	-
<i>Government bank support received</i>	0	0	0
Retained earnings - investments	158	195	-

The table shows the direct economic value created and how it is distributed on different categories.

Ethics

Ethics is a cornerstone at Nordnet. The Board reviews the company's ethical guidelines at least once a year, and all staff should benefit from the content of these guidelines in their day-to-day work. The guidelines state, among other things, that Nordnet must operate honestly and fairly, and that it must operate with skill, care and haste.

Enhancing ethical understanding

When new talents join Nordnet, they complete a mandatory course on the rules governing Nordnet's operations, particularly with regards to ethics and confidentiality. Concerned members of the staff also receive continuous training on issues such as money laundering and terrorist financing, as well as complaints handling.

Some staff categories, such as brokers, have to hold Swedsec licenses'. As part of its work on further enhancing knowledge on ethics, as well as rulings on the securities market, Nordnet works to ensure that other staff are also able to complete the Swedsec knowledge test. All staff in possession of a Swedsec license has to complete a knowledge update each year. At the end of 2010, there were 57 licensed staff members.

Prevention of money laundering and the financing of terrorism

In the financial market, there is a major risk of being affected by financial crime. Nordnet must ensure that our services are not used to hide the gains from criminal activity.

Nordnet has well developed procedures in place for detecting and reporting suspected cases of money laundering and the financing of terrorism. Nordnet carries through a risk assessment of customers, services and products. This risk assessment forms the basis of the ongoing monitoring that takes place within the company.

Responsible investments

As a bank, one of Nordnet's biggest opportunities to make an impact on society is to offer our customers ways to invest in financial instruments promoting sustainable development. Today Nordnet offers about 30 mutual funds with specific focus on ethical or environmental investments. Our strategy is to offer a broad spectrum of products, and in the future we hope that we will be able to give our customers guidance on sustainability rating of different products.

Nordnet customer savings (Billion SEK)			
	2010	2009	2008
Net savings	13.9	13.6	8.9
Total savings capital	102	90	39

The accumulated amount of mutual fund savings in Sweden add up to almost 2 000 billion SEK. The numbers make it clear that the choices of investment strategies make a big difference for the allocation of capital. Would all savers in the Nordic region invest their money in instruments promoting sustainable development, it would change a lot. Nordnet's strategy is to offer a broad spectrum of mutual funds to attract customers, but our vision is also to guide the savers to well-informed decisions – and sustainability performance is definitely one important parameter.

Nordnet customer savings in ethical funds (Million SEK)	
	2010
Total savings ethical funds	200
Total savings <i>GodFond</i>	104

The table shows total savings in mutual funds categorized as ethical.

GodFond is an example of an ethical mutual fund. It is aiming at delivering high returns while contributing to a good cause. In addition, all profits arising from the fund are donated to charity. In late 2009, Nordnet became the first bank to provide savings in GodFond as we believe it represents a smart solution for savings that signals positive values and a new way of thinking.

social responsibility

For Nordnet social responsibility means contributing to an increased social welfare. We are working to ensure that Nordnet is an enjoyable and stimulating workplace for our employees, a necessity to attract the best talents. But we are also working to increase social welfare in a bigger context, especially by making people more interested in their own finances. We believe that both Nordnet and society stand to benefit if people get to know more about saving.

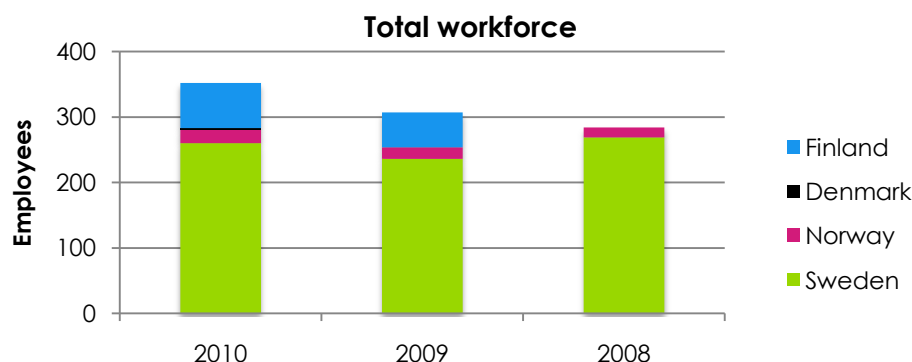
Engaged employees

If we are to turn Nordnet's vision into reality, to make Nordnet the leading bank for savings in the Nordic countries by 2018, we have to have engaged employees. During 2009, Nordnet's three cornerstones were introduced; Be modern, Keep it simple and Stay active. These cornerstones have been adopted in order to support staff in their day-to-day work to remind them how Nordnet differs from the Jurassic banks. It is absolutely vital to spread the Nordnet culture in order to be competitive in four different countries as one company.

To reach these objectives we have developed a "People Strategy" which governs the overarching engagement in the company's employees. It describes how Nordnet will work to enhance its attractiveness as an employer over the coming five-year period, and comprises of four building blocks:

- Leadership enabling performance
- Competence for the future
- Our culture
- Nordnet and Me

During 2010 we started a joint forum for all leaders in Nordnet as a step in creating a consensus on leadership practices and building partnerships and relationships within the company. We see this as an important step to fully integrate all the company's offices in the different countries.



Work environment

Issues related to work environment form a natural part of Nordnet's operations and are dealt with in direct association with everyday issues. We strive to run our business in a way that has a positive effect on the well being of our staff and others. Important components are offering opportunities for

variation in work tasks, social contact and cooperation with others. To increase personal development all employees receive performance and career development reviews at least once a year. Nordnet also aims to offer all staff the opportunity to live a healthy lifestyle. Our basic view is that people that feel good are more motivated, which will help to ensure that Nordnet stays a profitable company. We believe that we are on the right track since our employees give us a score of 4.1 on a scale of 6 when rating the attractiveness of Nordnet as an employer.

Employee turnover			
	2010	2009	2008
Women	30	37	51
Men	42	59	62
Total	72	96	113
<i>Total employee turnover</i>	21%	17%	18%

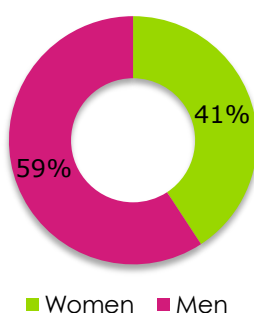
Sickness absence rates (%)			
	2010	2009	2008
Sweden	2.1	2.8	3.4
Norway	2.6	3.4	0.8
Denmark	0.4	-	-
Finland	1.8	-	-
Nordnet average	2.4	2.4	3.0

No occurrences of work related injuries, deceases or fatalities have been reported.

Equal opportunities

Nordnet strives to be a stimulating workplace in which staff undergoes both professional and intellectual development. Lots of different personalities, roles and backgrounds are required in a successful company, and we have no desire to cast all our staff from the same mold. Everyone has to share the same objectives, but differences promote and enhance creativity and quality. Nordnet also strives to offer equal opportunities, rights and responsibilities for everyone irrespective of their sex, nationality, ethnic origin, age, sexual orientation or faith. The various backgrounds of our staff promote vital basic values such as tolerance, humility and modesty.

Gender equality



Ratio of basic salary of women to men (%)

	2010
All employees	77
Support personnel	98
Management (excl. CEO)	87

The table shows the average salary for women as a percentage of the average salary for men in different employee categories.

Reinventing communication

During the past decade the world has entered a new era of communication. The possibilities for companies to communicate with their stakeholders have become largely extended with the overall development of the web and specific concepts and services like Twitter and Facebook. We see this development as a big opportunity for reinvention of our communication.

One example of how we are leveraging the opportunities of social media is the Nordnet blog that exists in country specific versions in all our markets. The blog is a channel to communicate our thoughts about business, financial markets, private economy and other relevant issues. The blog is also a direct channel to our management team and a way to give instant feedback on Nordnet's services.

Another example of the usefulness of social media is that Nordnet during 2010 launched a customer support on Facebook. Our customers can now ask questions directly to our savings coaches and read frequently asked questions in an easy accessible way. Customers and other interested parties can also contact and follow company representatives on Twitter.

Nordnet's way of handling the new opportunities of communication has been successful and was one of the reasons it was awarded *Stora Informationspriset* [Grand Information Award] and the award for best investor relations in the beginning of 2011. During 2010, for the second year running, nordnet.se was named Sweden's best banking site by the magazine InternetWorld. The site was praised for the range of information it provides and its numerous functions combined with superior accessibility.

Nordnet – an active voice in the debate

We believe it is important for companies to be an active voice in the public debate, and we do not prevent our representatives from taking a personal stand in various questions. In line with the company's view to promote vital basic values such as tolerance, humility and modesty, Nordnet's representatives have engaged both in questions relating to a bigger context, such as anti-racist campaigns, as well as in questions relating to the savings business.

From time to time, Nordnet is also taking an official stand as a company. In the beginning of 2011, Nordnet Denmark initiated a campaign against a proposed share turnover tax which was to negatively impact the savers. Through a campaign site¹, Danish savers could sign up on a protest list and also give their opinion about the tax on the Danish Nordnet blog.

The Nordnet School

Nordnet's business concept is to make it easier to save, invest and borrow. To succeed we are working hard to offer excellent banking services at competitive prices – but we believe that we can do more. This is why we developed the Nordnet School, which provides free courses on smarter

¹ <https://www.nordnet.dk/mux/page/upprop.html>

saving to anyone interested. We believe that both Nordnet and society stand to benefit if people get to know more about saving.

The fact is that a lot of people avoid saving because it is seen as something difficult. In the long run, not having a proper strategy for personal savings may result in financial difficulties if circumstances change, for example if they face unforeseen expenses. The Nordnet School gives people the opportunity to fill in the gaps in their knowledge that prevent them from building up a buffer and a richer life in the longer term. Being a Nordnet customer is not a prerequisite for participation in the courses and the Nordnet School is currently operating in Sweden, Norway, Denmark and Finland.

Investment in the Nordnet School (Million SEK)		
	2010	2009
Total cost for Nordnet School	1.3	0.8

Sponsorship

Nordnet divides its sponsorship into two categories: promotional sponsorship and CSR sponsorship. For the first category, the criteria to which sponsorship relates must promote business and be aligned with Nordnet's brand, vision and values, and there must be compliance with general strategies.

For the second category, CSR sponsorship, the spotlight must fall on one or more projects where the initiative can maintain a long-term approach. Ideally, the sponsorship should not involve just money, but also other input. Before year-end 2011, Nordnet's objective is to initiate a new long-term project within this framework.

environmental responsibility

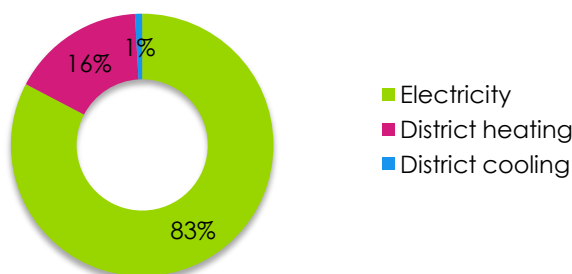
We believe that all companies will have to adapt to changing conditions as a result of depleting natural resources and environmental degradation. It is already clear that many raw materials are getting more expensive as a result of reduced supply, increased demand and more government regulations. The result for Nordnet is increasing costs for transportation, energy and other resources. At Nordnet we see the transformation to a more resource efficient economy as an opportunity and a competitive advantage on our way to become the leading bank for savings. An essential component of Nordnet's business is the absence of traditional branches, instead guiding the customers to smart and highly resource-efficient IT solutions. This is why Nordnet's commitment to environmental sustainability is an issue of long-term economic prosperity for the company.

Focus on energy performance

As an efficient Internet bank Nordnet does not have fancy office buildings or employees travelling around the globe – our main environmental impact is the servers running our website. During 2010 Nordnet used 2,260 MWh of energy for powering, heating and cooling office space and IT infrastructure.

Nordnet's consumption of energy equals the amount consumed by 80 average Swedish households. Since the consumption of energy is a fairly large cost for Nordnet, energy efficiency is of high priority. In 2011, we aim to reduce our energy consumption through even more efficient servers and virtualization.

Energy consumption



Indirect energy consumption (GJ)

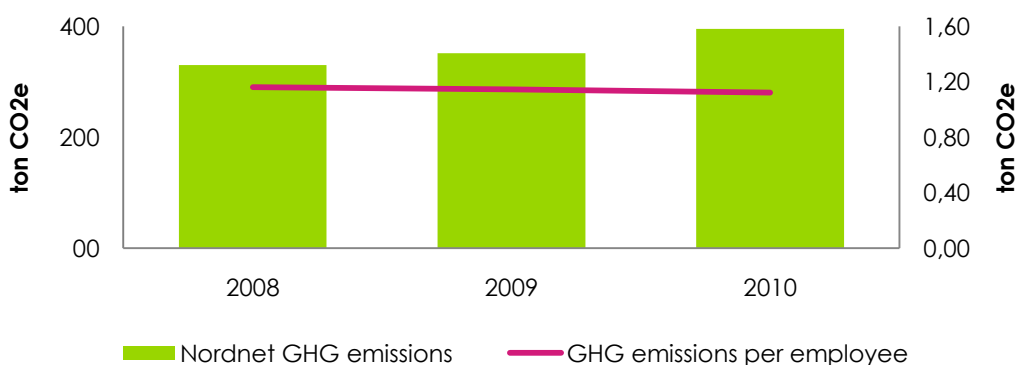
	2010	2009	2008
Electricity	6,768	6,804	6,444
District heating	1,332	720	793
District cooling	36	0	0
Total	8,136	7,524	7,237
<i>Amount renewable energy</i>	62%	61%	62%

Energy consumed for powering, heating and cooling office space and equipment. The table also shows the average share of renewable energy.

Climate change

An important part of Nordnet's environmental impact is our greenhouse gas emissions. We report the emissions of greenhouse gases according to the Greenhouse Gas Protocol (GHG Protocol), which is the most commonly used framework for voluntary greenhouse gas reporting. During 2010 Nordnet's operations emitted about 1.1 tons of CO_{2e} per employee, which is about 20% of the total greenhouse gas emissions from an average swede in one year.

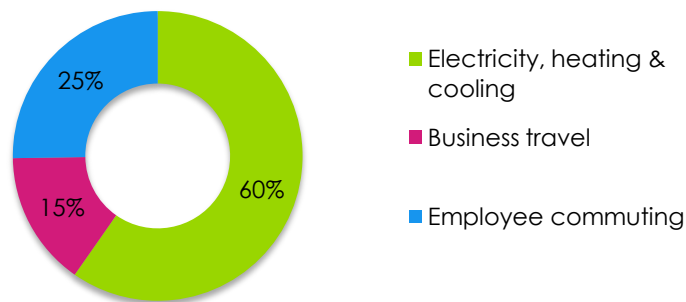
Total GHG emissions



The bars represent total greenhouse gas emissions and the line represents greenhouse gas emissions per employee.

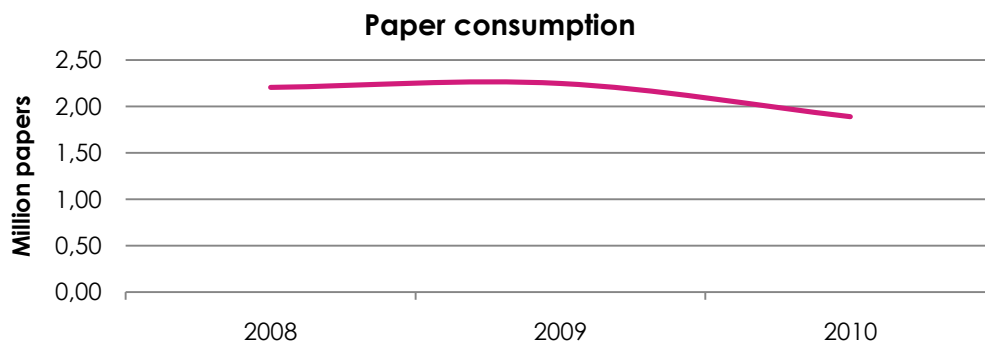
Nordnet's greenhouse gas emissions are mainly due to the electricity use in our servers. Relevant aspects of the company's climate impact are also employee commuting and business travels. To reduce our footprint we are committed to increase energy efficiency and encourage our employees to choose modes of transportation with less environmental impact, such as train and public transport.

GHG emissions per activity



Office paper consumption

Nordnet's paper consumption amounts to 5,400 sheets per employee per year. Nordnet is legally obliged to print and submit certain documentation to our customers, but we have still been able to reduce our paper consumption as shown in the diagram below. Greenhouse gas emissions from our use of office paper amounts to 2,8 ton CO_{2e}, which is less than one percentage of our total emissions.



nordnet GRI content index

The following index references the GRI indicators Nordnet have reported on in this responsibility report.

“AR”=Annual report 2010, “RR”=Responsibility report 2010

● = Fully reported, ◐ = Partially reported

1. Strategy & analysis		Reference	
1.1	CEO statement	RR, p.3-4	●
2. Organisational profile			
2.1	Name of the organization	RR, p.5	●
2.2	Primary brands, products, and/or services	Corporate website	●
2.3	Operational structure of the organization	AR, p.8, 10	●
2.4	Location of organization's headquarters	AR, p.8	●
2.5	Countries where the organization operates	AR, p.8	●
2.6	Nature of ownership and legal form	Corporate website , RR, p.5	●
2.7	Markets served	Corporate website	●
2.8	Scale of the reporting organization	Corporate website	●
2.9	Significant changes during the reporting period	AR, p.3-4	●
2.10	Awards received in the reporting period	RR, p.11	●
3. Report Parameters			
	Report profile		
3.1	Reporting period	RR, p.5	●
3.2	Date of most recent previous report	RR, p.5	●
3.3	Reporting cycle	RR, p.5	●
3.4	Contact point for questions regarding the report or its contents	IR Manager, Adrian Westman	●
	Report scope and boundary		
3.5	Process for defining report content	RR, p.5-6	●
3.6	Boundary of the report	RR, p.5	●
3.7	Specific limitations on the scope or boundary of the report	RR, p.5	●
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities etc.	RR, p.5	●
3.9	Data measurement techniques and the bases of calculations	RR, p.13	◐
3.10	Explanation of the effect of any re-statements	RR, p.5	●
3.11	Significant changes from previous reporting periods in the scope applied in the report.	RR, p.5	●
	GRI content index		
3.12	Table identifying the location of the Standard Disclosures in the report	RR, p.15-16	●
4. Governance, Commitments and engagement			
	Governance		
4.1	Governance structure of the organization	AR, p.8-15	●
4.2	Is the Chair of the highest governance body also an executive officer	No	●
4.3	Number of members of the highest governance body that are independent and/or non-executive members	AR, p.9	●
4.4	Mechanisms for shareholders and employees to provide recommendations	AR, p.8	●

4.8	Internally developed codes of conduct, and principles relevant to economic, environmental, and social performance	RR, p.7, 9	◐
	Stakeholder engagement		
4.14	List of stakeholder groups engaged by the organization	RR, p.6	●
4.15	Identification and selection of stakeholders with whom to engage	RR, p.5-6	●
4.16	Approaches to stakeholder engagement	RR, p.5-6	●
4.17	Key topics and concerns that have been raised through stakeholder engagement	RR, p.6	●

GRI performance indicators

Economic performance		Reference	
EC1	Direct economic value generated and distributed	RR, p.7	●
EC4	Financial assistance received from government	RR, p.7	●
EC8	Development of services provided primarily for public benefit	RR, p.11-12	●
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	RR, p.8	◐
Environmental performance			
	Energy		
EN4	Indirect energy consumption by primary source	RR, p.13	●
EN6	Initiatives to provide energy-efficient services	RR, p.12-13	◐
	Emissions		
EN16	Total direct and indirect greenhouse gas emissions	RR, p.13-14	●
EN17	Other relevant indirect greenhouse gas emissions	RR, p.13-14	●
EN29	Environmental impacts of transporting products and members of the workforce.	RR, p.13-14	◐
Social performance			
	Employment		
LA1	Total workforce.	RR, p.9	◐
LA2	Total number and rate of employee turnover.	RR, p.10	◐
	Occupational health and safety		
LA7	Rates of injury, occupational diseases and lost days	RR, p.10	●
	Training and education		
LA12	Percentage of employees receiving regular performance and career development reviews	RR, p.9	●
	Diversity and equal opportunity		
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group	AR, p.16-18, 44	◐
LA14	Ratio of basic salary of men to women by employee category	RR, p.10	●
	Public policy		
SO5	Public policy positions and participation in public policy development and lobbying	RR, p.11	●
Sector specific indicators			
FS7	Monetary value of products and services designed to deliver a specific social benefit	RR, p.8, 12	◐
FS8	Monetary value of products and services designed to deliver a specific environmental benefit	RR, p.8	◐