

Summary of Nordea Sanctions policy and practices – October 2018

At Nordea, we strive towards delivering great customer experiences and making it possible for our customers to fulfil their goals and dreams. One cornerstone of our business is being a responsible member of society. At Nordea, we see opportunities to use our skills, expertise, knowledge and relationships to make a positive difference to the society and our customers, external stakeholders, authorities and other counterparties.

Strong financial crime risk management practices are one of the most powerful devices against financial crime. Managing the risk of financial crime is vital to achieving Nordea's commitment to serving as a positive contributor in society.

Nordea is committed to complying with all applicable Sanctions laws and regulations in the jurisdictions in which it operates. Therefore we have established global policies in order to achieve robust and consistent standards of compliance in such jurisdictions. Nordea's global sanctions framework and practices implementing the framework support the broader customer strategy, values and vision, and provides a uniform set of risk management principles and mandatory standards throughout the Nordea Group.

Nordea's Sanctions framework and practices are based upon the various laws, regulations and regulatory guidance from FATF, the United Nations, the European Union, Sweden, Denmark, Finland, Norway, the United Kingdom, the United States of America, and, as applicable, other local jurisdictions in which Nordea operates.

Nordea's Sanctions framework includes but is not limited to:

- Group Global Sanctions Policy and standards that define the minimum standards which all Nordea branches and subsidiaries must comply with, including:
 - Application of sanctions programs of United Nations, European Union, United States, and/or national authorities. Nordea's own policies may go beyond the minimum requirements set forth in the applicable sanctions regulations.
 - Customers and third parties e.g. individuals, legal entities, correspondent banks, organizations and service providers etc. as well as payment activity, are screened against international and national sanctions and lists.
 - Prohibiting business activity that may violate applicable sanctions laws or Nordea's internal Sanctions framework.
 - Restricting business activity involving, directly or indirectly, countries or persons subject to more selective or targeted sanctions programs.
 - Investigating all customer/client alerts or transactions that are stopped in Nordea's screening systems.
 - Blocking or rejecting transactions and freezing of funds where Nordea is required to do so under applicable sanctions laws or regulations or Nordea's Sanctions Framework. Transactions may also be returned by Nordea where they fall outside of Nordea's risk appetite.
 - Reporting breaches of sanctions laws to the relevant competent authorities. This may include any attempt by a customer to evade sanctions laws.

To drive global adherence to these frameworks and ensure embedding has taken place, Nordea has invested in a centralised financial crime change programme whose objectives address all fundamental areas of financial crime, including Governance, KYC, Sanctions Screening, Transaction Monitoring.

These programmes support Nordea's policies, procedures, technology changes, improvements, and enhancements to establish a group-wide and sustainable standard for the prevention of financial crime.

A link to our Wolfsberg Group statement can be found from www.nordea.com