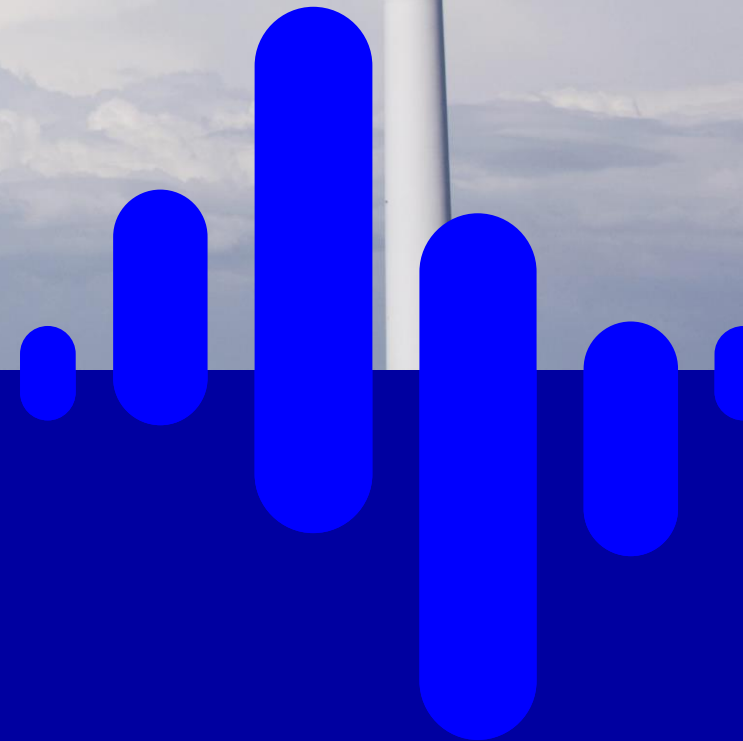




## **Wholesale Banking**

### **Capital Markets Day**

Martin A Persson, Head of Wholesale Banking  
25 October 2019



## Disclaimer

- This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Nordea believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.
- Important factors that may cause such a difference for Nordea include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.
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# Wholesale Banking

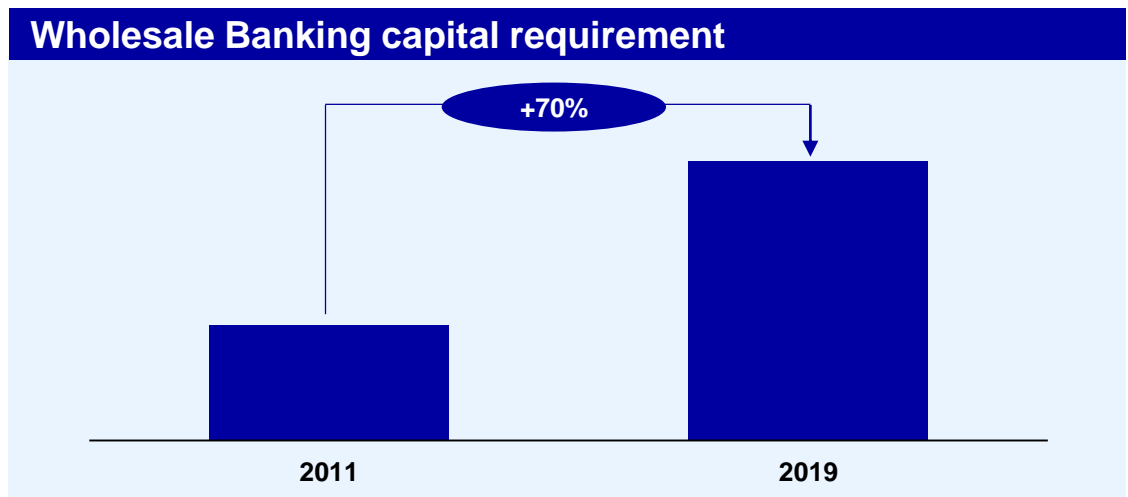
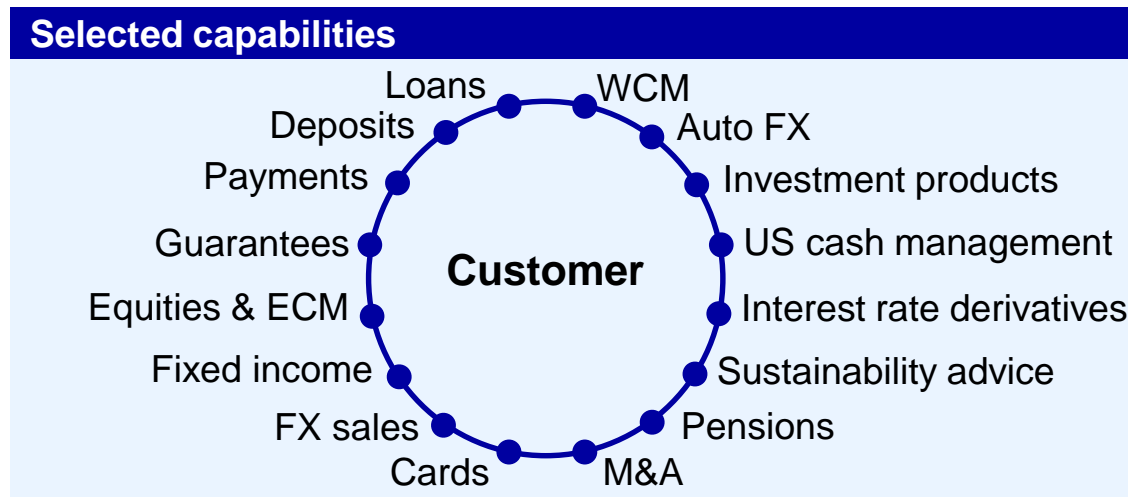
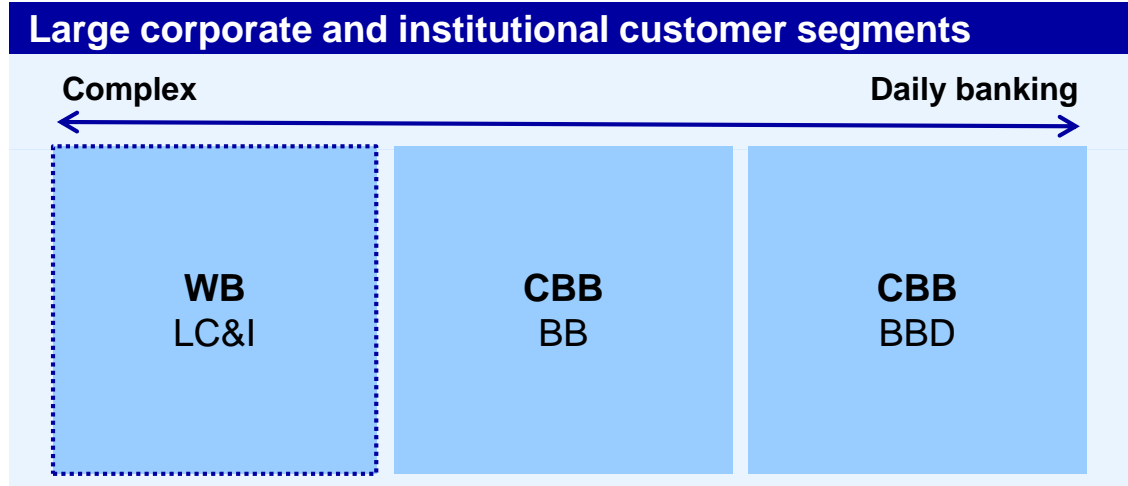
## KEY MESSAGES

**All-time-high customer satisfaction**


**Reduce capital consumption**


**New strategic direction**

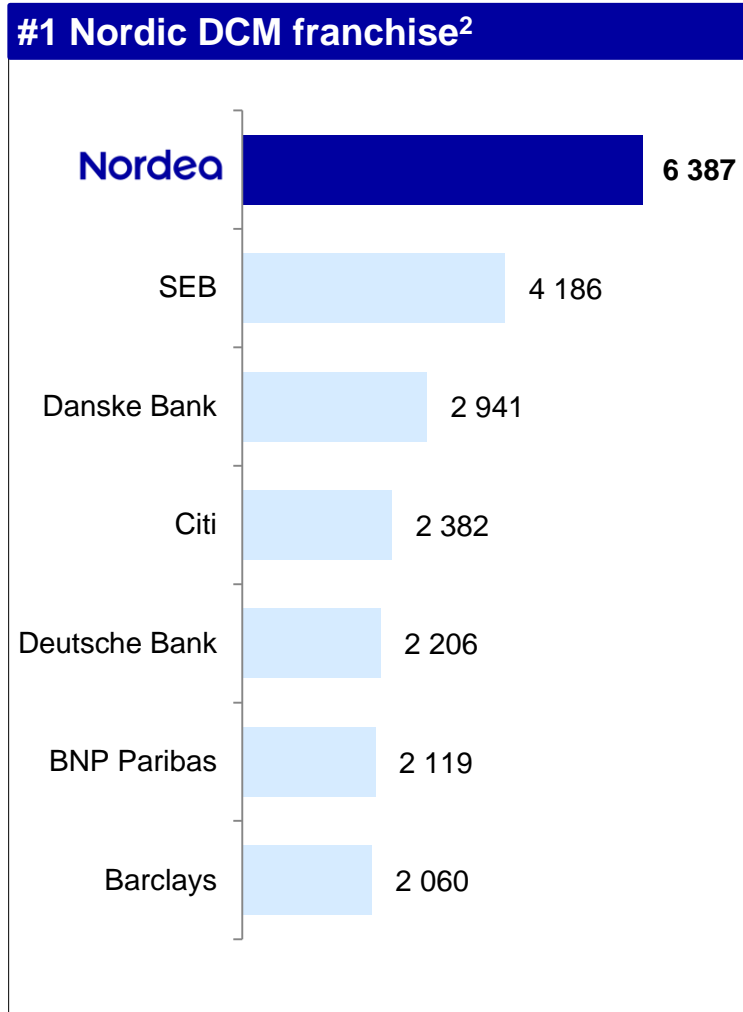
# Wholesale Banking overview







## All-time-high customer satisfaction with leading advisory and product services

| Prospera overall performance <sup>1</sup> |      |   |
|---|------|---|
| Rank                                      |      |  |
| 2018                                      | 2017 |   |
| 1   | 1    | <b>Nordea</b>   |
| 2   | 3    | SEB   |
| 3   | 1    | Danske Bank   |
| 4   | 4    | DNB   |
| 4   | 5    | Swedbank  |

| Prospera overall penetration <sup>1</sup> |      |           |   |
|---|------|-----------|---|
| Rank                                      |      | %<br>2018 |  |
| 2018                                      | 2017 |           |   |
| 1   | 1    | <b>86</b> | <b>Nordea</b>   |
| 2   | 2    | 67        | Danske Bank   |
| 2   | 3    | 67        | SEB   |
| 4   | 4    | 42        | Handelsbanken   |
| 5   | 5    | 40        | DNB   |

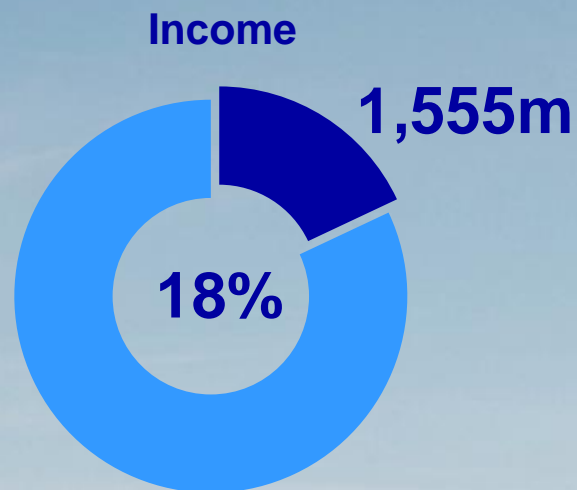


| Award-winning Transaction Banking  |  |
|--|--|
| <p>Best Bank for Cash Management in the Nordics</p>  <p>Global Finance Awards</p> | <p>Best Trade Finance Bank in the Nordic Region</p>  <p>Global Trade Review</p> |
| <p>Best Transaction Bank in the Nordics</p>  <p>The Banker</p>                  | <p>Most Innovative use of Blockchain</p> <p>we.trade</p>  <p>The Blocks</p>   |

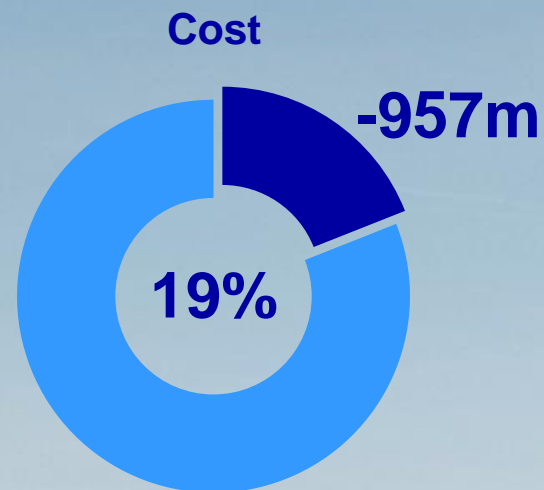
5 1. Source: Kantar Sifo, Prospera Corporate Banking 2018 Nordics  
 2. Source: Dealogic, Corporate bonds, 2019 YtD Q3 (EURm)

# Wholesale Banking in the Nordea Group

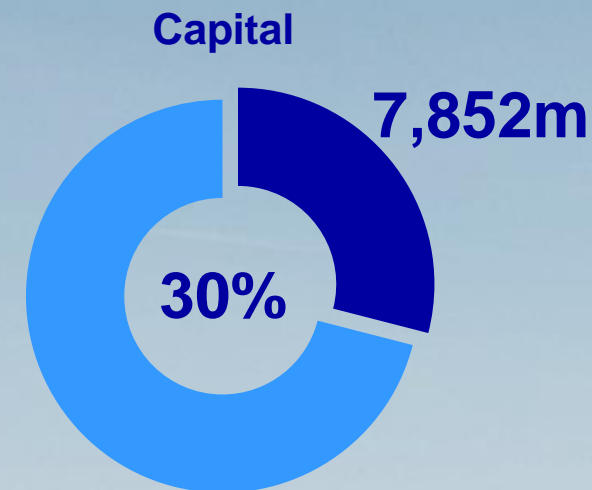
## Return improvement needed



Share of Group income  
(Last 12 months)



Share of Group cost  
(Last 12 months)

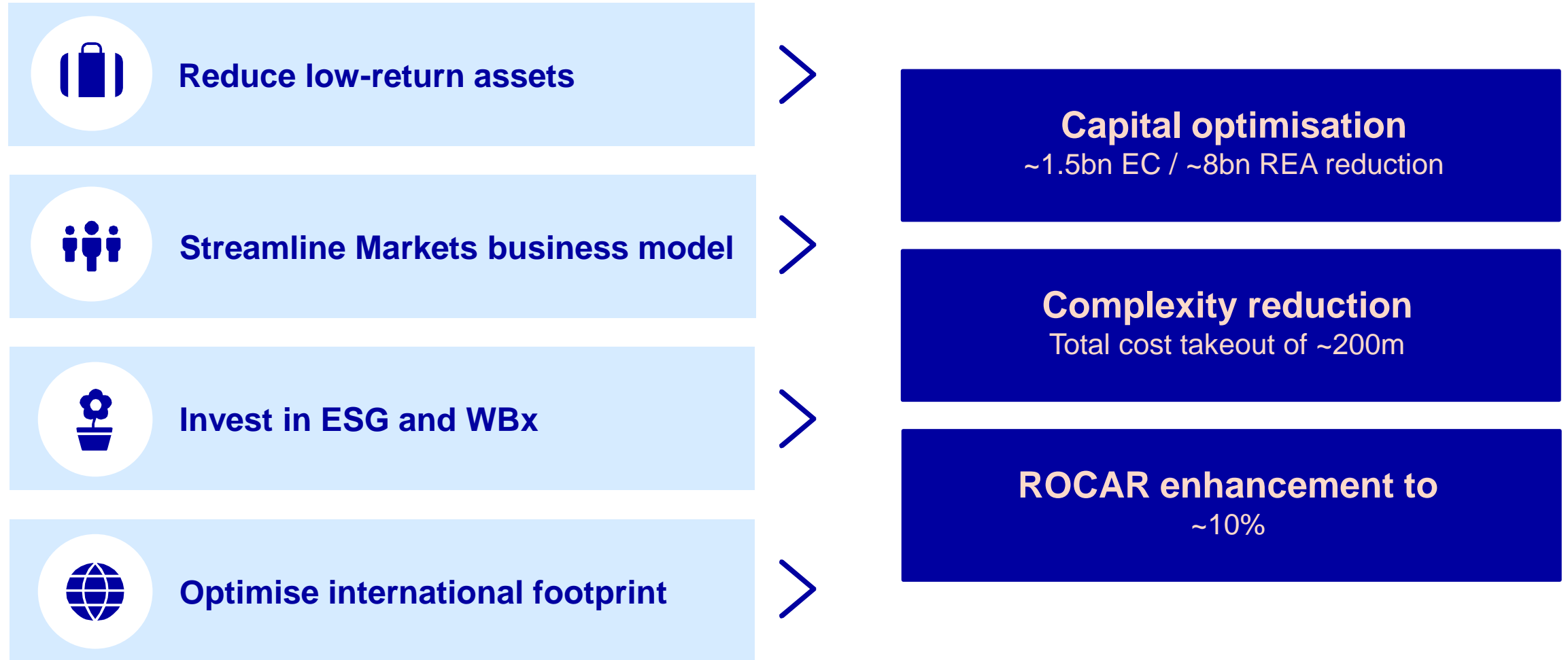


Share of Group capital  
(Q3 2019)

**ROCAR**  
**6%**

**Cost/income ratio**  
**62%**

## New strategic direction for Wholesale Banking



## Zooming in on the new strategic direction



**Reduce low-return assets**



- Reduce low-returning on-balance sheet commitments
- Review of sub-segments
- Increase active capital reallocation



**Streamline Markets business model**



- Targeting 25% EC reduction
- Product review, reducing complexity and cost
- Increase digital distribution and leverage partnerships



**Invest in ESG and WBx**



- ESG advisory-driven fee income
- Strengthen our leading position for ESG/sustainable financing
- WBx new unit leveraging data and digitalisation for growth



**Optimise international footprint**

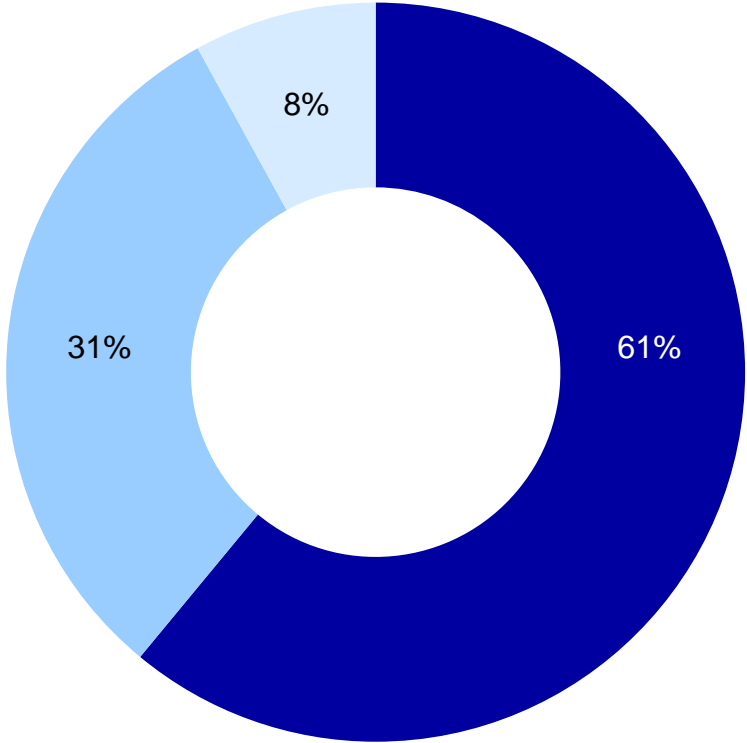


- Leverage our US branch stronghold
- Efficiencies through new global customer support unit
- Partnerships for continued service coverage



# Reality check

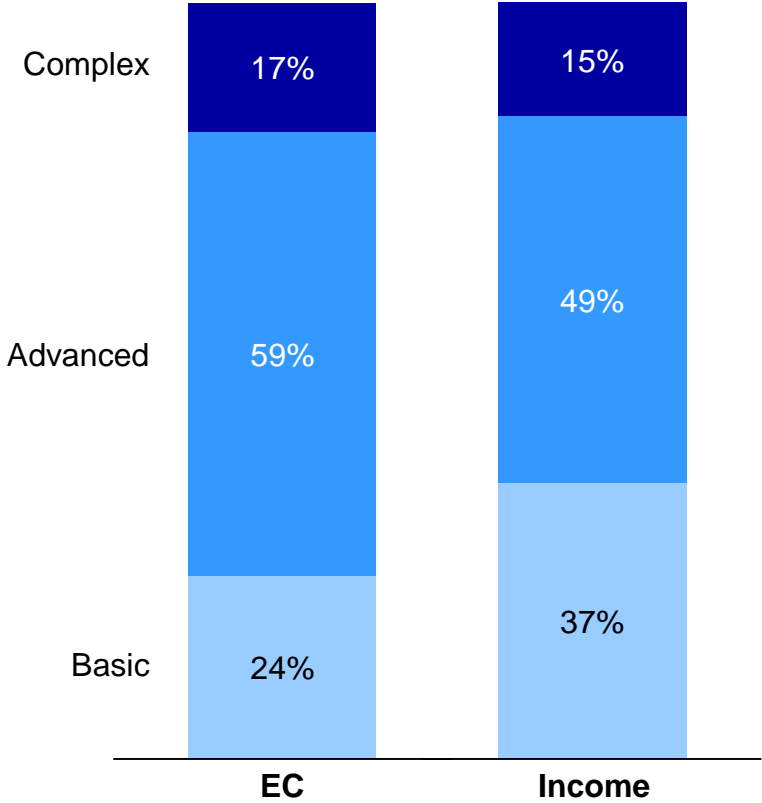
## Corporate economic income



Customer turnover:

■ < 1 bnEUR   ■ 1-5 bnEUR   ■ > 5bn EUR

## Markets capital and income dynamics



# Wholesale Banking

TARGET 2022

ROCAR

~10%

All-time-high customer satisfaction

Reduce capital consumption

New strategic direction