








Retail Banking

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Nordea 

Leading Nordic Retail Bank

Broad distribution network

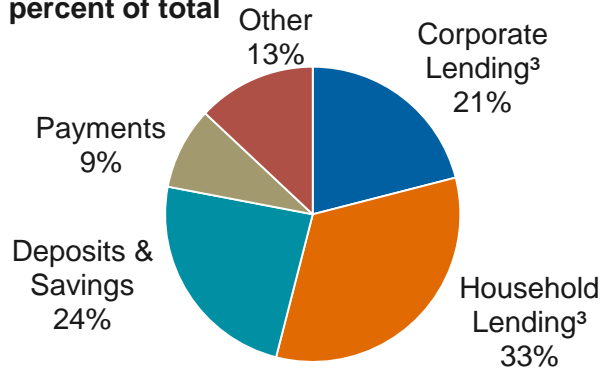
	Branches	Digital logons ¹ (m)	Contact centre calls ¹ (m)
	156	134	3.3
	183	215	1.6
	87	48	1.1
	231	236	3.2
	38		
Total	695	633	9.2

Strong local market position²

	Corporate position	Household position
	1–2	2
	1	2
	2	2
	2–3	4
	3	3–4
Total	1	1

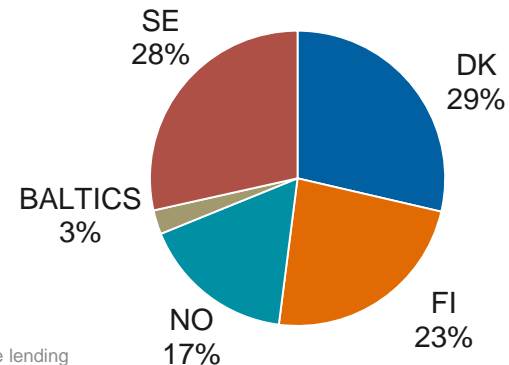
Balanced product mix

Income, percent of total



Balanced customer mix

Income by country, percent of total



1) Per year
2) Market share lending
3) Net Interest Income

Retail Banking has delivered on its 2015 plan

Commitments in 2015 plan

Key Retail Banking value drivers

Key ambitions and initiatives

Coherent business system supporting relationship strategy

- Optimisation of household and SME relationships by a systematic approach to enable further income potential
- Maintained lead to competitors on customer satisfaction
- High retention

Optimised distribution model

- Restructuring of branch network to focus on advice
- Developing multichannel relationship banking is the next step

Share of wallet and re-pricing to drive income

- Leverage customer relationships to acquire full customer wallet
- New customer acquisition
- Re-pricing of lending stock to the level of margins on new business

Cost and capital optimisation

- Maintain flat costs and RWAs
- All customers are welcome – capital and cost optimisation making all customer relationships profitable

NORDEA 2013 CMD

Nordea 62 •

Retail Banking has delivered (2012 vs. 2014)¹

Positive customer development
 +130,000 relationship customers
 Improving CSI²

Restructuring of branch network
 -158 (19%) branches
 -224 (48%) cash locations

Strong income generation
 EUR +280m (5%) income
 EUR +170m (9%) non interest income

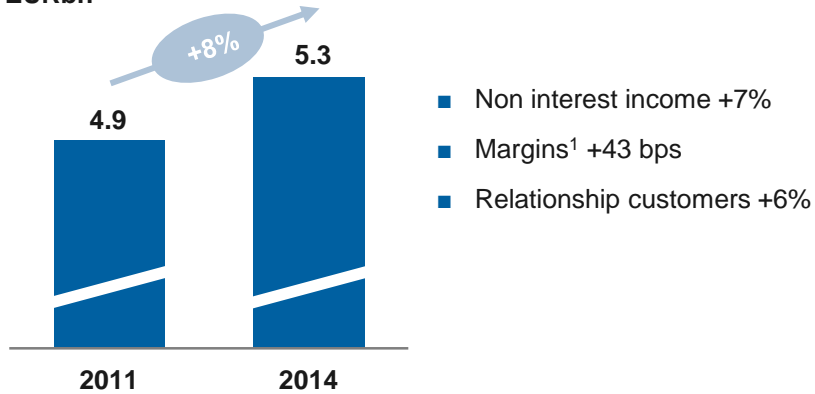
Cost and capital efficiency
 EUR -70m (2%) costs
 EUR -11bn (15%) REA

1) Adjusted for FX movements
 2) Customer Satisfaction Index

Strong financial development

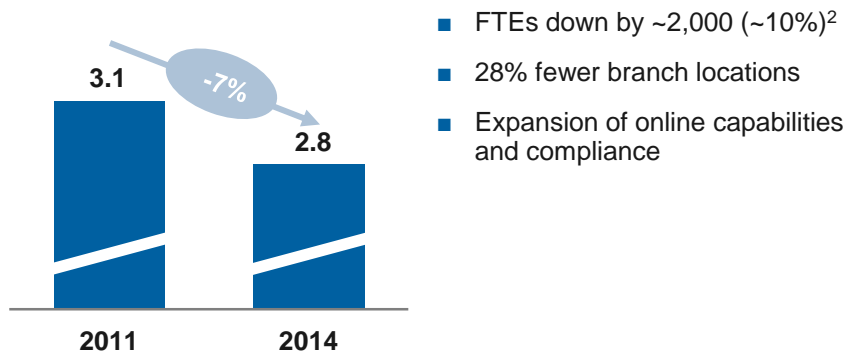
Income

EURbn



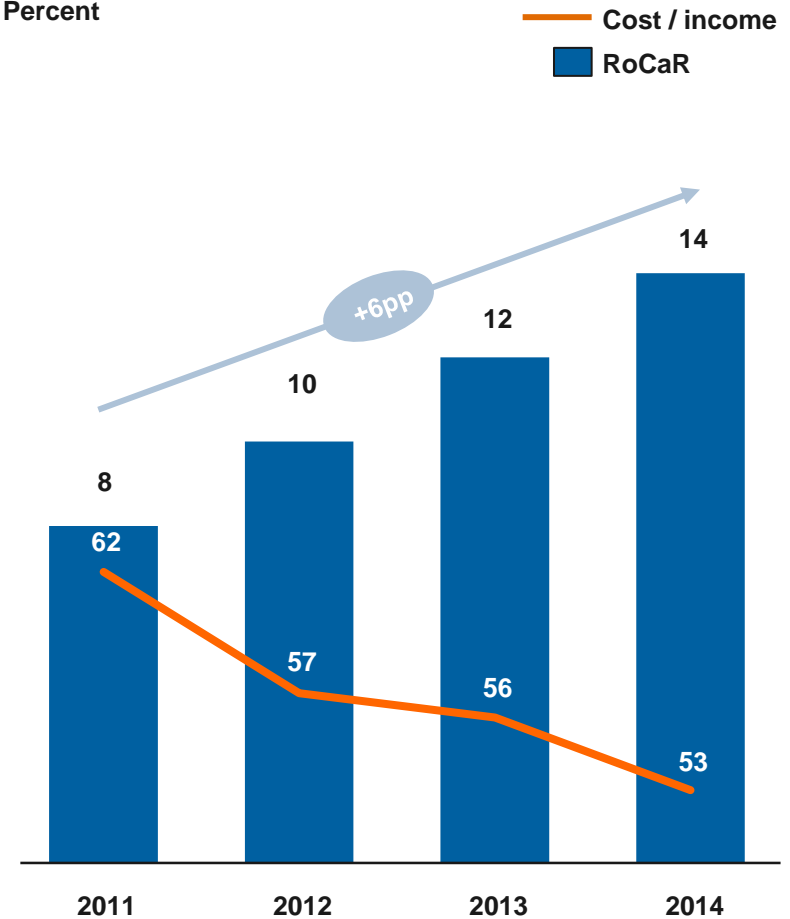
Cost

EURbn



Profitability

Percent

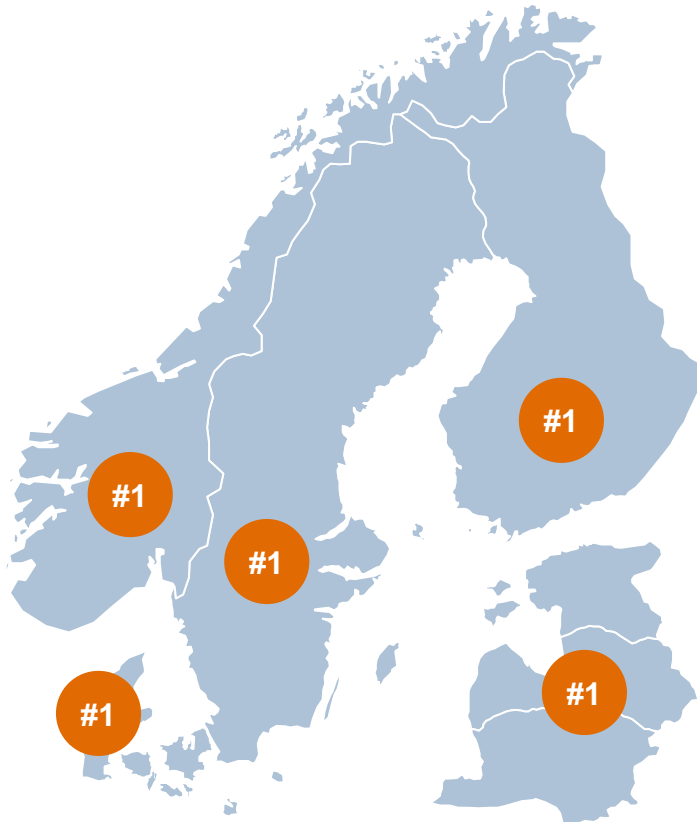


1) Lending margins

2) Adjusted for insourcing of IT and compliance build up

Long term ambition to be #1

In each of our markets



Measured by

Profitability
RoCaR ahead of peer average

Customer satisfaction
CSI

Employee satisfaction
ESI¹

1) Employee Satisfaction Index

Priorities to strengthen the platform

Nordea platform

**Pan-Nordic platform
with scalability**

**Superior Nordic distribution power and
global capabilities**

**Actively managed business portfolio
with low volatility**

Strategic focus areas 2016-2018

Advisory
Anywhere and anytime

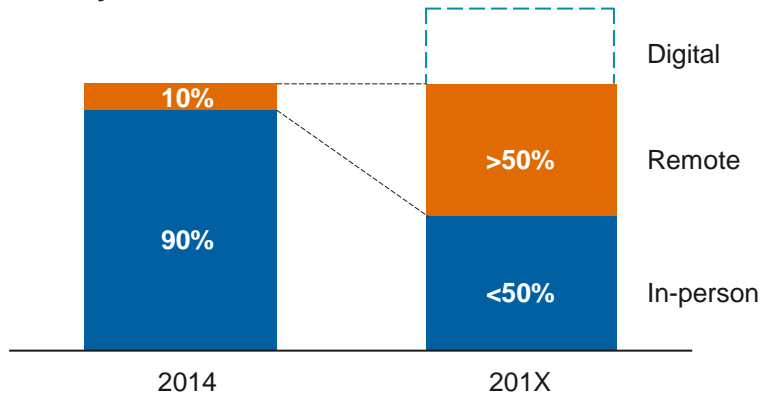
Digital experience
Tailored to customer needs
and preferences

Efficiency and scale
One Nordic model

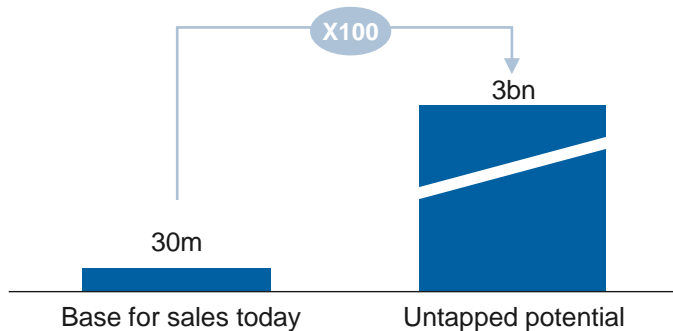
Retail Banking – Household value drivers

Business model optimisation

Advisory interaction shift



Number of touch points



Value drivers

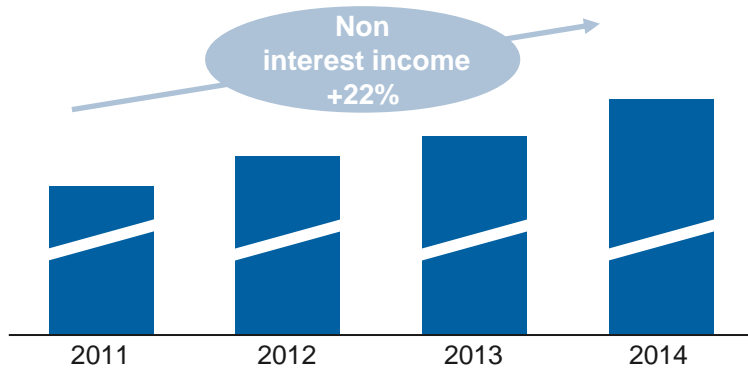
Financial impact

	Income	Cost	Capital
Advise	✓	✓	
<ul style="list-style-type: none"> Shift to remote and digital Improve customer relevance and share of wallet through analytics 			
Digital	✓	✓	
<ul style="list-style-type: none"> Strengthen online service, sales and advice Increase proactivity in digital channels Personalisation driving relevance 			
Efficiency and scale		✓	✓
<ul style="list-style-type: none"> Continue branch network optimisation and cash removal Automate and simplify processes and products Improve capital efficiency in products and service offering 			

Retail Banking – Corporate value drivers

Business model optimisation

Cross sales to lending¹



Volume development 2011–2014, %



Value drivers

Financial impact

	Income	Cost	Capital
Advise	✓		✓
<ul style="list-style-type: none"> Revise customer segmentation to enhance quality of customer coverage Drive cross sales through analytics powered customer advisory 			
Digital		✓	
<ul style="list-style-type: none"> Increase self-directedness Single digital platform serving all customer needs 			
Efficiency and scale		✓	✓
<ul style="list-style-type: none"> Optimise credit portfolio through business selection Capital management Securitisation Simplify and automate all major processes 			

1) Non interest income/Interest income

Summary

