

Nordea



Nordea – A Strong and Personal Financial Partner

Capital Markets Day

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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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Nordea enters a New Phase



Nordic-focused bank – a strong foundation to build on



Group financial performance must improve

Nordea in the **New Phase**

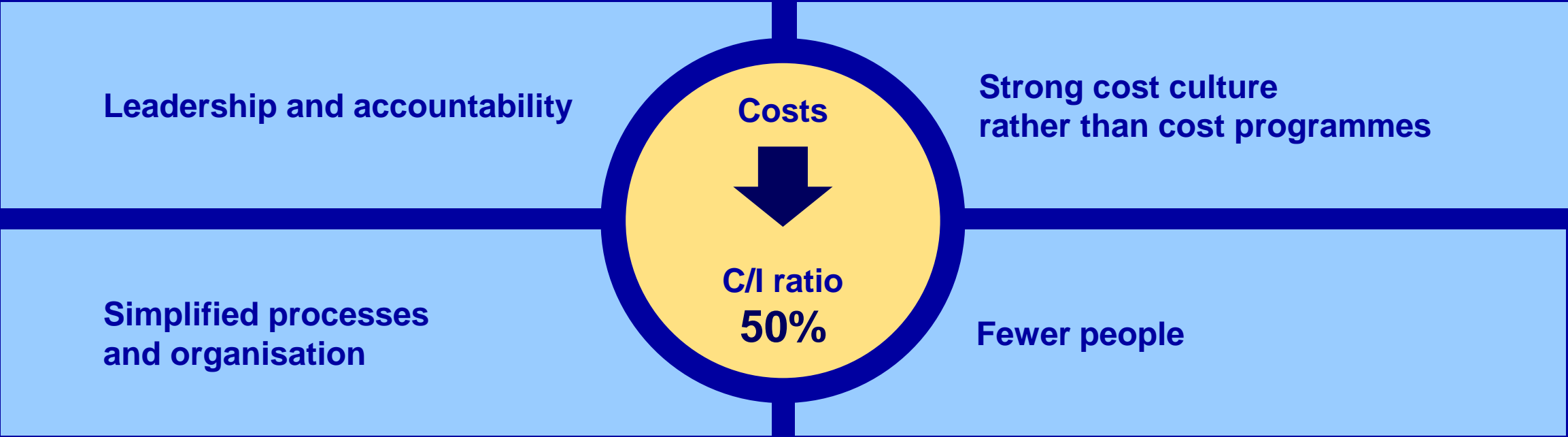
Three key priorities to succeed and meet the financial targets

**Optimise
Operational
Efficiency**

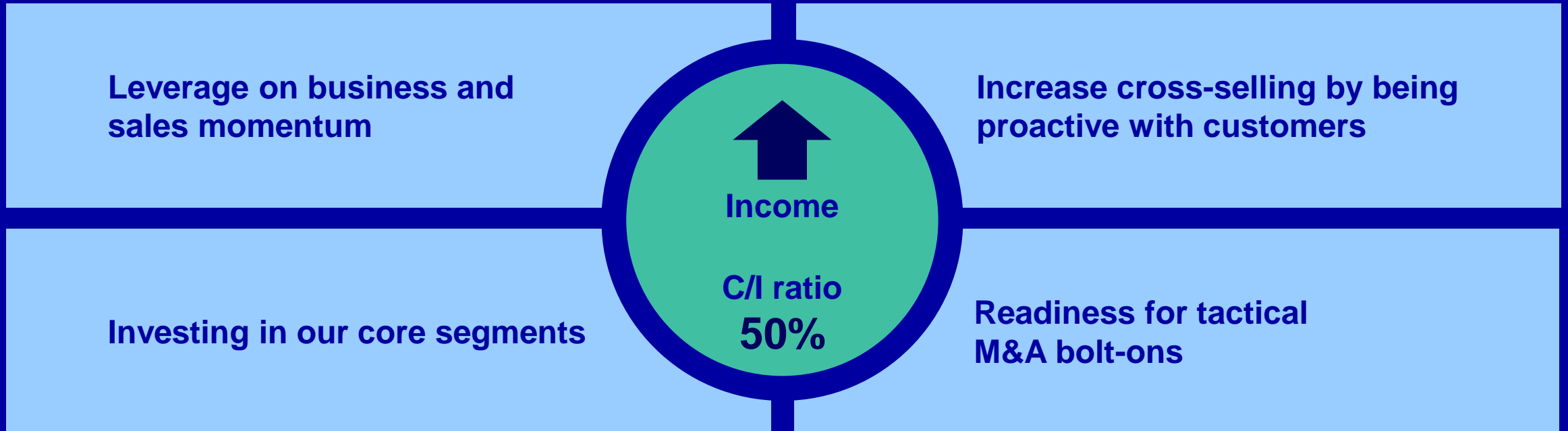
**Drive
Income Growth
Initiatives**

**Create Great
Customer
Experiences**

All levers to be used to optimise operational efficiency



Drive income growth initiatives – time to take back lost ground



Long-term success by creating great customer experiences



The New Phase is about execution



**Clear
targets and
priorities**

**Full
accountability
to the business
areas**

**Simplified
governance
structure**

Financial targets

Cost/income ratio in FY22

50%

Return on equity in FY22

>10%

Capital policy from 2020

**150-200 bps
management buffer**
above the regulatory CET1 requirement

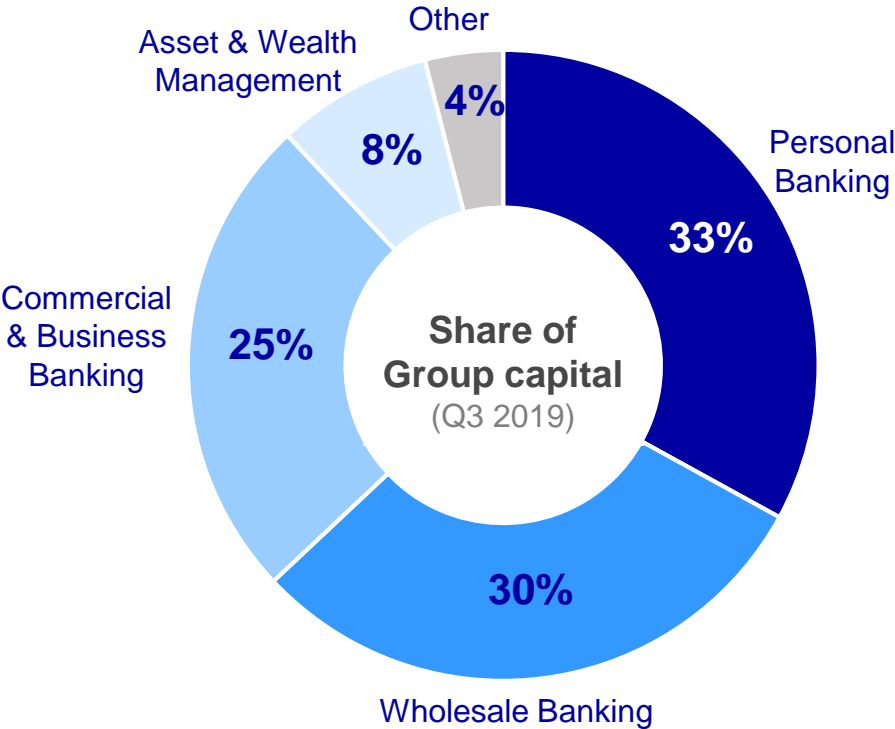
Dividend policy from 2020

**60-70% pay-out of distributable
profits to shareholders.¹**
Excess capital intended to be distributed
to shareholders through buybacks

A new business plan for improved performance

Wholesale Banking	New strategic direction with considerable capital and cost reductions	ROCAR ¹
Commercial & Business Banking	Improve customer experience, cost and capital efficiency in focus	C/I
Personal Banking	Improve customer experience and firm cost management	C/I
Asset & Wealth Management	Full focus on income growth with more scalable service distribution and lower cost to serve	Income growth

Optimising capital allocation and investments to drive higher Group return by 2022



- Capital allocation governed by ROCAR outlook and growth prospects
- Business development and investments, including IT
- M&A bolt-ons

Nordea in the New Phase

