

Nordea

Nordea's transformation journey: Many fundamentals falling into place – focus on customers

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Nordea = Nordic Ideas

Pre 1970

– 300 banks

1970s

– 80 banks

1980s

– 30 banks

1990s

– 4 banks

2000s

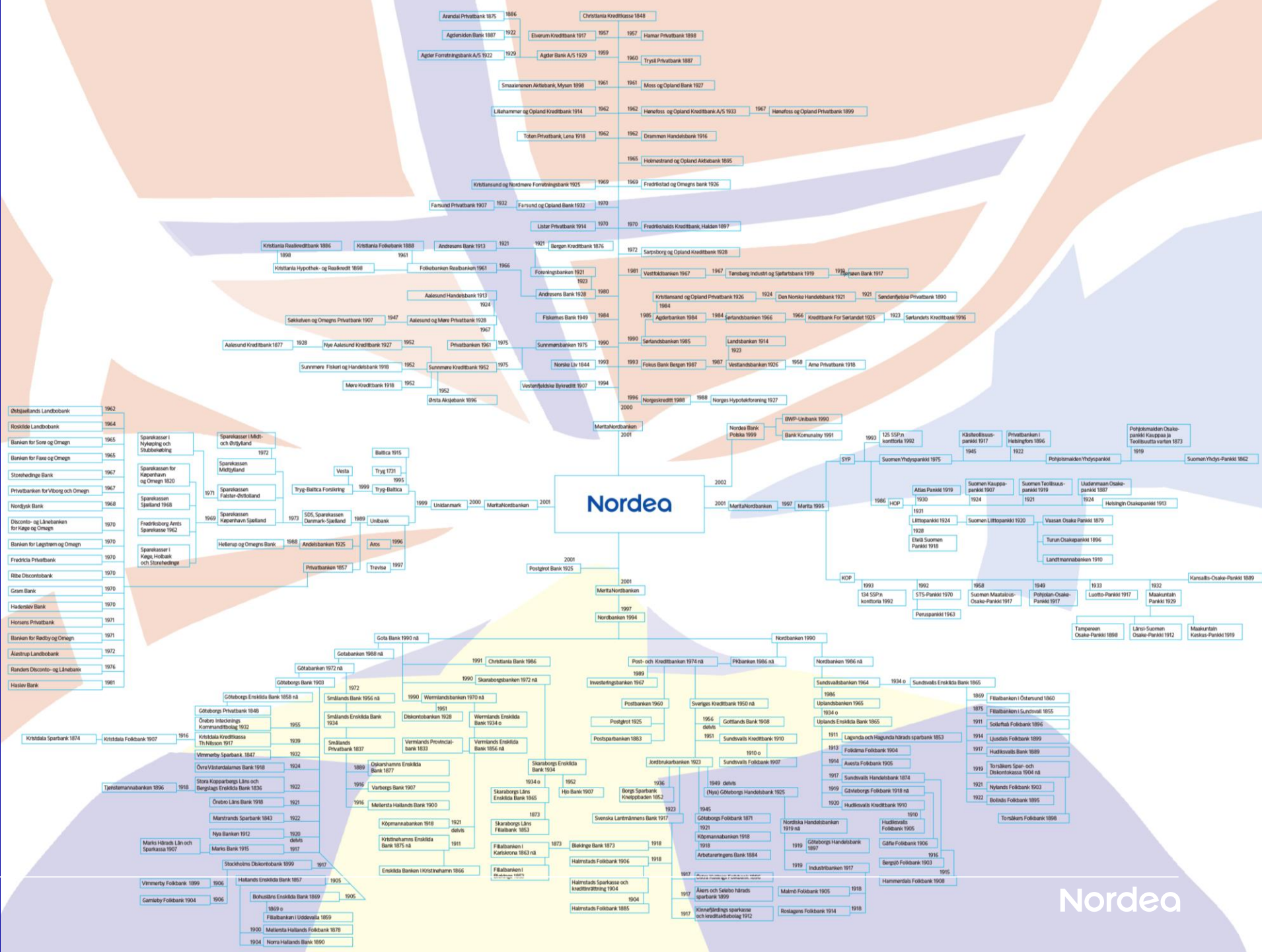
– 1 Nordea

2017

– 1 Legal structure

2018

– Re-domiciliation,
Nordea in the heart of Europe



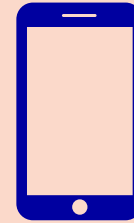
2015 – One Nordea with four focus areas



**Risk and
Compliance Setup**



**Simplification
(Core Banking Platform)**



**Digital
Strategy**

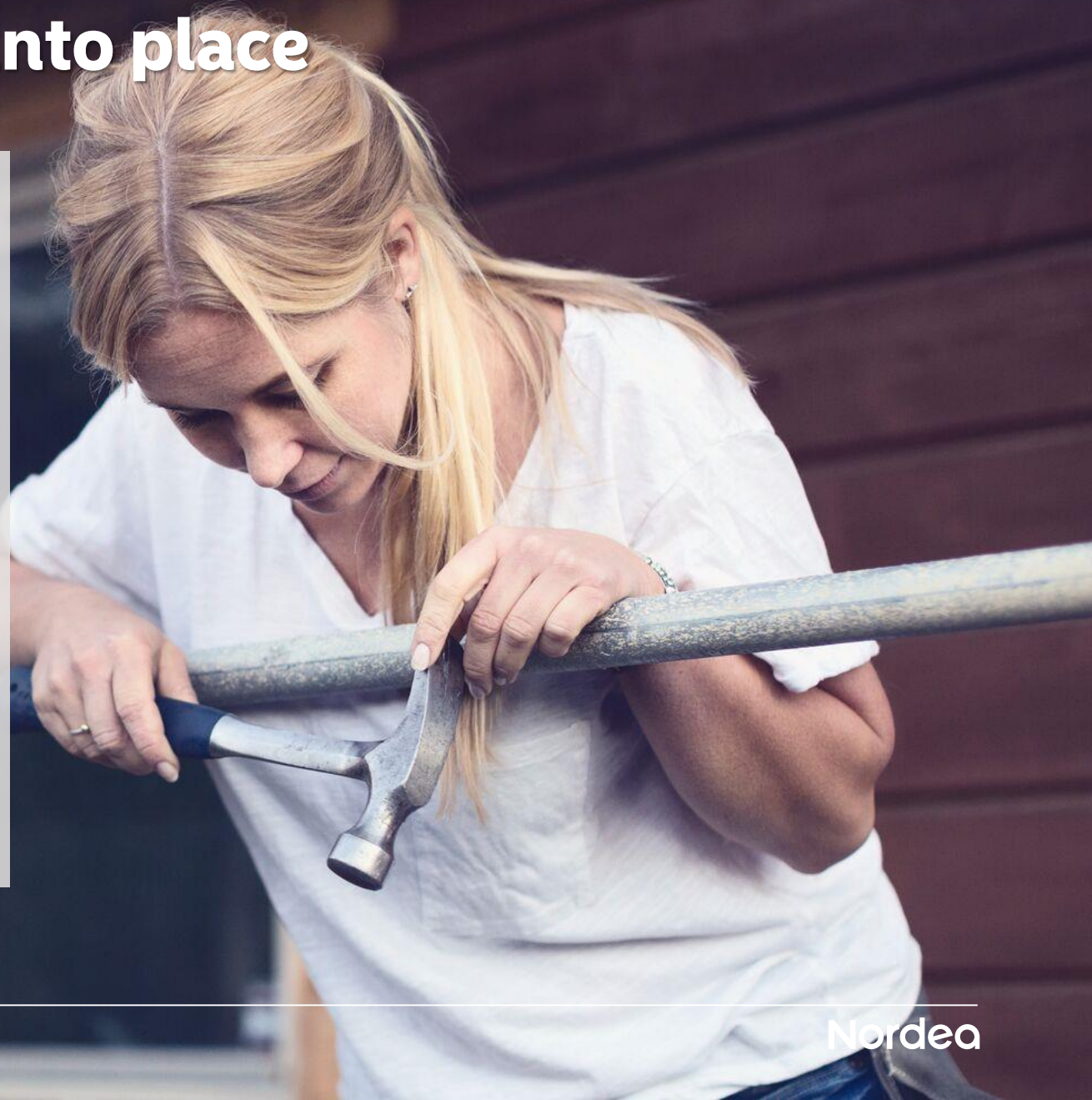


**Cost and
Capital Efficiency**

**Execution of four main strategic priorities has been key
in delivering the transformation of our business model**

Many fundamentals falling into place

- ✓ De-risking done, clear Nordic focus
- ✓ Simplification of corporate structure
- ✓ Re-domiciliation – level playing field
- ✓ Replacing core banking platform
- ✓ Strong partnerships
- ✓ Improved customer centricity
- ✓ Sustainability in the core of our business
- ✓ Strong cost control
- ✓ Very robust capital position and funding position
- ✓ Fundamentally changed technological & digital capabilities
- ✓ Considerable investments in risk & compliance, conduct and culture
- ✗ Unsatisfactory revenue development



Result 2018

Net profit

EUR 3,081m
(+1%)

Revenues

EUR 9,005m
(-5%)

Costs

EUR 4,879m
(-4%)

Proposed dividend

EUR 0.69 per share
(increase for 7 years)

Return on equity

9.7 %
(+ 0.2%)

Net loan losses

EUR 173m
(-53%)

Awards and acknowledgements in 2018



- Best corporate bank in the Nordics
- Best Private Bank in the Nordics and in Finland
- Nordea Wallet named 'Best Mobile Payments Initiative'
- Open Banking: 'IT Team of the Year' award
- Best payment service provider in the Nordics
- One of the world's most sustainable companies
- Best investment bank in the Nordics
- Best responsible investment process in Europe

Anti-money laundering and fight against financial crime

730 million euros in investments since 2015

1.8 billion transactions per year

Several hundreds monitoring scenarios

1,500 employees

110,000 hours of training for 12,000 front office staff members (2018)

Co-operation between the banks and the authorities needed to fight against financial crime

The pace of change is faster than ever before...



Globalisation



Regulation



Sustainability



Technology & Digitalization & AI



Customer Expectations



Changing Competitive Landscape

...we need to be in the forefront, understanding new trends & their impact on our business and society.

Our response to the transforming business environment

Improve resilience

+

Increase agility



**Better
services
and
strategic
optionality**

Innovating the financial industry



Being personal in the digitalised world

- Top-notch personal service also through new channels : remote advisory, faster lending processes

Open Banking and We Trade

- Give our customers so much more choices

Apple Pay + Google Pay + Samsung Pay

- Pay with your mobile device, even with our new mobile app

Robots at our customers' service: Nora and Nova

- Easy to deal with, explore investment options effortlessly

Manage your finances – Nordea Wallet

- Keep track of your spending

Various funding opportunities

- Speak out with your choices: green loans, green bonds, equality fund

Gateway to and from the Nordics

- Diverse and competitive service offering for corporate customers

A photograph of two wind turbines in a green field under a clear blue sky. The turbines are white with three blades each. The text "We care for something bigger" is overlaid in white at the top.

We care for something bigger

**We take
responsibility for
the climate**

A photograph of a young woman with dark hair tied back, wearing a dark blue top, smiling as she looks at a tablet computer she is holding. The background is a blurred modern building. The text "We want to do what is right" is overlaid in white at the bottom.

**We want to do
what is right**

A photograph of an older man with grey hair and a woman with long brown hair looking at a tablet together. The man is wearing a blue shirt and a dark jacket, and the woman is wearing a light-colored top. They are both smiling. The background is a blurred modern building. The text "We impact societies in the Nordics" is overlaid in white at the bottom.

**We impact societies
in the Nordics**

Nordea

Thank you!

