



# Nordea

## **Proposals of the Board of Directors to the Annual General Meeting on 20 March 2025**

Published on 19 February 2025



## Proposals of the Board of Directors to the Annual General Meeting

1. Resolution on the use of the profit shown in the annual accounts and related authorisation of the Board of Directors
2. Advisory resolution on the adoption of the Company's remuneration report for governing bodies
3. Resolution on the remuneration of the auditor
4. Election of the auditor
5. Resolution on the remuneration of the sustainability reporting assurer
6. Election of the sustainability reporting assurer
7. Resolution on the authorisation for the Board of Directors to decide on the issuance of special rights entitling to shares (convertibles) in the Company
8. Resolution on the repurchase of the Company's own shares in the securities trading business
9. Resolution on the transfer of the Company's own shares in the securities trading business
10. Resolution on the authorisation for the Board of Directors to decide on the repurchase of the Company's own shares
11. Resolution on the authorisation for the Board of Directors to decide on share issuances or transfers of the Company's own shares



## **1. Resolution on the use of the profit shown in the annual accounts and related authorisation of the Board of Directors**

The Board of Directors proposes that the Annual General Meeting authorise the Board of Directors to decide on a dividend payment of a maximum of EUR 0.94 per share based on the annual accounts to be adopted for the financial year ended on 31 December 2024. The authorisation will remain in force and effect until the opening of the next Annual General Meeting of the Company.

It is intended that the Board of Directors decides on a dividend payment in a single instalment based on this authorisation immediately after the Annual General Meeting. The intended record date for such dividend payment would be 24 March 2025 whereby the earliest dividend payment date would be 31 March 2025 or as soon as possible after that day.

The dividend will be paid to shareholders who on the applicable record date for the dividend payment are recorded in the Company's shareholders' register maintained by Euroclear Finland Oy in Finland, Euroclear Sweden AB in Sweden and VP Securities A/S in Denmark. Dividend will not be paid to shares held by the Company on the dividend record date.

## **2. Advisory resolution on the adoption of the Company's remuneration report for governing bodies**

The Board of Directors proposes to the Annual General Meeting that the Company's remuneration report for governing bodies for the year 2024 is adopted through an advisory resolution.

## **3. Resolution on the remuneration of the auditor**

The Board of Directors proposes, on the recommendation of the Board Audit Committee, to the Annual General Meeting that the remuneration of the auditor is to be paid according to the invoice approved by the Company.

## **4. Election of the auditor**

The Company has an obligation to organize an audit firm selection procedure in accordance with the EU Audit Regulation (537/2014) (mandatory auditor rotation). The Board of Directors' Audit Committee has carried out an audit tender process for the statutory audit of the Nordea Group as from the financial year 2025 in accordance with the requirements of the EU Audit Regulation and Nordea procurement processes, which process had concluded in June 2023.

The Board Audit Committee has reviewed potential audit firm candidates based on predetermined selection criteria and identified PricewaterhouseCoopers Oy, and KPMG Oy Ab as the best candidates for the audit engagement of the Company.

The candidates have been evaluated against criteria such as audit processes and audit quality, experience and composition of the audit team, sustainability, and price. The selection process included several rounds of information submissions, interviews, presentations and external reference checks. After careful consideration based on the selection criteria, the Board Audit Committee concluded on recommending PricewaterhouseCoopers Oy, as external auditors for the financial year 2025. The Board Audit Committee

confirms that its recommendation is free from influence by a third party and that no clause of the kind referred to in paragraph 6 of Article 16 of the EU Audit Regulation, which would restrict the choice by the Annual General Meeting as regards the appointment of the auditor, has been imposed upon it.

The Board of Directors proposes, on the recommendation of the Board Audit Committee, to the Annual General Meeting that authorised public accountants PricewaterhouseCoopers Oy be elected as the Company's auditor until the end of the following Annual General Meeting.

PricewaterhouseCoopers Oy has notified the Company that the authorised public accountant Jukka Paunonen would act as the responsible auditor.

## **5. Resolution on the remuneration of the sustainability reporting assurer**

The Board of Directors proposes, on the recommendation of the Board Audit Committee, to the Annual General Meeting that the remuneration of the sustainability reporting assurer is to be paid according to the invoice approved by the Company.

## **6. Election of the sustainability reporting assurer**

The Board of Directors proposes, on the recommendation of the Board Audit Committee, to the Annual General Meeting that the authorised sustainability audit firm PricewaterhouseCoopers Oy is re-elected as the assurer of the Company's sustainability reporting until the end of the following Annual General Meeting.



PricewaterhouseCoopers Oy has notified the Company that the authorised sustainability auditor Jukka Paunonen would act as the responsible sustainability reporting auditor.

## **7. Resolution on the authorisation for the Board of Directors to decide on the issuance of special rights entitling to shares (convertibles) in the Company**

Nordea Bank Abp is required to satisfy certain capital requirements pursuant to EU and Finnish legislation. Within this legislative framework, capital instruments that absorb losses by converting into shares can be used to meet parts of the capital requirements. The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to decide on the issuance of such capital instruments.

The purpose of the authorisation is to facilitate a flexible and efficient adjustment of the Company's capital structure to the capital requirements. The authorisation enables the Board of Directors to swiftly carry out issuances without first holding an extraordinary general meeting, which the Board of Directors considers appropriate given that these capital instruments are principally intended to be issued in the international capital markets. The Board of Directors intends to use the authorisation if the Board of Directors determines that the capital trigger level at which conversion shall take place is at such a level that gives the shareholders and the Board of Directors the possibility to act in good time and propose alternatives to conversion.

In light of the above, the Board of Directors of the Company proposes to the Annual General Meeting to resolve to authorise the Board of Directors to decide,

on one or several occasions, on the issuance of special rights entitling to either new shares in the Company or treasury shares, against payment (convertibles) in accordance with or in deviation from the shareholder's pre-emptive subscription rights. The maximum number of shares that may be issued based on this authorisation shall be 340,000,000 shares, which corresponds to approximately 9.7 % of all the shares in the Company on the date of the notice to the Annual General Meeting.

The Board of Directors shall be authorised to decide on all other matters relating to the issuance of the special rights entitling to shares in the Company. The issuance of the special rights entitling to shares by virtue of this authorisation shall be made on market terms and principally be issued in the international capital markets.

The authorisation shall remain in force and effect until the earlier of (i) the end of the next Annual General Meeting of the Company or (ii) 18 months from the resolution of the Annual General Meeting of the Company.

If this authorisation is granted, it will revoke the authorisation to decide on the issuance of special rights entitling to shares (convertibles) in the Company granted to the Board of Directors by the Annual General Meeting on 21 March 2024.

## **8. Resolution on the repurchase of the Company's own shares in the securities trading business**

In its securities trading business, Nordea Bank Abp, among other things, offers share-related products, and acts as a market maker in its own shares on the relevant stock exchanges and in indices in which the Company's shares form a significant part.

Should the Company not be able to trade in its own shares, the Company would not be able to provide a full range of products in the same manner as its competitors, which would lead to the Company losing market shares, and it would not be able to fulfil its current market maker undertakings towards relevant stock exchanges and the financial markets at large.

The Company's holdings of its own shares in the trading book shall not at any time exceed the applicable limits decided by the European Central Bank.

In light of the above, the Board of Directors of the Company proposes to the Annual General Meeting to resolve that the Company, for the purpose of the ordinary course of its securities trading business as a credit institution, may repurchase its own shares as follows.

The Company's own shares are repurchased otherwise than in proportion to the existing shareholdings of the Company's shareholders (directed repurchases). The facilitation of the Company's securities trading business, in which the ability to also trade in the Company's own shares is required, forms a weighty financial reason for directed repurchases.

The maximum number of the Company's own shares to be repurchased shall not exceed 175,000,000 shares, which corresponds to approximately 5.0 % of all the shares in the Company on the date of the notice to the Annual General Meeting. The Company's own shares may be repurchased on any trading venue or in transactions with counterparties of the securities trading business outside of a trading venue or through the use of derivative instruments, in each case, at arms-length market terms and price prevailing at the time of the repurchase or the time of entry into the relevant derivative instrument, as the case may be.

The Company's own shares to be repurchased shall be offered to the Company no later than at the time of the repurchase and shall be paid for no later than upon the delivery of such shares. The Company's own shares are repurchased using the unrestricted equity of the Company.

The Company's own shares under this resolution shall be repurchased before the end of the next Annual General Meeting of the Company.

## **9. Resolution on the transfer of the Company's own shares in the securities trading business**

In its securities trading business, Nordea Bank Abp, among other things, offers share-related products, and acts as a market maker in its own shares on the relevant stock exchanges and in indices in which the Company's shares form a significant part. Should the Company not be able to trade in its own shares, the Company would not be able to provide a full range of products in the same manner as its competitors, which would lead to the Company losing market shares, and it would not be able to fulfil its current market maker undertakings towards relevant stock exchanges and the financial markets at large.

In light of the above, the Board of Directors of the Company proposes to the Annual General Meeting to resolve that the Company, for the purpose of the ordinary course of its securities trading business as a credit institution, may transfer its existing own shares for consideration as follows.

The Company may transfer its own shares in the ordinary course of its securities trading business in deviation from the shareholders' pre-emptive subscription rights by way of a directed share issuance. The facilitation of the Company's securities trading business, in which the ability to also trade in the Company's own shares is required, forms a weighty financial reason for a directed issuance.

The maximum number of the Company's own shares to be transferred shall not exceed 175,000,000 shares, which corresponds to approximately 5.0 % of all the shares in the Company on the date of the notice to the Annual General Meeting. The Company's own shares may be transferred through any trading venue or in transactions with counterparties of the securities trading business outside of a trading venue or through the use of derivative instruments, in each case, at arms-length market terms and price prevailing at the time of the transfer or at the time of the entry into the relevant derivative instrument, as the case may be. The Company's own shares that may be transferred shall be subscribed for no later than at the time of the transfer and shall be paid for no later than upon the delivery of such shares. The subscription price shall be recorded in the invested unrestricted equity of the Company.

The Company's own shares shall be transferred before the subscription period expires, which will be at the end of the next Annual General Meeting of the Company.

It is proposed that the Annual General Meeting resolves to approve all subscriptions that will be made in accordance with the terms and conditions of the directed issuance.

## **10. Resolution on the authorisation for the Board of Directors to decide on the repurchase of the Company's own shares**

Pursuant to its dividend policy Nordea Bank Abp will continuously assess the opportunity to use share buy-backs as a tool to distribute excess capital. In line with these considerations, the Board of Directors of the Company proposes to the Annual General Meeting to resolve to authorise the Board of Directors, on one or several occasions, to decide on the repurchase of an aggregate of not more than 340,000,000 shares in the Company, which corresponds to approximately 9.7 % of all the shares in the Company on the date of the notice to the Annual General Meeting, subject to the condition that the number of own shares held by the Company together with its subsidiaries at any given time may not exceed 10% of all the shares in the Company.

The Company's own shares may be repurchased as follows:

- a) Not more than 340,000,000 shares may be repurchased to distribute excess capital in order to optimise the capital structure of the Company. The purpose of such repurchase is to optimise the capital position and to increase sustainable shareholder return to the benefit of all shareholders.
- b) Not more than 8,000,000 shares may be repurchased to be used in the Company's variable pay plans in accordance with regulatory requirements and/or as required for new variable pay plans for executive officers, senior management, other material risk takers and other employees, as appropriate.

The Company's own shares may only be repurchased using the unrestricted equity of the Company. The shares may be repurchased either through an offer to all shareholders on equal terms or through other means and otherwise than in proportion to the existing shareholdings of the Company's shareholders (directed repurchases). The highest purchase price per share shall be no more than the higher of (i) the highest price paid for the Company's shares in public trading on the day of repurchase or alternatively (ii) the average of the share prices (volume weighted average price on the regulated markets where the Company's share is admitted to trading) during the five trading days preceding the repurchase or the offer to repurchase own shares, and the lowest purchase price per share shall be the price that is 20% lower than the lower of (i) the lowest price paid for the Company's shares in public trading on the day of repurchase or alternatively (ii) the average of the share prices (volume weighted average price on the regulated markets where the Company's share is admitted to trading) during the five trading days preceding the repurchase or the offer to repurchase own shares. Furthermore, in connection with the repurchases of its own shares, the Company may enter into derivative, share lending or other similar arrangements. The Board of Directors shall be authorised to decide on all other terms relating to the repurchases of the Company's own shares.

The authorisation shall remain in force and effect for 18 months from the resolution of the Annual General Meeting of the Company. If this authorisation is granted, it will not revoke the authorisation to decide on the repurchase of the Company's own shares granted to the Board of Directors by the Annual General Meeting on 21 March 2024 which, in accordance with that authorisation, will remain in effect until 21 September 2025.

In addition to the above terms, it is noted that any resolution by the Board of Directors to repurchase shares based on the proposed authorisation will also be subject to the condition that the Company has obtained the necessary regulatory permissions from the European Central Bank.

### **11. Resolution on the authorisation for the Board of Directors to decide on share issuances or transfers of the Company's own shares**

The Board of Directors of the Company proposes to the Annual General Meeting to resolve to authorise the Board of Directors, on one or several occasions, to decide on the issuance of new shares or transfer of the Company's own shares of not more than 30,000,000 shares in the Company, which corresponds to approximately 0.9 % of all the shares in the Company on the date of the notice to the Annual General Meeting.

The shares may be issued or transferred in proportion to the Company's shareholders' existing shareholdings in the Company or in deviation from the shareholders' pre-emptive subscription right by way of a directed issuance. The shares to be issued or transferred in this way may be used (a) to implement the Company's variable pay plans in accordance with regulatory requirements and/or as required for new variable pay plans for executive officers, senior management, other material risk takers and other employees, as appropriate, or (b) as payment in connection with corporate acquisitions.

The Board of Directors shall be authorised to decide on all other terms relating to the issuance of new shares in the Company or transfers of the Company's own shares.

The authorisation shall remain in force and effect until the earlier of (i) the end of the next Annual General Meeting of the Company or (ii) 18 months from the resolution of the Annual General Meeting of the Company.

If this authorisation is granted, it will revoke the authorisation to decide on share issuances or transfers of the Company's own shares granted to the Board of Directors by the Annual General Meeting on 21 March 2024.





**More information on Nordea's Annual General Meeting 2025 can be found on Nordea's website:**

**[www.nordea.com/en/about-us/corporate-governance/nordeas-general-meeting-2025](https://www.nordea.com/en/about-us/corporate-governance/nordeas-general-meeting-2025)**





