

# Nordea



## First-Quarter Financial Report

2024

# First-quarter results 2024

## Summary of the quarter:

- Continued high-quality income growth.** Total income was up 6%, driven by an 11% increase in net interest income. Net fee and commission income was stable year on year and net insurance result increased by 33%. Net fair value result was solid following a strong first quarter last year. Costs decreased by 9%, driven by lower resolution fees. Costs excluding regulatory fees increased by 5%, driven by inflation and continued investments in risk management and technology in line with Nordea's plan. Operating profit was up 19%.
- Return on equity 18.1% – earnings per share up 23%.** Nordea's return on equity was 18.1% in the first quarter, compared with 17.1% a year ago. The cost-to-income ratio excluding regulatory fees was stable at 40%. Earnings per share increased to EUR 0.38 from EUR 0.31.
- Volumes stable in slow markets.** Nordea's corporate lending increased by 2% year on year. Mortgage lending volumes were unchanged as mortgage markets remained slow. Retail deposit volumes were up 1%. Corporate deposits decreased by 6% year on year. Assets under management increased by 8% and Nordic net flows amounted to EUR 1.1bn in the quarter.
- Strong credit quality, continued low net loan losses.** Net loan losses and similar net result amounted to EUR 33m or 4bp. Overall provisioning levels and coverage were maintained, and the total management judgement buffer remained unchanged in local currencies (translating to EUR 505m).
- Continued strong capital position.** Nordea's CET1 ratio increased to 17.2%, 5.1 percentage points above the current regulatory requirement, which demonstrates the bank's continued strong underlying capital generation and capacity to support its customers. Nordea's Annual General Meeting of 21 March approved the dividend of EUR 0.92 per share for 2023. Nordea continues to target an efficient capital structure and completed its fourth share buy-back programme in March.
- Outlook for 2024 unchanged: return on equity above 15%.** Nordea has a strong and resilient business model with a very well-diversified loan portfolio across the Nordic region. This enables the bank to support its customers and deliver high-quality earnings, with high profitability and low volatility, through the economic cycle.

(For further viewpoints, see the CEO comment on page 2. For definitions, see page 54.)

## Group quarterly results and key ratios Q1 2024

|  | Q1 2024       | Q1 2023       | Chg %     | Q4 2023       | Chg %     |
|--|---------------|---------------|-----------|---------------|-----------|
| <b>EURm</b>  |               |               |           |               |           |
| Net interest income                                    | 1,954         | 1,765         | 11        | 1,946         | 0         |
| Net fee and commission income                          | 763           | 765           | 0         | 763           | 0         |
| Net insurance result                                   | 61            | 46            | 33        | 40            | 53        |
| Net fair value result                                  | 291           | 345           | -16       | 154           | 89        |
| Other income   | 16            | 0             |           | 12            | 33        |
| <b>Total operating income</b>                          | <b>3,085</b>  | <b>2,921</b>  | <b>6</b>  | <b>2,915</b>  | <b>6</b>  |
| Total operating expenses excluding regulatory fees     | -1,226        | -1,167        | 5         | -1,397        | -12       |
| <b>Total operating expenses</b>                        | <b>-1,289</b> | <b>-1,422</b> | <b>-9</b> | <b>-1,417</b> | <b>-9</b> |
| <b>Profit before loan losses</b>                       | <b>1,796</b>  | <b>1,499</b>  | <b>20</b> | <b>1,498</b>  | <b>20</b> |
| Net loan losses and similar net result                 | -33           | -19           |           | -83           |           |
| <b>Operating profit</b>                                | <b>1,763</b>  | <b>1,480</b>  | <b>19</b> | <b>1,415</b>  | <b>25</b> |
| Cost-to-income ratio excluding regulatory fees, %      | 39.7          | 39.9          |           | 47.9          |           |
| Cost-to-income ratio with amortised resolution fees, % | 40.7          | 42.7          |           | 50.6          |           |
| Return on equity with amortised resolution fees, %     | 18.1          | 17.1          |           | 14.1          |           |
| Diluted earnings per share, EUR                        | 0.38          | 0.31          | 23        | 0.31          | 23        |

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We are a universal bank with a 200-year history of supporting and growing the Nordic economies – enabling dreams and aspirations for a greater good. Every day, we work to support our customers' financial development, delivering best-in-class omnichannel customer experiences and driving sustainable change. The Nordea share is listed on the Nasdaq Helsinki, Nasdaq Copenhagen and Nasdaq Stockholm exchanges. Read more about us at [nordea.com](https://nordea.com).

## CEO comment

We had a strong start to the year. Despite the subdued economic environment, we maintained solid business momentum. Our competitive range of services and proactive approach continue to be valued by our customers. Profitability was again at a very good level, with return on equity reaching 18.1% for the quarter, up from 17.1% a year ago.

Price inflation continued to ease across the Nordics, providing some relief to households and businesses. However, macroeconomic and geopolitical uncertainty remains high. Russia's war in Ukraine and the conflict in the Middle East are constant reminders of the fragile state of the world today.

At Nordea, we are well equipped to navigate uncertainty and support our customers. Our business franchise is strong, supported by a resilient and well-diversified business model. We have leading positions in all our markets and business areas. And, as our first-quarter results demonstrate, we continue to be one of the best-performing banks in Europe.

Total income for the quarter increased by 6% year on year to EUR 3.1bn, driven by 11% higher net interest income. Total costs decreased by 9% due to substantially lower regulatory fees. Our cost-to-income ratio excluding regulatory fees remained stable at 40%. Operating profit increased by 19% year on year to EUR 1.8bn.

Alongside the constant development of our digital offering, we continued to be highly proactive towards our customers, holding more customer meetings than a year ago. Our approach is working. Although Nordic housing market activity remained slow, our first-quarter mortgage lending volumes were stable and we maintained our overall market share. We strengthened our position in corporate lending, increasing volumes by 2% year on year.

Many of our household customers increased their savings and investment activity, with deposit volumes up 1% year on year. We have been strengthening our offering, and during the quarter we introduced new savings deposit products. In Sweden, for example, Nordea's new high-interest savings account comes with a built-in fraud prevention feature to help customers safeguard their savings. Corporate deposit volumes decreased by 6% year on year, although more stable quarter on quarter.

Nordea's credit quality remains strong. Our loan portfolio is diversified across sectors and markets and supported by a prudent risk profile. Net loan losses and similar net result amounted to EUR 33m, or 4bp – a low level given the challenging economic environment. Nevertheless, we have retained our management judgement buffer in local currencies (translating to EUR 505m) to cover additional potential losses.

Our four business areas each delivered good first-quarter results. In Personal Banking we continued to see increased customer savings activity, supported by the introduction of our new deposit products, with deposit volumes up 2% in local currencies. While customer demand for new loan promises was lower than in the same quarter last year, our mortgage lending volumes were stable. Customers continued to take advantage of our digital services, with the number of private app users and logins both up 7% year on year.

In Business Banking we worked closely with our customers to help them tackle the current economic challenges. Although the overall market demand for lending continued to be slow, our lending volumes grew by 1% year on year in local

currencies, driven by Norway and Sweden. Deposit volumes grew by 1% year on year, and customers continue to choose our attractive fixed-term deposit products in the higher rate environment. We improved service quality in digital channels and began the Norwegian rollout of our Nordea Business app, which enables businesses to manage and purchase products easily through their smartphones. Nordea Business is now available in all of our home markets.

In Large Corporates & Institutions we continued to actively support our Nordic customers with their investment plans. Lending grew by 3% and deposit volumes decreased by 13% year on year. In debt capital markets, activity was high and we arranged more than 200 transactions. Our sustainability leadership was also recognised through several awards by Global Finance magazine, including best in the world for sustainability-linked bonds. We take great pride in the role we play in supporting the transition to a low-carbon economy.

In Asset & Wealth Management we maintained strong momentum in our private banking business, a key focus in our savings strategy. Customer activity was high and we welcomed new clients. Assets under management increased by 8% year on year to EUR 391bn, supported by net flows of EUR 1.1bn in our Nordic channels, despite seasonal outflows. We continued to see strong traction in our life insurance and pension business, with gross written premiums reaching a record high for the first quarter.

We maintain a robust capital position. Our CET1 ratio stood at 17.2%, or 5.1 percentage points above the capital requirement. In March our AGM approved the dividend for 2023, resulting in a total dividend payment of EUR 3.2bn, supporting economic growth broadly in the Nordic societies. We also completed our latest share buy-back programme of EUR 1bn. Our capital policy and our ambition to deliver market-leading shareholder returns remain unchanged. We continue to generate capital and expect to be in a position to provide an update on our capital plans, including buy-backs, later this year after the ECB approves our new capital models for retail exposures.

Looking ahead, we remain committed to delivering market-leading performance, supported by focused and profitable growth and improved capital efficiency through our well-diversified business model. We expect to achieve a return on equity above 15% for the full year 2024 and target similarly strong profitability in 2025.

We continue to build for the future. A strong bank is a resilient bank, and we are always working to strengthen Nordea – building on our robust financial position and developing every aspect of our operations. We are strengthening our technology foundation. We are investing in our digital offering to ensure we can offer our customers the very best services and experiences. And we are working to protect our customers and societies from financial crime.

A strong bank is also a responsible bank, which is why you can expect us to maintain our strong focus on reducing financed emissions and supporting our customers in meeting their climate transition requirements.

This is the way we will fulfil our ambition, which remains unchanged – to be the preferred partner for customers in need of a broad range of financial services.

**Frank Vang-Jensen**  
President and Group CEO

# Outlook (unchanged)

## Financial target for 2025

Nordea's financial target for 2025 is a return on equity of above 15%.

The target will be supported by a cost-to-income ratio of 44–46%, an annual net loan loss ratio of around 10bp and the continuation of Nordea's well-established capital and dividend policies.

## Financial outlook for 2024

Nordea expects a return on equity of above 15%.

## Capital policy

A management buffer of 150bp above the regulatory CET1 requirement.

## Dividend policy

Nordea's dividend policy stipulates a dividend payout ratio of 60–70%, applicable to profit for the financial year. Nordea will continuously assess the opportunity to use share buy-backs as a tool to distribute excess capital.

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# Income statement

|  | Q1 2024       | Q1 2023       | Chg %     | Local<br>curr. % | Q4 2023       | Chg %     | Local<br>curr. % |
|--|---------------|---------------|-----------|------------------|---------------|-----------|------------------|
| <b>EURm</b>  |               |               |           |                  |               |           |                  |
| Net interest income  | 1,954         | 1,765         | 11        | 13               | 1,946         | 0         | -1               |
| Net fee and commission income  | 763           | 765           | 0         | 0                | 763           | 0         | -1               |
| Net insurance result   | 61            | 46            | 33        | 36               | 40            | 53        | 50               |
| Net result from items at fair value  | 291           | 345           | -16       | -16              | 154           | 89        | 87               |
| Profit or loss from associated undertakings and joint ventures accounted for under the equity method | 7             | -12           |           |                  | 2             |           |                  |
| Other operating income   | 9             | 12            | -25       | -25              | 10            | -10       | -10              |
| <b>Total operating income</b>  | <b>3,085</b>  | <b>2,921</b>  | <b>6</b>  | <b>7</b>         | <b>2,915</b>  | <b>6</b>  | <b>5</b>         |
| Staff costs  | -749          | -719          | 4         | 4                | -735          | 2         | 1                |
| Other expenses   | -338          | -287          | 18        | 22               | -323          | 5         | 5                |
| Regulatory fees  | -63           | -255          | -75       | -75              | -20           |           |                  |
| Depreciation, amortisation and impairment charges of tangible and intangible assets                  | -139          | -161          | -14       | -13              | -339          | -59       | -59              |
| <b>Total operating expenses</b>  | <b>-1,289</b> | <b>-1,422</b> | <b>-9</b> | <b>-9</b>        | <b>-1,417</b> | <b>-9</b> | <b>-9</b>        |
| <b>Profit before loan losses</b>   | <b>1,796</b>  | <b>1,499</b>  | <b>20</b> | <b>21</b>        | <b>1,498</b>  | <b>20</b> | <b>19</b>        |
| Net loan losses and similar net result   | -33           | -19           | 74        | 82               | -83           | -60       | -62              |
| <b>Operating profit</b>  | <b>1,763</b>  | <b>1,480</b>  | <b>19</b> | <b>21</b>        | <b>1,415</b>  | <b>25</b> | <b>23</b>        |
| Income tax expense   | -402          | -332          | 21        | 22               | -309          | 30        | 29               |
| <b>Net profit for the period</b>   | <b>1,361</b>  | <b>1,148</b>  | <b>19</b> | <b>20</b>        | <b>1,106</b>  | <b>23</b> | <b>22</b>        |

# Business volumes, key items<sup>1</sup>

|  | 31 Mar<br>2024 | 31 Mar<br>2023 | Chg % | Local<br>curr. % | 31 Dec<br>2023 | Chg % | Local<br>curr. % |
|--|----------------|----------------|-------|------------------|----------------|-------|------------------|
| <b>EURbn</b>   |                |                |       |                  |                |       |                  |
| Loans to the public                                      | 346.2          | 339.7          | 2     | 3                | 344.8          | 0     | 2                |
| Loans to the public, excl. repos/securities borrowing    | 319.8          | 319.3          | 0     | 1                | 324.0          | -1    | 1                |
| Deposits and borrowings from the public                  | 216.0          | 217.7          | -1    | 0                | 210.1          | 3     | 5                |
| Deposits from the public, excl. repos/securities lending | 200.3          | 210.7          | -5    | -4               | 202.6          | -1    | 1                |
| Total assets   | 604.9          | 604.1          | 0     |                  | 584.7          | 3     |                  |
| Assets under management                                  | 391.2          | 362.4          | 8     |                  | 378.5          | 3     |                  |

<sup>1</sup> End of period.

# Ratios and key figures<sup>1</sup>

|   | Q1 2024 | Q1 2023 | Chg % | Q4 2023 | Chg % |
|---|---------|---------|-------|---------|-------|
| Diluted earnings per share (DEPS), EUR                  | 0.38    | 0.31    | 23    | 0.31    | 23    |
| EPS, rolling 12 months up to period end, EUR            | 1.44    | 1.21    | 19    | 1.37    | 5     |
| Share price <sup>2</sup> , EUR                          | 10.47   | 9.84    | 6     | 11.23   | -7    |
| Equity per share <sup>2</sup> , EUR                     | 8.25    | 7.84    | 5     | 8.86    | -7    |
| Potential shares outstanding <sup>2</sup> , million     | 3,506   | 3,605   | -3    | 3,528   | -1    |
| Weighted average number of diluted shares, million      | 3,508   | 3,622   | -3    | 3,534   | -1    |
| Return on equity with amortised resolution fees, %      | 18.1    | 17.1    |       | 14.1    |       |
| Return on equity, %                                     | 17.8    | 15.3    |       | 14.7    |       |
| Return on tangible equity, %                            | 20.3    | 17.6    |       | 16.9    |       |
| Return on risk exposure amount, %                       | 3.9     | 3.2     |       | 3.2     |       |
| Cost-to-income ratio excluding regulatory fees, %       | 39.7    | 39.9    |       | 47.9    |       |
| Cost-to-income ratio with amortised resolution fees, %  | 40.7    | 42.7    |       | 50.6    |       |
| Cost-to-income ratio, %                                 | 41.8    | 48.7    |       | 48.6    |       |
| Net loan loss ratio, incl. loans held at fair value, bp | 4       | 2       |       | 10      |       |
| Common Equity Tier 1 capital ratio <sup>2,3</sup> , %   | 17.2    | 15.7    |       | 17.0    |       |
| Tier 1 capital ratio <sup>2,3</sup> , %                 | 19.5    | 18.0    |       | 19.4    |       |
| Total capital ratio <sup>2,3</sup> , %                  | 22.4    | 20.1    |       | 22.2    |       |
| Tier 1 capital <sup>2,3</sup> , EURbn                   | 27.1    | 25.5    | 6     | 26.8    | 1     |
| Risk exposure amount <sup>2</sup> , EURbn               | 138.6   | 142.0   | -2    | 138.7   | 0     |
| Net interest margin, %                                  | 1.83    | 1.58    |       | 1.83    |       |
| Number of employees (FTEs) <sup>2</sup>                 | 29,478  | 28,922  | 2     | 29,153  | 1     |
| Equity <sup>2</sup> , EURbn                             | 28.9    | 28.2    | 2     | 31.2    | -7    |

<sup>1</sup> For more detailed information regarding ratios and key figures defined as alternative performance measures, see <https://www.nordea.com/en/investor-relations/reports-and-presentations/group-interim-reports>.

<sup>2</sup> End of period.

<sup>3</sup> Including the result for the period.



# Macroeconomy and financial markets<sup>1</sup>

## Global

The US economy remained strong. China's recovery continued, while the European economy stagnated during the fourth quarter of 2023. Activity indicators point to moderate growth in the first quarter of 2024. Activity is increasing in the service sector, while the outlook for the manufacturing sector remains bleak on the back of a low order intake and generally weak development in world trade. Labour markets remained strong. The outlook continues to be uncertain amid geopolitical risks and tighter monetary conditions.

While headline inflation has come down substantially, core inflation has proven more stubborn. Most central banks around the world have tightened monetary policy significantly to dampen demand and anchor inflation expectations around 2%. The European Central Bank's deposit facility rate now stands at a record high of 4.0%, while the US federal funds rate stands at 5.5%.

Risk sentiment in the financial markets improved during the first quarter against a backdrop of lower inflation. The S&P 500 index was up 9.9%; the STOXX Europe 600 was up 7% and the NASDAQ OMX Nordic 120 was up 6.7%. The global aggregate bond index was down 0.6%.

The outlook for the Nordic economies remains uncertain amid moderate global growth and financial tightening.

## Denmark

Danish GDP increased by 2.6% quarter on quarter in the fourth quarter of 2023, primarily due to an output expansion in the pharmaceutical industry. Household consumption increased, partly due to sharply rising car sales. Exports also increased, while fixed investment fell. During the first quarter, consumer confidence increased to the highest level since early 2022. Business sentiment also improved in the first quarter. The unemployment rate stayed unchanged at 2.9% in February 2024. House and apartment prices were up 2.9% and 3.7%, respectively, year on year in the fourth quarter of 2023. Year-on-year consumer price inflation stood at 0.9% in March. In line with the European Central Bank, Danmarks Nationalbank has kept its monetary policy interest rate unchanged since September 2023. The central bank's deposit rate stands at 3.6%.

## Finland

Finnish GDP decreased by 0.8% quarter on quarter in the fourth quarter of 2023. The decline was driven by modest household consumption, declining exports and shrinking construction investments. Weak purchasing power and high interest rates have held back private consumption and the housing market. Housing transactions are still at a low level and housing prices were 5.5% lower in February than in the same month last year. The unemployment rate remained at 7.7% in February. Year-on-year harmonised consumer price inflation was 0.7% in March. Price pressures have eased in all main price categories. A number of political strikes impacted export sectors negatively during the first quarter.

## Norway

Norwegian mainland GDP increased by 0.2% quarter on quarter during the fourth quarter of 2023. Unemployment remained stable and stood at 1.9% in March. Housing prices were up 1.2% year on year in March. Consumer price inflation has decreased but is still high. Headline consumer price inflation stood at 3.9% in March and underlying inflation, excluding energy and taxes, was 4.5%. Norges Bank has increased its policy rate 14 times since 2021, lifting it to 4.5% as of December 2023. The central bank's latest forecast is that the rate will probably be kept unchanged until the autumn of 2024. The Norwegian krone generally weakened against most currencies during the first quarter.

## Sweden

Swedish GDP fell by 0.1% quarter on quarter during the fourth quarter of 2023. Domestic demand was stable while exports edged down. Demand for labour continued to weaken and the unemployment rate remained high at 8% in February. House and apartment prices remained under pressure although were close to unchanged in February 2024 compared with last year. Year-on-year consumer price inflation stood at 2.2% in March. Sveriges Riksbank kept its policy rate unchanged at 4.0% in March and continued to scale back its balance sheet. The trade-weighted Swedish krona weakened by 3.3% in the course of the first quarter.

<sup>1</sup>Source: Nordea Economic Research

# Group results and performance

## First quarter 2024

### Net interest income

**Q1/Q1:** Net interest income increased by 11%. The main drivers were improved deposit margins, higher corporate lending volumes, higher treasury income and a higher day count. These were partly offset by lower lending margins. Exchange rate effects had a negative impact of approximately EUR 24m.

**Q1/Q4:** Net interest income was stable compared to the previous quarter as improved lending margins were offset by lower deposit margins and a lower day count. Exchange rate effects had a positive impact of approximately EUR 25m.

### Lending volumes

**Q1/Q1:** Loans to the public excluding repurchase agreements and securities borrowing were up 1% in local currencies. Lending volumes decreased in Personal Banking (-1% in local currencies) and increased in Business Banking (1% in local currencies) and Large Corporates & Institutions (3% in EUR).

**Q1/Q4:** Loans to the public excluding repurchase agreements and securities borrowing were up 1% in local currencies. Lending volumes decreased in Personal Banking (-1% in local currencies) and increased in Business Banking (1% in local currencies) and Large Corporates & Institutions (3% in EUR).

### Deposit volumes

**Q1/Q1:** Total deposits from the public excluding repurchase agreements and securities lending were down 4% in local currencies. Deposit volumes increased in Personal Banking (2% in local currencies) and Business Banking (1% in local currencies) and decreased in Large Corporates & Institutions (-13% in EUR).

**Q1/Q4:** Total deposits from the public excluding repurchase agreements and securities lending were up 1% in local currencies. Deposit volumes increased in Personal Banking (1% in local currencies) and decreased in Business Banking (-3% in local currencies) and Large Corporates & Institutions (-1% in EUR).

### Net interest income per business area

|                                 | Q124         | Q423         | Q323         | Q223         | Q123         | Q1/Q1      | Q1/Q4     | Local currency |            |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|------------|-----------|----------------|------------|
|                                 |              |              |              |              |              |            |           | Q1/Q1          | Q1/Q4      |
| <b>EURm</b>                     |              |              |              |              |              |            |           |                |            |
| Personal Banking                | 869          | 870          | 852          | 825          | 794          | 9%         | 0%        | 10%            | -1%        |
| Business Banking                | 613          | 613          | 610          | 592          | 553          | 11%        | 0%        | 12%            | -1%        |
| Large Corporates & Institutions | 368          | 372          | 360          | 353          | 344          | 7%         | -1%       |                |            |
| Asset & Wealth Management       | 85           | 77           | 78           | 71           | 70           | 21%        | 10%       | 20%            | 8%         |
| Group functions                 | 19           | 14           | 9            | -10          | 4            |            |           |                |            |
| <b>Total Group</b>              | <b>1,954</b> | <b>1,946</b> | <b>1,909</b> | <b>1,831</b> | <b>1,765</b> | <b>11%</b> | <b>0%</b> | <b>13%</b>     | <b>-1%</b> |

### Change in net interest income (NII)

|  | Q1/Q4        | Q1/Q1        |
|--|--------------|--------------|
| <b>EURm</b>                            |              |              |
| <b>NII beginning of period</b>         | <b>1,946</b> | <b>1,765</b> |
| <b>Margin-driven NII</b>               | <b>6</b>     | <b>232</b>   |
| Lending margin                         | 42           | -16          |
| Deposit margin                         | -37          | 170          |
| Cost of funds                          | 2            | -9           |
| Equity margin                          | -1           | 87           |
| <b>Volume-driven NII</b>               | <b>-5</b>    | <b>-5</b>    |
| Lending volume                         | -8           | 1            |
| Deposit volume                         | 3            | -6           |
| Day count                              | -21          | 21           |
| Other <sup>1,2</sup>                   | 28           | -59          |
| <b>NII end of period</b>               | <b>1,954</b> | <b>1,954</b> |
| <sup>1</sup> of which foreign exchange | 25           | -24          |
| <sup>2</sup> of which deposit hedge    | 19           | -78          |

Changes have been made to the driver composition in Q1 2024, where some drivers in Treasury have been moved from Other to Equity margin.



### Net fee and commission income

**Q1/Q1:** Net fee and commission income was stable as lower net income from lending and guarantees as well as brokerage and advisory was offset by higher net income from both savings and payments and cards. Exchange rate effects had a negative impact of approximately EUR 5m.

**Q1/Q4:** Net fee and commission income was stable as lower net income from lending and guarantees as well as brokerage and advisory was offset by higher net income from payments and cards. Exchange rate effects had a positive impact of approximately EUR 6m.

### Savings income

**Q1/Q1:** Net fee and commission income from savings increased by 2%, driven by higher assets under management.

**Q1/Q4:** Net fee and commission income from savings was stable. The fourth quarter of 2023 included performance fees. End-of-period assets under management increased by EUR 12.7bn, to EUR 391.2bn, driven by continued positive stock market development, partly offset by negative net flows of EUR 1.0bn. In Nordic channels good momentum was maintained mainly in Private Banking and Life & Pension, with net flows totalling EUR 1.1bn. Net flows in international channels were negative at EUR 2.1bn, mainly driven by wholesale distribution (EUR -1.8bn).

### Brokerage and advisory income

**Q1/Q1:** Net fee and commission income from brokerage and advisory decreased by 7%, mainly driven by lower fee income from debt capital markets and corporate finance.

**Q1/Q4:** Net fee and commission income from brokerage and advisory decreased by 9%, mainly driven by lower fee income from debt capital markets and corporate finance.

### Payments and cards income

**Q1/Q1:** Net fee and commission income from payments and cards increased by 4%, mainly driven by lower commission expenses.

**Q1/Q4:** Net fee and commission income from payments and cards increased by 5%, mainly driven by lower commission expenses.

### Lending and guarantees income

**Q1/Q1:** Net fee and commission income from lending and guarantees decreased by 9%, driven by higher fees paid in relation to significant risk transfer transactions to improve capital efficiency.

**Q1/Q4:** Net fee and commission income from lending and guarantees decreased by 3%, driven by higher fees paid in relation to significant risk transfer transactions to improve capital efficiency.

### Net fee and commission income per business area

|                                 | Q124       | Q423       | Q323       | Q223       | Q123       | Q1/Q1     | Q1/Q4     | Local currency |            |
|---------------------------------|------------|------------|------------|------------|------------|-----------|-----------|----------------|------------|
|                                 |            |            |            |            |            |           |           | Q1/Q1          | Q1/Q4      |
| <b>EURm</b>                     |            |            |            |            |            |           |           |                |            |
| Personal Banking                | 268        | 264        | 274        | 262        | 259        | 3%        | 2%        | 4%             | 0%         |
| Business Banking                | 143        | 146        | 137        | 144        | 153        | -7%       | -2%       | -5%            | -3%        |
| Large Corporates & Institutions | 126        | 130        | 105        | 104        | 120        | 5%        | -3%       |                |            |
| Asset & Wealth Management       | 237        | 244        | 242        | 244        | 245        | -3%       | -3%       | -3%            | -2%        |
| Group functions                 | -11        | -21        | -16        | -3         | -12        |           |           |                |            |
| <b>Total Group</b>              | <b>763</b> | <b>763</b> | <b>742</b> | <b>751</b> | <b>765</b> | <b>0%</b> | <b>0%</b> | <b>0%</b>      | <b>-1%</b> |

### Net fee and commission income per category

|                        | Q124       | Q423       | Q323       | Q223       | Q123       | Q1/Q1     | Q1/Q4     | Local currency |            |
|------------------------|------------|------------|------------|------------|------------|-----------|-----------|----------------|------------|
|                        |            |            |            |            |            |           |           | Q1/Q1          | Q1/Q4      |
| <b>EURm</b>            |            |            |            |            |            |           |           |                |            |
| Savings                | 454        | 454        | 448        | 450        | 446        | 2%        | 0%        | 2%             | 0%         |
| Brokerage and advisory | 51         | 56         | 34         | 49         | 55         | -7%       | -9%       | -7%            | -10%       |
| Payments and cards     | 140        | 133        | 139        | 137        | 135        | 4%        | 5%        | 5%             | 5%         |
| Lending and guarantees | 117        | 121        | 122        | 122        | 128        | -9%       | -3%       | -8%            | -4%        |
| Other                  | 1          | -1         | -1         | -7         | 1          |           |           |                |            |
| <b>Total Group</b>     | <b>763</b> | <b>763</b> | <b>742</b> | <b>751</b> | <b>765</b> | <b>0%</b> | <b>0%</b> | <b>0%</b>      | <b>-1%</b> |

### Assets under management (AuM), volumes and net flow

|                                     | Q124         | Q423         | Q323         | Q223         | Q123         | Net flow    |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|-------------|
|                                     |              |              |              |              |              | Q124        |
| <b>EURbn</b>                        |              |              |              |              |              |             |
| Nordic Retail funds                 | 83.1         | 80.0         | 74.4         | 74.5         | 73.4         | 0           |
| Private Banking                     | 120.4        | 116.1        | 108.9        | 110.1        | 109.1        | 0.3         |
| Life & Pension                      | 84.1         | 79.6         | 74.5         | 74.4         | 73.2         | 1.3         |
| Institutional sales Nordic          | 46.9         | 46.1         | 43.6         | 42.7         | 42.5         | -0.6        |
| <b>Total Nordic channels</b>        | <b>334.6</b> | <b>321.8</b> | <b>301.4</b> | <b>301.6</b> | <b>298.2</b> | <b>1.1</b>  |
| Institutional sales international   | 18.7         | 18.4         | 18.5         | 18.9         | 19.0         | -0.3        |
| Wholesale distribution              | 37.9         | 38.3         | 39.9         | 42.6         | 45.2         | -1.8        |
| <b>Total International channels</b> | <b>56.5</b>  | <b>56.7</b>  | <b>58.4</b>  | <b>61.4</b>  | <b>64.2</b>  | <b>-2.1</b> |
| <b>Total</b>                        | <b>391.2</b> | <b>378.5</b> | <b>359.7</b> | <b>363.1</b> | <b>362.4</b> | <b>-1.0</b> |

## Net insurance result

**Q1/Q1:** Net insurance result increased by 33% mainly driven by a lower claims for Danish insurance products.

**Q1/Q4:** Net insurance result increased by 53% primarily due to lower claims for Danish insurance products and improved result for guaranteed life insurance products following negative interest rate impacts in the previous quarter.

### Net insurance result per business area

|                                 | Q124      | Q423      | Q323      | Q223      | Q123      | Q1/Q1      | Q1/Q4      |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| EURm                            |           |           |           |           |           |            |            |
| Personal Banking                | 29        | 36        | 29        | 28        | 30        | -3%        | -19%       |
| Business Banking                | 7         | 6         | 5         | 5         | 5         | 40%        | 17%        |
| Large Corporates & Institutions | 0         | 0         | 0         | 0         | 0         |            |            |
| Asset & Wealth Management       | 24        | -1        | 28        | 34        | 11        |            |            |
| Group functions                 | 1         | -1        | 1         | 1         | 0         |            |            |
| <b>Total Group</b>              | <b>61</b> | <b>40</b> | <b>63</b> | <b>68</b> | <b>46</b> | <b>33%</b> | <b>53%</b> |

## Net result from items at fair value

**Q1/Q1:** Net result from items at fair value decreased by 16% driven by lower market-making result in Markets and lower customer activity in interest rate hedging, following elevated levels last year. Treasury result improved due to positive revaluations.

**Q1/Q4:** Net result from items at fair value increased by 89%, driven by higher result in Treasury due to positive revaluations, and higher market-making result in Markets from foreign exchange, interest rate and credit products. In the fourth quarter of 2023 Treasury result was negatively affected by revaluations in the liquidity portfolio and hedge inefficiencies due to interest rate volatility.

### Net result from items at fair value per business area

|                                 | Q124       | Q423       | Q323       | Q223       | Q123       | Q1/Q1       | Q1/Q4      |
|---------------------------------|------------|------------|------------|------------|------------|-------------|------------|
| EURm                            |            |            |            |            |            |             |            |
| Personal Banking                | 21         | 13         | 20         | 18         | 19         | 11%         | 62%        |
| Business Banking                | 98         | 95         | 83         | 93         | 109        | -10%        | 3%         |
| Large Corporates & Institutions | 131        | 88         | 95         | 99         | 193        | -32%        | 49%        |
| Asset & Wealth Management       | 12         | 3          | -1         | 10         | 24         | -50%        |            |
| Group functions                 | 29         | -45        | 28         | 70         | 0          |             |            |
| <b>Total Group</b>              | <b>291</b> | <b>154</b> | <b>225</b> | <b>290</b> | <b>345</b> | <b>-16%</b> | <b>89%</b> |

## Equity method

**Q1/Q1:** Income from companies accounted for under the equity method was EUR 7m, up from EUR -12m. The first quarter of 2023 included an impairment.

**Q1/Q4:** Income from companies accounted for under the equity method was EUR 7m, up from EUR 2m.

## Other operating income

**Q1/Q1:** Other operating income was EUR 9m, down from EUR 12m.

**Q1/Q4:** Other operating income was EUR 9m, down from EUR 10m.

### Total operating income per business area

|                                 | Q124         | Q423         | Q323         | Q223         | Q123         | Q1/Q1     | Q1/Q4     | Local currency |           |  |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|-----------|-----------|----------------|-----------|--|
|                                 |              |              |              |              |              |           |           | Q1/Q1          | Q1/Q4     |  |
| EURm                            |              |              |              |              |              |           |           |                |           |  |
| Personal Banking                | 1,189        | 1,183        | 1,176        | 1,135        | 1,103        | 8%        | 1%        | 9%             | 0%        |  |
| Business Banking                | 873          | 870          | 844          | 847          | 817          | 7%        | 0%        | 8%             | -1%       |  |
| Large Corporates & Institutions | 623          | 591          | 561          | 556          | 657          | -5%       | 5%        |                |           |  |
| Asset & Wealth Management       | 358          | 321          | 347          | 359          | 350          | 2%        | 12%       | 3%             | 11%       |  |
| Group functions                 | 42           | -50          | 24           | 58           | -6           |           |           |                |           |  |
| <b>Total Group</b>              | <b>3,085</b> | <b>2,915</b> | <b>2,952</b> | <b>2,955</b> | <b>2,921</b> | <b>6%</b> | <b>6%</b> | <b>7%</b>      | <b>5%</b> |  |

### Total operating expenses

Q1/Q1: Total operating expenses decreased 9%, due to substantially lower resolution fees. Excluding regulatory fees operating expenses were up 5%, mainly driven by salary inflation, higher business activity and continued investments in technology and risk management. Exchange rate effects had a positive impact of approximately EUR 10m.

Q1/Q4: Total operating expenses decreased 9%, mainly due to lower impairment charges, partly offset by the recognition of EUR 45m in resolution fees. The fourth quarter of 2023 included EUR 177m write-offs of intangible assets. Exchange rate effects had a negative impact of approximately EUR 4m.

### Staff costs

Q1/Q1: Staff costs were up 4% due to additional risk management resources and salary increases.

Q1/Q4: Staff costs were up 2%, mainly due to salary increases.

### Other expenses

Q1/Q1: Other expenses increased by 18%, mainly due to increased technology investments and integration costs related to the acquisition of Danske Bank's Norwegian personal customer business.

Q1/Q4: Other expenses increased by 5%, mainly due to increased technology investments and lower VAT refunds.

### Regulatory fees

Q1/Q1: Regulatory fees amounted to EUR 63m, down from EUR 255m, driven by a substantial decrease in resolution fees.

Q1/Q4: Regulatory fees amounted to EUR 63m, up from EUR 20m, driven by the recognition of EUR 45m in resolution fees.

### Depreciation and amortisation

Q1/Q1: Depreciation and amortisation decreased by EUR 22m, mainly due to lower amortisations and impairment charges.

Q1/Q4: Depreciation and amortisation decreased by EUR 200m, to EUR 139m. The fourth quarter of 2023 included EUR 177m in write-offs of intangible assets.

### FTEs

Q1/Q1: The number of employees (FTEs) was 29,478 at the end of the first quarter, an increase of 2%, mainly due to additional investments in technology and risk management, and investments to drive growth.

Q1/Q4: The number of FTEs increased 1% compared to the previous quarter.

### Total operating expenses

|                               | Q124          | Q423          | Q323          | Q223          | Q123          | Q1/Q1      | Q1/Q4      | Local currency |            |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|------------|------------|----------------|------------|
|                               |               |               |               |               |               |            |            | Q1/Q1          | Q1/Q4      |
| <b>EURm</b>                   |               |               |               |               |               |            |            |                |            |
| Staff costs                   | -749          | -735          | -729          | -725          | -719          | 4%         | 2%         | 4%             | 1%         |
| Other expenses                | -338          | -323          | -292          | -304          | -287          | 18%        | 5%         | 22%            | 5%         |
| Regulatory fees               | -63           | -20           | -20           | -21           | -255          | -75%       |            | -75%           |            |
| Depreciation and amortisation | -139          | -339          | -153          | -155          | -161          | -14%       | -59%       | -13%           | -59%       |
| <b>Total Group</b>            | <b>-1,289</b> | <b>-1,417</b> | <b>-1,194</b> | <b>-1,205</b> | <b>-1,422</b> | <b>-9%</b> | <b>-9%</b> | <b>-9%</b>     | <b>-9%</b> |

### Total operating expenses per business area

|                                 | Q124          | Q423          | Q323          | Q223          | Q123          | Q1/Q1      | Q1/Q4      | Local currency |            |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|------------|------------|----------------|------------|
|                                 |               |               |               |               |               |            |            | Q1/Q1          | Q1/Q4      |
| <b>EURm</b>                     |               |               |               |               |               |            |            |                |            |
| Personal Banking                | -579          | -657          | -511          | -527          | -585          | -1%        | -12%       | 0%             | -13%       |
| Business Banking                | -353          | -376          | -318          | -316          | -403          | -12%       | -6%        | -12%           | -7%        |
| Large Corporates & Institutions | -217          | -216          | -199          | -191          | -301          | -28%       | 0%         |                |            |
| Asset & Wealth Management       | -151          | -178          | -147          | -145          | -150          | 1%         | -15%       | 1%             | -16%       |
| Group functions                 | 11            | 10            | -19           | -26           | 17            | -35%       | 10%        |                |            |
| <b>Total Group</b>              | <b>-1,289</b> | <b>-1,417</b> | <b>-1,194</b> | <b>-1,205</b> | <b>-1,422</b> | <b>-9%</b> | <b>-9%</b> | <b>-9%</b>     | <b>-9%</b> |

### Exchange rate effects

|                          | Q1/Q1 | Q1/Q4 |
|--------------------------|-------|-------|
| <b>Percentage points</b> |       |       |
| Income                   | -1    | 1     |
| Expenses                 | -1    | 0     |
| Operating profit         | -1    | 1     |
| Loan and deposit volumes | -1    | -2    |

## Net loan losses and similar net result

Credit quality remained solid and total net loan losses were moderate in the first quarter of 2024.

Net loan losses and similar net result amounted to EUR 33m (4bp), or EUR 29m excluding changes in fair value of Danish mortgage loans. Net loan losses and similar net result was lower than in the previous quarter (EUR 83m, 10bp) due to lower new individual provisions.

There was an increase in collective provisioning following some rating deterioration and migration from stage 1 to stage 2 in cyclically sensitive customer segments, as can be expected in a macroeconomic slowdown with higher interest rates. Losses on individual defaulted customers were limited.

### Main drivers of loan losses and similar net result

Net loan losses relating to individually assessed exposures amounted to EUR 13m, mainly driven by the effects of lower consumer demand and increased cost levels in the Industrial sector. This was partly offset by a few larger reversals in the corporate portfolio. Nordea's credit portfolio has been relatively unaffected by the increased number of bankruptcies amongst small companies.

Collectively calculated net provisions increased by EUR 29m. Higher interest rates and macroeconomic slowdown affected the credit quality, increasing stage 2 exposures and collective provisions, mostly in the corporate portfolio with some concentration in the industrial and consumer related sectors. The weight of the adverse scenario was kept unchanged at 40% reflecting continued uncertainty about the macroeconomic outlook.

Significant risk transfer transactions reduced net loan losses by EUR 13m.

The revaluation of the portfolio reported at fair value, including Nordea Kredit's mortgage portfolio, resulted in a reduction in fair value of EUR 4m.

Net loan losses and similar net result amounted to EUR 27m in Personal Banking, EUR 20m in Business Banking and EUR 2m in Asset & Wealth Management. In Large Corporates & Institutions and Group Functions there were net reversals of EUR 12m and EUR 4m, respectively.

### Management judgement allowances

During the quarter, management judgement allowances were assessed to be at appropriate levels. Supported by updated portfolio assessments, they were kept unchanged in local currencies, translating to EUR 505m.

See Note 11 for further details.

## Credit portfolio

Lending to the public excluding reverse repurchase agreements and securities borrowing amounted to EUR320bn at the end of the quarter, stable in local currencies from the previous quarter.

Loans to the public measured at fair value excluding reverse repurchase agreements and securities borrowing, mainly comprising Danish mortgage lending, decreased to EUR 52bn from EUR 53bn from the previous quarter.

Lending to the public measured at amortised cost before allowances decreased to EUR 269bn from EUR 273bn in the previous quarter. Of this, 92% was classified as stage 1 (down from 93%), 7% as stage 2 (up from 6%) and 1% as stage 3. Quarter on quarter, stage 1 loans decreased by 3%, stage 2 loans increased by 20%, to EUR 19.5bn, driven by credit downgrades. Stage 3 loans decreased by 5%, to EUR 2.3bn, due to reduced exposure to a few impaired corporate customers.

The coverage ratio was 2.2% for stage 2 (down from 2.5% in the previous quarter) and 44% for stage 3 (up from 42% in the previous quarter). The fair value impairment rate decreased to 0.48% from 0.54% in the previous quarter.

### Net loan loss ratio

|  | Q124 | Q423 | Q323 | Q223 | Q123 |
|--|------|------|------|------|------|
| <b>Basis points of loans, amortised cost<sup>1</sup></b> |      |      |      |      |      |
| Net loan loss ratios,                                    |      |      |      |      |      |
| annualised, Group  | 4    | 14   | 5    | 6    | 3    |
| of which stages 1 and 2                                  | 0    | -1   | -1   | -3   | 0    |
| of which stage 3   | 4    | 15   | 6    | 9    | 3    |
| <b>Basis points of loans, total<sup>1,2</sup></b>        |      |      |      |      |      |
| Net loan loss ratio, including loans held at             |      |      |      |      |      |
| fair value, annualised, Group                            | 4    | 10   | 4    | 4    | 2    |
| Personal Banking total                                   | 7    | 8    | 6    | 4    | 8    |
| PeB Denmark  | 6    | 5    | 3    | 0    | 4    |
| PeB Finland  | 11   | 15   | 12   | 9    | 17   |
| PeB Norway   | 7    | 3    | 5    | 2    | 5    |
| PeB Sweden   | 5    | 9    | 6    | 5    | 7    |
| Business Banking total                                   | 9    | 11   | 5    | 16   | 2    |
| BB Denmark   | 2    | 2    | -5   | -7   | -5   |
| BB Finland   | 12   | 4    | 10   | 36   | 21   |
| BB Norway  | 0    | 15   | 3    | 19   | -5   |
| BB Sweden  | 18   | 18   | 15   | 13   | 9    |
| Large Corporates & Institutions total                    | -6   | 11   | -2   | -9   | -12  |
| LC&I Denmark   | -71  | 22   | 0    | 7    | -59  |
| LC&I Finland   | -9   | 5    | 4    | -27  | -28  |
| LC&I Norway  | 48   | -81  | -3   | -30  | -23  |
| LC&I Sweden  | -4   | 75   | 2    | -10  | 14   |

<sup>1</sup> Negative amounts are net reversals.

<sup>2</sup> Net loan losses and net result on loans in hold portfolios mandatorily held at fair value divided by total lending at amortised cost and at fair value, basis points.

## Profit

### Operating profit

**Q1/Q1:** Operating profit increased by 19%, to EUR 1,763m, mainly driven by higher income and lower expenses.

**Q1/Q4:** Operating profit increased by 25%, to EUR 1,763m, mainly driven by higher income, lower expenses and lower net loan losses.

### Taxes

**Q1/Q1:** Income tax expense amounted to EUR 402m, up from EUR 332m, corresponding to a tax rate of 22.8%, up from 22.4% a year ago.

**Q1/Q4:** Income tax expense amounted to EUR 402m, up from EUR 309m, corresponding to a tax rate of 22.8%, up from 21.8% in the previous quarter.

### Net profit

**Q1/Q1:** Net profit increased by 19%, to EUR 1,361m. Return on equity was 17.8%, up from 15.3%. Return on equity with amortised resolution fees was 18.1%, up from 17.1%.

**Q1/Q4:** Net profit increased by 23%, to EUR 1,361m. Return on equity was 17.8%, up from 14.7%. Return on equity with amortised resolution fees was 18.1%, up from 14.1%.

**Q1/Q1:** Diluted earnings per share were EUR 0.38, compared with EUR 0.31.

**Q1/Q4:** Diluted earnings per share were EUR 0.38, compared with EUR 0.31.

### Operating profit per business area

|                                 | Q124         | Q423         | Q323         | Q223         | Q123         | Q1/Q1      | Q1/Q4      | Local currency |            |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|------------|------------|----------------|------------|
| EURm                            |              |              |              |              |              |            |            | Q1/Q1          | Q1/Q4      |
| Personal Banking                | 583          | 492          | 639          | 591          | 483          | 21%        | 18%        | 21%            | 18%        |
| Business Banking                | 500          | 468          | 514          | 494          | 409          | 22%        | 7%         | 24%            | 6%         |
| Large Corporates & Institutions | 418          | 355          | 365          | 383          | 378          | 11%        | 18%        |                |            |
| Asset & Wealth Management       | 205          | 144          | 200          | 213          | 199          | 3%         | 42%        | 4%             | 40%        |
| Group functions                 | 57           | -44          | 7            | 37           | 11           |            |            |                |            |
| <b>Total Group</b>              | <b>1,763</b> | <b>1,415</b> | <b>1,725</b> | <b>1,718</b> | <b>1,480</b> | <b>19%</b> | <b>25%</b> | <b>21%</b>     | <b>23%</b> |

### Capital position and risk exposure amount

The Nordea Group's Common Equity Tier 1 (CET1) capital ratio increased to 17.2% in the first quarter from 17.0% in the fourth quarter of 2023. CET1 capital increased by EUR 0.2bn, mainly driven by profit generation net of dividend, partly offset by exchange rate effects on retained earnings. The Group's CET1 capital requirement remained stable at 12.1% in the first quarter compared to the fourth quarter of 2023.

The risk exposure amount (REA) decreased by EUR 0.1bn driven by exchange rate effects and active capital management. This was partly offset by increased operational risk following the annual update as well as increased average risk weights for corporate exposures.

The Group's Tier 1 capital ratio increased to 19.5% at the end of the first quarter from 19.4% in the fourth quarter of 2023. The total capital ratio increased to 22.4% from 22.2%.

At the end of the first quarter CET1 capital amounted to EUR 23.8bn, Tier 1 capital amounted to EUR 27.1bn, and own funds amounted to EUR 31.0bn.

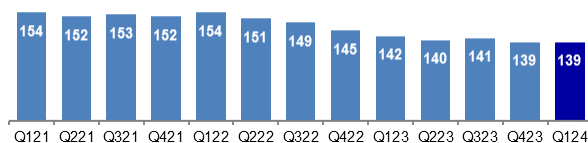
The Group's subordinated minimum requirements for own funds and eligible liabilities (MREL) ratio was 32.1% of the REA and 8.0% of the leverage ratio exposure (LRE), compared with the requirements of 27.3% of the REA and 7.19% of the LRE. The total MREL ratio was 39.2% of the REA and 9.8% of the LRE, compared with the requirements of 30.0% of the REA and 7.19% of the LRE.

The leverage ratio decreased to 4.9% at the end of the first quarter from 5.0% in the fourth quarter of 2023, mainly driven by increased leverage exposure.

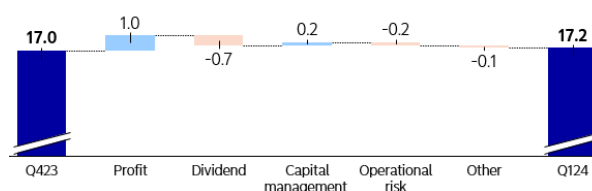
#### Capital ratios

| %                    | Q124 | Q423 | Q323 | Q223 | Q123 |
|----------------------|------|------|------|------|------|
| <b>CRR/CRD IV</b>    |      |      |      |      |      |
| CET1 capital ratio   | 17.2 | 17.0 | 16.3 | 16.0 | 15.7 |
| Tier 1 capital ratio | 19.5 | 19.4 | 18.7 | 18.3 | 18.0 |
| Total capital ratio  | 22.4 | 22.2 | 20.7 | 20.5 | 20.1 |

#### Risk exposure amount, EURbn, quarterly



#### Common Equity Tier 1 capital ratio, changes in the quarter



### Capital and dividend policies

Nordea maintains a strong capital position in line with its capital policy. Nordea targets a management buffer of 150bp above the regulatory CET1 requirement. This reflects Nordea's strong capital generation and enables efficient capital management while still maintaining a prudent buffer to requirements. Nordea's ambition is to distribute 60–70% of the net profit for the year to shareholders. Excess capital will be used for organic growth and strategic business acquisitions, as well as being subject to buy-back considerations.

### Share buy-backs and dividend decision

Nordea completed its fourth share buy-back programme on 21 February. From 28 April 2023 to 21 February 2024, Nordea repurchased approximately 97.4m shares for a total of EUR 1bn. Since the inception of the inaugural buy-back programme in October 2021, Nordea has distributed EUR 5.5bn to its shareholders through repurchasing around 544 million shares at an average price of EUR 10.09 per share.

On 21 March 2024 Nordea's Board of Directors decided to distribute an ordinary dividend of EUR 0.92 per share to shareholders. The decision was made in accordance with the mandate received from the Annual General Meeting held earlier that day.



## Risk exposure amount

|  | 31 Mar<br>2024 | 31 Dec<br>2023 | 31 Mar<br>2023 |
|--|----------------|----------------|----------------|
| <b>EURm</b>  |                |                |                |
| <b>Credit risk</b>   | <b>104,997</b> | <b>105,678</b> | <b>108,808</b> |
| IRB  | 93,915         | 94,502         | 96,206         |
| - sovereign  |                |                |                |
| - corporate  | 59,255         | 59,993         | 62,550         |
| - advanced   | 52,791         | 53,628         | 55,333         |
| - foundation   | 6,464          | 6,365          | 7,217          |
| - institutions   | 4,083          | 3,868          | 4,093          |
| - retail   | 25,135         | 25,519         | 24,811         |
| - items representing securitisation positions  | 2,144          | 2,162          | 1,458          |
| - other  | 3,298          | 2,960          | 3,294          |
| Standardised   | 11,082         | 11,176         | 12,602         |
| - sovereign  | 200            | 241            | 202            |
| - retail   | 3,683          | 3,993          | 4,492          |
| - other  | 7,199          | 6,942          | 7,908          |
| <b>Credit valuation adjustment risk</b>  | <b>523</b>     | <b>596</b>     | <b>803</b>     |
| <b>Market risk</b>   | <b>5,154</b>   | <b>4,805</b>   | <b>4,803</b>   |
| - trading book, internal approach  | 4,451          | 4,072          | 3,764          |
| - trading book, standardised approach  | 703            | 733            | 825            |
| - banking book, standardised approach  |                |                |                |
| <b>Settlement risk</b>   |                | <b>0</b>       |                |
| <b>Operational risk</b>  | <b>17,874</b>  | <b>16,048</b>  | <b>16,048</b>  |
| <b>Additional risk exposure amount related to Finnish RW floor due to Article 458 of the CRR</b> |                |                |                |
| <b>Additional risk exposure amount related to Swedish RW floor due to Article 458 of the CRR</b> | <b>10,031</b>  | <b>11,592</b>  | <b>11,514</b>  |
| <b>Additional risk exposure amount due to Article 3 of the CRR</b>                               |                |                |                |
| <b>Total</b>   | <b>138,579</b> | <b>138,719</b> | <b>141,976</b> |

## Summary of items included in own funds including result (Banking Group)

|   | 31 Mar<br>2024 | 31 Dec<br>2023 | 31 Mar<br>2023 |
|---|----------------|----------------|----------------|
| <b>EURm</b>   |                |                |                |
| <b>Calculation of own funds</b>                                     |                |                |                |
| Equity in the consolidated situation                                | 26,768         | 25,534         | 26,288         |
| Profit for the period   | 1,360          | 4,927          | 1,135          |
| Proposed/actual dividend  | -953           | -3,240         | -804           |
| Common Equity Tier 1 capital before regulatory adjustments          | 27,175         | 27,221         | 26,620         |
| Deferred tax assets   | -31            | -34            | -12            |
| Intangible assets   | -2,587         | -2,678         | -2,690         |
| IRB provisions shortfall (-)  |                |                |                |
| Pension assets in excess of related liabilities                     | -234           | -160           | -152           |
| Other items including buy-back deduction, net <sup>1</sup>          | -525           | -704           | -1,487         |
| <b>Total regulatory adjustments to Common Equity Tier 1 capital</b> | <b>-3,377</b>  | <b>-3,576</b>  | <b>-4,341</b>  |
| <b>Common Equity Tier 1 capital (net after deduction)</b>           | <b>23,798</b>  | <b>23,645</b>  | <b>22,279</b>  |
| Additional Tier 1 capital before regulatory adjustments             | 3,288          | 3,225          | 3,260          |
| <b>Total regulatory adjustments to Additional Tier 1 capital</b>    | <b>-25</b>     | <b>-25</b>     | <b>-25</b>     |
| <b>Additional Tier 1 capital</b>                                    | <b>3,263</b>   | <b>3,200</b>   | <b>3,235</b>   |
| <b>Tier 1 capital (net after deduction)</b>                         | <b>27,061</b>  | <b>26,845</b>  | <b>25,514</b>  |
| Tier 2 capital before regulatory adjustments                        | 3,459          | 3,466          | 3,201          |
| IRB provisions excess (+)   | 551            | 554            | 541            |
| Deductions for investments in insurance companies                   |                |                | -650           |
| Other items, net  | -50            | -50            | -64            |
| <b>Total regulatory adjustments to Tier 2 capital</b>               | <b>501</b>     | <b>504</b>     | <b>-173</b>    |
| <b>Tier 2 capital</b>   | <b>3,960</b>   | <b>3,970</b>   | <b>3,028</b>   |
| <b>Own funds (net after deduction)</b>                              | <b>31,021</b>  | <b>30,815</b>  | <b>28,542</b>  |
| <sup>1</sup> Other items, net if reported excluding profit.         | -541           | -704           | -1,487         |

## Own funds reported to ECB

|                                      | 31 Mar <sup>2</sup><br>2024 | 31 Dec<br>2023 | 31 Mar<br>2023 |
|--------------------------------------|-----------------------------|----------------|----------------|
| <b>EURm</b>                          |                             |                |                |
| Common Equity Tier 1 capital         | 23,374                      | 23,645         | 22,279         |
| Tier 1 capital (net after deduction) | 26,637                      | 26,845         | 25,514         |
| <b>Total own funds</b>               | <b>30,597</b>               | <b>30,815</b>  | <b>28,542</b>  |

<sup>2</sup> Excluding first-quarter profit (pending application).

## Balance sheet

### Balance sheet data

|                                     | Q124       | Q423       | Q323       | Q223       | Q123       |
|-------------------------------------|------------|------------|------------|------------|------------|
| <b>EURbn</b>                        |            |            |            |            |            |
| Loans to credit institutions        | 3          | 2          | 7          | 10         | 8          |
| Loans to the public                 | 346        | 345        | 343        | 340        | 340        |
| Derivatives                         | 26         | 27         | 34         | 32         | 32         |
| Interest-bearing securities         | 76         | 68         | 70         | 70         | 76         |
| Other assets                        | 154        | 143        | 156        | 150        | 148        |
| <b>Total assets</b>                 | <b>605</b> | <b>585</b> | <b>610</b> | <b>602</b> | <b>604</b> |
| Deposits from credit institutions   | 33         | 30         | 37         | 33         | 34         |
| Deposits from the public            | 216        | 210        | 214        | 218        | 218        |
| Debt securities in issue            | 190        | 183        | 191        | 190        | 190        |
| Derivatives                         | 26         | 31         | 36         | 33         | 33         |
| Other liabilities                   | 111        | 100        | 102        | 99         | 101        |
| Total equity                        | 29         | 31         | 30         | 29         | 28         |
| <b>Total liabilities and equity</b> | <b>605</b> | <b>585</b> | <b>610</b> | <b>602</b> | <b>604</b> |

### Funding and liquidity operations

Nordea issued approximately EUR 10.4bn in long-term funding in the first quarter of 2024 (excluding Danish covered bonds and long-dated certificates of deposit), of which approximately EUR 8.4bn was issued in the form of covered bonds and EUR 1.9bn was issued as senior debt. Notable transactions during the quarter included a EUR 1bn 10-year senior non-preferred bond, a USD 1bn 3-year senior preferred bond, a EUR 1bn 7-year and EUR 750m 3-year dual-tranche covered bond, a NOK 10bn 5-year covered bond and a SEK 6bn 5.8-year covered bond.

At the end of the first quarter long-term funding accounted for approximately 76% of Nordea's total wholesale funding.

Short-term liquidity risk is measured using several metrics, including the liquidity coverage ratio (LCR). The Nordea Group's combined LCR was 157% at the end of the first quarter. The liquidity buffer is composed of highly liquid central bank eligible securities and cash, as defined in the LCR regulation. At the end of the first quarter the liquidity buffer amounted to EUR 108bn, compared with EUR 104bn at the end of the fourth quarter of 2023. The net stable funding ratio (NSFR) measures long-term liquidity risk. At the end of the first quarter Nordea's NSFR was 120.4%, compared with 118.7% at the end of the fourth quarter of 2023.

Nordea maintained a strong liquidity position throughout the first quarter amid continued volatility in global markets driven by geopolitical and macroeconomic uncertainty and tightening monetary policies.

Nordea's participation in the European Central Bank's targeted longer-term refinancing operations (TLTROs) ended in the end of the first quarter where the remaining volume of EUR 3bn matured.

### Funding and liquidity data

|                           | Q124 | Q423 | Q323 | Q223 | Q123 |
|---------------------------|------|------|------|------|------|
| Long-term funding portion | 76%  | 76%  | 70%  | 70%  | 71%  |
| LCR total                 | 157% | 165% | 162% | 160% | 161% |
| LCR EUR                   | 257% | 231% | 188% | 148% | 159% |
| LCR USD                   | 193% | 207% | 226% | 194% | 294% |

### Market risk

Market risk in the trading book measured by value at risk (VaR) was EUR 38.7m. Quarter on quarter, VaR increased by EUR 6m, primarily as a result of higher interest rate risk. Interest rate risk remained the main driver of VaR at the end of the first quarter 2024. Trading book VaR continues to be driven by market risk related to Nordic and other Northern European exposures.

### Trading book

|                            | Q124 | Q423 | Q323 | Q223 | Q123 |
|----------------------------|------|------|------|------|------|
| <b>EURm</b>                |      |      |      |      |      |
| Total risk, VaR            | 39   | 33   | 31   | 40   | 36   |
| Interest rate risk, VaR    | 38   | 33   | 32   | 40   | 38   |
| Equity risk, VaR           | 2    | 3    | 4    | 4    | 3    |
| Foreign exchange risk, VaR | 2    | 1    | 2    | 3    | 2    |
| Credit spread risk, VaR    | 6    | 5    | 4    | 6    | 3    |
| Inflation risk, VaR        | 3    | 4    | 5    | 5    | 2    |
| Diversification effect     | 25%  | 30%  | 32%  | 32%  | 24%  |

### Nordea share and credit ratings

Nordea's share price and credit ratings as at the end of the first quarter of 2024.

|            | Nasdaq STO<br>(SEK) | Nasdaq COP<br>(DKK) | Nasdaq HEL<br>(EUR) |
|------------|---------------------|---------------------|---------------------|
| 3/31/2022  | 97.30               | 70.20               | 9.38                |
| 6/30/2022  | 90.00               | 62.24               | 8.40                |
| 9/30/2022  | 95.67               | 65.33               | 8.80                |
| 12/31/2022 | 111.68              | 75.12               | 10.03               |
| 3/31/2023  | 110.64              | 73.37               | 9.84                |
| 6/30/2023  | 117.30              | 74.51               | 9.97                |
| 9/30/2023  | 120.12              | 77.41               | 10.41               |
| 12/31/2023 | 124.72              | 83.99               | 11.23               |
| 3/31/2024  | 119.20              | 78.11               | 10.47               |

| Moody's |      | Standard & Poor's |      | Fitch |      |
|---------|------|-------------------|------|-------|------|
| Short   | Long | Short             | Long | Short | Long |
| P-1     | Aa3  | A-1+              | AA-  | F1+   | AA-  |

## Other information

### Share cancellations

Nordea cancelled aggregated amounts of 6,779,548 and 15,912,565 treasury shares in January and February, respectively. The shares had been held for capital optimisation purposes and acquired through buy-backs.

On 21 March 2024, the Board of Directors resolved on a directed share issuance pursuant to Nordea's variable remuneration awards. The resolution was based on the authorisation granted to the Board of Directors by the 2023 AGM. According to the former, Nordea would transfer a maximum of 2,700,000 own shares without consideration to participants in its variable pay programmes to settle its commitment to award part of its variable pay in shares. The issuance would be made in accordance with the applicable terms and conditions of the programmes and regulatory requirements. Based on the resolution, Nordea transferred 1,272,434 own shares held by the company to participants in its variable remuneration programmes on 4 April 2024.

### Decisions of Nordea's Annual General Meeting 2024

The Annual General Meeting (AGM) of Nordea Bank Abp was held on 21 March 2024 at Scandic Marina Congress Center in Helsinki. Shareholders could also exercise their voting rights by voting in advance, and it was possible to follow the AGM through a live webcast. All proposals to the AGM by the Board of Directors and the Shareholders' Nomination Board were approved.

The AGM approved the annual accounts for the financial period ending 31 December 2023 and decided to authorise the Board of Directors to decide on a dividend payment of a maximum of 0.92 EUR per share. The AGM also adopted the Remuneration Report for Governing Bodies for 2023 and the Remuneration Policy for Governing Bodies, which is intended to be applied until the Annual General Meeting in 2028, through advisory resolutions.

The persons who in 2023 had served as members of the Board of Directors, President and Group CEO, and Deputy Managing Director were discharged from liability for the financial period ending 31 December 2023. Sir Stephen Hester, Petra van Hoeken, John Maltby, Risto Murto, Lene Skole, Per Strömberg, Jonas Synnergren, Arja Talma and Kjersti Wiklund were re-elected as Board members and Lars Rohde was elected as a new Board member for the period until the end of the next AGM. Sir Stephen Hester was re-elected as Chair of the Board of Directors until the end of the next AGM. Of the previous Board members, Birger Steen was not available for re-election.

Furthermore, the AGM decided to authorise the Board of Directors to decide on issuances of special rights entitling to shares (convertibles), repurchases of own shares and share issuances or transfers of own shares in accordance with the terms of the AGM decision. The AGM also decided on the repurchase and transfer of own shares as part of the bank's securities trading business.

### Dividend payment

The Board of Directors decided on 21 March 2024 to distribute an ordinary dividend of EUR 0.92 per share to shareholders, in accordance with the mandate received from the 2024 AGM. The dividend of EUR 0.92 per share was paid in April 2024 to those shareholders who on the record date for the dividend (25 March 2024) were recorded in Nordea's shareholders' register maintained by Euroclear Finland Oy in Finland, Euroclear Sweden AB in Sweden and VP Securities A/S in Denmark.

### Share buy-back programmes

On 26 April 2023, Nordea announced a share buy-back programme of up to EUR 1.0bn, based on the authorisation granted to the Board by the 2023 AGM. The programme was launched on 28 April 2023 and completed on 21 February 2024.

Nordea's share buy-backs are aimed at pursuing an efficient capital structure and generating sustainable shareholder returns by reducing the bank's excess capital. Since the inception of the inaugural buy-back programme in October 2021, Nordea has distributed EUR 5.5bn to its shareholders through repurchasing around 544 million shares at an average price of EUR 10.09 per share.

### Impacts from Russia's invasion of Ukraine

During the first quarter of 2024 Nordea continued to closely monitor and assess its direct exposure to Russian counterparties. At the end of the quarter the direct credit exposure after provisions was less than EUR 50m.

Nordea also further assessed the impact of uncertainty after the onset of the war – reflected in higher inflation and higher interest rates, etc. – on the global and Nordic economies. The assessment informed the regular update of the bank's macroeconomic scenarios, which are used to update its financial forecasts and model IFRS 9 expected credit losses. Nordea will continue to follow developments closely.

Information on the financial and operational impacts of the war in Ukraine, as well as the measures taken to address these impacts, has been provided in this report. See "CEO comment", "Other information", Note 11 "Loans and impairment".

### Closure of Nordea's operations in Russia

In accordance with its strategy, Nordea is focusing on its business in the Nordic region. This has entailed the Group winding down its operations in Russia. The liquidation of the remaining Russian subsidiary is pending finalisation.

### Acquisition of Danske Bank's personal customer and private banking business in Norway

Nordea has entered into an agreement with Danske Bank to acquire its Norwegian personal customer and private banking business and associated asset management portfolios. The Norwegian Competition Authority announced its approval of the acquisition on 15 December 2023. On 7 February 2024, Nordea announced that the Norwegian Financial Supervisory Authority had approved Nordea's acquisition of the personal customer and private banking business of Danske Bank. The Norwegian Financial Supervisory Authority will evaluate the acquisition of the associated asset management portfolios separately. The transaction is expected to close in late 2024.

At the end of 2022 the business to be transferred comprised approximately 285,000 customers, lending and deposit volumes of EUR 18bn and EUR 4bn, respectively, and approximately EUR 2bn in assets under management. The acquisition fits well into Nordea's strategy to grow in the Nordic region both organically and through bolt-on acquisitions. The acquired business will be integrated into Nordea after the closing of the transaction.

Any movement in the net carrying amount of assets and liabilities between the signing and the closing of the transaction will be reflected in the consideration paid at the closing. The expectation is that the transaction will improve the cost-to-income ratio and return on allocated equity of Nordea's Personal Banking business in Norway, and positively impact Nordea's earnings per share and return on equity. The gross impact on the CET1 ratio resulting from the increase in risk exposure amount is currently expected to amount to approximately 40bp.

#### **Joint venture with OP Financial Group to improve payment services in Finland**

Nordea is establishing a joint venture with OP Financial Group to support payment-related needs in Finland. The joint venture will develop solutions for paying with phone numbers and managing e-invoices that benefit both consumers and businesses. The solutions will be designed so as to be open to other market participants as well.

Nordea and OP plan to move the existing merchant services of Siirto to Siirto Brand Oy, in which they already own equal shares, and to expand the operations of the latter. The planned changes are scheduled to be implemented in 2024, pending the approval of the relevant competition authorities.

#### **Update of internal allocation framework affecting business area results and allocation of equity**

As of 2024, Nordea is using a new internal allocation framework. The updated framework further aligns business area and Group profitability metrics and allocates a significant part of previously unallocated capital and costs to business areas. It will also enable better decision-making by implementing a local approach for tax and capital requirements, as this reflects the true costs of conducting business in different countries better than Group averages.

This update does not impact the consolidated financial statements of the Nordea Group, but it affects the income and costs recognised by the business areas. In addition, due to the updated capital allocation framework, Nordea has introduced a revised profitability metric for its business areas which is better aligned with the Group's return on equity. Going forward, business area profitability is measured as return on allocated equity and business area use of capital is measured as allocated equity.

Comparative information has been updated accordingly.

# Quarterly development, Group

|   | Q1<br>2024    | Q4<br>2023    | Q3<br>2023    | Q2<br>2023    | Q1<br>2023    |
|---|---------------|---------------|---------------|---------------|---------------|
| <b>EURm</b>   |               |               |               |               |               |
| Net interest income   | 1,954         | 1,946         | 1,909         | 1,831         | 1,765         |
| Net fee and commission income   | 763           | 763           | 742           | 751           | 765           |
| Net insurance result  | 61            | 40            | 63            | 68            | 46            |
| Net result from items at fair value   | 291           | 154           | 225           | 290           | 345           |
| Profit or loss from associated undertakings and joint ventures<br>accounted for under the equity method | 7             | 2             | 4             | 3             | -12           |
| Other operating income  | 9             | 10            | 9             | 12            | 12            |
| <b>Total operating income</b>   | <b>3,085</b>  | <b>2,915</b>  | <b>2,952</b>  | <b>2,955</b>  | <b>2,921</b>  |
| General administrative expenses:  |               |               |               |               |               |
| Staff costs   | -749          | -735          | -729          | -725          | -719          |
| Other expenses  | -338          | -323          | -292          | -304          | -287          |
| Regulatory fees   | -63           | -20           | -20           | -21           | -255          |
| Depreciation, amortisation and impairment charges of tangible and intangible assets                     | -139          | -339          | -153          | -155          | -161          |
| <b>Total operating expenses</b>   | <b>-1,289</b> | <b>-1,417</b> | <b>-1,194</b> | <b>-1,205</b> | <b>-1,422</b> |
| <b>Profit before loan losses</b>  | <b>1,796</b>  | <b>1,498</b>  | <b>1,758</b>  | <b>1,750</b>  | <b>1,499</b>  |
| Net loan losses and similar net result  | -33           | -83           | -33           | -32           | -19           |
| <b>Operating profit</b>   | <b>1,763</b>  | <b>1,415</b>  | <b>1,725</b>  | <b>1,718</b>  | <b>1,480</b>  |
| Income tax expense  | -402          | -309          | -380          | -383          | -332          |
| <b>Net profit for the period</b>  | <b>1,361</b>  | <b>1,106</b>  | <b>1,345</b>  | <b>1,335</b>  | <b>1,148</b>  |
| Diluted earnings per share (DEPS), EUR  | 0.38          | 0.31          | 0.38          | 0.37          | 0.31          |
| DEPS, rolling 12 months up to period end, EUR   | 1.44          | 1.37          | 1.41          | 1.30          | 1.21          |

# Business areas

|  | Personal Banking |              | Business Banking |             | Large Corporates & Institutions |             | Asset & Wealth Management |             | Group functions |             | Nordea Group  |               |            |
|--|------------------|--------------|------------------|-------------|---------------------------------|-------------|---------------------------|-------------|-----------------|-------------|---------------|---------------|------------|
|  | Q1               | Q4           | Q1               | Q4          | Q1                              | Q4          | Q1                        | Q4          | Q1              | Q4          | Q1            | Q4            | Chg        |
|  | 2024             | 2023         | 2024             | 2023        | 2024                            | 2023        | 2024                      | 2023        | 2024            | 2023        | 2024          | 2023          |            |
| <b>EURm</b>  |                  |              |                  |             |                                 |             |                           |             |                 |             |               |               |            |
| Net interest income                                  | 869              | 870          | 613              | 613         | 368                             | 372         | 85                        | 77          | 19              | 14          | 1,954         | 1,946         | 0%         |
| Net fee and commission income                        | 268              | 264          | 143              | 146         | 126                             | 130         | 237                       | 244         | -11             | -21         | 763           | 763           | 0%         |
| Net insurance result                                 | 29               | 36           | 7                | 6           | 0                               | 0           | 24                        | -1          | 1               | -1          | 61            | 40            | 53%        |
| Net result from items at fair value                  | 21               | 13           | 98               | 95          | 131                             | 88          | 12                        | 3           | 29              | -45         | 291           | 154           | 89%        |
| Other income   | 2                | 0            | 12               | 10          | -2                              | 1           | 0                         | -2          | 4               | 3           | 16            | 12            | 33%        |
| <b>Total operating income</b>                        | <b>1,189</b>     | <b>1,183</b> | <b>873</b>       | <b>870</b>  | <b>623</b>                      | <b>591</b>  | <b>358</b>                | <b>321</b>  | <b>42</b>       | <b>-50</b>  | <b>3,085</b>  | <b>2,915</b>  | <b>6%</b>  |
| <b>Total operating expenses</b>                      | <b>-579</b>      | <b>-657</b>  | <b>-353</b>      | <b>-376</b> | <b>-217</b>                     | <b>-216</b> | <b>-151</b>               | <b>-178</b> | <b>11</b>       | <b>10</b>   | <b>-1,289</b> | <b>-1,417</b> | <b>-9%</b> |
| Net loan losses and similar net result               | -27              | -34          | -20              | -26         | 12                              | -20         | -2                        | 1           | 4               | -4          | -33           | -83           |            |
| <b>Operating profit</b>                              | <b>583</b>       | <b>492</b>   | <b>500</b>       | <b>468</b>  | <b>418</b>                      | <b>355</b>  | <b>205</b>                | <b>144</b>  | <b>57</b>       | <b>-44</b>  | <b>1,763</b>  | <b>1,415</b>  | <b>25%</b> |
| Cost-to-income ratio <sup>1</sup> , %                | 47               | 57           | 40               | 45          | 35                              | 40          | 42                        | 56          |                 |             | 41            | 51            |            |
| Return on allocated equity (RoAE) <sup>1,2</sup> , % | 20               | 16           | 18               | 17          | 19                              | 16          | 36                        | 27          |                 |             | 18            | 14            |            |
| Allocated Equity                                     | 9,512            | 9,244        | 8,683            | 8,340       | 6,777                           | 6,562       | 1,831                     | 1,608       | 2,091           | 5,470       | 28,894        | 31,225        | -7%        |
| Risk exposure amount (REA)                           | 43,527           | 42,262       | 42,093           | 41,294      | 40,415                          | 39,695      | 6,269                     | 6,072       | 6,275           | 9,396       | 138,579       | 138,719       | 0%         |
| Number of employees (FTEs)                           | 6,716            | 6,716        | 3,993            | 3,970       | 1,237                           | 1,225       | 3,136                     | 3,098       | 14,396          | 14,144      | 29,478        | 29,153        | 1%         |
| <b>Volumes, EURbn<sup>3</sup>:</b>                   |                  |              |                  |             |                                 |             |                           |             |                 |             |               |               |            |
| <b>Total lending</b>                                 | <b>163.7</b>     | <b>167.9</b> | <b>93.6</b>      | <b>94.9</b> | <b>53.6</b>                     | <b>52.1</b> | <b>11.5</b>               | <b>11.7</b> | <b>-2.6</b>     | <b>-2.6</b> | <b>319.8</b>  | <b>324.0</b>  | <b>-1%</b> |
| <b>Total deposits</b>                                | <b>85.3</b>      | <b>86.2</b>  | <b>50.3</b>      | <b>52.5</b> | <b>46.3</b>                     | <b>47.0</b> | <b>11.4</b>               | <b>12.2</b> | <b>7.0</b>      | <b>4.7</b>  | <b>200.3</b>  | <b>202.6</b>  | <b>-1%</b> |

Restatement primarily due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

<sup>1</sup> With amortised resolution fees.

<sup>2</sup> Equal to Return on equity (RoE) for the Nordea Group.

<sup>3</sup> Excluding repurchase agreements and security lending/borrowing agreements.

|  | Personal Banking |              | Business Banking |             | Large Corporates & Institutions |             | Asset & Wealth Management |             | Group functions |             | Nordea Group  |               |            |
|--|------------------|--------------|------------------|-------------|---------------------------------|-------------|---------------------------|-------------|-----------------|-------------|---------------|---------------|------------|
|  | Jan-Mar          | Jan-Mar      | Jan-Mar          | Jan-Mar     | Jan-Mar                         | Jan-Mar     | Jan-Mar                   | Jan-Mar     | Jan-Mar         | Jan-Mar     | Jan-Mar       | Jan-Mar       | Chg        |
|  | 2024             | 2023         | 2024             | 2023        | 2024                            | 2023        | 2024                      | 2023        | 2024            | 2023        | 2024          | 2023          |            |
| <b>EURm</b>  |                  |              |                  |             |                                 |             |                           |             |                 |             |               |               |            |
| Net interest income                                  | 869              | 794          | 613              | 553         | 368                             | 344         | 85                        | 70          | 19              | 4           | 1,954         | 1,765         | 11%        |
| Net fee and commission income                        | 268              | 259          | 143              | 153         | 126                             | 120         | 237                       | 245         | -11             | -12         | 763           | 765           | 0%         |
| Net insurance result                                 | 29               | 30           | 7                | 5           | 0                               | 0           | 24                        | 11          | 1               | 0           | 61            | 46            | 33%        |
| Net result from items at fair value                  | 21               | 19           | 98               | 109         | 131                             | 193         | 12                        | 24          | 29              | 0           | 291           | 345           | -16%       |
| Other income   | 2                | 1            | 12               | -3          | -2                              | 0           | 0                         | 0           | 4               | 2           | 16            | 0             |            |
| <b>Total operating income</b>                        | <b>1,189</b>     | <b>1,103</b> | <b>873</b>       | <b>817</b>  | <b>623</b>                      | <b>657</b>  | <b>358</b>                | <b>350</b>  | <b>42</b>       | <b>-6</b>   | <b>3,085</b>  | <b>2,921</b>  | <b>6%</b>  |
| <b>Total operating expenses</b>                      | <b>-579</b>      | <b>-585</b>  | <b>-353</b>      | <b>-403</b> | <b>-217</b>                     | <b>-301</b> | <b>-151</b>               | <b>-150</b> | <b>11</b>       | <b>17</b>   | <b>-1,289</b> | <b>-1,422</b> | <b>-9%</b> |
| Net loan losses and similar net result               | -27              | -35          | -20              | -5          | 12                              | 22          | -2                        | -1          | 4               | 0           | -33           | -19           |            |
| <b>Operating profit</b>                              | <b>583</b>       | <b>483</b>   | <b>500</b>       | <b>409</b>  | <b>418</b>                      | <b>378</b>  | <b>205</b>                | <b>199</b>  | <b>57</b>       | <b>11</b>   | <b>1,763</b>  | <b>1,480</b>  | <b>19%</b> |
| Cost-to-income ratio <sup>1</sup> , %                | 47               | 48           | 40               | 42          | 35                              | 34          | 42                        | 42          |                 |             | 41            | 43            |            |
| Return on allocated equity (RoAE) <sup>1,2</sup> , % | 20               | 19           | 18               | 18          | 19                              | 21          | 36                        | 37          |                 |             | 18            | 17            |            |
| Allocated Equity                                     | 9,512            | 9,093        | 8,683            | 8,369       | 6,777                           | 6,900       | 1,831                     | 1,586       | 2,091           | 2,234       | 28,894        | 28,181        | 2%         |
| Risk exposure amount (REA)                           | 43,527           | 42,055       | 42,093           | 42,663      | 40,415                          | 40,452      | 6,269                     | 6,975       | 6,275           | 9,831       | 138,579       | 141,976       | -2%        |
| Number of employees (FTEs)                           | 6,716            | 6,989        | 3,993            | 3,984       | 1,237                           | 1,248       | 3,136                     | 3,150       | 14,396          | 13,551      | 29,478        | 28,922        | 2%         |
| <b>Volumes, EURbn<sup>3</sup>:</b>                   |                  |              |                  |             |                                 |             |                           |             |                 |             |               |               |            |
| <b>Total lending</b>                                 | <b>163.7</b>     | <b>167.4</b> | <b>93.6</b>      | <b>93.4</b> | <b>53.6</b>                     | <b>51.8</b> | <b>11.5</b>               | <b>11.7</b> | <b>-2.6</b>     | <b>-5.0</b> | <b>319.8</b>  | <b>319.3</b>  | <b>0%</b>  |
| <b>Total deposits</b>                                | <b>85.3</b>      | <b>84.7</b>  | <b>50.3</b>      | <b>50.5</b> | <b>46.3</b>                     | <b>53.5</b> | <b>11.4</b>               | <b>12.3</b> | <b>7.0</b>      | <b>9.7</b>  | <b>200.3</b>  | <b>210.7</b>  | <b>-5%</b> |

Restatement primarily due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

<sup>1</sup> With amortised resolution fees.

<sup>2</sup> Equal to Return on equity (RoE) for the Nordea Group.

<sup>3</sup> Excluding repurchase agreements and security lending/borrowing agreements.



# Personal Banking

## Introduction

In Personal Banking we offer household customers easy and convenient everyday banking and advice for all stages of life.

We strive to create great omnichannel experiences by providing a full range of financial services and products through a combination of digital channels and in-person interactions.

## Business development

This quarter, mortgage lending volumes remained stable. Total lending volumes decreased by 1% in local currencies year on year, while deposit volumes increased by 2%.

During the quarter we saw increased customer investment activity while customer demand for new loan promises was slightly lower than in the same quarter last year.

In response to continued high demand for savings deposits we further expanded our deposit product offering. In Sweden, we launched a new high interest savings account with a fraud prevention feature to help customers safeguard their savings. The feature delays all transactions from the account, making it more difficult for criminals to access funds. Additionally, we launched a new version of a high interest savings account in Finland and two new time deposit accounts in Norway.

Customers' stronger appetite for new investments boosted the savings inflow, which is further underpinned by a strong development in pension savings in both Sweden and Norway.

Activity levels within digital channels and meetings with advisers remain high. Digital customer engagement further increased, with private mobile app users and logins both up 7%, year on year. In Sweden, we achieved a 42% year-on-year increase in digitally generated leads for mortgage and savings advisers.

We continued to update the digital experience for our customers and launched new insights and features in the app. Building on a successful launch in Denmark, our customers in Norway are now able to manage their subscriptions from different merchants through a self-service option in the app, enabling them to better control their spending and improve their financial well-being. We also introduced insights on funds' sustainable contribution to better support customers who wish to make a positive ESG impact through their savings.

Our ESG products continued to perform well, accounting for 34% of quarterly gross inflows into funds.

## Financial outcome

Total income in the first quarter increased by 8% year on year due to improved net interest income and higher savings income.

Net interest income increased by 9%, driven by improved deposit margins. This was partly offset by lower lending margins.

Net fee and commission income increased by 3% year on year, mainly driven by higher savings income. This was partly offset by lower lending fee income and lower payments income.

Net insurance result decreased by 3% year on year, driven by increased claims for insurance products in Finland, Norway and Sweden.

Total expenses decreased by 1% year on year, driven by lower resolution fees. This was partly offset by increased investments in technology and risk management in line with our business plan. The cost-to-income ratio with amortised resolution fees improved to 47% from 48% a year ago.

Total net loan losses and similar net result amounted to EUR 27m (7bp), compared with EUR 35m in the same quarter last year.

Operating profit increased by 21% year on year to EUR 583m, driven by higher income. Return on allocated equity was 20%, compared with 19% in the same quarter last year.

## Personal Banking Denmark

Total income increased by 11% in local currency year on year.

Net interest income increased by 15% in local currency year on year, primarily driven by higher deposit volumes and improved deposit margins.

Lending volumes decreased by 3% in local currency year on year due to continued low demand for mortgage lending. Deposit volumes increased by 5%, driven by higher savings deposit volumes.

Net fee and commission income decreased by 3% in local currency year on year, driven by lower lending fee income and payment and card income. This was partly offset by higher savings income.

Net loan losses and similar net result amounted to EUR 6m (6bp).

## Personal Banking Finland

Total income increased by 10% year on year.

Net interest income increased by 15% year on year, primarily driven by improved deposit margins. These were partly offset by lower mortgage margins.

Lending volumes decreased by 1% year on year, driven by lower mortgage volumes. Deposit volumes decreased by 1%, driven by lower transaction deposit volumes. These were partly offset by increased savings deposit volumes.

Net fee and commission income increased by 1% year on year, driven by higher savings income. This was partly offset by lower payment and card fee income.

Net loan losses and similar net result amounted to EUR 10m (11bp).

### Personal Banking Norway

Total income increased by 5% in local currency year on year.

Net interest income increased by 3% in local currency year on year, primarily driven by higher deposit volumes. This was partly offset by lower mortgage and deposit margins; on mortgage loans primarily driven by notice period and on deposits by a changed product mix.

Lending volumes decreased by 2% in local currency year on year. Deposit volumes increased by 12%, driven by higher savings deposit volumes.

Net fee and commission income increased by 14% in local currency year on year, driven by higher savings income.

Net loan losses and similar net result amounted to EUR 6m (7bp).

### Personal Banking Sweden

Total income increased by 5% in local currency year on year.

Net interest income increased by 3% in local currency year on year due to higher mortgage volumes and improved deposit margins. These were partly offset by lower lending margins, which were driven by higher funding costs.

Lending volumes increased by 1% in local currency year on year, driven by higher mortgage volumes. Deposit volumes were stable year on year.

Net fee and commission income increased by 9% year on year, driven by higher savings income. This was partly offset by lower payments and card fee income.

Net loan losses and similar net result amounted to EUR 6m (5bp).

### Personal Banking total

|   | Q124         | Q423         | Q323         | Q223         | Q123         | Q1/Q1      | Q1/Q4       | Local curr. |             |
|---|--------------|--------------|--------------|--------------|--------------|------------|-------------|-------------|-------------|
|   |              |              |              |              |              |            |             | Q1/Q1       | Q1/Q4       |
| <b>EURm</b>                                 |              |              |              |              |              |            |             |             |             |
| Net interest income                         | 869          | 870          | 852          | 825          | 794          | 9%         | 0%          | 10%         | -1%         |
| Net fee and commission income               | 268          | 264          | 274          | 262          | 259          | 3%         | 2%          | 4%          | 0%          |
| Net insurance result                        | 29           | 36           | 29           | 28           | 30           | -3%        | -19%        | 0%          | -17%        |
| Net result from items at fair value         | 21           | 13           | 20           | 18           | 19           | 11%        | 62%         | 5%          | 54%         |
| Other income                                | 2            | 0            | 1            | 2            | 1            |            |             |             |             |
| <b>Total income incl. allocations</b>       | <b>1,189</b> | <b>1,183</b> | <b>1,176</b> | <b>1,135</b> | <b>1,103</b> | <b>8%</b>  | <b>1%</b>   | <b>9%</b>   | <b>0%</b>   |
| <b>Total expenses incl. allocations</b>     | <b>-579</b>  | <b>-657</b>  | <b>-511</b>  | <b>-527</b>  | <b>-585</b>  | <b>-1%</b> | <b>-12%</b> | <b>0%</b>   | <b>-13%</b> |
| <b>Profit before loan losses</b>            | <b>610</b>   | <b>526</b>   | <b>665</b>   | <b>608</b>   | <b>518</b>   | <b>18%</b> | <b>16%</b>  | <b>18%</b>  | <b>15%</b>  |
| Net loan losses and similar net result      | -27          | -34          | -26          | -17          | -35          |            |             |             |             |
| <b>Operating profit</b>                     | <b>583</b>   | <b>492</b>   | <b>639</b>   | <b>591</b>   | <b>483</b>   | <b>21%</b> | <b>18%</b>  | <b>21%</b>  | <b>18%</b>  |
| Cost-to-income ratio <sup>1</sup> , %       | 47           | 57           | 45           | 48           | 48           |            |             |             |             |
| Return on allocated equity <sup>1</sup> , % | 20           | 16           | 21           | 20           | 19           |            |             |             |             |
| Allocated equity                            | 9,512        | 9,244        | 9,046        | 8,990        | 9,093        | 5%         | 3%          |             |             |
| Risk exposure amount (REA)                  | 43,527       | 42,262       | 41,759       | 41,347       | 42,055       | 4%         | 3%          |             |             |
| Number of employees (FTEs)                  | 6,716        | 6,716        | 6,795        | 6,958        | 6,989        | -4%        | 0%          |             |             |
| <b>Volumes, EURbn:</b>                      |              |              |              |              |              |            |             |             |             |
| Mortgage lending                            | 148.8        | 152.3        | 150.5        | 148.4        | 150.9        | -1%        | -2%         | 0%          | 0%          |
| Other lending                               | 14.9         | 15.6         | 15.8         | 16.0         | 16.5         | -10%       | -4%         | -8%         | -3%         |
| <b>Total lending</b>                        | <b>163.7</b> | <b>167.9</b> | <b>166.3</b> | <b>164.4</b> | <b>167.4</b> | <b>-2%</b> | <b>-3%</b>  | <b>-1%</b>  | <b>-1%</b>  |
| <b>Total deposits</b>                       | <b>85.3</b>  | <b>86.2</b>  | <b>85.4</b>  | <b>85.2</b>  | <b>84.7</b>  | <b>1%</b>  | <b>-1%</b>  | <b>2%</b>   | <b>1%</b>   |

<sup>1</sup> With amortised resolution fees.

## Personal Banking

|   | Q124        | Q423        | Q323        | Q223        | Q123        | Q1/Q1      | Q1/Q4      | Local curr. |            |
|---|-------------|-------------|-------------|-------------|-------------|------------|------------|-------------|------------|
|   |             |             |             |             |             |            |            | Q1/Q1       | Q1/Q4      |
| <b>Net interest income, EURm</b>                    |             |             |             |             |             |            |            |             |            |
| PeB Denmark   | 224         | 224         | 230         | 206         | 195         | 15%        | 0%         | 15%         | 0%         |
| PeB Finland   | 253         | 273         | 276         | 257         | 220         | 15%        | -7%        | 15%         | -7%        |
| PeB Norway  | 122         | 103         | 105         | 111         | 123         | -1%        | 18%        | 3%          | 16%        |
| PeB Sweden  | 263         | 269         | 246         | 251         | 256         | 3%         | -2%        | 3%          | -4%        |
| Other   | 7           | 1           | -5          | 0           | 0           |            |            |             |            |
| <b>Net fee and commission income, EURm</b>          |             |             |             |             |             |            |            |             |            |
| PeB Denmark   | 71          | 79          | 77          | 74          | 73          | -3%        | -10%       | -3%         | -10%       |
| PeB Finland   | 76          | 73          | 77          | 77          | 75          | 1%         | 4%         | 1%          | 4%         |
| PeB Norway  | 25          | 22          | 27          | 19          | 23          | 9%         | 14%        | 14%         | 9%         |
| PeB Sweden  | 99          | 90          | 95          | 91          | 91          | 9%         | 10%        | 9%          | 8%         |
| Other   | -3          | 0           | -2          | 1           | -3          |            |            |             |            |
| <b>Net loan losses and similar net result, EURm</b> |             |             |             |             |             |            |            |             |            |
| PeB Denmark   | -6          | -6          | -3          | 0           | -5          |            |            |             |            |
| PeB Finland   | -10         | -14         | -11         | -8          | -16         |            |            |             |            |
| PeB Norway  | -6          | -3          | -4          | -2          | -4          |            |            |             |            |
| PeB Sweden  | -6          | -12         | -7          | -6          | -9          |            |            |             |            |
| Other   | 1           | 1           | -1          | -1          | -1          |            |            |             |            |
| <b>Volumes, EURbn</b>                               |             |             |             |             |             |            |            |             |            |
| <b>Personal Banking Denmark</b>                     |             |             |             |             |             |            |            |             |            |
| Mortgage lending                                    | 39.4        | 39.7        | 39.9        | 40.2        | 40.1        | -2%        | -1%        | -2%         | -1%        |
| Other lending                                       | 4.2         | 4.5         | 4.6         | 4.7         | 4.9         | -14%       | -7%        | -14%        | -7%        |
| <b>Total lending</b>                                | <b>43.6</b> | <b>44.2</b> | <b>44.5</b> | <b>44.9</b> | <b>45.0</b> | <b>-3%</b> | <b>-1%</b> | <b>-3%</b>  | <b>-1%</b> |
| <b>Total deposits</b>                               | <b>23.1</b> | <b>23.1</b> | <b>22.8</b> | <b>22.9</b> | <b>22.2</b> | <b>4%</b>  | <b>0%</b>  | <b>5%</b>   | <b>0%</b>  |
| <b>Personal Banking Finland</b>                     |             |             |             |             |             |            |            |             |            |
| Mortgage lending                                    | 30.5        | 30.7        | 30.6        | 30.7        | 30.9        | -1%        | -1%        | -1%         | -1%        |
| Other lending                                       | 6.1         | 6.0         | 6.1         | 6.1         | 6.1         | 0%         | 2%         | 0%          | 2%         |
| <b>Total lending</b>                                | <b>36.6</b> | <b>36.7</b> | <b>36.7</b> | <b>36.8</b> | <b>37.0</b> | <b>-1%</b> | <b>0%</b>  | <b>-1%</b>  | <b>0%</b>  |
| <b>Total deposits</b>                               | <b>25.8</b> | <b>25.6</b> | <b>26.0</b> | <b>26.3</b> | <b>26.1</b> | <b>-1%</b> | <b>1%</b>  | <b>-1%</b>  | <b>1%</b>  |
| <b>Personal Banking Norway</b>                      |             |             |             |             |             |            |            |             |            |
| Mortgage lending                                    | 31.0        | 32.4        | 32.3        | 31.2        | 31.8        | -3%        | -4%        | 0%          | 0%         |
| Other lending                                       | 1.8         | 2.0         | 2.1         | 2.1         | 2.3         | -22%       | -10%       | -18%        | -5%        |
| <b>Total lending</b>                                | <b>32.8</b> | <b>34.4</b> | <b>34.4</b> | <b>33.3</b> | <b>34.1</b> | <b>-4%</b> | <b>-5%</b> | <b>-2%</b>  | <b>-1%</b> |
| <b>Total deposits</b>                               | <b>10.6</b> | <b>10.7</b> | <b>10.3</b> | <b>10.1</b> | <b>9.8</b>  | <b>8%</b>  | <b>-1%</b> | <b>12%</b>  | <b>4%</b>  |
| <b>Personal Banking Sweden</b>                      |             |             |             |             |             |            |            |             |            |
| Mortgage lending                                    | 47.9        | 49.5        | 47.6        | 46.2        | 48.1        | 0%         | -3%        | 2%          | 0%         |
| Other lending                                       | 2.9         | 3.1         | 3.0         | 3.1         | 3.2         | -9%        | -6%        | -10%        | -3%        |
| <b>Total lending</b>                                | <b>50.8</b> | <b>52.6</b> | <b>50.6</b> | <b>49.3</b> | <b>51.3</b> | <b>-1%</b> | <b>-3%</b> | <b>1%</b>   | <b>0%</b>  |
| <b>Total deposits</b>                               | <b>25.8</b> | <b>26.7</b> | <b>26.2</b> | <b>25.9</b> | <b>26.6</b> | <b>-3%</b> | <b>-3%</b> | <b>0%</b>   | <b>0%</b>  |

# Business Banking

## Introduction

In Business Banking we provide small and medium-sized enterprises (SMEs) with banking and advisory products and services, both online and in person.

Business Banking also includes the product and specialist units Transaction Banking and Nordea Finance, which provide payment and transaction services and asset-based lending and receivables finance, respectively.

We are a trusted financial partner, providing competent advice and developing digital solutions to support sustainable growth for our customers.

## Business development

In the first quarter we continued to actively support our customers and delivered a solid financial performance. Despite the continued slowdown in the corporate market, lending volumes grew by 1% year on year in local currencies, driven by Norway and Sweden. Deposit volumes increased by 1% year on year in local currencies and we continued to see migration from transaction deposits to fixed-term deposit products.

The increase in customer satisfaction last quarter was maintained in the first quarter. Customer meeting activity remained high and we have made proactive efforts to help our customers to successfully navigate the current macroeconomic environment. Furthermore, we continued to improve service quality across channels by enhancing self-service capabilities and reducing waiting time at our call centres.

During the quarter we made further progress towards our strategic ambition to be the leading digital bank for SMEs. We improved service quality in digital channels by developing the Nordea Business internet bank and mobile app. In Norway, we started the customer migration to Nordea Business and are now live in all Nordic countries. In Sweden, we enabled customers to apply for a green business loan via our digital channels, combining digital deliveries with our sustainability goals. We also upgraded our trade finance services in Sweden, enabling users to view and apply for guarantees. In Nordea Corporate, the platform for larger corporate customers, customers in all countries are now able to submit a broad range of cash management requests digitally.

We also remain focused on supporting our customers in the transition to a more sustainable economy. During the first quarter our green asset portfolio increased to 11% of total lending. We continued to see strong demand for our deposits with climate focus, which enable customers to invest their excess liquidity while helping to finance green assets. We also continue to train our staff to ensure they have the required competence and tools to support our customers with their transition needs.

## Financial outcome

Total income in the first quarter increased by 7% year on year, driven by improved deposit margins and higher lending volumes.

Net interest income increased by 11% year on year, mainly due to improved deposit margins following higher policy rates in all markets. Both lending and deposit volumes increased by 1% year on year in local currencies.

Net fee and commission income decreased by 7% year on year, driven by lower capital markets activity compared with the strong first quarter last year. This was partly offset by higher payment and card fee income as well as higher savings fee income.

Net result from items at fair value decreased by 10% compared with the strong first quarter last year, mainly due to lower income from fixed income derivative sales.

Total expenses decreased by 12% year on year, driven by lower resolution fees. The cost-to-income ratio with amortised resolution fees improved by 2 percentage points to 40%, compared with the same quarter last year, driven by higher income and lower costs.

Net loan losses and similar net result remained at a moderate level and amounted to EUR 20m (9bp), compared with EUR 5m in the same quarter last year.

Operating profit increased by 22% year on year to EUR 500m, driven by both higher income and lower costs. Return on allocated equity with amortised resolution fees was 18%, unchanged from the same quarter last year.

## Business Banking Denmark

Net interest income increased by 12% in local currency year on year, driven by higher deposit volumes and improved deposit margins.

Lending volumes decreased by 1% in local currency year on year. Deposit volumes increased by 1%, driven by fixed-term deposits.

Net fee and commission income decreased by 13% in local currency year on year, driven by lower fees related to corporate finance transactions. This was partly offset by higher savings as well as payment and card fee income.

Net loan losses and similar net result amounted to EUR 1m (2bp), compared with net reversals of EUR 3m in the same quarter last year.

### Business Banking Finland

Net interest income increased by 13% year on year, driven by improved deposit margins. The increase was partly offset by lower lending and deposit volumes and lower lending margins.

Lending volumes decreased by 3% in local currency year on year, while deposit volumes decreased by 6%.

Net fee and commission income decreased 11% year on year mainly due to lower capital markets activity and lending fee income.

Net loan losses and similar net result amounted to EUR 6m (12bp), down from EUR 11m in the same quarter last year. Net loan losses were primarily driven by a few customer cases.

### Business Banking Norway

Net interest income increased by 18% in local currency year on year, driven by higher lending and deposit volumes and improved deposit margins.

Lending volumes increased by 7% in local currency year on year. Deposit volumes increased by 8%.

Net fee and commission income remained flat in local currency year on year.

Net loan losses and similar net result amounted to EUR 0m, compared with net reversals of EUR 3m in the same quarter last year.

### Business Banking Sweden

Net interest income increased by 9% in local currency year on year. The increase was driven by higher lending and deposit volumes and improved deposit margins.

Lending volumes increased by 2% in local currency year on year. Deposit volumes increased by 3%.

Net fee and commission income remained flat in local currency year on year. Higher payment, card and savings fee income was offset by lower lending fee income.

Net loan losses and similar net result amounted to EUR 12m (18bp), compared with EUR 6m in the same quarter last year. Net loan losses were primarily driven by a few customer cases.

### Business Banking total

|   | Q124        | Q423        | Q323        | Q223        | Q123        | Q1/Q1       | Q1/Q4      | Local curr. |            |
|---|-------------|-------------|-------------|-------------|-------------|-------------|------------|-------------|------------|
|   |             |             |             |             |             |             |            | Q1/Q1       | Q1/Q4      |
| <b>EURm</b>                                 |             |             |             |             |             |             |            |             |            |
| Net interest income                         | 613         | 613         | 610         | 592         | 553         | 11%         | 0%         | 12%         | -1%        |
| Net fee and commission income               | 143         | 146         | 137         | 144         | 153         | -7%         | -2%        | -5%         | -3%        |
| Net insurance result                        | 7           | 6           | 5           | 5           | 5           | 40%         | 17%        | 40%         | 17%        |
| Net result from items at fair value         | 98          | 95          | 83          | 93          | 109         | -10%        | 3%         | -11%        | 3%         |
| Other income                                | 12          | 10          | 9           | 13          | -3          |             |            |             |            |
| <b>Total income incl. allocations</b>       | <b>873</b>  | <b>870</b>  | <b>844</b>  | <b>847</b>  | <b>817</b>  | <b>7%</b>   | <b>0%</b>  | <b>8%</b>   | <b>-1%</b> |
| <b>Total expenses incl. allocations</b>     | <b>-353</b> | <b>-376</b> | <b>-318</b> | <b>-316</b> | <b>-403</b> | <b>-12%</b> | <b>-6%</b> | <b>-12%</b> | <b>-7%</b> |
| <b>Profit before loan losses</b>            | <b>520</b>  | <b>494</b>  | <b>526</b>  | <b>531</b>  | <b>414</b>  | <b>26%</b>  | <b>5%</b>  | <b>27%</b>  | <b>4%</b>  |
| Net loan losses and similar net result      | -20         | -26         | -12         | -37         | -5          |             |            |             |            |
| <b>Operating profit</b>                     | <b>500</b>  | <b>468</b>  | <b>514</b>  | <b>494</b>  | <b>409</b>  | <b>22%</b>  | <b>7%</b>  | <b>24%</b>  | <b>6%</b>  |
| Cost-to-income ratio <sup>1</sup> , %       | 40          | 45          | 40          | 41          | 42          |             |            |             |            |
| Return on allocated equity <sup>1</sup> , % | 18          | 17          | 19          | 18          | 18          |             |            |             |            |
| Allocated equity                            | 8,683       | 8,340       | 8,278       | 8,171       | 8,369       | 4%          | 4%         |             |            |
| Risk exposure amount (REA)                  | 42,093      | 41,294      | 41,625      | 41,490      | 42,663      | -1%         | 2%         |             |            |
| Number of employees (FTEs)                  | 3,993       | 3,970       | 3,980       | 4,023       | 3,984       | 0%          | 1%         |             |            |
| <b>Volumes, EURbn:</b>                      |             |             |             |             |             |             |            |             |            |
| Total lending                               | 93.6        | 94.9        | 94.5        | 93.1        | 93.4        | 0%          | -1%        | 1%          | 1%         |
| Total deposits                              | 50.3        | 52.5        | 50.0        | 50.1        | 50.5        | 0%          | -4%        | 1%          | -3%        |

<sup>1</sup> With amortised resolution fees.

**Business Banking**

|   | Q124 | Q423 | Q323 | Q223 | Q123 | Q1/Q1 | Q1/Q4 | Local curr. |       |
|---|------|------|------|------|------|-------|-------|-------------|-------|
|   |      |      |      |      |      |       |       | Q1/Q1       | Q1/Q4 |
| <b>Net interest income, EURm</b>                    |      |      |      |      |      |       |       |             |       |
| Business Banking Denmark                            | 128  | 132  | 129  | 122  | 113  | 13%   | -3%   | 12%         | -3%   |
| Business Banking Finland                            | 163  | 171  | 166  | 167  | 144  | 13%   | -5%   | 13%         | -5%   |
| Business Banking Norway                             | 153  | 147  | 147  | 134  | 135  | 13%   | 4%    | 18%         | 3%    |
| Business Banking Sweden                             | 170  | 166  | 162  | 161  | 157  | 8%    | 2%    | 9%          | 1%    |
| Other   | -1   | -3   | 6    | 8    | 4    |       |       |             |       |
| <b>Net fee and commission income, EURm</b>          |      |      |      |      |      |       |       |             |       |
| Business Banking Denmark                            | 28   | 27   | 26   | 28   | 32   | -13%  | 4%    | -13%        | 4%    |
| Business Banking Finland                            | 49   | 52   | 48   | 51   | 55   | -11%  | -6%   | -11%        | -6%   |
| Business Banking Norway                             | 25   | 26   | 26   | 25   | 26   | -4%   | -4%   | 0%          | -4%   |
| Business Banking Sweden                             | 46   | 44   | 44   | 47   | 46   | 0%    | 5%    | 0%          | 2%    |
| Other   | -5   | -3   | -7   | -7   | -6   |       |       |             |       |
| <b>Net loan losses and similar net result, EURm</b> |      |      |      |      |      |       |       |             |       |
| Business Banking Denmark                            | -1   | -1   | 3    | 4    | 3    |       |       |             |       |
| Business Banking Finland                            | -6   | -2   | -5   | -18  | -11  |       |       |             |       |
| Business Banking Norway                             | 0    | -9   | -2   | -11  | 3    |       |       |             |       |
| Business Banking Sweden                             | -12  | -12  | -10  | -8   | -6   |       |       |             |       |
| Other   | -1   | -2   | 2    | -4   | 6    |       |       |             |       |
| <b>Lending, EURbn</b>                               |      |      |      |      |      |       |       |             |       |
| Business Banking Denmark                            | 24.2 | 24.4 | 24.4 | 24.5 | 24.4 | -1%   | -1%   | -1%         | 0%    |
| Business Banking Finland                            | 19.8 | 19.7 | 20.2 | 20.2 | 20.5 | -3%   | 1%    | -3%         | 1%    |
| Business Banking Norway                             | 23.5 | 24.0 | 23.8 | 22.9 | 22.5 | 4%    | -2%   | 7%          | 2%    |
| Business Banking Sweden                             | 26.1 | 26.7 | 26.1 | 25.3 | 26.0 | 0%    | -2%   | 2%          | 1%    |
| Other   | 0    | 0.1  | 0    | 0.2  | 0    |       |       |             |       |
| <b>Deposits, EURbn</b>                              |      |      |      |      |      |       |       |             |       |
| Business Banking Denmark                            | 10.5 | 11.0 | 10.9 | 10.7 | 10.4 | 1%    | -5%   | 1%          | -5%   |
| Business Banking Finland                            | 14.0 | 15.0 | 14.3 | 14.6 | 15.0 | -7%   | -7%   | -6%         | -7%   |
| Business Banking Norway                             | 9.2  | 9.5  | 8.7  | 8.6  | 8.8  | 5%    | -3%   | 8%          | 1%    |
| Business Banking Sweden                             | 16.5 | 17.0 | 16.0 | 16.1 | 16.3 | 1%    | -3%   | 3%          | 1%    |
| Other   | 0.1  | 0    | 0.1  | 0.1  | 0    |       |       |             |       |



# Large Corporates & Institutions

## Introduction

In Large Corporates & Institutions (LC&I) we provide financial solutions to large Nordic corporate and institutional customers. We also provide services to customers across the Nordea Group through the product and specialist units Markets and Investment Banking & Equities and our international corporate branches.

We are a leading player within sustainable finance and a leading bank for large corporate and institutional customers in the Nordics.

We offer a focused and dedicated range of products and services covering financing, cash management and payments, as well as investment banking and capital markets solutions.

## Business development

In the first quarter we made further solid progress with our strategy execution and towards our financial targets.

The uncertain macroeconomic outlook continued to hamper corporate activity at the beginning of the year, although we saw signs of recovery at the end of the quarter in the light of more positive inflation data. We continued to actively support our Nordic customers with their investment plans. Lending volumes were up 3% year on year, while deposit volumes decreased by 13%.

Debt Capital Markets activity was high across the entire franchise as issuers were keen to progress their funding plans amidst the current benign market backdrop. We arranged more than 200 transactions supporting continued high income. In Equity Capital Markets and Mergers & Acquisitions we continued to see improved sentiment and momentum in the market, with deal activity slowly picking up; particularly the private equity community is preparing for a more active year. Transaction highlights of the quarter included new issues for the Kingdom of Norway and Scatec, and capital raises for Svedbergs and Better Collective. We also advised Dasos Capital on the sale of its Dasos Timberland Fund I portfolio to Ingka Investments.

Nordea Markets delivered a satisfactory result in the first quarter compared with a strong quarter in the previous year. Customer levels held up well despite subdued volatility across markets. We maintained our intense focus on cost control and capital footprint optimisation, enabling continued customer support and solid results.

During the quarter we were recognised as a sustainability leader with multiple awards. Global Finance magazine named us world's best bank for transition/sustainability-linked bonds, Western Europe's best bank for transition/sustainability-linked loans, and best bank for sustainable finance in Denmark, Finland, Norway and Sweden. We remain on track to facilitate EUR 200bn in sustainable financing by 2025 with EUR 136bn facilitated to date. We also continue to improve our staff training, operating processes and data foundation. By the end of the quarter we maintained the number one position for Nordic corporate sustainable bonds.

## Financial outcome

Total income was down 5% year on year. Growth in net interest income and net fee and commission income was offset by significantly lower net result from items at fair value.

Net interest income increased by 7% year on year, driven by positive margin development and higher lending volumes.

Net fee and commission income was up 5% year on year, driven by strong performance in debt and equity capital markets.

Net result from items at fair value decreased by 32% year on year compared with the high income level in the first quarter of 2023. We continued to drive solid levels of customer activity and maintained our risk management focus, benefiting from our pan-Nordic diversification.

Total expenses decreased by 28% year on year, mainly driven by significantly lower resolution fees. We continued to invest in technology and risk management. The cost-to-income ratio with amortised resolution fees was 35%, compared with 34% a year ago.

Net loan losses and similar net result amounted to net reversals of EUR 12m, compared with net reversals of EUR 22m in the same quarter last year.

Operating profit amounted to EUR 418m, a year-on-year increase of 11%, mainly driven by lower costs.

We continued to exercise solid capital discipline. Return on allocated equity was 19%, down 2 percentage points on the same quarter last year.

## Large Corporates & Institutions total

|   | Q124        | Q423        | Q323        | Q223        | Q123        | Q1/Q1       | Q1/Q4      |
|---|-------------|-------------|-------------|-------------|-------------|-------------|------------|
| <b>EURm</b>                                 |             |             |             |             |             |             |            |
| Net interest income                         | 368         | 372         | 360         | 353         | 344         | 7%          | -1%        |
| Net fee and commission income               | 126         | 130         | 105         | 104         | 120         | 5%          | -3%        |
| Net insurance result                        | 0           | 0           | 0           | 0           | 0           |             |            |
| Net result from items at fair value         | 131         | 88          | 95          | 99          | 193         | -32%        | 49%        |
| Other income                                | -2          | 1           | 1           | 0           | 0           |             |            |
| <b>Total income incl. allocations</b>       | <b>623</b>  | <b>591</b>  | <b>561</b>  | <b>556</b>  | <b>657</b>  | <b>-5%</b>  | <b>5%</b>  |
| <b>Total expenses incl. allocations</b>     | <b>-217</b> | <b>-216</b> | <b>-199</b> | <b>-191</b> | <b>-301</b> | <b>-28%</b> | <b>0%</b>  |
| <b>Profit before loan losses</b>            | <b>406</b>  | <b>375</b>  | <b>362</b>  | <b>365</b>  | <b>356</b>  | <b>14%</b>  | <b>8%</b>  |
| Net loan losses and similar net result      | 12          | -20         | 3           | 18          | 22          |             |            |
| <b>Operating profit</b>                     | <b>418</b>  | <b>355</b>  | <b>365</b>  | <b>383</b>  | <b>378</b>  | <b>11%</b>  | <b>18%</b> |
| Cost-to-income ratio <sup>1</sup> , %       | 35          | 40          | 39          | 41          | 34          |             |            |
| Return on allocated equity <sup>1</sup> , % | 19          | 16          | 16          | 16          | 21          |             |            |
| Allocated equity                            | 6,777       | 6,562       | 6,719       | 6,753       | 6,900       | -2%         | 3%         |
| Risk exposure amount (REA)                  | 40,415      | 39,695      | 40,692      | 40,696      | 40,452      | 0%          | 2%         |
| Number of employees (FTEs)                  | 1,237       | 1,225       | 1,255       | 1,261       | 1,248       | -1%         | 1%         |
| <b>Volumes, EURbn<sup>2</sup>:</b>          |             |             |             |             |             |             |            |
| Total lending                               | 53.6        | 52.1        | 53.6        | 52.9        | 51.8        | 3%          | 3%         |
| Total deposits                              | 46.3        | 47.0        | 45.2        | 42.6        | 53.5        | -13%        | -1%        |

<sup>1</sup> With amortised resolution fees.

<sup>2</sup> Excluding repurchase agreements and security lending/borrowing agreements.

## Large Corporates & Institutions

|   | Q124 | Q423 | Q323 | Q223 | Q123 | Q1/Q1 | Q1/Q4 |
|---|------|------|------|------|------|-------|-------|
| <b>Net interest income, EURm</b>                    |      |      |      |      |      |       |       |
| Denmark   | 71   | 74   | 71   | 67   | 70   | 1%    | -4%   |
| Finland   | 64   | 64   | 62   | 61   | 57   | 12%   | 0%    |
| Norway  | 92   | 94   | 89   | 89   | 89   | 3%    | -2%   |
| Sweden  | 123  | 124  | 123  | 120  | 114  | 8%    | -1%   |
| Other   | 18   | 16   | 15   | 16   | 14   |       |       |
| <b>Net fee and commission income, EURm</b>          |      |      |      |      |      |       |       |
| Denmark   | 28   | 27   | 30   | 29   | 27   | 4%    | 4%    |
| Finland   | 39   | 43   | 24   | 28   | 34   | 15%   | -9%   |
| Norway  | 27   | 28   | 22   | 24   | 26   | 4%    | -4%   |
| Sweden  | 34   | 33   | 30   | 37   | 38   | -11%  | 3%    |
| Other   | -2   | -1   | -1   | -14  | -5   |       |       |
| <b>Net loan losses and similar net result, EURm</b> |      |      |      |      |      |       |       |
| Denmark   | 21   | -6   | 0    | -2   | 16   |       |       |
| Finland   | 2    | -1   | -1   | 6    | 6    |       |       |
| Norway  | -14  | 24   | 1    | 9    | 7    |       |       |
| Sweden  | 2    | -35  | -1   | 5    | -7   |       |       |
| Other   | 1    | -2   | 4    | 0    | 0    |       |       |
| <b>Lending, EURbn<sup>1</sup></b>                   |      |      |      |      |      |       |       |
| Denmark   | 11.9 | 10.7 | 10.8 | 11.2 | 10.9 | 9%    | 11%   |
| Finland   | 8.5  | 8.8  | 9.1  | 8.8  | 8.6  | -1%   | -3%   |
| Norway  | 11.6 | 11.8 | 12.1 | 12.0 | 12.1 | -4%   | -2%   |
| Sweden  | 19.2 | 18.6 | 19.5 | 20.1 | 19.5 | -2%   | 3%    |
| Other   | 2.4  | 2.2  | 2.1  | 0.8  | 0.7  |       |       |
| <b>Deposits, EURbn<sup>1</sup></b>                  |      |      |      |      |      |       |       |
| Denmark   | 9.0  | 8.7  | 8.6  | 7.9  | 11.7 | -23%  | 3%    |
| Finland   | 11.7 | 12.8 | 10.4 | 12.4 | 14.4 | -19%  | -9%   |
| Norway  | 12.5 | 13.0 | 14.0 | 9.8  | 15.0 | -17%  | -4%   |
| Sweden  | 13.1 | 12.5 | 12.2 | 12.5 | 12.4 | 6%    | 5%    |
| Other   | 0    | 0    | 0    | 0    | 0    |       |       |

<sup>1</sup> Excluding repurchase agreements and security lending/borrowing agreements.

# Asset & Wealth Management

## Introduction

In Asset & Wealth Management we offer an extensive range of award-winning savings products through internal and external distribution channels and provide financial advice to high net worth individuals and corporate and institutional investors.

We are the leading Nordic private bank, asset manager and life and pensions business, with extensive reach and a competitive sustainability offering.

## Business development

During the first quarter we further grew our Private Banking business with sustained high activity in customer acquisition. We secured positive net flows of EUR 0.3bn, despite seasonal tax and dividend payments occurring during the quarter, Sweden and Norway being the main contributors.

In Institutional and Wholesale Distribution, wholesale distribution clients continued to favour fixed-term or money market funds, traditional banking products and direct government bond investments in the elevated interest rate environment. As a result, wholesale distribution net flows were negative at EUR 1.8bn.

In Asset Management, investment performance remained strong, with 72% of aggregated composites providing excess return on a three-year basis. By the end of the quarter approximately 70% of total AuM was in ESG products. The London-based ESG partner of top-tier investors and distributors, MainStreet Partners, awarded Nordea 1 European Stars Equity fund 2024 "ESG Champions" for being the best ESG European Equity fund. Furthermore, the Swedish Fund Selection Agency (FTN) decided to add the fund to its premium pension fund platform.

In Life & Pension, we continued to implement our growth plans. We continued to drive momentum in the Norwegian and Swedish pension transfer markets. In Sweden, Nordea Node (former Advinans) occupational pension offering was successfully launched, with customers showing very strong interest. In Denmark our bancassurance pension sales are

gaining momentum. Gross written premiums in the quarter amounted to EUR 3.1bn, up from EUR 2.3bn a year ago.

We continued to deliver on our strategic objective to be a digital leader within savings and investments. During the quarter we launched additional new features, enabling customers to better handle their pension savings digitally.

## Financial outcome

Total income in the first quarter was up 2% year on year, driven by higher net interest income and higher net insurance result.

Net interest income was up 21% year on year, driven by improved deposit margins.

Net fee and commission income decreased by 3% year on year, driven by lower asset management commissions due to lower average margins.

Net insurance result was up 118% year on year, driven by improved result from insurance products in Life and Pensions.

Net result from items at fair value amounted to EUR 12m, compared with EUR 24m a year ago, mainly due to lower return on shareholders' equity portfolios in Life & Pension.

Total expenses increased by 1% year on year, driven by inflation and integration costs related to the acquisition of Danske Bank's Norwegian personal customer business. The cost-to-income ratio with amortised resolution fees remained stable at 42%.

Net loan losses and similar net result amounted to EUR 2m, compared with EUR 1m in the same quarter last year.

Operating profit in the first quarter was EUR 205m, a year-on-year increase of 3%. Return on allocated equity was 36%; a year-on-year decrease of 1 percentage point, driven by increased capital allocations.

**Asset & Wealth Management total**

|   | Q124        | Q423        | Q323        | Q223        | Q123        | Q1/Q1     | Q1/Q4       | Local curr. |             |
|---|-------------|-------------|-------------|-------------|-------------|-----------|-------------|-------------|-------------|
|   |             |             |             |             |             |           |             | Q1/Q1       | Q1/Q4       |
| <b>EURm</b>                                 |             |             |             |             |             |           |             |             |             |
| Net interest income                         | 85          | 77          | 78          | 71          | 70          | 21%       | 10%         | 20%         | 8%          |
| Net fee and commission income               | 237         | 244         | 242         | 244         | 245         | -3%       | -3%         | -3%         | -2%         |
| Net insurance result                        | 24          | -1          | 28          | 34          | 11          |           |             |             |             |
| Net result from items at fair value         | 12          | 3           | -1          | 10          | 24          | -50%      |             | -48%        |             |
| Other income                                | 0           | -2          | 0           | 0           | 0           |           |             |             |             |
| <b>Total income incl. allocations</b>       | <b>358</b>  | <b>321</b>  | <b>347</b>  | <b>359</b>  | <b>350</b>  | <b>2%</b> | <b>12%</b>  | <b>3%</b>   | <b>11%</b>  |
| <b>Total expenses incl. allocations</b>     | <b>-151</b> | <b>-178</b> | <b>-147</b> | <b>-145</b> | <b>-150</b> | <b>1%</b> | <b>-15%</b> | <b>1%</b>   | <b>-16%</b> |
| <b>Profit before loan losses</b>            | <b>207</b>  | <b>143</b>  | <b>200</b>  | <b>214</b>  | <b>200</b>  | <b>4%</b> | <b>45%</b>  | <b>4%</b>   | <b>43%</b>  |
| Net loan losses and similar net result      | -2          | 1           | 0           | -1          | -1          |           |             |             |             |
| <b>Operating profit</b>                     | <b>205</b>  | <b>144</b>  | <b>200</b>  | <b>213</b>  | <b>199</b>  | <b>3%</b> | <b>42%</b>  | <b>4%</b>   | <b>40%</b>  |
| Cost-to-income ratio <sup>1</sup> , %       | 42          | 56          | 43          | 41          | 42          |           |             |             |             |
| Return on allocated equity <sup>1</sup> , % | 36          | 27          | 38          | 41          | 37          |           |             |             |             |
| Allocated equity                            | 1,831       | 1,608       | 1,620       | 1,584       | 1,586       | 15%       | 14%         |             |             |
| Risk exposure amount (REA)                  | 6,269       | 6,072       | 7,452       | 7,131       | 6,975       | -10%      | 3%          |             |             |
| Number of employees (FTEs)                  | 3,136       | 3,098       | 3,139       | 3,210       | 3,150       | 0%        | 1%          |             |             |
| <b>Volumes, EURbn:</b>                      |             |             |             |             |             |           |             |             |             |
| AuM   | 391.2       | 378.5       | 359.7       | 363.1       | 362.4       | 8%        | 3%          |             |             |
| Total lending                               | 11.5        | 11.7        | 11.5        | 11.4        | 11.7        | -2%       | -2%         | -1%         | -1%         |
| Total deposits                              | 11.4        | 12.2        | 11.9        | 12.4        | 12.3        | -7%       | -7%         | -6%         | -5%         |

<sup>1</sup> With amortised resolution fees.

**Assets under Management (AuM), volumes and net flow**

|                                     | Q124         | Q423         | Q323         | Q223         | Q123         | Q124        |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|-------------|
| <b>EURbn</b>                        |              |              |              |              |              |             |
| Nordic retail funds                 | 83.1         | 80.0         | 74.4         | 74.5         | 73.4         | 0           |
| Private Banking                     | 120.4        | 116.1        | 108.9        | 110.1        | 109.1        | 0.3         |
| Life & Pension                      | 84.1         | 79.6         | 74.5         | 74.4         | 73.2         | 1.3         |
| Institutional sales Nordic          | 46.9         | 46.1         | 43.6         | 42.7         | 42.5         | -0.6        |
| <b>Total Nordic channels</b>        | <b>334.6</b> | <b>321.8</b> | <b>301.4</b> | <b>301.6</b> | <b>298.2</b> | <b>1.1</b>  |
| Institutional sales international   | 18.7         | 18.4         | 18.5         | 18.9         | 19.0         | -0.3        |
| Wholesale distribution              | 37.9         | 38.3         | 39.9         | 42.6         | 45.2         | -1.8        |
| <b>Total international channels</b> | <b>56.5</b>  | <b>56.7</b>  | <b>58.4</b>  | <b>61.4</b>  | <b>64.2</b>  | <b>-2.1</b> |
| <b>Total</b>                        | <b>391.2</b> | <b>378.5</b> | <b>359.7</b> | <b>363.1</b> | <b>362.4</b> | <b>-1.0</b> |

| Net interest income | Q124      | Q423      | Q323      | Q223      | Q123      | Q1/Q1      | Q1/Q4      |
|---------------------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| <b>EURm</b>         |           |           |           |           |           |            |            |
| PB Denmark          | 23        | 24        | 24        | 22        | 21        | 10%        | -4%        |
| PB Finland          | 22        | 24        | 25        | 25        | 22        | 0%         | -8%        |
| PB Norway           | 9         | 8         | 8         | 8         | 8         | 13%        | 13%        |
| PB Sweden           | 17        | 16        | 16        | 17        | 17        | 0%         | 6%         |
| Other               | 14        | 5         | 5         | -1        | 2         |            |            |
| <b>Total</b>        | <b>85</b> | <b>77</b> | <b>78</b> | <b>71</b> | <b>70</b> | <b>21%</b> | <b>10%</b> |

| Net fee and commission income            | Q124       | Q423       | Q323       | Q223       | Q123       | Q1/Q1      | Q1/Q4      |
|--|------------|------------|------------|------------|------------|------------|------------|
| <b>EURm</b>                              |            |            |            |            |            |            |            |
| PB Denmark                               | 45         | 47         | 43         | 45         | 41         | 10%        | -4%        |
| PB Finland                               | 41         | 41         | 39         | 39         | 38         | 8%         | 0%         |
| PB Norway                                | 14         | 11         | 10         | 13         | 11         | 27%        | 27%        |
| PB Sweden                                | 32         | 29         | 29         | 28         | 28         | 14%        | 10%        |
| Institutional and wholesale distribution | 100        | 112        | 112        | 117        | 116        | -14%       | -11%       |
| Other                                    | 5          | 4          | 9          | 2          | 11         | -55%       | 25%        |
| <b>Total</b>                             | <b>237</b> | <b>244</b> | <b>242</b> | <b>244</b> | <b>245</b> | <b>-3%</b> | <b>-3%</b> |

| Private Banking        | Q124         | Q423         | Q323         | Q223         | Q123         | Q1/Q1      | Q1/Q4     |
|------------------------|--------------|--------------|--------------|--------------|--------------|------------|-----------|
| <b>AuM, EURbn</b>      |              |              |              |              |              |            |           |
| PB Denmark             | 36.7         | 34.7         | 33.6         | 33.9         | 32.8         | 12%        | 6%        |
| PB Finland             | 37.2         | 36.5         | 34.9         | 35.5         | 35.9         | 4%         | 2%        |
| PB Norway              | 11.6         | 11.1         | 10.1         | 10.0         | 9.9          | 18%        | 5%        |
| PB Sweden              | 34.8         | 33.8         | 30.3         | 30.7         | 30.5         | 14%        | 3%        |
| <b>Private Banking</b> | <b>120.4</b> | <b>116.1</b> | <b>108.9</b> | <b>110.1</b> | <b>109.1</b> | <b>10%</b> | <b>4%</b> |

| Lending, EURbn         | Q124        | Q423        | Q323        | Q223        | Q123        | Q1/Q1      | Q1/Q4      |
|------------------------|-------------|-------------|-------------|-------------|-------------|------------|------------|
| PB Denmark             | 4.2         | 4.2         | 4.2         | 4.2         | 4.3         | -2%        | 0%         |
| PB Finland             | 2.5         | 2.5         | 2.6         | 2.6         | 2.7         | -7%        | 0%         |
| PB Norway              | 1.9         | 2.0         | 1.8         | 1.8         | 1.8         | 6%         | -5%        |
| PB Sweden              | 2.9         | 3.0         | 2.9         | 2.8         | 2.9         | 0%         | -3%        |
| <b>Private Banking</b> | <b>11.5</b> | <b>11.7</b> | <b>11.5</b> | <b>11.4</b> | <b>11.7</b> | <b>-2%</b> | <b>-2%</b> |

### Asset Management - AuM and net flow<sup>1</sup>

|                                       | Q124  | Q423  | Q323  | Q223  | Q123  | Q1/Q1 | Q1/Q4 |
|---------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| <b>EURbn</b>                          |       |       |       |       |       |       |       |
| AuM, Nordic channels                  | 205.3 | 197.4 | 185.0 | 182.7 | 180.1 | 14%   | 4%    |
| AuM, international channels           | 53.4  | 53.5  | 55.3  | 58.0  | 60.6  | -12%  | 0%    |
| AuM, total                            | 258.7 | 251.0 | 240.3 | 240.7 | 240.7 | 7%    | 3%    |
| - whereof ESG AuM <sup>2</sup>        | 180.0 | 174.0 | 164.9 | 161.0 | 159.9 | 13%   | 3%    |
| Net inflow, Nordic channels           | 0.1   | 0.5   | 2.8   | 0.7   | -1.8  |       |       |
| Net inflow, international channels    | -2.0  | -3.7  | -2.1  | -2.6  | -1.2  |       |       |
| Net inflow, total                     | -1.8  | -3.1  | 0.8   | -1.9  | -3.0  |       |       |
| - whereof ESG net inflow <sup>2</sup> | -1.2  | -1.5  | 2.4   | -1.1  | -0.2  |       |       |

<sup>1</sup> International channels include "Institutional sales international" and "Wholesale distribution", while Nordic channels include all other assets managed by Asset Management.

<sup>2</sup> Articles 8 and 9 of the Sustainable Finance Disclosure Regulation.

### Life & Pension

|                               | Q124       | Q423      | Q323       | Q223       | Q123      | Q1/Q1      | Q1/Q4      |
|-------------------------------|------------|-----------|------------|------------|-----------|------------|------------|
| <b>EURm</b>                   |            |           |            |            |           |            |            |
| AuM, EURbn                    | 79.9       | 75.4      | 70.4       | 70.2       | 69.1      | 16%        | 6%         |
| Premiums                      | 3,069      | 2,328     | 1,773      | 2,178      | 2,264     | 36%        | 32%        |
| <b>Profit drivers</b>         |            |           |            |            |           |            |            |
| Profit traditional products   | 12         | 6         | 11         | 13         | 14        | -14%       |            |
| Profit market return products | 72         | 68        | 70         | 70         | 74        | -3%        | 5%         |
| Profit risk products          | 25         | 8         | 22         | 24         | 10        |            |            |
| <b>Total product result</b>   | <b>108</b> | <b>81</b> | <b>103</b> | <b>108</b> | <b>97</b> | <b>12%</b> | <b>33%</b> |

# Group functions

## Introduction

Our Group functions provide the four business areas with the services, subject matter expertise, data and technology infrastructure needed for Nordea to be the preferred financial partner in the Nordics. The Group functions consist of Group Business Support; Chief of Staff Office; Group Brand, Communication and Marketing; Group Risk; Group Compliance; Group People; Group Legal; Group Finance and Group Internal Audit.

Together with the results of the business areas, the results of the Group functions add up to the reported result for the Group. The income primarily originates from Group Treasury. The majority of costs as well as income is distributed to the business areas.

## Business development

During the first quarter we continued to invest in technology and initiatives to prevent financial crime and minimise operational risks.

Employee numbers increased slightly compared with the previous quarter, primarily driven by significant technology and risk management investments. We remain focused on maintaining strict cost control while continuing to invest to strengthen the bank.

## Financial outcome

Total operating income in the first quarter amounted to EUR 42m, up from EUR -6m in the same quarter last year. The increase was mainly driven by higher net interest income and net result from items at fair value.

Net result from items at fair value increased by EUR 29m year on year, mainly due to positive revaluations in Treasury.

Total operating expenses amounted to EUR 11m; a year-on-year decrease of EUR 6m.

## Group functions

|  | Q124      | Q423       | Q323       | Q223       | Q123      | Q1/Q1 | Q1/Q4 |
|--|-----------|------------|------------|------------|-----------|-------|-------|
| <b>EURm</b>                            |           |            |            |            |           |       |       |
| Net interest income                    | 19        | 14         | 9          | -10        | 4         |       |       |
| Net fee and commission income          | -11       | -21        | -16        | -3         | -12       |       |       |
| Net insurance result                   | 1         | -1         | 1          | 1          | 0         |       |       |
| Net result from items at fair value    | 29        | -45        | 28         | 70         | 0         |       |       |
| Other income                           | 4         | 3          | 2          | 0          | 2         |       |       |
| <b>Total operating income</b>          | <b>42</b> | <b>-50</b> | <b>24</b>  | <b>58</b>  | <b>-6</b> |       |       |
| <b>Total operating expenses</b>        | <b>11</b> | <b>10</b>  | <b>-19</b> | <b>-26</b> | <b>17</b> |       |       |
| <b>Profit before loan losses</b>       | <b>53</b> | <b>-40</b> | <b>5</b>   | <b>32</b>  | <b>11</b> |       |       |
| Net loan losses and similar net result | 4         | -4         | 2          | 5          | 0         |       |       |
| <b>Operating profit</b>                | <b>57</b> | <b>-44</b> | <b>7</b>   | <b>37</b>  | <b>11</b> |       |       |
| Allocated Equity                       | 2,091     | 5,470      | 4,707      | 3,587      | 2,234     |       |       |
| Risk exposure amount (REA)             | 6,275     | 9,396      | 9,396      | 9,359      | 9,831     |       |       |
| Number of employees (FTEs)             | 14,396    | 14,144     | 14,097     | 13,865     | 13,551    | 6%    | 2%    |

# Income statement

|  | Note     | Q1<br>2024    | Q1<br>2023    | Full year<br>2023 |
|--|----------|---------------|---------------|-------------------|
| <b>EURm</b>  |          |               |               |                   |
| <b>Operating income</b>  |          |               |               |                   |
| Interest income calculated using the effective interest rate method                                  |          | 4,972         | 3,705         | 17,303            |
| Other interest income  |          | 647           | 550           | 2,426             |
| Interest expense   |          | -3,665        | -2,490        | -12,278           |
| <b>Net interest income</b>   | <b>3</b> | <b>1,954</b>  | <b>1,765</b>  | <b>7,451</b>      |
| Fee and commission income  |          | 989           | 980           | 3,923             |
| Fee and commission expense   |          | -226          | -215          | -902              |
| <b>Net fee and commission income</b>   | <b>4</b> | <b>763</b>    | <b>765</b>    | <b>3,021</b>      |
| Return on assets backing insurance liabilities   |          | 1,139         | 731           | 2,224             |
| Insurance result   |          | -1,078        | -685          | -2,007            |
| <b>Net insurance result</b>  | <b>5</b> | <b>61</b>     | <b>46</b>     | <b>217</b>        |
| Net result from items at fair value  | 6        | 291           | 345           | 1,014             |
| Profit or loss from associated undertakings and joint ventures accounted for under the equity method |          | 7             | -12           | -3                |
| Other operating income   |          | 9             | 12            | 43                |
| <b>Total operating income</b>  |          | <b>3,085</b>  | <b>2,921</b>  | <b>11,743</b>     |
| <b>Operating expenses</b>  |          |               |               |                   |
| General administrative expenses:   |          |               |               |                   |
| Staff costs  |          | -749          | -719          | -2,908            |
| Other expenses   | 7        | -338          | -287          | -1,206            |
| Regulatory fees  | 8        | -63           | -255          | -316              |
| Depreciation, amortisation and impairment charges of tangible and intangible assets                  | 9        | -139          | -161          | -808              |
| <b>Total operating expenses</b>  |          | <b>-1,289</b> | <b>-1,422</b> | <b>-5,238</b>     |
| <b>Profit before loan losses</b>   |          | <b>1,796</b>  | <b>1,499</b>  | <b>6,505</b>      |
| Net result on loans in hold portfolios mandatorily held at fair value                                |          | -4            | 2             | 20                |
| Net loan losses  | 10       | -29           | -21           | -187              |
| <b>Operating profit</b>  |          | <b>1,763</b>  | <b>1,480</b>  | <b>6,338</b>      |
| Income tax expense   |          | -402          | -332          | -1,404            |
| <b>Net profit for the period</b>   |          | <b>1,361</b>  | <b>1,148</b>  | <b>4,934</b>      |
| <b>Attributable to:</b>  |          |               |               |                   |
| Shareholders of Nordea Bank Abp  |          | 1,335         | 1,122         | 4,908             |
| Additional Tier 1 capital holders  |          | 26            | 26            | 26                |
| <b>Total</b>   |          | <b>1,361</b>  | <b>1,148</b>  | <b>4,934</b>      |
| Basic earnings per share, EUR  |          | 0.38          | 0.31          | 1.37              |
| Diluted earnings per share, EUR  |          | 0.38          | 0.31          | 1.37              |



# Statement of comprehensive income

|   | Q1<br>2024   | Q1<br>2023   | Full year<br>2023 |
|---|--------------|--------------|-------------------|
| <b>EURm</b>   |              |              |                   |
| <b>Net profit for the period</b>  | <b>1,361</b> | <b>1,148</b> | <b>4,934</b>      |
| <b>Items that may be reclassified subsequently to the income statement</b>                |              |              |                   |
| <i>Currency translation:</i>  |              |              |                   |
| Currency translation gains/losses   | -506         | -631         | -436              |
| Tax on currency translation gains/losses  | -            | -            | 0                 |
| <i>Hedging of net investments in foreign operations:</i>                                  |              |              |                   |
| Valuation gains/losses  | 177          | 180          | 55                |
| <i>Fair value through other comprehensive income<sup>1</sup>:</i>                         |              |              |                   |
| Valuation gains/losses, net of recycling  | 8            | 19           | 19                |
| Tax on valuation gains/losses   | -1           | -4           | -5                |
| <i>Cash flow hedges:</i>  |              |              |                   |
| Valuation gains/losses, net of recycling  | 28           | -4           | 2                 |
| Tax on valuation gains/losses   | -6           | 0            | 0                 |
| <b>Items that may not be reclassified subsequently to the income statement</b>            |              |              |                   |
| <i>Changes in own credit risk related to liabilities classified as fair value option:</i> |              |              |                   |
| Valuation gains/losses  | -8           | 5            | 13                |
| Tax on valuation gains/losses   | 2            | -1           | -3                |
| <i>Defined benefit plans:</i>   |              |              |                   |
| Remeasurement of defined benefit plans  | 102          | 67           | -36               |
| Tax on remeasurement of defined benefit plans   | -23          | -14          | 9                 |
| <i>Companies accounted for under the equity method:</i>                                   |              |              |                   |
| Other comprehensive income from companies accounted for under the equity method           | 5            | 0            | -4                |
| Tax on other comprehensive income from companies accounted for under the equity method    | -1           | 0            | 1                 |
| <b>Other comprehensive income, net of tax</b>   | <b>-223</b>  | <b>-383</b>  | <b>-385</b>       |
| <b>Total comprehensive income</b>   | <b>1,138</b> | <b>765</b>   | <b>4,549</b>      |
| <b>Attributable to:</b>   |              |              |                   |
| Shareholders of Nordea Bank Abp   | 1,112        | 739          | 4,523             |
| Additional Tier 1 capital holders   | 26           | 26           | 26                |
| <b>Total</b>  | <b>1,138</b> | <b>765</b>   | <b>4,549</b>      |

<sup>1</sup> Valuation gains/losses related to hedged risks under fair value hedge accounting are accounted for directly in the income statement.

# Balance sheet

|  | Note | 31 Mar<br>2024 | 31 Dec<br>2023 | 31 Mar<br>2023 |
|--|------|----------------|----------------|----------------|
| <b>EURm</b>  |      |                |                |                |
| <b>Assets</b>  |      |                |                |                |
|  | 12   |                |                |                |
| Cash and balances with central banks   |      | 42,891         | 50,622         | 63,499         |
| Loans to central banks   | 11   | 2,842          | 1,909          | 2,999          |
| Loans to credit institutions   | 11   | 7,595          | 2,363          | 8,312          |
| Loans to the public  | 11   | 346,216        | 344,828        | 339,746        |
| Interest-bearing securities  |      | 75,680         | 68,000         | 75,702         |
| Shares   |      | 32,838         | 22,158         | 19,156         |
| Assets in pooled schemes and unit-linked investment contracts                |      | 53,930         | 50,531         | 45,034         |
| Derivatives  |      | 25,767         | 26,525         | 31,989         |
| Fair value changes of hedged items in portfolio hedges of interest rate risk |      | -876           | -871           | -1,800         |
| Investments in associated undertakings and joint ventures                    |      | 459            | 481            | 477            |
| Intangible assets  |      | 3,785          | 3,826          | 3,923          |
| Properties and equipment   |      | 1,615          | 1,653          | 1,667          |
| Investment properties  |      | 2,134          | 2,199          | 2,314          |
| Deferred tax assets  |      | 235            | 254            | 285            |
| Current tax assets   |      | 221            | 217            | 191            |
| Retirement benefit assets  |      | 314            | 225            | 221            |
| Other assets   |      | 8,310          | 8,921          | 9,484          |
| Prepaid expenses and accrued income  |      | 846            | 755            | 926            |
| Assets held for sale   |      | 102            | 106            | -              |
| <b>Total assets</b>  |      | <b>604,904</b> | <b>584,702</b> | <b>604,125</b> |
| <b>Liabilities</b>   |      |                |                |                |
|  | 12   |                |                |                |
| Deposits by credit institutions  |      | 33,427         | 29,504         | 34,044         |
| Deposits and borrowings from the public                                      |      | 215,950        | 210,062        | 217,672        |
| Deposits in pooled schemes and unit-linked investment contracts              |      | 54,801         | 51,573         | 46,283         |
| Insurance contract liabilities   |      | 28,514         | 27,568         | 26,292         |
| Debt securities in issue   |      | 190,224        | 182,548        | 190,273        |
| Derivatives  |      | 26,232         | 30,794         | 32,988         |
| Fair value changes of hedged items in portfolio hedges of interest rate risk |      | -1,024         | -869           | -1,959         |
| Current tax liabilities  |      | 411            | 413            | 172            |
| Other liabilities  |      | 19,105         | 13,727         | 22,044         |
| Accrued expenses and prepaid income  |      | 1,456          | 1,274          | 1,494          |
| Deferred tax liabilities   |      | 603            | 505            | 680            |
| Provisions   |      | 367            | 371            | 340            |
| Retirement benefit obligations   |      | 255            | 287            | 264            |
| Subordinated liabilities   |      | 5,689          | 5,720          | 5,357          |
| <b>Total liabilities</b>   |      | <b>576,010</b> | <b>553,477</b> | <b>575,944</b> |
| <b>Equity</b>  |      |                |                |                |
| Additional Tier 1 capital holders  |      | 750            | 750            | 742            |
| Share capital  |      | 4,050          | 4,050          | 4,050          |
| Invested unrestricted equity   |      | 1,059          | 1,063          | 1,051          |
| Other reserves   |      | -2,572         | -2,345         | -2,346         |
| Retained earnings  |      | 25,607         | 27,707         | 24,684         |
| <b>Total equity</b>  |      | <b>28,894</b>  | <b>31,225</b>  | <b>28,181</b>  |
| <b>Total liabilities and equity</b>  |      | <b>604,904</b> | <b>584,702</b> | <b>604,125</b> |
| <b>Off-balance sheet items</b>   |      |                |                |                |
| Assets pledged as security for own liabilities                               |      | 205,024        | 185,339        | 180,676        |
| Other assets pledged <sup>1</sup>  |      | 236            | 236            | 246            |
| Contingent liabilities   |      | 20,172         | 20,489         | 20,765         |
| Credit commitments <sup>2</sup>  |      | 80,357         | 82,773         | 84,564         |
| Other commitments  |      | 2,705          | 2,611          | 2,481          |

<sup>1</sup> Includes interest-bearing securities pledged as security for payment settlements with central banks and clearing institutions.

<sup>2</sup> Including unutilised portion of approved overdraft facilities of EUR 26,765m (31 December 2023: EUR 27,411m; 31 March 2023: EUR 26,934m).

# Statement of changes in equity

| EURm   | Attributable to shareholders of Nordea Bank Abp |                               |                                    |                  |   |                       |   |                   |               |                                   |               |
|--|---|-------------------------------|------------------------------------|------------------|---|-----------------------|---|-------------------|---------------|-----------------------------------|---------------|
|  | Share capital <sup>1</sup>                      | Invested un-restricted equity | Trans-lation of foreign operations | Cash flow hedges | Fair value through other comprehensive income | Defined benefit plans | Changes in own credit risk related to liabilities classified as fair value option | Retained earnings | Total         | Additional Tier 1 capital holders | Total equity  |
| <b>Balance as at 1 Jan 2024</b>                        | <b>4,050</b>                                    | <b>1,063</b>                  | <b>-2,272</b>                      | <b>66</b>        | <b>-6</b>                                     | <b>-136</b>           | <b>3</b>  | <b>27,707</b>     | <b>30,475</b> | <b>750</b>                        | <b>31,225</b> |
| Net profit for the period                              | -   | -                             | -                                  | -                | -   | -                     | -   | 1,335             | 1,335         | 26                                | 1,361         |
| Other comprehensive income, net of tax                 | -   | -                             | -329                               | 22               | 7   | 79                    | -6  | 4                 | -223          | -                                 | -223          |
| <b>Total comprehensive income</b>                      | <b>-</b>  | <b>-</b>                      | <b>-329</b>                        | <b>22</b>        | <b>7</b>                                      | <b>79</b>             | <b>-6</b>   | <b>1,339</b>      | <b>1,112</b>  | <b>26</b>                         | <b>1,138</b>  |
| Paid interest on Additional Tier 1 capital, net of tax | -   | -                             | -                                  | -                | -   | -                     | -   | 5                 | 5             | -26                               | -21           |
| Share-based payments                                   | -   | -                             | -                                  | -                | -   | -                     | -   | 2                 | 2             | -                                 | 2             |
| Dividend   | -   | -                             | -                                  | -                | -   | -                     | -   | -3,218            | -3,218        | -                                 | -3,218        |
| Purchase of own shares <sup>2</sup>                    | -   | -4                            | -                                  | -                | -   | -                     | -   | -228              | -232          | -                                 | -232          |
| <b>Balance as at 31 Mar 2024</b>                       | <b>4,050</b>                                    | <b>1,059</b>                  | <b>-2,601</b>                      | <b>88</b>        | <b>1</b>                                      | <b>-57</b>            | <b>-3</b>   | <b>25,607</b>     | <b>28,144</b> | <b>750</b>                        | <b>28,894</b> |
| <b>Balance as at 1 Jan 2023</b>                        | <b>4,050</b>                                    | <b>1,082</b>                  | <b>-1,891</b>                      | <b>64</b>        | <b>-20</b>                                    | <b>-109</b>           | <b>-7</b>   | <b>26,927</b>     | <b>30,096</b> | <b>748</b>                        | <b>30,844</b> |
| Net profit for the period                              | -   | -                             | -                                  | -                | -   | -                     | -   | 4,908             | 4,908         | 26                                | 4,934         |
| Other comprehensive income, net of tax                 | -   | -                             | -381                               | 2                | 14  | -27                   | 10  | -3                | -385          | -                                 | -385          |
| <b>Total comprehensive income</b>                      | <b>-</b>  | <b>-</b>                      | <b>-381</b>                        | <b>2</b>         | <b>14</b>                                     | <b>-27</b>            | <b>10</b>   | <b>4,905</b>      | <b>4,523</b>  | <b>26</b>                         | <b>4,549</b>  |
| Paid interest on Additional Tier 1 capital, net of tax | -   | -                             | -                                  | -                | -   | -                     | -   | 5                 | 5             | -26                               | -21           |
| Change in Additional Tier 1 capital                    | -   | -                             | -                                  | -                | -   | -                     | -   | -                 | -             | 2                                 | 2             |
| Share-based payments                                   | -   | -                             | -                                  | -                | -   | -                     | -   | 19                | 19            | -                                 | 19            |
| Dividend   | -   | -                             | -                                  | -                | -   | -                     | -   | -2,876            | -2,876        | -                                 | -2,876        |
| Purchase of own shares <sup>2</sup>                    | -   | -19                           | -                                  | -                | -   | -                     | -   | -1,264            | -1,283        | -                                 | -1,283        |
| Other changes  | -   | -                             | -                                  | -                | -   | -                     | -   | -9                | -9            | -                                 | -9            |
| <b>Balance as at 31 Dec 2023</b>                       | <b>4,050</b>                                    | <b>1,063</b>                  | <b>-2,272</b>                      | <b>66</b>        | <b>-6</b>                                     | <b>-136</b>           | <b>3</b>  | <b>27,707</b>     | <b>30,475</b> | <b>750</b>                        | <b>31,225</b> |
| <b>Balance as at 1 Jan 2023</b>                        | <b>4,050</b>                                    | <b>1,082</b>                  | <b>-1,891</b>                      | <b>64</b>        | <b>-20</b>                                    | <b>-109</b>           | <b>-7</b>   | <b>26,927</b>     | <b>30,096</b> | <b>748</b>                        | <b>30,844</b> |
| Net profit for the period                              | -   | -                             | -                                  | -                | -   | -                     | -   | 1,122             | 1,122         | 26                                | 1,148         |
| Other comprehensive income, net of tax                 | -   | -                             | -451                               | -4               | 15  | 53                    | 4   | 0                 | -383          | -                                 | -383          |
| <b>Total comprehensive income</b>                      | <b>-</b>  | <b>-</b>                      | <b>-451</b>                        | <b>-4</b>        | <b>15</b>                                     | <b>53</b>             | <b>4</b>  | <b>1,122</b>      | <b>740</b>    | <b>26</b>                         | <b>765</b>    |
| Paid interest on Additional Tier 1 capital, net of tax | -   | -                             | -                                  | -                | -   | -                     | -   | -                 | -             | -26                               | -26           |
| Change in Additional Tier 1 capital                    | -   | -                             | -                                  | -                | -   | -                     | -   | -                 | -             | -6                                | -6            |
| Share-based payments                                   | -   | -                             | -                                  | -                | -   | -                     | -   | 4                 | 4             | -                                 | 4             |
| Dividend   | -   | -                             | -                                  | -                | -   | -                     | -   | -2,876            | -2,876        | -                                 | -2,876        |
| Purchase of own shares <sup>2</sup>                    | -   | -31                           | -                                  | -                | -   | -                     | -   | -493              | -524          | -                                 | -524          |
| <b>Balance as at 31 Mar 2023</b>                       | <b>4,050</b>                                    | <b>1,051</b>                  | <b>-2,342</b>                      | <b>60</b>        | <b>-5</b>                                     | <b>-56</b>            | <b>-3</b>   | <b>24,684</b>     | <b>27,439</b> | <b>742</b>                        | <b>28,181</b> |

<sup>1</sup> Total shares registered were 3,506 million (31 December 2023: 3,528 million; 31 March 2023: 3,605 million). The number of own shares was 7.4 million (31 December 2023: 9.1 million; 31 March 2023: 11.2 million), which represents 0.2% (31 December 2023: 0.3%; 31 March 2023: 0.3%) of the total shares in Nordea. Each share represents one voting right.

<sup>2</sup> The change in the holding of own shares related to treasury shares held for remuneration purposes and to the trading portfolio was accounted for as a decrease/increase in "Invested unrestricted equity". The number of treasury shares held for remuneration purposes was 4.8 million (31 December 2023: 4.8 million; 31 March 2023: 6.1 million). The share buy-back amounted to EUR 228m (31 December 2023: EUR 1,263m; 31 March 2023: EUR 493m) and was accounted for as a reduction in "Retained earnings". The transaction cost in relation to the share buy-back amounted to EUR 0m (31 December 2023: EUR 1m; 31 March 2023: EUR 0m).

# Cash flow statement, condensed

|   | Jan-Mar<br>2024        | Jan-Mar<br>2023        | Full year<br>2023      |
|---|------------------------|------------------------|------------------------|
| <b>EURm</b>   |                        |                        |                        |
| <b>Operating activities</b>   |                        |                        |                        |
| Operating profit  | 1,763                  | 1,480                  | 6,338                  |
| Adjustments for items not included in cash flow   | -4,003                 | -2,220                 | 5,899                  |
| Income taxes paid   | -316                   | -355                   | -1,480                 |
| <b>Cash flow from operating activities before changes in operating assets and liabilities</b> | <b>-2,556</b>          | <b>-1,095</b>          | <b>10,757</b>          |
| Changes in operating assets and liabilities   | -4,209                 | 3,685                  | -17,229                |
| <b>Cash flow from operating activities</b>  | <b>-6,765</b>          | <b>2,590</b>           | <b>-6,472</b>          |
| <b>Investing activities</b>   |                        |                        |                        |
| Acquisition/sale of business operations   | -                      | -                      | -37                    |
| Acquisition/sale of associated undertakings and joint ventures                                | -                      | -                      | -1                     |
| Acquisition/sale of property and equipment  | -7                     | -21                    | -53                    |
| Acquisition/sale of intangible assets   | -112                   | -113                   | -444                   |
| <b>Cash flow from investing activities</b>  | <b>-119</b>            | <b>-134</b>            | <b>-535</b>            |
| <b>Financing activities</b>   |                        |                        |                        |
| Issued/amortised subordinated liabilities   | -                      | -                      | 295                    |
| Sale/repurchase of own shares, including change in trading portfolio                          | -232                   | -524                   | -1,283                 |
| Dividend paid   | -                      | -                      | -2,876                 |
| Paid interest on Additional Tier 1 capital  | -26                    | -26                    | -26                    |
| Amortisation of the principal part of lease liabilities                                       | -28                    | -34                    | -118                   |
| <b>Cash flow from financing activities</b>  | <b>-286</b>            | <b>-584</b>            | <b>-4,008</b>          |
| <b>Cash flow for the period</b>   | <b>-7,170</b>          | <b>1,872</b>           | <b>-11,015</b>         |
| <b>Cash and cash equivalents</b>  |                        |                        |                        |
|   | <b>31 Mar<br/>2024</b> | <b>31 Mar<br/>2023</b> | <b>31 Dec<br/>2023</b> |
| <b>EURm</b>   |                        |                        |                        |
| Cash and cash equivalents at beginning of the period  | 51,362                 | 62,877                 | 62,877                 |
| Translation differences   | 34                     | -493                   | -500                   |
| Cash and cash equivalents at end of the period  | 44,226                 | 64,256                 | 51,362                 |
| <b>Change</b>   | <b>-7,170</b>          | <b>1,872</b>           | <b>-11,015</b>         |
| The following items are included in cash and cash equivalents:                                |                        |                        |                        |
| Cash and balances with central banks  | 42,891                 | 63,499                 | 50,622                 |
| Loans to central banks  | 3                      | 4                      | 3                      |
| Loans to credit institutions  | 1,332                  | 753                    | 737                    |
| <b>Total cash and cash equivalents</b>  | <b>44,226</b>          | <b>64,256</b>          | <b>51,362</b>          |

Cash comprises legal tender and bank notes in foreign currencies. Balances with central banks consist of deposits in accounts with central banks and postal giro systems under government authority where the following conditions are fulfilled:

- the central bank or postal giro system is domiciled in the country where the institution is established,
- the balance on the account is readily available at any time.

Loans to credit institutions payable on demand include liquid assets not represented by bonds or other interest-bearing securities.

# Notes to the financial statements

## Note 1 Accounting policies

The consolidated interim financial statements are prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting, as endorsed by the European Union (EU).

The report includes a condensed set of financial statements and is to be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2023. The accounting policies and methods of computation are unchanged from the 2023 Annual Report, except for those relating to the items presented in the section "Changed accounting policies and presentation" below. For more information, see the accounting policies in the 2023 Annual Report.

### Changed accounting policies and presentation Changed presentation of net fee and commission income

As from the first quarter 2024 the lines "Payments" and "Cards" in Note 4 "Net fee and commission income" are combined into one line labelled "Payments and cards". Payment and card services are often offered as a package which makes it difficult to split commission income for these services. In addition, minor changes have been made to the labelling of the other lines in the note, but the content remains the same.

Comparative figures have been restated accordingly and the effect on the first quarter 2024 is presented below.

| EURm               | Q1 2024    |        |            |
|--------------------|------------|--------|------------|
|                    | Old policy | Change | New policy |
| Payments           | 61         | -61    | -          |
| Cards              | 79         | -79    | -          |
| Payments and cards | -          | 140    | 140        |

### Other amendments

The following amended standards issued by the IASB were implemented by Nordea on 1 January 2024 but have not had any significant impact on its financial statements.

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current as well as Classification of Liabilities as Current or Non-current – Deferral of Effective Date; and Non-current Liabilities with Covenants.
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback.

### Changes in IFRSs not yet applied

#### IFRS 18 Presentation and Disclosures in Financial Statements

In April 2024 the IASB published the new standard IFRS 18 Presentation and Disclosure in Financial Statements which will replace IAS 1 Presentation of Financial Statements. IFRS 18 sets out the requirements for presentation and disclosures in financial statements with focus on the income statement and reporting of financial performance.

The new standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The standard is not yet endorsed by the EU.

It is not yet possible to conclude how IFRS 18 will impact the presentation of Nordea's income statement and disclosures of management-defined performance measures. As IFRS 18 will not change Nordea's recognition and measurement it is not expected to have any significant impact on other financial statements or capital adequacy in the period of initial application.

### Other amendments

The following changes in IFRSs not yet applied by Nordea are not assessed to have any significant impact on its financial statements or capital adequacy in the period of their initial application.

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

### Critical judgements affected by higher energy and raw material prices and reduced consumer spending

Nordea applied critical judgements in the preparation of this interim report due to the uncertainty concerning the potential long-term impact of higher energy and raw material prices and reduced consumer spending in various economic sectors on Nordea's financial statements. Particularly important in the first quarter of 2024 were the impairment testing of goodwill and loans to the public/credit institutions. Information on where critical judgements are generally applied and where estimation uncertainty exists can be found in Note G1 "Accounting policies" in the 2023 Annual Report.

No impairment of goodwill was identified in the first quarter of 2024, but estimation uncertainty exists in relation to the long-term impact on Nordea's financial statements and the impairment need will be continuously reassessed. Nordea's total goodwill amounted to EUR 2,186m at the end of the first quarter 2024 and EUR 2,227m at the end of 2023. Cash flows were projected up until the end of 2026 and the long-term growth assumption was used for subsequent periods. The discount rate used for the test in the first quarter was 8.8% after tax and the long-term growth was 2.0%. Both an increase in the discount rate of 1 percentage point and a reduction in the future growth rate of 1 percentage point are considered to be reasonably possible changes in key assumptions. Such changes would not result in any impairment.

Critical judgement was also applied in the assessment of when loans experienced a significant increase in credit risk (staging) and in the application of macro scenarios when estimating the increase in expected credit losses. When calculating allowances for individually significant impaired loans, critical judgement was exercised to estimate the amount and timing of the expected cash flows to be received from customers under different scenarios, and to value any collateral received. Critical judgement was further applied when assigning the likelihood of the different scenarios occurring. More information on the impairment testing of loans to the public/credit institutions can be found under "Net loan losses and similar net result" on page 11, in Note 11 "Loans and impairment" and under "Other information" on page 16. Information on sensitivities to rating and scoring migrations can be found in the section "Sensitivities" in Note 11.

### Exchange rates

|                                  | Jan-Mar<br>2024 | Jan-Dec<br>2023 | Jan-Mar<br>2023 |
|----------------------------------|-----------------|-----------------|-----------------|
| <b>EUR 1 = SEK</b>               |                 |                 |                 |
| Income statement (average)       | 11.2846         | 11.4740         | 11.2056         |
| Balance sheet (at end of period) | 11.5235         | 11.1275         | 11.2685         |
| <b>EUR 1 = DKK</b>               |                 |                 |                 |
| Income statement (average)       | 7.4560          | 7.4509          | 7.4429          |
| Balance sheet (at end of period) | 7.4587          | 7.4527          | 7.4487          |
| <b>EUR 1 = NOK</b>               |                 |                 |                 |
| Income statement (average)       | 11.4172         | 11.4238         | 10.9814         |
| Balance sheet (at end of period) | 11.6890         | 11.2120         | 11.3905         |

## Note 2 Segment reporting

|  | Personal Banking | Business Banking | Large Corporates & Institutions | Asset & Wealth Management | Other operating segments | Total operating segments | Reconciliation | Total Group  |
|--|------------------|------------------|---------------------------------|---------------------------|--------------------------|--------------------------|----------------|--------------|
| <b>Jan-Mar 2024</b>                            |                  |                  |                                 |                           |                          |                          |                |              |
| Total operating income, EURm                   | 1,168            | 856              | 613                             | 354                       | 2                        | 2,993                    | 92             | <b>3,085</b> |
| – of which internal transactions <sup>1</sup>  | -386             | -133             | 7                               | 62                        | 450                      | 0                        | -              | -            |
| Operating profit, EURm                         | 574              | 490              | 412                             | 204                       | 12                       | 1,692                    | 71             | <b>1,763</b> |
| Loans to the public <sup>2</sup> , EURbn       | 163              | 91               | 51                              | 11                        | 0                        | 316                      | 30             | <b>346</b>   |
| Deposits and borrowings from the public, EURbn | 83               | 50               | 46                              | 11                        | 0                        | 190                      | 26             | <b>216</b>   |

|  | Personal Banking | Business Banking | Large Corporates & Institutions | Asset & Wealth Management | Other operating segments | Total operating segments | Reconciliation | Total Group  |
|--|------------------|------------------|---------------------------------|---------------------------|--------------------------|--------------------------|----------------|--------------|
| <b>Jan-Mar 2023<sup>3</sup></b>                |                  |                  |                                 |                           |                          |                          |                |              |
| Total operating income, EURm                   | 1,075            | 792              | 641                             | 345                       | -16                      | 2,837                    | 84             | <b>2,921</b> |
| – of which internal transactions <sup>1</sup>  | -170             | -71              | 17                              | 48                        | 176                      | 0                        | -              | -            |
| Operating profit, EURm                         | 473              | 395              | 368                             | 196                       | 7                        | 1,439                    | 41             | <b>1,480</b> |
| Loans to the public <sup>2</sup> , EURbn       | 164              | 90               | 51                              | 12                        | 0                        | 317                      | 23             | <b>340</b>   |
| Deposits and borrowings from the public, EURbn | 82               | 51               | 53                              | 12                        | 0                        | 198                      | 20             | <b>218</b>   |

<sup>1</sup> IFRS 8 requires information on revenues from transactions between operating segments. Nordea has defined intersegment revenues as internal interest related to the funding of the reportable operating segments by the internal bank in Group Finance, included in "Other operating segments".

<sup>2</sup> The volumes are only disclosed separately for operating segments if separately reported to the Chief Operating Decision-Maker (CODM).

<sup>3</sup> Comparable figures have been restated to reflect updated plan exchange rates in the reporting to the CODM. See Note G2.1 in the 2023 Annual Report for further information. Restatements have in addition been made due to updated internal allocation framework, driving further alignment of business area and Group profitability metrics.

### Reconciliation between total operating segments and financial statements

|   | Operating profit, EURm |              | Loans to the public, EURbn |            | Deposits and borrowings from the public, EURbn |            |
|---|------------------------|--------------|----------------------------|------------|--|------------|
|   | Jan-Mar                |              | 31 Mar                     |            | 31 Mar   |            |
|   | 2024                   | 2023         | 2024                       | 2023       | 2024   | 2023       |
| Total operating segments                        | 1,692                  | 1,439        | 316                        | 317        | 190  | 198        |
| Group functions <sup>1</sup>                    | 36                     | 24           | -                          | -          | -  | -          |
| Unallocated items                               | 6                      | -26          | 23                         | 13         | 22   | 15         |
| Differences in accounting policies <sup>2</sup> | 29                     | 43           | 7                          | 10         | 4  | 5          |
| <b>Total</b>                                    | <b>1,763</b>           | <b>1,480</b> | <b>346</b>                 | <b>340</b> | <b>216</b>                                     | <b>218</b> |

<sup>1</sup> Consists of Group Business Support, Group Internal Audit, Chief of Staff Office, Group People, Group Legal, Group Risk, Group Compliance and Group Brand, Communication and Marketing.

<sup>2</sup> Impact from plan exchange rates used in the segment reporting.

### Measurement of operating segments' performance

The measurement principles and allocation between operating segments follow the information reported to the Chief Operating Decision-Maker (CODM), as required by IFRS 8. In Nordea the CODM has been defined as the Chief Executive Officer, who is supported by the other members of the Group Leadership Team. The main difference compared with the section "Business areas" in this report is that the information in Note 2 is prepared using plan exchange rates, as this is the basis used in the reporting to the CODM.

Financial results are presented for the main business areas Personal Banking, Business Banking, Large Corporates & Institutions and Asset & Wealth Management. These are identified as reportable operating segments and are reported separately, as they are above the quantitative thresholds in IFRS 8. Other operating segments below the thresholds are included in "Other operating segments". Group functions (and eliminations), as well as the result that is not fully allocated to any of the operating segments, are shown separately as reconciling items.

There have been no changes in the basis of segmentation during the year.



### Note 3 Net interest income

| <b>Net interest income</b>  | <b>Q1</b>    | <b>Q4</b>    | <b>Q1</b>    | <b>Full year</b> |
|---|--------------|--------------|--------------|------------------|
|   | <b>2024</b>  | <b>2023</b>  | <b>2023</b>  | <b>2023</b>      |
| <b>EURm</b>   |              |              |              |                  |
| Interest income calculated using the effective interest rate method | 4,972        | 4,805        | 3,705        | 17,303           |
| Other interest income   | 647          | 643          | 550          | 2,426            |
| Interest expense  | -3,665       | -3,502       | -2,490       | -12,278          |
| <b>Net interest income</b>  | <b>1,954</b> | <b>1,946</b> | <b>1,765</b> | <b>7,451</b>     |

| <b>Interest income calculated using the effective interest rate method</b>  | <b>Q1</b>    | <b>Q4</b>    | <b>Q1</b>    | <b>Full year</b> |
|---|--------------|--------------|--------------|------------------|
|   | <b>2024</b>  | <b>2023</b>  | <b>2023</b>  | <b>2023</b>      |
| <b>EURm</b>   |              |              |              |                  |
| Loans to credit institutions  | 745          | 603          | 655          | 2,642            |
| Loans to the public   | 3,509        | 3,455        | 2,538        | 12,095           |
| Interest-bearing securities   | 301          | 280          | 185          | 931              |
| Yield fees  | 43           | 57           | 56           | 201              |
| Net interest paid or received on derivatives in accounting hedges of assets | 374          | 410          | 271          | 1,434            |
| <b>Interest income calculated using the effective interest rate method</b>  | <b>4,972</b> | <b>4,805</b> | <b>3,705</b> | <b>17,303</b>    |

| <b>Other interest income</b>  | <b>Q1</b>   | <b>Q4</b>   | <b>Q1</b>   | <b>Full year</b> |
|---|-------------|-------------|-------------|------------------|
|   | <b>2024</b> | <b>2023</b> | <b>2023</b> | <b>2023</b>      |
| <b>EURm</b>   |             |             |             |                  |
| Loans at fair value to the public   | 433         | 429         | 374         | 1,608            |
| Interest-bearing securities measured at fair value                        | 145         | 127         | 92          | 442              |
| Net interest paid or received on derivatives in economic hedges of assets | 69          | 87          | 84          | 376              |
| <b>Other interest income</b>  | <b>647</b>  | <b>643</b>  | <b>550</b>  | <b>2,426</b>     |

| <b>Interest expense</b>   | <b>Q1</b>     | <b>Q4</b>     | <b>Q1</b>     | <b>Full year</b> |
|---|---------------|---------------|---------------|------------------|
|   | <b>2024</b>   | <b>2023</b>   | <b>2023</b>   | <b>2023</b>      |
| <b>EURm</b>   |               |               |               |                  |
| Deposits by credit institutions                                       | -356          | -195          | -258          | -865             |
| Deposits and borrowings from the public                               | -1,302        | -1,249        | -776          | -4,079           |
| Deposit guarantee fees  | -20           | -20           | -23           | -80              |
| Debt securities in issue  | -1,322        | -1,363        | -1,107        | -5,118           |
| Subordinated liabilities  | -60           | -55           | -54           | -222             |
| Other interest expense  | -5            | -4            | -3            | -15              |
| Net interest paid or received on derivatives in hedges of liabilities | -600          | -616          | -269          | -1,899           |
| <b>Interest expense</b>   | <b>-3,665</b> | <b>-3,502</b> | <b>-2,490</b> | <b>-12,278</b>   |

## Note 4 Net fee and commission income

|                             | Q1<br>2024 | Q4<br>2023 | Q1<br>2023 | Full year<br>2023 |
|-----------------------------|------------|------------|------------|-------------------|
| <b>EURm</b>                 |            |            |            |                   |
| Asset management            | 413        | 412        | 404        | 1,631             |
| Life and pension            | 40         | 31         | 39         | 138               |
| Deposit products            | 6          | 6          | 6          | 23                |
| Custody and issuer services | -5         | 5          | -3         | 6                 |
| Brokerage and advisory      | 51         | 56         | 55         | 194               |
| Payments and cards          | 140        | 133        | 135        | 544               |
| Lending                     | 107        | 113        | 110        | 437               |
| Guarantees                  | 10         | 8          | 18         | 56                |
| Other                       | 1          | -1         | 1          | -8                |
| <b>Total</b>                | <b>763</b> | <b>763</b> | <b>765</b> | <b>3,021</b>      |

### Breakdown

| Jan-Mar 2024                | Personal<br>Banking | Business<br>Banking | Large<br>Corporates &<br>Institutions | Asset &<br>Wealth<br>Management | Other<br>operating<br>segments | Other and<br>elimina-<br>tions | Nordea<br>Group |
|-----------------------------|---------------------|---------------------|---------------------------------------|---------------------------------|--------------------------------|--------------------------------|-----------------|
| <b>EURm</b>                 |                     |                     |                                       |                                 |                                |                                |                 |
| Asset management            | 137                 | 19                  | 1                                     | 256                             | 0                              | 0                              | 413             |
| Life and pension            | 45                  | 18                  | 1                                     | -22                             | 0                              | -2                             | 40              |
| Deposit products            | 1                   | 5                   | 0                                     | 0                               | 0                              | 0                              | 6               |
| Custody and issuer services | 0                   | 0                   | 2                                     | 0                               | -6                             | -1                             | -5              |
| Brokerage and advisory      | 2                   | 3                   | 39                                    | 10                              | -1                             | -2                             | 51              |
| Payments and cards          | 55                  | 56                  | 23                                    | 0                               | 0                              | 6                              | 140             |
| Lending                     | 20                  | 40                  | 47                                    | 1                               | 0                              | -1                             | 107             |
| Guarantees                  | 1                   | 1                   | 14                                    | 0                               | -6                             | 0                              | 10              |
| Other                       | 7                   | 1                   | -1                                    | -8                              | -1                             | 3                              | 1               |
| <b>Total</b>                | <b>268</b>          | <b>143</b>          | <b>126</b>                            | <b>237</b>                      | <b>-14</b>                     | <b>3</b>                       | <b>763</b>      |

### Jan-Mar 2023

|                             |            |            |            |            |           |           |            |
|-----------------------------|------------|------------|------------|------------|-----------|-----------|------------|
| <b>EURm</b>                 |            |            |            |            |           |           |            |
| Asset management            | 129        | 18         | 1          | 256        | 0         | 0         | 404        |
| Life and pension            | 37         | 16         | 1          | -13        | 0         | -2        | 39         |
| Deposit products            | 1          | 5          | 0          | 0          | 0         | 0         | 6          |
| Custody and issuer services | 0          | 0          | 2          | 0          | -6        | 1         | -3         |
| Brokerage and advisory      | 4          | 12         | 35         | 7          | -2        | -1        | 55         |
| Payments and cards          | 60         | 53         | 23         | 0          | 0         | -1        | 135        |
| Lending                     | 22         | 41         | 46         | 1          | 0         | 0         | 110        |
| Guarantees                  | 1          | 5          | 12         | 0          | 0         | 0         | 18         |
| Other                       | 5          | 3          | 0          | -6         | 0         | -1        | 1          |
| <b>Total</b>                | <b>259</b> | <b>153</b> | <b>120</b> | <b>245</b> | <b>-8</b> | <b>-4</b> | <b>765</b> |

## Note 5 Net insurance result

|   | Q1<br>2024 | Q4<br>2023 | Q1<br>2023 | Full year<br>2023 |
|---|------------|------------|------------|-------------------|
| <b>EURm</b>                                     |            |            |            |                   |
| Insurance revenue                               | 157        | 152        | 146        | 613               |
| Insurance service expenses                      | -93        | -119       | -89        | -392              |
| Net reinsurance result                          | -1         | 1          | -2         | -6                |
| <b>Net insurance revenue</b>                    | <b>63</b>  | <b>34</b>  | <b>55</b>  | <b>215</b>        |
| Insurance finance income or expenses            | -1,141     | -1,250     | -740       | -2,222            |
| Return on assets backing insurance liabilities  | 1,139      | 1,256      | 731        | 2,224             |
| <b>Net insurance finance income or expenses</b> | <b>-2</b>  | <b>6</b>   | <b>-9</b>  | <b>2</b>          |
| <b>Total</b>                                    | <b>61</b>  | <b>40</b>  | <b>46</b>  | <b>217</b>        |

## Note 6 Net result from items at fair value

|  | Q1<br>2024 | Q4<br>2023 | Q1<br>2023 | Full year<br>2023 |
|--|------------|------------|------------|-------------------|
| <b>EURm</b>  |            |            |            |                   |
| Equity-related instruments                                     | 69         | 93         | 80         | 243               |
| Interest-related instruments and foreign exchange gains/losses | 207        | -24        | 192        | 521               |
| Other financial instruments (including credit and commodities) | 11         | 86         | 56         | 235               |
| Nordea Life & Pension <sup>1</sup>                             | 4          | -1         | 17         | 15                |
| <b>Total</b>   | <b>291</b> | <b>154</b> | <b>345</b> | <b>1,014</b>      |

<sup>1</sup> Internal transactions not eliminated against other lines in the Note. The line item "Nordea Life & Pension" consequently provides the true impact from the life insurance operations.

**Note 7 Other expenses**

|  | Q1<br>2024  | Q4<br>2023  | Q1<br>2023  | Full year<br>2023 |
|--|-------------|-------------|-------------|-------------------|
| <b>EURm</b>  |             |             |             |                   |
| Information technology <sup>1</sup>                    | -176        | -181        | -150        | -658              |
| Marketing and representation                           | -14         | -25         | -11         | -66               |
| Postage, transportation, telephone and office expenses | -14         | -12         | -13         | -46               |
| Rents, premises and real estate                        | -27         | -28         | -22         | -109              |
| Professional services                                  | -39         | -67         | -33         | -178              |
| Market data services                                   | -23         | -23         | -22         | -89               |
| Other <sup>2</sup>                                     | -45         | 13          | -36         | -60               |
| <b>Total</b>   | <b>-338</b> | <b>-323</b> | <b>-287</b> | <b>-1,206</b>     |

<sup>1</sup> Includes IT consultancy fees.

<sup>2</sup> Includes the transfer of expenses to fulfil insurance contracts within the scope of IFRS 17 to "Net insurance result" and the capitalisation of IT development expenses accounted for as intangible assets.

**Note 8 Regulatory fees**

|                 | Q1<br>2024 | Q4<br>2023 | Q1<br>2023  | Full year<br>2023 |
|-----------------|------------|------------|-------------|-------------------|
| <b>EURm</b>     |            |            |             |                   |
| Resolution fees | -45        | -          | -234        | -234              |
| Bank tax        | -18        | -20        | -21         | -82               |
| <b>Total</b>    | <b>-63</b> | <b>-20</b> | <b>-255</b> | <b>-316</b>       |

**Note 9 Depreciation, amortisation and impairment charges of tangible and intangible assets**

|                                  | Q1<br>2024  | Q4<br>2023  | Q1<br>2023  | Full year<br>2023 |
|----------------------------------|-------------|-------------|-------------|-------------------|
| <b>EURm</b>                      |             |             |             |                   |
| <b>Depreciation/amortisation</b> |             |             |             |                   |
| Properties and equipment         | -54         | -60         | -59         | -225              |
| Intangible assets                | -85         | -94         | -95         | -384              |
| <b>Total</b>                     | <b>-139</b> | <b>-154</b> | <b>-154</b> | <b>-609</b>       |
| <b>Impairment charges, net</b>   |             |             |             |                   |
| Properties and equipment         | -           | -1          | -3          | -6                |
| Intangible assets                | -           | -184        | -4          | -193              |
| <b>Total</b>                     | <b>-</b>    | <b>-185</b> | <b>-7</b>   | <b>-199</b>       |
| <b>Total</b>                     | <b>-139</b> | <b>-339</b> | <b>-161</b> | <b>-808</b>       |

**Note 10 Net loan losses**

|   | Q1<br>2024 | Q4<br>2023  | Q1<br>2023 | Full year<br>2023 |
|---|------------|-------------|------------|-------------------|
| <b>EURm</b>   |            |             |            |                   |
| Net loan losses, stage 1  | 31         | 19          | -10        | 5                 |
| Net loan losses, stage 2  | -35        | -12         | 8          | 24                |
| <b>Net loan losses, non-credit-impaired assets</b>              | <b>-4</b>  | <b>7</b>    | <b>-2</b>  | <b>29</b>         |
| <b>Stage 3, credit-impaired assets</b>                          |            |             |            |                   |
| Net loan losses, individually assessed, collectively calculated | -10        | 6           | -10        | -27               |
| Realised loan losses  | -39        | -69         | -44        | -246              |
| Decrease in provisions to cover realised loan losses            | 11         | 17          | 11         | 89                |
| Recoveries on previous realised loan losses                     | 13         | 10          | 10         | 35                |
| Reimbursement right   | -2         | 0           | 6          | 2                 |
| New/increase in provisions                                      | -52        | -98         | -46        | -253              |
| Reversals of provisions   | 54         | 32          | 54         | 184               |
| <b>Net loan losses, credit-impaired assets</b>                  | <b>-25</b> | <b>-102</b> | <b>-19</b> | <b>-216</b>       |
| <b>Net loan losses</b>  | <b>-29</b> | <b>-95</b>  | <b>-21</b> | <b>-187</b>       |

**Key ratios**

|   | Q1<br>2024 | Q4<br>2023 | Q1<br>2023 | Full year<br>2023 |
|---|------------|------------|------------|-------------------|
| Net loan loss ratio, amortised cost, bp | 4          | 14         | 3          | 7                 |
| - of which stage 1                      | -5         | -3         | 1          | 0                 |
| - of which stage 2                      | 5          | 2          | -1         | -1                |
| - of which stage 3                      | 4          | 15         | 3          | 8                 |

## Note 11 Loans and impairment

|   | Total          |                |                |
|---|----------------|----------------|----------------|
|   | 31 Mar<br>2024 | 31 Dec<br>2023 | 31 Mar<br>2023 |
| <b>EURm</b>   |                |                |                |
| Loans measured at fair value                                    | 85,587         | 74,728         | 78,528         |
| Loans measured at amortised cost, not impaired (stages 1 and 2) | 270,359        | 273,568        | 271,965        |
| Impaired loans (stage 3)  | 2,343          | 2,457          | 2,206          |
| - of which servicing  | 1,075          | 1,091          | 1,054          |
| - of which non-servicing  | 1,268          | 1,366          | 1,152          |
| <b>Loans before allowances</b>                                  | <b>358,289</b> | <b>350,753</b> | <b>352,699</b> |
| - of which central banks and credit institutions                | 10,457         | 4,293          | 11,336         |
| Allowances for individually assessed impaired loans (stage 3)   | -1,022         | -1,037         | -1,023         |
| - of which servicing  | -504           | -453           | -531           |
| - of which non-servicing  | -518           | -584           | -492           |
| Allowances for collectively assessed loans (stages 1 and 2)     | -614           | -616           | -619           |
| <b>Allowances</b>   | <b>-1,636</b>  | <b>-1,653</b>  | <b>-1,642</b>  |
| - of which central banks and credit institutions                | -20            | -21            | -25            |
| <b>Loans, carrying amount</b>                                   | <b>356,653</b> | <b>349,100</b> | <b>351,057</b> |

### Exposures measured at amortised cost and fair value through OCI, before allowances

|  | 31 Mar 2024    |               |              |                |
|--|----------------|---------------|--------------|----------------|
|  | Stage 1        | Stage 2       | Stage 3      | Total          |
| <b>EURm</b>  |                |               |              |                |
| Loans to central banks, credit institutions and the public | 250,890        | 19,469        | 2,343        | 272,702        |
| Interest-bearing securities                                | 37,380         | -             | -            | 37,380         |
| <b>Total</b>   | <b>288,270</b> | <b>19,469</b> | <b>2,343</b> | <b>310,082</b> |

|  | 31 Mar 2023    |               |              |                |
|--|----------------|---------------|--------------|----------------|
|  | Stage 1        | Stage 2       | Stage 3      | Total          |
| <b>EURm</b>  |                |               |              |                |
| Loans to central banks, credit institutions and the public | 258,861        | 13,104        | 2,206        | 274,171        |
| Interest-bearing securities                                | 34,994         | -             | -            | 34,994         |
| <b>Total</b>   | <b>293,855</b> | <b>13,104</b> | <b>2,206</b> | <b>309,165</b> |

### Allowances and provisions

|  | 31 Mar 2024 |             |               |               |
|--|-------------|-------------|---------------|---------------|
|  | Stage 1     | Stage 2     | Stage 3       | Total         |
| <b>EURm</b>  |             |             |               |               |
| Loans to central banks, credit institutions and the public | -181        | -433        | -1,022        | -1,636        |
| Interest-bearing securities                                | -2          | -           | -             | -2            |
| Provisions for off-balance sheet items                     | -45         | -110        | -21           | -176          |
| <b>Total allowances and provisions</b>                     | <b>-228</b> | <b>-543</b> | <b>-1,043</b> | <b>-1,814</b> |

|  | 31 Mar 2023 |             |               |               |
|--|-------------|-------------|---------------|---------------|
|  | Stage 1     | Stage 2     | Stage 3       | Total         |
| <b>EURm</b>  |             |             |               |               |
| Loans to central banks, credit institutions and the public | -226        | -393        | -1,023        | -1,642        |
| Interest-bearing securities                                | -4          | -           | -             | -4            |
| Provisions for off-balance sheet items                     | -48         | -114        | -21           | -183          |
| <b>Total allowances and provisions</b>                     | <b>-278</b> | <b>-507</b> | <b>-1,044</b> | <b>-1,829</b> |

### Movements of allowance accounts for loans measured at amortised cost

|   | Stage 1     | Stage 2     | Stage 3       | Total         |
|---|-------------|-------------|---------------|---------------|
| <b>EURm</b>                                     |             |             |               |               |
| <b>Balance as at 1 Jan 2024</b>                 | <b>-206</b> | <b>-410</b> | <b>-1,037</b> | <b>-1,653</b> |
| Changes due to origination and acquisition      | -10         | -1          | -1            | -12           |
| Transfer from stage 1 to stage 2                | 7           | -101        | -             | -94           |
| Transfer from stage 1 to stage 3                | 0           | -           | -9            | -9            |
| Transfer from stage 2 to stage 1                | -3          | 29          | -             | 26            |
| Transfer from stage 2 to stage 3                | -           | 7           | -45           | -38           |
| Transfer from stage 3 to stage 1                | 0           | -           | 2             | 2             |
| Transfer from stage 3 to stage 2                | -           | -3          | 10            | 7             |
| Changes due to change in credit risk (net)      | 1           | -24         | -35           | -58           |
| Changes due to repayments and disposals         | 26          | 65          | 68            | 159           |
| Write-off through decrease in allowance account | -           | -           | 11            | 11            |
| Translation differences                         | 4           | 5           | 14            | 23            |
| <b>Balance as at 31 Mar 2024</b>                | <b>-181</b> | <b>-433</b> | <b>-1,022</b> | <b>-1,636</b> |

## Note 11 Continued

|   | Stage 1     | Stage 2     | Stage 3       | Total         |
|---|-------------|-------------|---------------|---------------|
| <b>EURm</b>                                     |             |             |               |               |
| <b>Balance as at 1 Jan 2023</b>                 | <b>-220</b> | <b>-408</b> | <b>-1,045</b> | <b>-1,673</b> |
| Changes due to origination and acquisition      | -14         | -1          | -1            | -16           |
| Transfer from stage 1 to stage 2                | 5           | -87         | -             | -82           |
| Transfer from stage 1 to stage 3                | 0           | -           | -18           | -18           |
| Transfer from stage 2 to stage 1                | -5          | 39          | -             | 34            |
| Transfer from stage 2 to stage 3                | -           | 7           | -50           | -43           |
| Transfer from stage 3 to stage 1                | 0           | -           | 2             | 2             |
| Transfer from stage 3 to stage 2                | -           | -4          | 17            | 13            |
| Changes due to change in credit risk (net)      | -27         | 15          | -9            | -21           |
| Changes due to repayments and disposals         | 30          | 41          | 55            | 126           |
| Write-off through decrease in allowance account | -           | -           | 11            | 11            |
| Translation differences                         | 5           | 5           | 15            | 25            |
| <b>Balance as at 31 Mar 2023</b>                | <b>-226</b> | <b>-393</b> | <b>-1,023</b> | <b>-1,642</b> |

### Key ratios<sup>1</sup>

|   | 31 Mar<br>2024 | 31 Dec<br>2023 | 31 Mar<br>2023 |
|---|----------------|----------------|----------------|
| Impairment rate (stage 3), gross, basis points                  | 86             | 89             | 81             |
| Impairment rate (stage 3), net, basis points                    | 49             | 51             | 43             |
| Total allowance rate (stages 1, 2 and 3), basis points          | 60             | 60             | 60             |
| Allowances in relation to impaired loans (stage 3), %           | 44             | 42             | 46             |
| Allowances in relation to loans in stages 1 and 2, basis points | 23             | 23             | 23             |

<sup>1</sup> For definitions, see Glossary.

### Sensitivities

The provisions are sensitive to rating migration even if staging triggers are not reached. The table below shows the impact on provisions of a one-notch downgrade of all exposures in the bank. It includes both the impact of the higher risk for all exposures and the impact of transferring exposures that reach the trigger from stage 1 to stage 2. It also includes the impact of exposures with one rating grade above default becoming default, which is estimated at EUR 116m (EUR 132m at the end of December 2023). This figure is based on calculations using the statistical model rather than individual estimates as would be the case in reality for material defaulted loans.

|                                 | 31 Mar 2024           |                                   | 31 Dec 2023           |                                   |
|---------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|                                 | Recognised provisions | Provisions if one notch downgrade | Recognised provisions | Provisions if one notch downgrade |
| <b>EURm</b>                     |                       |                                   |                       |                                   |
| Personal Banking                | 414                   | 533                               | 405                   | 526                               |
| Business Banking                | 982                   | 1,102                             | 986                   | 1,114                             |
| Large Corporates & Institutions | 386                   | 422                               | 396                   | 431                               |
| Other                           | 32                    | 46                                | 38                    | 51                                |
| <b>Group</b>                    | <b>1,814</b>          | <b>2,103</b>                      | <b>1,825</b>          | <b>2,122</b>                      |

### Forward-looking information

Forward-looking information is used for both assessing significant increases in credit risk and calculating expected credit losses. Nordea uses three macroeconomic scenarios: a baseline scenario, a favourable scenario and an adverse scenario. For the first quarter of 2024, the scenarios were weighted into the final expected credit losses (ECL) as follows: baseline 50%, adverse 40% and favourable 10% (baseline 50%, adverse 40% and favourable 10% at the end of the fourth quarter of 2023). The weight of the adverse scenario was kept at an elevated level, reflecting continued uncertainty about the macroeconomic outlook.

The macroeconomic scenarios are provided by Group Risk in Nordea, based on the Oxford Economics Model. The forecast is a combination of modelling and expert judgement, subject to thorough checks and quality control processes. The model has been built to give a good description of the historical relationships between economic variables and to capture the key linkages between those variables. The forecast period in the model is ten years. For periods beyond, a long-term average is used in the ECL calculations.

The macroeconomic scenarios reflect Nordea's view of how the Nordic economies might develop in light of the conflict in the Middle East and the war in Ukraine. They take into consideration continued high inflation, reinforced by a renewed surge in energy prices, and the potential impact of high interest rates on financial markets and economic activity. When developing the scenarios and determining the relative weighting between them, Nordea took into account projections made by Nordic central banks, Nordea Research and the European Central Bank.

The baseline scenario foresees soft landings in the Nordic economies and slightly higher unemployment in the coming years as higher rates and elevated inflation continue to weigh on economic activity. While growth in 2024 remains moderate in Denmark and Norway, GDP contracts in Finland and Sweden. Core inflation is expected to remain elevated. House prices appear to have stabilised after the downward adjustment in 2023, but continue to remain weak in Finland and Sweden. House prices are expected to remain stable in 2024 and grow modestly in 2025 and 2026. The risks around the baseline forecast are tilted to the downside.

Nordea's two alternative macroeconomic scenarios cover a range of plausible risk factors which may cause growth to deviate from the baseline scenario. Persistent and high inflation, reinforced by higher energy prices, may lead central banks to adopt a higher for longer strategy, triggering a deeper recession due to falling private consumption and investments. In addition, house prices may see an even larger decline due to higher interest rates, a squeeze in household purchasing power and weak confidence. Normalising inflation and lower rates, on the other hand, may support growth in 2024 and support economic activity going forward.

At the end of the first quarter of 2024 adjustments to model-based allowances/provisions amounted to EUR 541m, including management judgements. The management judgement allowances cover expected credit losses not yet adequately captured by the IFRS 9 modelled outcomes. During the quarter, allowances were kept at high levels. The structural management judgement allowances was kept unchanged in local currencies, and increased EUR 2m to EUR 83m. The cyclical management judgement allowances were assessed to be at appropriate levels and were kept unchanged in local currencies (EUR 422m) as supported by updated portfolio assessments including stress tests. In euro terms, total management judgement allowances consequently increased to EUR 505m from EUR 495m in the previous quarter.

## Note 11 Continued

### Scenarios and allowances/provisions

31 Mar 2024

|                     |                                       | 2024 | 2025 | 2026 | Unweighted<br>ECL<br>EURm | Probability<br>weight | Model-based<br>allowances/<br>provisions<br>EURm | Adjustments to<br>model-based<br>allowances/<br>provisions<br>EURm | Individual<br>allowances/<br>provisions<br>EURm | Total<br>allowances/<br>provisions<br>EURm |
|---------------------|---------------------------------------|------|------|------|---------------------------|-----------------------|--|--|---|--|
| <b>Denmark</b>      |                                       |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                         | 1.5  | 1.9  | 1.7  | 131                       | 10%                   |  |  |   |  |
|                     | Unemployment, %                       | 3.0  | 2.9  | 2.8  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 1.9  | 1.4  | 1.5  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | 1.7  | 2.7  | 3.2  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                         | 0.6  | 1.3  | 1.4  | 133                       | 50%                   | 139  | 115  | 174   | 428  |
|                     | Unemployment, %                       | 3.2  | 3.4  | 3.4  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 1.3  | 1.0  | 1.0  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | 0.7  | 2.1  | 2.5  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                         | -1.1 | 0.1  | 0.7  | 148                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                       | 3.7  | 4.5  | 4.7  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 0.4  | -0.1 | -0.3 |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | -2.3 | -0.1 | 0.8  |                           |                       |  |  |   |  |
| <b>Finland</b>      |                                       |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                         | 1.1  | 2.1  | 1.2  | 221                       | 10%                   |  |  |   |  |
|                     | Unemployment, %                       | 7.5  | 7.2  | 7.1  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 1.8  | 1.8  | 1.3  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | 0.5  | 2.6  | 2.6  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                         | -0.4 | 1.5  | 1.3  | 228                       | 50%                   | 234  | 212  | 183   | 629  |
|                     | Unemployment, %                       | 7.8  | 7.5  | 7.3  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 0.5  | 1.3  | 1.2  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | 0    | 1.8  | 2.0  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                         | -3.0 | 0    | 1.5  | 245                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                       | 8.4  | 8.4  | 8.1  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | -1.8 | -0.1 | 0.8  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | -1.9 | 0.1  | 0.8  |                           |                       |  |  |   |  |
| <b>Norway</b>       |                                       |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                         | 2.2  | 1.5  | 0.8  | 108                       | 10%                   |  |  |   |  |
|                     | Unemployment, %                       | 3.5  | 3.5  | 3.6  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 2.0  | 2.4  | 3.1  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | 1.2  | 2.9  | 3.4  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                         | 0.8  | 1.2  | 0.7  | 112                       | 50%                   | 116  | 103  | 104   | 323  |
|                     | Unemployment, %                       | 3.8  | 4.0  | 4.0  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 0.2  | 1.8  | 2.7  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | 0.8  | 2.2  | 2.8  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                         | -1.5 | -0.1 | 0.4  | 122                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                       | 4.3  | 5.0  | 4.9  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | -1.5 | 0.3  | 1.6  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | -6.3 | -1.5 | 2.0  |                           |                       |  |  |   |  |
| <b>Sweden</b>       |                                       |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                         | 0.5  | 2.6  | 3.1  | 114                       | 10%                   |  |  |   |  |
|                     | Unemployment, %                       | 8.5  | 8.2  | 7.9  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 1.3  | 2.6  | 3.6  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | 0.6  | 3.0  | 3.4  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                         | -0.2 | 2.1  | 2.6  | 116                       | 50%                   | 118  | 109  | 204   | 431  |
|                     | Unemployment, %                       | 8.6  | 8.5  | 8.2  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | 0.9  | 2.3  | 2.8  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | -0.4 | 2.6  | 3.3  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                         | -1.6 | 0.9  | 1.6  | 122                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                       | 8.9  | 9.1  | 9.1  |                           |                       |  |  |   |  |
|                     | Change in household<br>consumption, % | -0.1 | 1.4  | 1.0  |                           |                       |  |  |   |  |
|                     | Change in house prices, %             | -1.6 | 0.3  | 0.4  |                           |                       |  |  |   |  |
| <b>Non-Nordic</b>   |                                       |      |      |      |                           |                       | 1  | 2  | 0   | 3  |
| <b>Total</b>        |                                       |      |      |      |                           |                       | <b>608</b>                                       | <b>541</b>   | <b>665</b>                                      | <b>1,814</b>                               |

## Note 11 Continued

### Scenarios and allowances/provisions

31 Dec 2023

|                     |                                    | 2024 | 2025 | 2026 | Unweighted<br>ECL<br>EURm | Probability<br>weight | Model-based<br>allowances/<br>provisions<br>EURm | Adjustments to<br>model-based<br>allowances/<br>provisions<br>EURm | Individual<br>allowances/<br>provisions<br>EURm | Total<br>allowances/<br>provisions<br>EURm |
|---------------------|------------------------------------|------|------|------|---------------------------|-----------------------|--|--|---|--|
| <b>Denmark</b>      |                                    |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                      | 2.1  | 1.7  | 1.7  | 135                       | 10%                   |  |  |   |  |
|                     | Unemployment, %                    | 2.8  | 2.8  | 2.8  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 1.8  | 1.5  | 1.6  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 1.9  | 2.8  | 3.2  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                      | 1.0  | 1.3  | 1.4  | 137                       | 50%                   | 142  | 104  | 203   | 449  |
|                     | Unemployment, %                    | 3.2  | 3.4  | 3.4  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 1.3  | 1.0  | 1.0  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 0.7  | 2.1  | 2.5  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                      | -0.9 | 0.3  | 0.7  | 151                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                    | 3.9  | 4.5  | 4.7  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 0.1  | -0.1 | -0.1 |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | -2.6 | -0.1 | 0.8  |                           |                       |  |  |   |  |
| <b>Finland</b>      |                                    |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                      | 2.1  | 1.6  | 1.2  | 226                       | 10%                   |  |  |   |  |
|                     | Unemployment, %                    | 7.6  | 7.1  | 6.8  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 2.4  | 1.4  | 1.1  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 1.1  | 2.8  | 2.7  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                      | 0.2  | 1.4  | 1.5  | 233                       | 50%                   | 239  | 205  | 179   | 623  |
|                     | Unemployment, %                    | 8.0  | 7.4  | 7.1  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 0.8  | 1.1  | 1.1  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 1.0  | 1.8  | 2.0  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                      | -3.2 | 1.0  | 1.5  | 250                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                    | 8.6  | 8.3  | 7.9  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | -2.2 | 0.6  | 0.6  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | -1.5 | 0.5  | 0.8  |                           |                       |  |  |   |  |
| <b>Norway</b>       |                                    |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                      | 2.4  | 1.1  | 0.8  | 95                        | 10%                   |  |  |   |  |
|                     | Unemployment, %                    | 3.1  | 3.2  | 3.4  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 1.9  | 2.4  | 2.7  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 1.2  | 2.9  | 3.4  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                      | 0.4  | 1.0  | 1.1  | 99                        | 50%                   | 102  | 116  | 94  | 312  |
|                     | Unemployment, %                    | 3.6  | 3.8  | 3.8  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 0.1  | 1.9  | 2.5  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 0.8  | 2.2  | 2.8  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                      | -1.7 | 0.2  | 0.4  | 107                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                    | 4.4  | 4.8  | 4.9  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | -1.2 | 0.8  | 1.2  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | -6.7 | -1.5 | 2.0  |                           |                       |  |  |   |  |
| <b>Sweden</b>       |                                    |      |      |      |                           |                       |  |  |   |  |
| Favourable scenario | GDP growth, %                      | 1.1  | 2.4  | 2.6  | 100                       | 10%                   |  |  |   |  |
|                     | Unemployment, %                    | 8.0  | 7.9  | 7.9  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 1.7  | 2.2  | 2.7  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 1.7  | 3.9  | 3.4  |                           |                       |  |  |   |  |
| Baseline scenario   | GDP growth, %                      | -0.1 | 2.1  | 2.3  | 103                       | 50%                   | 105  | 121  | 211   | 437  |
|                     | Unemployment, %                    | 8.3  | 8.3  | 8.3  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 0.8  | 1.9  | 2.1  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | 0    | 2.6  | 3.8  |                           |                       |  |  |   |  |
| Adverse scenario    | GDP growth, %                      | -1.5 | 1.0  | 1.3  | 108                       | 40%                   |  |  |   |  |
|                     | Unemployment, %                    | 8.9  | 9.2  | 9.3  |                           |                       |  |  |   |  |
|                     | Change in household consumption, % | 0    | 0.7  | 0.1  |                           |                       |  |  |   |  |
|                     | Change in house prices, %          | -1.2 | 1.0  | 0.4  |                           |                       |  |  |   |  |
| <b>Non-Nordic</b>   |                                    |      |      |      |                           |                       | 1  | 3  | 0   | 4  |
| <b>Total</b>        |                                    |      |      |      |                           |                       | 589  | 549  | 687   | 1,825                                      |



## Note 11 Continued

## Loans to the public measured at amortised cost, broken down by sector and industry

31 Mar 2024

| EURm  | Gross          |               |              |                | Allowances |            |              |              | Loans carrying amount | Net loan losses <sup>1</sup> |
|---|----------------|---------------|--------------|----------------|------------|------------|--------------|--------------|-----------------------|------------------------------|
|   | Stage 1        | Stage 2       | Stage 3      | Total          | Stage 1    | Stage 2    | Stage 3      | Total        |                       |                              |
| Financial institutions                                  | 14,959         | 557           | 68           | 15,584         | 7          | 9          | 33           | 49           | 15,535                | 5                            |
| Agriculture   | 4,297          | 231           | 70           | 4,598          | 7          | 7          | 33           | 47           | 4,551                 | 2                            |
| Crops, plantations and hunting                          | 898            | 103           | 17           | 1,018          | 3          | 3          | 6            | 12           | 1,006                 | -1                           |
| Animal husbandry  | 585            | 86            | 50           | 721            | 2          | 3          | 26           | 31           | 690                   | 3                            |
| Fishing and aquaculture                                 | 2,814          | 42            | 3            | 2,859          | 2          | 1          | 1            | 4            | 2,855                 | 0                            |
| Natural resources                                       | 2,284          | 205           | 19           | 2,508          | 3          | 4          | 13           | 20           | 2,488                 | 2                            |
| Paper and forest products                               | 1,603          | 160           | 17           | 1,780          | 2          | 3          | 12           | 17           | 1,763                 | 2                            |
| Mining and supporting activities                        | 365            | 43            | 2            | 410            | 1          | 1          | 1            | 3            | 407                   | 0                            |
| Oil, gas and offshore                                   | 316            | 2             | 0            | 318            | 0          | 0          | 0            | 0            | 318                   | 0                            |
| Consumer staples  | 4,941          | 297           | 93           | 5,331          | 8          | 8          | 22           | 38           | 5,293                 | 9                            |
| Food processing and beverages                           | 1,709          | 178           | 57           | 1,944          | 3          | 4          | 7            | 14           | 1,930                 | 8                            |
| Household and personal products                         | 489            | 31            | 7            | 527            | 1          | 1          | 5            | 7            | 520                   | 0                            |
| Healthcare  | 2,743          | 88            | 29           | 2,860          | 4          | 3          | 10           | 17           | 2,843                 | 1                            |
| Consumer discretionary and services                     | 10,186         | 1,736         | 406          | 12,328         | 14         | 57         | 205          | 276          | 12,052                | -2                           |
| Consumer durables                                       | 2,388          | 374           | 98           | 2,860          | 2          | 6          | 64           | 72           | 2,788                 | -2                           |
| Media and entertainment                                 | 1,441          | 505           | 17           | 1,963          | 2          | 14         | 26           | 42           | 1,921                 | -7                           |
| Retail trade  | 3,947          | 628           | 249          | 4,824          | 8          | 26         | 90           | 124          | 4,700                 | 9                            |
| Air transportation                                      | 238            | 15            | 8            | 261            | 0          | 0          | 4            | 4            | 257                   | 0                            |
| Accommodation and leisure                               | 1,373          | 210           | 28           | 1,611          | 2          | 11         | 16           | 29           | 1,582                 | -2                           |
| Telecommunication services                              | 799            | 4             | 6            | 809            | 0          | 0          | 5            | 5            | 804                   | 0                            |
| Industrials   | 27,666         | 4,215         | 459          | 32,340         | 46         | 132        | 255          | 433          | 31,907                | -40                          |
| Materials   | 1,683          | 316           | 27           | 2,026          | 2          | 15         | 12           | 29           | 1,997                 | -12                          |
| Capital goods   | 3,043          | 556           | 45           | 3,644          | 4          | 16         | 17           | 37           | 3,607                 | 7                            |
| Commercial and professional services                    | 5,903          | 606           | 46           | 6,555          | 9          | 14         | 23           | 46           | 6,509                 | -7                           |
| Construction  | 7,098          | 1,206         | 161          | 8,465          | 14         | 36         | 87           | 137          | 8,328                 | -16                          |
| Wholesale trade   | 5,217          | 1,050         | 76           | 6,343          | 7          | 35         | 43           | 85           | 6,258                 | -10                          |
| Land transportation                                     | 2,884          | 257           | 35           | 3,176          | 5          | 7          | 26           | 38           | 3,138                 | -1                           |
| IT services   | 1,838          | 224           | 69           | 2,131          | 5          | 9          | 47           | 61           | 2,070                 | -1                           |
| Maritime  | 4,845          | 87            | 51           | 4,983          | 9          | 3          | 24           | 36           | 4,947                 | 4                            |
| Ship building   | 305            | 18            | 0            | 323            | 0          | 0          | 0            | 0            | 323                   | 0                            |
| Shipping  | 4,195          | 64            | 50           | 4,309          | 9          | 3          | 23           | 35           | 4,274                 | 4                            |
| Maritime services                                       | 345            | 5             | 1            | 351            | 0          | 0          | 1            | 1            | 350                   | 0                            |
| Utilities and public service                            | 6,722          | 176           | 16           | 6,914          | 4          | 3          | 11           | 18           | 6,896                 | -3                           |
| Utilities distribution                                  | 3,684          | 51            | 9            | 3,744          | 2          | 1          | 4            | 7            | 3,737                 | 0                            |
| Power production  | 2,325          | 52            | 1            | 2,378          | 1          | 1          | 1            | 3            | 2,375                 | 0                            |
| Public services   | 713            | 73            | 6            | 792            | 1          | 1          | 6            | 8            | 784                   | -3                           |
| Real estate   | 35,273         | 1,924         | 136          | 37,333         | 22         | 36         | 83           | 141          | 37,192                | 11                           |
| Other industries and reimbursement rights               | 1,707          | 180           | 12           | 1,899          | 1          | 1          | 2            | 4            | 1,895                 | 13                           |
| <b>Total Corporate</b>                                  | <b>112,880</b> | <b>9,608</b>  | <b>1,330</b> | <b>123,818</b> | <b>121</b> | <b>260</b> | <b>681</b>   | <b>1,062</b> | <b>122,756</b>        | <b>1</b>                     |
| Housing loans   | 115,135        | 6,840         | 559          | 122,534        | 18         | 68         | 119          | 205          | 122,329               | -9                           |
| Collateralised lending                                  | 11,605         | 2,030         | 261          | 13,896         | 22         | 29         | 123          | 174          | 13,722                | -1                           |
| Non-collateralised lending                              | 4,068          | 969           | 162          | 5,199          | 15         | 76         | 82           | 173          | 5,026                 | -20                          |
| <b>Household</b>  | <b>130,808</b> | <b>9,839</b>  | <b>982</b>   | <b>141,629</b> | <b>55</b>  | <b>173</b> | <b>324</b>   | <b>552</b>   | <b>141,077</b>        | <b>-30</b>                   |
| <b>Public sector</b>                                    | <b>3,540</b>   | <b>11</b>     | <b>28</b>    | <b>3,579</b>   | <b>0</b>   | <b>0</b>   | <b>2</b>     | <b>2</b>     | <b>3,577</b>          | <b>0</b>                     |
| <b>Lending to the public</b>                            | <b>247,228</b> | <b>19,458</b> | <b>2,340</b> | <b>269,026</b> | <b>176</b> | <b>433</b> | <b>1,007</b> | <b>1,616</b> | <b>267,410</b>        | <b>-29</b>                   |
| <b>Lending to central banks and credit institutions</b> | <b>3,662</b>   | <b>11</b>     | <b>3</b>     | <b>3,676</b>   | <b>5</b>   | <b>0</b>   | <b>15</b>    | <b>20</b>    | <b>3,656</b>          | <b>0</b>                     |
| <b>Total</b>  | <b>250,890</b> | <b>19,469</b> | <b>2,343</b> | <b>272,702</b> | <b>181</b> | <b>433</b> | <b>1,022</b> | <b>1,636</b> | <b>271,066</b>        | <b>-29</b>                   |

<sup>1</sup> The table shows net loan losses related to on- and off-balance sheet exposures for March 2024 year to date.

## Note 11 Continued

## Loans to the public measured at amortised cost, broken down by sector and industry

31 Dec 2023

| EURm  | Gross          |               |              |                | Allowances |            |              |              | Loans carrying amount | Net loan losses <sup>1</sup> |
|---|----------------|---------------|--------------|----------------|------------|------------|--------------|--------------|-----------------------|------------------------------|
|   | Stage 1        | Stage 2       | Stage 3      | Total          | Stage 1    | Stage 2    | Stage 3      | Total        |                       |                              |
| Financial institutions                                  | 13,531         | 253           | 67           | 13,851         | 8          | 8          | 38           | 54           | 13,797                | -7                           |
| Agriculture   | 4,278          | 192           | 68           | 4,538          | 7          | 7          | 35           | 49           | 4,489                 | 22                           |
| Crops, plantations and hunting                          | 930            | 92            | 17           | 1,039          | 3          | 3          | 7            | 13           | 1,026                 | 0                            |
| Animal husbandry  | 619            | 83            | 48           | 750            | 3          | 4          | 28           | 35           | 715                   | 22                           |
| Fishing and aquaculture                                 | 2,729          | 17            | 3            | 2,749          | 1          | 0          | 0            | 1            | 2,748                 | 0                            |
| Natural resources                                       | 2,235          | 198           | 18           | 2,451          | 3          | 5          | 14           | 22           | 2,429                 | -2                           |
| Paper and forest products                               | 1,505          | 161           | 16           | 1,682          | 2          | 4          | 13           | 19           | 1,663                 | -5                           |
| Mining and supporting activities                        | 405            | 34            | 2            | 441            | 0          | 1          | 1            | 2            | 439                   | 0                            |
| Oil, gas and offshore                                   | 325            | 3             | 0            | 328            | 1          | 0          | 0            | 1            | 327                   | 3                            |
| Consumer staples  | 5,013          | 266           | 89           | 5,368          | 8          | 10         | 32           | 50           | 5,318                 | -3                           |
| Food processing and beverages                           | 1,685          | 161           | 53           | 1,899          | 3          | 5          | 16           | 24           | 1,875                 | -5                           |
| Household and personal products                         | 592            | 28            | 8            | 628            | 2          | 1          | 5            | 8            | 620                   | -1                           |
| Healthcare  | 2,736          | 77            | 28           | 2,841          | 3          | 4          | 11           | 18           | 2,823                 | 3                            |
| Consumer discretionary and services                     | 10,578         | 1,141         | 566          | 12,285         | 16         | 51         | 220          | 287          | 11,998                | -46                          |
| Consumer durables                                       | 2,533          | 381           | 104          | 3,018          | 2          | 6          | 61           | 69           | 2,949                 | -30                          |
| Media and entertainment                                 | 1,845          | 100           | 199          | 2,144          | 2          | 5          | 29           | 36           | 2,108                 | -21                          |
| Retail trade  | 3,796          | 480           | 222          | 4,498          | 9          | 30         | 105          | 144          | 4,354                 | -4                           |
| Air transportation                                      | 236            | 9             | 9            | 254            | 0          | 0          | 4            | 4            | 250                   | 5                            |
| Accommodation and leisure                               | 1,357          | 163           | 27           | 1,547          | 2          | 9          | 16           | 27           | 1,520                 | 4                            |
| Telecommunication services                              | 811            | 8             | 5            | 824            | 1          | 1          | 5            | 7            | 817                   | 0                            |
| Industrials   | 28,990         | 3,196         | 414          | 32,600         | 53         | 110        | 251          | 414          | 32,186                | -40                          |
| Materials   | 1,700          | 193           | 25           | 1,918          | 3          | 4          | 12           | 19           | 1,899                 | 0                            |
| Capital goods   | 3,161          | 472           | 42           | 3,675          | 5          | 16         | 21           | 42           | 3,633                 | 2                            |
| Commercial and professional services                    | 5,992          | 408           | 45           | 6,445          | 11         | 12         | 18           | 41           | 6,404                 | 1                            |
| Construction  | 7,471          | 1,106         | 120          | 8,697          | 17         | 38         | 77           | 132          | 8,565                 | -9                           |
| Wholesale trade   | 6,130          | 567           | 82           | 6,779          | 7          | 25         | 47           | 79           | 6,700                 | -21                          |
| Land transportation                                     | 2,701          | 214           | 35           | 2,950          | 5          | 6          | 28           | 39           | 2,911                 | 19                           |
| IT services   | 1,835          | 236           | 65           | 2,136          | 5          | 9          | 48           | 62           | 2,074                 | -32                          |
| Maritime  | 5,143          | 67            | 48           | 5,258          | 15         | 2          | 23           | 40           | 5,218                 | 12                           |
| Ship building   | 164            | 15            | 0            | 179            | 0          | 0          | 0            | 0            | 179                   | 3                            |
| Shipping  | 4,612          | 49            | 48           | 4,709          | 15         | 2          | 23           | 40           | 4,669                 | 9                            |
| Maritime services                                       | 367            | 3             | 0            | 370            | 0          | 0          | 0            | 0            | 370                   | 0                            |
| Utilities and public service                            | 6,471          | 108           | 14           | 6,593          | 5          | 3          | 8            | 16           | 6,577                 | 1                            |
| Utilities distribution                                  | 3,381          | 60            | 8            | 3,449          | 2          | 1          | 4            | 7            | 3,442                 | 1                            |
| Power production  | 2,566          | 12            | 1            | 2,579          | 2          | 1          | 1            | 4            | 2,575                 | 0                            |
| Public services   | 524            | 36            | 5            | 565            | 1          | 1          | 3            | 5            | 560                   | 0                            |
| Real estate   | 36,656         | 1,860         | 164          | 38,680         | 25         | 45         | 83           | 153          | 38,527                | -35                          |
| Other industries and reimbursement rights               | 1,580          | 189           | 8            | 1,777          | 3          | 1          | 0            | 4            | 1,773                 | 15                           |
| <b>Total Corporate</b>                                  | <b>114,475</b> | <b>7,470</b>  | <b>1,456</b> | <b>123,401</b> | <b>143</b> | <b>242</b> | <b>704</b>   | <b>1,089</b> | <b>122,312</b>        | <b>-83</b>                   |
| Housing loans   | 113,424        | 5,734         | 539          | 119,697        | 12         | 54         | 114          | 180          | 119,517               | -20                          |
| Collateralised lending                                  | 18,163         | 2,035         | 277          | 20,475         | 31         | 41         | 124          | 196          | 20,279                | -24                          |
| Non-collateralised lending                              | 4,277          | 952           | 154          | 5,383          | 14         | 73         | 77           | 164          | 5,219                 | -61                          |
| <b>Household</b>  | <b>135,864</b> | <b>8,721</b>  | <b>970</b>   | <b>145,555</b> | <b>57</b>  | <b>168</b> | <b>315</b>   | <b>540</b>   | <b>145,015</b>        | <b>-105</b>                  |
| <b>Public sector</b>                                    | <b>3,943</b>   | <b>8</b>      | <b>27</b>    | <b>3,978</b>   | <b>1</b>   | <b>0</b>   | <b>2</b>     | <b>3</b>     | <b>3,975</b>          | <b>1</b>                     |
| <b>Lending to the public</b>                            | <b>254,282</b> | <b>16,199</b> | <b>2,453</b> | <b>272,934</b> | <b>201</b> | <b>410</b> | <b>1,021</b> | <b>1,632</b> | <b>271,302</b>        | <b>-187</b>                  |
| <b>Lending to central banks and credit institutions</b> | <b>3,079</b>   | <b>8</b>      | <b>4</b>     | <b>3,091</b>   | <b>5</b>   | <b>0</b>   | <b>16</b>    | <b>21</b>    | <b>3,070</b>          | <b>0</b>                     |
| <b>Total</b>  | <b>257,361</b> | <b>16,207</b> | <b>2,457</b> | <b>276,025</b> | <b>206</b> | <b>410</b> | <b>1,037</b> | <b>1,653</b> | <b>274,372</b>        | <b>-187</b>                  |

<sup>1</sup> The table shows net loan losses related to on- and off-balance sheet exposures for the full year 2023.

## Note 12 Classification of financial instruments

|   | Fair value through profit or loss (FVPL) |                |   | Fair value through other comprehensive income (FVOCI) | Total          |
|---|--|----------------|---|---|----------------|
|   | Amortised cost (AC)                      | Mandatorily    | Designated at fair value through profit or loss (fair value option) |   |                |
| <b>EURm</b>   |  |                |   |   |                |
| <b>Financial assets</b>   |  |                |   |   |                |
| Cash and balances with central banks  | 42,891                                   | -              | -   | -   | 42,891         |
| Loans to central banks  | 1,417                                    | 1,425          | -   | -   | 2,842          |
| Loans to credit institutions  | 2,239                                    | 5,356          | -   | -   | 7,595          |
| Loans to the public   | 267,410                                  | 78,806         | -   | -   | 346,216        |
| Interest-bearing securities   | 810                                      | 29,993         | 8,309   | 36,568  | 75,680         |
| Shares  | -  | 32,838         | -   | -   | 32,838         |
| Assets in pooled schemes and unit-linked investment contracts               | -  | 52,397         | 817   | -   | 53,214         |
| Derivatives   | -  | 25,767         | -   | -   | 25,767         |
| Fair value changes of hedged items in portfolio hedge of interest rate risk | -876                                     | -              | -   | -   | -876           |
| Other assets  | 1,372                                    | 6,168          | -   | -   | 7,540          |
| Prepaid expenses and accrued income   | 441                                      | -              | -   | -   | 441            |
| <b>Total 31 Mar 2024</b>  | <b>315,704</b>                           | <b>232,750</b> | <b>9,126</b>  | <b>36,568</b>   | <b>594,148</b> |
| Total 31 Dec 2023   | 326,154                                  | 202,856        | 9,233   | 35,869  | 574,112        |

|   | Fair value through profit or loss (FVPL) |               |   | Total          |
|---|--|---------------|---|----------------|
|   | Amortised cost (AC)                      | Mandatorily   | Designated at fair value through profit or loss (fair value option) |                |
| <b>EURm</b>   |  |               |   |                |
| <b>Financial liabilities</b>  |  |               |   |                |
| Deposits by credit institutions   | 12,155                                   | 21,272        | -   | 33,427         |
| Deposits and borrowings from the public                                     | 200,287                                  | 15,663        | -   | 215,950        |
| Deposits in pooled schemes and unit-linked investment contracts             | -  | -             | 54,801  | 54,801         |
| Debt securities in issue  | 136,749                                  | -             | 53,475  | 190,224        |
| Derivatives   | -  | 26,232        | -   | 26,232         |
| Fair value changes of hedged items in portfolio hedge of interest rate risk | -1,024                                   | -             | -   | -1,024         |
| Other liabilities <sup>1</sup>  | 3,782                                    | 10,013        | -   | 13,795         |
| Accrued expenses and prepaid income   | 28                                       | -             | -   | 28             |
| Subordinated liabilities  | 5,689                                    | -             | -   | 5,689          |
| <b>Total 31 Mar 2024</b>  | <b>357,666</b>                           | <b>73,180</b> | <b>108,276</b>  | <b>539,122</b> |
| Total 31 Dec 2023   | 352,749                                  | 63,814        | 104,938   | 521,501        |

<sup>1</sup> Of which lease liabilities classified in the category "Amortised cost" amount to EUR 1,075m.

## Note 13 Fair value of financial assets and liabilities

|   | 31 Mar 2024     |                | 31 Dec 2023     |                |
|---|-----------------|----------------|-----------------|----------------|
|   | Carrying amount | Fair value     | Carrying amount | Fair value     |
| <b>EURm</b>   |                 |                |                 |                |
| <b>Financial assets</b>   |                 |                |                 |                |
| Cash and balances with central banks                            | 42,891          | 42,891         | 50,622          | 50,622         |
| Loans   | 355,777         | 358,271        | 348,229         | 350,263        |
| Interest-bearing securities                                     | 75,680          | 75,668         | 68,000          | 68,008         |
| Shares  | 32,838          | 32,838         | 22,158          | 22,158         |
| Assets in pooled schemes and unit-linked investment contracts   | 53,214          | 53,214         | 49,802          | 49,802         |
| Derivatives   | 25,767          | 25,767         | 26,525          | 26,525         |
| Other assets  | 7,540           | 7,540          | 8,371           | 8,371          |
| Prepaid expenses and accrued income                             | 441             | 441            | 405             | 405            |
| <b>Total</b>  | <b>594,148</b>  | <b>596,630</b> | <b>574,112</b>  | <b>576,154</b> |
| <b>Financial liabilities</b>                                    |                 |                |                 |                |
| Deposits and debt instruments                                   | 444,266         | 445,365        | 426,965         | 427,651        |
| Deposits in pooled schemes and unit-linked investment contracts | 54,801          | 54,801         | 51,573          | 51,573         |
| Derivatives   | 26,232          | 26,232         | 30,794          | 30,794         |
| Other liabilities   | 12,720          | 12,720         | 11,058          | 11,058         |
| Accrued expenses and prepaid income                             | 28              | 28             | 8               | 8              |
| <b>Total</b>  | <b>538,047</b>  | <b>539,146</b> | <b>520,398</b>  | <b>521,084</b> |

The determination of fair value is described in Note G3.4 "Fair value" in the 2023 Annual Report.

## Note 14 Financial assets and liabilities held at fair value on the balance sheet

### Categorisation in the fair value hierarchy

|   | Quoted<br>prices in<br>active<br>markets for<br>the same<br>instruments<br>(Level 1) | Of which<br>Life &<br>Pension | Valuation<br>technique<br>using<br>observable<br>data<br>(Level 2) | Of which<br>Life &<br>Pension | Valuation<br>technique<br>using non-<br>observable<br>data<br>(Level 3) | Of which<br>Life &<br>Pension | Total          |
|---|--|-------------------------------|--|-------------------------------|---|-------------------------------|----------------|
| <b>EURm</b>   |  |                               |  |                               |   |                               |                |
| <b>Assets at fair value on the balance sheet<sup>1</sup></b>      |  |                               |  |                               |   |                               |                |
| Loans to central banks  | -  | -                             | 1,425  | -                             | -   | -                             | 1,425          |
| Loans to credit institutions                                      | -  | -                             | 5,351  | 9                             | 5   | -                             | 5,356          |
| Loans to the public   | -  | -                             | 78,806   | -                             | -   | -                             | 78,806         |
| Interest-bearing securities                                       | 22,349   | 1,968                         | 50,722   | 6,079                         | 1,799   | 1,104                         | 74,870         |
| Shares  | 30,270   | 15,371                        | 211  | 47                            | 2,357   | 1,033                         | 32,838         |
| Assets in pooled schemes and unit-linked investment contracts     | 51,592   | 47,442                        | 1,168  | 1,168                         | 454   | 454                           | 53,214         |
| Derivatives   | 131  | -                             | 24,755   | 11                            | 881   | -                             | 25,767         |
| Other assets  | -  | -                             | 6,149  | -                             | 19  | 18                            | 6,168          |
| <b>Total 31 Mar 2024</b>  | <b>104,342</b>   | <b>64,781</b>                 | <b>168,587</b>   | <b>7,314</b>                  | <b>5,515</b>  | <b>2,609</b>                  | <b>278,444</b> |
| Total 31 Dec 2023   | 83,921   | 60,219                        | 158,640  | 7,597                         | 5,397   | 2,709                         | 247,958        |
| <b>Liabilities at fair value on the balance sheet<sup>1</sup></b> |  |                               |  |                               |   |                               |                |
| Deposits by credit institutions                                   | -  | -                             | 21,244   | 9                             | 28  | -                             | 21,272         |
| Deposits and borrowings from the public                           | -  | -                             | 15,663   | -                             | -   | -                             | 15,663         |
| Deposits in pooled schemes and unit-linked investment contracts   | -  | -                             | 54,801   | 50,629                        | -   | -                             | 54,801         |
| Debt securities in issue  | 3,839  | -                             | 48,377   | -                             | 1,259   | -                             | 53,475         |
| Derivatives   | 82   | -                             | 25,434   | 94                            | 716   | -                             | 26,232         |
| Other liabilities   | 2,304  | -                             | 7,564  | 1                             | 145   | -                             | 10,013         |
| <b>Total 31 Mar 2024</b>  | <b>6,225</b>   | <b>-</b>                      | <b>173,083</b>   | <b>50,733</b>                 | <b>2,148</b>  | <b>-</b>                      | <b>181,456</b> |
| Total 31 Dec 2023   | 6,892  | -                             | 159,617  | 47,408                        | 2,153   | -                             | 168,752        |

<sup>1</sup> All items are measured at fair value on a recurring basis at the end of each reporting period.

### Transfers between Levels 1 and 2

During the period Nordea transferred "Interest-bearing securities" of EUR 975m from Level 1 to Level 2 and of EUR 4,897m from Level 2 to Level 1 in the fair value hierarchy. Furthermore, Nordea transferred "Debt securities in issue" of EUR 3,625m from Level 1 to Level 2 and of EUR 2,490m from Level 2 to Level 1. Nordea also transferred "Other liabilities" of EUR 124m from Level 1 to Level 2 and of EUR 333m from Level 2 to Level 1. The transfers from Level 1 to Level 2 were due to the instruments ceasing to be actively traded during the period, which meant that fair values were obtained using valuation techniques with observable market inputs. The transfers from Level 2 to Level 1 were due to the instruments again being actively traded during the period, which meant that reliable quoted prices were obtained in the market. Transfers between levels are considered to have occurred at the end of the period.

## Note 14 Continued

### Movements in Level 3

|   | Fair value gains/losses recognised in the income statement during the period |           |            | Recognised in OCI | Purchases / Issues | Sales       | Settlements | Transfers into Level 3 | Transfers out of Level 3 | Translation differences | 31 Mar       |
|---|--|-----------|------------|-------------------|--------------------|-------------|-------------|------------------------|--------------------------|-------------------------|--------------|
|   | 1 Jan  | Realised  | Unrealised |                   |                    |             |             |                        |                          |                         |              |
| <b>EURm</b>   |  |           |            |                   |                    |             |             |                        |                          |                         |              |
| Loans to credit institutions                                  | -  | -         | -          | -                 | 5                  | -           | -           | -                      | -                        | -                       | 5            |
| Loans to the public   | 2  | -         | -          | -                 | -                  | -2          | -           | -                      | -                        | -                       | 0            |
| Interest-bearing securities                                   | 1,736  | 14        | -101       | -                 | 370                | -101        | -12         | 33                     | -93                      | -47                     | 1,799        |
| - of which Life & Pension                                     | 1,214  | 15        | -22        | -                 | -                  | -46         | -12         | 18                     | -18                      | -45                     | 1,104        |
| Shares  | 2,321  | 20        | 32         | -                 | 70                 | -51         | -16         | -                      | -                        | -19                     | 2,357        |
| - of which Life & Pension                                     | 1,041  | 20        | 17         | -                 | 20                 | -24         | -16         | -                      | -                        | -25                     | 1,033        |
| Assets in pooled schemes and unit-linked investment contracts | 436  | -6        | 11         | -                 | 25                 | -1          | -2          | 4                      | -2                       | -11                     | 454          |
| - of which Life & Pension                                     | 436  | -6        | 11         | -                 | 25                 | -1          | -2          | 4                      | -2                       | -11                     | 454          |
| Derivatives (net)   | 167  | 48        | -3         | -                 | -                  | -           | -48         | -39                    | 40                       | -                       | 165          |
| Other assets  | 19   | -         | -          | -                 | -                  | -           | -           | -                      | -                        | -                       | 19           |
| - of which Life & Pension                                     | 18   | -         | -          | -                 | -                  | -           | -           | -                      | -                        | -                       | 18           |
| Deposits by credit institutions                               | -  | -         | -          | -                 | 28                 | -           | -           | -                      | -                        | -                       | 28           |
| Debt securities in issue                                      | 1,292  | -         | -72        | 5                 | 114                | -           | -82         | 6                      | -4                       | -                       | 1,259        |
| Other liabilities   | 145  | -         | -20        | -                 | 72                 | -51         | -           | -                      | -1                       | -                       | 145          |
| <b>Total 2024, net</b>  | <b>3,244</b>   | <b>76</b> | <b>31</b>  | <b>-5</b>         | <b>256</b>         | <b>-104</b> | <b>4</b>    | <b>-8</b>              | <b>-50</b>               | <b>-77</b>              | <b>3,367</b> |
| Total 2023, net   | 3,289  | 24        | 262        | 3                 | 113                | -201        | 1           | 162                    | -264                     | -168                    | 3,221        |

Unrealised gains and losses relate to those assets and liabilities held at the end of the reporting period. The transfers out of Level 3 were due to observable market data becoming available. The transfers into Level 3 were due to observable market data no longer being available. Transfers between levels are considered to have occurred at the end of the reporting period. Fair value gains and losses in the income statement during the period are included in "Net result from items at fair value". Assets and liabilities related to derivatives are presented net.

#### Valuation processes for fair value measurements in Level 3

For information about the valuation processes for fair value measurement in Level 3, see Note G3.4 "Fair value" in the 2023 Annual Report.

#### Deferred Day 1 profit

The transaction price for financial instruments in some cases differs from the fair value at initial recognition measured using a valuation model, mainly due to the fact that the transaction price is not established in an active market. If there are significant unobservable inputs used in the valuation technique (Level 3), the financial instrument is recognised at the transaction price and any difference between the transaction price and fair value at initial recognition measured using a valuation model (Day 1 profit) is deferred. For more information, see Note G3.4 "Fair value" in the 2023 Annual Report. The table below shows the aggregated difference yet to be recognised in the income statement at the beginning and end of the period. The table also shows a reconciliation of how this aggregated difference changed during the period (movement of deferred Day 1 profit).

#### Deferred Day 1 profit – derivatives, net

|   | 2024      | 2023      |
|---|-----------|-----------|
| <b>EURm</b>   |           |           |
| Opening balance as at 1 Jan                                       | 73        | 84        |
| Deferred profit on new transactions                               | 10        | 13        |
| Recognised in the income statement during the period <sup>1</sup> | -12       | -14       |
| <b>Closing balance as at 31 Mar</b>                               | <b>71</b> | <b>83</b> |

<sup>1</sup> Of which EUR -1m (EUR -4m) is due to transfers of derivatives from Level 3 to Level 2.

## Note 14 Continued

### Valuation techniques and inputs used in the fair value measurements in Level 3

| EURm                                    | Fair value    | Of which<br>Life &<br>Pension <sup>1</sup> | Valuation techniques                          | Unobservable input                             | Range of fair<br>value <sup>4</sup> |
|---|---------------|--|---|--|-------------------------------------|
| <b>Loans</b>                            |               |  |   |  |                                     |
| Loans to credit institutions            | 5             | -  | Discounted cash flows                         | Interest rate                                  | 0/0                                 |
| <b>Total 31 Mar 2024</b>                | <b>5</b>      | <b>-</b>                                   |   |  | <b>0/0</b>                          |
| Total 31 Dec 2023                       | 2             | -  |   |  | -0/0                                |
| <b>Interest-bearing securities</b>      |               |  |   |  |                                     |
| Public bodies                           | 121           | 104  | Discounted cash flows                         | Credit spread                                  | -4/4                                |
| Mortgage and other credit institutions  | 1,179         | 701  | Discounted cash flows                         | Credit spread                                  | -71/72                              |
| Corporates <sup>2</sup>                 | 499           | 299  | Discounted cash flows                         | Credit spread                                  | -9/9                                |
| <b>Total 31 Mar 2024</b>                | <b>1,799</b>  | <b>1,104</b>                               |   |  | <b>-84/85</b>                       |
| Total 31 Dec 2023                       | 1,736         | 1,214                                      |   |  | -73/73                              |
| <b>Shares</b>                           |               |  |   |  |                                     |
| Private equity funds                    | 1,377         | 620  | Net asset value <sup>3</sup>                  |  | -154/154                            |
| Hedge funds                             | 154           | 154  | Net asset value <sup>3</sup>                  |  | -14/14                              |
| Credit funds                            | 507           | 51   | Net asset value/market consensus <sup>3</sup> |  | -49/49                              |
| Other funds                             | 207           | 200  | Net asset value/fund prices <sup>3</sup>      |  | -14/14                              |
| Other <sup>5</sup>                      | 566           | 462  | -   |  | -65/65                              |
| <b>Total 31 Mar 2024</b>                | <b>2,811</b>  | <b>1,487</b>                               |   |  | <b>-296/296</b>                     |
| Total 31 Dec 2023                       | 2,757         | 1,477                                      |   |  | -288/288                            |
| <b>Derivatives, net</b>                 |               |  |   |  |                                     |
| Interest rate derivatives               | 60            | -  | Option model                                  | Correlations<br>Volatilities                   | -8/9                                |
| Equity derivatives                      | -30           | -  | Option model                                  | Correlations<br>Volatilities<br>Dividends      | -6/4                                |
| Foreign exchange derivatives            | 94            | -  | Option model                                  | Correlations<br>Volatilities                   | -1/1                                |
| Credit derivatives                      | 41            | -  | Credit derivative model                       | Correlations<br>Volatilities<br>Recovery rates | -9/10                               |
| <b>Total 31 Mar 2024</b>                | <b>165</b>    | <b>-</b>                                   |   |  | <b>-24/24</b>                       |
| Total 31 Dec 2023                       | 167           | -  |   |  | -23/24                              |
| <b>Deposits</b>                         |               |  |   |  |                                     |
| Deposits by credit institutions         | 28            | -  | Discounted cash flows                         | Interest rate                                  | 0/0                                 |
| <b>Total 31 Mar 2024</b>                | <b>28</b>     | <b>-</b>                                   |   |  | <b>0/0</b>                          |
| Total 31 Dec 2023                       | -             | -  |   |  | -                                   |
| <b>Debt securities in issue</b>         |               |  |   |  |                                     |
| Issued structured bonds                 | -1,259        | -  | Credit derivative model                       | Correlations<br>Recovery rates<br>Volatilities | -6/6                                |
| <b>Total 31 Mar 2024</b>                | <b>-1,259</b> | <b>-</b>                                   |   |  | <b>-6/6</b>                         |
| Total 31 Dec 2023                       | -1,292        | -  |   |  | -6/6                                |
| <b>Other, net</b>                       |               |  |   |  |                                     |
| Other assets and other liabilities, net | -126          | 18   | -   | -  | -15/15                              |
| <b>Total 31 Mar 2024</b>                | <b>-126</b>   | <b>18</b>                                  |   |  | <b>-15/15</b>                       |
| Total 31 Dec 2023                       | -126          | 18   |   |  | -12/12                              |

<sup>1</sup> Investments in financial instruments are a major part of the life insurance business, acquired to fulfil the obligations behind the insurance and investment contracts. The gains or losses on these instruments are almost exclusively allocated to policyholders and consequently do not affect Nordea's equity.

<sup>2</sup> Of which EUR 150m is priced at a credit spread (the difference between the discount rate and the XIBOR) of 1.45%. A reasonable change in this credit spread would not affect the fair value due to callability features.

<sup>3</sup> The fair values are based on prices and net asset values provided by external suppliers/custodians. The prices are fixed by the suppliers/custodians based on the development in the assets behind the investments. For private equity funds, the dominant measurement methodology used by the suppliers/custodians is consistent with the International Private Equity and Venture Capital Valuation (IPEV) guidelines issued by Invest Europe (formerly EVCA). Approximately 60% of the private equity fund investments are internally adjusted/valued based on the IPEV guidelines. These carrying amounts are in a range of 1% to 100% compared with the values received from suppliers/custodians.

<sup>4</sup> The column "Range of fair value" shows the sensitivity of Level 3 financial instruments to changes in key assumptions. For more information, see Note G3.4 "Fair value" in the 2023 Annual Report.

<sup>5</sup> Of which EUR 454m relates to assets in pooled schemes and unit-linked investment contracts.

**Note 15 Risks and uncertainties**

Nordea is subject to various legal regimes and requirements, including but not limited to those of the Nordic countries, the European Union and the United States. The supervisory and governmental authorities administering and enforcing these regimes make regular enquiries and conduct investigations with regard to Nordea's compliance. Areas subject to investigation may include investment advice, anti-money laundering (AML), trade regulation and sanctions adherence, tax rules, competition law, governance, risk management and control. The outcome and timing of these enquiries and investigations are unclear and pending. Accordingly, it cannot be ruled out that these enquiries and investigations could lead to criticism against the bank, reputation loss, fines, sanctions, disputes and/or litigation.

In June 2015 the Danish Financial Supervisory Authority investigated how Nordea Bank Danmark A/S had followed the regulations regarding AML. The outcome resulted in criticism and, in accordance with Danish administrative practice, the matter was handed over to the police for further handling and possible sanctions. As previously stated, Nordea expects to be fined in Denmark for weak AML processes and procedures in the past and has made a provision for ongoing AML-related matters.

There is a risk that, in the event the authorities issue fines, these could be higher (or potentially lower) than the current provision, and this could also impact Nordea's financial performance. In addition, some of these proceedings could lead to litigation. Given this uncertainty, Nordea will maintain a sufficient level of provision for ongoing AML-related matters while continuing the dialogue with the Danish Authorities regarding their allegations concerning historical AML weaknesses.

Within the framework of normal business operations, Nordea faces a number of operational and legal risks that could result in reputational impacts, fines, sanctions, disputes, losses and/or litigation. Specifically, Nordea faces potential claims related to the provision of banking and investment services and other areas in which it operates. Currently, such claims are mainly related to lending and insolvency situations, various investment services, and sub-custody and withholding taxation matters. At present, none of the current claims are considered likely to have any significant adverse effect on Nordea or its financial position.

There are significant risks related to the macroeconomic environment due to geopolitical developments and broader inflationary pressures. Reduced consumer spending and cost increases may particularly impact small and medium-sized enterprises in certain industries. Depending on future developments, there may be increased credit risk in Nordea's portfolio. Furthermore, potential adverse impacts on income could arise due to financial market volatility and reduced banking activity impacting transaction volumes and customer activity. Potential future credit risks are addressed in Note 11 and the section "Net loan losses and similar net result". Depending on the duration and magnitude of the situation, there is a possibility that Nordea will not be able to meet its financial targets in very adverse scenarios. In addition, Nordea recognises an increase in cyber risk as a consequence of the geopolitical situation.



# Glossary

## Allowances in relation to credit-impaired loans (stage 3)

Allowances for impaired loans (stage 3) divided by impaired loans measured at amortised cost (stage 3) before allowances.

## Allowances in relation to loans in stages 1 and 2

Allowances for non-impaired loans (stages 1 and 2) divided by non-impaired loans measured at amortised cost (stages 1 and 2) before allowances.

## Allocated equity

Allocated equity (AE) is Nordea's internal estimate of required capital and measures the capital required to cover unexpected losses in the course of its business with a certain probability. AE uses advanced internal models to provide a consistent measurement for credit risk, market risk, operational risk, business risk and life insurance risk arising from activities in Nordea's business areas. It also takes local capital requirements and tax rates into account. Goodwill and other central deductions are also included.

## Impairment rate (stage 3), gross

Impaired loans (stage 3) before allowances divided by total loans measured at amortised cost before allowances.

## Impairment rate (stage 3), net

Impaired loans (stage 3) after allowances divided by total loans measured at amortised cost before allowances.

## Net interest margin

Net interest income for the period as a percentage of average interest-earning assets, excluding Life & Pension and Markets where return on assets is reported under Net result from items at fair value.

## Net loan loss ratio, amortised cost

Net loan losses (annualised) divided by the quarterly closing balance of the carrying amount of loans to the public (lending) measured at amortised cost.

## Return on allocated equity

Return on allocated equity (RoAE) is defined as operating profit after standard tax as a percentage of average allocated equity.

## Return on allocated equity with amortised resolution fees

RoAE with amortised resolution fees is defined as operating profit adjusted for the effect of resolution fees on an amortised basis after standard tax as a percentage of average allocated equity.

## Return on equity

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. Net profit for the period excludes non-controlling interests and interest

expense on Additional Tier 1 capital (discretionary interest accrued). Average equity includes net profit for the period and dividend until paid, and excludes non-controlling interests and Additional Tier 1 capital.

## Return on equity with amortised resolution fees

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued), and is adjusted for the effect of resolution fees on an amortised basis after tax. Average equity includes net profit for the period and dividend until paid, and excludes non-controlling interests and Additional Tier 1 capital.

## Return on risk exposure amount

Net profit for the period as a percentage of average risk exposure amount for the period. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued).

## Return on tangible equity

Net profit for the period as a percentage of average equity for the period. Additional Tier 1 capital, accounted for in equity, is classified as a financial liability in the calculation. Net profit for the period excludes non-controlling interests and interest expense on Additional Tier 1 capital (discretionary interest accrued). Average equity includes net profit for the period and dividend until paid, excludes non-controlling interests and Additional Tier 1 capital, and is reduced with intangible assets.

## Tier 1 capital

The Tier 1 capital of an institution consists of the sum of its Common Equity Tier 1 capital and Additional Tier 1 capital. Common Equity Tier 1 capital includes consolidated shareholders' equity excluding investments in insurance companies, proposed dividend, deferred tax assets, intangible assets in the banking operations, the full expected shortfall deduction (the negative difference between expected losses and provisions) and other deductions, such as cash flow hedges.

## Tier 1 capital ratio

Tier 1 capital as a percentage of the risk exposure amount. The Common Equity Tier 1 capital ratio is defined as Common Equity Tier 1 capital as a percentage of the risk exposure amount.

## Total allowance rate (stages 1, 2 and 3)

Total allowances divided by total loans measured at amortised cost before allowances.

For a list of further alternative performance measures and business definitions, see <https://www.nordea.com/en/investor-relations/reports-and-presentations/group-interim-reports/> and the 2023 Annual Report.

# Nordea Bank Abp

## Income statement

|   | Q1<br>2024    | Q1<br>2023    | Full year<br>2023 |
|---|---------------|---------------|-------------------|
| <b>EURm</b>   |               |               |                   |
| <b>Operating income</b>   |               |               |                   |
| Interest income   | 4,153         | 3,100         | 14,811            |
| Interest expense  | -2,715        | -1,838        | -9,254            |
| <b>Net interest income</b>  | <b>1,438</b>  | <b>1,262</b>  | <b>5,557</b>      |
| Fee and commission income   | 590           | 579           | 2,305             |
| Fee and commission expense  | -145          | -141          | -574              |
| <b>Net fee and commission income</b>                                | <b>445</b>    | <b>438</b>    | <b>1,731</b>      |
| Net result from securities at fair value through profit or loss     | 270           | 323           | 1,054             |
| Net result from securities at fair value through fair value reserve | -6            | -3            | -39               |
| Income from equity investments                                      | 524           | 679           | 1,747             |
| Other operating income  | 186           | 201           | 741               |
| <b>Total operating income</b>                                       | <b>2,857</b>  | <b>2,900</b>  | <b>10,791</b>     |
| <b>Operating expenses</b>   |               |               |                   |
| Staff costs   | -626          | -586          | -2,448            |
| Other administrative expenses                                       | -243          | -181          | -896              |
| Other operating expenses  | -127          | -135          | -566              |
| Regulatory fees   | -13           | -197          | -223              |
| Depreciation, amortisation and impairment charges                   | -88           | -136          | -839              |
| <b>Total operating expenses</b>                                     | <b>-1,097</b> | <b>-1,235</b> | <b>-4,972</b>     |
| <b>Profit before loan losses</b>                                    | <b>1,760</b>  | <b>1,665</b>  | <b>5,819</b>      |
| Net loan losses   | -8            | -6            | -119              |
| <b>Operating profit</b>   | <b>1,752</b>  | <b>1,659</b>  | <b>5,700</b>      |
| Income tax expense  | -287          | -234          | -961              |
| <b>Net profit for the period</b>                                    | <b>1,465</b>  | <b>1,425</b>  | <b>4,739</b>      |

# Nordea Bank Abp

## Balance sheet

|  | 31 Mar<br>2024 | 31 Dec<br>2023 | 31 Mar<br>2023 |
|--|----------------|----------------|----------------|
| <b>EURm</b>  |                |                |                |
| <b>Assets</b>  |                |                |                |
| Cash and balances with central banks   | 41,411         | 49,150         | 63,258         |
| Debt securities eligible for refinancing with central banks                  | 71,551         | 59,967         | 68,100         |
| Loans to credit institutions   | 69,833         | 68,589         | 75,463         |
| Loans to the public  | 154,320        | 149,900        | 147,775        |
| Interest-bearing securities  | 6,822          | 13,796         | 13,153         |
| Shares   | 19,306         | 9,437          | 9,681          |
| Investments in group undertakings  | 14,054         | 14,090         | 14,164         |
| Investments in associated undertakings and joint ventures                    | 63             | 64             | 67             |
| Derivatives  | 27,079         | 27,832         | 34,018         |
| Fair value changes of hedged items in portfolio hedges of interest rate risk | -237           | -230           | -426           |
| Intangible assets  | 1,489          | 1,488          | 1,646          |
| Tangible assets  | 225            | 227            | 234            |
| Deferred tax assets  | 27             | 37             | 20             |
| Current tax assets   | 121            | 128            | 84             |
| Retirement benefit assets  | 305            | 220            | 212            |
| Other assets   | 7,966          | 9,299          | 8,905          |
| Prepaid expenses and accrued income  | 786            | 776            | 852            |
| <b>Total assets</b>  | <b>415,121</b> | <b>404,770</b> | <b>437,206</b> |
| <b>Liabilities</b>   |                |                |                |
| Deposits by credit institutions and central banks                            | 39,912         | 36,488         | 42,122         |
| Deposits and borrowings from the public                                      | 223,621        | 217,574        | 224,979        |
| Debt securities in issue   | 74,180         | 71,859         | 84,465         |
| Derivatives  | 27,255         | 32,202         | 34,807         |
| Fair value changes of hedged items in portfolio hedges of interest rate risk | -1,024         | -869           | -1,959         |
| Current tax liabilities  | 251            | 254            | 42             |
| Other liabilities  | 17,851         | 12,295         | 20,424         |
| Accrued expenses and prepaid income  | 1,054          | 916            | 1,111          |
| Deferred tax liabilities   | 177            | 79             | 211            |
| Provisions   | 376            | 381            | 364            |
| Retirement benefit liabilities   | 213            | 237            | 214            |
| Subordinated liabilities   | 5,689          | 5,720          | 5,357          |
| <b>Total liabilities</b>   | <b>389,555</b> | <b>377,136</b> | <b>412,137</b> |
| <b>Equity</b>  |                |                |                |
| Share capital  | 4,050          | 4,050          | 4,050          |
| Additional Tier 1 capital holders  | 750            | 750            | 747            |
| Invested unrestricted equity   | 1,058          | 1,063          | 1,051          |
| Other reserves   | -82            | -198           | -106           |
| Retained earnings  | 18,325         | 17,230         | 17,902         |
| Net profit for the period  | 1,465          | 4,739          | 1,425          |
| <b>Total equity</b>  | <b>25,566</b>  | <b>27,634</b>  | <b>25,069</b>  |
| <b>Total liabilities and equity</b>  | <b>415,121</b> | <b>404,770</b> | <b>437,206</b> |
| <b>Off-balance sheet commitments</b>   |                |                |                |
| Commitments given to a third party on behalf of customers                    |                |                |                |
| Guarantees and pledges   | 49,794         | 45,346         | 45,693         |
| Other  | 575            | 647            | 735            |
| Irrevocable commitments in favour of customers                               |                |                |                |
| Securities repurchase commitments  | -              | -              | -              |
| Other  | 88,620         | 92,668         | 90,299         |

# Nordea Bank Abp

## Note 1 Accounting policies

The financial statements for the parent company, Nordea Bank Abp, are prepared in accordance with the Finnish Accounting Act, the Finnish Act on Credit Institutions, the Decree of the Finnish Ministry of Finance on the financial statements and consolidated financial statements of credit institutions and investment firms, and the regulations and guidelines of the Finnish Financial Supervisory Authority.

International Financial Reporting Standards as endorsed by the European Commission have been applied to the extent possible within the framework of Finnish accounting legislation and considering the close tie between financial reporting and taxation.

The accounting policies and methods of computation are unchanged from the 2023 Annual Report. For more information, see the accounting policies in the 2023 Annual Report.

### For further information

- A webcast will be held on 18 April at 11.00 EET (10.00 CET). Frank Vang-Jensen, President and Group CEO, will present the results followed by a Q&A audio session for investors and analysts with Frank Vang-Jensen, Ian Smith, Group CFO and Ilkka Ottoila, Head of Investor Relations.
- The event will be webcast live and the recording and presentation slides will be posted on [www.nordea.com/ir](http://www.nordea.com/ir).
- The Q1 2024 report, investor presentation and factbook are available at [www.nordea.com/ir](http://www.nordea.com/ir)

### Contacts

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### Financial calendar

**Week 9 2024** – Annual Report published

**21 March 2024** – Annual General Meeting

**18 April 2024** – First-quarter results 2024

**15 July 2024** – Second-quarter and half-year results 2024

**17 October 2024** – Third-quarter and January-September results 2024

Helsinki 18 April 2024

Nordea Bank Abp

Board of Directors

This report 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. This report does not imply that Nordea has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

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## Auditor's report on review of interim financial information of Nordea Bank Abp for the three-month-period ended 31 March 2024

To the Board of Directors of Nordea Bank Abp

### Introduction

We have reviewed the condensed interim financial information of Nordea Bank Group, which comprise the balance sheet as of 31 March 2024, income statement, statement of comprehensive income, statement of changes in equity and condensed cash flow statement for the three-month-period then ended and notes. The interim financial information also comprises the parent company Nordea Bank Abp's balance sheet as of 31 March 2024 and income statement for the three-month-period then ended. The Board of Directors and the Managing Director are responsible for the preparation of the condensed interim financial information in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and with regulations governing the preparation of interim financial information in Finland. We will express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial information of Nordea Bank Abp for the three months period ended on 31 March 2024 is not prepared, in all material respects, as regards the Group financial information, in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and other regulation governing the presentation of interim financial information in Finland, and as regards the parent company financial information, in accordance with regulations governing the preparation of interim financial information in Finland.

Helsinki 17 April 2024

### PricewaterhouseCoopers Oy

Authorised Public Accountants

Jukka Paunonen

Authorised Public Accountant (KHT)