

Nordea

# Large Corporates & Institutions

**Capital Markets Day**

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Large Corporates & Institutions today

# The leading Nordic LC&I business



**Strong customer relationships** with a proven **service model**



True **Nordic coverage** for **customers with multi-product needs**



**Talented people** delivering **superior advice**



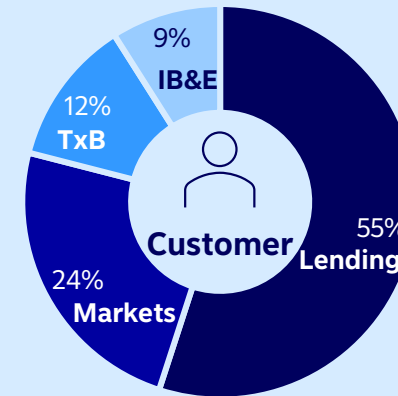
**Leading risk capacity** supported by **fast decision-making**



**Nordic leader in sustainable products and services**

## Market-leading offering and well-diversified income

FY 2021, %



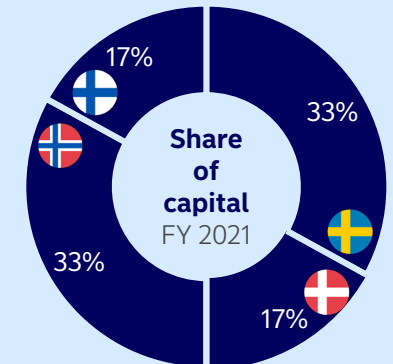
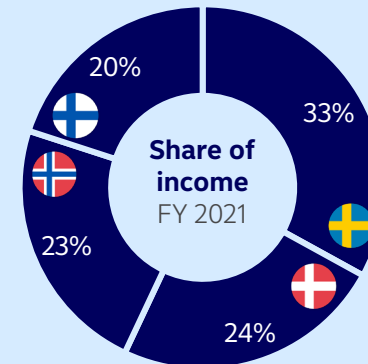
RCF | Green financing  
WCM | Loans

Fixed income | FX  
Securities fin | Derivatives

Cash management  
Trade finance

DCM | ECM  
M&A | Equities

## Country dimension

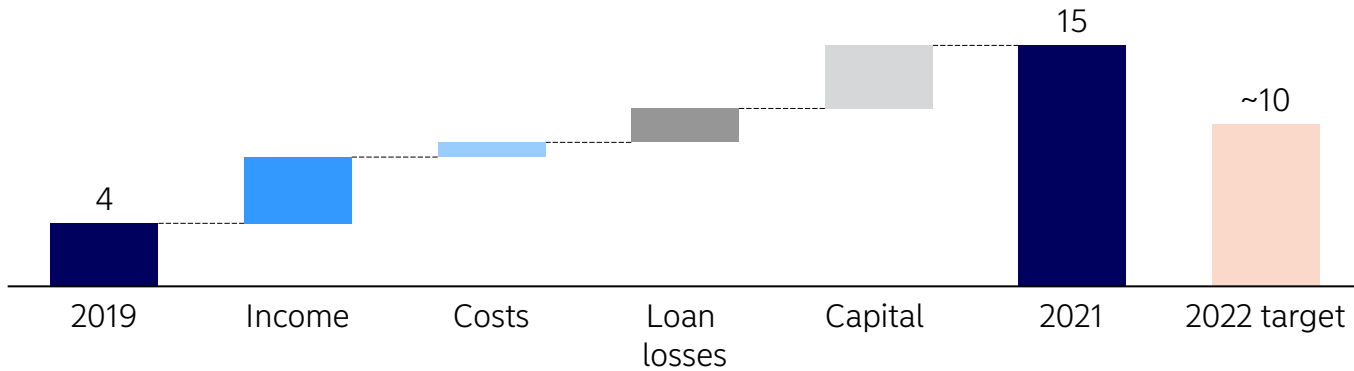


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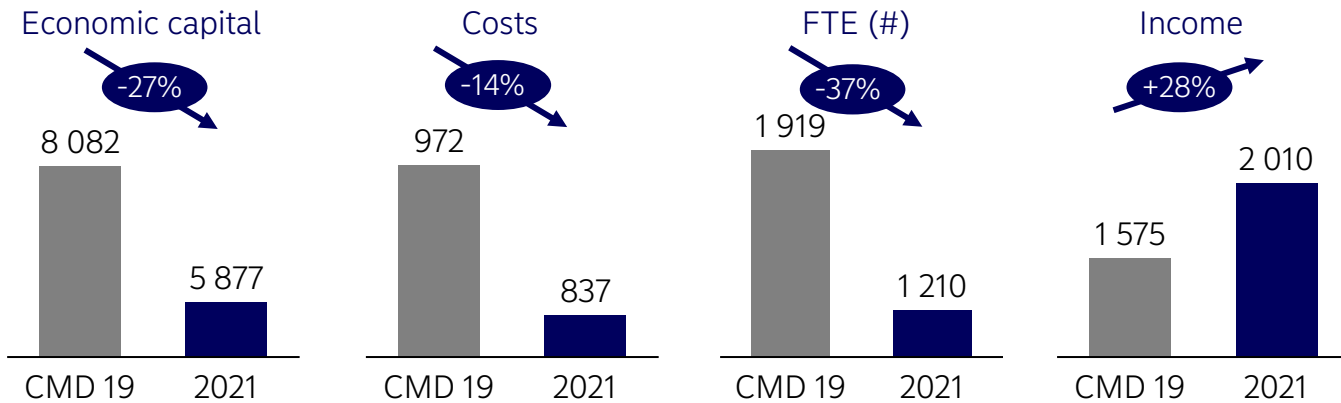
# We have created a more focused and profitable business

## Financial performance 2019–21

### Return on capital at risk (%)



### Economic capital and operating performance (EURm)



✓ 2022 target surpassed in 2021

- 1 Reduced low-return assets**  
lower balance sheet utilisation and capital intensity and higher margins
- 2 Streamlined Markets business**  
through reduced complexity and costs
- 3 Invested in ESG capabilities**  
and attained #1 position in Nordic sustainable financing
- 4 Optimised international footprint**  
New York, London and Shanghai prioritised while Frankfurt, Singapore and Russia exited

Large Corporates & Institutions' turnaround

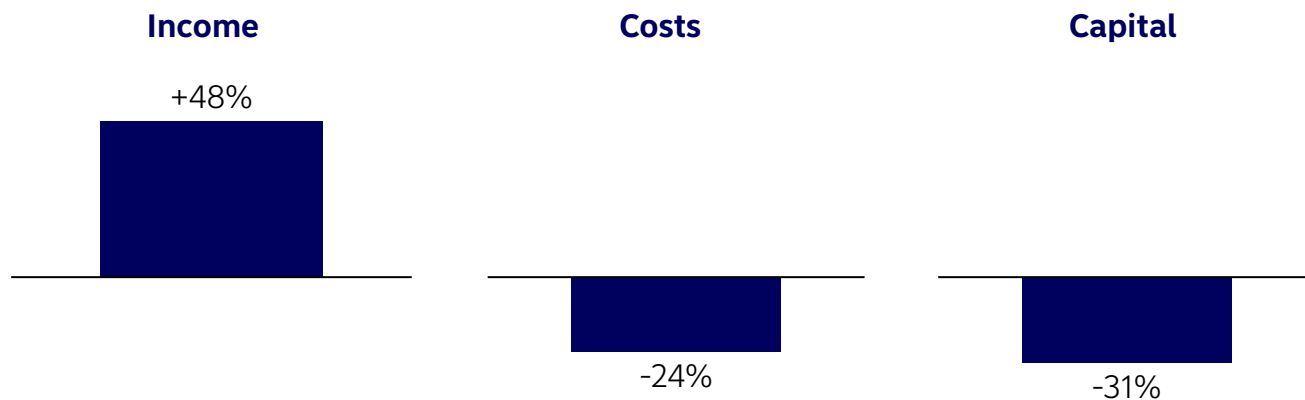
## We are in a stronger position to increase our ambition level

➤ Focus on business performance and capital efficiency

**Increased customer profitability** (share of low-returning capital, %)



**Successful Markets streamlining** (Q2 2019 to Q4 2021)



🔍 Enhanced business selection

**Grow ancillary income** including capital-light products

**Higher margins** through continued focus on pricing and **business selection**

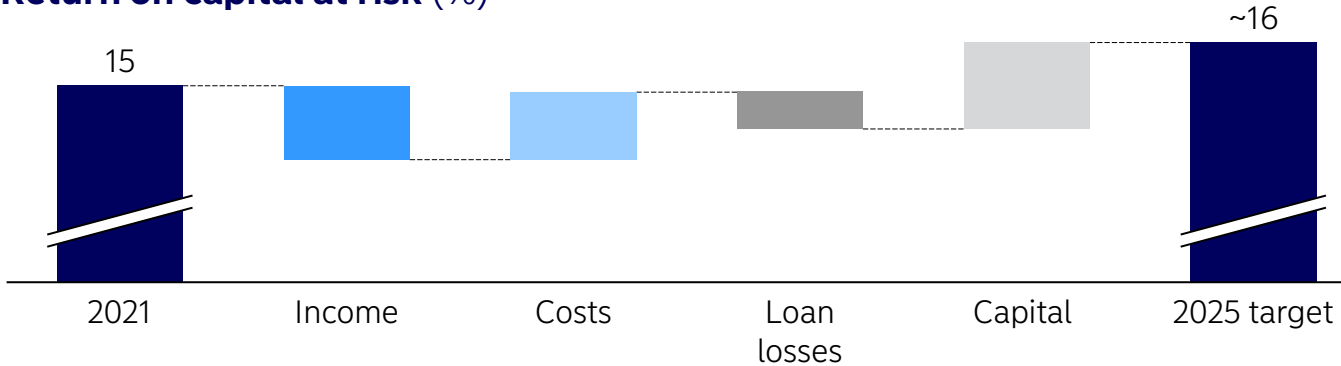
**Lower balance sheet utilisation** through decreased inventories and lower risk

**Reduced costs** from trimming of product portfolio and **new country-based organisation**

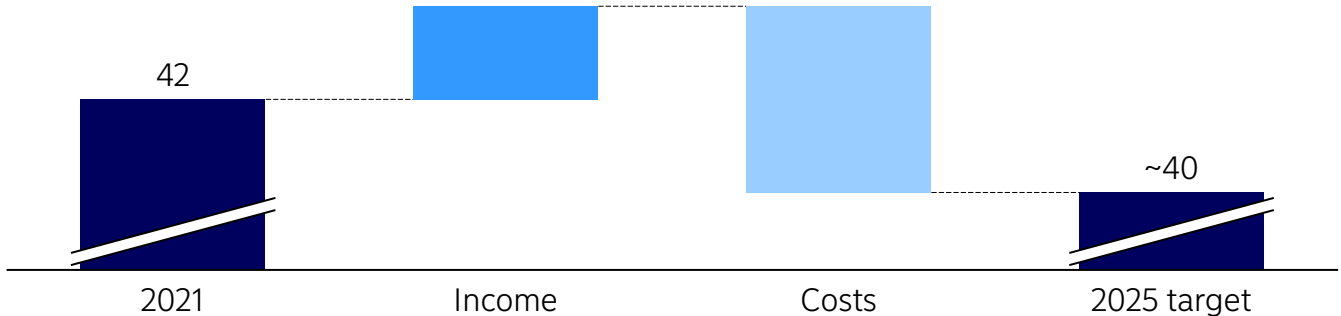
# We will deliver best-in-class return in 2025

## 🎯 2025 targets

### Return on capital at risk (%)



### Cost-to-income ratio (%)



## 🔗 Main drivers for 2025 targets

- 1 Sales excellence**  
to increase income per customer through higher intensity
- 2 Selective growth and investments**  
in capital-light growth and profitable lending
- 3 Increase operational efficiency**  
front-to-back including outsourcing and partnerships
- 4 Accelerate capital excellence**  
through improved IRB models, risk-sharing transactions and repricing
- 5 Become #1 ESG corporate bank**  
in the Nordics by leveraging our strong position

## Focus on selective growth and investments

### ➤ Focus areas and key activities

#### Target selective growth and investments

Invest in capital-light growth in Investment Banking & Equities  
Selectively grow profitable corporate lending and fund financing  
Invest in ESG clean tech sector and transition advice

#### Accelerate capital excellence

Improved IRB models and continued repricing  
Risk-sharing transactions and originate-to-distribute  
Full implementation towards Basel IV and FRTB



### Profitable growth

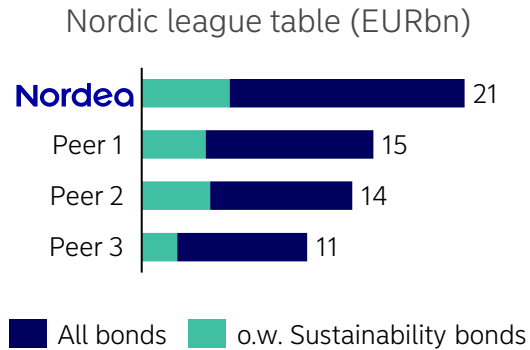


# Significant opportunity to support clients in their transition to a sustainable economy



## Sustainability leadership

Accelerate our support for clients' transitions



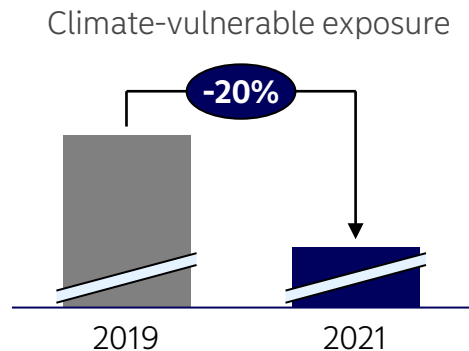
- **Leverage #1 position** in Nordic sustainable finance
- **Invest** in ESG sector advisory capabilities
- **Strengthen** ESG steering and data

EUR **200bn**  
sustainable finance  
facilitation



## Shift to green

Drive change through future-oriented capital allocation



- **Expand** portfolio and services
- Reduce **financed emissions** by 40-50% by 2030
- **Exit offshore sector** with EUR ~1bn lending portfolio

**90%**  
transition plans<sup>1</sup>  
by 2025



# Large Corporates & Institutions

2025: Preferred financial partner for our selected core Nordic corporates and institutions

**Drive core income** and strive for continued growth in capital-light services

**Be the preferred ESG partner** together with our selected core Nordic corporates and institutions

**Accelerate capital excellence** through efficient balance sheet utilisation, new capital models and risk-sharing transactions

**2025 targets**

**Return on capital at risk**  
**~16%**

**Cost-to-income ratio**  
**~40%**