

Nordea

IT in Nordea

Nordea EDC - Extended Delivery Centre

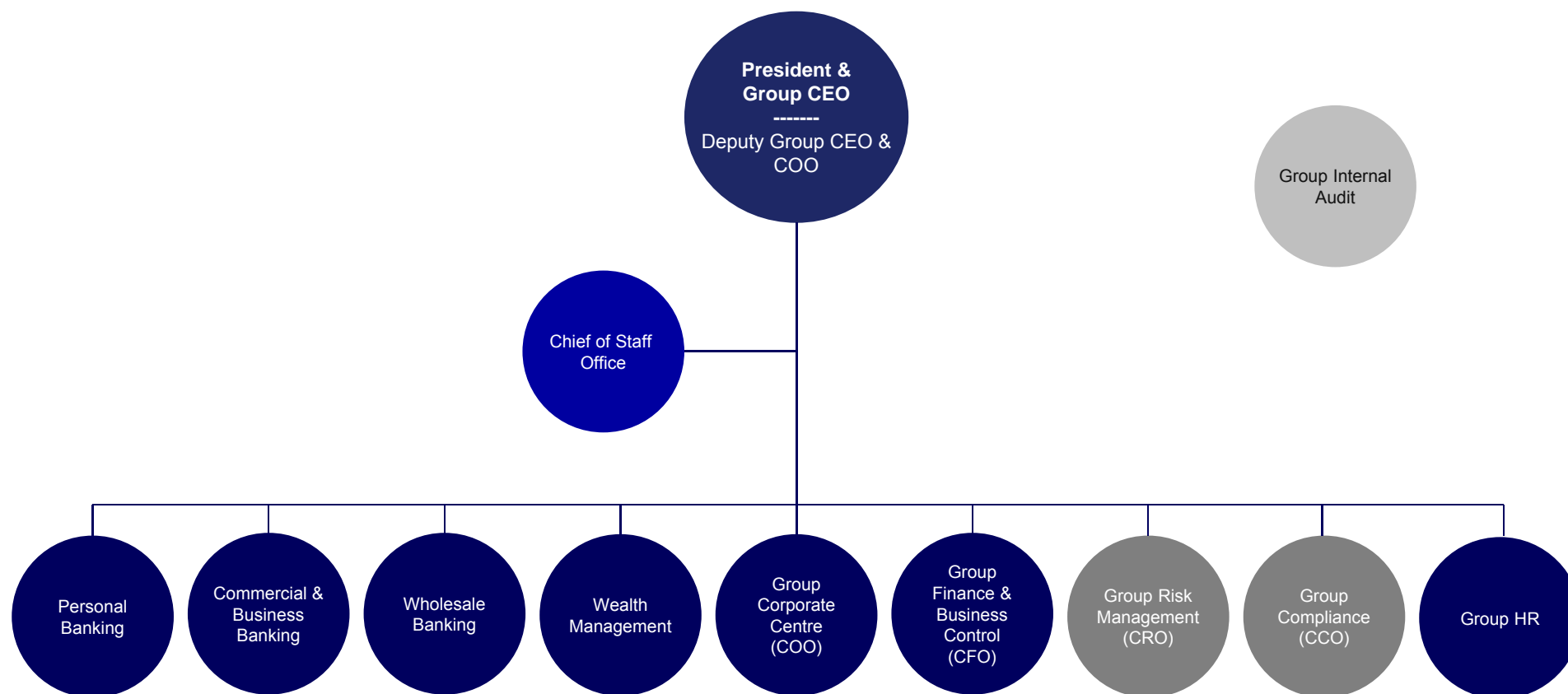
November 2016



Outline

- Nordea Group organisation
- IT Strategy and IT Governance
- IT in numbers and organisation

Nordea Group organisation chart - November 2016



- Heads of the units in dark blue (Personal Banking, Corporate & Business Banking, Wholesale Banking, Wealth Management, Group Corporate Centre, Group Finance & Business Control and Group HR) and dark grey (Group Risk Management and Group Compliance) together with the CEO and Deputy CEO & COO are part of the Group Executive Management team (GEM), The Deputy CEO & COO is also Head Group Corporate Centre

Business area descriptions 1/2

Personal Banking (PeB) serves Nordea's household customers. The business area includes advisory and service staff, channels and product units under a common strategy, operating model and governance across markets. Personal Banking is headed by Topi Manner and includes the following units:

- Customer channels – Personal Banking Denmark, Personal Banking Finland, Personal Banking Norway, Personal Banking Sweden and Digital Banking;
- Products;
- Strategy & development; and
- COO Personal Banking.

Banking Baltics reports to Topi Manner and includes all banking business, personal and corporate, in the Baltic region

Commercial & Business Banking (CBB) serves Nordea's corporate customers and includes transaction banking. CBB is headed by Erik Ekman, and includes the following units:

- Customer segments – Commercial Banking and Business Banking;
- Transaction Banking;
- Corporate Strategy & Development;
- Digital Banking; and
- COO Commercial & Business Banking

Wholesale Banking (WB) provides services and financial solutions to Nordea's largest corporate and institutional customers. Customers are served through a pan-Nordic platform complemented by selected international branches. The business area provides its customers with products and services within corporate banking, cash management and trade finance services investment banking and capital markets products. Wholesale Banking is headed by Martin A Persson and Deputy Head Christopher Rees includes the following units:

- Corporate & Investment Banking and Nordea Bank Russia;
- Fixed Income Currency & Commodities and Equities;
- Core Functions, including COO Wholesale Banking

Business area descriptions - første er ba – sidste 2 til gf-slides 2/2

Wealth Management (WM) provides investment, savings, life insurance and risk management products. Customers are served through various channels including a pan-Nordic Private Banking platform complemented by an International Private Banking unit. The business area manages customers' assets and gives financial advice to affluent and high net worth individuals as well as institutional investors. Wealth Management is headed by Snorre Storset, and includes the following units:

- Private Banking, including Private Banking Denmark, Finland, Norway, Sweden and International;
- Asset Management;
- Life & Pensions;
- Savings & Wealth Offerings;
- Business Development; and
- COO Wealth Management.

Group Functions descriptions 1/3

Group Corporate Centre (GCC) provides strategic frameworks, common infrastructure and processes for the Group. GCC supports Nordea Group within capital models, balance sheet management and investor relations. Through the COO organisation GCC is also responsible for fully implementing one operating model by harmonising processes and services and supporting simplification, IT and compliance activities across the Group. GCC is headed by Torsten H. Jørgensen and consists of:

- Group COO organisation: COO Group Functions, COO Project Management Office, Group Simplification, Business Transformation, Regulatory Change Management and Group IT;
- Group Treasury and Asset & Liability Management; and
- Investor Relations.

Group Finance & Business Control (GFBC) provides financial reporting frameworks for the Group. GFBC is headed by Heikki Ilkka and includes the following units:

- Group Reporting;
- Group Business Control & Reporting;
- Group Financial Management;
- Group Valuation Control; and
- Management Office

Group Risk Management (GRM) is part of Nordea's second line of defense and has as its mission to enable business in a prudent way and ensure no surprises. The mandatory role entails protecting against unwanted risks and ensure that shareholders, GEM, clients and employees do not experience any surprises. GRM also has an advisory role as a speaking partner and advisor to the Business. GRM is headed by Ari Kaperi and includes the following units:

- Credit Risk;
- Market & Counterparty Credit Risk;
- Operational Risk;
- Credit & Financial Reporting Control;
- Recovery & Resolution Planning; and
- Strategic Risk Management & Analysis

Group Functions descriptions 2/3

Group Compliance (GC) is responsible for compliance risk management. GC protects Nordea's license to operate, reputation and trust and supports the Group to be compliant with laws and regulation. GC is headed by Matthew Elderfield and includes the following units:

- Compliance units supporting each Business Areas and the Group Functions;
- Compliance operations;
- Financial Crime; and
- Monitoring.

Group HR (GHR) is responsible for group-wide strategic partnering, support and service in all HR matters. GHR is headed by Karen Tobiasen and includes the following units:

- HR in Denmark, Finland, Norway and Sweden;
- Staffing;
- HR Core;
- Compensation & Benefit;
- Leadership;
- Performance Management; and
- Talent Management.

Group Functions descriptions 3/3

Group Internal Audit (GIA) is an independent unit, commissioned by the Nordea Board. GIA is responsible for performing the operational audit within the Nordea Group. GIA is headed by the Group Chief Audit Executive Jamie Graham and includes the following units:

- Audit units for each of the Business Areas and Group Functions;
- Audit unit for IT related audits;
- Quality Assurance; and
- Chief Audit Executive support and executive advisor.

Chief of Staff Office (CoSO) is a common organisation for centralised group-wide functions delivering key and strategic services across the whole Group. CoSO provides services related to legal advice, marketing and communication, facility management and executive management support. CoSO is headed by Johan Ekwall and includes the following units:

- Group Marketing & Communications;
- Group Executive Office;
- Group Legal; and
- Group Workplace Management.

IT Strategy and IT Governance



IT Strategy

- GEM has approved a common Nordea IT Strategy along with divisional IT strategies.
- The common IT strategy among other covers:
 - Nordea in the digital age
 - Ensuring IT compliance
 - IT's contribution to the Group Simplification Programme
 - The status and continued effort for increasing overall IT maturity in Nordea
 - I&O Roadmap – improving IT operational stability

IT Governance with Formalised Mandates 1/2

Chief Operating Officer organisation

The COO organisation has been created to fully implement one operating model by harmonising processes and services to support the simplification and compliance activities.

There is a COO organisation in each business area and one in Group Functions to manage operational risk and compliance activities in the first line (BRIS), IT, operations and simplification in the respective areas.

At the Group level, the COO organisation will coordinate and align the activities across the bank in accordance with the Group priorities.

The BA/GF COOs will have a dual reporting line to the head of the business area and the Group COO, and they will together with the head of Group IT, head of Group Simplification, and head of Business Transformation, be members of the COO Executive Management (COO EM) team.

COO EM will be responsible for overall execution strategy and follow up.

Each BA/GF will drive execution and escalate where necessary to COO EM.

Several forums will contribute and support the work of COO EM.

IT Governance with Formalised Mandates 2/2

IT Forum

Why an IT Forum?

The success of Nordea's compliance, digitalisation and simplification agenda is dependent on successful decision making and co-operation end-to-end along the full Nordea IT value chain. The overall purpose of IT Forum is to ensure strategic and tactical alignment across Nordea for IT and IT enabled investments.

Who does what?

IT is organised in a central Group IT function and business IT areas that belong in the business area organisations.

The roles can roughly be divided like this:

- Group IT is responsible for common ways of working and how IT is carried out in support of business objectives
- Business IT is in charge of the business objectives of the IT enabled investments. Business IT is responsible for execution and ensuring that their employees are compliant with common ways of working

IT in numbers and organisation



Nordea in numbers and locations (End 2015)

Scandinavia	~NoE(*)
Denmark	8288
Finland	6946
Norway	3137
Sweden	6957

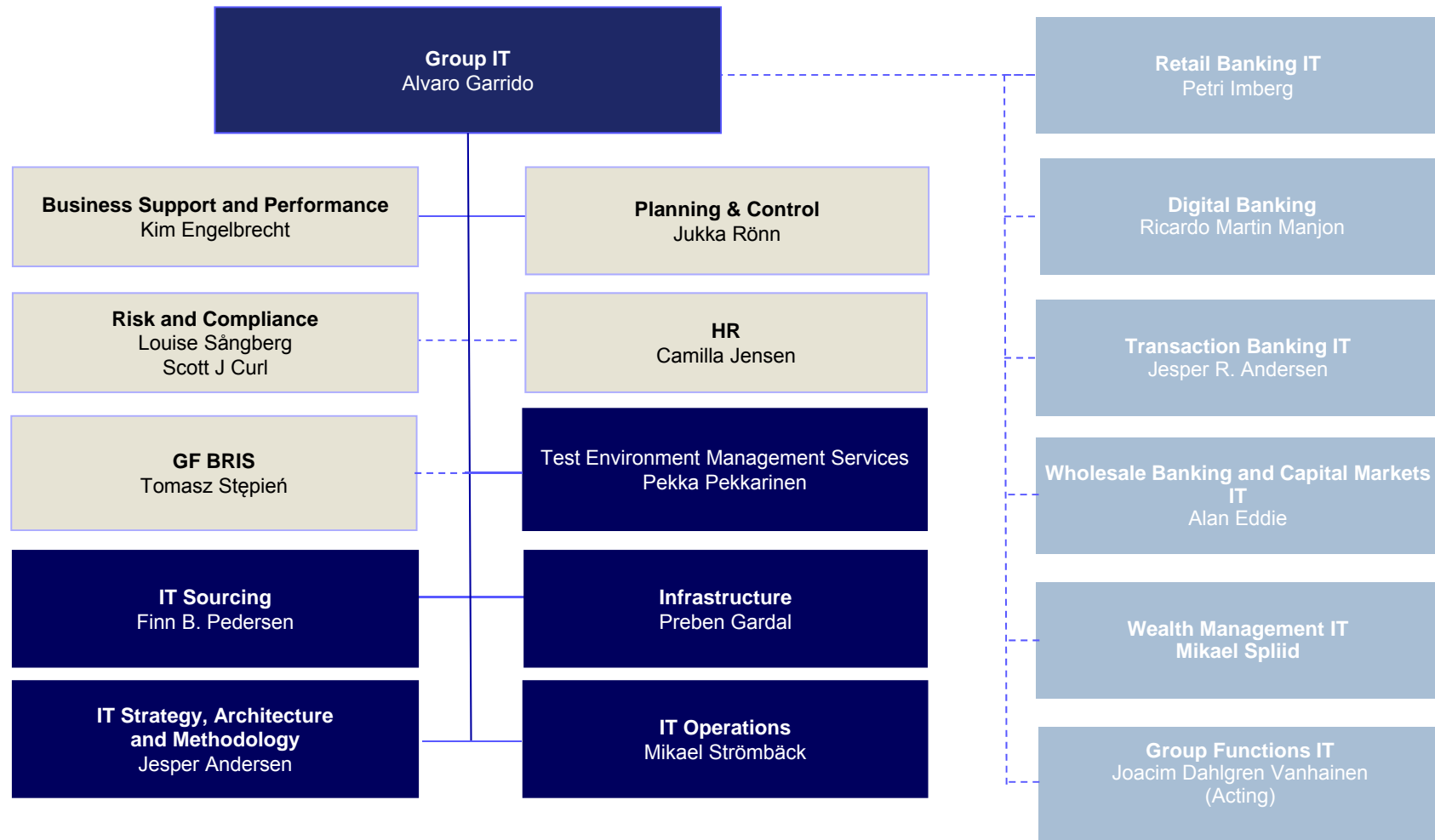
New European Markets	~NoE
Poland and Baltics	2473
Russia	1085

In addition ~

- 393 in Luxembourg
- and > 1500 EDC consultants



Group IT organisation 15 November 2016



About Group IT

Group IT will have an important role in keeping the balance between central and decentralised IT decisions.

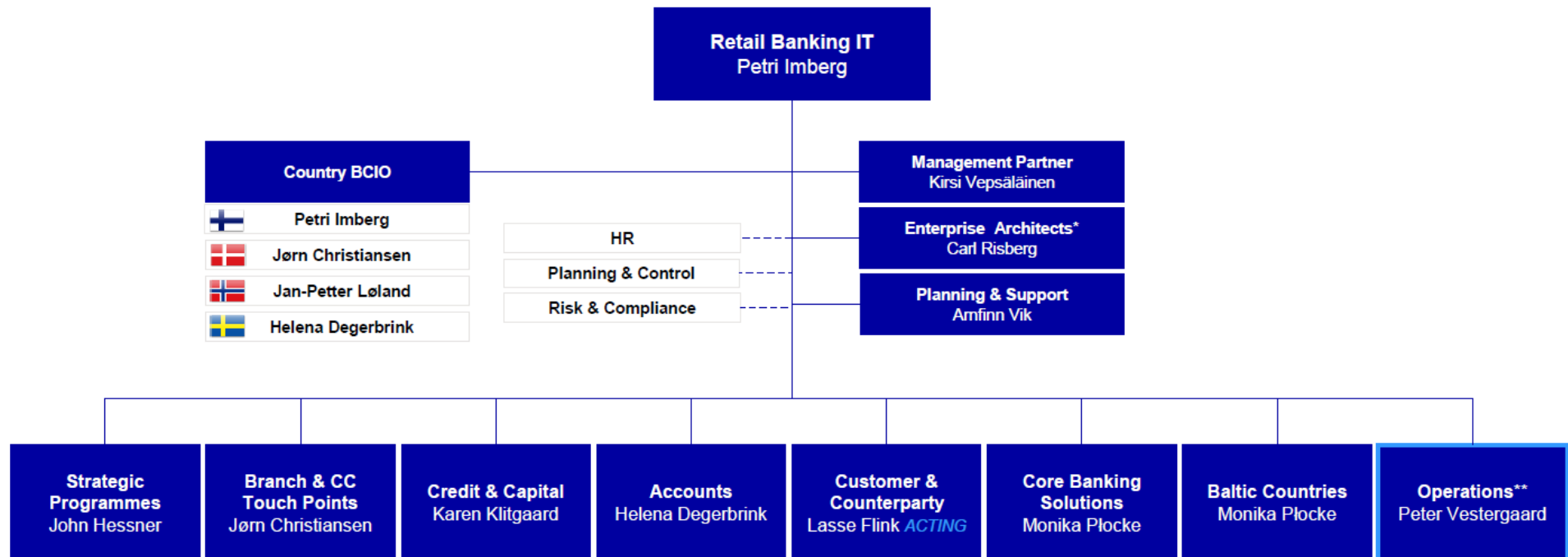
We will secure best in class execution of our many IT related initiatives by delivering cost efficient IT services.

At the same time we will ensure a common IT architecture and a highly reliable IT infrastructure for the Group.

Retail Banking IT organisation July 2016

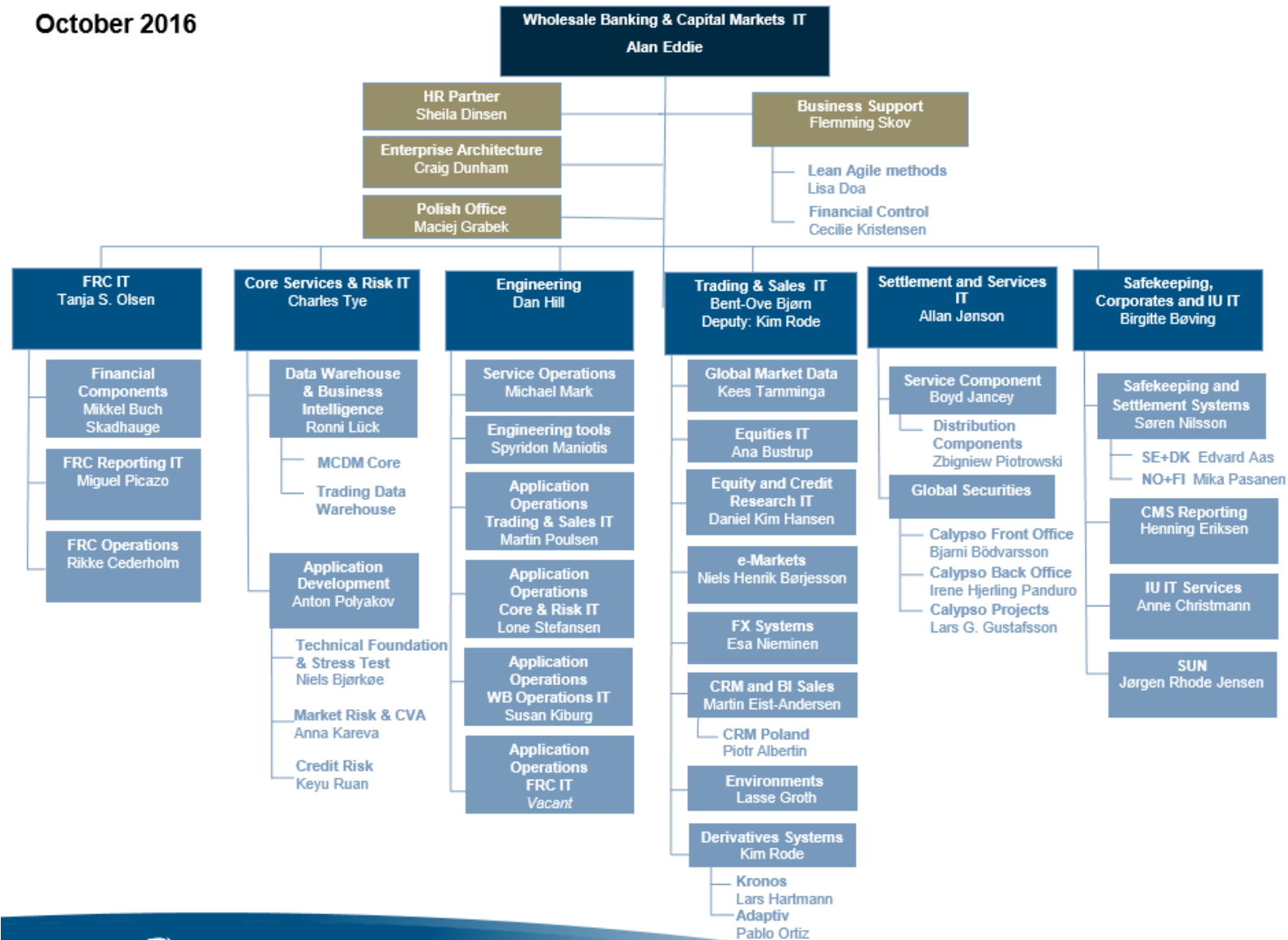
Retail Banking IT

Personal Banking



Wholesale Banking & Capital Markets IT

October 2016



About Wholesale Banking & Capital Markets IT

Our vision is to be The Best Capital Markets Technology Group in Europe

Capital Markets IT delivers IT based business capabilities to multiple business units, specifically Capital Markets. For Capital Markets we are responsible for the full value chain. We also deliver services to Financial Risk and Control and Capital Market Services.

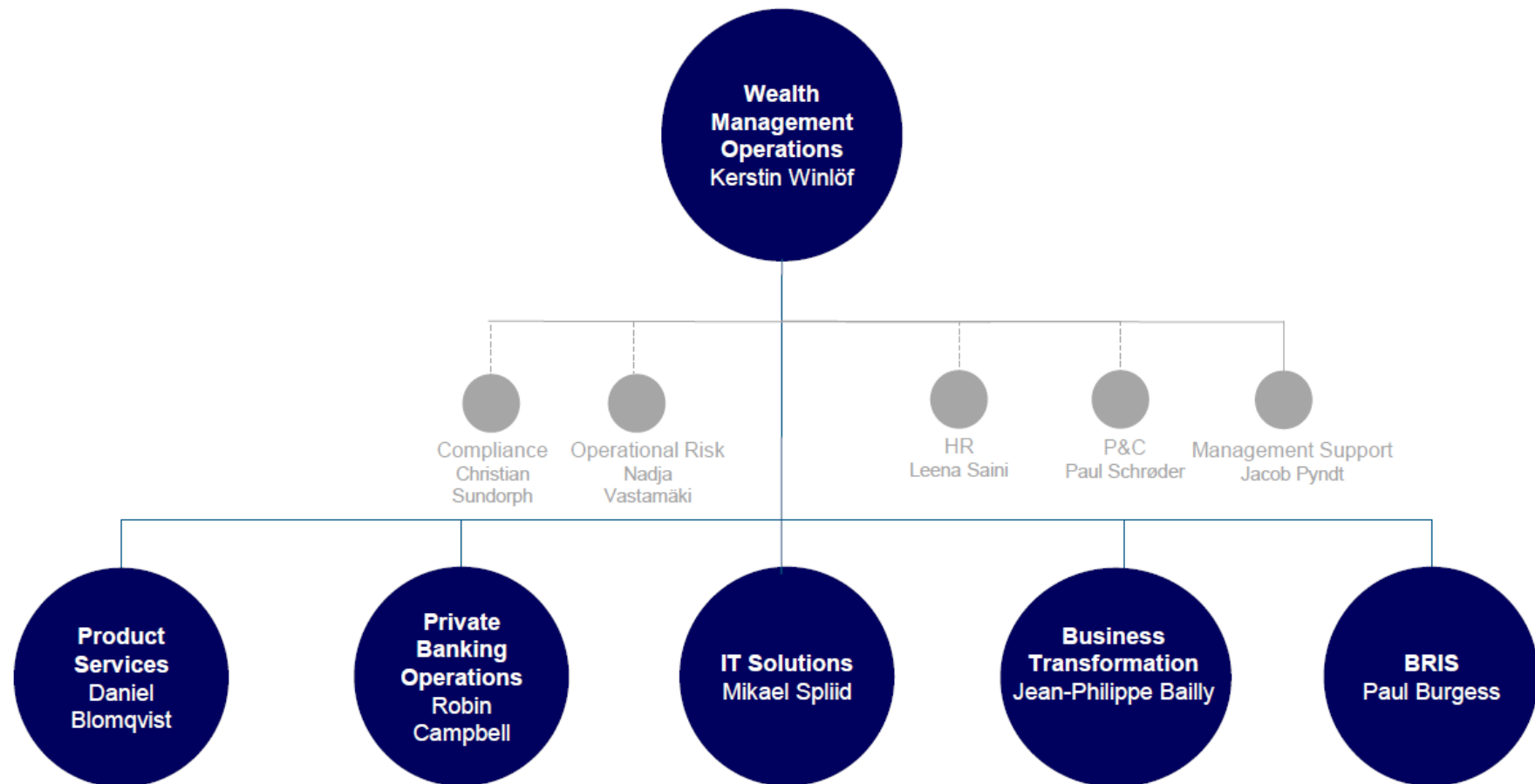
We take responsibility for delivering and maintaining the IT solutions which enables our business units to deliver superior services to our end customers and satisfy the regulatory needs while catering for availability, resiliency, performance and usability.

We strive to work in an agile manner and work with a strong business focus as closely as possible with our business counterparts to deliver the right solutions. We are proud to be part of the Markets organization.

Using leading edge technologies, we develop high performance real-time systems, processing thousands of transactions per day, and supporting hundreds of users distributed across our offices world-wide. We maintain a clear picture of our future state architecture and our technology biases and use these as beacons to be efficient in our development processes.

We are approximately 392 employees in Wholesale Banking & Capital Markets IT located in the four Nordic countries. In addition, we have extended our teams with IT consultants in the Extended Delivery Centres (EDC) in India and a high-value development office in Gdynia in Poland.

Wealth Management Operations/Wealth Management COO



About Wealth Management Operations

Wealth Management (WM) Operations is created to fully implement one operating model by harmonising processes and services, supporting the simplification and compliance activities and in parallel execute on the Wealth 2020 strategy.

We are the COO organisation in WM and we work closely together with the other COO organisations to ensure a strong coherence and coordination between our activities within operations, business transformation and compliance. On WM level, we will coordinate and align the activities across WM business units and in accordance with Group priorities.

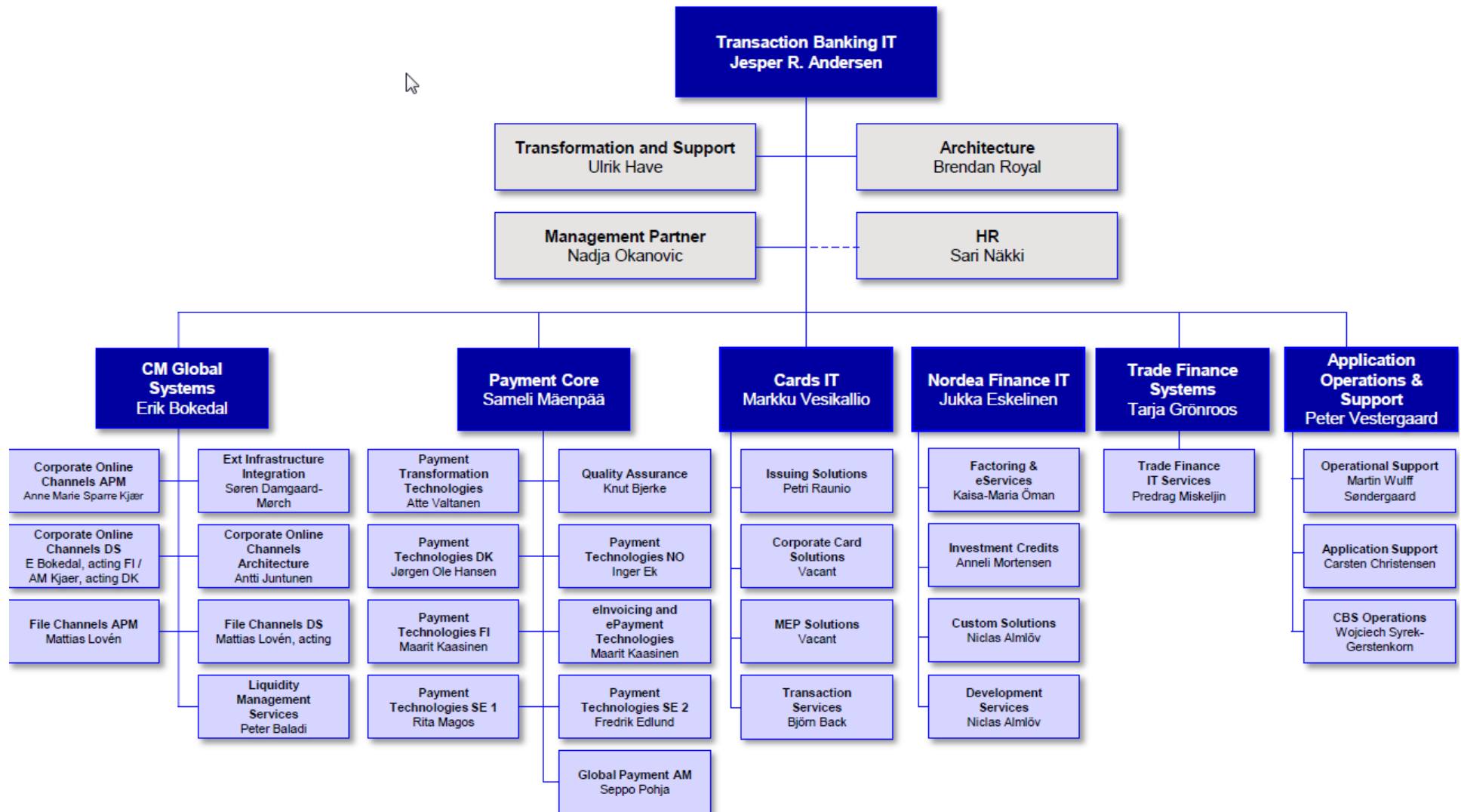
Our vision is to be acknowledged for delivering best in class operations and business transformation, based on solid engagement and expertise.

About Group Functions IT

Group Functions IT is a division responsible for the full IT value chain in Nordea Group Functions. We have the responsibility for development, maintenance and operations of all IT applications in Group Functions. We team up across the Nordea value chain with our 264 employees in 5 countries and over 1000 consultants representing our professional global partners, mostly in India.

We have taken a step forward in integrating IT even closer to business by transferring Business IT related tasks from Group Finance and Reporting into Group Functions IT to drive the future integration of group data and reporting platforms

Transaction Banking IT



About Transaction Banking IT

Our vision is to be recognised as a world class technology organisation delivering world class financial services solutions to our customers.

Transaction Banking IT delivers IT based services to customers of the entire bank, primarily related to payments, cash management, electronic banking, and trade finance. We support Transaction Banking.

By being an integrated part of the value chain, we take end-to-end responsibility for the IT solutions that we provide. Our IT delivery contains important contributions from internal IT-partners in the bank, for example Infrastructure & Operations (I&O), and from our external partners.

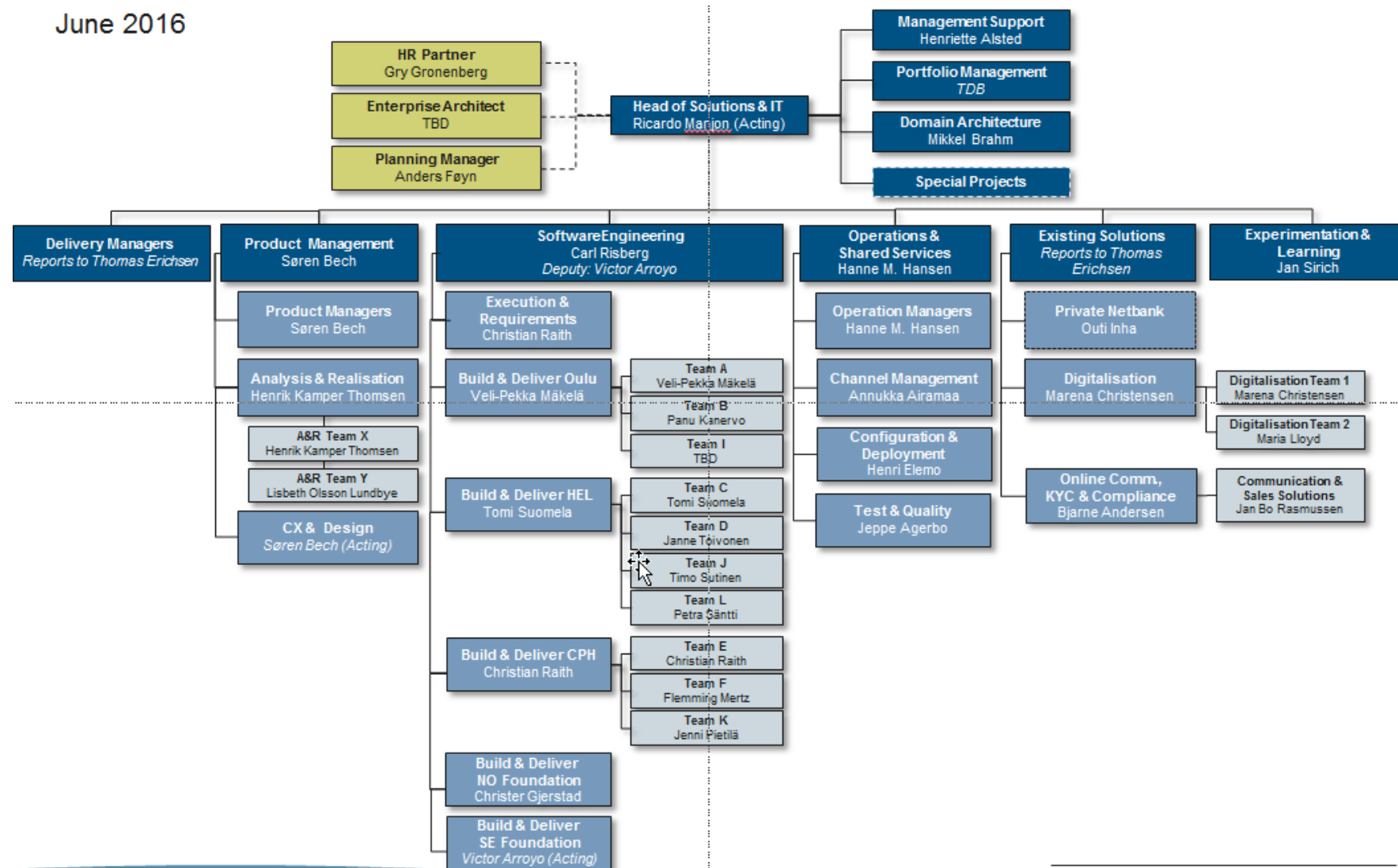
During the year, our systems process millions of transactions across different countries and markets. Our ambition is to simplify the application landscape and become more agile, whilst increase the resiliency of our systems.

We are approximately 370 employees in Transaction Banking IT located in the four Nordic countries and in Poland. In addition, we have extended our teams with IT consultants both in the Nordics and in Extended Delivery Centres (EDC) in India.

Digital Banking Engineering / Solutions & IT June 2016

2/2

June 2016



About Digital Banking Engineering

- We are developing state of the art digital solutions. These solutions will support Digital Bankings ambitions of building broad and deep relationship with our customers also online and in transforming our online channels to focus on relationship and sales. Our ambition is to deliver the best digital customer experience. We focus on this in areas such as Netbanks, Mobile Apps and Internet pages.