

# Decisions by Nordea's Annual General Meeting 2020 and Board of Directors

Nordea Bank Abp - Stock exchange release - Decisions of general meeting

The Annual General Meeting ("AGM") of Nordea Bank Abp ("Nordea") was held at the headquarters of Nordea in Helsinki on 28 May 2020 by applying extraordinary meeting procedures due to the COVID-19 pandemic. Shareholders had the possibility to follow the AGM through a web stream. 2,321,708,016 shares and votes, corresponding to approximately 57.3 per cent of the total number of shares and votes in Nordea, were represented at the AGM. The AGM supported all the Board's and the Shareholders' Nomination Board's proposals by at least 90 per cent of the votes cast. The AGM approved the financial statements for the financial period ending 31 December 2019, decided on an authorisation for the Board of Directors to decide on a dividend payment of a maximum of EUR 0.40 per share and considered the Remuneration Policy for Governing Bodies. The persons who have 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 2019. Torbjörn Magnusson was re-elected as chair of the Board of Directors and Jonas Synnergren was elected as new board member.

## Dividend

The AGM decided in accordance with the Board of Directors' proposal to authorise the Board of Directors to decide on a dividend payment of a maximum of EUR 0.40 per share for the financial year 2019 to be distributed in one or several instalments.

The authorisation shall remain in force and effect until the beginning of the next AGM. The Board of Directors intends to follow the recommendation adopted by the European Central Bank in light of the COVID-19 pandemic on 27 March 2020 and refrain from deciding on a dividend payment based on the authorisation before 1 October 2020. Nordea will publish any possible decisions on dividend payment by the Board of Directors separately and simultaneously confirm the dividend record and payment dates.

## Election of board members and decisions by the Board of Directors

The number of members of the Board of Directors to be elected by the AGM was set at ten. Torbjörn Magnusson, Pernille Erenbjerg, Nigel Hinshelwood, Robin Lawther, Sarah Russell, Birger Steen, Kari Jordan, Petra van Hoeken and John Maltby were re-elected as board members and Jonas Synnergren was elected as new board member for the period until the end of the next AGM. Torbjörn Magnusson was re-elected as chair of the Board of Directors.

Further, the Board of Directors has three ordinary members and one deputy member of the Board of Directors appointed by the employees of the Nordea Group. For the period until the end of the next AGM, Gerhard Olsson, Kari Ahola and Dorrit Groth Brandt are appointed as ordinary members and Hans Christian Riise as deputy member of the Board of Directors by the employees.

At the subsequent statutory board meeting Kari Jordan was elected vice-chair of the Board of Directors.

The Board of Directors appointed the members of the four board committees as follows:

Sarah Russell (chair), Petra van Hoeken, Pernille Erenbjerg and Jonas Synnergren were appointed members of the Board Audit Committee.

Nigel Hinshelwood (chair), Petra van Hoeken, John Maltby and Birger Steen were appointed members of the Board Risk Committee.

Torbjörn Magnusson (chair), Kari Jordan, Robin Lawther and Gerhard Olsson were appointed members of the Board Remuneration Committee.

Birger Steen (chair), Nigel Hinshelwood, John Maltby, Jonas Synnergren and Pernille Erenbjerg were appointed members of the Board Operations and Sustainability Committee.

## Remuneration Policy for Governing Bodies

The AGM decided to adopt, through an advisory resolution, the Remuneration Policy for the Governing Bodies.

## Remuneration of board members

The AGM resolved on annual remuneration to board members amounting to 300,000 euro for the chair, 145,000 euro for the vice-chair and 95,000 euro for the other members.

In addition, annual remuneration will be paid for board committee work on the Operations and Sustainability Committee, the Audit Committee and the Risk Committee amounting to 60,000 euro for the committee chair and 30,000 euro for the other members and for board committee work on the Remuneration Committee amounting to 42,000 euro for the committee chair and 26,000 euro for the other members.

The AGM further resolved that the company will cover or reimburse the members of the Board of Directors all costs and expenses related to or arising from the board membership.

No remuneration is paid to members of the Board of Directors employed by the Nordea Group.

#### **Election and remuneration of auditor**

PricewaterhouseCoopers Oy was re-elected as auditor for the period until the end of next AGM. Authorised public accountant Jukka Paunonen will act as the responsible auditor.

The AGM decided that the auditor's fee is to be paid according to an invoice approved by the company.

#### **Approval of the nomination board's revised charter**

The AGM resolved to approve the revised Charter of the Shareholders' Nomination Board. The changes were made in order to clarify and incorporate statutory requirements in the Charter of the Shareholders' Nomination Board, for example, evaluation of the succession plan for the Board of Directors as well as the selection criteria and selection process for senior management, review of the remuneration policy for governing bodies in respect of the remuneration of the members of the Board of Directors and taking into account Nordea's Diversity Policy and the objective thereunder. Further, certain technical revisions have been made and the process for determining the appointment right of the largest shareholders has been clarified.

#### **Authorisation for the Board of Directors to decide on issuance of special rights entitling to shares (convertibles)**

The Board of Directors was authorised to decide on the issuance of special rights entitling to shares, either new shares or treasury shares, against payment (convertibles). The maximum number of shares that may be issued based on this authorisation is 404,995,191 shares, which corresponds to approximately 10 per cent of the company's outstanding shares. The issuance of special rights by virtue of the authorisation may be made with or without preferential rights for existing shareholders. The authorisation shall remain in force and effect until the earlier of (i) the end of the next AGM or (ii) 18 months from the resolution of the AGM.

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

The purpose of the authorisation is to facilitate a flexible and efficient adjustment of the company's capital structure to capital requirements.

#### **Repurchase of own shares in the securities trading business**

The AGM resolved that Nordea, before the end of the next AGM, may repurchase own shares on an ongoing basis in order to facilitate its securities trading business. In its securities trading business, Nordea, among other things, acts as a market maker in its own shares on the relevant stock exchanges and in indices in which Nordea shares form a significant part as well as offers products related to the shares. The company's own shares may be repurchased otherwise than in proportion to the shareholdings of the company's shareholders (directed repurchases). The facilitation of the company's securities trading business, in which the ability to trade also in own shares is required, forms a weighty financial reason for directed repurchases. The number of own shares to be repurchased may not exceed 175,000,000 shares, which corresponds to approximately 4.32 per cent of the company's shares.

#### **Transfer of own shares in the securities trading business**

The AGM resolved that Nordea, before the end of the next AGM, may transfer own shares in the ordinary course of its securities trading business with deviation from the shareholders' pre-emptive rights by way of a directed share issuance. The facilitation of the company's securities trading business, in which the ability to trade also in own shares is required, forms a weighty financial reason for a directed issuance. The number of own shares to be transferred may not exceed 175,000,000 shares, which corresponds to approximately 4.32 per cent of the company's shares. The AGM further resolved to approve all subscriptions that will be made in accordance with the terms and conditions of the directed issuance.

#### **Authorisation for the Board of Directors to decide on repurchase of the company's own shares**

The Board of Directors was authorised to decide on the repurchase of not more than 225,000,000 shares, which corresponds to approximately 5.56 per cent of the total number of shares in the company, subject to the condition

that the number of own shares held by the company at any given time may not exceed 10 per cent of all shares in the company. The shares may be repurchased on one or several occasions either through an offer to all shareholders on equal terms or through other means and in another proportion than that of the shares held by current shareholders (directed purchases). The company's own shares must be repurchased using the unrestricted equity of the company. The company's own shares must be repurchased at a price that does not exceed the market price prevailing on the relevant stock exchange at the time of the repurchase or otherwise at a price formed on the market.

The company's own shares may be repurchased to be used in the company's variable pay plans in accordance with regulatory requirements and/or as required for new variable pay plans for executive officers, senior management, other material risk takers and other employees as appropriate or in order to optimise the capital structure of the company or to be used as payment in connection with corporate acquisitions and may hence be further transferred or cancelled. However, the number of the company's own shares to be repurchased for remuneration purposes may not exceed 25,000,000 shares and the number of the company's own shares to be repurchased to optimise the capital structure may not exceed 200,000,000 shares.

The Board of Directors was authorised to decide on all other terms concerning the repurchase of the company's own shares, including how shares are to be repurchased and whether the repurchased shares are to be transferred or cancelled. The authorisation shall remain in force and effect until the earlier of (i) the end of the next AGM or (ii) 18 months from the resolution of the AGM.

Any decision by the Board of Directors to repurchase shares based on the authorisation is subject to the company having obtained the necessary regulatory permissions from the European Central Bank.

#### **Authorisation for the Board of Directors to decide on share issuances or the transfer of the company's own shares**

The Board of Directors was authorised to decide on the issuance of new shares or transfer of own shares on one or several occasions in an amount of not more than 30,000,000 shares in total, which corresponds to approximately 0.74 per cent of the total number of shares in the company. The shares may be issued or transferred in proportion to the company's shareholders' existing shareholdings in the company or in deviation from the shareholders' pre-emptive subscription right by way of a directed issuance. The shares to be issued or transferred may be used to implement the company's variable pay plans in accordance with regulatory requirements and/or as required for new variable pay plans for executive officers, senior management, other material risk takers and other employees as appropriate or as payment in connection with corporate acquisitions.

The Board of Directors was authorised to decide on all other terms relating to the issuance of new shares in the company or transfers of the company's own shares. The authorisation shall remain in force and effect until the earlier of (i) the end of the next AGM or (ii) 18 months from the resolution of the AGM.

#### **Speeches and minutes of the AGM**

The pre-recorded speeches by the chair of the Board of Directors, Torbjörn Magnusson, and the President and Group CEO, Frank Vang-Jensen, will be available today on Nordea's website [www.nordea.com/en/annual-general-meeting](http://www.nordea.com/en/annual-general-meeting). The minutes of the AGM will be available at the same website by 11 June 2020 at the latest.

#### **For further information:**

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Nordea is a Nordic universal bank. We are helping our customers realise their dreams and aspirations – and we have done that for 200 years. We want to make a real difference for our customers and the communities where we operate – by being a strong and personal financial partner. The Nordea share is listed on the Nasdaq Helsinki, Nasdaq Copenhagen and Nasdaq Stockholm exchanges. Read more about us on [nordea.com](http://nordea.com).