

Copenhagen, Helsinki, Oslo, Stockholm, 29 June 2018

Finnish FSA sets Nordea systemic risk buffer at 3%

Today 29 June, the Board of the Finnish Financial Supervisory Authority (FFSA) decided on the application of the systemic risk buffer in Finland. For the Nordea Group the requirement after the re-domiciliation will be to hold 3% Common Equity Tier 1 for the systemic risk buffer from 1 July 2019. The 3% as now decided increases the level of clarity of the capital requirements and is the same as currently applied in Pillar 1 for Nordea Group in Sweden.

In addition to the decision on the application of the systemic risk buffer, the Board of the FFSA today also decided on the application of the global and other systemically important institution buffers (G-SII and O-SII). The applicable buffer will be the 3% systemic risk buffer as according to current regulations only the higher of these capital buffers shall apply.

The future capital requirements for Nordea under the Single Supervisory Mechanism consist of several elements. With the decision on the systemic risk buffer the Pillar 1 requirements are now finalised. Decisions remain regarding the overall Risk Exposure Amount (REA) and the Pillar 2 assessment. These will in due course be made by the supervisory college.

As part of the banking licence application Nordea has voluntarily committed to comply with the 2018 Supervisory College Joint Decision as of 1 October 2018 until the European Central Bank has issued a decision establishing prudential requirements prepared in accordance with the 2019 Supervisory Review and Evaluation Process (SREP) by the Single Supervisory Mechanism.

Nordea remains committed to maintain well capitalised and intends to maintain a AA rating after the change of domicile. Nordea keeps the capital and dividend policy unchanged.

For further information:

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