Policy for the Prevention of Financial Crime

3 November 2026



Nykredit Totalkredit

1Nykredit Realkredit
CVR no 12 71 92 80

Sundkrogsgade 25
DK-2150 Nordhavn

Tel +45 70 10 90 00
kundeservice@nykredit.dk

Approval procedure, document owner and publication

Approved by the Boards of Directors of

- Nykredit Realkredit A/S, 3 November 2026
- Nykredit Bank A/S, 2 November 2026
- Totalkredit A/S, 2 November 2026
- Nykredit Portefølje Administration A/S, 30 October 2026

After prior consideration by

The Board Audit and Board Risk Committees and the Executive Boards of

- Nykredit Realkredit A/S
- Nykredit Bank A/S
- Totalkredit A/S
- Nykredit Portefølje Administration A/S

Document owner:

Frederik Reumert (FRRE), AML Responsible Officer

Unit:

Banking Risk & AML

Publication:

The document owner arranges for publication of this document on the following sites immediately upon approval:

	In Danish	In English
Policy portal	✓	
Intranet – Onboarding portal	✓	✓

Contents

1.	Introduction	4
2.	Principles for the prevention of financial crime	4
3.	Scope and target group	4
4.	Definitions	4
	4.1 Regulatory requirements	5
	4.2 Money laundering	5
	4.3 Terrorist financing	5
	4.4 Financial sanctions	6
	4.5 Proliferation financing	6
5.	Responsibilities	6
6.	Risk-based approach	7
7.	Risk management and risk appetite	7
8.	Recording, storage and disclosure of personal data	7
9.	Assistance from third parties and outsourcing	8
10.	Breach of the Policy	8
11.	Reporting to the Board of Directors	8
12.	Review and approval of the Policy	8

1. Introduction

Nykredit Realkredit A/S, Nykredit Bank A/S, Nykredit Portefølje Administration A/S, Sparinvest S.A and Totalkredit A/S ("Nykredit") have a regulatory obligation and a responsibility to their customers, business partners, staff, owners, investors and society for preventing the misuse of Nykredit for the laundering of funds deriving from criminal activity, terrorist financing, breach of financial sanctions or proliferation financing (collectively "financial crime").

The purpose of this Policy for the Prevention of Financial Crime ("the Policy") is to set out Group-wide principles for Nykredit's compliance with current anti-money laundering (AML) legislation and to ensure that Nykredit uses its resources in an effective and risk-based manner. The Policy is based on Nykredit's business model[1], risk policy and risk assessment.

2. Principles for the prevention of financial crime

Nykredit is a financial services group operating mainly in the Danish market and conducting activities of mortgage lending, banking, securities trading, wealth and asset management, and leasing.

Prevention of financial crime is a key concern to Nykredit and is guided by the following principles:

- Preparation of risk assessments covering the Group and relevant Group companies
- An effective management, creating awareness and transparency about and driving a Group-wide approach to the prevention of financial crime
- Sufficient and qualified staff
- Organisation in accordance with the three lines of defence principle
- Clearly defined responsibilities, roles, mandates and escalation paths
- Training programmes at all levels in all lines of defence
- A clearly defined risk appetite
- Clear, efficient and documented operational processes in the form of guidelines, business procedures and process descriptions
- Systems and controls supporting risk-mitigating activities
- Ongoing review and control in connection with assistance from third parties
- Active collaboration with relevant authorities.

3. Scope and target group

The Policy applies to all Nykredit's staff, including staff paid by the hour, temporary staff and consultants.

The Policy applies to all units and functions of Nykredit, including foreign representation offices, and all regulated legal entities of which Nykredit is the majority or sole owner. For such entities, this is subject to any changes and adjustments that may be necessary to ensure compliance with relevant local legislation.[2]

It is essential to Nykredit that Nykredit's staff, including Management, are familiar with the principles of the Policy as implemented in training, business procedures, process descriptions etc.

Moreover, Nykredit's staff, including Management, should have adequate knowledge of financial crime to be able to exercise their responsibility in a satisfactory manner for the purpose of ensuring compliance with the Policy.

4. Definitions

Financial crime risks include laundering of funds deriving from criminal activity, terrorist financing and breach of financial sanctions. The list is not exhaustive.

[1] See the business models for the Group companies.
[2] Nykredit Mægler A/S, Nykredit Ejendomme A/S and Ejendomsselskabet Kalvebod A/S are not subject to this Policy.

4.1 Regulatory requirements

Nykredit must comply with the requirements of the Danish Act on Measures to Prevent Money Laundering and Financing of Terrorism (the "Danish AML Act"), the Danish Financial Business Act, the Danish Payments Act and the Danish Penal Code in force from time to time as well as selected financial sanctions lists.

Sparinvest S.A. is subject to Luxembourg law and will therefore lay down its own policy within the framework of this Policy.

4.2 Money laundering

The Danish AML Act defines money laundering as follows:

1. To unlawfully receive or obtain for oneself or others a share in proceeds of a criminal offence
2. To unlawfully conceal, store, transport, assist in the disposal of or otherwise subsequently to act to secure the proceeds of a criminal offence, or
3. Attempts at or participation in such actions.

Under the Danish Penal Code, money laundering is defined as converting or transferring funds which are direct or indirect proceeds of a criminal offence for the purpose of concealing or disguising their illicit origin.

Characteristic of many types of money laundering transaction is their purpose of making the proceeds appear legitimate. Such transactions may typically be divided into three stages:

1. Placement: The illicit proceeds are placed, for example in the financial system.
2. Layering: The illicit proceeds are disassociated from their source, for example through (financial) transactions.
3. Integration: The illicit proceeds are returned to the money launderer, for example in a form where they have been converted into funds or assets that appear legitimate.

4.3 Terrorist financing

Terrorist financing means activities with the purpose of providing financial support to a person or an association committing or intending to commit acts of terrorism. The funds may have been obtained legally or illegally. This means that they may have been converted from white to black, that they are transferred from legal accounts into illegal storage or otherwise moved from a legal to an illegal environment.

The Danish Penal Code defines terrorist financing as a criminal offence committed by any person who:

1. directly or indirectly provides financial support to
2. directly or indirectly procures or collects funds for, or
3. directly or indirectly places money, other assets or financial services or other similar services at the disposal of a person, a group or an association which commits or intends to commit certain acts as set out in the provisions of the Danish Penal Code.

The purpose is thus to contribute to the financing of terrorist activities by providing or arranging financial support etc to persons or groups involved in terrorist or terrorist-type acts.

Terrorist financing activities may be divided into four stages:

1. Procurement of funds through, for instance, wages, charitable collections or criminal activities
2. Storage of the funds
3. Transfer of the funds to recipients in Denmark or abroad
4. Specific use of the funds for terror-related activities.

4.4 Financial sanctions

Sanctions are adopted by national governments or multinational bodies or organisations and may be of a diplomatic or financial nature (financial sanctions). Their purpose is to change a specific behaviour or policy, such as breach of international law or human rights, or a policy that fails to respect the rule of law or democratic principles.

Such sanctions may, like counter-terrorism sanctions, be imposed against other countries, non-governmental entities, specific industrial sectors, undertakings or individuals and groups.

Nykredit must comply with EU regulations on sanctions, including also UN Security Council resolutions, which are given legal effect through EU regulations. Breach of these international financial sanctions is a criminal offence under the Danish Penal Code.

In addition, Nykredit has opted to observe certain parts of the US OFAC sanctions regime and of the UK OFSI sanctions regime.

4.5 Proliferation financing

Proliferation financing is defined in the Danish AML Act as the provision of funds or financial services for the manufacture, acquisition, possession, development, export, transhipment, transport, transfer or use of nuclear, chemical or biological weapons that are used for illegitimate purposes in violation of national legislation or international obligations.

This also includes the provision of funds or financial services for the manufacture, acquisition, possession, development, export, transshipment, transport, transfer or use of dual-use products and technology, meaning products or technology that can be used for both civilian and military purposes.

5. Responsibilities

Nykredit ensures an effective and adequate division of responsibilities through a robust governance set-up with clearly defined responsibilities, roles and mandates in Nykredit's three lines of defence. Responsibilities, roles and mandates are defined and described in the Executive Board's guidelines and underlying business procedures.

As the supreme management body, the Board of Directors has the overall responsibility for Nykredit's compliance with anti-money laundering rules.

The Group Executive Board has the overall management and operational responsibility for ensuring that Nykredit has a robust and effective governance set-up and that financial crime risk is prevented, mitigated and managed in accordance with legislation in force from time to time, other regulation and the limits and principles set out in this Policy.

For the purpose of ensuring uniform and stringent Group-wide implementation of the principles of the Policy, the Group Executive Board must ensure that the necessary guidelines are issued and that the required underlying documents are available in the form of descriptions of duties, business procedures and process descriptions.

The Group Executive Board and the Executive Boards of the relevant Group companies are responsible for implementing and operationalising guidelines prepared under the Policy. The Group Executive Board and the respective executive boards may delegate their duties in this area.

The Group Executive Board has appointed a Group Managing Director as Chief AML Officer in charge of implementing and ensuring management focus on measures to prevent financial crime throughout the Group.

The Executive Board of each of the respective Group companies has appointed a member of their Executive Board as Chief AML Officer in charge of implementing and ensuring management focus on measures to prevent financial crime in the relevant company. In addition, the Chief AML Officers are responsible for compliance with the requirements of the Danish AML Act and must ensure that the relevant Group companies implement and observe current legislation through effective measures, such as business procedures and controls.

Nykredit has consolidated the Group-wide responsibility for preventing financial crime in the Banking Risk & AML unit (first line of defence). The Group Executive Board and the Executive Boards of the relevant Group companies have appointed the Head of Banking Risk & AML as AML Responsible Officer[3] for the Group, with the exception of Sparinvest S.A., which has appointed a local member of its staff in Luxembourg as its AML Responsible Officer. The local AML Responsible Officer will coordinate activities with the Group's AML Responsible Officer.

[3] Pursuant to section 7(2) of the Danish AML Act.

The AML Responsible Officer is responsible for making decisions concerning the approval of policies, controls and business procedures, of the establishment and continuation of business relationships with politically exposed persons, of the establishment of cross-border correspondent relationships with institutions in non-EU countries with which the Union has not made an agreement in the financial area and of the establishment and continuation of business relationships with undertakings domiciled in countries included on the EU Commission's list of high-risk third countries. The AML Responsible Officer may delegate his or her duties in this area.

The Nykredit Group's Chief Compliance Officer and Head of Internal Audit are also Chief Compliance and Chief Audit Officers of the relevant Group companies with respect to anti-money laundering compliance.[4]

6. Risk-based approach

Nykredit must prepare a risk assessment of the Group and of each of the relevant Group companies.

Based on Nykredit's business model, the risk assessments should identify and assess the inherent risk of Nykredit being misused for purposes of money laundering or terrorist financing, breach of financial sanctions or proliferation financing. The risk assessments should take the following risk factors into consideration: customers, products, services, transactions and supply channels as well as geographical areas in which Nykredit's activities are carried out.

Based on inherent risk, the risk assessments must analyse and assess Nykredit's risk-mitigating measures and controls and cover the residual risk.

Nykredit's organisation and implementation of measures to prevent financial crime must be based on the risk assessments. Nykredit must take a risk-based approach and target its risk-mitigating activities to the areas where the risk of being misused for financial crime purposes is deemed highest.

The risk assessments are reviewed once a year or in connection with material changes in the risk environment.

7. Risk management and risk appetite

Together with Nykredit's Executive Board guidelines for risk appetite and customer acceptance, the Policy sets out the limits for the risk that Nykredit is willing to accept based on the risk assessments. The guidelines specify which activities and customer relationships fall outside Nykredit's risk appetite and also which customer types and risk factors that potentially imply a larger inherent risk of being misused for financial crime purposes. Such customers must be subject to requirements of stricter customer due diligence procedures and increased attention and monitoring.

Nykredit cannot establish or continue business relationships, where Nykredit is unable to obtain sufficient information about the client or sufficiently mitigate the risk of being misused for financial crime purposes.

Nykredit must restrict or discontinue a business relationship with a customer if Nykredit suspects that the customer is misusing or intends to misuse Nykredit for financial crime purposes. This also applies to potential business relationships where the potential customer is unwilling to cooperate with Nykredit to ensure fulfilment of Nykredit's customer due diligence requirements.

Nykredit's financial crime risk appetite is part of Nykredit's overall risk appetite as approved by the Board of Directors of Nykredit Realkredit A/S and described in the Nykredit Group Risk Policy and the Operational Risk Policy.

8. Recording, storage and disclosure of personal data

Under the Danish AML Act, Nykredit is under an obligation to collect information about its customers, for example to identify the customer, information about the purpose and intended nature of the customer relationship and, where relevant, information about and documentation of the source of customers' funds and any unusual transactions and patterns of transactions.

Nykredit may also collect information about customers from data providers and other public sources, including through Internet searches. This may, for example, be relevant to determine whether a customer is a politically exposed person.

Disclosure of customer relationship data is subject to the customer's consent unless Nykredit is entitled or obliged to disclose such data under current legislation.

[4] For the purpose of Sparinvest S.A., a local member of its staff in Luxembourg has been appointed Chief Compliance Officer and Chief Audit Officer. This person will coordinate activities with the Group's Chief Compliance Officer and Chief Audit Officer.

Nykredit stores personal data in compliance with the legislation and regulation in force from time to time.

9. Assistance from third parties and outsourcing

Nykredit may delegate the collection of certain customer due diligence data to a third party or contractually outsource tasks to be completed for the purpose of meeting regulatory requirements to a supplier or business partner. In such cases, Nykredit must ensure that the contract is in accordance with outsourcing rules in force from time to time and that the outsourcing arrangement on the whole complies with the Nykredit Group Outsourcing Policy.

Nykredit must further ensure that the third party meets the customer due diligence requirements, that storage of data complies with the requirements of all legislation in force from time to time, and that the supplier has the required permits, skills and resources to perform the task in a satisfactory manner.

The outsourced service must be subject to ongoing control, and management reporting thereon must be made at least once a year.

Nykredit's procedures and the process for third-party assistance are set out in the Executive Board guidelines for the prevention of financial crime.

Notwithstanding the above, Nykredit is responsible for compliance with the regulatory requirements.

10. Breach of the Policy

A breach of the Policy may be caused by a material event or one or more systematic events which may compromise, or have compromised, Nykredit in terms of compliance with regulatory requirements or other parts of the Policy or may expose, or have exposed, Nykredit to material risks that have not been, or cannot be, prevented through existing measures.

The AML Responsible Officer must immediately be informed of any breach of the Policy, so that measures can be taken to address the specific event and prevent similar events from occurring.

11. Reporting to the Board of Directors

In case of major operational risk events, including identified cases involving a risk of reputational loss and identified breaches of the Policy, see 10 above, the AML Responsible Officer will inform the Group Chief AML Officer as well as the Chief AML Officer of the Group company relevant to the case.

Together with the Chief AML Officers, the AML Responsible Officer will decide how the Group company's Board of Directors and the Group Board of Directors should be notified.

The Executive Board submits an annual report to the Board of Directors, assessing whether the Policy has been complied with and whether Nykredit's financial crime risk remains within the risk appetite defined by the Board of Directors.

The Executive Board may delegate reporting to the Board of Directors to the AML Responsible Officer as Policy owner.

12. Review and approval of the Policy

The Policy is updated in accordance with Nykredit's internal procedures, including where the AML Responsible Officer determines that changes to regulations, the organisation or internal processes warrant an update.

Following the Board of Directors' approval of the Policy, it will be published in Danish and English on Nykredit's website.