



finance  
initiative

Principles for  
**Responsible Banking**

# Responsible Banking Progress Statement for PRB Signatories



# Supplements templates

## Nykredit 2026

### Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

#### Business model

Describe (high-level) your bank's business model, including the main business lines, customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, business areas or by disclosing the number of customers and clients served.

#### About Nykredit

Nykredit is a Danish financial provider. Nykredit is predominantly owned by an association, Forenet Kredit, which represents our customers. The Group's activities lie within the areas of mortgage lending, banking, investment, insurance, leasing, estate agency business etc.

Nykredit primarily operates in Denmark. Nykredit is the largest lender in Denmark with a total market share of 37.1%, the largest lender to homeowners and one of the largest lenders to small and medium-sized businesses, the agricultural sector and the housing sector. We also have minor activities in Sweden, Germany, Spain, Greenland, Finland, the UK and France.

Our core business is mortgage lending and banking. Thanks to our alliance with Totalcredit's 35\* Danish partner banks, the Group is Denmark's largest provider of mortgage loans with a 46.1% market share. The Totalcredit alliance allows banks, small and large, to offer their customers affordable and secure mortgage loans across Denmark. Our market share of bank lending has increased to 13.7% because of the merger with Spar Nord in 2025. Lending to the retail segment accounts for around 80% of the loan book, while the corporate segment accounts for around 20%.

#### Links & references

See "Nykredits Strategy" on page 12-13 of Nykredit's Annual Report 2025

#### Strategy alignment

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the forthcoming instrument on plastic pollution etc. Include any other national and/or regional frameworks that your bank has a strategy to align with where relevant.

## **Sustainability and corporate responsibility in Nykredit**

It is a natural part of Nykredit's responsibility as a customer-owned financial provider, the largest lender and one of the largest wealth managers in Denmark to contribute to solving the challenges faced by society and achieving the goals of society. Including the UN's 17 Sustainable Development Goals (SDGs), the Paris Agreement and Denmark's ambitions in the area of the green transition.

That is why sustainability is embedded in Nykredit's Group strategy, Winning the Double 2.0, with a clear objective regarding Nykredit's corporate responsibility: "Nykredit wants to be the customer-owned, responsible financial provider for people and businesses all over Denmark." The objective is specified in the Group's corporate responsibility strategy. The strategy consists of an overall framework ("A customer-owned Nykredit"), three prioritised initiatives (climate, agriculture and security) and a foundation ("responsible business practices").

### **A customer-owned Nykredit – present all over Denmark**

At the core of Nykredit's corporate responsibility commitment lies the mutual ownership and the Group's pledge to society to have a presence all over Denmark and support growth – in urban and rural districts alike. Through the good times and the bad. This is a pledge that places demand on the Group's business model, profitability, capital structure, credit policy and lending practices. Totalcredit's partnership enables strong local presence, and the Totalcredit partner banks' insight into local conditions makes it possible to support growth and progress in the Danish local communities through financing and local engagement. The merger with Spar Nord Bank strengthens the ability to make an active contribution to local cohesion.

### ***Climate – mitigation and adaptation***

Nykredit sees it as an obligation to contribute to both climate change mitigation and adaptation and has set ambitious targets for the greenhouse gas emissions associated with the Group's operations, which is aligned with the goals of the Paris Agreement and SDG 13. Nykredit can make the greatest difference together with our customers, which is why the main focus of our efforts is to develop value propositions and advisory services that help customers reduce their carbon footprint and adapt to flooding and other weather-related events. At the same time, through targeted dialogue and stewardship Nykredit is trying to influence the companies we lend to and invest in to move in a more climate-friendly direction. Nykredit is also working to reduce its own climate footprint, for example by reducing energy consumption and switching to renewable energy sources.

### **Agriculture – aquatic environment, nature and food security**

As one of the largest lenders to the agricultural sector, Nykredit will support the conversion and transformation of Denmark's land and of food and agricultural production. Nykredit will develop value propositions and offer agricultural customers advice to help ensure that Danish agriculture remains balanced economically, environmentally and climatically in the future, see also SDGs 14 and 15.

### **Security – contingency measures and security of supply**

The security policy situation has changed the current threat picture. This means that Denmark and Europe increasingly need to take responsibility for their own security. As a key player in society, Nykredit can and will contribute to greater societal resilience. Nykredit aims to increase financing and investment in defence and contingency measures and strengthen customers' resilience and ability to act in an environment characterised by geopolitical turmoil, increasing risk of hybrid attacks and strengthened regulation. Nykredit aims to support security of supply through continued financing of the necessary investments in energy and infrastructure and contribute to the work of the entire financial sector to ensure a robust financial infrastructure.

### **The foundation – responsible business practices**

As a financial provider, Nykredit makes decisions every day that have long-term impacts on our customers and society. It is therefore fundamental that our advice, products and services are responsible,

both in a societal context and relative to the individual customer. This requires an organisation that is well organised in all areas to act responsibly and appropriately. This entails that Nykredit must be able to manage ESG-related risks, guard against financial crime and money laundering and ensure processes for responsible products and advisory services. At the same time, Nykredit has an obligation to act responsibly towards the Group's employees, including regarding diversity and inclusion, see also SDG 5.

Links & references

See "Basis for reporting" on page 90 of Nykredit's Sustainability Statement 2025

## Principle 2: Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

### Impact Analysis

Show how your bank has identified, prioritized and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target-setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include assessment of the relevance of the four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector](#), as part of its initial or ongoing impact analysis.

### Material impact areas

Nykredit has identified two material impact areas, which are also reflected in the Group's strategy:

- A customer-owned Nykredit – present all over Denmark
- Climate – mitigation and adaptation.

These two impact areas, which Nykredit has prioritised within the PRB framework, have also been identified as material in Nykredit's CSRD materiality assessment for 2025. This supports our strategic focus and ensures that our efforts are targeted at the areas where Nykredit has the greatest potential to make a positive difference.

The identified impact areas are specifically related to the following impacts in the materiality assessment:

- ESRs E1: Climate change mitigation
- ESRs S4 – The right to adequate housing.

### Conclusion

The two material impact areas "A customer-owned Nykredit – present all over Denmark" and "Climate mitigation and adaptation" reflect both Nykredit's strategic priorities and the results of the CSRD materiality assessment. This ensures a strong link between our previous strategic efforts, our role in society and our contribution to sustainable development.

### Double materiality assessment

Nykredit has conducted a double materiality assessment in accordance with the principles and requirements of ESRs. For the double materiality assessment, Nykredit applied UNEP FI's Portfolio

Impact Analysis Tool in 2025 to assess impacts across E, S, and G. Nykredit has identified material impacts, risks and opportunities within four ESRS standards:

- ESRS E1 – Climate change
- ESRS S1 – Own workforce
- ESRS S4 – Consumers and end-users
- ESRS G1 – Business conduct.

Further information about targets, scope, methodology and results is described in further detail in Nykredit's Sustainability Statement 2025.

#### Links & references

See " Sustainability Statement" on pages 98- 99 of Nykredit's Sustainability Statement 2025

#### Targets, Target Implementation, and Action Plans/Transition plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans/ Transition plans and Milestones.

Banks are encouraged to disclose information regarding actions they are taking in four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector \(2024\)](#).

#### Climate Transition Plan

Nykredit's ambition is to achieve net zero GHG emissions from our lending, investments and operations by 2050 and for emissions to be on a path that is aligned with the goals of the Paris Agreement and SDG 13. This ambition has been formalised by joining three acknowledged, global initiatives:

- The Science Based Targets initiative (SBTi) – joined in October 2022 (covers the entire Nykredit Group)
- The Net Zero Banking Alliance (NZBA) – joined in October 2022 (covers the loan portfolio)
- The Net Zero Asset Managers initiative (NZAM) – joined in March 2021 (covers the investment portfolio).

Nykredit's climate targets are consolidated in a framework that covers the most important areas of the business and is divided into six focus areas: owner-occupied dwellings, real estate, agriculture, businesses and energy, investments and Nykredit (own operations).

The targets have been set in accordance with relevant methodologies under the SBTi, NZBA and NZAM and were validated by the SBTi in 2024. In 2024, Nykredit published an updated transition plan towards 2030, outlining carbon reduction targets, planned actions and significant external dependencies. The transition plan and the climate targets have been approved by the Board of Directors and support the Group's *Winning the Double 2.0* strategy.

#### Diversity and inclusion

At Nykredit, we regard diversity and inclusion as important prerequisites for operating a sound business with customer centricity, team spirit and drive, to the benefit of our customers, colleagues and society. Nykredit works with diversity and inclusion through initiatives targeted at both current and future employees, including in recruitment processes and particularly by ensuring gender equality in line with SDG 5. This is intended to support Nykredit's long-term ambition for gender balance, with a 2030 target of 55% male and 45% female managers in the Nykredit Group, along with a long-term goal of achieving gender balance. When the merger with Spar Bank Nord is completed in Q2 2026, the target figures will be reassessed. The current gender distribution by management level is 35%. The annual colleague engagement survey measures themes related to working conditions, well-being at work and job engagement, including employees' experience of diversity and inclusion, among other things.

### **Equal pay for equal work**

The primary purpose of Nykredit's pay structure is to ensure greater transparency and objectivity in salaries across the Group by clarifying the connection between pay, job contents, skills and performance for employees, see also SDG 5. Pay gaps between the genders are measured and monitored on an ongoing basis, determined according to position impact ranking, which can, among other things, support individual managers in their decision-making regarding pay adjustment processes and hiring.

### **Links & references**

Details on the approach and key actions, progress on climate targets and advancement for the various focus areas can be found under "Climate change" on pages 101-105 of Nykredit's Sustainability Statement 2025.

See "Nykredit's employees" on page 132 of Nykredit's Sustainability Statement 2025

## Principle 3: Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

### Client and Customer engagement

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on the client engagement strategy including but not limited to the impact areas identified/ targets set, awareness raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

### Approach and key actions

It is essential for Nykredit that our advice, products and services are responsible, both in a societal context and relative to the financial position of the individual customer. Nykredit helps customers make green choices through targeted products and services across our lending and investment activities, by setting requirements and expectations for customers and exercising stewardship. Nykredit's transition plan demonstrates our commitment to achieving our ambition of addressing adverse climate impacts. Here are a few concrete examples:

- *Initiatives targeted personal customers*

Nykredit's efforts targeting owner-occupied dwellings focus primarily on replacing fossil-based heating systems and improving energy efficiency, in areas where the Group is best equipped to address material impacts. By having targeted dialogues with customers and offering attractive value propositions and solutions, Nykredit encourages homeowners to make energy efficiency improvements and replace heat sources. Thanks to contributions from the Group's majority shareholder, Forenet Kredit, both Nykredit Bank and Totalkredit have launched products and solutions that support this. The Bank has also launched a special car loan that encourages customers to buy an electric car rather than a traditional car.

- *Transition plan for business customers*

In the business customer area, Nykredit has increased its focus on helping customers understand and improve their ESG profile. A credit assessment is carried out for all business customers and incorporates ESG factors, including a review of the customer's compliance with Nykredit's Fossil Fuels Policy. The credit assessment is carried out on two primary parameters: "environmental impact" (E) and "integrity" (S and G). For larger corporate clients, a more in-depth analysis of the client's Climate Transition Plan is conducted. Nykredit expects its largest customers to measure their carbon footprint, set reduction targets, implement reduction initiatives and initiate energy labelling of the buildings. These expectations are included in the dialogue with customers and as an element of credit assessment.

- *Stewardship and sustainable investments*

Nykredit adheres to the International Energy Agency's (IEA) guidelines on transition and generally excludes companies that expand their fossil fuel production in violation of the IEA's Net Zero Emissions 2050 scenario and lack a credible transition plan. Generally, we exclude companies that derive more than 5% of their revenue from thermal coal extraction and coal-based energy production and companies that derive more than 5% of revenue from unconventional oil and gas and drilling in the Arctic.

Nykredit also engages with companies that the Group invests in, both on its own behalf and on behalf of its customers, and which are assessed to have a heightened climate risk. Engagements focus on factors such as transition plans, climate targets, transparency and resource consumption. Nykredit views stewardship as crucial, using engagement, monitoring and voting to encourage companies to address key ESG issues.

- **Training of advisers**

Nykredit's initiatives also include skills enhancement and learning programmes for Nykredit's banking advisers, enabling them to better integrate sustainability into their dialogue with customers. Since 2022, Nykredit has provided basic sustainability e-learning to all employees and managers at Nykredit. At the same time, learning programmes aimed at employees in specific job functions in Nykredit have been developed. This includes training in sustainable customer dialogue for all customer-facing employees in business banking and the majority of customer-facing employees in personal banking in Nykredit Bank with specialised training for agricultural advisers.

### **Sustainability policies**

Nykredit's Sustainability and Corporate Responsibility Policy set the framework for integration of environmental, social and governance considerations into the Group's activities. The policy has been prepared in accordance with applicable legislation and international conventions. The majority of Nykredit's internal and external policies and guidelines contribute to the implementation of the Group's ESG initiatives in a range of different areas. Emphasis is placed on the Corporate Culture Policy, the Credit Policy, the Non-Financial Risk Policy, the Fossil Fuels Policy, the Sustainable Investment Policy, the Stewardship Policy, the Whistleblowing Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Group Procurement Policy. The Group's Code of Conduct specifies a number of the matters mentioned in the policies.

#### **Links & references**

See "Climate change" on pages 101-127 of Nykredit's Sustainability Statement 2025

See [Policies](#)

#### **Response**

### **Business opportunities**

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio,\* and which SDGs or impact areas you bank is striving to make a positive impact on (e.g. green mortgages—climate, social, sustainability bonds—financial inclusion, etc.).

\* Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes

### **Climate Transition Plan – climate change mitigation**

Nykredit's primary adverse impact on the climate arises from carbon emissions to which the Group is indirectly linked through loans and investments. The emissions are primarily related to the financing of real estate and agriculture in Denmark as well as investments across sectors globally. Nykredit calculates and publishes the Group's carbon footprint on an ongoing basis, which forms the basis for the Climate Transition Plan, the climate targets and work on climate-related risks.

The transition plan towards 2030 consists of a number of actions designed to collectively support the achievement of Nykredit's climate targets. The realisation of the targets depends to a large extent on borrowers and investee companies reducing their carbon emissions. The actions are divided into four categories:

**Value proposition:** We provide loans for and invest in assets that contribute to the green transition and offer green benefits that incentivise customers to make green choices. Several of the value propositions are sponsored by Forenet Kredit.

**Policies and terms:** We prepare policies, prices and product terms that reflect Nykredit's ambitions and climate-related risks.



**Involvement:** We enter into proactive dialogue with borrowers about their green transition plans and need for financing. Nykredit exercises active ownership of investee companies.

**Stakeholders and partnerships:** We collaborate with industry organisations, NGOs, authorities and other stakeholders on solutions and activities that promote climate change mitigation.

### **Climate change adaptation**

As Denmark's largest lender, Nykredit is strongly committed to providing financial security for customers, while mitigating climate-related risks that could impact Nykredit. At the same time, demand for solutions aimed at ensuring climate change adaptation is increasing, creating growing commercial opportunities for Nykredit. Climate change adaptation is therefore an absolutely central, and increasingly important, part of Nykredit's overall prioritised climate efforts.

Due to Denmark's long coastline, geographical location and generally high groundwater level, damage by water is the key physical risk to Danish properties. Nykredit's assessment of and work related to physical risks are therefore based on climate events related to groundwater rises, coastal erosion and flooding from the sea and from rainfall.

To address climate-related challenges and seize commercial opportunities, Nykredit is providing customers with advice and relevant products, while also enhancing its own tools for monitoring and calculating impacts, for instance through a strengthened data basis and more accurate property valuations.

### **Advice and value propositions**

Nykredit is making targeted efforts to integrate climate risks into its advisory services for customers and to develop and expand value propositions across both Nykredit Bank and Totalkredit.

Today, Totalkredit offers climate check-ups at a favourable price, where impartial consultants guide customers on how to protect both their home and land from the increasingly wet and extreme weather. In addition, Nykredit Bank offers several products that support customers' investments in climate change adaptation. For instance loans for climate proofing at advantageous loan terms for, for example, installation of subsurface drainage systems and groundwater pumps, or a savings account for climate-proofing the home with attractive bonus interest rates on savings. Nykredit has also established a collaboration with Rambøll, enabling Nykredit's real estate customers to access advice from Rambøll on improving a property's environmental performance.

### **Taxonomy Regulation**

Since 2021, Nykredit has reported on the proportion of the activities financed by Nykredit through loans and investments that qualify as eligible under the Taxonomy Regulation ("taxonomy eligibility"). From 2023, Nykredit reported on the proportion of the activities financed by the Group that are classified as being in alignment with the taxonomy ("taxonomy aligned"). The alignment reporting so far only concerns the two climate targets.

### **Green Asset Ratio (GAR)**

The main KPI in financial institutions' taxonomy reporting is the so-called Green Asset Ratio (GAR), which calculates the proportion of Nykredit's total assets that align with the taxonomy criteria for sustainable economic activities. Nykredit has compiled the most important information on page 154 of Nykredit's Sustainability Statement 2025.

As at year-end 2025, Nykredit had a total GAR of 7.65% measured by revenue, representing a decrease from 8.12% in the previous year. The decrease is attributable to the inclusion of Spar Nord Bank's balance sheet.

Links & references

Nykredit's Climate Transition Plan 2024

See page 101-127 of Nykredit's Sustainability Statement 2025

## Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

### **Stakeholder identification and consultation**

Describe which stakeholders (or groups/types of stakeholders) your bank has identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of the bank's engagement strategy following criteria for effective engagement and advocacy, how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

### **Identifying and involvement of stakeholders**

Stakeholder involvement is a key part of Nykredit's work on implementing the Principles for Responsible Banking and strengthening our positive impact on customers, owners and society. An ongoing, open dialogue with stakeholders strengthens the understanding of their needs and expectations. At the same time, the dialogue helps to qualify Nykredit's strategy, business model and priorities, whether it is about supporting the green transition, being an attractive workplace or ensuring equal and fair access to financing and home loans throughout Denmark.

### **Coordination across the organisation**

Ongoing coordination takes place across Nykredit's organisation and management in order to provide information on the views and interests of the relevant stakeholders. Coordination across the organisation ensures that Nykredit can adapt to new political proposals and initiatives, new guidelines and recommendations from authorities, and requests from key partners etc.

Nykredit engages customers through advisory meetings, ESG tools and customer satisfaction surveys; employees through staff satisfaction and working environment surveys as well as formal collaboration forums; and the owner Forenet Kredit through close strategic and operational cooperation. In addition, there is ongoing dialogue with authorities, politicians, trade organisations and NGOs about regulation, joint solutions and sustainability initiatives. Insights from our stakeholder dialogue are systematically included in the bank's decision-making and action processes and used to prioritise initiatives and assess risks and opportunities.

For a detailed description of our approach, organisation and key stakeholders, see page 97 of Nykredit's Sustainability Statement.

### **Links & references**

See "Stakeholders" on page 97 of Nykredit's Sustainability Statement 2025

## Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

### Governance Structure for Implementation of the Principles

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts (including accountability at the executive leadership level, clearly defined roles and responsibilities for sustainability matters in internal processes, etc.) and support the effective implementation of the Principles.

### Organisation

Governance in the area of sustainability follows the Group's overall governance structure, which is described under Governance and management on page 93 of Nykredit's Sustainability Statement 2025 (also see page 78 onwards in *Organisation and management*). In addition, special management and responsibility processes have been established to support our sustainability activities.

A central, coordinating ESG unit within the Group's strategy function is responsible for preparing the Group-wide strategy, acts as a competency unit for the entire Group and works with both strategy development and the specific implementation in close collaboration with the relevant business unit. Relevant business areas and specialist functions are represented in a coordinating forum, with the aim of prioritising and coordinating ESG activities in the Group for the benefit of both customers and society.

### Board involvement

The Board of Directors has constant focus on sustainability, including impacts, risks and opportunities. In 2025, the Board of Directors included sustainability in a number of agenda items, including:

- *ESG Transition Plan*  
Pursuant to the Capital Requirements Directive (CRD6) and the EBA guidelines in this context, the Board of Directors has approved the internal transition plan related to ESG risk management.
- *Energy and infrastructure*  
The Board of Directors has discussed various elements of Nykredit's strategy for the business area Energy and infrastructure, which addresses opportunities and risks in relation to climate change mitigation.
- *Sustainability and Corporate Responsibility Policy*  
The Board of Directors has approved the new policy as a result of the rebalancing of the Group's corporate responsibility strategy. The policy sets the framework for integration of environmental, social and governance considerations into the Group's activities.
- *Fossil Fuels Policy*  
The Board of Directors has approved the annual update of the policy. This item relates to Nykredit's adverse impacts, risks and opportunities in relation to climate change mitigation.

### Links & references

See "Basis for reporting" on page 93 of Nykredit's Sustainability Statement 2025

### Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Nykredit promotes a culture of responsible banking through clear expectations for behaviour, upskilling and ongoing dialogue on responsible business practices. Responsibility is supported through policies, training and business procedures, as well as a focus on the prevention of financial crime.

### **Corporate Culture Policy**

To underpin the safe and open culture, Nykredit has a Corporate Culture Policy. The policy outlines two overarching principles in relation to promoting a healthy corporate culture: responsible business practices and a safe and open culture. The two principles are supported by four behavioural skills, which set the direction for the kind of company we want to be in our capacity of a customer-owned employer: customer centricity, team spirit, drive and responsibility. The policy is supplemented by Nykredit's Code of Conduct, and it is supplemented and supported by the other Nykredit Group policies adopted by the Board of Directors. All Nykredit employees are covered by the policy.

The Board of Directors oversees the policy and regularly – at least once a year – assesses whether the policy is appropriate relative to Nykredit's activities, organisation and resources as well as the market conditions under which Nykredit's activities are operating.

### **Initiatives to combat financial crime**

Nykredit is continuously strengthening monitoring, controls and processes so as to have an effective safeguard at all times against misuse of the Nykredit Group's products and services for purposes of money laundering, terrorist financing or breach of financial sanctions. This work is structured around the policy for the area and is broadly integrated in the Group, including through the appointment of an AML Responsible Officer at Executive Board level, who is responsible for ensuring managerial integration of and focus on the prevention of money laundering, terrorist financing and breaches of financial sanctions within the Group Executive Board and the Executive Boards of the Group companies. The Nykredit Group also has an AML Responsible Officer covering all relevant Group companies.

Nykredit employees are required by law to complete annual and relevant learning programmes in anti-money laundering and other kinds of financial crime. The learning programmes are compulsory and case-based. They are offered to all employees according to their job profile, including the Executive Board and the Board of Directors. Five cases were offered in 2025, including in the areas of prevention of trade-based money laundering, money laundering through cryptocurrency and corruption. The completion rate for all employees was 98% in 2025.

### **Whistleblower scheme**

Nykredit has a Whistleblowing Policy and an online whistleblower scheme where all colleagues can anonymously report suspected irregularities and violations or potential violations of financial regulation, legislation or Nykredit's policies and guidelines, including with respect to sensitive issues such as sexism.

The whistleblower scheme is a supplement to existing structures at Nykredit where colleagues can, and are encouraged to, mention irregularities to their manager or Nykredit's management. Any such reports will first reach an external attorney, who will screen the report and then share it with the Head of Compliance, the Head of Internal Audit and the Chair of Nykredit's Board Risk Committee. All disclosures made in good faith are protected from any form of reprisal.

#### **Links & references**

See "Sound corporate culture" on pages 138 - 140 of Nykredit's Sustainability Statement 2025

See [Nykredit' Corporate Culture Policy](#)

### **Risk and due diligence processes and policies**

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures your bank has in place to oversee these risks.

### **ESG due diligence**

Nykredit's approach to due diligence reflects a basic expectation that customers take responsibility for their impacts on E, S and G. In addition, Nykredit's approach is to impact investments and customer relationships where Nykredit may best contribute to sustainable transition.

- *Due diligence in the investment process:*

With regard to own funds, the first step in the investment process is to exclude companies that, for example, produce controversial weapons and companies that continuously do not comply with international conventions or Nykredit's Fossil Fuels Policy. Screenings are regularly conducted to assess whether companies should be excluded, for example if the company has made acquisitions that mean that it no longer meets Nykredit's ESG requirements or no longer complies with international conventions. As a responsible asset manager, Nykredit attaches importance to stewardship as a means to steering companies in a more sustainable direction. Nykredit has developed a set of voting principles with a focus on areas such as climate, diversity and good board conduct. In 2025, Nykredit cast its votes at 99% of all general meetings. Nykredit regularly engages with investee companies about improved environmental initiatives, better conditions for employees etc. Nykredit also participates in collaborate engagements with other institutional investors through Climate Action 100+, among other initiatives.

All investments are approved by an internal committee that ensures that ESG standards are met. Moreover, Nykredit makes investments on behalf of its customers through a number of specialised external investment fund managers. Prior to any collaboration, it is assessed whether the individual manager matches Nykredit's strategy and values, not least in relation to sustainability.

- *Credit due diligence – business customers*

All business customers are subject to credit assessment, which among other things, includes an assessment of the customer's ESG factors, including a screening of whether the customer meets Nykredit's Fossil Fuels Policy. The credit assessment of the customer's ESG factors is carried out on two primary parameters: "environmental impact" (E) and "integrity" (S and G). Integrity is assessed based on the company's focus on social conditions in its value chain. The credit assessment of ESG factors is based on recognised standards, including EBA standards and the EU taxonomy. Among other things, the customer's carbon emissions, planned reduction measures and climate targets are examined, including possible validation of the Science Based Targets initiative. The assessment is developed as new data becomes available and new concepts are introduced.

- *Sustainability risks and governance*

Sustainability-related risks are managed as an integral part of the Group's risk management and are included in the relevant Group policies and control frameworks. The management of ESG risks is continuously developed and matured in line with improved data availability and design of guidelines in the sector. Pursuant to the Capital Requirements Directive (CRD VI) and the EBA guidelines in this context, the Board of Directors approved the internal transition plan in 2025. Governance of ESG-related policies is overseen by the Board of Directors and Executive Board, and relevant international principles and conventions are integrated into the Group's policies and business processes.

#### Links & references

See "Governance" on page 93 and "Due diligence" on page 94 of Nykredit's Sustainability Statement 2025

See "Internal control and risk management systems" on page 86 – 88 of Nykredit's Sustainability Statement

## Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

The information provided in the Responsible Banking Progress Statement is sufficient. If third-party assurance has been undertaken, provide details on the scope of assurance and the reference/link to the Independent (Limited) Assurance Report

### **Corporate Sustainability Reporting Directive (CSRD)**

The Nykredit Group's sustainability reporting complies with the EU's Corporate Sustainability Reporting Directive (CSRD) and the underlying standards as well as other applicable legislation and guidelines. The Sustainability Statement covers the Nykredit Group's sustainability work in the period 1 January 2025 – 31 December 2025. There have not been any significant methodological changes compared to 2024.

### **Independent auditor's limited assurance report**

The accounting firm EY has reviewed the Sustainability Statement of the Nykredit Group as presented in the Management Commentary on pages 89 – 173 for the financial year 1 January – 31 December 2025. This also includes information mentioned by reference on page 186. The limited assurance report from EY supports Nykredit in ensuring transparency and compliance with relevant requirements and principles within sustainability reporting.

### Links & references

See "Basis for reporting" on page 90 of Nykredit's Sustainability Statement 2025